

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF APPLICABLE LAWS OR REGULATIONS

GRAND CITY PROPERTIES S.A. ANNOUNCES FULL YEAR 2017 RESULTS, WITH ACHIEVEMENTS ACROSS THE BOARD

- Rental and operating income increased to €495 million from €436 million in 2016
- Adjusted EBITDA increased to €248 million, up 10% from €225 million YOY
- FFO I grew by 11% to €178 million from €160 million
- FFO I per share of €1.12, increased 7% year-over-year
- Dividend per share of €0.73 based on a payout ratio of 65% (subject to AGM approval)
- Net profit amounted to €639 million; basic earnings per share of €3.35
- EPRA NAV incl. perpetual notes increased by 24% from year-end 2016 to €4 billion; €24.2 per share, up from €20.7 per share
- EPRA NAV of €3.3 billion, increased 31% from €2.5 billion at year-end 2016; €20.2 per share, up from €16.4 per share
- Investment property value at €6.4 billion, growth of €1.6 bn (+33%) since year-end 2016
- Equity increased to €3.85 billion, up 26% since year-end 2016; equity ratio up to 51%
- Low leverage maintained with LTV of 36% at year-end 2017, Strong financial position highlighted by increased average debt maturity of 8.5 years and maintained low average cost of debt of 1.6%, ICR of 6.2x and 64% unencumbered ratio
- Continued strong organic growth with total like-for-like net rental income increase of 3.5% in 2017, with 2.3% from in-place rents growth and 1.2% from occupancy growth

Luxembourg, March 19, 2018 – Grand City Properties S.A. (the “Company”, “GCP”) is pleased to report a successful year, which saw the Company generate increasing operational profits while experiencing continued growth across the board. Through demonstrated management expertise and its strong operational platform, GCP was able to deliver double-digit growth in operational results. The FFO I per share of €1.12 represents a yield of 5.8%, demonstrating the Company’s proven ability to generate shareholder value through its successful business model and accretive growth, which is also reflected in the growth in the EPRA NAV per share incl. perpetual notes to €24.2. Based on a dividend payout policy of 65%, the Board of Directors dividend proposal for the AGM will be €0.73 per share, which reflects a yield of 3.8%. The consistently high profitability is supported by the Company’s best in class financial position and credit profile with two high

investment-grade credit ratings; GCP received a further credit rating upgrade to Baa1 by Moody's in September 2017 complementing the S&P rating of BBB+.

Corporate and capital markets achievements topped by MDAX inclusion

GCP successfully undertook various initiatives to further reinforce its strong market position, beginning with the uplisting of the Company's shares to the Prime Standard of the Frankfurt Stock Exchange in May 2017 and subsequently leading to MDAX inclusion in September 2017. Inclusion into key indices, which also included the Stoxx index family during the year, resulted in further capital markets visibility and a widened investor base.

2017 saw GCP continue its strong activity and achieved progress on the capital markets front, with €1.8 billion issued since the beginning of 2017 until year-to-date mainly targeted at proactive debt redemption management resulting in long average maturities of 8.5 years while maintaining a low cost of debt of 1.6%. Notably, GCP established its first EMTN program, facilitating the ability to issue debt in a variety of currencies and maturities, further expanding the financial flexibility at the Company's requirements. As a result, GCP has since issued its first foreign currency issues in Hong Kong dollars (HKD) and Swiss Francs (CHF) with currency swapped to Euro until maturity, marking another milestone in capital markets and increasing the investor base globally.

The Company also made strides in its ambitions to be an active and responsible corporate player, with a strengthened focus on ESG initiatives undertaken during the year and reflected through several distinctions, including a Sustainalytics ranking of 91st percentile and Outperformer among over 300 real estate companies globally. The Company's high governance and ESG standards were also recognized by EPRA with the EPRA BPR Gold and Most Improved Company awards, sBPR Gold and Most Improved Company awards, and 1st place for Outstanding Contribution to Society, making GCP the most awarded company at the EPRA conference.

Christian Windfuhr, CEO of Grand City Properties: "2017 was a highly successful year for us in which we accomplished several notable achievements. Our portfolio of high quality assets with strong embedded potential allows us to enjoy the benefits of a growing and secure cash flow stream while also creating sustainable value by continuously materializing on the upside potential of our assets, such as further reducing vacancies and bringing rents closer to market levels as we have done in 2017. Going into 2018, we will continue to focus on internal value generation within our portfolio while continuing to realize on attractive acquisition opportunities

as they arise. I would like to thank the entire GCP family for their great contribution to the successful year we had and look forward to another great year in 2018.”

The full year 2017 annual 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, with a focus on value-add opportunities in densely populated areas in Germany. The Company's strategy is to improve its properties through repositioning and intensive tenant management, and then create value by subsequently raising occupancy and rental levels. Further information: 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.

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.