

GRAND CITY

Properties S.A.

**H1 2019
FINANCIAL RESULTS
PRESENTATION**

AUG 2019

- 1 Financial Highlights**
- 2 Financial and Portfolio performance**
- 3 ESG**
- 4 Guidance**
- 5 Appendix**

1 FINANCIAL HIGHLIGHTS H1 2019

Consistent top-line & bottom-line growth

Rental and operating income
€ **278** million

+4%

Net rental income
€ **189** million

+4%

Adjusted EBITDA
€ **146** million

+7%

Net profit
€ **250** million
EPS (Basic)
€ **1.28**

-8%

-10%

Robust operational performance

FFO I
€ **106** million

+7%

FFO I per share
€ **0.64**
(FFO I yield: 6.3 %¹⁾)

+7%

FFO I per share
after perpetual notes
attribution
€ **0.54**

+4%

65% of FFO I
Dividend yield over
2019 guidance: **4.0 %**¹⁾

1) based on a share price of €20.4

Secure financial structure enabling consistent shareholder value creation

Total Assets
€ **9.3** billion

+5%

LTV
34 %

EPRA NAV
€ **3.9** billion,
per share € **23.1**

+3%

EPRA NAV incl. perpetuals
€ **4.9** billion,
per share € **29.2**

+2%

*Dividend adjusted

+6%*

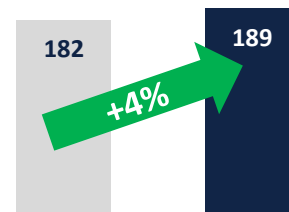
2 OPERATIONAL RESULTS

Selected Income Statement Data

in € '000 unless otherwise indicated

| | H1 2019 | H1 2018 |
|--|----------------|----------------|
| Rental and operating income | 278,195 | 268,275 |
| Net rental income | 189,320 | 181,682 |
| Property revaluations and capital gains | 210,877 | 249,985 |
| Property operating expenses | (128,581) | (127,076) |
| Administrative & other expenses | (6,015) | (6,062) |
| EBITDA | 356,386 | 387,544 |
| Adjusted EBITDA | 146,253 | 136,749 |
| Finance expenses | (22,807) | (23,322) |
| Other financial results | (19,731) | (24,061) |
| Current tax expenses | (15,429) | (13,600) |
| Deferred tax expenses | (47,264) | (54,088) |
| Profit for the period | 249,567 | 271,457 |
| Earnings per share (basic) in € | 1.28 | 1.43 |
| Earnings per share (diluted) in € | 1.21 | 1.33 |

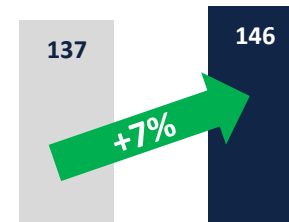
NET RENTAL INCOME (IN € MILLION)



H1 2018

H1 2019

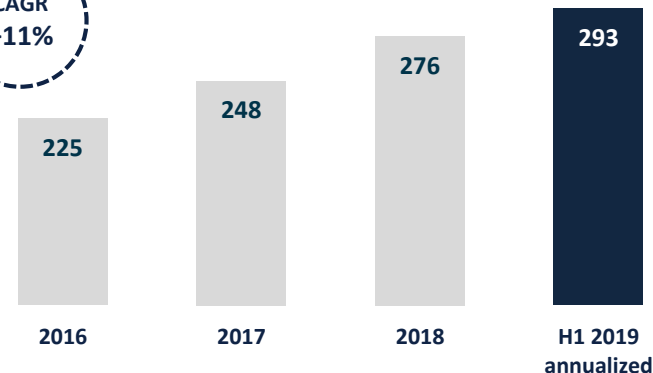
ADJUSTED EBITDA (IN € MILLION)



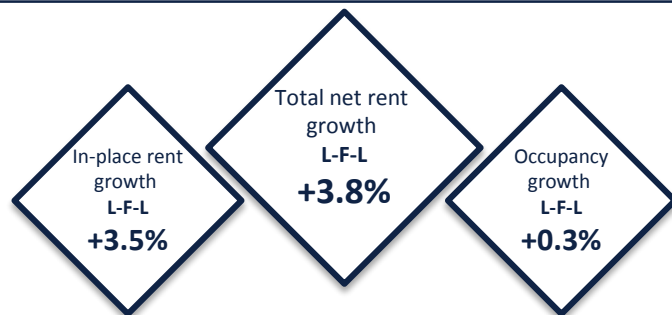
H1 2018

H1 2019

ADJUSTED EBITDA (IN € MILLIONS)



JUNE 2019 L-F-L NET RENTAL INCOME DEVELOPMENT

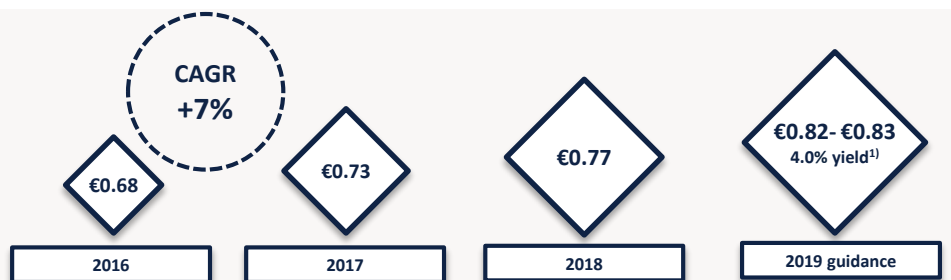


in € '000 unless otherwise indicated

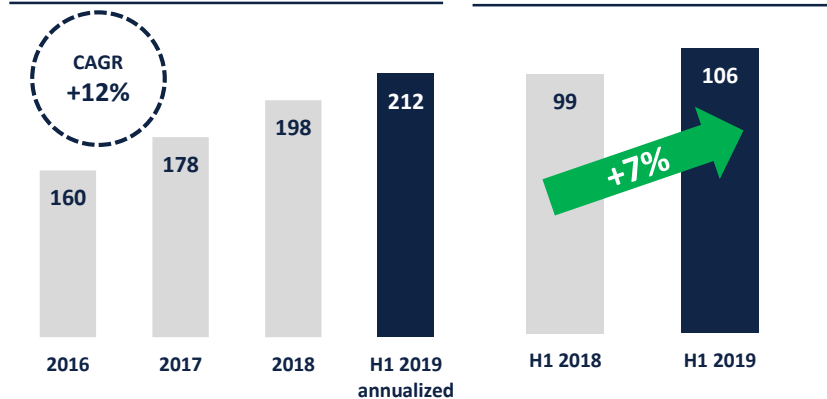
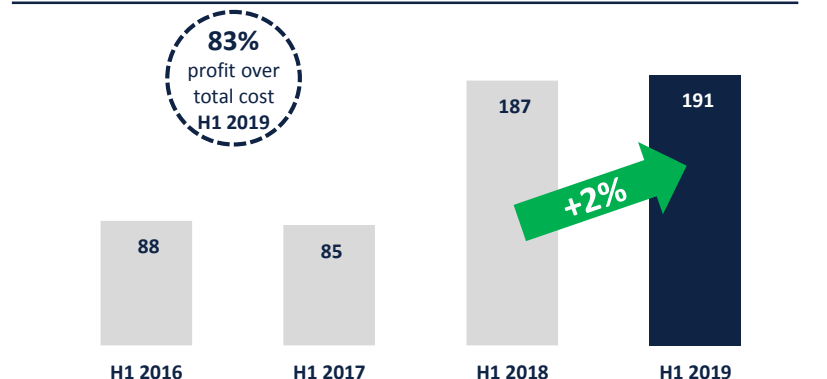
| | H1 2019 | H1 2018 |
|--|----------------|----------------|
| Adjusted EBITDA | 146,253 | 136,749 |
| Finance expenses | (22,807) | (23,322) |
| Current tax expenses | (15,429) | (13,600) |
| Contribution to minorities | (1,987) | (714) |
| FFO I | 106,030 | 99,113 |
| FFO I per share in € | 0.64 | 0.60 |
| FFO I yield ¹⁾ | 6.3% | |
| FFO I per share after perpetual notes attribution in € | 0.54 | 0.52 |
| FFO I | 106,030 | 99,113 |
| Result from disposal of properties ²⁾ | 85,030 | 87,893 |
| FFO II | 191,060 | 187,006 |

