Instone Group

Instone Real Estate Group SE

Half-year financial report H1 2024

30 June 2024

Key indicators

In millions of euros

		6M 2024	6M 2023
Key performance indicators			
Volume of sales contracts		121.9	71.1
Volume of new approvals[1]		263.6	0.0
Revenues adjusted		255.4	279.5
Key earnings figures			
Gross profit adjusted		65.6	72.2
Gross profit margin adjusted	In %	25.7	25.8
EBIT adjusted		33.4	43.3
EBIT margin adjusted	In %	13.1	15.5
EBT adjusted		27.8	33.3
EBT margin adjusted	In %	10.9	11.9
EAT adjusted		20.5	23.9
EAT margin adjusted	In %	8.0	8.6
Key liquidity figures			
Cash flow from operations		19.3	-40.4
Cash flow from operations without new investments		21.1	-30.7
Free cash flow		28.4	-35.8

[1] Excluding volume of approvals from joint ventures consolidated at equity.

Key indicators

TABLE 001

In millions of euros

		30/06/2024	31/12/2023
Key performance indicators			
Project portfolio		7,124.9	6,972.0
Key balance sheet figures			
Total assets		1,925.9	1,839.6
Equity		578.8	576.0
Carrying amount per share[1]		13.23	13.29
Cash and cash equivalents[2]		254.6	267.7
Net financial debt[3]		204.2	186.8
Leverage[4]		2.5	2.1
Loan-to-cost[5]	In %	15.8	15.1
ROCE adjusted[6]	In %	10.0	10.3
Employees			
Number[7]		420	468
FTE[8]		343.5	382.5

[1] Based on 43,322,575 shares as at 30/06/2024 and 31/12/2023 respectively.

[2] Excluding €160.0 million (31 December 2023: €115.9 million) in restricted cash and cash equivalents from the "Westville" project subsidised loan.

[3] Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the €111.1 million (31 December 2023: €78.1 million) subsidised loan.

[4] Leverage = net financial debt/12-month EBITDA adjusted.

[5] Loan-to-cost = net financial debt/(inventories + contract assets).

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

[7] Average number of employees including trainees, interns and student trainees.

[8] Full-time equivalent.

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INTERIM GROUP MANAGEMENT REPORT

Results of operations, net assets and financial position

Cumulative financial key performance indicators TABLE 002

In millions of euros

		6M 2024	6M 2023	Change in %
Revenues adjusted[1]		255.4	279.5	-8.6
Gross profit adjusted		65.6	72.2	-9.1
Gross profit margin adjusted[1]	In %	25.7	25.8	
EBIT adjusted		33.4	43.3	-22.9
EBT adjusted		27.8	33.3	-16.5
EAT adjusted[1]		20.5	23.9	-14.2

[1] 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 and changes in inventories form project costs.

→ 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.

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

		6M 2024	6M 2023	Change in %
Revenues adjusted		255.4	279.5	-8.6
Project costs adjusted		-189.8	-207.3	-8.4
Gross profit adjusted		**65.6**	**72.2**	**-9.1**
Gross profit margin adjusted	**In %**	**25.7**	**25.8**	
Platform costs adjusted		-36.9	-33.0	11.8
Share of results of joint ventures adjusted		4.7	4.1	14.6
Earnings before interest and tax (EBIT) adjusted		**33.4**	**43.3**	**-22.9**
EBIT margin adjusted	**In %**	**13.1**	**15.5**	
Financial result adjusted		-5.7	-10.0	-43.0
Earnings before tax (EBT) adjusted		**27.8**	**33.3**	**-16.5**
EBT margin adjusted	**In %**	**10.9**	**11.9**	
Income taxes adjusted		-7.3	-9.4	-22.3
Earnings after tax (EAT) adjusted		**20.5**	**23.9**	**-14.2**
EAT margin adjusted	**In %**	**8.0**	**8.6**	

- 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.

Revenue

Adjusted revenue in the first half of 2024 amounted to €255.4 million, (previous-year period: €279.5 million), around -8.6% 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 €1.1 million (previous-year period: €1.5 million). The separate valuation of share deals ("Westville" project) increased the adjusted revenue by €38.0 million (previous-year period: €37.9 million).

Revenue TABLE 004

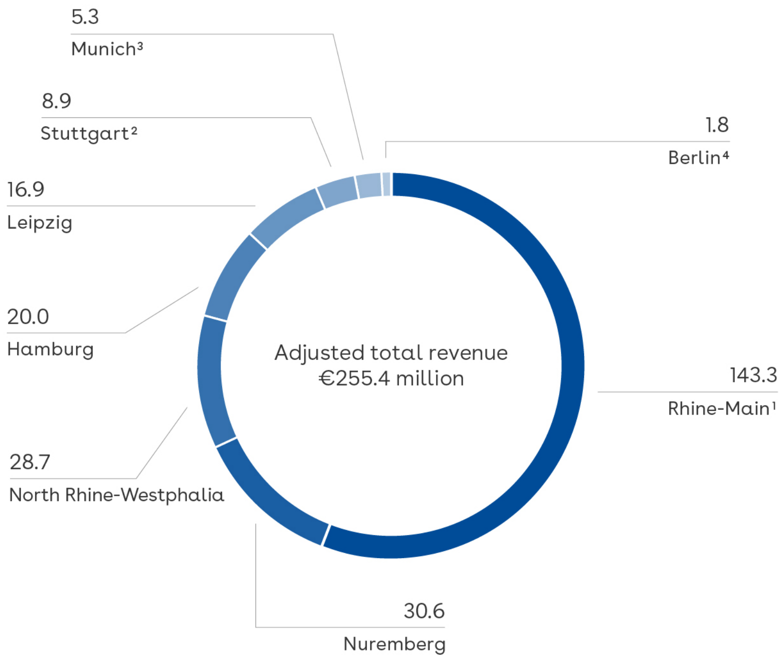
In millions of euros

	6M 2024	6M 2023	Change in %
Revenue	**216.3**	**240.0**	**-9.9**
+ effects from purchase price allocations	1.1	1.5	-26.7
+ effects from share deal agreements	38.0	37.9	0.3
Revenues adjusted	**255.4**	**279.5**	**-8.6**

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 6M 2024 FIGURE 001

In millions of euros



[1] Includes Frankfurt / Main, Wiesbaden, Maintal and Heusenstamm.

[2] Includes Rottenburg and Schorndorf.

[3] Includes Augsburg and Rosenheim.

[5] Includes Potsdam.

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 €-189.8 million (previous-year period: €-207.3 million). The lack of land purchases and the reduced construction activity compared to the same period of the previous year led to a reduction in the cost of materials to €-201.5 million (previous-year period: €-270.1 million). The decrease in changes in inventories to €39.7 million (previous-year period: €95.7 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 €-0.8 million (previous-year period: €-1.1 million) and material cost-related other operating income of €10.8 million (previous-year period: €6.2 million), of which €9.4 million from grants, were allocated to adjusted project costs in the first half of 2024. The adjustment of the capitalised interest in the changes in inventories of €-6.1 million (previous-year period: €-5.4 million) was added to the adjusted project costs. Effects from the amortisation of purchase price allocations reduced adjusted project costs by €6.8 million (previous-year period: €0.6 million). Due to the separate valuation of share deals, adjusted project costs again increased by €-38.8 million (previous-year period: €-33.1 million).

Project costs TABLE 005

In millions of euros

	6M 2024	6M 2023	Change in %
Project costs	**-161.8**	**-174.4**	**-7.2**
+ effects from purchase price allocations	6.8	0.6	n/a
+ effects from reclassifications	4.0	-0.4	n/a
+ effects from share deal agreements	-38.8	-33.1	17.2
Project costs adjusted	**-189.8**	**-207.3**	**-8.4**

Gross profit

Adjusted gross profit, with gross profit margins remaining unchanged, amounted to €65.6 million (previous-year period: €72.2 million), behind the previous year.

Gross profit TABLE 006

In millions of euros

	6M 2024	6M 2023	Change in %
Gross profit	**54.6**	**65.6**	**-16.8**
+ effects from purchase price allocations	7.9	2.2	259.1
+ effects from reclassifications	4.0	-0.4	n/a
+ effects from share deal agreements	-0.8	4.8	n/a
Gross profit adjusted	**65.6**	**72.2**	**-9.1**

The adjusted gross profit margin – calculated from the adjusted gross profit relating to the adjusted revenue – amounted to 25.7% in the reporting period (previous-year period: 25.8%). In the following two quarters, we expect a scheduled decrease in the gross profit margin overall based on the mix of projects.

Platform costs

Adjusted platform costs deteriorated to €-36.9 million compared to the previous-year period (previous-year period: €-33.0 million). This is essentially the result of an increase in costs for warranties in the amount of €2.2 million and of increased staff costs related to the valuation of the provision for the share-based remuneration in the amount of €1.9 million as a result of the increased average share price applicable for the valuation. In the reporting period, indirect sales costs of €0.7 million and material cost-related other operating income in the amount of €10.8 million were reclassified as project costs and other non recurring effects were adjusted in the amount of €0.3 million.

