

Hello!

HB Reavis

Group presentation

It's July 2017

hbreavis



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01

Group Overview

Who we are

- **24 years track record**
- **Net Asset Value CAGR (incl. dividend) of 54.2% achieved with long-term average Net Debt Leverage at 15.3%**
- **~ 1 million sq m of delivered Gross Leasable Area (GLA)**
- **554 professionals across 7 countries**
- **Total assets €2.1bn**
- **1.2m sq m of GLA in development pipeline**
- **Operating Profit €235.3m**
- **Net Asset Value €1.2bn**

Top European Office Developers (Based on completed projects 2013 – 2015)*

Rank	Company name	Total Office Floorspace (m ²)
1	BNP Paribas Real Estate	377,012
2	Hines Europe	343,755
3	HB Reavis	273,000
4	OVG Real Estate	268,164
5	Hochtief Projektentwicklung	256,130
6	Skanska (CEE only)	229,000
7	Tishman Speyer	194,200
8	Altarea Cogedim	152,700
9	Land Securities	113,922
10	Unibail-Rodamco	112,053

Source: IFRS financials as of 31 December 2016 and Company Management

*Source: PropertyEU Research

HB Reavis: 1993 – 2017 and the future

	United Kingdom	Poland	Czech Republic	Slovakia	Hungary	Germany	Turkey
Divested	33 Central	Konstruktorska Business Center Gdanski Business Center A Gdanski Business Center B	River Garden Office I Air Park Ostrava – Terminal A River Garden Office II/III	Bratislava Business Center I-IV Apollo Business Center I Apollo Business Center IV Aupark Shopping Center Bratislava Aupark Tower Bratislava Aupark Shopping Center Zilina Aupark Shopping Center Piestany City Business Center III-V Aupark Shopping Center Kosice Aupark Tower Kosice Forum Business Center I Logistics Center Svaty Jur Logistics Center Raca Logistics Center Presov Twin City A	Vaci Corner Offices		
Delivered		Postępu 14 Gdanski Business Center C Gdanski Business Center D West Station I	Metronom Aupark Hradec Kralove Logistics Center Lovosice	City Business Center I-II Apollo Business Center III, V Twin City B Twin City C			
Under Construction	33 Central 20 Farringdon Cooper & Southwark	West Station II Varso 1 Varso 2 Varso Tower		Twin City Tower Stanica Nivy Nivy Tower	Agora Tower Agora Hub		
Planned	One Waterloo	Burakowska Street I Burakowska Street II	Vinohradska Radlicka Mercuria Aupark Shopping Center Brno Apollo Business Center Brno	Twin City Zone B Twin City Zone C I-V Forum Business Center II Alfa Park Ryba	BEM Palace Agora C1 Agora C2 Agora C3		

Source: Company Management

International presence



LONDON - 123.9 K sq m

- 33 Central (Sold) - 21.1 K sq m
- 20 Farringdon - 7.7 K sq m
- Cooper & Southwark - 7.1 K sq m
- One Waterloo - cca 88.0 K sq m

BRATISLAVA - 583.1 K sq m

- Apollo Business Center III, V - 49.4 K sq m
- Twin City B - 23.5 K sq m
- Twin City C - 23.6 K sq m
- Twin City Tower - 34.7 K sq m
- Stanica Nivy & Nivy Tower - 134.2 K sq m
- Alfa Park - 175.8 K sq m
- Twin City Zone B and C I-V - 106.2 K sq m
- Forum Business Center II - 16.6 K sq m
- Ryba - 19.3 K sq m

LOVOSICE - 43.5 K sq m

- Logistics Center Lovosice - 43.5 K sq m

PRAGUE - 102.9 K sq m

- Metronom - 34.1 K sq m
- Vinohradská - 22.6 K sq m
- Radlická - 28.5 K sq m
- Mercuria - 17.7 K sq m

BRNO - 83.5 K sq m

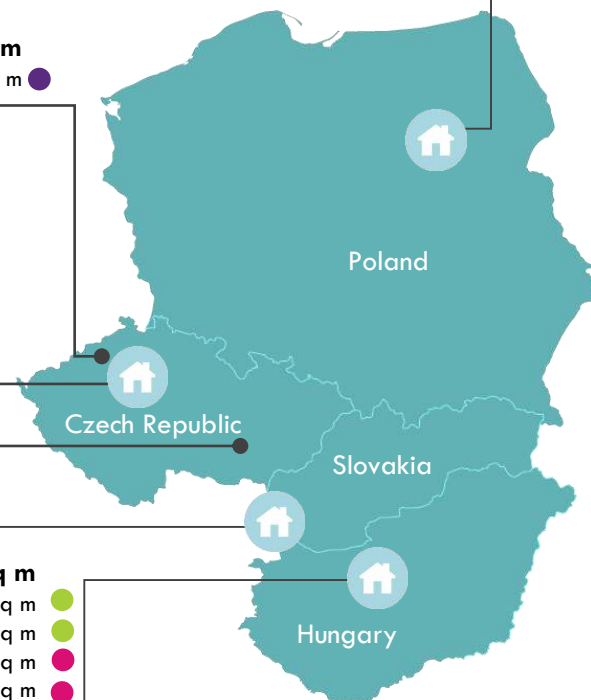
- Aupark Shopping Center Brno - 31.5 K sq m
- Apollo Business Center Brno - 52.0 K sq m

