Supplement No. 1
pursuant to Section 16(1) German Securities Prospectus Act (*Wertpapierprospektgesetz*)

of November 8, 2018

in relation to the Prospectus of October 26, 2018 for the public offering

of

34,512,703 newly issued ordinary bearer shares with no par value *(Stückaktien)* from a capital increase against contribution in cash from authorized capital with subscription rights for the existing shareholders of DEMIRE Deutsche Mittelstand Real Estate AG resolved by the Executive Board of the Company on October 25, 2018 with the approval of the Supervisory Board of the Company on October 25, 2018,

and at the same time

for the admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange

of

34,512,703 newly issued ordinary bearer shares with no par value *(Stückaktien)* for the above mentioned capital increase

- each such share with a notional value of €1.00 and with full dividend rights as of and for the fiscal year beginning January 1, 2018 -

of

DEMIRE Deutsche Mittelstand Real Estate AG

Frankfurt am Main, Germany

International Securities Identification Number (ISIN): DE000A0XFSF0

WKN (Securities Identification Number): A0XFSF

Common Code: 042666092

Trading Symbol: DMRE

Sole Global Coordinator and Sole Bookrunner

Baader Bank

This supplement no. 1 (the "**Supplement**") is supplemental to, and should be read in conjunction with, the approved prospectus dated October 26, 2018 (the "**Prospectus**") that is available on the Issuer's website under www.demire.ag/investor-relations. The Supplement No. 1 will be published on November 8, 2018 on the aforementioned website of DEMIRE Deutsche Mittelstand Real Estate AG in accordance with Section 16(1) in conjunction with Section 14(2) No. 3a of the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Printed copies of the Prospectus and the Supplement are available free of charge at DEMIRE Deutsche Mittelstand Real Estate AG, Robert-Bosch-Straße 11, 63225 Langen, Germany. Terms defined in the Prospectus have the same meaning when used in the Supplement.

Pursuant to Section 16 para. 3 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*), investors who have already agreed to purchase or subscribe the Issuer's shares before the Supplement is published shall have the right, exercisable within two working days after the publication of the Supplement, to withdraw their purchase or subscription orders if the new fact or incorrectness within the meaning of Section 16 para. 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) that required the publication of the Supplement occurred prior to the final completion of the public offering and the delivery of such shares. The withdrawal notice does not need to contain a statement of reasons and must be made in text form to the institution with which the investor has placed the order to purchase or subscribe such shares.

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The following significant new factor has arisen since approval and publication of the Prospectus on October 26, 2018:

- On April 26, 2018, Deutsche Mittelstand Real Estate AG announced its profit forecast for the fiscal year ending December 31, 2018. At that time, Deutsche Mittelstand Real Estate AG expected, based on the current real estate holdings, to generate FFO I after taxes of €16-18 million and rental income of €71-73 million, for the fiscal year ending December 31, 2018.
- As announced in the ad hoc release published on November 7, 2018, DEMIRE Deutsche Mittelstand Real Estate AG adjusted its profit forecast due to the positive business development in the first nine months of the fiscal year ending December 31, 2018 and expects to generate FFO I after taxes of €23-24 million and rental income of approximately €74 million for the fiscal year ending December 31, 2018.

Against this background, the Prospectus is supplemented as follows:

Amendments to section titled “SUMMARY” beginning on page S-1 of the Prospectus

1. In element “B.7 Significant changes to the issuer’s financial condition and operating results during and subsequent to the period covered by the historical key financial information” on page S-9, the following paragraph is inserted before the last paragraph:

As of September 30, 2018, rental income was approximately €55 million and FFO I was approximately €18 million. These figures are preliminary and have not been reviewed or audited.

2. The element “B.9 Profit forecast or estimate” on page S-13 has been replaced by the following:

On April 26, 2018, the Company announced its profit forecast for the fiscal year ending December 31, 2018. At this time, the Company expected, based on the current real estate holdings, to generate FFO I after taxes of €16-18 million, for the fiscal year ending December 31, 2018. As announced in the ad hoc release published on November 7, 2018, the Company adjusted its profit forecast due to the positive business development in the first nine months of the fiscal year ending December 31, 2018 and expects to generate FFO I after taxes of €23-24 million for the fiscal year ending December 31, 2018.