Platform costs TABLE 007

In millions of euros

	6M 2024	6M 2023	Change in %
Platform costs	**-27.1**	**-29.7**	**-8.8**
+ effects from reclassifications	-10.1	-5.1	98.0
+ non recurring effects	0.3	1.8	-83.3
Platform costs adjusted	**-36.9**	**-33.0**	**11.8**

At €-25.1 million, reported staff costs fell in the first half of 2024 compared with the previous year's level (previous-year period: €-25.9 million) – a year-on-year decrease of around -3%. Ongoing staff costs decreased by 11.5% compared to the same period of the previous year due to the structural reorganisation measures introduced. This development was mainly compensated for by the increased provision in connection with share-based remuneration due to the higher average share price applicable for the valuation.

The reported other operating income, at €16.4 million (previous-year period: €13.5 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 €10.8 million (previous-year period: €6.2 million), which were reclassified as project costs. Included in this in particular is income from the realisation of grants of €9.4 million (previous-year period: €5.6 million). In addition, income was realised from the reversal of provisions and project-related liabilities released and other liabilities in the amount of €2.8 million (previous-year period: €1.0 million). In the previous-year period, one-off income in the amount of €2.8 million was reported from the deconsolidation of a subsidiary.

The reported other operating expenses increased to €-15.8 million in the reporting period (previous-year period: €-14.8 million). Other operating expenses mainly include costs for warranties, consulting expenses, sales costs, IT costs and court costs, attorneys' and notaries' fees.

The reported depreciation and amortisation was €-2.6 million (previous-year period: €-2.5 million), a slight increase compared with the previous year.

Share of results of joint ventures

The adjusted share of results from joint ventures of €4.7 million (previous-year period: €4.1 million), which matches the reported earnings, was mainly attributable during the financial year to construction activities and the sale of the Berlin joint venture Friedenauer Höhe, and reflects the expected development of this project.

Earnings before interest and tax (EBIT)

At €33.4 million, adjusted earnings before interest and tax fell according to plan compared to the previous year (previous-year period: €43.3 million).

EBIT TABLE 008

In millions of euros

		6M 2024	6M 2023	Change in %
EBIT		**32.1**	**40.0**	**-19.8**
+ effects from purchase price allocations		7.9	2.2	259.1
+ effects from reclassifications		-6.1	-5.5	>100,0
+ non recurring effects		0.3	1.8	-83.3
+ effects from share deal agreements		-0.8	4.8	n/a
EBIT adjusted		**33.4**	**43.3**	**-22.9**
EBIT margin adjusted	In %	**13.1**	**15.5**	

Investment and financial result

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

The reported financial result improved dramatically in the reporting period to €-11.7 million (previous-year period: €-15.5 million). The improvement is primarily due to the increase in finance income relating to interest earned on bank deposits as well as the significant fall in net debt.

The adjusted financial result also increased dramatically in the reporting period to €-5.7 million (previous-year period: €-10.0 million). Capitalised interest from project financing before the start of sales in the amount of €6.1 million (previous-year period: €5.5 million) was reclassified as project costs.

Earnings before tax (EBT)

Adjusted earnings before tax fell slightly to €27.8 million compared to the previous year (previous-year period: €33.3 million).

EBT TABLE 009

In millions of euros

		6M 2024	6M 2023	Change in %
EBT		**20.4**	**24.5**	**-16.7**
+ effects from purchase price allocations		7.9	2.2	259.1
+ non recurring effects		0.3	1.8	-83.3
+ effects from share deal agreements		-0.8	4.8	n/a
EBT adjusted		**27.8**	**33.3**	**-16.5**
EBT margin adjusted	In %	**10.9**	**11.9**	

Income taxes

The tax rate in the adjusted results of operations in the first half of 2024 was 26.3% (previous-year period: 28.3%). The 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 lower group tax rate in the 2024 financial year, as these results are only subject to corporation tax.

As a result of the effect mentioned above and taking into account the effects of audits for previous years, income taxes on the reported earnings amounted in total to €3.5 million (previous-year period: €8.6 million).

Earnings after tax (EAT)

As a result of the effects mentioned above, the adjusted earnings after tax of the Instone Group totalled €20.5 million in the reporting period (previous-year period: €23.9 million). Before adjustment for effects from purchase price allocations, effects from share deals and non recurring effects, reported earnings after tax were €16.8 million (previous-year period: €16.0 million).

EAT

TABLE 010

In millions of euros

		6M 2024	6M 2023	Change in %
EAT		16.8	16.0	5.0
+ effects from purchase price allocations		4.9	1.5	226.7
+ non recurring effects		-0.7	2.4	n/a
+ effects from share deal agreements		-0.7	4.0	n/a
EAT adjusted		20.5	23.9	-14.2
EAT margin adjusted	In %	8.0	8.6	

Earnings after tax and after minority interests

The non-controlling interests in reported and adjusted earnings after tax amounted to €0.0 million (previous-year period: €-0.3 million).

Earnings after tax and after minority interests

TABLE 011

In millions of euros

	6M 2024	6M 2023	Change in %
EAT after minority interests	16.8	16.3	3.1
+ effects from purchase price allocations	4.9	1.5	226.7
+ non recurring effects	-0.7	2.4	n/a
+ effects from share deal agreements	-0.7	4.0	n/a
EAT adjusted after minority interests	20.4	24.2	-15.7

Earnings per share

Adjusted earnings per share in the first quarter of 2024 were €0.47 (previous year period: €0.56), also below the previous year's level as expected.

Earnings per share

TABLE 012

In millions of euros

		6M 2024	6M 2023	Change in %
Shares[1]	In thousands units	43,322.6	43,377.1	-0.1
Owners of the Company		16.8	16.3	3.1
Earnings per share	In euros	0.39	0.38	2.6
Owners of the Company adjusted		20.4	24.2	-15.7
Earnings per share adjusted	In euros	0.47	0.56	-16.1

[1] Average weighted number of shares as at 30/06/2024 and 30/06/2023.

Assets

Condensed statement of financial position[1]

TABLE 013

In millions of euros

	30/06/2024	31/12/2023	Change in %
Non-current assets	80.6	81.4	-1.0
Inventories	1,125.5	1,085.8	3.7
Contract assets	177.9	177.1	0.5
Other current assets	127.3	111.7	14.0
Cash and cash equivalents and term deposits	414.6	383.6	8.1
Assets	**1,925.9**	**1,839.6**	**4.7**
Equity	578.8	576.0	0.5
Liabilities from corporate finance	181.1	176.8	2.4
Liabilities from project-related financing	388.9	355.8	9.3
Provisions and other liabilities	777.2	731.0	6.3
Equity and liabilities	**1,925.9**	**1,839.6**	**4.7**

[1] 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 30 June 2024, the Instone Group's total assets rose to €1,925.9 million (31 December 2023: €1,839.6 million). This is due in particular to an increase in inventories, other current assets and cash and cash equivalents.

As at 30 June 2024, inventories rose to €1,125.5 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 30 June 2024, acquisition costs and incidental acquisition costs for land amounting to €678.5 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 €702.4 million as at 30 June 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 €-529.0 million as at 30 June 2024 (31 December 2023: €-430.1 million).

Contract assets

TABLE 014

In millions of euros

	30/06/2024	31/12/2023	Change in %
Contract assets (gross)	**702.4**	**603.2**	**16.4**
Payments received	-529.0	-430.1	23.0
	173.4	**173.1**	**0.2**
Capitalised costs to obtain a contract	4.6	4.0	15.0
Contract assets (net)	**177.9**	**177.1**	**0.5**

Trade receivables in the reporting period increased to €19.5 million (31 December 2023: €6.5 million). The receivables essentially include purchase price receivables that have not yet been paid and 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 half of 2024 from €51.7 million to €56.7 million due to the sale and construction progress of project developments in joint ventures.

The non-current financial receivables amounting to €5.1 million (31 December 2023: €10.3 million) include borrowings from joint ventures and have decreased due to repayments.

The current financial receivables amounting to €23.9 million (31 December 2023: €23.3 million) mainly relate to a loan to a joint venture.

Other current receivables and other assets increased from €74.6 million to €75.1 million in the first half of 2024. A considerable share of these items consists largely of approved public grants of €56.1 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 increased during the reporting period to €414.6 million (31 December 2023: €383.6 million). This includes cash and cash equivalents from development loans taken out for customers in the amount of €160.0 million (31 December 2023: €115.9 million). For more information, please refer to the Group's consolidated statement of cash flows, page 30.

Non-current financial liabilities were reduced to €347.3 million as at 30 June 2024 (31 December 2023: €396.6 million). In the same period, current financial liabilities also rose to €222.6 million (31 December 2023: €136.1 million). The total increase in financial liabilities is due to a positive net borrowing of financial loans in the reporting period.

The other non-current liabilities amounting to €48.9 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 half of 2024 to €134.4 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 €488.7 million (31 December 2023: €431.9 million) include mainly advance payments received for the "Westville" project in the amount of €451.5 million (31 December 2023: €383.5 million). The fall in liabilities from government grants in the amount of €27.8 million (31 December 2023: €32.4 million) corresponds to the construction of the corresponding projects.

The equity ratio as at 30 June 2024 was 30.1% (31 December 2023: 31.3%).

As at 30 June 2024, the Company held an unchanged number of 3,665,761 treasury shares. This corresponds to a proportion of 7.8% of the shares. As at 30 June 2024, the number of shares adjusted for the Company's treasury shares was 43,322,575 shares.

The leverage (excluding the subsidised loan for the "Westville" project) increased slightly compared to the previous year's figure. It continues to be at a historically low level. The increased net debt and the lower operating result have increased the leverage slightly to 2.5 times the adjusted EBITDA. The ratio of net debt to balance sheet inventories, contract assets and contract liabilities improved to 15.8% (31 December 2023: 15.1%).