BUDAPEST - 164.7 K sq m

- Agora Tower - 35.6 K sq m
- Agora Hub - 35.1 K sq m
- Agora C 1-3 - 62.6 K sq m
- BEM Palace - 31.4 K sq m

WARSAW - 377.7 K sq m

- Postępu 14 Business Center - 34.5 K sq m
- Gdanski Business Center C - 22.7 K sq m
- Gdanski Business Center D - 29.8 K sq m
- West Station I - 30.6 K sq m
- West Station II - 37.9 K sq m
- Varso 1 & 2 - 74.9 K sq m
- Varso Tower - 70.3 K sq m
- Burakowska - 77.0 K sq m



Source: Company Management



DELIVERED

291,700 sq m



UNDER CONSTRUCTION

458,600 sq m



PLANNED

729,200 sq m

Board of Directors

Chief Executive and Executive Directors



Pavel Trenka
Group CEO



Marian Herman
Group CFO



Robert Kantor
Member of the Board



Radim Rimanek
Member of the Board



Rene Popik
Member of the Board

Non-Executive Directors

Ivan Chrenko
Chairman of the Board & Co-founder
Only Ultimate Beneficial Owner of HB Reavis



Maarten J. Hulshoff
Non-Executive Director

- Day-to-Day management of the business and implementation of strategy
- Overall responsibility lies with the Chief Executive, with specific areas delegated to the Executive Directors (Countries, Finance, Construction and Procurement, Commercialization/Leasing)
- Executive Board approval required on all acquisitions and divestments

- Work with and challenge Executive Directors
- Provide an independent, external perspective
- Contribute with a broad range of experience and expertise
- Consent sought on strategic matters such as entry to new markets

The group at a glance

Operating Profit
€235.3m

In Investment Property
€1.7bn

Developed Property
1.0m sq m

Property Under Development
1.2m sq m

Professionals
554

	United Kingdom	Poland	Czech Republic	Slovakia	Hungary	Germany	Turkey	Luxembourg
Operating Profit (€m)	€19.3	€131.0	€46.7	€41.7	€0.2	-	-	-
In investment property (€m)	€337.3	€546.6	€232.6	€528.6	€49.1	-	-	-
Developed property (sq m)	-	214,946	160,942	596,162	21,603	-	-	-
Property under development (sq m)	35,981	260,046	152,280	486,746	164,262	-	-	-
Professionals	42	129	53	303*	21	1	2	3

* Including Group functions

Note: Data as of 31 December 2016

Source: IFRS financials as of 31 December 2016 and Company Management



02

Strategy and Key Investment Highlights

Mission & Vision

“Our mission is to bring remarkable experiences to people’s lives through our real estate solutions.”

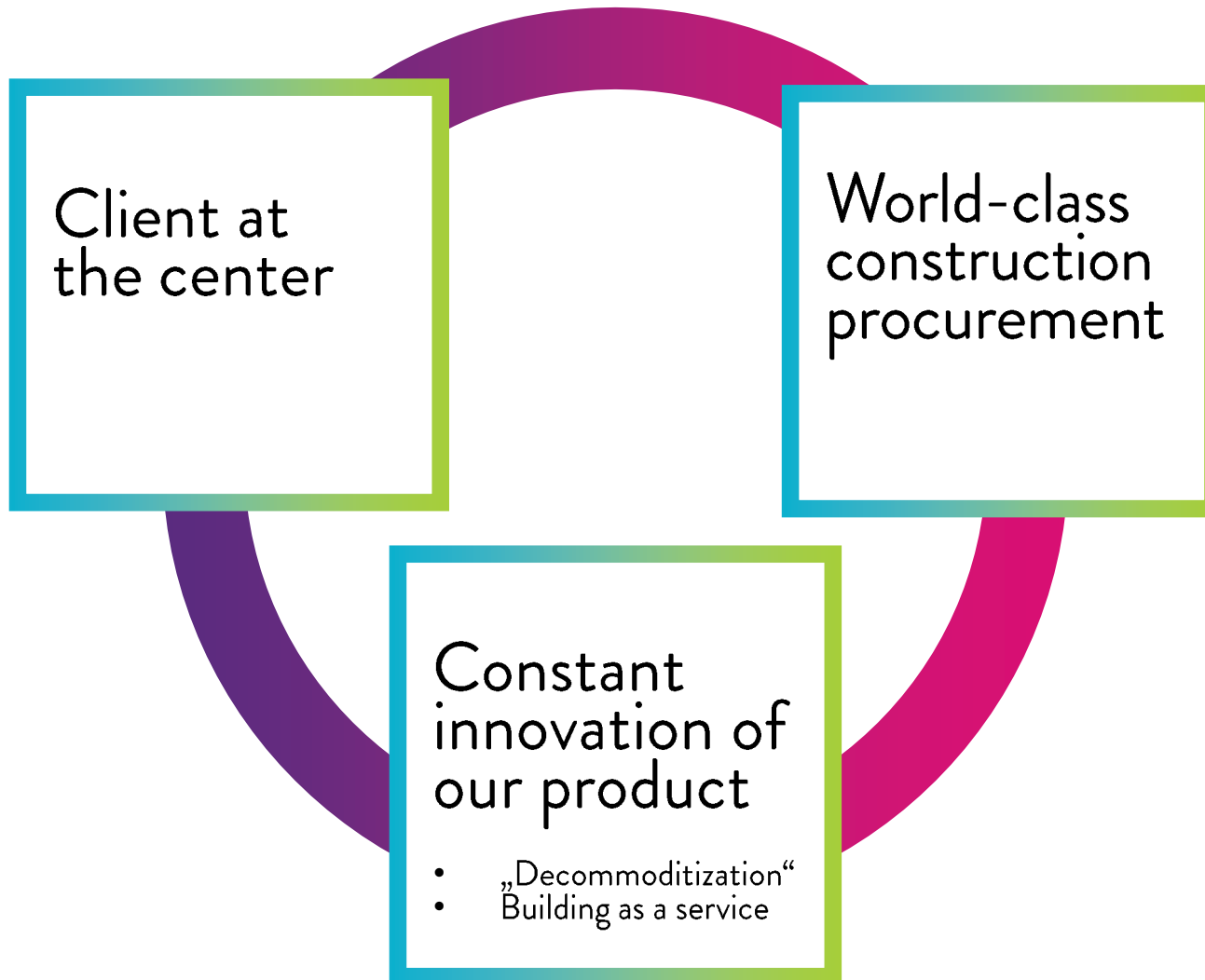
HB Reavis is
a respected
developer in the
European context.