1) based on a share price of €20.4

2) the excess amount of the sale price to cost price plus capex of the disposed properties

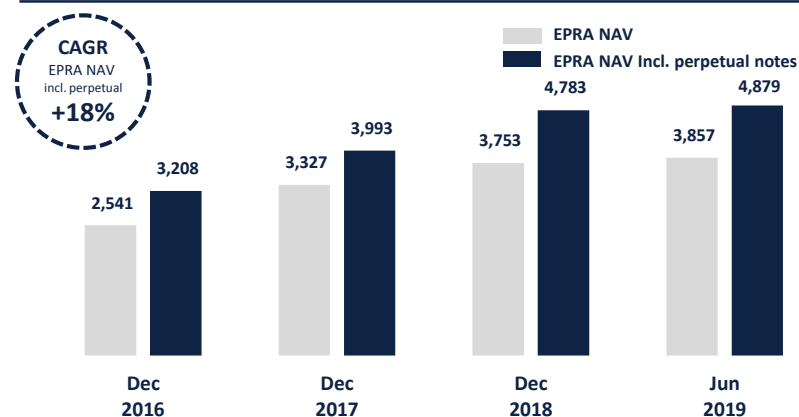
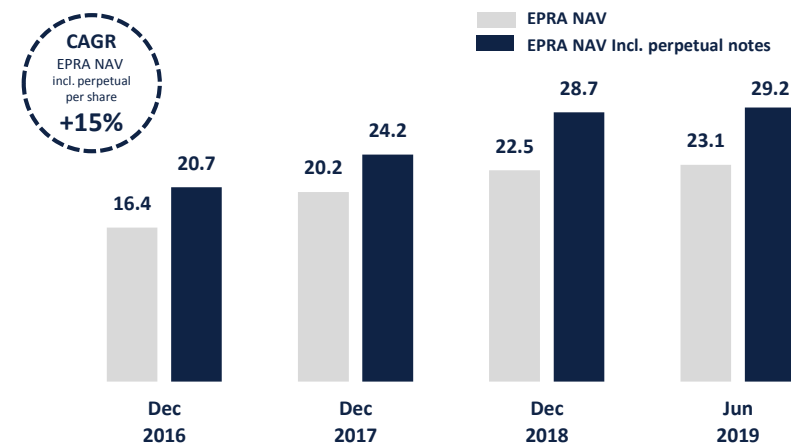
DIVIDEND PER SHARE (in €)


1) Based on a share price of €20.4

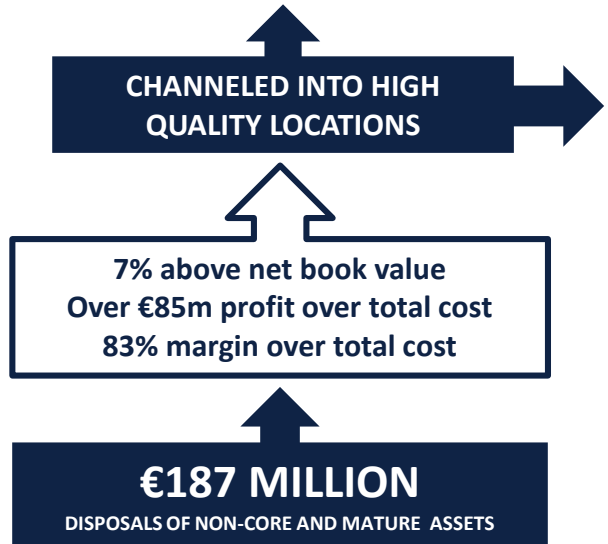
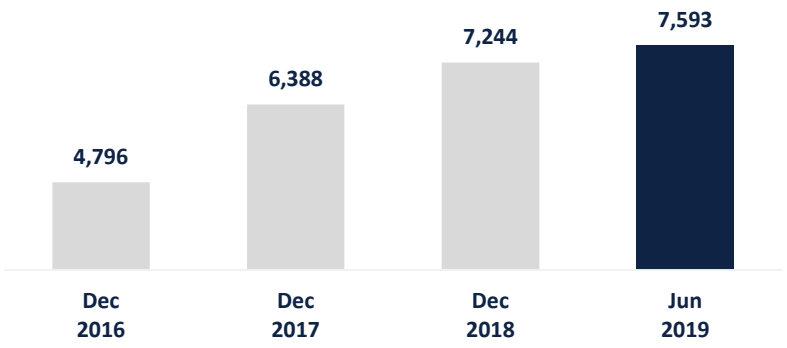
FFO I (IN € MILLION)

FFO II (IN € MILLION)


| | Jun 2019 | | Dec 2018 | |
|--|------------------|--------------|------------------|--------------|
| | € '000 | Per share | € '000 | Per share |
| Equity per the financial statements | 4,722,045 | | 4,666,987 | |
| Equity attributable to perpetual notes investors | (1,022,165) | | (1,030,050) | |
| Equity excluding perpetual notes | 3,699,880 | | 3,636,937 | |
| Fair value measurements of derivative financial instruments, net | (1,572) | | 248 | |
| Deferred tax liabilities | 574,004 | | 525,278 | |
| NAV | 4,272,312 | €25.6 | 4,162,463 | €24.9 |
| Non-controlling interests | (415,198) | | (409,441) | |
| EPRA NAV | 3,857,114 | €23.1 | 3,753,022 | €22.5 |
| Equity attributable to perpetual notes investors | 1,022,165 | | 1,030,050 | |
| EPRA NAV including perpetual notes | 4,879,279 | €29.2 | 4,783,072 | €28.7 |
| Basic amount of shares, including in-the-money dilution effects in thousands | 166,912 | | 166,903 | |
| Total Assets | 9,277,661 | | 8,860,526 | |
| Equity Ratio | 51% | | 53% | |

| | NAV | EPRA NAV | EPRA NAV including perpetual notes |
|--|-----------|-----------|------------------------------------|
| Jun 19 €'000 | 4,272,312 | 3,857,114 | 4,879,279 |
| Jun 19 per share € | 25.6 | 23.1 | 29.2 |
| Per share growth (dividend adjusted) | +6% | +6% | +4% |
| Per share growth (excl. adjustment for dividend) | +3% | +3% | +2% |
| Dec 18 €'000 | 4,162,463 | 3,753,022 | 4,783,072 |
| Dec 18 per share € | 24.9 | 22.5 | 28.7 |

EPRA NAV (IN € MILLION)

EPRA NAV per share (IN €)


INVESTMENT PROPERTIES DEVELOPMENT (IN € MILLIONS)



ACQUISITION CRITERIA

| |
|--|
| Acquisition in densely populated areas and major cities |
| High cash flow generating assets |
| Vacancy reduction potential |
| Rent level per sqm is below market level (under-rented), upside potential |
| Purchase price below replacement costs and/or below market values |
| Potential to reduce the operating cost per sqm |

Approx. €300 million acquisitions in H1 2019. Acquisitions of ca. 1000 units including over 600 units at an average multiple of 20x in addition to 400 units in the pre-letting stage

Over €200 million revaluation & capital gains supported by continuous repositioning of the portfolio and strong market dynamics in GCP's locations

Diversification among areas of sustainable economic fundamentals and demographic prospects