Net financial debt and debt-to-equity ratio TABLE 015

In millions of euros

		30/06/2024	31/12/2023	Change in %
Non-current financial liabilities[1]		236.2	318.4	-25.8
Current financial liabilities		222.6	136.1	63.6
Financial liabilities		**458.8**	**454.5**	**0.9**
Cash and cash equivalents and term deposits[2]		-254.6	-267.7	-4.9
Net financial debt (NFD)		**204.2**	**186.8**	**9.3**
Inventories and contract assets/liabilities		1,295.4	1,240.8	4.4
Loan-to-Cost[3]	In %	**15.8**	**15.1**	
EBIT adjusted (LTM)[4]		76.2	86.1	-11.5
Depreciation and amortisation (LTM)[4]		5.1	5.0	2.0
EBITDA adjusted (LTM)[4]		**81.4**	**91.1**	**-10.6**
Leverage (NFD/EBITDA adjusted (LTM))[4]		2.5	2.1	0.0

[1] Excluding financial liabilities of €111.1 million (31 December 2023: €78.1 million) from the subsidised loan for the "Westville" project.

[2] Excluding €160.0 million (31 December 2023: €115.9 million) in restricted cash and cash equivalents from the "Westville" subsidised loan.

[3] Loan-to-cost = net financial debt/(inventories + contract assets/liabilities).

[4] LTM = last twelve months.

Financial position

In the first half 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 €271.7 million (31 December 2023: €278.8 million). The total funding available (excluding the subsidised loan for the "Westville" project) amounting to €791.3 million (31 December 2023: €758.3 million) increased in the reporting period due to the planned borrowing of new project financing. As at 30 June 2024, cash and cash equivalents totalling €464.7 million (31 December 2023: €423.3 million) were available from project financing (excluding the subsided loan for the "Westville" project) and in the amount of €326.6 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 30 June 2024, the liabilities from corporate finance amounted to €181.1 million (31 December 2023: €176.8 million) and liabilities from project-related financing (including the subsidised loan for the "Westville" project) amounted to €388.9 million (31 December 2023: €355.8 million). Recognised total liabilities from financing operations rose to €569.9 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.

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	40.0
Term > 1 and < 2 years	2025	30.0
Term > 2 and < 3 years	2026	37.5
Term > 3 years	2027/2028	67.5
		175.0

Corporate finance (syndicated loans)	Due in	Credit line	Utilisation 30/06/2024
Term < 1 year	2024/2025	118.3	0.0
Term > 1 and < 2 years	2026	33.3	0.0
		151.6	**0.0**

Project financing	Due in	Credit line	Utilisation 30/06/2024
Term < 1 year	2024/2025	294.8	175.4
Term > 1 and < 2 years	2025/2026	90.6	24.3
Term > 2 and < 3 years	2026/2027	79.3	72.0
Term > 3 years	>2027	0.0	0.0
		464.7	**271.7**

Project financing (promotional loans for customers)	Due in	Credit line	Utilisation[1] 30/06/2024
Term > 3 years	>2027	199.0	160.0
		199.0	**160.0**

[1] This includes interest and repayment subsidy of €48.9 million that is recognised under other non-current liabilities.

Condensed statement of cash flows

TABLE 017

In millions of euros

	6M 2024	6M 2023	Change in %
Cash flow from operations	19.3	-40.4	n/a
Cash flow from investing activities	9.1	4.6	97.8
Free cash flow	**28.4**	**-35.8**	**k. A.**
Cash flow from financing activities	2.7	77.6	-96.5
Cash change in cash and cash equivalents	**31.1**	**41.8**	**-25.6**
Cash and cash equivalents at the beginning of the period	383.6	255.6	50.1
Other changes in cash and cash equivalents	0.0	-1.0	n/a
Cash and cash equivalents at the end of the period	**414.7**	**296.4**	**39.9**

Cash flow from investing activities amounted to €9.1 million in the reporting period (previous-year period: €4.6 million). This figure for the reporting period was mainly due to interest received in connection with the short-term investment of available bank balances and to the scheduled repayment of loan receivables that are included in the financial assets.

The cash flow from financing activities as at 30 June 2024 stood at €2.7 million (previous-year period: €77.6 million). This mainly consisted of net opening of new lines of credit in the amount of €32.3 million, consisting of payments received from new finance facilities in the amount of €79.4 million and repayments for terminated finance facilities in the amount of €47.0 million. In the reporting period, payments for interest amounting to €13.2 million (previous-year period: €7.2 million) and dividend payments in the amount of €14.3 million (previous year: €15.2 million) were included in the cash flow from financing activities.

Cash flow from operations

TABLE 018

In millions of euros

	6M 2024	6M 2023	Change in %
EBITDA adjusted	36.1	45.8	-21.3
Other non-cash items	-3.7	-6.8	-46.1
Taxes paid	-7.7	-3.3	133.3
Change in net working capital[1]	-5.4	-76.1	-92.9
Cash flow from operations	**19.3**	**-40.4**	**n/a**
Payments for land	1.8	9.7	-81.3
Cash flow from operations without new investments	**21.1**	**-30.7**	**n/a**

[1] Net-Working-Capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

The cash flow from operations of the Instone Group of €19.3 million in the first half of 2024 (previous-year period: €-40.4 million) was essentially due to payment flows from buyers during construction work with simultaneous purchase price payments and land acquisition taxes for land plots totalling €1.8 million (previous-year period: €9.7 million). In addition, income tax payments amounting to €7.7 million were made in the reporting period (previous-year period: €3.3 million).

The operating cash flow, adjusted for payments for land, in the period under review has significantly improved with €21.1 million (previous-year period: €-30.7 million) compared with the previous-year period.

As at 30 June 2024, financial resources rose to €414.7 million (previous-year period: €296.4 million).

Project business at a glance

Real estate business key performance indicators TABLE 019

In millions of euros

		6M 2024	6M 2023
Volume of sales contracts[1]		121.9	71.1
Volume of sales contracts	In units	281	138
		30/06/2024	**31/12/2023**
Project portfolio (existing projects)[2]		7,124.9	6,972.0
of which already sold		2,784.8	2,693.4
Project portfolio (existing projects)	In units	14,760	14,252
of which already sold	In units	6,448	6,217

[1] 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.

[2] 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 continued to increase during the first half of 2024, confirming a moderate market recovery overall. Whilst a volume of €25.5 million and 47 units was realised in the first quarter of 2024, the sales volume in the second quarter of 2024 increased at €32.0 million and 68 units. The success of unit sales during the reporting period (€57.5 million/115 units) is therefore significantly above that of the comparable period in the previous year (H1 2023: €20.7 million/39 units).

In addition, the "4Living" project in Erlangen was successfully sold in the 2024 reporting period. Four apartment blocks with over 160 residential units in the KfW 55 RE house efficiency standard are being built on a plot of around 9,300 m², 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 half of the current financial year amounts to around €64 million and 166 units.

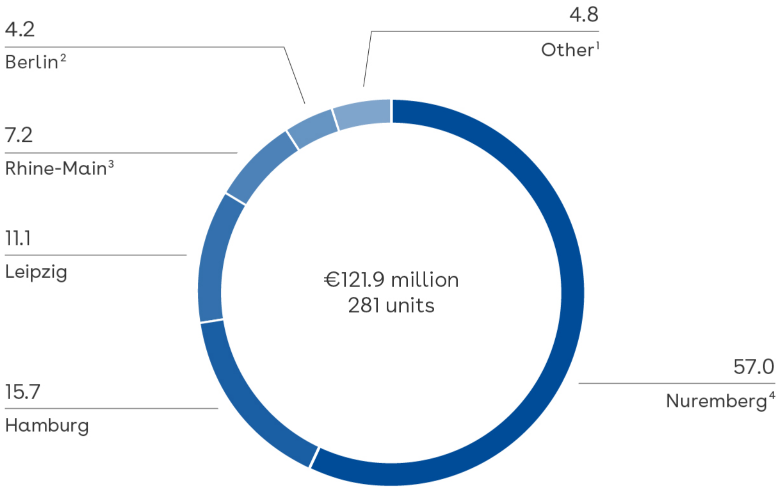
In the first half of 2024, this means that a total sales volume of €121.9 million with 281 sales units was achieved. Based on the sales value of the first half of 2023 (€71.1 million/138 units), this represents an increase of around 71%. In a first step, this confirms the assumption made in the 2023 Annual Report to revive sales activities in 2024.

The full realised volume of sales contracts as at 30 June 2024 was focused on the most important metropolitan regions of Germany.

Marketing by region, 6M 2024

FIGURE 002

In %



[1] Includes North Rhine-Westphalia and Stuttgart

[2] Includes Potsdam and Nauen.

[3] Includes Frankfurt / Main, Wiesbaden, Maintal, Hofheim and Heusenstamm.

[4] Also includes Bamberg and Regensburg.

