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PRESS RELEASE

Arcona Property Fund N.V. agrees purchase of Warsaw office building

Arcona Property Fund N.V., the stock-listed fund that invests in commercial property in Central Europe, has signed an agreement to acquire the Kliwer office building in Warsaw, Poland. The purchase price of the building, which is fully occupied, is ca. € 14 million and the transaction is expected to complete in November 2019.

The Fund announced its intention to acquire the Kliwer property at the Annual General Meeting of the Fund on 21 May 2019. The initial yield on the acquisition will be ca. 8%. The existing bank financing of €8.4 million will be taken over by the Fund. The intention is to finance the remainder of the acquisition price with a combination of a bond issuance and proceeds from sales of Fund assets in Slovakia. More details on the financing structure will be provided in due course.

This representative office building in the capital of Poland occupies a prominent site well served by main roads and public transport, six kilometres to the south of Warsaw city centre, in a mixed commercial and residential area. The lettable area of the building comprises 6.388 m², of which 5.969 m² are for office use and 186 m² for retail. The property has 65 underground car parking spaces on three levels.

Guy Barker, Managing Director of the Fund's manager Arcona Capital, commented on the purchase agreement: *"This new acquisition will become the biggest investment in the Fund's portfolio, giving us meaningful exposure to the dynamic market of Poland's capital, the fastest developing property market of Central Europe's biggest economy."*

PRESS RELEASE ENDS

Arcona Property Fund N.V. invests in commercial property in Central Europe. Shares in the Fund (ISIN-code NL0006311706) are tradeable daily via Euronext Amsterdam and the Prague Stock Exchange as a closed-end investment fund.

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