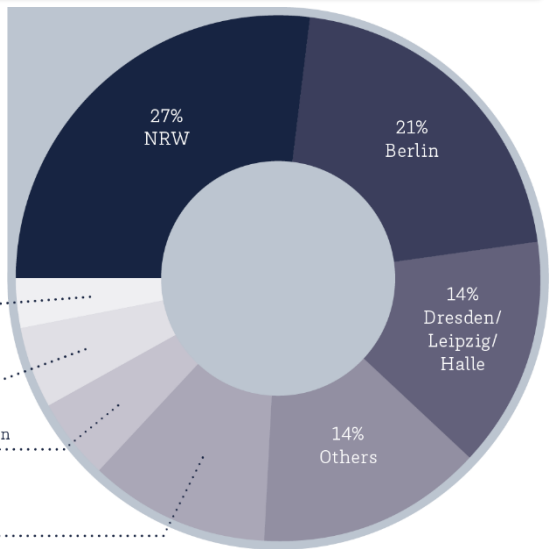
PORTFOLIO OVERVIEW JUNE 2019

| | Value (in €M) | Area (in k sqm) | EPRA Vacancy | Annualized net rent (in €M) | In-place rent per sqm (in €) | Number of units | Value per sqm (in €) | Rental yield |
|---------------------------------------|------------------|--------------------|-----------------|-----------------------------------|------------------------------------|-----------------|----------------------------|--------------|
| NRW | 2,010 | 1,842 | 8.0% | 118 | 5.7 | 27,592 | 1,091 | 5.8% |
| Berlin | 1,477 | 539 | 5.9% | 47 | 7.6 | 7,188 | 2,739 | 3.2% |
| Dresden/Leipzig/Halle | 990 | 947 | 9.2% | 53 | 5.2 | 16,350 | 1,046 | 5.3% |
| Mannheim/KL/Frankfurt/Mainz | 414 | 267 | 4.7% | 22 | 7.1 | 4,441 | 1,547 | 5.4% |
| Nuremberg/Fürth/Munich | 223 | 102 | 3.6% | 10 | 8.1 | 1,471 | 2,180 | 4.5% |
| Hamburg/Bremen | 368 | 297 | 5.0% | 20 | 6.0 | 4,272 | 1,236 | 5.5% |
| London | 501 | 61 | 9.7% | 20 | 30.8 | 1,213 | 8,226 | 4.0% |
| Others | 1,006 | 1,086 | 7.1% | 66 | 5.7 | 18,513 | 928 | 6.6% |
| Development rights and new buildings* | 604 | | | | | | | |
| Total | 7,593 | 5,141 | 7.3% | 356 | 6.25 | 81,040 | 1,359 | 5.1% |

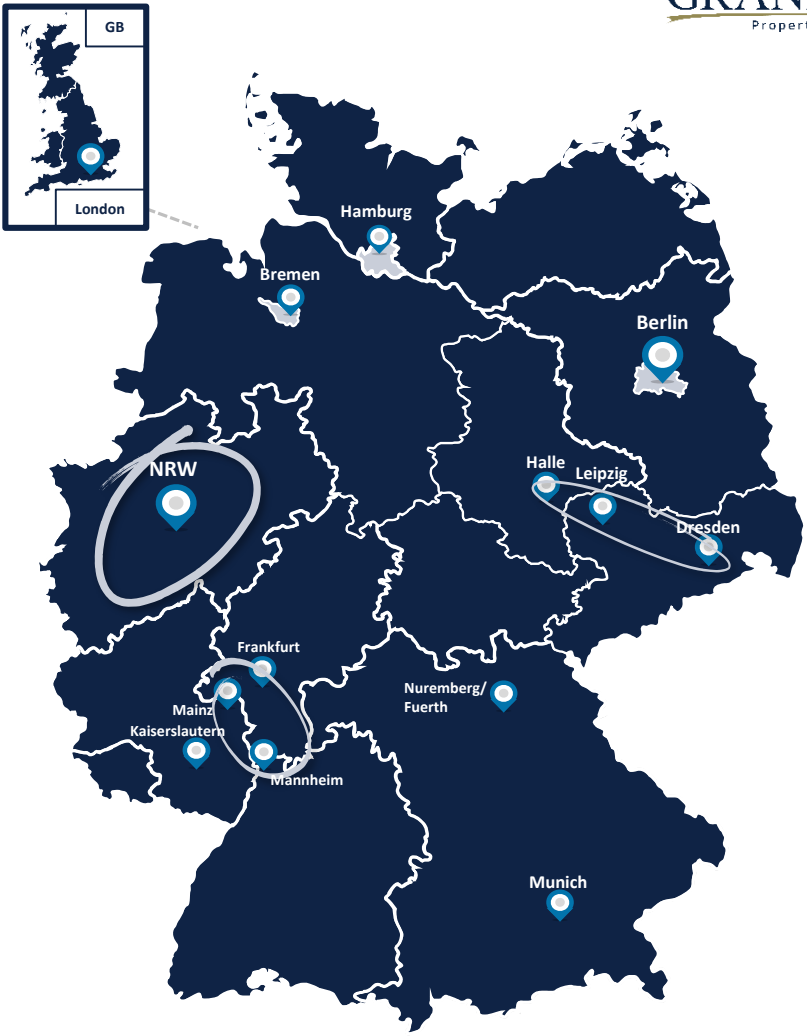
*including land for development, building rights on existing buildings (€278m) and pre-marketed buildings in London (€326m)

2 PORTFOLIO DISTRIBUTION

DISTRIBUTION BY VALUE JUNE 2019

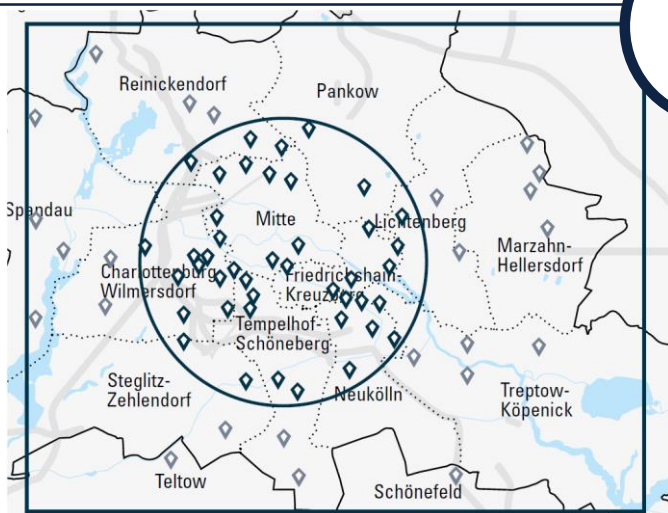


Focus on value-add opportunities in densely populated metropolitan areas



Berlin is the single largest city in the portfolio

PORTFOLIO OVERVIEW BERLIN



21%
of GCP's
Portfolio

QUALITY LOCATIONS IN TOP TIER NEIGHBORHOODS OF BERLIN*

2/3
In top tier
locations

2/3 of the Berlin portfolio is located in top tier neighborhoods:

Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam.

1/3 is well located primarily in Reinickendorf, Treptow, Köpenick and Marzahn-Hellersdorf.

Berlin - Mitte



Berlin - Kreuzberg



Berlin - Neukölln



Berlin - Charlottenburg



Berlin - Wilmersdorf



TIMELINE

| | |
|------------------------------|--|
| 18 Jun 2019 | Berlin Senate presented a resolution for the creation of a rent freeze in Berlin for 5 years on existing housing. Modernization allocations which increase rents by more than €0.50/sqm per month require a permit |
| Until end of Aug 2019 | Finalizing the draft bill |
| Until mid Sept 2019 | Hearing of various experts and associations |
| Until mid Oct 2019 | Berlin Senate voting |
| Jan 2020 | Law implementation with retroactive effect from 18 June 2019 |

POTENTIAL EFFECT OF THE PROPOSAL

- Fewer and delayed investments in construction for new housing which will increase the supply-demand gap further and thus will lead to further rent increase eventually
- Temporary benefits only for people who already have apartments. New movers to Berlin will have problems finding apartments as no or less new apartments will enter the market
- Lower amount of investments on existing apartments

IN OUR OPINION, THE ONLY SOLUTION TO EASE THE RENTAL MARKET IS TO INCREASE HOUSING SUPPLY

Berlin Senate has to, in our opinion:

- Set incentives for rapid new constructions
- Drastically shorten the building approval procedures
- Free up land and building rights within the city limits
- Set incentives to support construction of subsidized apartments in new buildings

EXPERT OPINION

Many professional and legal voices have been raised that the rent freeze is unconstitutional as rent regulation is set by the federal government, thus a state government lacks the legal competence, and a rent freeze is an infringement on property rights.

The lawyers of the Bundestag (German Federal Parliament) and the Wissenschaftliche Dienste des Deutschen Bundestages (Scientific Services of the German Federal Parliament), an Institution of the Bundestag that provides impartial expert opinions to the members of Parliament stated officially: *“civil law is already so comprehensively regulated by the federal government that there are hardly any possibilities for regulations under state law in this area”*.

