

IMMOFINANZ closes the sale of the Russian retail portfolio

IMMOFINANZ has successfully concluded the sale of its retail portfolio Moscow to the Russian FORT Group. The transaction closed in St. Petersburg. As previously announced, IMMOFINANZ has now completed its exit from the Russian market during the financial year 2017 in line with the corporate strategy.

“We repositioned the five Moscow shopping centers to reflect the changed market environment in Russia. That set the stage for the start of a multi-stage structured sales process which has now ended with the transfer of the properties to the buyer“, commented Dietmar Reindl, COO of IMMOFINANZ, on the transaction.

The object of the sale is the Austrian holding company that contains all of the investments in the property companies which hold the retail portfolio in Moscow.

Oliver Schumy, CEO of IMMOFINANZ: “Over the past two years we have eliminated a number of risks – for example through the settlement of historical lawsuits filed by investors and the reduction of risks in our portfolio. However, the most important milestone was the sale of our retail portfolio in Moscow. The market climate in Russia has been difficult for many years and has had a substantial negative effect on IMMOFINANZ. As previously announced, we have finalised the sale of the Russian shopping centers before the end of 2017 and closed the transaction in the shortest possible time. The IMMOFINANZ portfolio with its office and retail asset classes is now clearly focused on the stable Western European markets of Germany and Austria and on the promising growth markets in CEE.“

The sale of the retail portfolio Moscow generates immediate net cash flows (after the repayment of existing debt financing) of RUB 5.0 billion (approx. EUR 72.0 million*). The purchase agreement also includes an additional guaranteed payment of EUR 14.5 million in January 2022 and an earn-out of up to RUB 9.0 billion (approx. EUR 129.6 million*) based on the revenues from the shopping centers in 2021, which is also due in 2022. In addition, IMMOFINANZ can participate with up to RUB 1.0 billion (approx. EUR 14.4 million*) in the positive outcome of current tax reimbursement proceedings.

* converted at the EUR/RUB exchange rate of 69.4709 (closing rate on 5 December 2017)

On IMMOFINANZ

IMMOFINANZ is a commercial real estate group whose activities are focused on the retail and office segments of seven core markets in Europe: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania and Poland. The core business covers the management and development of properties, whereby the STOP SHOP (retail), VIVO! (retail) and myhive (office) brands represent strong focal points that stand for quality and service. The real estate portfolio has a value of approx. EUR 4.2 billion and covers more than 250 properties. IMMOFINANZ is listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. Further information under: <http://www.immofinanz.com>

For additional information contact:

Bettina Schragl

Head of Corporate Communications and Investor Relations

IMMOFINANZ

T +43 (0)1 88 090 2290

M +43 (0)699 1685 7290

communications@immofinanz.com

investor@immofinanz.com