



PRESS RELEASE

UBM sells Micro Living project in QBC for approximately EUR 27 mn in a forward funding structure to CORESTATE

(Vienna, 19 September 2017) **As the leading hotel developer in Europe, UBM has succeeded in securing another transaction with a forward funding structure. Completion is planned for the second quarter of 2019.**

A UBM hotel development for Generation Y – both serviced apartments and the modern Micro Living project QBC 6.2. are right on trend. Seamlessly integrated into the dynamic development mix of the new city quarter, Quartier Belvedere Central (QBC), a total of 131 serviced apartments are being built with a total area of around 8,600 m². The property has been sold for EUR 27 mn in the form of a forward funding deal (payment based on percentage of completion) to CORESTATE Capital Holding S.A. (CORESTATE). The form of financing by the purchaser means that the project will not be a burden on UBM's balance sheet even during the construction phase.

"We realise our developments with an approach that is as farsighted as possible", said Andreas Zangengeind, Head of Transactions and member of the Executive Committee, adding: "Hotels are not only an established asset class, they are a discipline in which we reign supreme".

Home away from home

Quartier Belvedere Central continues to grow. The unique urban concept of office, residential and hotel properties directly beside Vienna Central Station is now being complemented by the development of a serviced apartment project. This is an inner-city trend that is growing in popularity, as the guests can enjoy the experience of individual living combined with classic hotel service. What's more, the good location at the Central Station provides fast links to local and long-distance transport. On top of this, the project stands as a building block in sustainable, holistic urban development. The contemporary architecture of the building will give the residents a sense of urban flair.

Impact on UBM

The transaction in the form of forward funding avoids any impact on net debt in the future and has a positive impact in Q3/17. The impact on total output and revenue is pro rata temporis, i.e. based on the percentage of completion.

PRESS RELEASE



Net sales proceeds	EUR 27 mn
Effect on total output	pro rata temporis
Effect on revenue	None (share deal)
Effect on net debt	approx. EUR 10 mn*

*There will be a positive effect of around EUR 10 mn in Q3/17 due to prior investments, with no effect after this due to the forward funding structure.

UBM Development AG is the leading hotel developer in Europe. The strategic focus is on the three clearly defined asset classes Hotel, Office and Residential and the three core markets of Germany, Austria and Poland. With 144 years of experience, UBM focuses on its core competency – developing real estate. UBM has been listed on the prime market segment of the Vienna Stock Exchange since August 2016.

For enquiries:

Milena Ioveva
Head of Investor Relations & Corporate Communications
UBM Development AG
Tel.: +43 (0)50 626-1763
Email: public.relations@ubm.at