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## **GRAND CITY PROPERTIES S.A. ANNOUNCES H1 2017 RESULTS: CONTINUOUS GROWTH AND STRONG PERFORMANCE**

- **Rental and operating income increased to €239 million, up from €208 million**
- **Adjusted EBITDA up by 12% YOY to €121 million**
- **FFO I up YOY to €85 million, FFO I per share increase of 10% YOY to €0.55 and after perpetual notes attribution to €0.47 (+7% YOY)**
- **Net profit resulted in €225 million; earnings per share of €1.24**
- **Equity at €3.4 billion, increased 10% since year-end 2016; equity ratio of 50%**
- **EPRA NAV incl. perpetual notes increased 10% from year-end 2016 to €3.5 billion; €21.4 per share, up from €20.7 per share**
- **EPRA NAV increased 13% to €2.9 billion and €17.4 per share, up from €16.4 per share**
- **LTV of 35% maintained, cost of debt decreased to 1.5% and debt maturity profile extended to 7.5 years**
- **Credit metrics remain strong with ICR of 6.2x and DSCR of 5.0x**
- **Like-for-like occupancy growth of 2.3% p.a. and like-for-like in-place rent growth of 2% p.a.**

**Luxembourg, August 18, 2017** – Grand City Properties S.A. (the “Company”, “GCP”) successfully continued its growth with an increase in portfolio value of 13% year-to-date to €5.4 billion as of June 30, 2017, resulting from further portfolio additions and value-add improvements. The portfolio grew to 86k units as at the end of June 2017, with a further increase to 87k units as of August.

In the first half of 2017, GCP achieved double-digit FFO I growth of 11% year-over-year to an annualized level of €170 million, increasing further to €177 million on an annualized run rate basis as of August. The resulting FFO I per share of €1.15 reflects an FFO yield of 6.4% and dividend yield of 4.2% based on the payout ratio policy of 65%.

GCP’s shareholder value creation remains strong as evident in its increased EPRA NAV including the perpetual notes to €3.5 billion (€21.4 per share).

**Reinforcing the conservative financing and capital structure**

Having established a €1.5 billion EMTN programme, GCP optimized its debt structure in July with the issuance of €600 million Series G straight bonds due 2026 with a coupon of 1.375%, while in parallel redeeming €321 million of its outstanding Series D straight bonds due 2021 with a higher coupon of 2%. The average cost of debt decreased to 1.5% and the average debt maturity increased to 7.5 years. The LTV remained unchanged from year-end 2016 at 35% while maintaining a stable equity ratio of 50%, providing a comfortable headroom to pursue further market opportunities. The equity base was also expanded during the period through the €198 million equity increase in June 2017, with the Company's shares remaining in high demand with investors.

Christian Windfuhr, CEO of Grand City Properties: "We are very pleased with the progress made in the first half of the year and can look towards yet another successful year in 2017. We continue to work hard on all levels of the Company as we pursue accretive growth opportunities, and are delighted to have joined the DAX family in June with our addition to the SDAX. This achievement represents another highlight along our successful growth path, with the resulting increase in visibility paving the road for inclusion in further major indices in the future, such as the MDAX."

The full H1 2017 report is available on the Company's website:

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

**About the Company:**

Grand City Properties is a specialist in residential real estate, value-add opportunities in densely populated areas 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](http://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 1, Avenue du Bois, L 1251 Luxembourg and being registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés Luxembourg) under number B 165 560. Since May 2012, Grand City Properties is listed on the Frankfurt Stock Exchange.

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