Amendments to section titled “GERMAN TRANSLATION OF THE SUMMARY - ZUSAMMENFASSUNG” beginning on page S-21 of the prospectus

3. In element “B.7 Wesentliche Änderungen der Finanzlage und des Betriebsergebnisses des Emittenten während und nach dem Zeitraum, der von den wesentlichen historischen Finanzinformationen erfasst wird” on page S-30, the following paragraph is inserted before the last paragraph:

Zum 30. September 2018 erreichten die Mietertráge rund €55 Millionen, die FFO I erreichten rund €18 Millionen. Diese Zahlen sind vorläufig und wurden nicht prüferisch durchgesehen oder geprüft.

4. The element “B.9 Gewinnprognosen oder –schätzungen” on page S-35 has been replaced by the following:

Am 26. April 2018 hat die Gesellschaft ihre Gewinnprognose für das am 31. Dezember 2018 endende Geschäftsjahr vorgestellt. Zu diesem Zeitpunkt erwartete die Gesellschaft, auf Basis des aktuell bestehenden Immobilienportfolios der Gesellschaft, ein FFO I nach Steuern von €16-18 Millionen für das am 31. Dezember 2018 endende Geschäftsjahr. Wie in einer am 7. November 2018 veröffentlichten Ad-hoc-Mitteilung angekündigt, hat die Gesellschaft ihre Gewinnprognose aufgrund der positiven Geschäftsentwicklung angepasst und erwartet ein FFO I nach Steuern von €23-24 Millionen für das am 31. Dezember 2018 endende Geschäftsjahr.

Amendments to section A. titled “RISK FACTORS” beginning on page 1 of the prospectus

5. The risk factor 12. “The forecast with regard to our rental income and FFO I after taxes targets could differ materially from our actual results of operations for the fiscal year ending December 31, 2018” on page 6 has been replaced by the following:

On April 26, 2018, we announced our forecast for 2018. At this time, we expected to generate FFO I after taxes of €16-18 million and, based on our current real estate holdings, rental income of €71-73 million driven by active real estate management and an improvement in letting rates through efficient management, for the fiscal year ending December 31, 2018. On November 7, 2018, we adjusted our profit forecast due to the positive business development in the first nine months of the fiscal year ending December 31, 2018 and expect to generate FFO I after taxes of €23-24 million and rental income of approximately €74 million for the fiscal year ending December 31, 2018.

The Executive Board has based this forecast and these targets on certain assumptions relating to our market position, the performance of our property portfolio, including the development of certain key figures for the portfolio, trends in interest rates, the economic development of the commercial real estate industry and the economic environment in Germany in general. These assumptions could prove to be inaccurate since they relate to factors over which we have limited or, in some cases, no control or influence, which could cause us to revise or withdraw our forecast for a given year. Our actual FFO I after taxes for the fiscal year ended December 31, 2017 amounted to €11.7 million (FFO II after taxes of €12.6 million) and FFO I after taxes of €5.4 million attributable to parent company shareholders (FFO II after taxes attributable to parent company shareholders of €6.6 million). Should one or more of the assumptions underlying our forecast prove to be incorrect, our actual FFO for the fiscal year ending December 31, 2018 could differ materially from such forecast.

Amendments to section I. titled "RECENT DEVELOPMENTS AND OUTLOOK" beginning on page 70 of the prospectus

6. In sub-section "I. RECENT DEVELOPMENTS", beginning on page 70, the following paragraph is inserted after the last paragraph:

As of September 30, 2018, rental income was approximately €55 million and FFO I was approximately €18 million. These figures are preliminary and have not been reviewed or audited.

