



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

STORE KONGENSGADE 68
1264 KØBENHAVN K

TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

Covivio Berlin IV ApS

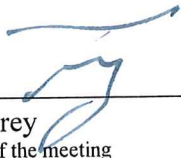
Store Kongensgade 68, 1264 København K

Company reg. no. 29 14 98 60

Annual report

1 January - 31 December 2018

The annual report has been submitted and approved by the general meeting on the 21 May 2019.



Daniel Frey
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.



Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Financial highlights	6
Management's review	7
Annual accounts 1 January - 31 December 2018	
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	11
Notes	12
Accounting policies used	15



Management's report

The executive board has today presented the annual report of Covivio Berlin IV ApS for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

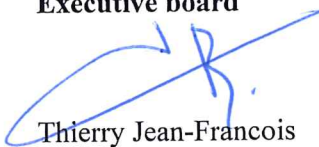
We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 15 May 2019

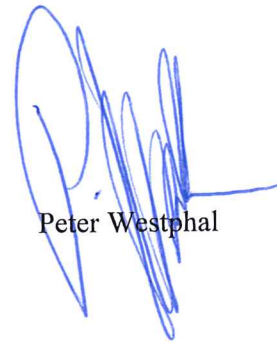
Executive board



Thierry Jean-Francois
Beaudemoulin
Managing director



Arnaud Brément



Peter Westphal



Independent auditor's report

To the shareholders of Covivio Berlin IV ApS

Opinion

We have audited the annual accounts of Covivio Berlin IV ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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



Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.



Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 15 May 2019

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678



Company data

The company

Covivio Berlin IV ApS
Store Kongensgade 68
1264 København K

Company reg. no. 29 14 98 60
Established: 1 July 2005
Domicile: Copenhagen
Financial year: 1 January - 31 December
13th financial year

Executive board

Thierry Jean-Francois Beaudemoulin, Managing director
Arnaud Brément
Peter Westphal

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Parent company

Covivio Dansk Holding ApS

Subsidiary

Covivio Quadriga IV GmbH, Germany



Financial highlights

EUR in thousands.	<u>2018</u>	<u>2017</u>	<u>2016</u>
Profit and loss account:			
Gross profit	-22	24	721
Results from operating activities	-23	24	201
Net financials	28.025	49.930	60.910
Results for the year	28.002	49.954	61.111
Balance sheet:			
Balance sheet sum	261.055	233.030	188.462
Equity	260.975	232.973	188.388
Key figures in %:			
Solvency ratio	100,0	100,0	100,0
Return on equity	11,3	23,7	64,9

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.



Management's review

The principal activities of the company

The principal activities are majority ownership to the shares in Covivio Quadriga IV GmbH, operating within the German real estate market.

Development in activities and financial matters

The gross loss for the year is EUR -22 against EUR 24 last year. The results from ordinary activities after tax are EUR 28.002 against EUR 49.954 last year. The management consider the results satisfactory.

Own shares

The enterprise' holding of own shares is 114.643 shares of EUR 0,134 each, corresponding to 5,73 % of the contributed capital.

The expected development

The management expect a positive result for 2019.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



Profit and loss account 1 January - 31 December

EUR in thousands.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Gross loss	-22	24
Other operating costs	<u>-1</u>	<u>0</u>
Operating profit	-23	24
Income from equity investments in group enterprises	<u>28.025</u>	<u>49.930</u>
Results before tax	28.002	49.954
Tax on ordinary results	<u>0</u>	<u>0</u>
1 Results for the year	28.002	49.954



Balance sheet 31 December

EUR in thousands.

Assets			
<u>Note</u>		<u>2018</u>	<u>2017</u>
	Fixed assets		
2	Equity investments in group enterprises	<u>261.055</u>	<u>233.030</u>
	Financial fixed assets in total	<u>261.055</u>	<u>233.030</u>
	Fixed assets in total	<u>261.055</u>	<u>233.030</u>
	 Assets in total	 <u>261.055</u>	 <u>233.030</u>



Balance sheet 31 December

EUR in thousands.

Equity and liabilities	2018	2017
<u>Note</u>	<u>2018</u>	<u>2017</u>
Equity		
3 Contributed capital	269	269
4 Reserves for net revaluation as per the equity method	185.013	156.988
6 Results brought forward	75.693	75.716
Equity in total	260.975	232.973
Liabilities		
Trade creditors	12	12
Debt to group enterprises	68	45
Short-term liabilities in total	80	57
Liabilities in total	80	57
Equity and liabilities in total	261.055	233.030
8 Contingencies		
9 Related parties		



Statement of changes in equity

EUR in thousands.