HB Reavis is
the most attractive
CE-based real
estate company
for industry
professionals.

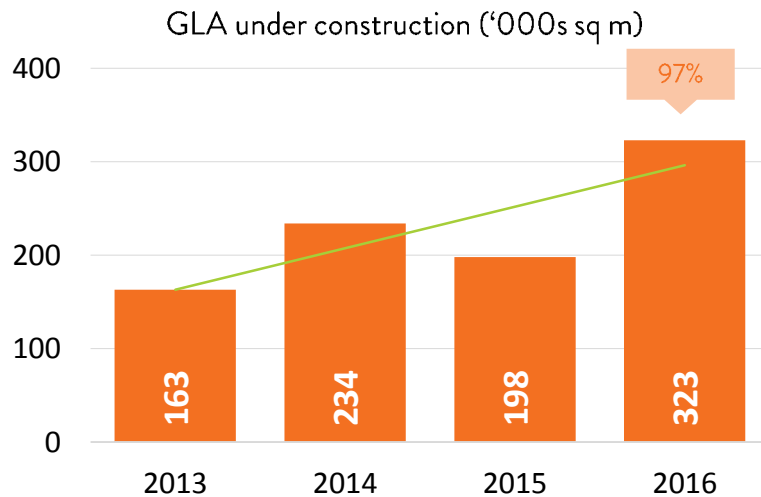
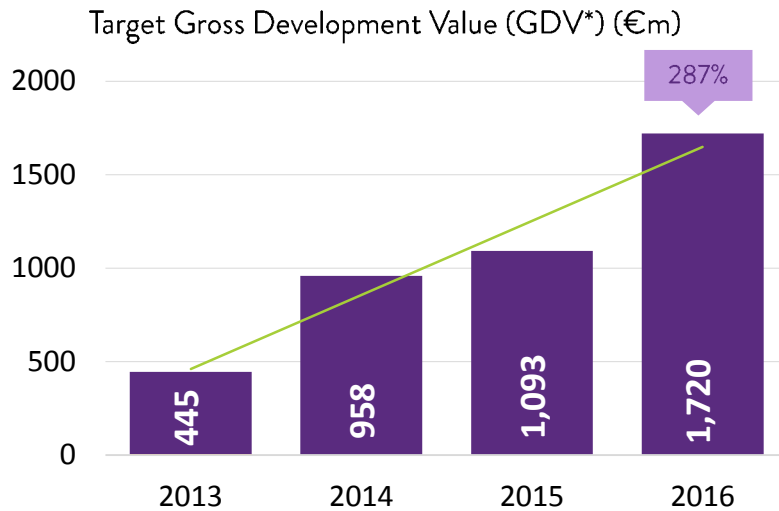
HB Reavis is
a trendsetter
in office space
solutions in
Central Europe.

Be a trendsetter in office space solutions

Our competitive differentiation is based on 3 elements

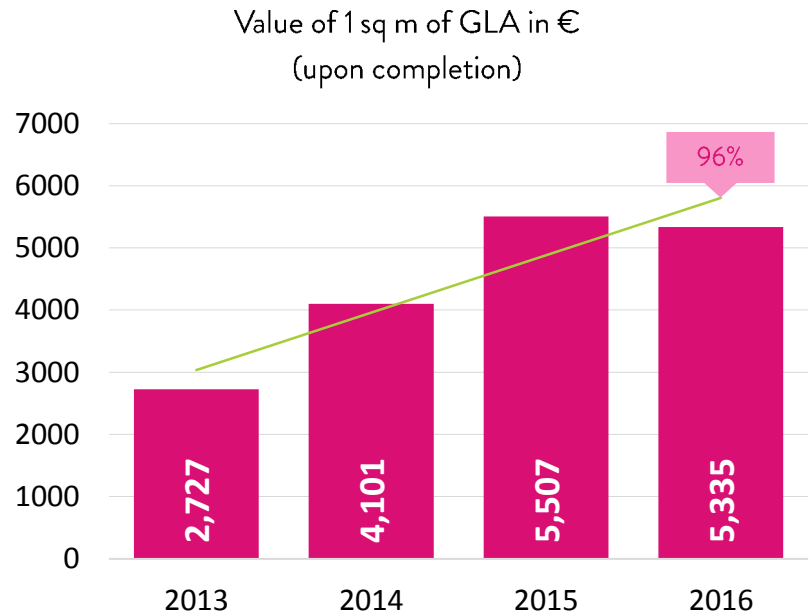


Strategic shift to development of projects with higher value



Significant growth in GDV* driven by:

