19 April 2016

Press Release

**HB Reavis announces strongest performance ever in 2015**

**HB Reavis Group (the “Group”) reported a remarkable 175% increase in consolidated net profit   
to EUR 245 million in the year ended 31 December 2015 according to its latest annual consolidated financial statements. These robust business and financial results were driven by record leasing activity, sound progress of projects under development across all our markets and optimization of capital structure.**

Key financial highlights:

* 175% increase in net profit to EUR 244.6 million from EUR 89.1 million in 2014;
* 128% growth in operating profit to EUR 302.5 million from EUR 132.6 million in 2014;
* Significant improvement in return on shareholders’ equity at 29.3% vs 10.8% in 2014;
* 16% growth in total assets to EUR 2.1 billion with Net Asset Value reaching almost EUR 1.2 billion;
* Increase in net debt to total assets ratio from 26.5% at the end of 2014 to 29.7% at the end of 2015, moving the Group closer to its target capital structure;
* Cash reserves as at the end of 2015 amounted to EUR 115.4 million, or 5.5% of the total balance sheet.

Key business highlights:

* Record leasing activity across all markets with agreements signed for almost 200,000 sq m of gross lettable area (“GLA”), representing an increase of 43% compared to 2014;
* Completion of four office projects in three European capital cities (Warsaw, Prague and Bratislava) with aggregate GLA of 107,900 sq m;
* Seven office projects and one retail scheme under construction in four countries at the end of 2015, with a target gross development value in excess of EUR 1 billion;
* Continued strengthening and diversification of the development pipeline through the acquisition of development plots in Warsaw and Budapest with targeted gross development value of EUR 632 million;
* Disposal of one completed investment property, Forum Business Center I in Bratislava for a consideration of EUR 46.2 million during the period under review;
* In excess of EUR 300 million of total new debt funding raised.

Pavel Trenka, CEO of the HB Reavis Group, said: “*The efforts of the whole team have translated into the best financial result in HB Reavis’ history. I believe the results confirm that our strategy is working. We have been investing significant efforts in differentiating our projects and making workspace solutions for our clients tailored to their specific needs. Last year 66 new office clients with about 15,000 employees chose our projects as their space for doing business. It is a great honour for us to be their partner but we also take it as our ultimate responsibility to make sure their businesses and people thrive in our spaces*.”

Last year’s business highlights include:

* biggest ever office-space rental contract in HB Reavis history, signed with one of the largest software company worldwide, SAP in Prague (27,322 sq m of GLA including options for future expansion) for Metronom Business Center;
* largest leasing contract signed in Poland (19,226 sq m of GLA including options for future expansion) with Polish insurance giant Powszechny Zakład Ubezpieczeń, SA (PZU), for Konstruktorska Business Center;
* completions of office development of: Postepu 14 and Gdanski Business Center building C   
  in Warsaw, Metronom Business Center in Prague and Twin City building A in Bratislava.

Trenka added: *“Despite increased levels of uncertainty of the market situation in the UK and Poland,   
we expect our other markets will provide a healthy diversification, with improving market outlook.   
To enhance our geographical diversification, we carried out a strategic review of potential expansion options and expect to add another market to our portfolio in the coming year. Moreover, we expect to launch the construction of three very prestigious and sizeable projects in 2016: a top class high-rise building in the heart of Warsaw, our city-in-the-city project in Budapest and Nivy Mall shopping center in Bratislava.”*

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**About HB Reavis**

HB Reavis is an international real estate developer founded in 1993 in Bratislava, Slovakia. It operates in the key markets of Central and Eastern Europe (Poland, Czech Republic, Slovakia, Hungary), the United Kingdom and in Turkey. The operations have so far yielded a total of 871,000 sq m of modern offices, shopping and entertainment spaces in addition to logistics facilities, and a further 1,12 million sq m of developments are in the planning, permit or construction stages. HB Reavis relies on a fully integrated business model covering development, construction, property and investment management. The group has total assets of EUR 2.1 billion, with a net asset value of almost EUR 1,2 billion. With more than 470 professionals, HB Reavis is one of the market leaders in commercial real estate in Europe. HB Reavis’ strong market position has been confirmed through numerous awards, such as the CEE Quality Award in the "Developer of the Year in CEE, 2015" category and the "Office Developer of the Year, CEE" title in the Eurobuild Awards. For more information, please visit <http://www.hbreavis.com>.

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