



RED SQUARE GMBH



PEAKSIDE CAPITAL

PRESS RELEASE

26 January 2015

Peaksid Capital and Red Square complete the disposal of PREF II's maiden investment -Sale of Square 41 in Frankfurt am Main-

Peaksid Capital ("Peaksid"), a specialist European real estate private equity firm, together with Red Square, announce the sale of Peaksid Real Estate Fund II's ("PREF II") maiden investment to an open-ended property fund managed by Amundi Real Estate ("Amundi"), a leading French institutional investor. The sale has been achieved 18 months ahead of the business plan, following Peaksid and Red Square's rapid stabilisation of SQUARE 41 (the "Asset"). The terms of the sale are confidential.

Peaksid originally acquired SQUARE 41, a 7,200 sqm office building in Frankfurt, by entering into a Joint Venture with Red Square in July 2013. At that time, the Asset was 58% occupied and was in need of a programme of asset management to fully lease-up the building; this included the development of an underground car-park and the fit-out of the remaining vacant areas. After 18 months of ownership, Peaksid and Red Square fully stabilised and extensively modernised the Asset, resulting in its successful disposal to Amundi.

The acquisition of SQUARE 41 by Amundi's core-product focussed open ended fund, is a testament to the quality of SQUARE 41 both in terms of its location in Frankfurt and the work that Peaksid and Red Square have achieved in stabilising the Asset for core investors.

Peaksid and Red Square GmbH were advised by Baker & McKenzie, HauckSchuchardt and Stibbe Luxembourg.

Boris Schran, founding partner and Head of Origination and Acquisition of Peaksid Capital, said:

"We are very pleased to announce the successful sale of PREF II's first investment. Peaksid's deep knowledge and experience of the Frankfurt market enabled us to capitalise on the right trends in the



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micro location and to purchase SQUARE 41 in 2013. Our proven hands-on asset management skills, together with the development skills of Red Square, enabled us to fully stabilize the asset to deliver an institutional high quality core product and sell it 18 months ahead of our business plan, thereby creating significant value for our investors.

“The partnership with Red Square has been fruitful and we look forward to working with them on future opportunities.”

Gerald Tschörner, Managing Director of Red Square, said:

“The partnership with Peaksid has introduced us to a number of additional opportunities in the market enabling further expansion of our activities, especially in the downtown area. Our expectations on this transaction were supported by the improving micro location of the Asset.

“We have enjoyed partnering with Peaksid on this project and look forward to building on this successful relationship.”

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Notes to editors:

Peaksid Capital (Peaksid) is a specialist European real estate private equity firm. Peaksid is owned by its employees and was established following a spin out of the European Real Estate Principal Investments (EMEA REPI) division of Bank of America Merrill Lynch (BofAML) in September 2010. As of Q3 2013, Peaksid managed investments across eight different European countries, totalling over €1.8 billion in gross asset value.



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Peaksid provides fund management and investment advisory services for managed portfolios which include its four real estate funds and a significant number of separate investments:

- Peaksid Real Estate Fund I (PREF I), a pan-European opportunistic fund with EUR 261 million of capital commitments, is focused on active asset management opportunities across Europe;
- Peaksid Real Estate Fund II (PREF II), a pan-European opportunistic fund which is focused on active asset management opportunities across Europe with particular regional focus on Germany and Poland;
- Polonia Property Fund I and Polonia Property Fund II, core funds with c. EUR 160 million of capital commitments, managed by Peaksid Polonia Management (PPM), Peaksid's recently acquired Polish subsidiary, which are focused on core and core plus opportunities across Central and Eastern Europe; and
- A portfolio of European real estate investments held directly or indirectly by clients.

With offices in Germany, Switzerland, the Poland, Czech Republic, Luxembourg, and the Cayman Islands, Peaksid currently has 28 professionals. Peaksid's team has worked successfully together for a number of years, investing across a range of transactions, investing across asset classes ranging from direct single assets and portfolios to distressed debt and private equity investments in real estate operating companies. The firm's management has a strong track record of delivering outstanding results across the sector.

Red Square

Red Square, founded 15 years ago, is specialized in the development of high quality office properties in Frankfurt and the Rhine-Main. Further, Red Square develops industrial real estate jointly with partners in Vienna, Hamburg and Berlin.

Red Square plans and develops bespoke for tenants as well as investor requirements. The projects are developed in close relationship with financial partners.

The high quality result of developing individual properties or locations is ensured by a cautious planning process with creative and flexible concepts. Realization expertise and detailed market knowledge including its future development form the result of long experience in business.

Amundi Immobilier

Amundi was formed from the merger of the real-estate investment management operations of Crédit Agricole and Société Générale. With c. €7.7 billion under management, Amundi develops, structures and manages real estate funds with operations in France, UK, Germany, Italy, and Luxembourg.