- Volume (GLA under construction), and
- Increased value of 1 sq m of GLA, mainly in Warsaw and in London



*Gross Development Value (GDV) means project market value at completion

Source: PwC audited figures 2013 – 2016; based on Valuation reports



03

Business Overview

Key business achievements in 2016

Acquisitions

Cooper & Southwark, London
Mercuria, Prague
Radlicka, Prague
Ryba, Bratislava
BEM Palace, Budapest

Completions

Gdanski Business Center D, Warsaw
Twin City B, Bratislava
Twin City C, Bratislava
West Station I, Warsaw
Aupark Hradec Kralove
Centrum Bottova, Bratislava

Commercialization

133,900 sq m* GLA Gross Lease-up incl. renewals (and occupancy arrangements) of which: 126,200 sq m GLA New Leases

Divestments

Full development cycle achieved across all countries of operation

Divestments achieved in Hungary, United Kingdom, Slovakia, Czech Republic, Poland

Upon Delivery
103,200 sq m
aggregated GLA
with estimated
GDV €400m in
5 projects

Total
Completions of
136,700 sq m
aggregated GLA
in 6 projects

Contracted
annual rental
income is
€18.6m**

Total transaction
value of 14
divested projects
in the amount of
€1bn

* Includes forward sale of 33 Central (21,100 sq m) building to Wells Fargo which is treated as new occupancy

**excludes forward sale of 33 Central building to Wells Fargo

Acquisitions in 2016

Building pipeline across Europe



BEM Palace, Budapest
Prominent location on Bem Square

Future GLA of c. 31,400 sq m
Future GDV of € 97.4m



Mercuria, Prague
Holesovice district in Prague 7

Future GLA of c.17,700 sq m
Future GDV of € 52.2m



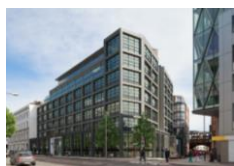
Ryba, Bratislava
Located in vicinity of our Twin City project

Future GLA of c.19,300 sq m
Future GDV of €59.0m



Radlicka Business Center, Prague
Located in Smichov district in Prague 5

Future GLA of approx. 28,500 sq m
Future GDV of €78.0m



Cooper & Southwark, London
Located in Southbank

Future GLA of approx. 7,100 sq m
Future GDV of €115.0m

Source: Company Management

Note: * Joint Venture project with PKP (Polish National Railways)
Occupancy as of April, 2017

Completions in 2016



Twin City B, Bratislava
Delivered in Q2 2016

23,500 sq m of GLA
98% occupancy



Gdanski Business Center D, Warsaw
Delivered in Q2 2016

29,800 sq m of GLA
88% occupancy



Twin City C, Bratislava
Delivered in Q4 2016

23,700 sq m GLA
100% occupancy



West Station I*, Warsaw
Delivered in Q4 2016

30,800 sq m GLA
93% occupancy



Aupark Shopping Center, Hradec Kralove
Delivered in Q4 2016

22,700 sq m GLA
88% occupancy

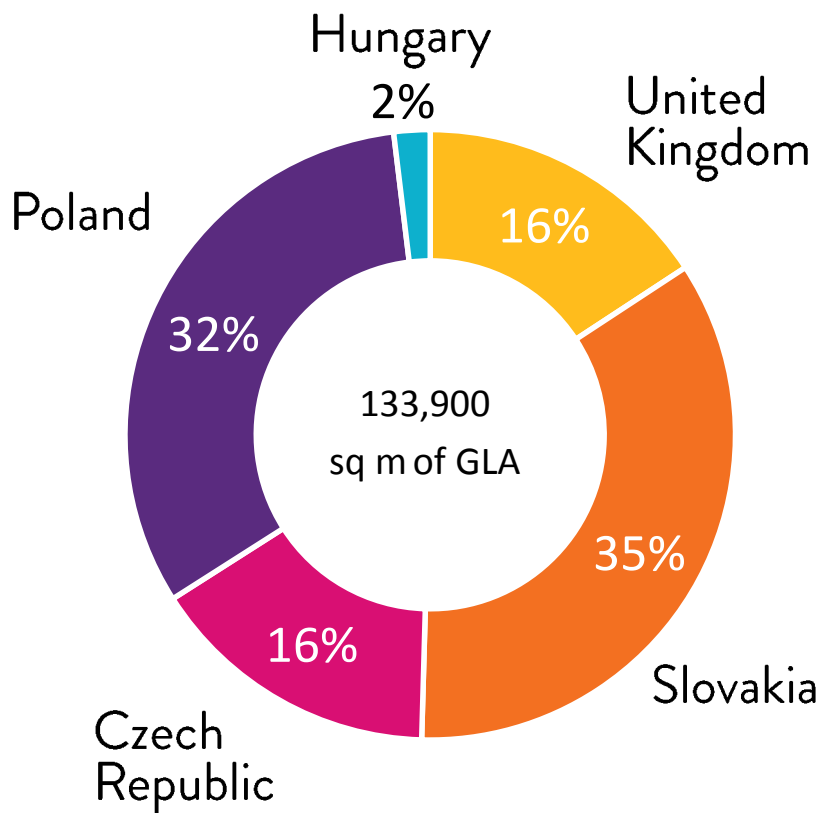


Centrum Bottova, Bratislava
Delivered in Q4 2016

6,200 sq m GLA
100% occupancy

Commercialization in 2016

Commercialization by country



Source: Company Management

HB Reavis

Gross Lease-up (incl. renewals)