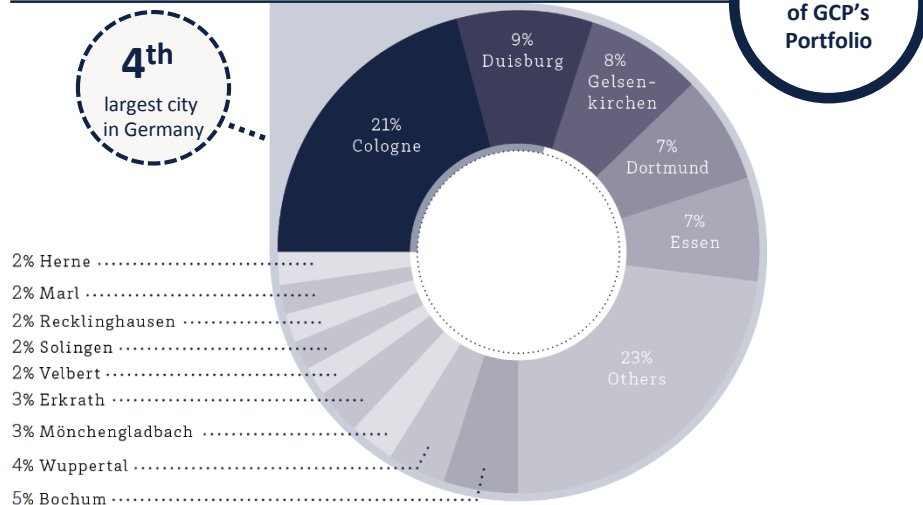
LIMITED RISK FOR GCP

GCP has always maintained a strong emphasis on diversification in its portfolio. Accordingly, Berlin accounts for only 9% of the total number of units.

The Company believes that the spillover effects on other cities would be low as Berlin represents a special situation of very persistent and strong supply-demand gap combined with a majority of social orientated local government

GCP is well positioned in Germany's largest metropolitan area...

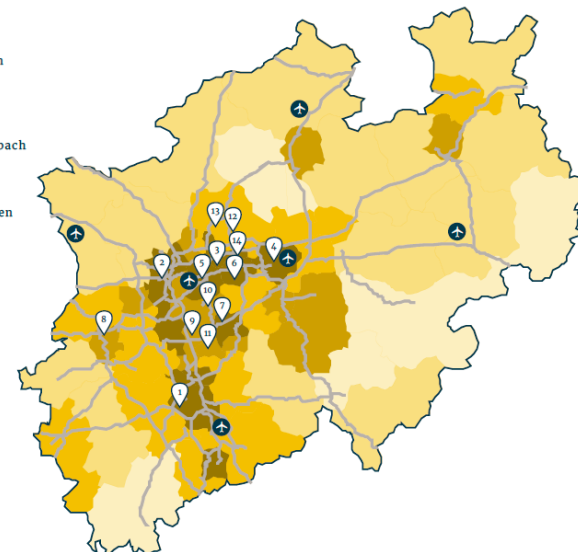
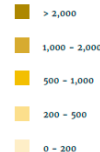
PORTFOLIO DISTRIBUTION



POPULATION DENSITY IN NRW

1. Cologne
2. Duisburg
3. Gelsenkirchen
4. Dortmund
5. Essen
6. Bochum
7. Wuppertal
8. Mönchengladbach
9. Erkrath
10. Velbert
11. Solingen
12. Recklinghausen
13. Marl
14. Herne

Inhabitants per sqkm (2015)



Dortmund



Duisburg



Essen



Wuppertal

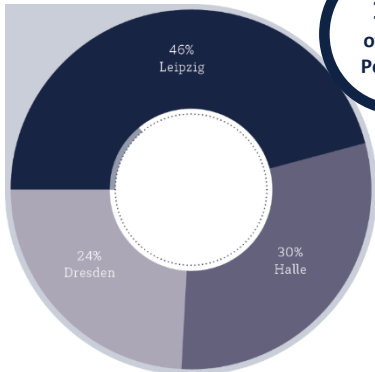


Cologne

...with further diversification in Germany's fast growing Eastern and largest Northern cities as well as well high quality, well connected locations in London

EAST PORTFOLIO

14%
of GCP's
Portfolio



Leipzig



Dresden

LONDON PORTFOLIO

11%
of GCP's
Portfolio



Over **90%** of the portfolio is situated within a short walking distance to an underground/overground station

Map represents approx. 90% of the London portfolio

The total London portfolio, including pre-marketed units consists of over 2,100 units



London - Kingston



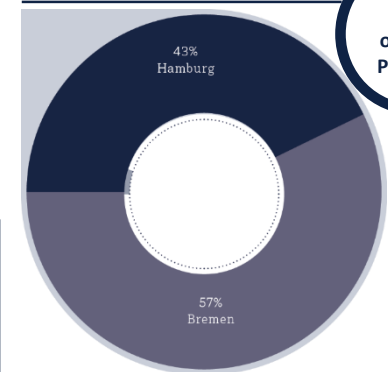
London - Redbridge



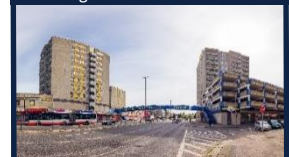
London - Hackney

NORTH PORTFOLIO

5%
of GCP's
Portfolio



Hamburg



Bremen

GCP financial policy

- Strive to achieve A- global rating in the long term
- LTV limit at 45%
- Debt to debt plus equity ratio at 45% (or lower) on a sustainable basis
- Maintaining conservative financial ratios with a strong ICR
- Unencumbered assets above 50% of total assets
- Long debt maturity profile
- Good mix of long-term unsecured bonds & non-recourse bank loans
- Dividend distribution of 65% of FFO I per share

➔ GCP has dozens of non-recourse separate bank loans from various banks and maintains strong relations with a range of banks and credit providers



2 LOAN-TO-VALUE

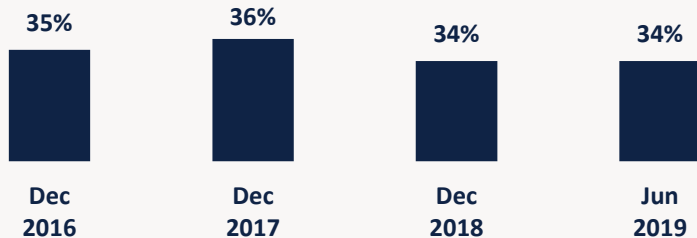
in € '000 unless otherwise indicated

| | Jun 2019 | Dec 2018 |
|---|------------------|------------------|
| Investment property* | 7,557,960 | 7,298,879 |
| Investment property of assets held for sale | 203,861 | 132,137 |
| Equity accounted investees | 27,037 | 26,207 |
| Total value | 7,788,858 | 7,457,223 |
| Total Debt | 3,395,786 | 3,320,020 |
| Cash and liquid assets | 768,991 | 760,374 |
| Net debt | 2,626,795 | 2,559,646 |
| LTV | 34% | 34% |

* excluding effects of IFRS 16

LTV Development

45% Board of Directors' limit



COST OF DEBT

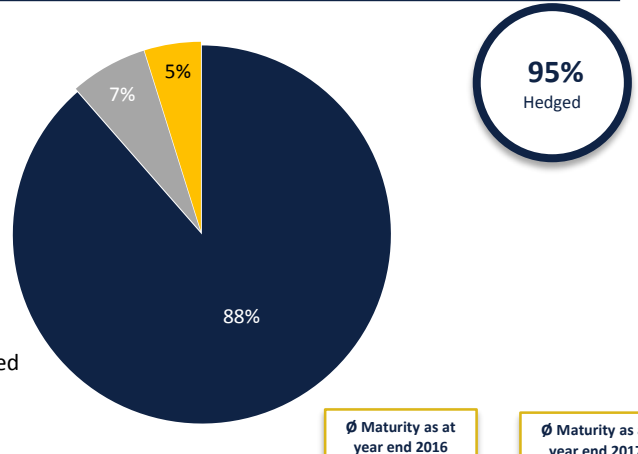
1.4%

Low spreads (16/8/2019)

