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GRAND CITY PROPERTIES S.A. ANNOUNCES Q1 2018 RESULTS WITH STRONG START OF THE YEAR

- Rental and operating income grew to €132 million by 12%, up from €118 million YOY
- Adjusted EBITDA of €68 million, up 14% YOY from €60 million in Q1 2017
- FFO I increased to €49 million, reflecting a growth of 18% YOY
- FFO I per share increased 11% YOY to €0.30 equal to €1.20 on an annualized level, reflecting a yield of 5.9%. FFO I after perpetual notes attribution of €0.26, up 13% YOY
- Net profit increased 43% YOY to €132 million; EPS (basic) grew 39% YOY to €0.71
- EPRA NAV of €3.5 billion, increased by 4% from year-end 2017 to €21.0 per share, up from €20.2 per share
- EPRA NAV incl. perpetual notes of €4.1 billion, increased by 3% from year-end 2017, reflecting €25.0 per share; €27.2 per share pro forma including April 2018 perpetual notes issuance
- Equity of €4.0 billion, increased 3% since year-end 2017; equity ratio at 48%
- Low LTV of 37% reflects conservative capital structure and strong credit metrics with high ICR of 5.9x in Q1 2018, long debt duration of 8.3 years and high unencumbered ratio of 64% (€4.3 billion)
- Like-for-like net rents grew by 3% as of March 2018, capturing the strong reversionary potential with 2.5% from in-place rents growth and 0.5% from occupancy growth
- Guidance for 2018 confirmed

Luxembourg, May 18, 2018 – Grand City Properties S.A. (“**GCP**” or the “**Company**”) has made a successful start to the year with a 14% increase in FFO I to €49 million (€0.30 per share), translating into an annualized FFO I of €198 million (€1.20 per share), well on track to reach the FY 2018 guidance of €196 - €201 million driven by strong operational performance that results in further value creation and EPRA NAV growth.

Sound dedication to sustainability

In April 2018, GCP published its first sustainability report, demonstrating the Company's commitment to sustainability by presenting to investors, business partners, employees and other stakeholders its activities and achievements and to embed the high ESG criteria of the Company. GCP's ambitious ESG initiatives and high standards have been recognized by EPRA in 2017 with the EPRA BPR Gold and Most Improved Company awards, sBPR Gold and Most Improved Company awards, 1st place for Outstanding Contribution to Society as well as being ranked by Sustainalytics in the 91st percentile and as Outperformer among over 300 real estate companies globally.

Christian Windfuhr, CEO of Grand City Properties: "We are very pleased with our strong kick-off for the year 2018. Building on our remarkable achievements in previous years, we continue on the right path towards unfolding the full potential of our portfolio and confidently meeting our 2018 guidance."

The financial statements for Q1 2018 are available on the Company's website:
grandcityproperties.com/en/downloads.html

About the Company

The Company 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

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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