133,900 sq m of GLA

New Leases (incl. occupancy arrangements)

126,200 sq m of GLA

Contracted annual rental income

€18.6 million

Top clients signed in 2016

Slovakia



United Kingdom



Poland



New office leases with

64 clients

Solutions to about

10,000 employees

HB Reavis Divestments in 2016



33 Central, London
Investor: Wells Fargo



Gdanski BC Phase I, Warsaw
Investor: Savills IM on behalf of sovereign wealth fund



Vaci corner offices, Budapest
Investor: Zeus Capital Management



Aupark Shopping Center, Hradec Kralove
Investor: HB Reavis CE REIF

Total transaction value
€930m



Konstruktorska BC, Warsaw
Investor: Golden Star Estate



Twin City A, Bratislava
Investor: IAD Investments



Logistics portfolio SK & CZ
Air Cargo Mosnov
Logistic Center Raca
Investor: Macquarie



River Garden II-III, Prague
Investor: Aviva Investors and LaSalle Investment Management

HB Reavis CE REIF – Divestments in 2016



Aupark Piestany, Piestany
• 10,600 sq m
• Investor: New Europe Property Investments



Logistics Portfolio
• 47,600 sq m
• Logistics Svaty Jur
• Logistics Maly Saris
• Investor: Macquarie

Total transaction value
€70m

04

Financial Overview

Robust Financial Policy in Place

TARGET LEVEL OF LEVERAGE

Optimal Net Debt to Total Assets 35%, Max 40%

Optimal Gross Debt to Total Assets 40%, Max 45%

DIVIDEND POLICY

Dividend Pay-Out up to 3% of NAV

OPTIMAL CASH RESERVE

Cash reserve target at minimum 5% of the balance sheet with additional reserve build-up profile to cover future debt-bullet repayments well in advance

ACTIVE HEDGING POLICY

FX hedging for all known and estimated exposure 12M forward

Interest Rate hedging via fixed, embedded or active hedging covering 50 – 100% of total debt exposure

Financial results overview

Key financial indicator (audited consolidated figures)	2012	2013	2014	2015	2016
Balance Sheet (€m)	1,440.4	1,530.1	1,806.1	2,089.3	2,112.3
Development / Investment Portfolio Split ¹	40%	43%	45%	47%	50%
Cash (€m)	48.6	49.9	155.3	115.4	316.4
Net Debt Leverage ²	28.8%	29.8%	26.5%	29.7%	17.4%
Operating Profit ³ (€m)	64.9	103.0	132.6	302.5	235.3
Net Profit (€m)	53.2	80.0	88.2	239.4	107.5
Net Asset Value (€m)	843.6	881.9	963.7	1,187.2	1,220.6
Shareholders' Return	7.8%	5.7%	10.8%	29.3%	6.9%

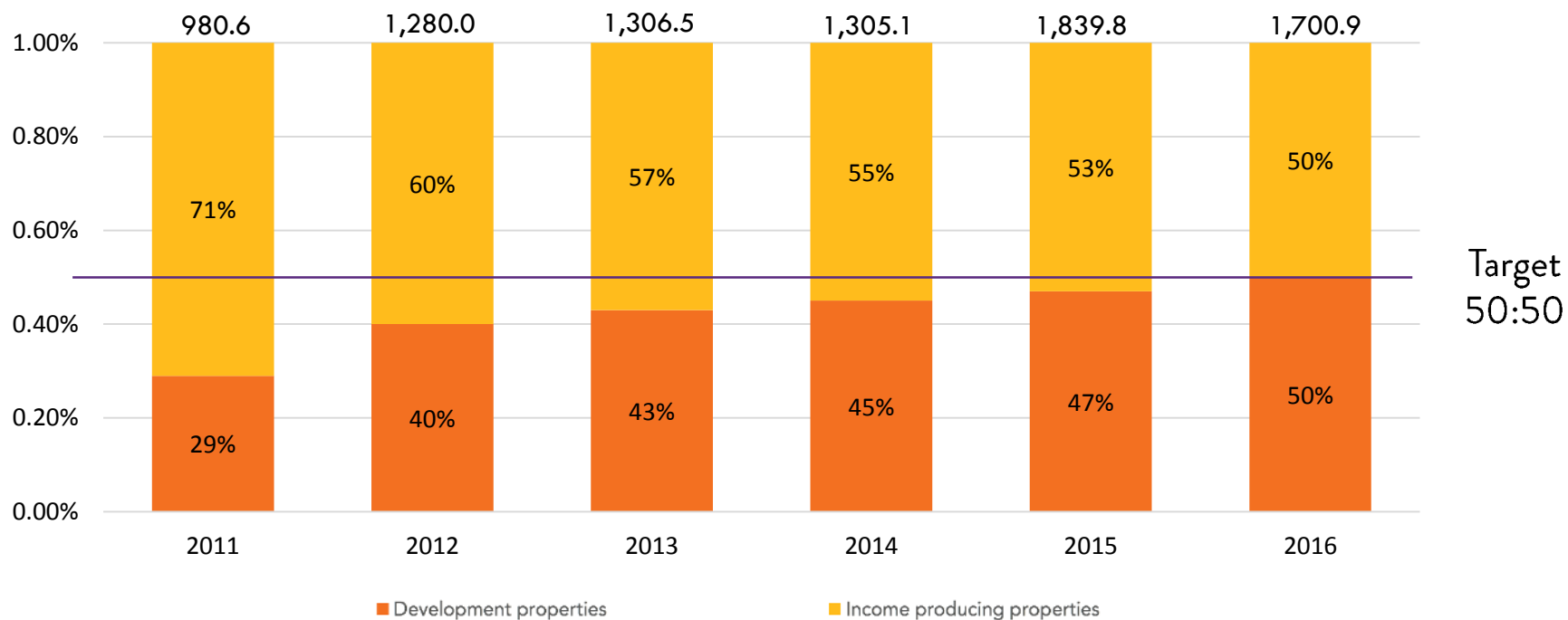
1) In FY 2014, the value of asset management does not include assets held for sale; however, includes the "joint-venture investment" portfolio