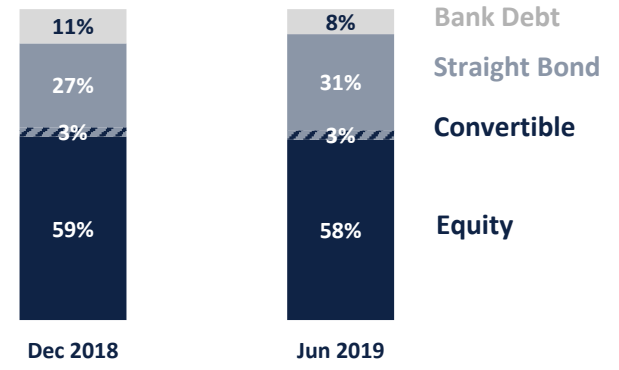
| | |
|---------------|-------|
| Series D 2021 | 0.57% |
| Series E 2025 | 0.85% |

Significant headroom and low cost of debt provide GCP flexibility to quickly act upon attractive opportunities

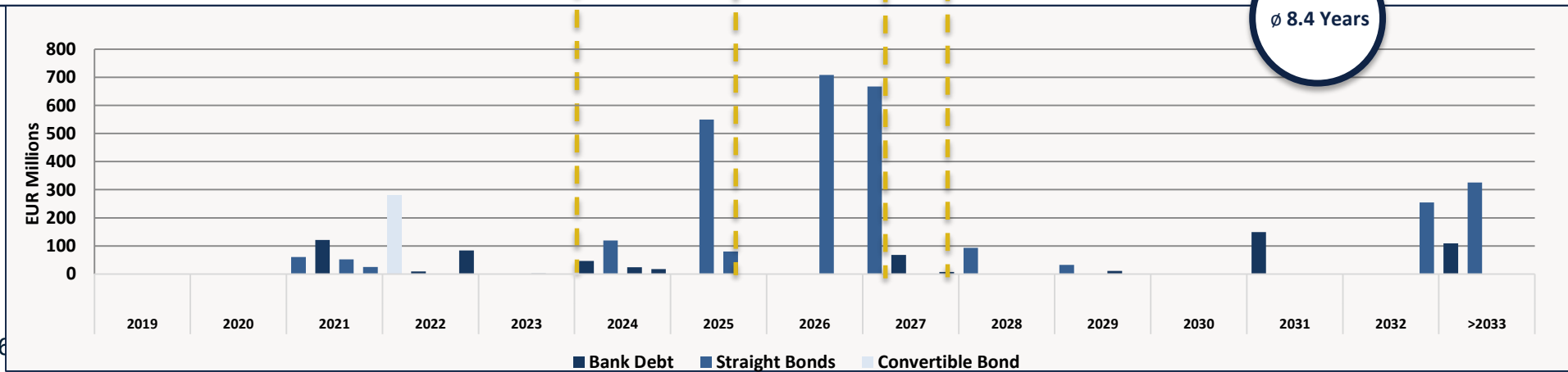
INTEREST HEDGING STRUCTURE JUN 2019



FINANCING SOURCE MIX

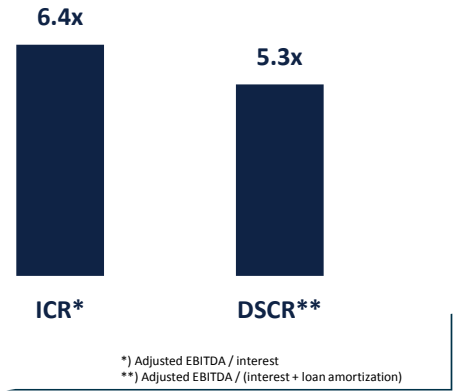


MATURITY SCHEDULE

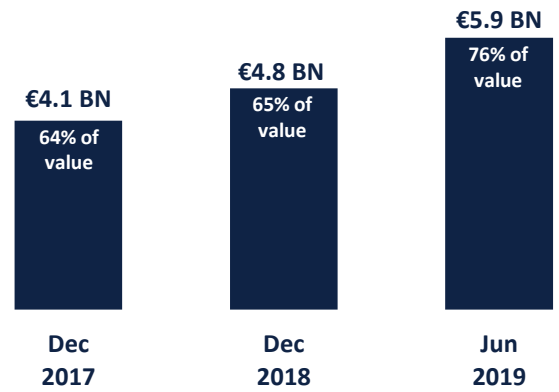


2 DEBT COVERAGE AND CREDIT RATING

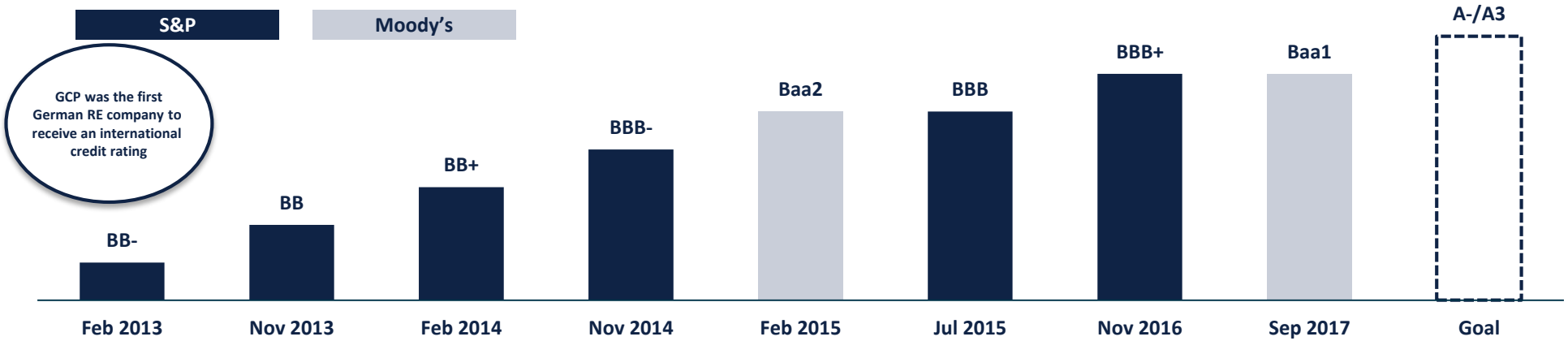
DEBT AND INTEREST COVER RATIOS – JUN 2019



UNENCUMBERED ASSETS



CORPORATE CREDIT RATING



CAPEX STRATEGY

Repositioning capex

- Increasing property quality
- Support value creation
- Measures include:
 - upgrading apartments for new rentals
 - staircases and public areas
 - installing playgrounds
 - installing elevators and ramps
 - other similar measures
- €6.0/avg sqm for the first half of 2019 invested in repositioning capex

Modernization

- Improving standards of apartments
- Increasing energy saving levels
- Targeted to increase rents
- Measures include:
 - adding balconies
 - improving insulation
 - façade reconditioning
 - upscale apartment refurbishment
- €1.4/avg sqm for the first half of 2019 invested in modernization resulting in L-F-L in-place rent growth of 0.3%

Pre-letting modifications

- Bring newly built and/or re-opening of converted/ refurbished buildings to letting market
- Measures include:
 - pre-marketing with final snagging, i.e. finishing preparations and minor investments
- €5 million for the first half of 2019 invested in pre-letting modifications

Dresden – Playground



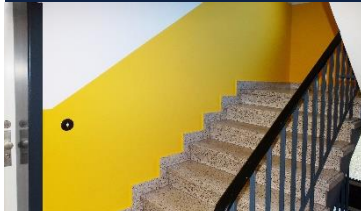
Duisburg - Before



London – Pre-letting modifications



Herne – Staircases



Duisburg - After



London – Pre-letting modifications



REPOSITIONING CAPEX AND MAINTENANCE (IN € PER AVG SQM)



H1 2018

H1 2019

■ Repositioning capex per avg sqm
■ Maintenance per avg sqm

in € '000

| | H1 2019 | H1 2018 |
|---------------------|----------|----------|
| FFO I | 106,030 | 99,113 |
| Repositioning Capex | (31,387) | (35,899) |
| AFFO | 74,643 | 63,214 |



GCP publishes a Corporate Responsibility Report, demonstrating the Company’s commitment to sustainability by presenting to investors, business partners, employees and other stakeholders its activities and achievements and to embed the high ESG criteria of the Company. The report can be found on our company website in the Sustainability section; grandcityproperties.com/sustainability



(September 2018)



In September 2018 , for the second consecutive year, GCP was awarded the **EPRA BPR Gold Award** for its 2017 annual financial report as well as the **EPRA sBPR Gold Award** for its EPRA sBPR reporting, underlining the company’s commitment to the highest standards of transparency and reporting

