Press Release

**HB Reavis Sells River Garden Office I to IAD Investments.**

**Prague, August 25, 2014 – HB Reavis Group has sold its River Garden Office I located in Prague to Prvý realitný fond (PRF) managed by IAD Investments.**

The transaction values the asset at in excess of 50 million EUR at an implied yield of slightly above 6.5%, reflecting the strength of the tenants and high quality of the asset. River Garden Office I is located in the dynamically developing Karlin district of Prague and, completed in 2012, offers approx. 19 500 square metres of rentable space, and is fully leased to a number of prestigious tenants. These include companies such as Unilever, ADP, Monster Worldwide, Alpiq and Tengelmann, with HB Reavis itself also seated there.

“*We are delighted to announce exit from our first project in the Czech Republic. This transaction also confirms interest among investors in our assets outside the Slovak real estate market*,” said Marian Herman, Head of Investment Management and Divestments.Over the last twelve months, HB Reavis has successfully sold several other commercial properties, including Apollo Business Center IV in Bratislava, City Business Center III-V in Bratislava and Aupark Shopping Centre in Žilina and the group has divested over EUR 0.5 bn of commercial real estate assets in the last three years.

“*The sale of River Garden Office I demonstrates the continuing successful appreciation of our projects in the Central European market.* *It is a significant milestone in the history of our company in the Czech Republic and in general*”, said Jiří Hrbáček, HB Reavis Group CFO.

“*We are pleased to add River Garden Office I to our portfolio*. *This acquisition is in line with our strategy and focus on projects of the highest quality, with an excellent tenant roster as well as geographic diversification of the real estate assets in the portfolio of PRF,”* says Vladimir Bencz, Chairman of the Board at IAD Investments.

“*The acquisition of River Garden Office has strong potential to deliver stable revenues from long term leases and thus contribute to the improvement of the overall performance of the Fund. The acquisition confirms our Fund strategic aim and ability to invest in the prime office segment. During last 12 months, we have invested almost 100 million EUR into new projects in our funds´ portfolios.“* says Vladimír Bolek, Fund Portfolio Manager of IAD Investments.

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**About HB Reavis Group**

HB Reavis is an international commercial property group founded in 1993 in Bratislava. It operates on the key markets of Central and Eastern Europe (Poland, the Czech Republic, Slovakia, Hungary), in Great Britain, and in Turkey. The operations so far have yielded a total of 750 000 sqm of modern office, shopping and entertainment space, and logistics facilities. Another 875 000 sqm is in the planning or permit stages. HB Reavis relies on an integrated business model covering development, construction, property management, and investments. The group’s equity was EUR 860 million, while the assets under its management were valued at EUR 1.53 billion at 31st December 2013. With over 400 professionals working all over Europe, HB Reavis is a strong market leader. For more information, please visit <http://www.hbreavis.com>.

**About River Garden Office I**

River Garden I project was built on Rohanské nábřeží in the Karlin district of Prague 8 and was subsequently followed by River Garden II/III projects which were completed in 2014 and offer more than 25 500 square metres of rentable space. This area is at present the most dynamically developing retail and commercial real estate location in Prague, and it has, considering the volume of office space, already surpassed the previous biggest area in Prague 4-Pankrác. It is part of the new River City urban area that is emerging along the Vltava (Moldau) riverbank. The area’s superb transport accessibility (by car, metro, and tram) and a pleasant environment near the river with plenty of greenery combine with Karlin’s background as the historic first suburb of the Old Town of Prague.

**About IAD Investments**

IAD Investments is the oldest mutual fund manager in Slovakia, established in1991. Current level of assets under management reaches almost 200 million EUR. The company's activities include standard mutual funds and special funds management and individual portfolio management services for retail and financial institutions like insurance and brokerage companies. Activities are spread throughout the Slovak Republic, the Czech Republic and other countries of Central Europe.

Prvý realitný fond belongs to category of special real estate mutual funds and is managed by a team of experts with rich experience in the area of investments and real estates in the CEE region. The fund is primarily focused on investment in fixed assets (logistical centers, commercial centers, office buildings) and asset-based participation of real-estate companies. Investments have a moderately conservative orientation. For further corporate information including our track record, please visit our web presentations available at [http://www.iad.sk/](http://www.iad.sk/en/mutual-funds/our-products/mutual-funds/prvy-realitny-fond).