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

Real estate business key performance indicators – Volume of sales contracts 6M 2024

TABLE 020

In millions of euros

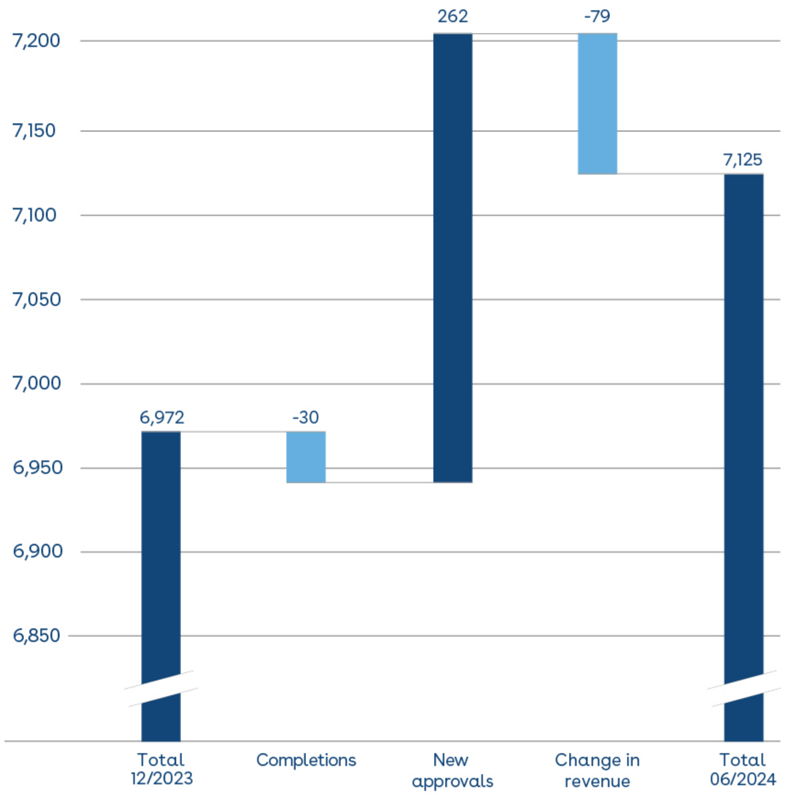
Individual sale		Volume	Units
"Urban.Isle Campus"	Hamburg	19.3	39
"Parkresidenz"	Leipzig	14.3	41
"Schönhof-Viertel"	Frankfurt a. M.	7.4	8
"Fuchsgärten"	Nuremberg	5.2	10
"Fontane Gärten"	Potsdam	5.1	8
Other	Other	6.2	9
Investor goods			
"4Living"	Nuremberg	64.4	166
Other	Other		

The offer for sale of our individual sales projects on the market as at 30 June 2024 includes 469 units with an expected revenue volume of €285 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 115 unit sales units in the reporting period.

Development of the project portfolio, 30/06/2024

FIGURE 003

In millions of euros



As at 30 June 2024, the Instone Group's project portfolio comprised 46 projects, from which we currently anticipate a total volume of sales contracts of €7,124.9 million, representing an increase from that of 31 December 2023 (€6,972.0 million). The increase in portfolio value during the reporting period is mainly due to the acquisition of two projects in Frankfurt am Main and Dusseldorf (volume: €261.6 million). The objective of profiting from attractive potential acquisitions in the current environment has therefore already been implemented successfully in terms of an initial step.

In addition to revenue changes in the portfolio (€-78.7 million), opposing effects were also produced by the completion of the "Marina Bricks" project in Rosenheim (€-30.0 million).

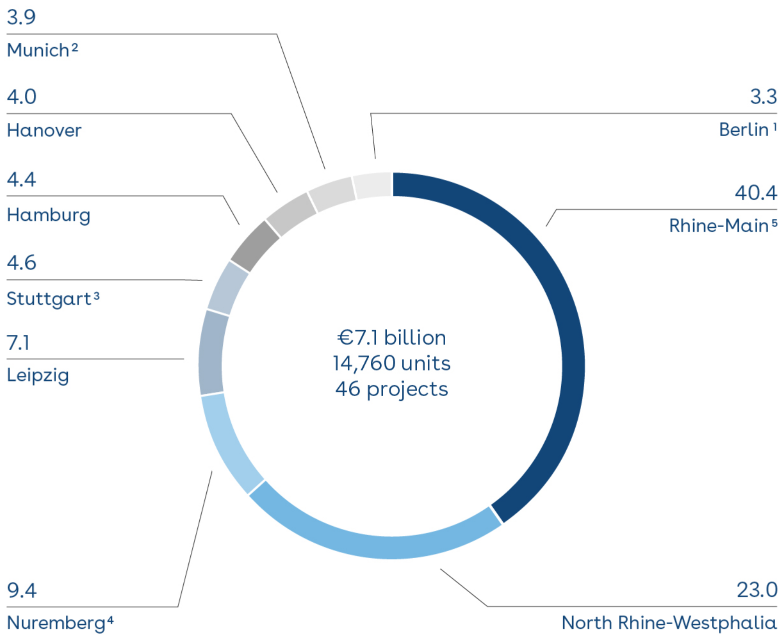
We have already realised adjusted revenues of €2,246.3 million from the current project portfolio, of which around €969.8 million has already been handed over.

As at 30 June 2024, the forecast gross profit margin on the project portfolio, excluding the "Westville" project in Frankfurt am Main, is around 23.6%.[1] The aforementioned more cautious assessment of the sales price forecasts for projects not yet in distribution has also continued to have 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).

[1] If the large "Westville" project is taken into consideration, the expected project gross profit margin for the project portfolio is about 22.6%.

Project portfolio by region, 30/06/2024 FIGURE 004

In %



[1] Also includes Potsdam and Nauen.

[2] Also includes Augsburg and Rosenheim.

[3] Also includes Rottenburg and Herrenberg.

[4] Also includes Bamberg.

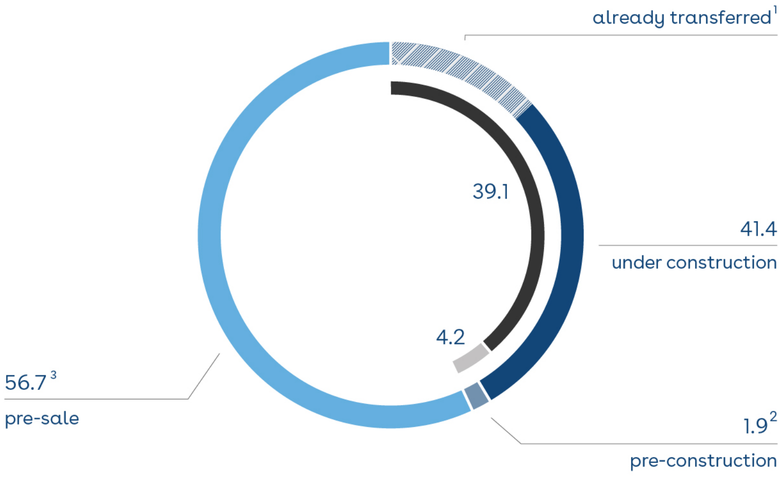
[5] Includes Frankfurt / Main, Wiesbaden, Maintal, Hofheim and Heusenstamm.

The majority – approximately 96% – of anticipated overall volume of revenue from the project portfolio as at 30 June 2024 is located in the most important metropolitan regions of Germany: Berlin, Dusseldorf, Frankfurt/Main, Hamburg, Cologne/Bonn, Leipzig, Munich, Nuremberg and Stuttgart. Around 4% is attributable to other attractive, medium-sized cities.

Project portfolio by group, 30/06/2024
Basis: Sale proceeds

FIGURE 005

In %



Internal sector:

Sold

Unsold

[1] 12.9% of the project portfolio has already been transferred. These projects are included in “under construction”.

[2] 0.3% of the project portfolio has already been transferred. These projects are included in “pre-construction”.

[3] 7.6% 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/10.6% under construction and handed over/31.4% under construction/1.8% pre-construction).

In addition, the preceding diagram shows that, as at 30 June 2024 we had already sold approximately 39% 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 90% of projects had been sold as at 30 June 2024.

The 46 projects from the Instone Group’s project portfolio (as shown in figure 004) will be supplemented by four further projects that 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.

Adjusted revenue

In the reporting period, we achieved adjusted revenue of €255.4 million (previous year: €279.5 million). The following projects contributed significantly to the adjusted revenue:

Key project revenue recognition (adjusted) 6M 2024

TABLE 021

In millions of euros

		Revenue volume (adjusted)
"Schönhof-Viertel"	Frankfurt a. M.	78.4
"Westville"	Frankfurt a. M.	38.1
"Urban.Isle Campus"	Hamburg	19.9
"Parkresidenz"	Leipzig	16.9
"Literaturquartier"	Essen	14.2
"4Living"	Nuremberg	14.1
"Steinbacher Hohl"	Frankfurt a. M.	13.5
"Wiesbaden-Delkenheim"	Wiesbaden	11.8
"Neckar.Au Viertel"	Rottenburg	8.7
"west.side"	Bonn	8.2

The building blocks of success for realising the adjusted revenue 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, has contributed to the generation of revenue.

In the reporting period, sub-projects of both the "Parkresidenz" and of the "Neckar.Au Viertel" with a total of 121 units were able to start construction work. A total of 4,413 units are currently in the construction phase at the same time.

The transfers in the first half of 2024 include a volume of around €212 million and 629 successfully transferred units. In addition to the sub-projects of the "Parkresidenz" and the "Neckar.Au Viertel", a significant proportion of this was provided by a sub-project of the "Schönhof-Viertel" with the successful handover of 401 residential units.

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 Instone Real Estate's project portfolio continue to have a high sales ratio of about 97%.

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.

