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Press Release

HB Reavis announces CZK 1.25 billion bond issue on Czech market

International real estate developer HB Reavis has announced the successful completion of its first unsecured CZK 1.25 billion (EUR 46.2 million) bond issue on the Czech capital market. This brings the total funds raised by HB Reavis through the Central European capital markets since November 2013 to almost EUR 150 million.

The latest issue was carried out by way of public offer which lasted until 14 April 2016, followed by a private offer to selected institutional investors after HB Reavis reported in its 2015 annual consolidated financial statements a 175% increase in consolidated net profit to EUR 245 million. The full amount of the issue including the increased element was subscribed. Over 71% of the bond issue was subscribed by institutional investors with the balance taken up by private banking clients.

The issue has been listed on the Prague Stock Exchange. The bonds have a floating annual coupon with a spread of 4% above 6M Pribor and mature in March 2021; after swapping the transaction into Euro, it corresponds to 4.86% total fixed interest rate. The unsecured bonds are backed with a HB Reavis Group guarantee and were issued by HB REAVIS Finance CZ s. r. o. The proceeds will be deployed to augment HB Reavis' acquisition and development process.

"Our debut on the Czech capital market was overwhelmingly successful, which again confirmed investors' confidence in HB Reavis' business strategy and financial standing. This issue reinforces HB Reavis' position as an issuer of unsecured bonds in multiple markets", said Marian Herman, CFO at HB Reavis.

The bond issue was managed by UniCredit Bank Czech Republic and Slovakia and Komerční banka (Societe Generale Group).

"Despite that it was an inaugural bond of HB Reavis on the Czech capital market, robustness of its balance sheet and cash flow management in combination with thorough introduction of its business model were key attraction points for investors", said Martin Vinter, Director, Markets, UniCredit Bank.

"Thanks to HB Reavis' professional approach and its ability to coherently present investors the business case for the bond issue, the joint lead managers successfully placed the entire issue across a wide investor base", added Jan Pokorný, Executive Director, Structured Financing, Komerční banka.

Disclaimer:

The public offering of HB Reavis bonds with ISIN CZ0003513608 has terminated. This press release does not constitute an offer for subscription or purchase of any securities of HB Reavis Group.

About HB Reavis

HB Reavis is an international real estate developer founded in 1993 in Bratislava, Slovakia. It operates in the United Kingdom, Poland, the Czech Republic, Slovakia, Hungary and in Turkey. The operations have so far yielded a total of 887,000 sq m of modern offices, shopping and entertainment spaces in addition to logistics facilities. Over 1 million sq m of developments are in the planning, permit or construction stages. HB Reavis relies on a fully integrated business model covering development, construction, property and investment management. The group has total assets of €2.1 billion, with a net asset value of almost €1.2 billion. With more than 500 professionals, HB Reavis is a global market leader in international commercial real estate. HB Reavis' strong market position has been recognised through numerous awards, such as the UK Property Award "Best Office Architecture London 2015" for 33 Central and the CEE Quality Award for "Developer of the Year in CEE, 2015". For more information, please visit <http://www.hbreavis.com>.

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