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GRAND CITY PROPERTIES S.A. ANNOUNCES 9M 2020 RESULTS WITH A RESILIENT PORTFOLIO DELIVERING SOUND OPERATIONAL PERFORMANCE

- **Net rental income for the first nine months of 2020 at €279 million, as compared to €285 million during the comparable period in 2019 primarily due to disposals during the period.**
- **Adjusted EBITDA of €223 million for the first nine months of 2020, up by 1% over €220 million for the comparable period in 2019, supported by a steady organic rental growth.**
- **FFO I for the first nine months of 2020 amounted to €162 million, increasing 1% from €160 million during the first nine months of 2019.**
- **FFO I per share and FFO I per share after perpetual notes attribution for the first nine months of 2020 remained stable at €0.96 and €0.81 respectively.**
- **Profit for the period amounted to €342 million with a basic EPS of €1.68 and diluted EPS of €1.58.**
- **Disposals of over €350 million during the first nine months of 2020, resulting in gains of €108 million over total costs and at a slight premium above book value, generating an FFO II of €270 million during 9M 2020.**
- **EPRA NAV as of September 2020 amounted to €4.3 billion and €25.1 per share, higher by 5% and 2% respectively, when compared to December 2019.**
- **Total Equity of €5.2 billion, reflecting a strong equity ratio of 49%**
- **Solid credit metrics with a low average cost of debt of 1.3%, long average debt maturity of 7 years and a low LTV of 35%. Further complemented by a large level of unencumbered assets amounting to €6.7 billion (representing 79% of total portfolio value) and robust operational cash flows with an ICR of 5.8x.**
- **Steady and sustainable like-for-like rental growth of 2.6%; with 1.8% due to in-place rent increases and a further 0.8% due to occupancy increases.**
- **Guidance for FY 2020 confirmed.**

Luxembourg, November 16, 2020 – Grand City Properties S.A. ("GCP" or the "Company") announces results for the first nine months of 2020 with its resilient portfolio delivering continuously increasing operational profitability. The business profitability continued to perform with adjusted EBITDA and FFO I both increasing by 1% to €223 million and €162 million respectively, offsetting the impact on the marginal decline in net rental income from the successful disposals of non-core and mature assets above book value amounting to over €350 million during the period. This increase was due to a steady like-for-like rental growth of 2.6% coupled with an optimized operating platform generating strong business efficiencies that support operational profitability. Acquisitions in the first nine months of 2020 were completed later in the reporting

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period and will thus fully impact the rental income positively in the following periods. GCP's solid operational results along with positive fundamentals in its portfolio locations have together resulted in property revaluations and capital gains amounting to €272 million, increasing by over 3% on a like-for-like basis.

The coronavirus pandemic raised various challenges, however GCP responded with agility and implemented several processes that have ensured the safety and well-being of all relevant stakeholders. Therefore, there was no material adverse impact from the coronavirus pandemic on the operational results. GCP remains well prepared and confirms the guidance for 2020.

During the reporting period, GCP completed disposals amounting to over €350 million. The disposals were closed at a slight premium over net book values and generated a strong profit margin of 43% over total costs including capex. In addition, during the reporting period the Company signed further disposals amounting to over €500 million, expected to be closed in the coming months. GCP also completed high-quality acquisitions of approx. €380 million during the first nine months of 2020. Primarily located in Berlin and London, the accretive acquisitions included over 500 units acquired at a multiple of 21x as well as a further 700 units which are currently in the pre-let stage and are expected to be let out in the coming periods. GCP's investment property portfolio remains resilient and is valued at a €1,792/sqm with a rental yield of 4.6%

Refael Zamir, CEO of Grand City Properties: "During the course of the nine months of 2020, GCP has once more proven the agility and adaptability of its organization, with a portfolio that remains resilient and diversified on multiple levels, providing strong returns and sustainable growth, ensuring the Company is well placed to achieve its targets for 2020."

Financial statements for 9M 2020 are available on the Company's website:

<https://www.grandcityproperties.com/investor-relations/publications/financial-reports/>

For definitions of the alternative performance measures please see the relevant section in the pages 34 – 37 of the financial statements for 9M 2020, which you can find on the website under investor relations > publications > financial reports or follow this link:

https://www.grandcityproperties.com/fileadmin/user_upload/03_investor_relations/Downloads/2020/GCP_Q3_2020.pdf

About the Company

The Company is a specialist in residential real estate, value-add opportunities in densely populated areas primarily in Germany. The Company's strategy is to improve its properties by repositioning and intensive tenant management, and then create value by subsequently raising occupancy and rental levels. Further information: www.grandcityproperties.com

Grand City Properties S.A. (ISIN: LU0775917882) is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 1, Avenue du Bois, L-1251 Luxembourg, Grand Duchy of Luxembourg and being registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés Luxembourg) under number B 165 560. The shares of the Company are listed on the Prime Standard segment of Frankfurt Stock Exchange.

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