

## ARE and UBM form strategic partnership

**Vienna, 7 May 2020 – UBM Development and Austrian Real Estate GmbH (ARE) are forming a strategic partnership. UBM is investing in the “Eurogate“, one of the largest urban development projects in the heart of Vienna and, at the same time, ARE is acquiring an interest in a large-scale UBM project in Munich and diversifying towards Germany.**

The strategic partnership between UBM and ARE creates the basis for steady and sustainable earnings and will improve the diversification of opportunities and risks from both a regional and timing viewpoint. “ARE and UBM are a perfect fit. UBM is looking for further large-scale projects in Austria, while ARE is seeking to diversify risk by entering the German market“, explains Thomas G. Winkler, CEO of UBM Development AG. Hans-Peter Weiss, CEO of ARE, adds: “We are two financially strong urban quarter developers with a similarly large project pipeline and matching expertise. Of course, this creates perspectives and the potential for additional activities. Together we can manage large – and also very large – projects. These two transactions give us an excellent starting base for the future!”

The “Eurogate“ project in Vienna’s third district, which is currently in the approval phase, is one of the most important urban development areas. The master plan was prepared by architects “Superblock“ and developed together with “Yewo Landscapes“, an office specialised in landscape planning. UBM holds an investment of 51% in five of the 22 sub-projects, which involve the creation of more than 8,000 m<sup>2</sup> of commercial space and roughly 500 apartments on 1.4 hectares. This location near Vienna’s main railway station offers optimal connections to the public transport network via rapid transit railway and underground as well as easy access to the A23 motorway (“Südost-Tangente“) via the beltway intersection (“Gürtel“). Construction is expected to start in 2021 for the areas covered by the cooperation agreement.

ARE, which is owned by the Austrian Federal Real Estate Company (“Bundesimmobiliengesellschaft“), acquires a 40% stake in the “Baubergerstrasse“ development project in Munich parallel to the above transaction. This is UBM’s largest project in Germany at present and was secured at the end of 2018. A mixed use quarter with commercial space, offices and apartments is under development on 28,000 m<sup>2</sup> at this location. The neighbourhood has seen an enormous increase in value, most recently through a series of real estate development projects in the surrounding area. UBM calculated four years for the conception phase when the project was acquired and is working very closely with the Munich authorities on this basis to determine a usage mix with optimal results – also for the city.

The parties have agreed not to disclose any information on the purchase prices. The investments are subject to the approval of the antitrust authorities.

**ARE Austrian Real Estate GmbH**, in short ARE, started operations in January 2013 and is one of the largest property owners in Austria. Its portfolio includes 558 office, residential and commercial properties with roughly 1.7 million square metres of rentable space. The fair value of the standing assets totals approximately 3.0 billion Euros. ARE acquires, develops and rents locations throughout Austria. The company’s projects are focused, among others, on the development of larger locations and urban quarters in Austria.

**UBM Development** is a stock market listed real estate developer. Its strategic focus is on the three asset classes Residential, Hotel and Office and on major European metropolitan areas such as Vienna, Berlin, Munich or Prague. With over 145 years of experience, UBM focuses on its core competency, the development of real estate. The Group acts as a one-stop provider for the entire development value

chain from initial planning all the way to marketing the property. UBM's shares are listed in the Prime Market, the segment with the highest transparency requirements on the Vienna Stock Exchange.

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