SUSTAINALYTICS (February 2019)

95th Percentile among **300** Real Estate Peers

The Company’s continuous effort and ongoing commitment to enhancing and expanding its ESG initiatives and reporting was recognized in February 2019 by Sustainalytics, one of the leading sustainability rating agencies, which ranked GCP in the **95th percentile among 300 global real estate peers**, as well as **noting the Company as a leader in its peer group.**

| | FY 2019 Guidance |
|---|---------------------|
| FFO I (in € millions) | 211-213 |
| FFO I per share (in €) | 1.26-1.27 |
| Dividend per share (in €) | 0.82-0.83 |
| FFO I per share after perpetual notes attribution (in €) | 1.06-1.07 |
| Total net rent like-for-like growth | >3.5% |
| LTV | <45% |



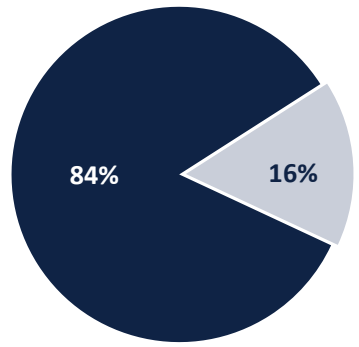
Guidance confirmed

Operational profitability and internal growth is expected to be translated into per share growth with increasing payout

Conservative financial position is expected to be maintained, remaining below BoD LTV limit

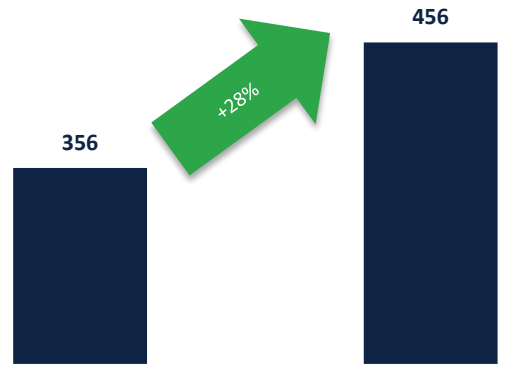
5 APPENDIX

RESIDENTIAL IN-PLACE RENT COMPARED TO MARKET RENT



■ below market level ■ at market level

CURRENT ANNUALIZED NET RENTAL INCOME VS MARKET POTENTIAL



Jun 2019 annualized

Annualized market potential*

* including vacancy reduction

10 years
Average tenancy length

5% of units
subject to rent
restrictions from
subsidization

Large upside potential with limited downside risk

5 PROVEN ABILITY TO ACCESS CAPITAL MARKETS

Proven track record

GCP has raised over **€6 billion** of capital since 2012, with a proven track record in 4 different instruments: Equity, Perpetual notes, Convertible bonds and Straight bonds across a broad spectrum of investors & markets

Strong activity in 2018,
issuing **€1.3bn**

Over **€900m** issued in 2017

| | |
|--------|--|
| Aug-19 | ➤ Issuance of Series V, 2034 straight bonds of €70m, under the EMTN programme, effective coupon of 1.5% until 2024 |
| Jul-19 | ➤ Issuance of Series U, 2025 straight bonds of €80m, under the EMTN programme, coupon of 0.75% |
| Jul-19 | ➤ Issuance of Series T, 2021 straight bonds of €52m, under the EMTN programme, coupon of 0.6% + 3 month EURIBOR |
| Jul-19 | ➤ Tap issuance of Series J, 2027 straight bonds of €168m to an aggregate nominal amount of €668m |
| Jul-19 | ➤ Issuance of Series S, 2021 straight bonds of €60.5m under the EMTN programme, zero coupon |
| Jun-19 | ➤ Issuance of Series R, 2039 straight bonds of €40m under the EMTN programme, coupon of 2.5% p.a. |
| Jun-19 | ➤ Issuance of Series Q, 2024 straight bonds of CHF 130m under the EMTN programme, currency hedge to Euro of notional amount, coupon of 0.6% p.a. |
| Mar-19 | ➤ Issuance of Series P, 2029 straight bonds of HKD 290m under EMTN programme, full currency hedge to Euro, effective coupon of 1.4% p.a.+3 month Euribor |
| Feb-19 | ➤ Issuance of Series O, 2034 straight bonds of €15m under the EMTN programme, effective coupon of 1.7% p.a. +3 month Euribor |
| Feb-19 | ➤ Issuance of Series N, 2039 straight bonds of €88m under the EMTN programme, effective coupon of 1.7% p.a. +3 month Euribor |

| | |
|--------|---|
| Jun-18 | ➤ Issuance of Series M, 2033 straight bonds of €55m under the EMTN programme, coupon of 1.7% p.a. till 2023 |
| May-18 | ➤ Issuance of Series L, 20-year straight bonds of JPY 7.5bn (€57m) due 2038 under the EMTN, currency hedge, coupon of 1.4% p.a. |
| Apr-18 | ➤ Issuance of €350 million perpetual notes, coupon of 2.5% p.a. |
| Feb-18 | ➤ Tap issuance of Series H, 2032 straight bonds of €145m to an aggregate nominal amount of €255m |
| Feb-18 | ➤ Issuance of Series K, 2026 straight bonds of CHF 125m under the EMTN programme, currency hedge to Euro of notional amount, coupon of 0.96% p.a. |
| Feb-18 | ➤ Issuance of Series J, 2027 straight bonds of €500m under the EMTN, coupon of 1.5% p.a. |
| Feb-18 | ➤ Issuance of Series I, 2028 straight bonds of HKD 900m under the EMTN programme, currency hedge, effective € coupon of 1% p.a. until 2023 |

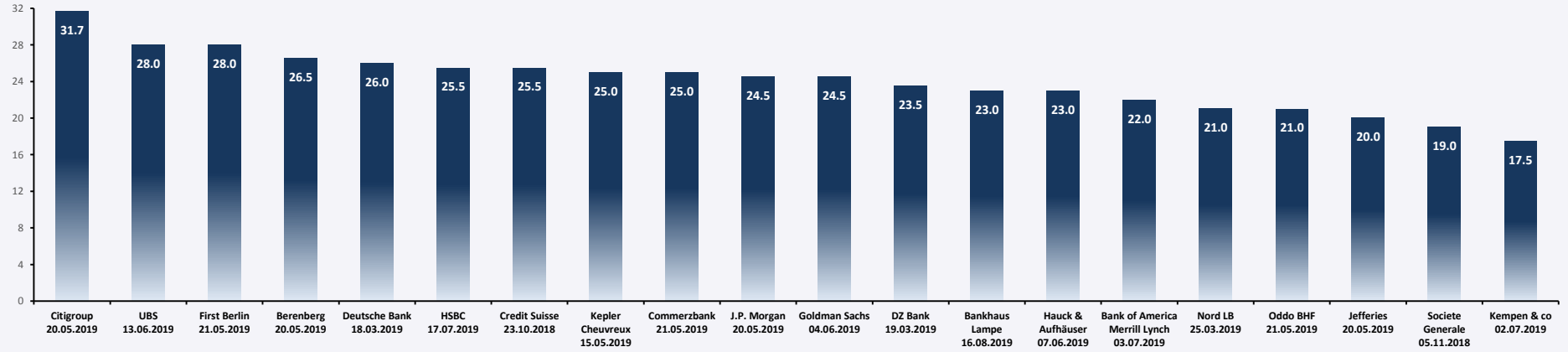
| | |
|--------|--|
| Oct-17 | ➤ Issuance of Series H, 2032 straight bonds of €110m under the EMTN programme, coupon of 2% p.a. |
| Jul-17 | ➤ Issuance of Series G, 2026 straight bonds of €600m under the EMTN programme, coupon of 1.375% p.a. |
| Jul-17 | ➤ Established Euro Medium Term Note (EMTN) Programme |
| Jun-17 | ➤ Equity capital increase of €198 million at €18 per share |

| | |
|--------|---|
| Sep-16 | ➤ Issuance of €200 million perpetual notes, coupon of 2.75% p.a. |
| Feb-16 | ➤ Issuance of Series F, 2022 convertible bonds of €450m, coupon of 0.25% p.a, conversion price of €25.54 |
| Jan-16 | ➤ Completion of the conversion of Series C convertible bonds (€275m) |
| Sep-15 | ➤ Tap issuance of €150m of 10 year straight bond to an aggregate nominal amount of €550m |
| Sep-15 | ➤ Equity capital increase of €151m at €15.9 per share |
| Jul-15 | ➤ Tap issuance of perpetual notes of additional €100m |
| Apr-15 | ➤ Issuance of Series E, 10-year straight bond of €400m with a coupon of 1.5% p.a. |
| Mar-15 | ➤ Tap issuance of perpetual notes of additional €250m |
| Feb-15 | ➤ Issuance of €150m perpetual notes, coupon 3.75% |
| Oct-14 | ➤ Redemption of straight bonds with nominal amount of €350m. Issuance of 7-year straight bond of €500m with a coupon of 2% p.a. |
| Jun-14 | ➤ Tap issuance of convertible bonds with gross proceeds of €140m |
| Apr-14 | ➤ Tap issuance of existing straight bonds with gross proceeds of €160m |
| Feb-14 | ➤ Issuance of Series C, 5-year convertible bonds of €150m and a coupon of 1.50% p.a. |