7. The sub-section "II. PROFIT FORECAST", beginning on page 70, has been replaced by the following:

1. Updated Forecast of the Funds from Operations after Taxes excluding Profit/Loss from the Sale of Real Estate and Real Estate Companies (FFO I after Taxes) for the Fiscal Year Ending December 31, 2018 of DEMIRE Deutsche Mittelstand Real Estate AG

The updated forecast of the funds from operations after taxes excluding profit/loss from the sale of real estate and real estate companies ("**FFO I after taxes**") of DEMIRE Deutsche Mittelstand Real Estate AG, Frankfurt am Main (the "**Company**" and together with its consolidated subsidiaries, "**DEMIRE**") for the fiscal year ending December 31, 2018 described in this section refers to FFO I after taxes of the Company on a consolidated basis (the "**Updated FFO I Forecast**"). The Updated FFO I Forecast is not a presentation of facts and should not be interpreted as such by investors. Rather, it reflects the forward-looking expectations of the management board of the Company with respect to the development of the FFO I after taxes of DEMIRE. Potential investors should not place undue reliance on this Updated FFO I Forecast.

According to the Company, FFO I after taxes is indicative for the assessment of its operating performance. For the purposes of the Updated FFO I Forecast, the Company defines FFO I after taxes as follows:

FFO I after taxes is profit/loss before taxes, adjusted by interests of minority shareholders shown in financial result (profit/loss before taxes and interests of minority shareholders (EBT)), profit/loss from the sale of real estate and real estate companies, profit/loss from investments accounted for using the equity method, profit/loss from fair value adjustments in investment properties, profit/loss from revaluation of financial instruments and other adjustments[1] (FFO I before taxes) as well as adjusted current income taxes[2].The Updated FFO I Forecast is based on the assumptions listed below made by the management of the Company. These assumptions relate to (i) factors outside the Company's influence, (ii) factors that can be influenced by the Company only to a limited extent and (iii) factors that can be influenced by the Company. Even though the Company considers the assumptions of its management to be reasonable at the time of when preparing the Updated FFO I Forecast, they may prove in retrospect to be incorrect or unfounded. Should one or more of these assumptions prove to be incorrect or unfunded, the Company's actual FFO I after taxes could differ materially from its Updated FFO I Forecast.

1.1. Updated FFO I Forecast of DEMIRE for the Fiscal Year Ending December 31, 2018

Based on the development of the fiscal year ending December 31, 2018, the Company anticipates FFO I after taxes for the fiscal year ending December 31, 2018 in a range of EUR 23 million to EUR 24 million.

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[1] Other adjustments include, in particular, one-time refinancing costs, one-time transaction costs, one-time legal and consulting costs, one-time administrative costs and non-period income and expenses.

[2] Current income taxes for the respective period adjusted for the current income tax effects resulting from the adjusting items in the reconciliation from profit/loss before taxes to FFO I before taxes.

1.2. Explanatory Notes to the Updated FFO I Forecast

1.2.1. Basis of Preparation

The Updated FFO I Forecast for the fiscal year ending December 31, 2018 was prepared in accordance with the principles of the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*, "**IDW**") IDW Accounting Practice Statement: Preparation of Profit Forecasts and Estimates in Accordance with the Specific Requirements of the Regulation on Prospectuses and Profit Estimates on the basis of Preliminary Figures IDW AcPS HFA 2.003 (IDW RH HFA 2.003) (*IDW Rechnungslegungshinweis: Erstellung von Gewinnprognosen und -schätzungen nach den besonderen Anforderungen der Prospektverordnung sowie Gewinnschätzungen auf Basis vorläufiger Zahlen (IDW RH HFA 2.003)*).

The Updated FFO I Forecast for the fiscal year ending December 31, 2018 was prepared on the basis of the accounting principles of International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"). The applied accounting policies are described in the notes to the unaudited interim consolidated financial statements of the Company as of and for the six months ended June 30, 2018 in connection with the notes to the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017.

For the purposes of the Updated FFO I Forecast, no planned acquisitions of real estate in the fiscal year ending December 31, 2018 have been taken into consideration, including the recently announced acquisition of four commercial real estate objects in the amount of EUR 167 million (the "**Acquisition**"), which will not have any effect in the fiscal year ending December 31, 2018. However, the Updated FFO I Forecast includes planned property disposals scheduled to take place in the fiscal year ending December 31, 2018 whose transfer of benefits and encumbrances is expected to take place in the fiscal year ending December 31, 2018. The rental income and income from utility and service charges as well as operating expenses to generate rental income affected by the disposals of properties are not recognized in the Updated FFO I Forecast after each expected transfer of benefits and encumbrances.

