



PRESS RELEASE

Luxembourg, 2 October 2014

CPI PROPERTY GROUP – Announcement of Major Acquisitions

CPI PROPERTY GROUP (the "Company") announces the following major acquisitions in line with the expanded investment strategy of the Company announced on 14 May 2014:

- (i) Spojené farmy;
- (ii) Poštová Office Center in Bratislava;

The Company has entered into agreements concerning the acquisition of Spojené farmy ("SF"), one of the largest owners of farmland and producers of high-quality organic food in the Czech Republic. SF operates almost 20,000 hectares of land and has additional investments in the Czech Republic, Germany, Poland and Slovakia.

The transaction is being structured as an acquisition of shares. The seller of SF is a larger group of private individuals. The Company has paid EUR 43.5 million to acquire SF. The completion of the transaction is subject to approval by the anti-monopoly authority. Additional investments in the expansion of SF are pre-contracted in the following two years with the approximate value of EUR 20 million and secured by the Company's corporate guarantee.

SF was founded in 1992 and since then it has united 24 primary production farms, and a number of related service, retail and processing organizations. It produces high-quality organic beef, chicken and lamb with various certifications (kosher, halal and bio) and supplies to EU as well as Middle East countries. SF is one of the largest suppliers of international retail chains in the Czech Republic and Slovakia, including Albert, Billa, Globus, IKEA, Kaufland, Makro, and Tesco but also of restaurants, hotels and independent retailers.

Mr. Martin Nemecek, CEO of the Company stated: "The entry into agricultural business is an important move for our company. Farmland is one of the safest investments in real estate and yet there is a high potential for growth in value, in particular in the Czech Republic. We have worked hard to put together a transaction of such a scale which is incomparable with any other transaction in the region. We also value the fact we could buy a well operated farming business with professional management. We will continue to produce high-quality organic food for which there is a continued strong demand."

The Company also acquired Poštová Office Center, refurbished office building located in the prime downtown area of Bratislava, Slovakia. The acquisition follows the completion of insolvency restructuring procedure of the holding entity of this building. In a share deal the Company paid EUR 8.5 million. As part of its restructuring, Poštová Office Center obtained a favorable bank financing amounting to EUR 3.5 million.

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