EQUITY & BOND BOOKRUNNERS

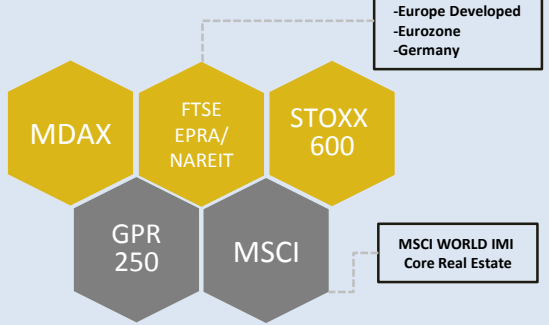


Analyst Research Target Price



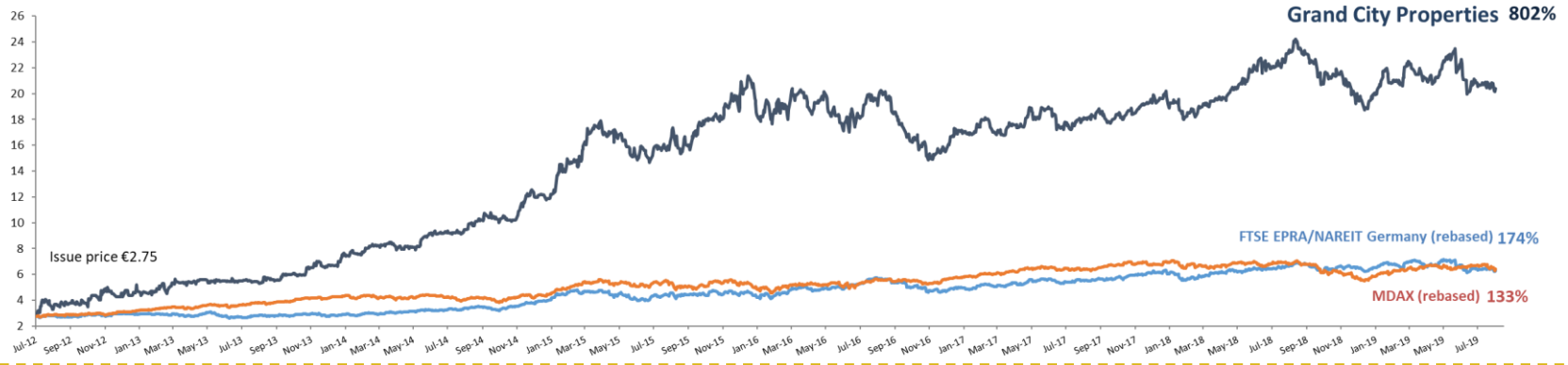
➔ GCP's operations are followed by leading real estate market analysts, who conduct independent equity research and provide price targets

Key Index Inclusions



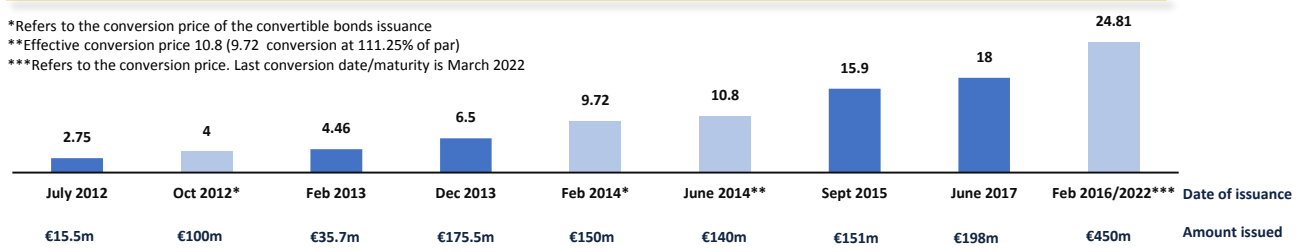
5 SHARE DEVELOPMENT AND STRUCTURE

GCP - Share Price and Total Return Since First Equity Placement (19.7.2012)



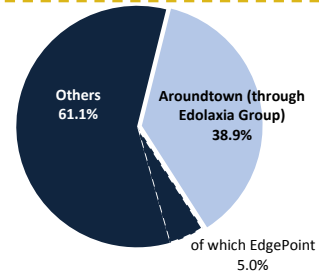
Share price/conversion price throughout the Company's issuances

*Refers to the conversion price of the convertible bonds issuance
 **Effective conversion price 10.8 (9.72 conversion at 111.25% of par)
 ***Refers to the conversion price. Last conversion date/maturity is March 2022

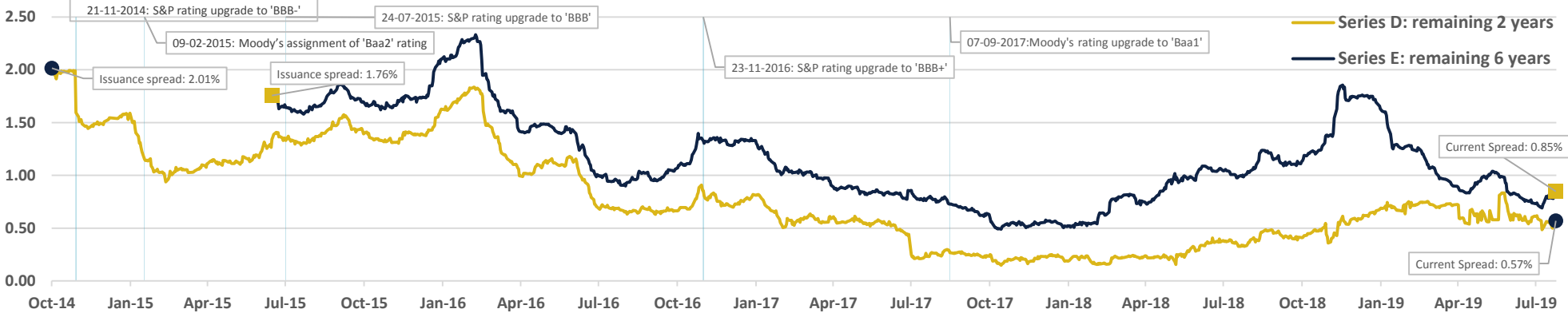


| | |
|----------------------------------|---|
| Placement | Frankfurt Stock Exchange (Prime Standard) |
| First equity issuance | 19.07.2012 (€2.75 per share) |
| Number of shares | 167,895,560 |
| Number of shares (fully diluted) | 180,447,093 |
| Symbol (Xetra) | GVC |

Ownership Structure



Spread over mid-€-swap for straight bonds



3.75% Perpetual notes Spread over mid-€-swap



CEO

Christian Windfuhr



Mr. Windfuhr is Grand City Properties' CEO. Before joining Grand City Mr. Windfuhr served as CEO of Maritim Hotels, with 40 hotels in Germany. Prior to this he served as CEO of Mövenpick. He achieved the financial turnaround of Mövenpick, drove international expansion, publicly listed the company, and worked out a strategic partnership with Kingdom Holding (HRH Prince Alwaleed) and JP Morgan. Served as Director of TUI, Europe's largest tour operator. He served high positions in Holiday Inn, Kempinski, & Southern Sun. Graduated at Cornell University.