1.2.2. Factors and Assumptions

The Updated FFO I Forecast for the fiscal year ending December 31, 2018 is influenced by a range of factors and based on historical trends, Company experiences and management estimates which are listed below.

1.2.2.1. Factors outside the company's influence

The Updated FFO I Forecast of the Company for the fiscal year ending December 31, 2018 is subject to factors outside of the influence of the Company. These factors and related assumptions are described below:

1.2.2.1.1. Factor: Unforeseeable events such as "force majeure"

While preparing the Updated FFO I Forecast, the Company assumes that no significant unforeseeable events will occur that could lead to significant constraints in the ongoing business operations of the Company or its subsidiaries, for instance force majeure (e.g., fire, flooding, hurricanes, storms, earthquakes or terrorist attacks) strikes, extraordinary macroeconomic events or war.

1.2.2.1.2. Factor: Legislative and regulatory conditions

While preparing the Updated FFO I Forecast, the Company assumes that no or only insignificant changes will be made to the current legal and regulatory framework (e.g., concerning tenancy law). Additionally, the Company assumes no significant changes in the taxation of real estate investments nor any unforeseen regulatory changes affecting DEMIRE's business.

1.2.2.1.3. Factor: Economic developments in the real estate industry

For the purposes of the Updated FFO I Forecast, the Company assumes that:

- No financial or economic crisis will occur that affects Europe and specifically Germany;
- The economic conditions in Germany will not experience any negative developments; and

- The real estate industry, especially in Germany, will not suffer any negative developments, and that the Company will be able to retain its current competitive position in the market.

1.2.2.1.4. Factor: Changes in interest rates

While preparing the Updated FFO I Forecast, the Company expects that current interest rates will remain stable assuming no material tightening of credit institutions' requirements for providing transaction financing or refinancing. In addition, the Company does not assume that Central banks will significantly increase interest rates. Furthermore, the Company assumes that there will be no major changes in the conditions for financing on the capital market.

1.2.2.2. Factors that can be influenced by the company to a limited extent

Likewise, other factors that can be influenced by the Company to a limited extent affect the Updated FFO I Forecast. The relevant assumptions are described below:

1.2.2.2.1. Factor: Rental income

Rental income comprises the annual rental payments contractually agreed with the tenants. For the purposes of the Updated FFO I Forecast, the Company neither assumes any acquisitions of real estate nor will the Acquisition have any impact on the fiscal year ending December 31, 2018. In contrast, the Company assumes the disposal of real estate by year end 2018 that were already clustered as assets held for sale in the fiscal year ending December 31, 2017. In addition, the Company assumes that the risk of rental loss will remain low and that expiring leases, in certain cases after certain down periods and re-letting measures, will be primarily compensated by new leases or renewals of existing leases on terms comparable to the level of current contracted leases. Furthermore, the Company has assumed that the EPRA vacancy rate of its investment properties will be lower and the average rent per sqm subject to indexation and step-up rents will increase slightly in the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017. Accordingly, the rental income for the fiscal year ending December 31, 2018 will be approximately EUR 74 million on the basis of the contractually agreed rents.

1.2.2.2.2. Factor: Income from utility and service charges and operating expenses to generate rental income

Income from utility and service charges and operating expenses to generate rental income include all allocable ancillary costs that were passed on to tenants, all costs related to letting activities, such as repairs and maintenance, allocable and non-allocable operating expenses and other property-related costs. For the purpose of preparing the Updated FFO I Forecast, the Company has assumed that the ratio of (i) income from utility and service charges and operating expenses to generate rental income to (ii) rental income will remain largely unchanged for the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017. This is mainly caused by largely unchanged operating expenses to generate rental income for the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017, (i) due to lower operating expenses (excluding investments and maintenance expenses) as a result of operational improvements and (ii) due to, in contrast, the elimination of large investment backlog from previous years, which will not be fully realized and partly rescheduled to the fiscal year ending December 31, 2019 resulting in a less pronounced increase as compared to the fiscal year ended December 31, 2017. The revised assumed capitalization ratio for investments amounts to 35% for the fiscal year ending December 31, 2018. Income from utility and services charges will not change significantly for the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017.

