

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS), ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (THE “UNITED STATES”) OR IN OR INTO OR TO ANY PERSON RESIDENT OR LOCATED IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO PUBLISH OR DISTRIBUTE THIS DOCUMENT.

**GRAND CITY PROPERTIES S.A. ANNOUNCES H1 2018 RESULTS:
HALF YEAR IS MARKED BY CONTINUOUS OPERATIONAL IMPROVEMENT**

- Rental and operating income increased to €268 million, up by 12% from €239 million YOY
- Adjusted EBITDA of €137 million, up 13% YOY from €121 million in H1 2017
- FFO I grew to €99 million, reflecting a growth of 16% YOY
- FFO I per share increased 9% YOY to €0.60, €1.20 on an annualized level, reflecting a yield of 5.1%. FFO I per share after perpetual notes attribution up 11% YOY to €0.52
- Net profit increased by 21% YOY to €271 million; EPS (basic) grew 15% YOY to €1.43
- EPRA NAV increased by 5% to €3.5 billion and €21.2 per share, up from €20.2 per share at year-end 2017
- EPRA NAV incl. perpetual notes increased 13% to €4.5 billion and €27.3 per share, grew from €4.0 billion and €24.2 per share at year-end 2017
- Equity of €4.3 billion, increased 12% since year-end 2017; reflecting an equity ratio at 49%
- Low leverage maintained with LTV of 35%; sustainable sound credit profile, highlighted by strong credit metrics with high ICR of 5.9x in H1 2018, long debt duration of 8.3 years, low cost of debt of 1.6% and high unencumbered ratio of 65% (€4.6 billion)
- Continued strong organic growth, reflected in like-for-like net rents growth of 3.2% as of June 2018, with 2.7% from in-place rents growth and 0.5% from occupancy growth*
- Guidance for 2018 confirmed

Luxembourg, August 17, 2018 – Grand City Properties S.A. (“**GCP**” or the “**Company**”) has continued its successful performance in the first half of 2018. The strong operational performance and cost discipline lead to an increase in FFO I of 16% to €99 million. On a per share level, FFO I increased 9% to €0.60 per share (€1.20 per share on an annualized basis) and 11% per share after perpetual notes attribution. The consistent shareholder value creation is also evident by the increase in the EPRA NAV including perpetual notes growth of 13% to €4.5 billion.

Accretive capital recycling increases portfolio quality

Successful disposal of non-core assets for a value of €142 million, generating a 12% profit over net book value, validating GCP value-add business model. The profit over total cost of €88 million (profit margin of over 160%) lead to an increase in FFO II by 119% to €187 million. Channeling the funds into further accretive acquisitions in high quality locations will improve the overall quality of the portfolio.

Christian Windfuhr, CEO of Grand City Properties: “The results for the first half of 2018 verifies our consistency in high performance and value creation. Our achievements during the year proved to be a firm step towards reaching our 2018 guidance and we are steadily realizing the upside potential in our portfolio”.

The financial statements for H1 2018 are available on the Company’s website:
grandcityproperties.com/en/downloads.html

For definitions of the alternative performance measures please see the relevant section in the pages 44-48 of the financial statements for H1 2018 which you can find on the website under investor relations > downloads or follow this link

<https://grandcityproperties.com/GCPH12018.pdf>

*this is a corrected version from the initial published version due to a typo in the like-for-like

About the Company

The Company is a specialist in residential real estate, value-add opportunities in densely populated areas primarily in Germany. 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 S.A. (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 1, Avenue du Bois, L-1251 Luxembourg, Grand Duchy of Luxembourg and being registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés Luxembourg*) under number B 165 560. The shares of the Company are listed on the Prime Standard segment of Frankfurt Stock Exchange.

Contact:

Grand City Properties S.A.
1, Avenue du Bois
L-1251 Luxembourg
T: +352 28 77 87 86
E: info@grandcity.lu
www.grandcityproperties.com

Press Contact:

Katrin Petersen
Grand City Properties S.A.
T: +49 (30) 374-381 5218
E: katrin.petersen@grandcity.lu

Disclaimer:

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES.

THE SECURITIES MENTIONED IN THIS ANNOUNCEMENT HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THERE WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

THIS ANNOUNCEMENT IS DIRECTED AT AND IS ONLY BEING DISTRIBUTED IN THE UNITED KINGDOM TO (I) PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"), (II) HIGH NET WORTH ENTITIES, AND OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED FALLING WITHIN ARTICLE 49 OF THE ORDER, AND (III) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS COMMUNICATION MUST NOT BE READ, ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("EEA"), THIS ANNOUNCEMENT AND ANY OFFER IF MADE SUBSEQUENTLY IS DIRECTED ONLY AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF DIRECTIVE 2003/71/EC, AS AMENDED (THE "PROSPECTUS DIRECTIVE") ("QUALIFIED INVESTORS"). ANY PERSON IN THE EEA WHO ACQUIRES THE SECURITIES IN ANY OFFER (AN "INVESTOR") OR TO WHOM ANY OFFER OF THE SECURITIES IS MADE WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT IS A QUALIFIED INVESTOR. ANY INVESTOR WILL ALSO BE DEEMED TO HAVE REPRESENTED AND AGREED THAT ANY SECURITIES ACQUIRED BY IT IN THE OFFER HAVE NOT BEEN ACQUIRED ON BEHALF OF PERSONS IN THE EEA OTHER THAN QUALIFIED INVESTORS, NOR HAVE THE SECURITIES BEEN ACQUIRED WITH A VIEW TO THEIR OFFER OR RESALE IN THE EEA TO PERSONS WHERE THIS WOULD RESULT IN A REQUIREMENT FOR PUBLICATION BY THE COMPANY OR ANY OF THE MANAGERS OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

THIS ANNOUNCEMENT MAY CONTAIN PROJECTIONS OR ESTIMATES RELATING TO PLANS AND OBJECTIVES RELATING TO OUR FUTURE OPERATIONS, PRODUCTS, OR SERVICES, FUTURE FINANCIAL RESULTS, OR ASSUMPTIONS UNDERLYING OR RELATING TO ANY SUCH STATEMENTS, EACH OF WHICH CONSTITUTES A FORWARD-LOOKING STATEMENT SUBJECT TO RISKS AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF GRAND CITY PROPERTIES S.A. ACTUAL RESULTS COULD DIFFER MATERIALLY, DEPENDING ON A NUMBER OF FACTORS.