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## **Primecity Investment Plc releases Q1 2015 figures, opening the year successfully**

- EPRA NAV at €467 million, + 29% compared to year-end 2014
- Revenue increased to €7.4 million, +41% compared to Q1 2014
- Adjusted EBITDA at €6.3 million, +38% compared to Q1 2014
- FFO I increased by 45% to €4.1 million compared to Q1 2014. FFO I per share at €4 cents
- Net profit increased to €40.2 million
- Low leverage with an LTV of 41% (15% assuming conversion) and an equity ratio of 40% (61% assuming conversion)
- Interest Coverage Ratio of 4.4x

**May 15, 2015** - Primecity Investment plc (the “Company”) announces the interim results for the first quarter of 2015. The figures mirror the successful continuation of the growth momentum of both operations and portfolio size.

### **Successful realisation of property pipeline**

Continuing the strong growth in 2014, 7 hotel properties were added to the portfolio in the first 3 months of 2015 and further 9 properties by May 2015. This led the number of hotel rooms to rise from 5,000 at the end of December 2014 to 5,800 by March 2015 and to 8,000 by May 2015. The combination of rental income generated from newly acquired properties as well as increasing income from lease agreements with existing tenants led to a 41% revenue increase comparing Q1 2014 to Q1 2015. The May 2015 lease revenue run rate, annualizing the lease revenue of the May 2015 portfolio and excluding any further acquisitions or operational improvements, amounts to €42 million and provides a strong standing point looking forward.

### **Continuous access to capital markets fuelling acquisitions**

Growing interest in the investment community allowed PCI to tap up its convertible bonds in February 2015 by €50 million in principal amount, following the initial issuance in November 2014 of €100 million. The issuance was oversubscribed and issued at a 5% premium to the nominal amount. The strong access to capital markets is fuelling the firepower of the Company to further pursue attractive deals and to continuously increase the portfolio accretively. The cash and liquid assets at the end of March 2015 amounted to €97 million.

Despite the strong portfolio growth, the financial matrix remained sound as LTV was kept at a low leverage of 41% (15% assuming conversion of the convertible bond which is in the money), equity ratio of 40% (61% assuming conversion) and Interest Coverage Ratio improved to 4.4x. The

conservative financial position enables the Company to both maintain high financial headroom and comfort to investors and to support future growth.

#### **Portfolio growth accompanied by profitability rise**

Along the strong asset growth in the first quarter the Company has improved the profitability of its operations. FFO I rose by 45% to €4.1 million in the first three months of 2015, resulting in FFO I per share of €4 cents. The annualized FFO I run rate as of May 2015, based on current lease agreements and operational and financial standpoints, is €23 million.

The strong start of 2015 has resulted in an EPRA NAV of €467 million as of March 2015, an increase of 29% in comparison to December 2014.

The full Q1 2015 interim report is available on the Company's website:

<http://www.prime-city.com/downloads.html>

#### **About Primecity Investment**

The Company (ISIN: CY0104972217) is a public limited liability company incorporated under the laws of Cyprus, having its registered office at Faros Avenue, Spyros Thalassines Alkyonides - Pervolia 7560, Larnaca, Cyprus and being registered with the registrar of companies in Cyprus under number HE 151151.

The Company is a specialist hotel investment company focused on investing in and repositioning mismanaged Hotel portfolios primarily in Germany. The hotel properties are located in key locations which enjoy high tourism, business and exhibitions, such as Berlin, Munich, Hamburg, Frankfurt, Dresden, Düsseldorf, Mannheim and Leipzig. For more information please refer to the Company's website [www.prime-city.com](http://www.prime-city.com).

#### **Contact:**

Christian Hupfer (CFO)  
Primecity Investment Plc  
Faros Avenue  
Spyros Thalassines Alkyonides  
Pervolia 7560, Larnaca - CYPRUS  
[www.prime-city.com](http://www.prime-city.com)

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