Outlook

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.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed consolidated income statement

Consolidated income statement

TABLE 023

In thousands of euros

	01/01-30/06/2024	01/01-30/06/2023
Revenue	216,309	240,031
Changes in inventories	39,705	95,671
	256,015	**335,702**
Other operating income	16,415	13,500
Cost of materials	-201,463	-270,081
Staff costs	-25,095	-25,939
Other operating expenses	-15,813	-14,751
Depreciation and amortisation	-2,642	-2,494
Consolidated earnings from operating activities	**27,416**	**35,937**
Share of results of joint ventures	4,665	4,093
Other results from investments	4	0
Finance income	6,435	1,397
Finance costs	-18,032	-16,832
Other financial result	-132	-50
Consolidated earnings before tax (EBT)	**20,356**	**24,545**
Income taxes	-3,511	-8,553
Consolidated earnings after tax (EAT)	**16,845**	**15,992**
Attributable to:		
Owners of the Company	16,804	16,319
Non-controlling interests	41	-327
Weighted average number of shares (in units)	43,322,575	43,377,061
Basic and diluted earnings per share (in €)	**0.39**	**0.38**

Condensed consolidated statement of comprehensive income

Consolidated statement of comprehensive income

TABLE 024

in thousands of euros

	01/01-30/06/2024	01/01-30/06/2023
Consolidated earnings after tax	**16,845**	**15,992**
Items which are not reclassified into the consolidated earnings in future periods		
Actuarial gains and losses	272	499
Income tax effects	-47	-158
Income and expenses after tax recognised directly in equity	**225**	**341**
Total comprehensive income for the financial year after tax	**17,070**	**16,334**
Attributable to:		
Owners of the Company	17,029	16,660
Non-controlling interests	41	-327
	17,070	**16,334**

Condensed consolidated statement of financial position

Consolidated statement of financial position

TABLE 025

In thousands of euros

	30/06/2024	31/12/2023
ASSETS		
Non-current assets		
Goodwill	6,056	6,056
Intangible assets	296	232
Right of use assets	9,762	11,320
Property, plant and equipment	808	1,044
Interests in joint ventures	56,705	51,715
Other investments	375	390
Financial receivables	5,107	10,296
Deferred tax	1,513	301
	80,621	**81,354**
Current assets		
Inventories	1,125,546	1,085,840
Right of use assets	3,027	3,027
Financial receivables	23,875	23,309
Contract assets	177,940	177,069
Trade receivables	19,487	6,467
Other receivables and other assets	75,144	74,599
Income tax assets	5,609	4,302
Cash and cash equivalents	414,640	383,605
	1,845,267	**1,758,219**
TOTAL ASSETS	**1,925,889**	**1,839,573**

Condensed consolidated statement of financial position (continued)

Consolidated statement of financial position

TABLE 025

In thousands of euros

	30/06/2024	31/12/2023
EQUITY AND LIABILITIES		
Equity		
Share capital	46,988	46,988
Capital reserves	358,983	358,983
Consolidated retained equity	202,355	199,847
Accumulated reserves recognised in other comprehensive income	1,459	1,234
Treasury shares at acquisition costs	-36,697	-36,697
Equity attributable to shareholders	573,088	570,355
Non-controlling interests	5,662	5,621
	578,750	**575,976**
Non-current liabilities		
Provisions for pensions and similar obligations	765	997
Other provisions	5,203	3,409
Financial liabilities	347,285	396,550
Liabilities from net assets attributable to non-controlling interests	15	13
Leasing liabilities	9,090	10,595
Other liabilities	48,937	37,843
Deferred tax	43,024	44,067
	454,319	**493,474**
Current liabilities		
Other provisions	25,932	24,267
Financial liabilities	222,625	136,050
Leasing liabilities	4,053	4,153
Contract liabilities	8,064	22,134
Trade payables	134,447	142,183
Other liabilities	488,748	431,893
Income tax liabilities	8,950	9,443
	892,819	**770,122**
TOTAL EQUITY AND LIABILITIES	**1,925,889**	**1,839,573**

Condensed consolidated statement of cash flows

Consolidated statement of cash flows

TABLE 026

In thousands of euros

	01/01-30/06/2024	01/01-30/06/2023
Consolidated earnings after tax	**16,845**	**15,992**
(+) Depreciation and amortisation/(-) reversal of impairments of property, plant and equipment	2,642	2,494
(+) Profit/(-) Loss on disposals of property, plant and equipment	0	1
(+) Increase/(-) Decrease in provisions	3,495	-789
(+) Current income tax income/(-) current income tax expense	5,870	10,363
(+) Deferred income tax income/(-) deferred income tax expense	-2,310	-1,811
(+) Expense/(-) income from interests in joint ventures	-4,665	-4,093
(+/–) Change in net assets attributable to non-controlling interests	2	0
(+) Interest expenses/(-) interest income	11,729	15,485
(+) Proceeds from public grants	0	1,398
(+) Other non-cash income/(-) Expenses	-1,203	0
(+/-) Change in net working capital	-5,426	-76,127
(+) Income tax reimbursements/(-) income tax payments	-7,670	-3,331
= Cash flow from operations	**19,309**	**-40,417**
(-) Outflows for investments in intangible assets	-556	0
(-) Outflows for investments in property, plant and equipment	-54	-23
(+) Proceeds from disposals of investments	4,991	8,729
(-) Outflows for investments in financial assets	0	-5,273
(+) Proceeds from disposals of unconsolidated companies and other companies	6	0
(-) Outflows for investments in unconsolidated companies and other companies	-326	0
(+) Interest received	4,995	1,264
= Cash flow from investing activities	**9,057**	**4,696**

Condensed consolidated statement of cash flows (continued)

Consolidated statement of cash flows TABLE 026

In thousands of euros

	01/01-30/06/2024	01/01-30/06/2023
(-) Acquisition of treasury shares	0	-4,548
(-) Proceeds from loans and borrowings	0	-10
(+) Dividends paid	79,359	156,798
(-) Repayments of loans and borrowings	-47,017	-50,342
(-) Payments from lessees to repay liabilities from lease agreements	-2,185	-1,928
(-) Interest paid	-13,192	-7,244
(-) Dividends paid	-14,296	-15,163
= Cash flow from financing activities	**2,669**	**77,562**
Cash and cash equivalents at the beginning of the period	383,605	255,592
(+/-) Cash change in cash and cash equivalents	31,034	41,841
(+/-) Exchange rate, scope of consolidation and valuation-related changes in cash and cash equivalents	0	-987
= Cash and cash equivalents at the end of the period	**414,640**	**296,447**

[1] Net working capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

Consolidated statement of changes in equity

Consolidated statement of changes in equity

TABLE 027

In thousands of euros

	Total	Share capital	Capital reserves	Consolidated retained equity	Changes to accumulated equity recognised in other comprehensive income	Treasury shares at acquisition cost	Equity attributable to shareholders	Non-controlling interests
As at: 1 January 2023	**572,957**	**46,988**	**358,983**	**198,123**	**1,755**	**-32,139**	**573,710**	**-753**
Consolidated earnings after tax	15,992	0	0	16,319	0	0	16,319	-327
Changes in actuarial gains and losses	341	0	0	0	341	0	341	0
Total comprehensive income	**16,334**	**0**	**0**	**16,319**	**341**	**0**	**16,660**	**-327**
Acquisition of treasury shares	-4,548	0	0	0	0	-4,548	-4,548	0
Transaction costs net of tax effect	-10	0	0	0	0	-10	-10	0
Dividend payments	-15,163	0	0	-15,163	0	0	-15,163	0
Changes to the scope of consolidation	2,705	0	0	0	0	0	0	2,705
	-17,017	0	0	-15,163	0	-4,558	-19,721	2,705
As at: 30 June 2023	**572,274**	**46,988**	**358,983**	**199,279**	**2,096**	**-36,697**	**570,649**	**1,624**
As at: 31 December 2023	**575,976**	**46,988**	**358,983**	**199,847**	**1,234**	**-36,697**	**570,355**	**5,621**
As at: 1 January 2024	**575,976**	**46,988**	**358,983**	**199,847**	**1,234**	**-36,697**	**570,355**	**5,621**
Consolidated earnings after tax	16,845	0	0	16,804	0	0	16,804	41
Changes in actuarial gains and losses	225	0	0	0	225	0	225	0
Total comprehensive income	**17,070**	**0**	**0**	**16,804**	**225**	**0**	**17,029**	**41**
Dividend payments	-14,296	0	0	-14,296	0	0	-14,296	0
	-14,296	**0**	**0**	**-14,296**	**0**	**0**	**-14,296**	**0**
As at: 30 June 2024	**578,750**	**46,988**	**358,983**	**202,355**	**1,459**	**-36,697**	**573,088**	**5,662**

Selected explanatory notes to the condensed consolidated interim financial statements

Basis of the condensed consolidated interim financial statements

Basis for preparing the condensed consolidated interim financial statements

The condensed consolidated interim financial statements of Instone Real Estate Group SE and its subsidiaries as at 30 June 2024 have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim reporting" and the German Accounting Standard (DRS) 16 "Semi-annual financial reporting".

They should be read in conjunction with the consolidated financial statements and the notes thereto in the Company's Annual Report for the year ended 31 December 2023, which have been prepared in accordance with 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 applied on the balance sheet date, 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 and the supplementary disclosures in accordance with Section 315e HGB.

