

PRESS RELEASE

UBM sells new “Zalando Headquarter” in Berlin for EUR 196 mn to Capstone Asset Management in a forward deal

(Berlin, 03 April 2017) With the sale of the Zalando headquarters in Berlin, currently under development, UBM has achieved a key milestone in its accelerated sales programme “Fast Track 2017”. The project has been sold to a South Korean Asset Manager, Capstone Asset Management, for EUR 196 mn in the form of a forward deal. The transaction was managed by L’Etoile Properties on behalf of Capstone. Completion of the project is planned for the third quarter of 2018.

UBM is currently developing, through its subsidiary Münchner Grund Immobilien Bauträger GmbH, the new headquarters for Zalando, Europe’s online fashion platform, in Berlin-Friedrichshain directly next to the Mercedes Benz Arena. A lively city quarter with an open campus concept will be built here on an area of approximately 43,000 m²; Zalando has rented the entire compound long-term. The new headquarters are part of the planned company campus. The Zalando Headquarter will span over two seven-storey buildings with around 29,000 m² in Building A and 13,000 m² in Building B, and will provide 156 parking spaces.

“The sale one-and-a-half years before completion and for almost EUR 200 mn proves that UBM is playing in a new league”, said Michael Wurzinger, COO of UBM Development AG and responsible for the transaction.

“The acquisition of Zalando’s new headquarters is very exciting opportunity for Capstone and Korean investors which will provide satisfying risk adjusted return on current competitive market”, said Alex Limb, Head of Global Investment of Capstone Asset Management.

L’Etoile Properties managed the acquisition and will take over the asset and property management upon completion. The purchase marks the third successful acquisition on behalf of Korean clients by L’Etoile, increasing the total assets under management in Germany to EUR 1.7 billion.

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Zalando – tomorrow’s working place

The internationally renowned Munich architects Henn GmbH won the design competition. Henn’s plan for the campus reflects Berlin’s flair as a creative and innovative capital and brings all of this together into an attractive and forward-looking office site. The work zones can be flexibly adjusted to the changing size of the team. “Catwalks” link the individual offices and strengthen the multidisciplinary nature of the typical work day at Zalando. Other special features include the open and flexible room structures, street-facing windows with insulation glazing, and inter-pane sun shades, as well as soundproofed service areas on the roof. The development is naturally being developed with sustainability in mind and will be certified to DGNB Gold standards.

Impact of the sale on UBM

The transaction in the form of a forward deal is expected to have an impact on net debt already in the second quarter of 2017. The impact on total output and revenue will be recognised after planned completion and handover in the third quarter of 2018.

Time of taking effect (expected)	Q3/2018
Net sales proceeds	EUR 196 mn
Effect on total output	100%
Effect on revenue	100%
Effect on net debt (expected)	approx. EUR 60 mn in Q2/2017*

* Participation of an equity partner in the development of the project

The buyers were supported in the transaction by L'Etoile Properties and Clifford Chance law firm, Frankfurt. UBM was legally represented by the law firm Zirngibl. Colliers International Berlin was responsible for the structured sales process as a broker.



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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 home markets of Germany, Austria and Poland. With 144 years of experience, UBM focuses on its core competency – developing real estate. The UBM share has been listed on the prime market of the Vienna Stock Exchange since August 2016.

Capstone Asset Management was established in 2009 and became one of the fastest growing asset managers in Korea. Capstone is currently managing AUM of EUR 1.3 billion including retail blind fund for NPS and has built a long term relationships of trust with most Korean institutional investors.

L’Etoile Properties is an international property service provider. The company established its Paris headquarters in 1990 and now maintains seven additional offices in London, Hamburg, Amsterdam, Madrid, Seoul, Singapore and Luxembourg. L’Etoile Properties serves as a long-term partner for international investors, accompanying them through the entire investment cycle of a property. L’Etoile Properties currently manages 5.5 billion AuM in its European core markets.

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