1.2.2.2.3. Factor: General and administrative expenses

For the purpose of making the Updated FFO I Forecast, general and administrative expenses are planned for each cost item separately with personnel costs and legal and advisory costs being the main cost drivers. For the fiscal year ending December 31, 2018 personnel costs are expected to decrease compared to the fiscal year ended December 31, 2017 due to lower expenses for severance payments. In contrast, legal and advisory costs are expected to increase compared to the fiscal year ended December 31, 2017 due to optimization measures following the implementation of strategy DEMIRE 2.0. In total, general and administrative costs will remain at similar levels in the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31,

2017. Adjusted for one-time costs, general and administrative expenses will increase slightly in the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017.

1.2.2.2.4. Factor: Other operating income and other operating expenses

For the purpose of preparing the Updated FFO I Forecast, the Company has assumed that the net result of other operating income and other operating expenses in the fiscal year ending December 31, 2018 will be higher compared to fiscal year ended December 31, 2017. However, adjusted for one-time costs and non-periodic income and expenses, the net result of other operating income and other operating expenses will not change significantly in the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017.

1.2.2.2.5. Factor: Finance expenses

For the purpose of preparing the Updated FFO I Forecast, the Company has assumed that:

- financial expenses for the fiscal year ending December 31, 2018 will decrease significantly due to improved cost of debt achieved through effective refinancing measures in the fiscal year ended December 31, 2017, adjusted for one-time costs, finance expenses will decrease in the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017;

- the average ratio of net debt to real estate will decrease for the fiscal year ending December 31, 2018 compared to the fiscal year ended December 31, 2017;

- all covenants under financing agreements (especially financial covenants) will be complied with;

- the interest rate risk will remain low, because the Company believes that the low interest environment will not change until the end of the fiscal year ending December 31, 2018; and

- the liquidity risk will remain low, because the Company believes that sufficient liquidity is available, and that the average financing conditions of the Company relating to the current financing agreements can be maintained in case of the conclusion of new or extensions of existing financing agreements.

1.2.2.2.6. Factor: Income taxes

For the purpose of preparing the Updated FFO I Forecast, the Company has assumed a forfeiture of tax loss carry forwards following the investment by AEPF III 15 S.à r.l. in the Company in February 2018. Hence, the Company assumes for the fiscal year ending December 31, 2018 higher adjusted current income tax expenses based on the current estimated taxable income compared to the fiscal year ended December 31, 2017.

1.2.2.2.7. Factor: Other adjustments

1.2.2.3. Other adjustments include, in particular, one-time refinancing costs, one-time transaction costs, one-time legal and consulting costs, one-time administrative costs and non-period expenses/income and affect general and administrative expenses, other operating income and other operating expenses and finance expenses. For the purpose of preparing the Updated FFO I Forecast, these non-recurring costs are not relevant and therefore eliminated.

1.2.2.4. Factors that can be influenced by the company

The Updated FFO I Forecast of the Company for the fiscal year ending December 31, 2018 is subject to factors that can be influenced by the Company. These factors and related assumptions are described below:

1.2.2.4.1. Factor: Expenses related to tenant fluctuation

In the event of a change of tenant, the Company can determine what amount to invest in the lettable area so as to positively influence the potential rent price for that lettable area. The amount invested in a lettable area may affect the amount of rent charged under new rental agreement as well as the time that lettable area remains vacant before a new rental agreement is concluded. For the purposes of the Updated FFO I Forecast, the Company assumes that in the fiscal year ending December 31, 2018 the expenses for such investments in newly let areas are higher compared to the fiscal year ended December 31, 2017. Due to the postponement of certain investments, not all measures will be fully realized, which contributes to the overall largely unchanged operating expenses to generate rental income in the fiscal year ending December 31, 2018.

1.2.2.4.2. Factor: Measures for capital expenditures

The Company assumes increased measures and realization for capital expenditures in the fiscal year ending December 31, 2018 compared to the fiscal year ending December 31, 2017 due to the elimination of large capital expenditures backlog of previous years. Due to the postponement of certain investments to the fiscal year ending December 31, 2019, the elimination of large capital expenditures backlog will not be fully realized, which contributes to the overall largely unchanged operating expenses to generate rental income in the fiscal year ending December 31, 2018. The revised assumed capitalization ratio for capital expenditures amounts to 28% for the fiscal year ending December 31, 2018.

