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GRAND CITY PROPERTIES S.A. OFFERS TO THE HOLDERS OF ITS OUTSTANDING €500,000,000 2.00% NOTES DUE 2021 TO TENDER SUCH NOTES FOR PURCHASE FOR CASH AND CONSIDERS ISSUING FIXED RATE NOTES

Luxembourg, July 24, 2017 – The Board of Directors of Grand City Properties S.A. (the "**Company**") has decided today to offer to the holders of its €500,000,000 2.00 per cent Notes due 2021 (ISIN XS1130507053) (the "**Notes**") to tender any and all such Notes for purchase by the Company for cash (the "**Offer**") subject to the successful completion of the New Financing. The Offer shall be subject to the terms and conditions set out in the tender offer memorandum dated 24 July 2017 (the "**Tender Offer Memorandum**") prepared by the Company.

Furthermore, the Company considers to issue EUR denominated Reg S bearer, senior unsecured expected 9 -years notes, subject to market conditions (the "**New Notes**"). The New Notes will be issued under Company's EMTN programme and will be listed on the Irish stock exchange.

The Company is not under any obligation to accept for purchase any Notes tendered pursuant to the Offer. Whether the Company will accept for purchase Notes validly tendered in the Offer is subject, without limitation, to the successful completion of the issue of the New Notes or such other financing as the Company may determine on terms acceptable to it (in each case as determined by the Company in its sole and absolute discretion) (the "**New Financing Condition**").

The purpose of the Offer is to proactively manage upcoming debt redemptions and to extend the average debt maturity profile of the Company.

About the Company

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

Grand City Properties (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 24, Avenue Victor Hugo, L 1750 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 Grand City Properties are listed on the Prime Standard segment of Frankfurt Stock Exchange.

Contact:

Grand City Properties S.A.
24, Avenue Victor Hugo
L-1750 Luxemburg
T: +352 28 77 87 86
E: info@grandcity.lu
www.grandcityproperties.com

Press Contact:

Katrin Petersen
Grand City Properties S.A.
T: +49 (30) 374-381 5218
E: katrin.petersen@grandcity.lu

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