Board of Directors

Refael Zamir
CFO
Chairman



Mr. Zamir is Grand City's CFO and Chairman of the Board. Mr. Zamir has over 10 years of international experience in finance and accounting. Before joining GCP at the beginning of 2013, Mr. Zamir served as a manager for Ernst & Young in the real-estate and financial institutions sectors. Mr. Zamir is a CPA and holds a BA and MBA in finance and business administration.

Simone Runge-Brandner
Independent director



Ms. Runge-Brandner is an independent Director and member of the audit-, remuneration- and nomination committee. Her past positions include Deal Manager (Director) at UBS Deutschland AG, Vice President Real Estate Finance/ Investment Funds, Credit Manager at Dekabank Frankfurt and Credit Manager Real Estate Finance at Helaba Frankfurt. Ms. Runge-Brandner has a Diploma in International business administration.

Daniel Malkin
Independent director



Mr. Malkin is an independent Director and member of the audit-, remuneration- and nomination committee. Before joining Grand City, he served as an Investment & fund Manager of fixed income investment funds at Excellence Investment Bank. Has a BA in Business Administration.

Audit Committee

Consists of the two independent directors Daniel Malkin and Simone Runge-Brandner

Senior Management

Sebastian Remmert-Falck
COO



Mr. Remmert has more than 15 years professional experience in the real estate industry. He covered positions ranging from asset management and project development to mortgage financing

Or Zohar
Business development



Prior to GCP, Mr. Zohar worked as the head of business development in Mark Hotels GmbH and as a Managing Director in Bluebay GmbH. Mr. Zohar holds a BSc and a MA in real estate and finance

Mandy Kuebscholl
Head of Service Center



Past experience include director of Central Reservation at GCH, Director of Revenue & Reservations at Ramada international. Education: Hotel Management from the Management Trainee program at Marriott International

Kenan Wallenstein
Head of rental and marketing



Mr. Wallenstein's team deal with all new potential tenants and takes care of all kinds of rental activity, marketing and promotion tools to increase the occupancy rate and rents. He has over 20 years of extensive marketing experience. Mr. Wallenstein has an MBA and a BSc in industrial engineering and management

Senior Management (continued)

Uwe Schillinger
Head of Facility Management



Mr. Schillinger is GCP's Director for Technical Service and responsible for the Facility Management. He has 12 years experience in facility management and joined GCP in 2006. Mr. Schillinger is an engineer in electrical engineering.

Michael Bar-Yosef
Senior Financial Analyst



Mr. Bar-Yosef is responsible for financial modeling and cooperates with equity researchers to analyze their financial models. Before joining GCP he served as a financial and corporate analyst for a financial advisory and was an economist. Mr. Bar-Yosef holds a MBA in economics.

Kathrin Behlau
Head of Legal



Ms. Behlau advises the senior management in the fields of contract and compliance. Prior to joining GCP she served as a legal counsel at Sirius Real Estate. Ms. Behlau holds a law degree from the University of Marburg (Germany) and Université de Lausanne (Switzerland).

Advisory Board

Yakir Gabay



Mr. Gabay is the chairman of the Advisory Board. Before GCP, Mr. Gabay was chairman & managing partner of an investment company which managed over \$30 billion of assets, before that he was the CEO of the investment banking of Bank Leumi. Mr. Gabay holds a MBA and BA in Accounting/Economics, and is a CPA.

Andrew Wallis



Vice chairman, Advisory Board Member. Mr. Wallis was owner and CEO of a large German property management company. Previously he spent 10 years as an investment banker in the city of London for Merrill Lynch and JP Morgan. Mr. Wallis holds an MBA and a CFA.

Claudio Jarczyk



Advisory Board member. Prior to GCP, Mr. Jarczyk served as an Executive Director at BerlinHyp Bank specializing in real estate financing with a focus on international clients, as a Chief International Executive at Landesbank Berlin and as an International Division-Department Manager at Bayerische Vereinsbank Munich. Mr. Jarczyk holds a Dipl.Kfm. / MBA at Munich University.

David Maimon



Mr. David Maimon was the President and CEO of EL AL Israel Airlines. Prior to that, Mr. Maimon was EVP of Customer Service, Commerce & Industry Affairs Sales & Marketing in EL AL Airlines and also served as a Director in various Israeli commercial companies such as Leumi Gemel Ltd, Hever and Sun D'Or International Airlines. Mr. Maimon holds an MBA.

Strong Board of Directors and senior management structure

- Majority of the board of directors is independent
- Audit committee members are independent
- Longevity in the company with high and stable retention rate
- Incentivized to align with the Company's long term goals – like-for-like occupancy and rent increase, operational efficiency, increase in adjusted EBITDA, FFO per share, EPS and NAV per share, keeping conservative financial ratios, with the strategic target to further improve the Group's rating to A-

| | | Financial risk profile | | | | | |
|-----------------------|-------------------|------------------------|-------------|-------------------------------------|--|----------------------|-----------------------------|
| S&P Global | | 1 Min - imal | 2 Modest | 3 Intermediate | 4 Significant | 5 Aggre- ssive | 6 High Lever- aged |
| Business risk profile | 1 Excellent | aaa / aa+ | aa | a+/a | a- | bbb | bbb- |
| | 2 Strong | aa/ aa- | a+/a | A- (DW) BBB+ (GCP) | (Vonovia- BBB+)* BBB (Covivio) | bb+ | bb |
| | 3 Satisfactory | a/a- | bbb+ | BBB/BBB- (Alstria) (ADO) | BBB-/bb+ | bb | b+ |
| | 4 Fair | bbb / bbb- | bbb- | bb+ | bb | bb- | b |
| | 5 Weak | bb+ | bb+ | bb | bb- | b+ | b/b- |
| | 6 Vulnerable | bb- | bb- | bb- | b+ | b | b- |

GCP will continue strengthening its position within the business profile

* rating anchor of Vonovia is BBB, their final rating, after the effects of modifiers, is BBB+

| Moody's | | Moody's 12-18 Month Forward View As of 5/31/2019 [2] | |
|---|--|--|--------------|
| Real Estate / REIT Industry Grid [1] | | | |
| Factor 1 : Scale (5%) | | Measure | Score |
| a) Gross Assets (USD Billion) | | \$10.7 - \$10.9 | A |
| Factor 2 : Business Profile (25%) | | | |
| a) Market Positioning and Asset | | Baa | Baa |
| b) Operating Environment | | Aa | Aa |
| Factor 3 : Liquidity and Access To | | | |
| a) Liquidity and Access to Capital | | A | A |
| b) Unencumbered Assets / Gross | | 75% - 80% | Baa |
| Factor 4 : Leverage and Coverage | | | |
| a) Total Debt + Preferred Stock / | | 40% - 43% | Baa |
| b) Net Debt / EBITDA | | 12.2x - 12.7x | Caa |
| c) Secured Debt / Gross Assets | | 6% - 8% | A |
| d) Fixed Charge Coverage | | 4.4x - 4.8x | A |
| Rating: | | | |
| a) Indicated Outcome from Scorecard | | Baa1 | |
| b) Actual Rating Assigned | | Baa1 | |

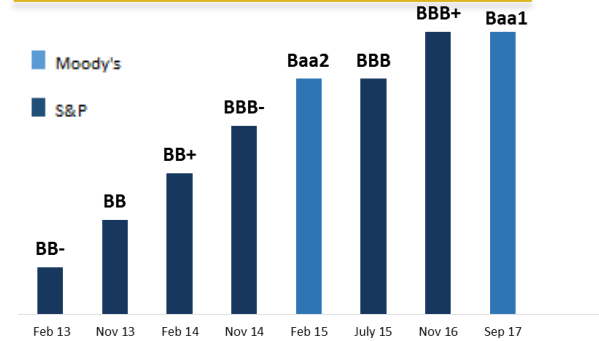
[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
 [2] This represents Moody's forward view, not the view of the issuer, and unless noted in the text, does not incorporate significant acquisitions and divestitures.

Strong position within the investment grade scaling with a long term rating of BBB+ (A-2 short term) S&P rating and Baa1 Moody's rating

GCP's anchor rating positions the company well for further rating improvements

The Board of Directors of GCP has decided to strategically aim for A- rating from S&P and A3 rating from Moody's, and will continue to implement measures to achieve this target.

Credit Rating development





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DISCLAIMER

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