The preparation of the interim report requires management to make a series of assumptions and estimates. This may lead to discrepancies between the values shown in the interim report and the actual values.

Various items from the condensed consolidated statement of financial position and the condensed consolidated income statement are combined into one item for a better overview. The condensed consolidated income statement is prepared according to the nature of expense method.

The condensed consolidated interim financial statements are 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.

First-time application of accounting standards in the current financial year

The changes to the accounting standards that came into effect on 1 January 2024 have no impact on these condensed consolidated interim financial statements.

Scope of consolidation

As at 30 June 2024, in addition to Instone Real Estate Group SE, a total of 13 (31 December 2023: 13) domestic and two (31 December 2023: two) European foreign companies are part of these condensed consolidated interim financial statements and are fully consolidated.

As at 30 June 2024, ten joint ventures (31 December 2023: ten) were accounted for using the equity method.

In total, six group entities (31 December 2023: six) had a low business volume or no business operation and were not consolidated for reasons of materiality. They are reported under other investments.

Segment reporting

Segment reporting in accordance with IFRS 8 is based on the management approach and thus corresponds to the management and reporting system that the Instone Group uses for its segments. The Instone Group operates in only one operating segment and one geographical segment and generates revenue and holds assets mainly in Germany.

However, the internal reporting for the single operating segment differs from the figures in IFRS accounting. In its internal reporting, the Instone Group focuses in particular on the development of housing projects. For this reason, the Instone Group conducts segment reporting for this one operating segment.

Internal corporate governance for this segment is based in particular on the internal reporting system for the presentation of key developments relating to real estate business and financial business key performance indicators, supplemented by an examination of key project milestones and liquidity development.

The Instone Group manages its segment through the adjusted results of operations using key performance indicators of adjusted revenue, adjusted gross profit and adjusted earnings after interest and tax.

Adjusted revenue

The performance of the business segment is reported via adjusted revenue on the basis of revenue recognition over time. Adjusted revenue is calculated by adding the revenue recognition from share deals in the same way as from asset deals, without the effects from purchase price allocations.

Adjusted gross profit

The adjusted gross profit is used to analyse the project-based company performance and is determined on the basis of the adjusted revenue less the cost of materials, changes in inventories, other operating income after subtracting the cost of materials, indirect distribution costs and capitalised interest, but excluding effects from purchase price allocations and share deals.

Adjusted earnings after tax

Adjusted earnings after tax is calculated on the basis of adjusted gross profit less platform costs, consisting of staff costs, other operating income and expenses, depreciation and amortisation, investment and other income, financial result and income taxes, but is also adjusted for the effects from purchase price allocations and share deals, as well as any non recurring effects, where applicable. The results of joint ventures are included in adjusted earnings before interest and tax, as future earnings of project companies to be recorded under this item are to be allocated to operating earnings.

The effects of the adjusted results of operations are derived from the following:

Share deal effects

The project companies Westville 2 GmbH, Westville 3 GmbH, Westville 4 GmbH and Westville 5 GmbH are commercially conceived as asset management companies and constitute one major project in Frankfurt am Main. The Instone Group has already sold these project companies in the form of a share deal with the obligation to build a residential complex. In the adjusted results of operations, the overall "Westville" project is managed in the same way as the other projects in the Instone Group, with revenue recognition over time in accordance with IFRS 15. These companies are valued and included in the consolidated financial statements in accordance with IAS 2. The effects from this different valuation are reflected in the revenues of €37,969 thousand (previous-year period: €37,915 thousand and project costs of €-38,754 thousand (previous-year period: €-33,109 thousand).

Effects from purchase price allocations

Due to the first-time consolidation of Instone Real Estate Development GmbH in 2014 and Instone Real Estate Leipzig GmbH in 2015 as well as the business activities of S&P Stadtbau GmbH in the 2020 financial year, as at 30 June 2024 inventories and contract assets still included write-ups of €3,711 thousand (31 December 2023: €11,495 thousand) from purchase price allocations. The ongoing amortisation of these purchase price allocations on the basis of the progressive implementation of the projects included in these initial consolidations is adjusted for internal reporting. The adjustment for the amortisation of purchase price allocations was attributable as follows: €1,101 thousand (previous-year period: €1,510 thousand) to revenue and €6,752 thousand (previous-year period: €643 thousand) to changes in inventories. Based on current estimates, the Instone Group expects these effects to expire in 2025.

Reclassifications and non-recurring effects

As at 30 June 2024, indirect sales expenses amounting to €-699 thousand (previous-year period: €-1,069 thousand) as well as other operating income after subtracting the cost of materials in the amount of €10,760 thousand (previous-year period: €6,184 thousand) were allocated to project costs. The adjustment of the capitalised interest in the changes in inventories of €6,065 thousand (previous-year period: €5,490 thousand) burdened the project costs.

During the period under review, adjustments for non recurring effects were made mainly for severance payment expenses of €297 thousand (previous-year period: €925 thousand) and consulting expenses of €39 thousand (previous-year period: €859 thousand).

In the following table, the differences arising from the valuation of the individual data are carried over from the adjusted results of operations into the consolidated reporting:

Reconciliation of adjusted results of operations 01/01-30/06/2024

TABLE 028

In thousands of euros

	Adjusted results of operations	Share deal effects	Non recurring effects	Reclassifications	Effects from PPA	Reported results of operations
Revenue	**255,380**	**-37,969**	**0**	**0**	**-1,101**	**216,309**
Project costs	**-189,762**	**38,754**	**0**	**-3,997**	**-6,752**	**-161,757**
Cost of materials	-191,401	0	0	-10,062	0	-201,463
Changes in inventories	1,639	38,754	0	6,065	-6,752	39,705
Gross profit	**65,618**	**785**	**0**	**-3,997**	**-7,854**	**54,552**
Platform costs	**-36,862**	**0**	**-336**	**10,062**	**0**	**-27,136**
Staff costs	-25,095	0	0	0	0	-25,095
Other operating income	5,654	0	0	10,760	0	16,415
Other operating expenses	-14,779	0	-336	-699	0	-15,813
Depreciation and amortisation	-2,642	0	0	0	0	-2,642
Share of results of joint ventures	4,665	0	0	0	0	4,665
EBIT	**33,421**	**785**	**-336**	**6,065**	**-7,854**	**32,081**
Other results from investments	4	0	0	0	0	4
Financial result	-5,664	0	0	-6,065	0	-11,729
EBT	**27,761**	**785**	**-336**	**0**	**-7,854**	**20,356**
Tax	-7,296					-3,511
EAT	**20,465**					**16,845**

Reconciliation of adjusted results of operations 01/01-30/06/2023

TABLE 029

In thousands of euros

	Adjusted results of operations	Share deal effects	Non recurring effects	Reclassifications	Effects from PPA	Reported results of operations
Revenue	**279,457**	**-37,915**	**0**	**0**	**-1,510**	**240,031**
Project costs	**-207,250**	**33,109**	**0**	**375**	**-643**	**-174,410**
Cost of materials	-264,966	0	0	-5,115	0	-270,081
Changes in inventories	57,716	33,109	0	5,490	-643	95,671
Gross profit	**72,207**	**-4,807**	**0**	**375**	**-2,154**	**65,621**
Platform costs	**-33,015**	**0**	**-1,784**	**5,115**	**0**	**-29,684**
Staff costs	-25,939	0	0	0	0	-25,939
Other operating income	7,315	0	0	6,184	0	13,500
Other operating expenses	-11,898	0	-1,784	-1,069	0	-14,751
Depreciation and amortisation	-2,494	0	0	0	0	-2,494
Share of results of joint ventures	4,093	0	0	0	0	4,093
EBIT	**43,285**	**-4,807**	**-1,784**	**5,490**	**-2,154**	**40,030**
Other results from investments	0	0	0	0	0	0
Financial result	-9,995	0	0	-5,490	0	-15,485
EBT	**33,289**	**-4,807**	**-1,784**	**0**	**-2,154**	**24,545**
Tax	-9,419					-8,553
EAT	**23,870**					**15,992**

Disclosures about the condensed consolidated income statement

Revenue

Revenue is spread across the following regions:

Revenue by region TABLE 030

In thousands of euros

	01.01.-30.06.2024	01.01.-30.06.2023
Germany	216,249	239,973
Rest of Europe	60	58
	216,309	**240,031**

The composition of revenue by revenue type is shown in the following table:

Revenue by revenue type TABLE 031

In thousands of euros

	01.01.-30.06.2024	01.01.-30.06.2023
Revenue from building contracts		
Revenue recognised over time	211,655	215,648
Revenue recognised at a point in time	1,585	22,214
	213,239	**237,862**
Income from leases	2,935	2,052
Other services	135	118
	216,309	**240,031**

As at 30 June 2023, the revenue recognised at a point of time includes the sale of land for the amount of €21,522 thousand. The total amount of unfulfilled or partly unfulfilled performance obligations as at the balance sheet date is €343,273 thousand (31 December 2023: €442,278 thousand).

Depreciation and impairment

There was no impairment of right of use assets, property, plant and equipment or intangible assets.