2) Interest bearing liabilities from third parties (excl. other indebtedness and borrowings from Joint Venture projects) less cash to Group total assets

3) Operating profit excluding costs on borrowings from related parties, based on PwC audit report of IFRS

Development/income producing portfolio split reaching target levels

Balance sheet repositioning towards balanced split between development and income producing portfolio unlocking higher value creation.



Income producing portfolio ensuring steady income

Segment	Number of properties ¹	GLA* (thousands sq m)	Contracted Rental Income next 12M (€m)	ERV** (€m)	Occupancy (%)	Average remaining lease term ² (Years)	Market value ³ (€m)
Office	13	304.3	26.2	58.1	87	6.4	763.0
Retail	1	22.7	3.7	4.8	85	5.9	81.1
Logistics	1	43.5	2.9	2.9	100	8.6	32.0
Total	15	370.5	32.8	65.8	88	6.6	876.1

Currently, HB Reavis owns and manages 15 properties¹⁾ with market value of EUR 876.1 million



1) Including three assets managed on behalf of HB Reavis CE REIF that are consolidated within HB Reavis financials and JV project

2) Average remaining term includes break options as if the tenant would use the option.

3) Market value as of 12/2016 based on valuations without IFRS adjustments.

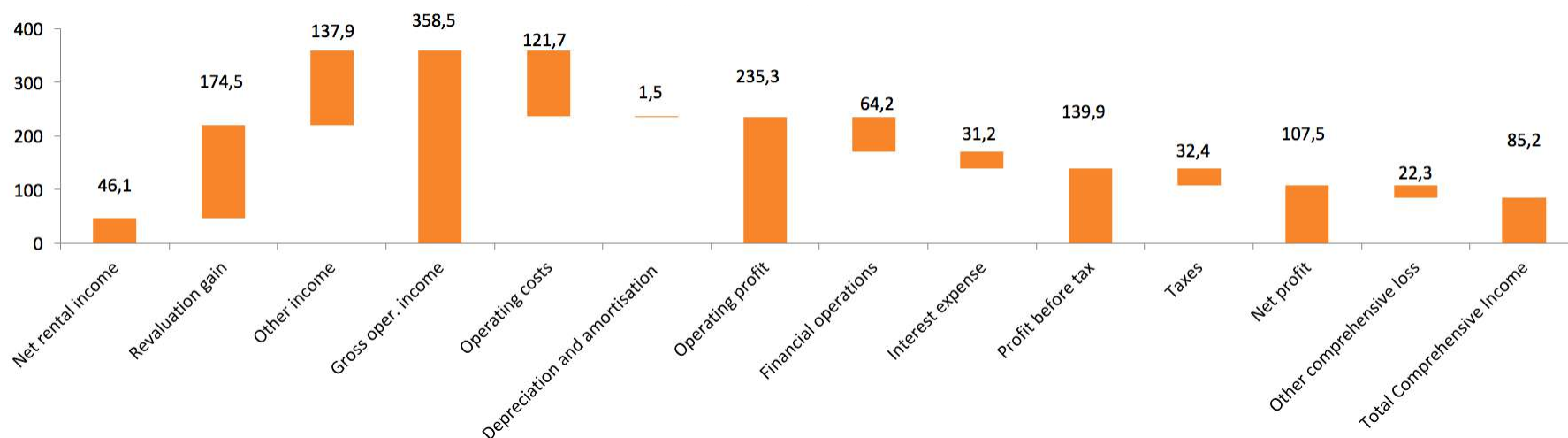
*GLA = Gross Leasable Area

**ERV = Expected Rental Value

Source: Company management, as of December 2016, valuation reports

2016 Operating Results

Group profit decomposition (€m)



Revaluation gain net of yield shift

€149.6m* in 2016

€94.5m driven by permitting and construction progress on Varso, Burakowska, West Station I-II, 33 Central, Agora, Stanica Nivy and Nivy Tower and Twin City Tower

