



PRESS RELEASE

Amsterdam, 30 August 2018

Arcona Property Fund N.V. reports good first half year 2018

Arcona Property Fund N.V., the exchange-listed fund that invests in commercial property in Central Europe, generated a 5.8% increase in net rental income in the first six months of 2018. Net income reached € 2.42 million, compared to € 2.29 million in the equivalent period in 2017. Profit after tax excluding valuation effects rose by 41.4%, from € 403,000 in H1 2017 to € 570,000 in the first six months of 2018.

The operational results of the Fund improved by 20.5% in the half year to 30 June 2018 compared to the equivalent period in 2017, rising from € 888,000 to € 1,070,000. For the full year 2018 Management is maintaining its forecast of € 2.4 million as per the quarterly report dated 9 May 2018.

Arcona Property Fund booked an operational result before tax in Q2 2018 of € 670,000, compared to € 401,000 in Q1, an increase of 67.1%. Net rental income rose to €1,250,000 in Q2, from € 1,160,000 in Q1, an increase of 7.8% over the quarter.

Guy Barker, Managing Director of the fund manager Arcona Capital, commented: "The Arcona Property Fund has booked a decent performance for the first six months of this year. The continuing improvements to operational results are partly due to the acquisition of the office property in Szczecin, Poland in July 2017, but active management of the rest of the portfolio, focussed on leasing initiatives for vacant space and the integration of new tenants, has also positively influenced these results."

The occupancy rate of the Fund's portfolio was at 84% at the end of Q2 2018, unchanged from end 2017. The loan-to-value ratio declined to 51.1% at end June 2018, from 52.7% as at 31 December 2017.

The intrinsic value per share of the Arcona Property Fund at 30 June 2018, on the EPRA-NNNAV basis, was € 14.01, compared to € 14.05 as at 31 December 2017.

On the basis of the preliminary results for the first half year 2018, the Arcona Property Fund intends to distribute an interim dividend of € 0.10 per share. The plan for the distribution is as follows:

- 10 September 2018 – last day pre-dividend
- 11 September 2018 – first day ex-dividend
- 12 September 2018 – record date
- 14 September 2018 – dividend payout

The full half year 2018 report of the Arcona Property Fund is published on the website www.arconapropertyfund.nl

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 as a closed-end investment fund.

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