Depreciation and amortisation TABLE 032

In thousands of euros

	01.01.-30.06.2024	01.01.-30.06.2023
Right of use assets	-1,860	-1,757
Property, plant and equipment	-291	-376
Intangible assets	-492	-361
	-2,642	**-2,494**

Income taxes

Income taxes TABLE 033

In thousands of euros

	01.01.-30.06.2024	01.01.-30.06.2023
Current income tax		
German trade tax	-3,947	-5,275
Corporation tax	-1,923	-5,088
	-5,870	**-10,363**
Deferred tax		
Deferred tax	2,359	1,811
	2,359	**1,811**
	-3,511	**-8,553**

Disclosures about the condensed consolidated statement of financial position

Inventories

Inventories TABLE 034

In thousands of euros

	30/06/2024	31/12/2023
Work-in-progress	1,125,546	1,085,840
	1,125,546	**1,085,840**

Work-in-progress in the amount of €536,597 thousand (31 December 2023: €421,864 thousand) is subject to disposal restrictions due to project financing by banks.

Borrowing costs of €32,659 thousand (31 December 2023: €25,885 thousand) were capitalised as part of production costs recognised for inventories attributable to project financing based on individual agreements with external lenders.

The inventories were subject to impairment of €29,844 thousand (31 December 2023: €22,272 thousand). Reversals of impairment losses in the period under review were €2,542 thousand (previous-year period: €844 thousand).

Contract assets

The structure of contract assets is composed as follows:

Contract assets TABLE 035

In thousands of euros

	30/06/2024	31/12/2023
Contract assets	702,379	603,248
Payments received	-528,995	-430,136
	173,384	**173,112**
Capitalised costs to obtain a contract	4,556	3,957
	177,940	**177,069**

The change in contract assets is due to the increase in fulfilment of the underlying contracts with customers and the parallel increase in advance payments.

The cycle of contract assets is – equivalent to the project term – an average of three years.

The amortisation of the costs to obtain a contract in the amount of €3,241 thousand (previous-year period: €3,553 thousand) offsets the fulfilment of the underlying contracts with customers.

Cash and cash equivalents

Cash and cash equivalents of €175,849 thousand (31 December 2023: €119,256 thousand) are subject to disposal restrictions and are the result of ongoing project financing by banks as well as project financing from banks for customers.

Financial liabilities

Financial liabilities TABLE 036

In thousands of euros

	30/06/2024	31/12/2023
Non-current		
To financial institutions from project financing	207,078	227,348
To financial institutions from corporate financing	19,763	19,981
Loans from third parties	120,444	149,220
	347,285	**396,550**
Current		
To financial institutions from project financing	175,897	128,360
To financial institutions from corporate financing	6,371	5,730
Loans from third parties	40,312	1,915
Liabilities to minority shareholders	45	45
	222,625	**136,050**
	569,909	**532,600**

Financial liabilities 2024

TABLE 037

In thousands of euros

				Non-cash changes		
	30/06/2024	01/01/2024	Cash flow from financing activities	Neutral offsetting	Accrued interest	Amortisation from the valuation using the effective interest method
Loans from banks	409,109	381,834	23,086	0	4,018	170
Loans from third parties	160,756	151,136	8,841	0	624	155
Liabilities to minority shareholders	45	45	0	0	0	0
	569,909	**533,014**	**31,927**	**0**	**4,643**	**326**
Liabilities from leases	10,067	14,748	-4,681	0	0	0

Financial liabilities 2023

TABLE 038

In thousands of euros

				Non-cash changes		
	31/12/2023	01/01/2023	Cash flow from financing activities	Neutral offsetting	Accrued interest	Amortisation from the valuation using the effective interest method
Loans from banks	381,834	351,653	67,360	-37,843	494	170
Loans from third parties	151,136	151,105	-749	0	624	155
Liabilities to minority shareholders	45	17,889	0	-17,844	0	0
	533,014	**520,647**	**66,611**	**-55,688**	**1,119**	**326**
Liabilities from leases	14,748	10,939	3,809	0	0	0

Current and non-current loans from banks consisted of fixed and variable interest rate loans issued by various banks.

The Instone Group’s loans from banks are usually not the subject of contractual assurances and are instead secured by land charges. The subsidised loans taken up were secured by corresponding bank deposits.

Other disclosures

Disclosures about related persons and companies

Key related persons and companies include any material entities valued at equity and members of the Management Board and Supervisory Board.

Relationships with joint ventures

Relationships with joint ventures/other investments TABLE 039

In thousands of euros

	30/06/2024	31/12/2023
Receivables		
FHP Friedenauer Höhe Dritte GmbH & Co. KG	377	2,438
FHP Friedenauer Höhe Erste GmbH & Co. KG	3,467	3,263
FHP Friedenauer Höhe Sechste GmbH & Co. KG	633	4,017
FHP Friedenauer Höhe Vierte GmbH & Co. KG	439	529
Projekt Am Sonnenberg Wiesbaden GmbH	22,784	22,176
Projektentwicklungsgesellschaft Holbeinviertel mbH & Co. KG	4	4
Wohnpark Heusenstamm GmbH & Co. KG	101	98
	27,807	**32,526**
Liabilities		
FHP Friedenauer Höhe Dritte GmbH & Co. KG	1	0
FHP Friedenauer Höhe Sechste GmbH & Co. KG	1	0
	2	**0**

The financial receivables from the four project companies FHP Friedenauer Höhe Dritte GmbH & Co. KG, FHP Friedenauer Höhe Erste GmbH & Co. KG, FHP Friedenauer Höhe Sechste GmbH & Co. KG and FHP Friedenauer Höhe Vierte GmbH & Co. KG consist of interest-free loans with residual maturities of between about one to three years.

Dealings with related persons

There were no material transactions between Instone Real Estate Group SE, Essen, Germany or a Group company and persons from the Management or related persons or companies during the reporting period. There are no conflicts of interest in terms of the participating members of the Management Board and the Supervisory Board.

Further disclosures on financial instruments

The carrying amounts for individual classes of financial instruments and the carrying amounts for individual categories are shown below in accordance with IFRS 7.

Carrying amounts of financial instruments in 2024

TABLE 040

In thousands of euros

	Carrying amount 30/06/2024	Fair value through profit and loss	At amortised costs	Not within the scope of application of IFRS 7
ASSETS				
Financial assets				
Financial receivables				
Non-current	5,107	0	5,107	0
Current	23,875	0	23,875	0
	28,982	**0**	**28,982**	**0**
Other investments	375	375	0	0
Contract assets	177,940	0	0	177,940
Trade receivables	19,487	0	19,487	0
Other receivables and other assets	75,144	0	18,996	56,149
Cash and cash equivalents	414,640	0	414,640	0
	716,567	**375**	**482,103**	**234,088**
EQUITY AND LIABILITIES				
Financial liabilities				
Financial liabilities				
Non-current	347,285	0	347,285	0
Current	222,625	0	222,625	0
	569,909	**0**	**569,909**	**0**
Contract liabilities	8,064	0	0	8,064
Liabilities from net assets attributable to non-controlling interests	15	0	15	0
Trade payables	134,447	0	134,447	0
Other liabilities				
Non-current	48,937	0	0	48,937
Current	488,748	0	6,941	481,807
	537,685	**0**	**6,941**	**530,744**
	1,250,121	**0**	**711,313**	**538,808**

Carrying amounts of financial instruments in 2023

TABLE 041

In thousands of euros

	Carrying amount 31/12/2023	Fair value through profit and loss	At amortised costs	Not within the scope of application of IFRS 7[1]
ASSETS				
Financial assets				
Financial receivables				
Non-current	10,296	0	10,296	0
Current	23,309	0	23,309	0
	33,604	**0**	**33,604**	**0**
Other investments	390	390	0	0
Contract assets	177,069	0	0	177,069
Trade receivables	6,467	0	6,467	0
Other receivables and other assets	74,599	0	22,973	51,626
Cash and cash equivalents	383,605	0	383,605	0
	675,735	**390**	**446,650**	**228,695**
EQUITY AND LIABILITIES				
Financial liabilities				
Financial liabilities				
Non-current	396,550	0	396,550	0
Current	136,050	0	136,050	0
	532,600	**0**	**532,600**	**0**
Contract liabilities	22,134	0	0	22,134
Liabilities from net assets attributable to non-controlling interests	13	0	13	0
Trade payables	142,183	0	142,183	0
Other liabilities				
Non-current	37,843	0	0	37,843
Current	431,893	0	19,597	412,296
	469,736	**0**	**19,597**	**450,140**
	716,526	**0**	**694,392**	**22,134**

[1] Previous year adjusted.

With the short-term financial instruments accounted for at amortised costs, the carrying amount corresponds to the fair value, due to the short remaining term to maturity. In the case of non-current financial liabilities, the carrying amount of a part corresponds to the fair value due to the variable interest rate. As at 30 June 2024, a fair value was determined for fixed-interest non-current liabilities that exceeds the carrying amount by €1,649 thousand. As at 31 December 2023, the fair value exceeded the carrying amount by €4,272 thousand. Non-current liabilities fall under fair value hierarchy level 2. The fair value was determined using a cash value method using company-specific current interest rates derived from the market. Non-current financial receivables are recognised at amortised costs. Their fair value differs from the carrying amount by €28 thousand (31 December 2023: €73 thousand). These loans fall under fair value hierarchy level 2 and were determined using a cash value method taking into account current market interest rates.

As at 30 June 2024, the Instone Group recognised subsidised loans in the amount of €160.0 million (31 December 2023: €115.9 million), which were paid in various tranches. These loans were accounted for at fair value on the date on which they were received. It was derived from observable market input parameters (fair value hierarchy level 2). The difference to the actual payment amounts is treated as a government grant under IAS 20 and spread over the full term. The loans are accounted for in subsequent valuations at amortised costs and recognised as other non-current liabilities in the amount of €48.9 million.

