

HB Reavis Holding S.á r.l. („HB Reavis“)

SEMI-ANNUAL RESULTS FOR SIX MONTHS ENDED 30 JUNE 2015 AND QUARTERLY BUSINESS UPDATE FOR THREE MONTHS TO 30 SEPTEMBER 2015

30 October 2015

HB Reavis, Central and Eastern Europe's leading commercial property group, also operating in London property market, today issues comments to its semi-annual financial statements for six months ended 30 June 2015 and the quarterly business update for three months to 30 September 2015.

Marian Herman, Chief Financial Officer said: "First six months ended 30 June 2015 were yet most successful half-year for HB Reavis ever, with a delivery of operating profit of EUR 106.1 million. Key determinants were the rebalancing of our balance sheet towards development activities, shifted focus on our large markets with the higher value added products and an ongoing capital structure optimisation together with strong overall performance improvement, in particular in leasing area. We've continued to deliver strong activity also in the third quarter of 2015 on multiple fronts. We have boosted our development pipeline in Warsaw by acquiring land plot at Burakowska 14, opposite Arkadia shopping center.

Despite usual summer slowdown, our development properties attracted lease contracts amounting to 28,900 sq m of gross leasable area. This brings our year-to-date new leasing activity to over 106,100 sq m. Main drivers were our properties in Warsaw and Bratislava.

We have progressed with our development pipeline and are on good track to complete three projects over the next two quarters.

Taking advantage of favourable market conditions, we've continued to optimise our funding structure by efficiently deploying debt sources on competitive terms."

Key financial highlights of first half 2015

- 139% increase in net profit to EUR 99.8 million from EUR 41.7 million one year ago.
- 99% growth in operating profit to EUR 106.1 million from EUR 53.2 million one year ago.
- 11.6% year-on-year growth in net asset value to EUR 1,024 million from EUR 917.5 million as of 30 June 2014.
- Net debt leverage ratio up from 26.5% at the end of 2014 to 28.4% as of 30 June 2015.
- Cash reserve at the end of June 2015 amounted to EUR 111.4 million, or 6.1% of the total balance sheet.

Quarterly business update for third quarter 2015

1. Acquisitions

- Signed all necessary purchase agreements in relation to another acquisition in Warsaw, Poland located at Burakowska 14. Purchase price amounts to around EUR 17 million and it is our plan to start the development of this project in course of 2017.

2. Leasing activity

- 17 lease contracts or future lease contracts with total of 28,900 sq m of gross leasable area were signed. Annual passing rent, excluding voids and rent free periods, represents almost EUR 5.5 million. Biggest tenants include Astra Zeneca, Samsung, Sony and Slovak Business Agency, which represent total over 17.4 thousand of sq m. This brings our total year-to-date activity in the area of new leases to over 106,100 sq m and we are well positioned to repeat or even break the last year's leasing record.

3. Financing

- Gross debt leverage (interest bearing debt / total assets) and net debt leverage (interest bearing debt less cash / total assets) ratios stood at 34.4% and 28.4, respectively, as reported at 30 June 2015.

- In the 3rd quarter 2015, EUR 94.2 million were drawn down under existing or new loan facilities. As of 30 September 2015, the total amount of outstanding debt (including debt of bus transportation business) stood at EUR 719.2 million out of which EUR 103 million (14.3% of outstanding debt) represented issued outstanding bonds and EUR 616.2 million (85.7%) stemmed from bank financing.
- Weighted average maturity of our outstanding real-estate debt reached approximately 4.2 years.

4. Completions and Construction Developments

- 9 development schemes with over 198 thousand sq m of gross leasable area under construction (or demolition) in four countries, namely: Gdanski BC II C and D, West Station BC I in Warsaw, Poland, Twin City A, B and C in Bratislava, Slovakia, 33 Central and 20 Farringdon Street in London, United Kingdom and Aupark Shopping Center in Hradec Kralove, Czech Republic. Future gross development value of these projects has been estimated at well over EUR 1 billion.
- We have obtained zoning permits for all phases of our landmark development in central Warsaw, including the high-rise tower of 232 metres, which would currently be the highest tower (excluding antenna) in Central Europe.

5. Divestments

- We are under exclusive negotiation for a future sale of Forum Business Center I (Bratislava, Slovakia). Forum BC I consists of 19,500 sq m of gross leasable area and has been delivered to Slovak Telekom as anchor tenant in 2013.
- We are under exclusive negotiation for a future sale of five standing and two development logistic assets in the Czech Republic and Slovakia to a new player in this real-estate segment.

6. Other

- HB Reavis appeared in several recent media reports in connection with the office building, Apollo Business Center I in Bratislava.
- HB Reavis has developed the asset from 2003 through 2004 and sold it to a German investment fund in 2005.
- Recently commissioned technical expertise has confirmed defects in the static scheme which had been designed by a 3rd party architect studio and an independent structural engineer.
- Despite the fact that HB Reavis as the developer bears no legal responsibility and has no outstanding warranties for the building, we have offered the owner our help and have started, together with the respective authorities, implementing certain mitigating measures.
- These activities shall not have material impact on our financial position, nor on our development activities.

Forward-Looking Statements

Certain statements contained in this release are “forward-looking”, based on current view on our markets, activities and prospects and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In addition, we, through our management, from time to time, make forward-looking public statements concerning our expected future operations and performance and other developments. All forward-looking statements included in this release are made only as of the date hereof and no representation, assurance, guarantee or warranty is given in relation to them and HB Reavis assumes no obligation to update any written or oral forward-looking statements made by us or on our behalf as a result of new information, future events or other factors.

ir@hbreavis.com