1.2.2.4.3. Factor: Acquisitions / Disposals

For the purposes of the Updated FFO I Forecast, the Company does not assume any acquisitions or disposals of real estate nor any increase or decrease of shareholdings in its subsidiaries for the fiscal year ending December 31, 2018. The sole exception refers to the disposal of real estate by year end 2018 that were already clustered as assets held for sale in the fiscal year ending December 31, 2017.

1.2.2.4.4. Factor: Operational improvements in accordance with DEMIRE 2.0

Operational improvements following DEMIRE 2.0 strategy for the fiscal year ending December 31, 2018 include the reduction of financial expenses from refinancing measures in the fiscal year ended December 31, 2017, successful implementation of tax groups with its subsidiaries, reduction in vacancy through active asset management and improved tenant relationship. For purposes of the Updated FFO I Forecast, the Company assumes that these operational improvements can be realized and will positively impact rental income, finance expenses and income taxes, among others.

1.2.3. Other Explanatory Notes

As described above, the Updated FFO I Forecast does not include any extraordinary results or results from non-recurring activities within the meaning of the IDW Accounting Practice Statement (IDW RH HFA 2.003).

The Updated FFO I Forecast for the fiscal year ending December 31, 2018 was compiled on November 7, 2018. As the Updated FFO I Forecast relates to a period not yet completed and is prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties, it is possible that the actual FFO I after taxes for the fiscal year ending December 31, 2018 may differ materially from the Updated FFO I Forecast.

2. Auditor’s Report on the Forecast of the Funds from Operations after Taxes excluding Profit/Loss from the Sale of Real Estate and Real Estate Companies (FFO I after Taxes) for the Fiscal Year Ending December 31, 2018 of DEMIRE Deutsche Mittelstand Real Estate AG

Auditor's Report

To DEMIRE Deutsche Mittelstand Real Estate AG, Frankfurt am Main

We have audited whether the updated profit forecast prepared by DEMIRE Deutsche Mittelstand Real Estate AG, Frankfurt am Main, (dated November 7, 2018) for the period from January 1, 2018 to December 31, 2018 has been properly compiled on the basis stated in the explanatory notes to the updated profit forecast and whether this basis is consistent with the accounting policies of the company. The updated profit forecast comprises the forecast funds from operations after taxes excluding profit/loss from the sale of real estate and real estate companies ("FFO I after taxes") for the period from January 1, 2018 to December 31, 2018 and explanatory notes to the updated profit forecast.

The preparation of the updated profit forecast including the factors and assumptions presented in the explanatory notes to the updated profit forecast is the responsibility of the company's management.

Our responsibility is to express an opinion based on our audit on whether the updated profit forecast has been properly compiled on the basis stated in the explanatory notes to the updated profit forecast and whether this basis is consistent with the accounting policies of the company. Our engagement does not include an audit of the assumptions identified by the company and underlying the updated profit forecast.

We conducted our audit in accordance with *IDW Prüfungshinweis: Prüfung von Gewinnprognosen und –schätzungen i.S.v. IDW RH HFA 2.003* (IDW PH 9.960.3) (IDW Auditing Practice Statement: The Audit of Profit Forecasts and Estimates in accordance with IDW AcPS AAB 2.003 (IDW AuPS 9.960.3)) issued by the *Institut der Wirtschaftsprüfer in Deutschland e.V.* (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that material errors in the compilation of the updated profit forecast on the basis stated in the explanatory notes to the updated profit forecast and in the compilation of this basis in accordance with the accounting policies of the company are detected with reasonable assurance.

As the updated profit forecast relates to a period not yet completed and is prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties it is possible that the actual profit of the company for the period from January 1, 2018 to December 31, 2018 may differ materially from the forecast profit.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on the findings of our audit, the updated profit forecast has been properly compiled on the basis stated in the explanatory notes to the updated profit forecast. This basis is consistent with the accounting policies of the company.

Berlin, November 7, 2018

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Gregory Hartman
Wirtschaftsprüfer

Nadja Picard
Wirtschaftsprüferin