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**GRAND CITY PROPERTIES S.A. ANNOUNCES SOLID START INTO 2020 WITH
ROBUST OPERATIONAL RESULTS**

- Solid operational results in the first quarter for 2020
- No material negative impact from COVID-19.
- Net rental income in Q1 2020 remained stable €95 million as compared to Q1 2019, although net disposals.
- Adjusted EBITDA amounted to €74 million for Q1 2020, up 2% YOY.
- Core profitability growth sustained with FFO I for Q1 2020 growing by 5% to €55 million in comparison to the first quarter of 2019.
- FFO I per share for Q1 2020 was €0.33 growing 3% as compared to €0.32 in Q1 2019 FFO I per share after perpetual notes attribution increased 4% YOY to €0.28.
- Profit for the period amounted to €56 million with a basic EPS of €0.24 and diluted EPS of €0.23.
- Disposals of over €270 million during Q1 2020, generating a disposal gain of approx. €89 million over total costs, resulting in an FFO II of €144 million for the first quarter of 2020.
- EPRA NAV at the end of the Q1 2020 was €4.1 billion and €24.5 per share, stable as compared to year-end 2019.
- EPRA NAV including perpetual notes as of March 2020 was €5.1 billion and €30.6 on a per share basis.
- Total Equity was €5.0 billion, resulting in a strong equity ratio of 50%.
- Solid financial platform characterized by low average cost of debt at 1.3%, long average debt maturity of 7.8 years and a low LTV of 36%.
- Large liquidity position amounting to €0.95 billion as of March 2020 and over €1.5 billion including €600 million April 2020 debt issuance. Liquidity supported by large pool of unencumbered assets at €6.2 billion (77% of value) providing valuable financial flexibility.
- Stable operational cash flows demonstrated by strong ICR of 6.7x.
- Steady top-line growth with like-for-like rental growth of 3.4%; 2.8% from in-place rent increases and 0.6% from occupancy increases.
- Dividend proposal for FY 2019 remains unchanged. Guidance slightly updated to include impact of bond issuance, Q1 finalized disposals and postponed acquisitions.

CORPORATE NEWS

Luxembourg, May 18, 2020 – Grand City Properties S.A. ("GCP" or the "Company") begins the year 2020 with steady and robust operational results displaying the resilient nature of its business. On a like-for-like basis net rental income increased by 3.4%, with effective vacancy reduction measures contributing to an increase of 0.6% YOY. Sustained operational efficiency has led to the adjusted EBITDA and FFO I, increasing by 2% and 5% respectively in comparison with the same period in 2019.

The coronavirus pandemic has had a rather limited impact on business operations in general with new lettings remaining at around average levels while fluctuation has been below average levels. Due to the Company's high level of digitalization and adaptiveness the effects of the crisis have been minimized while also paving the way for new and efficient processes which are sure to benefit GCP in the long-term.

During the first quarter of 2020, GCP disposed assets amounting to over €270 million, primarily located in North Rhine-Westphalia. The disposals were executed at a solid profit margin of 47% over total costs including capex and at a slight premium to book values. GCP continues to demonstrate its ability to create and crystalize value on investments. Additionally, the Company acquired assets of approx. €100 million, located primarily in London at an average multiple of 21x. As of the end of March 2020, GCP's portfolio was valued at €1,612/sqm, reflecting a rental yield of 4.8%

GCP's conservative financing structure has proven to be prudent in the background of the current pandemic and the related economic stress. As of March 2020, the Company reported a balance of €950 million under cash and liquid assets, which corresponds to approx. 1.7 times the value of debt expected to mature in the upcoming 3 years. Furthermore, after the reporting period, GCP issued an additional €600 million in bonds providing the Company with valuable financial flexibility to navigate through this period and benefit from opportunities that may arise. As of March 2020, GCP's average cost of debt was 1.3% with a long average debt maturity period of 7.8 years. Owing to the Company's robust operational profit generation, GCP's ICR was maintained at a very high level of 6.7x.

The guidance was slightly updated due to €600 million bond issued in April 2020, Q1 finalized disposals and postponed pipeline acquisitions. In the current market situation, GCP has put its acquisition on hold and is reassessing the market. Therefore, the FFO I for 2020 is now guided at €213-220 million, from previously €220-226 million.

Christian Windfuhr, CEO of Grand City Properties: "While the year 2020 gave us unforeseen circumstances and corresponding reactions, the commitment and determination with which our employees respond to situations has remained unchanged. As a result of the commitment of our people, the robustness of our operations remains."

Financial statements for Q1 2020 are available on the Company's website:

<https://www.grandcityproperties.com/investor-relations/publications/financial-reports/>

For definitions of the alternative performance measures please see the relevant section in the pages 34 – 37 of the financial statements for Q1 2020, which you can find on the website under investor relations > publications > financial reports or follow this link:

https://www.grandcityproperties.com/fileadmin/user_upload/03_investor_relations/Downloads/2020/GCP_Q1_2020.pdf

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 by repositioning and intensive tenant management, and then create value by subsequently raising occupancy and rental levels. Further information: www.grandcityproperties.com

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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.

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