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Grand City Properties S.A: Interim report for the period January to September 2014 - continued growth and profitability

Performance and highlights for Q3 2014

- FFO I improved to €19.3 million, up 32% compared to Q3 2013
- Rental and operating income increased to €56.3 million, up 82% on Q3 2013
- Adjusted EBITDA increased to €29.4 million, up 52% on Q3 2013
- Grand City maintains a healthy debt structure and leverage with 40% LTV (26% assuming convertibles conversion, convertibles are in the money since August 2014).
- The Company has 50% unencumbered assets amounting to approx. €950 million

Performance and highlights for the first nine months 2014

- FFO I of €53 million, up 138% yoy; FFO per share of €0.46, up 44% yoy
- Rental and operating income increased to €151 million, up 135% yoy
- EBITDA improved to €219 million, up 39% yoy;
- Adjusted EBITDA increased to €79 million, up 126% yoy
- Net profit rose to €174 million, up 27% yoy
- EPRA NAV rose to €1.34 billion, 56% increase from year end 2013

Luxembourg, November 17, 2014 – Grand City Properties S.A. (the “Company”, “GCP”) has continued its growth path during Q3 2014. This led to a strong increase in rental and operating income, up 135% yoy to €151 million, as well as in funds from operation (FFO I), which rose 138% to €53 million in the first nine months of 2014.

The Company’s portfolio increased by a further 17,000 units in 2014, reaching 43,000 units in November 2014, reflecting an increase of 65% since December 2013.

The run rate of annualized rental income amounted to over €245 million and the FFO I run rate to €91 million (€0.79 per share) as of November 2014.

Christian Windfuhr, CEO of Grand City Properties, comments: *“The success of our clear set strategy and goals is proven again by our today’s published results. Favorable market conditions and strong balance sheet allow us to further extend and diversify our portfolio, placing us in a strong position to achieve high returns to our shareholders with a low risk profile.”*

Please find the full nine month report on the Company’s website:

<http://grandcityproperties.com/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 unique strategy is to improve its properties through targeted modernization and intensive tenant management, and then create value by subsequently raising occupancy and rental levels.

Grand City Properties is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, registered office 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 Entry Standard (ISIN: LU0775917882). Further information: www.grandcityproperties.com

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