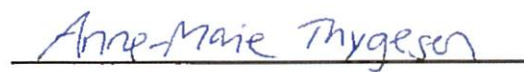


CBRE A/S

Rued Langgaards Vej 8, 5.
2300 København S
CVR no. 14 79 90 79

Annual report for 2018

Adopted at the annual general meeting on 31
May 2019



chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Financial highlights	6
Management's review	7
Financial statements	
Income statement 1 January - 31 December	8
Balance sheet 31 December	9
Statement of changes in equity	11
Notes to the annual report	12
Accounting policies	15

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of CBRE A/S for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 31 May 2019

Executive board



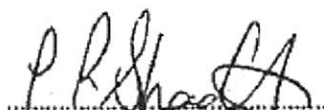
Niels Cederholm

Supervisory board

Marco Stephan Clemens Hekman



Mikael Glud



Paul Robert Shackleton



Niels Cederholm

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of CBRE A/S for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 31 May 2019

Executive board



Niels Cederholm

Supervisory board

Marco Stephan Clemens Hekman

Paul Robert Shackleton

Mikael Glud



Niels Cederholm

Independent auditor's report

To the shareholders of CBRE A/S

Opinion

We have audited the financial statements of CBRE A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 31 May 2019

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Jette Kjær Bach

State Authorised Public Accountant

MNE no. mne19812

Company details

The company

CBRE A/S
Rued Langgaards Vej 8, 5.
2300 København S
Telephone: 70229601
Fax: 35439606
CVR no.: 14 79 90 79
Reporting period: 1 January - 31 December 2018
Incorporated: 19. December 1990
Domicile: Copenhagen

Supervisory board

Marco Stephan Clemens Hekman
Paul Robert Shackleton
Niels Cederholm
Mikael Glud

Executive board

Niels Cederholm

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Financial highlights

Seen over a 4-year period, the development of the Company may be described by means of the following financial highlights:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TDKK	TDKK	TDKK	TDKK
Key figures				
Profit/loss				
Gross profit/loss	62.889	73.169	64.670	43.056
Profit/loss before net financials	-1.972	8.310	11.769	1.296
Profit/loss for the year	-1.433	6.822	11.521	1.222
Balance sheet				
Balance sheet total	59.147	62.113	50.762	29.752
Equity	26.482	27.915	21.093	9.572

Management's review

Principal activities

The objective of the Company is to carry out business in the field of real estate services and any other related activities.

Development in activities and financial position

The company's income statement for the year ended 31 December shows a loss of TDKK 1.433, and the balance sheet at 31 December 2018 shows equity of TDKK 26.482.

Profit/loss for the year (including comparison with forecasts previously announced)

The loss for the year is DKK 1.4 Million compared with last year where it was a profit of DKK 6.8 Million.

The loss for the year is considered unsatisfactory and is significantly affected by the implementation of new IT systems in our property management department."

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
Gross profit		62.889	73.169
Staff costs	1	-64.400	-64.674
Depreciation, amortisation and impairment		<u>-461</u>	<u>-185</u>
Operating profit		-1.972	8.310
Financial income	2	0	98
Financial costs	3	<u>-47</u>	<u>-69</u>
Profit/loss before tax		-2.019	8.339
Tax on profit/loss for the year	4	<u>586</u>	<u>-1.517</u>
Profit/loss for the year		<u>-1.433</u>	<u>6.822</u>
 Distribution of profit			
Retained earnings		<u>-1.433</u>	<u>6.822</u>
		<u>-1.433</u>	<u>6.822</u>

Balance sheet 31 December

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
Assets			
Other fixtures and fittings, tools and equipment		<u>1.260</u>	<u>1.423</u>
Tangible assets	5	<u>1.260</u>	<u>1.423</u>
Other fixed asset investments		<u>1</u>	<u>1</u>
Fixed asset investments		<u>1</u>	<u>1</u>
Total non-current assets		<u>1.261</u>	<u>1.424</u>
Trade receivables		36.249	39.896
Receivables from subsidiaries		1.270	574
Other receivables		4.450	5.870
Deferred tax asset		228	0
Prepayments		<u>5.177</u>	<u>521</u>
Receivables		<u>47.374</u>	<u>46.861</u>
Cash at bank and in hand		<u>10.512</u>	<u>13.828</u>
Total current assets		<u>57.886</u>	<u>60.689</u>
Total assets		<u><u>59.147</u></u>	<u><u>62.113</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
Equity and liabilities			
Share capital		2.000	2.000
Retained earnings		<u>24.482</u>	<u>25.915</u>
Equity	8	<u>26.482</u>	<u>27.915</u>
Trade payables		2.735	2.309
Payables to subsidiaries		15.307	6.768
Corporation tax		0	1.517
Other payables		<u>14.623</u>	<u>23.604</u>
Total current liabilities		<u>32.665</u>	<u>34.198</u>
Total liabilities		<u>32.665</u>	<u>34.198</u>
Total equity and liabilities		<u><u>59.147</u></u>	<u><u>62.113</u></u>
Contractual obligations, contingencies, etc.	6		
Related parties and ownership structure	7		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2018	2.000	25.915	27.915
Net profit/loss for the year	0	-1.433	-1.433
Equity at 31 December 2018	<u>2.000</u>	<u>24.482</u>	<u>26.482</u>