	Contributed capital	Reserves for net revaluation as per the equity method	Reserve for loans and securities	Results brought forward	Proposed dividend for the financial year	In total
Equity 1 January 2017	269	107.058	39.335	36.357	5.370	188.389
Distributed dividend	0	0	0	0	-5.370	-5.370
Share of results	0	49.930	0	24	0	49.954
Reserve for securities	0	0	-39.335	0	0	-39.335
Reversal of reserve for securities	0	0	0	39.335	0	39.335
Equity 1 January 2018	269	156.988	0	75.716	0	232.973
Share of results	0	28.025	0	-23	0	28.002
	269	185.013	0	75.693	0	260.975



Notes

EUR in thousands.

	<u>2018</u>	<u>2017</u>
1. Proposed distribution of the results		
Reserves for net revaluation as per the equity method	28.025	49.930
Allocated to results brought forward	0	24
Allocated from results brought forward	-23	0
Distribution in total	<u>28.002</u>	<u>49.954</u>

	<u>31/12 2018</u>	<u>31/12 2017</u>
2. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2018	76.042	76.042
Cost 31 December 2018	<u>76.042</u>	<u>76.042</u>
Revaluations, opening balance 1 January 2018	156.988	107.058
Revaluations for the year	28.025	49.930
Revaluation 31 December 2018	<u>185.013</u>	<u>156.988</u>
Book value 31 December 2018	<u>261.055</u>	<u>233.030</u>

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity	Results for the year	Book value at Covivio Berlin IV ApS
Covivio Quadriga IV GmbH, Germany	94,90 %	208.240	5.899	261.055

3. Contributed capital

Contributed capital 1 January 2018	<u>269</u>	<u>269</u>
	<u>269</u>	<u>269</u>

Within the past 5 years, the following changes in the share capital have taken place:
2016, Capital decrease of EUR 39.335.498.



Notes

EUR in thousands.

	<u>31/12 2018</u>	<u>31/12 2017</u>
4. Reserves for net revaluation as per the equity method		
Reserves for net revaluation 1 January 2018	156.988	107.058
Share of results	<u>28.025</u>	<u>49.930</u>
	<u>185.013</u>	<u>156.988</u>
5. Reserve for loans and securities		
Reserve for loans and securities 1 January 2018	0	39.335
Reserve for securities	<u>0</u>	<u>-39.335</u>
	<u>0</u>	<u>0</u>
6. Results brought forward		
Results brought forward 1 January 2018	75.716	36.357
Profit or loss for the year brought forward	-23	24
Reversal of reserve for securities	<u>0</u>	<u>39.335</u>
	<u>75.693</u>	<u>75.716</u>
7. Proposed dividend for the financial year		
Dividend 1 January 2018	0	5.370
Distributed dividend	<u>0</u>	<u>-5.370</u>
	<u>0</u>	<u>0</u>

8. Contingencies

Joint taxation

Covivio Dansk Holding ApS, company reg. no 30535723 being the administration company, the company is subject to the Danish scheme of joint taxation and, as from the financial year 2012, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

As from 1 July 2012, the company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.



Notes

EUR in thousands.

8. Contingencies (continued)

Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

9. Related parties

Controlling interest

Covivio Dansk Holding ApS
Store Kongensgade 68
1264 Copenhagen
Denmark

Majority shareholder

Other related parties

Covivio Quadriga IV GmbH

Subsidiary

Transactions

All transactions have taken place on arm's-lengths basis.

Consolidated annual accounts

The company is included in the consolidated annual accounts of Covivio Immobilien SE, Essener Str. 66, D-46047 Oberhausen, Germany.



Accounting policies used

The annual report for Covivio Berlin IV ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The annual report is presented in euro (EUR)

The accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Covivio Berlin IV ApS and its group enterprises are included in the consolidated annual accounts for Covivio Immobilien SE, Germany, reg. nr. 26385.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of Covivio Immobilien SE.

The consolidated annual accounts for Covivio Immobilien SE can be found on the following link:
<https://www.unternehmensregister.de/ureg/result.html;jsessionid=4074B9A2B226E7C217B3C5822BAAF21E.web03-1?submitaction=showDocument&id=23737116>

The profit and loss account

Gross loss

The gross loss comprises other operating income and external costs.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for sales and administration.

Other operating costs

Other operating costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including losses on disposal of intangible and tangible fixed assets.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.



Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.



Accounting policies used

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Equity

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.