€15m driven by achieving higher exit values compared to book values on divestments

€15m driven by positive repricing on income producing assets particularly due to Metronom and Gdanski Business Center C commercialization phase

Revaluating gain due to yield shift

€66.9m in 2016

Compressed yields achieved on projects completed in 2016 such as Aupark Hradec Kralove, Twin City B, Twin City C, Gdanski Business Center D

Partially offset by negative impact from higher yields on our UK assets due to Brexit impact

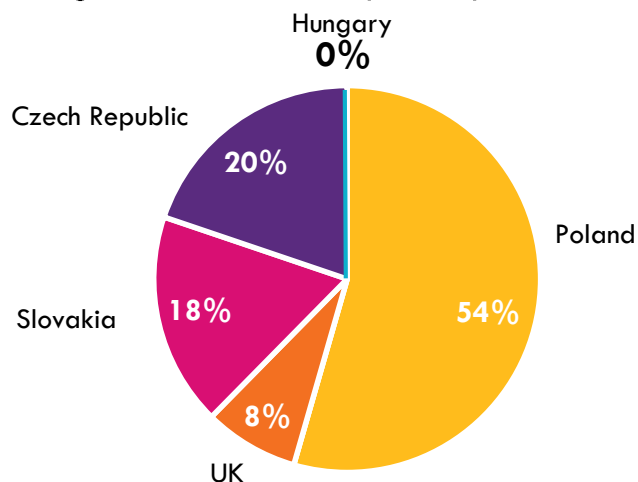
€20m driven by achieving higher exit values compared to book values on divestments

*including revaluation gain on 33 Central and West Station I-II that are treated under the contract for works method according to IFRS

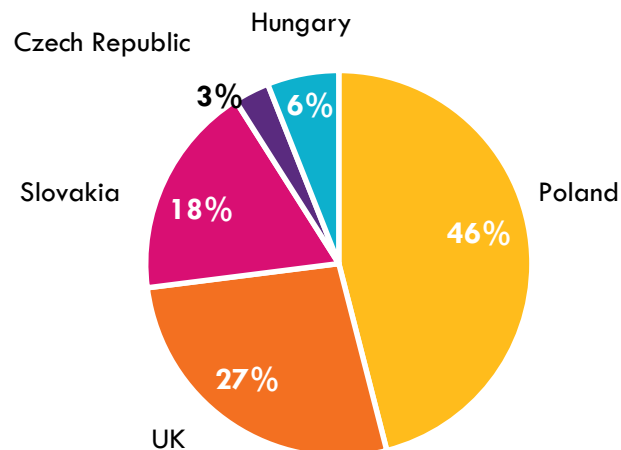
Source: IFRS financials as of 31 December 2016 and Company Management

Diversified profit generation

Operating Profit of €235.3m by country, FY2016



Operating Profit of €302.5m by country, FY2015



Key drivers of operating profit

Poland

Poland was the biggest contributor to our Operating Profit due to:

- Due to gain on divestment of projects
- Completion and further commercialization of buildings Gdanski BC C/D and West Station I
- Substantial development advancement on West Station II
- Permitting progress of the iconic Varso Place and Burakowska project

United Kingdom

United Kingdom had lesser impact on our Operating profit compared to previous year due to:

- Negative yield repricing caused by Brexit
- Mitigated by positive advancement on the development of projects under construction and forward sale agreement on 33 Central

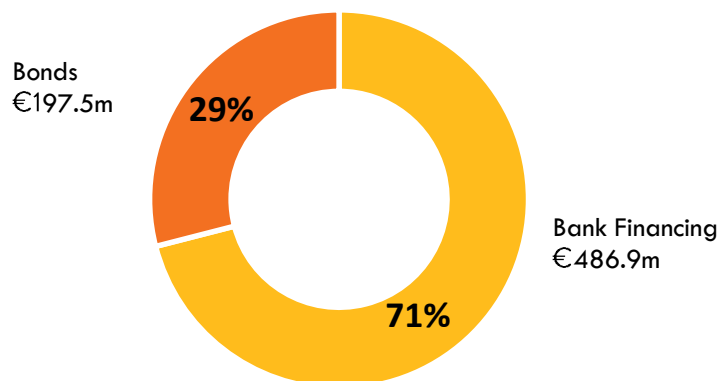
Czech Republic

Czech Republic had bigger impact on our Operating profit compared to previous year due to:

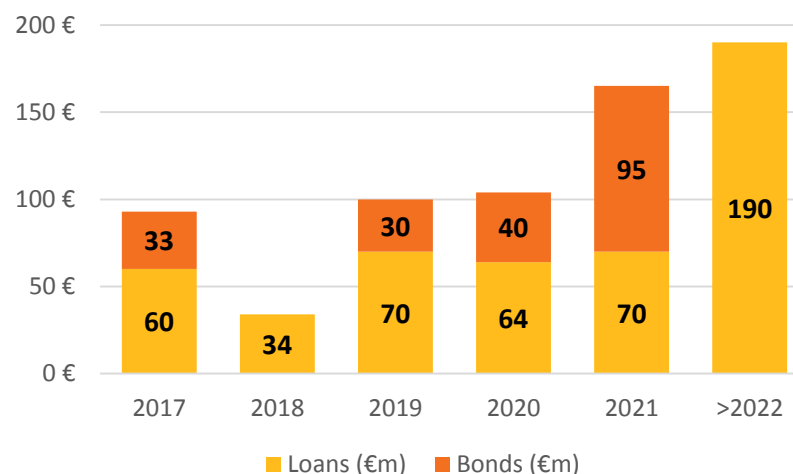
- Due to gain on divestments of projects
- Commercialization of Metronom Business Center and Aupark Hradec Kralove