Events after the reporting date

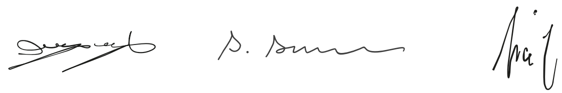
There were no events of particular significance to report after the reporting date of 30 June 2024.

Disclosures on preparation and approval

The Management Board of Instone Real Estate Group SE prepared the consolidated interim financial statements on 7 August 2024 and approved them for forwarding to the Supervisory Board.

Essen, 7 August 2024

The Management Board



Kruno Crepulja   David Dreyfus   Andreas Gräf

Other information

Insurance of legal representatives

To the best of our knowledge, we hereby declare that the semi-annual report for the interim consolidated financial statements accurately reflects the results of operations, net assets and the financial position of the Group in accordance with applicable accounting principles and that the Company's management report together with the combined management report accurately reflect the business performance, including the operating result and financial position, of the Group, and that it also describes the significant opportunities and risks associated with the anticipated development of the Group during the remainder of the financial year.

Essen, 7 August 2024

The Management Board

Kruno Crepulja   David Dreyfus   Andreas Gräf

Review report

To Instone Real Estate Group SE, Essen/Germany

We have reviewed the condensed interim consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity as well as selected explanatory notes to the consolidated financial statements, and the interim group management report of Instone Real Estate Group SE, Essen/Germany, for the period from 1 January to 30 June 2024, that are part of the half-year financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the executive directors of the Company. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with the German Generally Accepted Standards for Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and to analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of Instone Real Estate Group SE, Essen/Germany, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Düsseldorf/Germany, 7 August 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
(Rolf Künemann)
Wirtschaftsprüfer
(German Public Auditor)

Signed:
(Nicole Meyer)
Wirtschaftsprüferin
(German Public Auditor)

Disclaimer

Forward-looking statements

This condensed consolidated interim report 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 condensed consolidated interim report 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 condensed consolidated interim report. Furthermore, business development and economic results may also be encumbered by other factors. Following publication of this interim consolidated report, 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 condensed consolidated interim report have been commercially rounded. As a result, there may be minor deviations between figures in tables and the respective analyses of them in the text of the condensed consolidated interim report, as well as between individual amount totals in tables and the total values indicated 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".

Quarterly comparison

TABLE 042

In millions of euros		Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Real estate business key performance indicators							
Volume of sales contracts		33.9	88.0	120.1	20.2	18.4	52.7
Volume of sales contracts	In units	68	213	195	37	28	110
Project portfolio (existing projects)		7,124.9	6,885.8	6,972.0	7,015.5	7,182.6	7,600.4
of which already sold		2,784.8	2,781.1	2,693.4	2,822.7	2,868.8	2,958.7
Project portfolio (existing projects)	In units	14,760	14,252	14,252	14,269	15,148	16,107
of which already sold	In units	6,448	6,430	6,217	6,588	7,017	7,198
Volume of new approvals[1]		263.6	0.0	0.0	0.0	0.0	0.0
Volume of new approvals	In units	566	0	0	0	0	0
Cash flow from operations		47.0	-27.7	89.0	59.1	34.3	-74.7
Adjusted results of operations							
Revenues adjusted		135.9	119.5	182.7	153.8	156.0	123.5
Project costs adjusted		-102.9	-86.9	-138.9	-115.3	-117.6	-89.7
Gross profit adjusted		**32.9**	**32.7**	**43.8**	**38.5**	**38.4**	**33.8**
Gross profit margin adjusted	In %	**24.2**	**27.4**	**24.0**	**25.0**	**24.6**	**27.4**
Platform costs adjusted		-19.2	-17.7	-25.6	-17.9	-13.7	-19.3
Share of results of joint ventures adjusted		3.8	0.9	2.1	1.9	2.8	1.3
Earnings before interest and tax (EBIT) adjusted		**17.6**	**15.8**	**20.3**	**22.5**	**27.5**	**15.8**
EBIT margin adjusted	In %	**13.0**	**13.2**	**11.1**	**14.6**	**17.6**	**12.8**
Results from investments adjusted		0.0	0.0	0.0	0.0	0.0	0.0
Financial result adjusted		-2.5	-3.2	-2.3	-2.6	-6.6	-3.4
Earnings before tax (EBT) adjusted		**15.2**	**12.6**	**18.0**	**19.9**	**20.9**	**12.4**
EBT margin adjusted	In %	**11.2**	**10.5**	**9.9**	**12.9**	**13.4**	**10.0**
Income taxes adjusted		-4.2	-3.1	-7.0	-6.7	-5.5	-3.9
Earnings after tax (EAT) adjusted		**10.9**	**9.6**	**11.1**	**13.2**	**15.4**	**8.5**
EAT margin adjusted	In %	**8.0**	**8.0**	**6.1**	**8.6**	**9.9**	**6.9**
Earnings per share (adjusted)	In euros	0.25	0.22	0.28	0.30	0.36	0.20

[1] Excluding volume of approvals from joint ventures consolidated at equity.

Multi-year overview

TABLE 043

In millions of euros

		6M 2024	2023	2022	2021	2020
Key liquidity figures						
Cash flow from operations		19.3	107.7	70.2	43.9	119.9
Cash flow from operations without new investments		21.1	118.1	187.2	256.3	225.0
Free cash flow		28.4	119.2	79.6	167.4	-64.2
Cash and cash equivalents and term deposits[1]		254.6	267.7	255.6	151.0	232.0
Key balance sheet figures						
Total assets		1,925.9	1,839.6	1,780.3	1,520.8	1,283.1
Inventories		1,125.5	1,085.8	967.3	843.7	777.8
Contract assets		177.9	177.1	333.6	358.0	194.2
Equity		578.8	576.0	573.0	590.9	521.0
Financial liabilities		569.9	532.6	520.6	390.5	481.7
of which corporate finance		181.1	176.8	179.7	199.1	207.2
of which project financing		388.9	355.8	341.0	191.4	274.5
Net financial debt[2]		204.2	186.8	265.1	239.5	249.7
Leverage		2.5	2.1	2.8	1.5	2.8
Loan-to-cost[3]	In %	15.8	15.1	20.8	20.1	25.7
ROCE adjusted[4]	In %	10.0	10.3	10.2	22.0	10.3
Employees						
Number		420	468	486	457	413
FTE[5]		343.5	382.5	409.4	387.6	342.5

In millions of euros

		6M 2024	2023	2022	2021	2020
Real estate business key performance indicators						
Volume of sales contracts		121.9	211.4	292.1	1,140.1	464.4
Volume of sales contracts	In units	281	370	530	2,915	1,292
Project portfolio (existing projects)		7,124.9	6,972.0	7,668.8	7,500.0	6,053.6
of which already sold		2,784.8	2,693.4	2,980.5	3,038.9	2,328.8
Project portfolio (existing projects)	In units	14,760	14,252	16,209	16,418	13,561
of which already sold	In units	6,448	6,217	7,309	7,215	5,381
Volume of new approvals[6]		263.6	0.0	336.7	1,587.4	489.9
Volume of new approvals	In units	566	0	749	3,245	1,171
Adjusted results of operations						
Revenues adjusted		255.4	616.0	621.0	783.6	480.1
Project costs adjusted		-189.8	-461.5	-463.8	-562.1	-333.5
Gross profit adjusted		**65.6**	**154.5**	**157.2**	**221.5**	**146.6**
Gross profit margin adjusted	In %	**25.7**	**25.1**	**25.3**	**28.3**	**30.5**
Platform costs adjusted		-36.9	-76.5	-72.5	-80.5	-65.5
Share of results of joint ventures adjusted		4.7	8.1	3.9	14.6	2.7
Earnings before interest and tax (EBIT) adjusted		**33.4**	**86.1**	**88.6**	**155.7**	**83.8**
EBIT margin adjusted	In %	**13.1**	**14.0**	**14.3**	**19.9**	**17.5**
Results from investments adjusted		0.0	0.0	0.0	0.1	-1.2
Financial result adjusted		-5.7	-14.9	-15.9	-19.3	-23.2
Earnings before tax (EBT) adjusted		**27.8**	**71.2**	**72.7**	**136.5**	**59.4**
EBT margin adjusted	In %	**10.9**	**11.6**	**11.7**	**17.4**	**12.4**
Income taxes adjusted		-7.3	-23.1	-22.6	-39.6	-18.3

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In millions of euros

		6M 2024	2023	2022	2021	2020
Earnings after tax (EAT) adjusted		**20.5**	**48.2**	**50.0**	**96.9**	**41.1**
EAT margin adjusted	In %	**8.0**	**7.8**	**8.1**	**12.4**	**8.6**
Earnings per share (adjusted)	In euros	0.47	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

[1] Term deposits comprise cash investments of more than three months. Excluding restricted cash and cash equivalents of €160.0 million (31 December 2023: €115.9 million) from the "Westville" subsidised loan.

[2] Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the €111.1 million (31 December 2023: €78.1 million) subsidised loan.

[3] Loan-to-cost = net financial debt/(inventories + contract assets).

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

[5] Full-time equivalent.

[6] Excluding volume of approvals from joint ventures consolidated at equity.

Contact

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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

Financial calendar

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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