

This announcement contains inside information within the meaning of the Market Abuse Regulation (EU) (No 596/2014).

25 September 2018

**BCRE – Brack Capital Real Estate Investments N.V.**  
**(“BCRE” or the “Company”)**  
**INTERIM RESULTS 2018**

The Board of BCRE – Brack Capital Real Estate Investments N.V. releases the results of the Company, its subsidiaries and the Company’s interests in associates and joint ventures (together the “**Group**”) for the six months period ended 30 June 2018 (the “**Period**”) and the publication of its Interim Report 2018.

**Trading update for the Period**

- As at 30 June 2018, the net asset value of the Group amounted to USD 205.4 million (31 December 2017: USD 241.6 million).
- As at 30 June 2018, the aggregate value of total assets in which the Company has a holding interest in different percentages was approximately USD 876 million (31 December 2017: USD 913 million).
- 720 West End Avenue project is being let to the Salvation Army and serves as a senior housing facility. The building will be vacated once the replacement facility that is being built on 125<sup>th</sup> street is completed, expected by early 2019. As of now the steel structure of the 125<sup>th</sup> street building is completed and the mechanical, electrical, plumbing and façade work is underway.
- Development at 90 Morton Street, a high end residential development in the West Village Manhattan, is continuing to progress on schedule and is approximately 75% complete.
- On 27 March 2018, the Group signed an agreement with its partner for the sale of the Group’s total shareholding in OSIB-BCRE Bowery Street Holdings LLC which is classified as held for sale as at 30 June 2018.
- On 8 June 2018, the Group has entered into an agreement to sell its holding in Hotel Indigo Lower East Side New York (“Hotel”), which is classified as held for sale as at 30 June 2018, to MRR Development for a price of USD 162.5 million. This transaction is subject to standard conditions precedent. The completion of the transaction is expected to take place by the end of the year. IHG will continue to manage the Hotel under its Hotel Indigo brand.
- The Company continues to work to stabilize its’ Russian platform, the shopping centers in Dmitrov and Lyubertsy, the logistic warehouse in Lobnia and Kazan’s main retail

module are almost fully occupied, whereas the two additional modules in Kazan are still ramping up and the difficulties in filling them have not eased.

- On 22 March 2018, the Group completed the refinancing of the existing bank loan facilities, in the total amount of approximately USD 267 million, of subsidiaries and a joint venture of BCRE Russia concerning the four projects in Russia (Kazan, Lyubertsy, Lobnia and Dmitrov).
- On 3 January 2018, the Company repaid early the whole outstanding principal amount of around USD 23.8 million of Series B bonds including accrued interest and early repayment fee.
- On 26 January 2018, the Financial Conduct Authority cancelled the Series C bonds from the Official List of the London Stock Exchange, which had been repaid early during December 2017.
- On 6 February 2018, the Company announced its strategic plan going forward. Under the current global economic and financial conditions, the Company's view is to adopt a policy with a focus on de-risking, deleveraging and improving balance sheet quality, reducing asset exposure and cutting costs. In addition, this policy entails no new investments in emerging and/or non-core markets and being extremely selective in new investments while taking into consideration shareholders' distributions time horizon expectations.
- On 6 February 2018, CEO Ariel Podrojski resigned from his position but remained as a consultant to the Company. On the same day Nansia Koutsou and Shai Shamir were appointed as interim co – CEOs and Yiannis Peslikas as CFO of the Company.
- In February 2018, the Company agreed with a group of lenders for the provision of a financing facility for the total amount of USD 20 million. The facility bears interest of 6.5% per annum and matures on 30 June 2020, on which date the whole outstanding amount of interest and principal will be paid.
- On 7 June 2018, Daniel Aalsvel retired from his position as a Board member and the chairman of the audit committee. Moshe Lustig appointed as independent non-executive Board member and replaced Daniel in the audit committee.
- On 6 July 2018, the Board offered a share buyback programme up to a maximum of €2,000,000. The shares would have been cancelled upon repurchase. The share buyback programme commenced on 9 July 2018 and was completed on 31 July 2018. No shares have been purchased.
- On 17 August the Extraordinary General Meeting has unanimously approved to apply for (i) the cancellation of the Shares (ISIN: NL0010763611) from admission to the standard segment of the Official List and (ii) the cancellation of the admission to trading

of the Shares on the Main Market of the London Stock Exchange plc (together, **the De-Listing**).

- On 21 September 2018, the Company has postponed the De-Listing which was scheduled to be effective on 24 September 2018.
- On 24 September 2018, the Company has withdrawn the application to Euronext Paris in connection with the admission of the Shares to Euronext Access of Euronext Paris and it will review its plans. Pending that review it will retain its listing on the Main Market of the London Stock Exchange plc. The Company will update shareholders following completion of that review.

The Interim Report 2018 is now available to view or download from the Company's website, [www.brack-capital.com](http://www.brack-capital.com).

#### **ENQUIRIES:**

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#### **About BCRE**

BCRE is an international real estate development and investment group, headquartered in the Netherlands and listed on the London Stock Exchange. Through its subsidiary and associated undertakings, the Company is interested in, develops and operates an international portfolio of real estate assets in the markets it operates.

The Company has established local management team platforms with significant local market expertise. At present, the Company has offices and teams in New York, Moscow, Amsterdam and Limassol.