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GRAND CITY PROPERTIES S.A. FINANCIAL YEAR 2015 – PRESENTS CONTINUED IMPROVEMENT ON THE OPERATIONAL AND FINANCIAL METRICS

- **Rental and operating income at €333 million, up 54% YOY**
- **EBITDA at €488 million, up 42% YOY**
- **Adjusted EBITDA increased to €177 million, up 58% YOY**
- **FFO I increased to €128 million, up 68% YOY**
- **FFO I per share after Hybrid Notes attribution at €0.89, up 35% YOY**
- **FFO II at €171 million, up 32% YOY**
- **Net profit at €394 million, up 61% YOY; EPS (Basic) at €2.71, up 52% YOY**
- **Equity at €2.17 billion, up 109% YOY; Equity ratio up at 46%, and 49% after conversion of the convertible bond, fully converted as of January 2016**
- **EPRA NAV reached €2.07 billion, and €2.54 billion including perpetual hybrid notes**
- **LTV of 42%, down from 45% year-end 2014. After conversion of the convertible bond LTV is 39%**
- **Sustaining a conservative financial structure with ICR of 6.8, up from 5.1 in 2014, and DSCR of 4.7, up from 4.0 in 2014**
- **Like-for-like occupancy growth at 3.0% p.a., I-f-I in-place rent growth at 2.5% p.a.**

Luxembourg, March 18, 2016 – Grand City Properties S.A. (the "Company", "GCP") proudly announces the results for the year 2015, a period of profitable and exciting developments in all business aspects.

GCP demonstrated in 2015 the scale of its business foundations by successfully expanding the portfolio by additional 33,000 units, while maintaining high operational standards. The March 2016 portfolio of 78,000 units is generating an annualized rental and operating income run rate of €412 million and an FFO I run rate of €151m.

Strong operational platform resulting in increasing operational efficiency

The year-over-year operational performance improvement is due to a combined effect of internal growth supported by robust like-for-like development and successful external growth, made possible by the strong operational platform. The vacancy has been reduced to 10.8% and the in-place rent increased up to 5.3 €/sqm as of March 2016, translating to an increasing adjusted EBITDA and finally to additional capitalized value.

Over the same period, adjusted EBITDA amounted to €177 million, an increase of 58%, higher than the 54% increase in rental and operation income, reflecting the operational efficiency of GCP. FFO I increased further by 68% to €128 million, supported by preferred cost of debt.

Conservative debt structure, high headroom for future growth

GCP as of December 2015 is in a position of low leverage to support future growth opportunities. LTV is at 39%, accounting for conversion of the Series C convertible bond, which was fully converted by January 2016. With €389 million of cash and liquid assets as of December 2015, complemented by the €450 million issuance of the Series F convertible bond in 2016, the Company also has a considerable cash base for the purpose of further growth in 2016.

Christian Windfuhr, CEO of Grand City Properties, comments: “2015 is a record year for Grand City in which we amplified the scale of our operations and successfully met all the professional challenges set to us. Recognizing the fruit of our hard work materialize in the results is giving us energy and determination to continue in this path of running an efficient, innovative and profitable organization, benefiting our shareholders by and through providing excellent housing to our tenants”.

The full FY 2015 interim report is available on the Company’s website:

<http://grandcityproperties.com/en/downloads.html>

About the Company:

Grand City Properties is a specialist real estate company focused on investing in and managing turnaround opportunities in the real estate property market in Germany, primarily in densely populated areas. The Company’s strategy is to improve its properties through targeted modernization and intensive tenant management, and then create value by subsequently raising occupancy and rental levels. Further information: www.grandcityproperties.com

Grand City Properties (ISIN: LU0775917882) is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 24, Avenue Victor Hugo, L 1750 Luxembourg and being registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés Luxembourg) under number B 165560. Since May 2012, Grand City Properties is listed on the Frankfurt Stock Exchange.

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