Notes

	<u>2018</u>	<u>2017</u>
	TDKK	TDKK
1 Staff costs		
Wages and salaries	63.720	64.135
Other social security costs	<u>680</u>	<u>539</u>
	<u>64.400</u>	<u>64.674</u>
Average number of employees	<u>86</u>	<u>71</u>
2 Financial income		
Other financial income	<u>0</u>	<u>98</u>
	<u>0</u>	<u>98</u>
3 Financial costs		
Other financial costs	<u>47</u>	<u>69</u>
	<u>47</u>	<u>69</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	1.517
Deferred tax for the year	-228	0
Adjustment of tax concerning previous years	<u>-358</u>	<u>0</u>
	<u>-586</u>	<u>1.517</u>

Notes

5 Tangible assets

	<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2018	2.191
Additions for the year	<u>298</u>
Cost at 31 December 2018	<u>2.489</u>
Impairment losses and depreciation at 1 January 2018	768
Depreciation for the year	<u>461</u>
Impairment losses and depreciation at 31 December 2018	<u>1.229</u>
Carrying amount at 31 December 2018	<u><u>1.260</u></u>

6 Contractual obligations, contingencies, etc.

The Company's rent and lease obligations are as follows. The total rent obligation in the notice period totals approx. DKK 7,25 Million. The Company has total lease obligations of DKK 0,56 Million.

The company is jointly taxed with the other Danish companies in the CBRE group. The Danish companies of the group are jointly and severally liable for the Group's jointly taxed income etc. CBRE A/S' is the administration company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable for the Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any future corrections to the corporate taxes and withholdings taxes may result in the company's tax increasing.

Notes

7 Related parties and ownership structure

Transactions

Purchase of services from group enterprises, 2018 - DKK 3,845 thousand, (2017 - DKK 2,433 thousand).

Sale of services to group enterprises, 2018 - DKK 2,930 thousand, (2017 - DKK 8,189 thousand).

Royalties to group enterprises, 2018 - DKK 0.672 thousand, (2017 - DKK 0.539 thousand).

The company's balances with group enterprises at December 31, 2018 are recognized in the balance sheet. Further, balances with group enterprises comprise trade balances related to the purchase and sale of services. Purchases of services from group enterprises consists of facility services, management fee, marketing services, shared service centres.

No transactions have been carried out with the Board of Directors, the Executive Management, senior employees, major shareholders or other related parties, apart from ordinary remuneration

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

CBRE Global Acquisition Company SAR, 12c, Impasse Drosbach at L-1882 Luxembourg

Consolidated financial statements

The accounts of the Company are included in the consolidated accounts of CBRE Group Inc. forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at 400, South Hope Street, 25th Floor, Los Angeles, CA 90071 - USA, where the consolidated financial statements are available.

8 Equity

There have been no changes in the share capital during the last 5 years.

Accounting policies

The annual report of CBRE A/S for 2018 has been prepared in accordance with the provisions applying to be reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of CBRE Group Inc.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Accounting policies

Income statement

Revenue

Revenue is related to real estate services and recognised in the income statement at the final acquisition of the right to the fee, corresponding to a legally binding contract. The fee is recognised excluding VAT, taxes and discounts in connection with the delivery of services.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

Accounting policies

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are follows:

The depreciable amount, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated life. The estimated useful lives are as follows:

	Useful life	Residual value
Fixtures and fittings, tools and equipment	3-5 years	0 %

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an assets net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Corporation tax and deferred tax

In its capacity as the administrative company, CBRE A/S is liable for its consolidated entities' corporation taxes towards the tax authorities concurrently with the payment of joint taxation contribution by the entities.

Joint tax contribution payable and receivable is recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Current payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Accounting policies

Deferred tax is measured using the balance sheet liabilities method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax value, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets are recognised under other current assets at the expected value of their utilisation; either as set off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Liabilities

Other liabilities are measured at net realisable value.