Ongoing optimisation and diversification of our capital structure

Debt Overview (as of 31 Dec 2016)



Debt Maturity Profile (as of 31 Dec 2016)



	2012	2013	2014	2015	2016
Net Debt Leverage	28.8%	29.8%	26.5%	29.7%	17.4%
Net Debt / Operating profit	6.4x	4.4x	3.6x	2.1x	1.6x

Exceptionally low leverage - as a result of successful divestment in the amount of more than €1bn, the group repaid more than €340m in debt and achieved net debt leverage ratio of 17.4% and Net Debt over Operating Profit ratio of 1.6 multiple

Note: Excluding debt from Joint Ventures projects in the amount of €36.5m that are treated according to Equity Method under IFRS

Source: Company Management

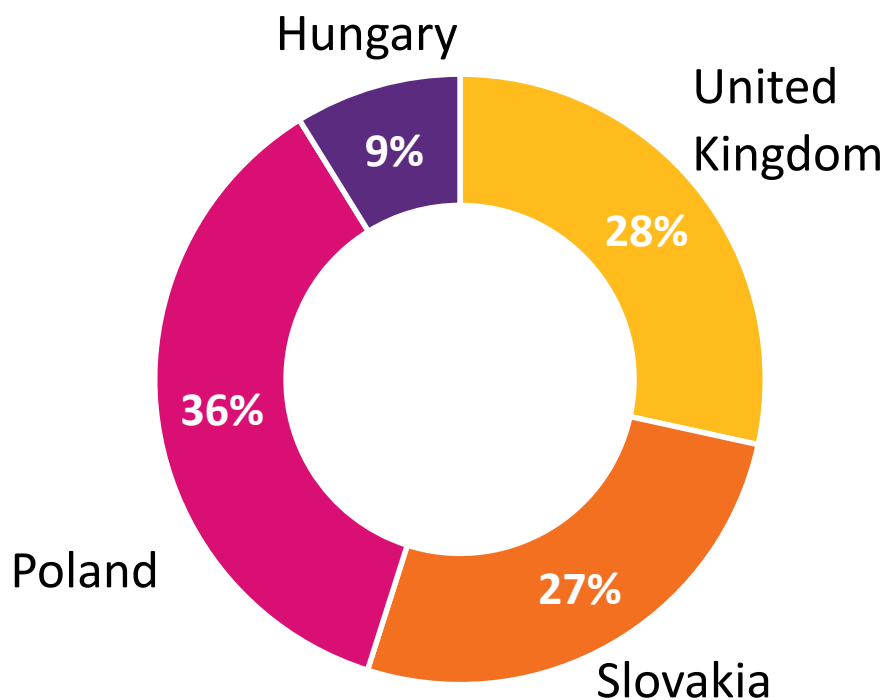


05

Projects under construction

Projects under construction

Value at Completion of €2.2bn
by country*



*As of April 2017, using gross development values as of end 2016

Under construction

12 schemes currently under construction with Gross Development Value of around €2.2 billion and Estimated Rental Value €122 million to be completed within 45 months

In pipeline

Value at completion of projects in the pipeline estimated at €3.5 billion with Estimated Rental Value of €175 million

Projects under construction - United Kingdom



Cooper & Southwark, London

- Delivery Q4 2017
- 7,100 sq m GLA
- Valuation at completion €114m



33 Central, London

- Delivery Q3 2017
- 21,100 sq m GLA
- Valuation at completion €347m



20 Farringdon Street, London

- Delivery Q1 2018
- 7,700 sq m GLA
- Valuation at completion €143m

Projects under construction - Poland



Varso Tower, Warsaw

- Delivery in Q2 2020
- 70,300 sq m GLA
- Valuation at completion €367m



Varso 1, Warsaw

- Delivery Q2 2019
- 30,100 sq m GLA
- Valuation at completion €138m

Varso 2, Warsaw

- Delivery Q4 2019
- 44,800 sq m GLA
- Valuation at completion €213m



West Station II*, Warsaw

- Delivery Q3 2017
- 37,900 sq m GLA
- Valuation at completion €99m

Projects under construction - Hungary

Agora Hub, Budapest

- Delivery Q1 2019
- 35,600 sq m GLA
- Valuation at completion €98m

Agora Tower, Budapest

- Delivery Q2 2019
- 35,100 sq m GLA
- Valuation at completion €104m



Projects under construction - Slovakia



Stanica Nivy, Bratislava

- Delivery in Q3 2020
- 103,000 sq m of GLA (incl. Bus Station)
- Valuation at completion €406m



Nivy Tower, Bratislava

- Delivery in 4Q 2019
- 31,200 sq m of GLA
- Valuation at completion €92m

Twin City Tower, Bratislava

- Delivery Q3 2018
- 34,700 sq m of GLA
- Valuation at completion €97m

Thanks!

We're finished!

hbreavis