

Company Announcement

For immediate release

14 January 2019

NE Property Coöperatief U.A. (the “Issuer”)

EUR 500,000,000 1.75 per cent. Notes due 23 November 2024

Announcement of Conversion

NE Property Coöperatief U.A., having its registered office at Claude Debussylaan 7, 1082 MC Amsterdam, the Netherlands, registered with the Dutch Chamber of Commerce (“*Kamer van Koophandel*”) under registration number 34285470 announces as follows:

Given:

- Temporary Global Notes of the Issuer representing €500,000,000 1.750 per cent - Guaranteed Notes Issued on 23 November 2017, Due 23 November 2024 of the Issuer, ISIN Code XS1722898431 (the “**2024 due Notes**” referred to as the “**Notes**”);

We hereby inform that we have proposed to our members, which members are willing to adopt, to convert (“*omzetten*”) the legal form of NEPI COOP from a Dutch cooperative association with exclusion of liability, incorporated under the laws of the Netherlands (“*coöperatie met uitgesloten aansprakelijkheid*”) into a private company with limited liability, established under the laws of the Netherlands (“*besloten vennootschap met beperkte aansprakelijkheid*”, abbreviated “*B.V.*”), named NE Property B.V. (“**NEPI BV**”) (the “**Conversion**”).

The Conversion shall take place in the following weeks and shall be executed through a Dutch notarial deed. A follow-up announcement will be released once the conversion is finalised.

The Conversion is part of a restructuring of the group of companies to which NEPI COOP belongs, i.e. NEPI Rockcastle Plc and its controlled companies (the “**Group**” or “**NRP**”). Under the current structure (thus pre-Conversion), the Group owns its direct investments in property companies through two holding entities in the Netherlands, being:

- a) NEPI COOP, an entity that belonged to the New European Property Investments Plc (“**NEPI**”) group prior to the merger with Rockcastle; and
- b) Rockcastle Global Real Estate Holdings B.V. (“**Rockcastle BV**”), an entity that belonged to the Rockcastle Global Real Estate Company Limited (“**Rockcastle**”) group prior to the merger with NEPI.

Due to various considerations related to operational, administrative and governance efficiency, the Group envisages a restructuring process for purposes of bringing the entire business and assets from Rockcastle BV to NEPI COOP.

The restructuring process includes the following steps:

- a) as a preliminary step, the Conversion (from NEPI COOP to NEPI BV); and

- b) in a subsequent phase, the consolidation of the assets of Rockcastle BV and NEPI COOP, at that time already transformed into NEPI BV, either via a transfer of shares and loans, through a merger or otherwise (the final decision is still under analysis) (the “**Consolidation**”).

Against the above background, we hereby confirm to you that:

- a) NEPI COOP will continue to exist as legal person under the name NEPI BV and will keep the same Dutch registration number with the Dutch Chamber of Commerce;
- b) the Conversion shall take place on basis of article 18 of Book 2, Dutch Civil Code and no assets, contracts, liabilities or any other rights and obligations under any contract will change as a result of the Conversion;
- c) NRP indirectly wholly owns the legal and economic interest in NEPI COOP and it will continue to indirectly wholly own the legal and economic interest in NEPI BV;
- d) NEPI COOP will continue to exist after the Conversion as a Dutch corporate taxpayer and NEPI BV will keep the same Dutch tax registration number;
- e) NEPI COOP obtained a written decision from the Dutch tax authorities in which they confirm that NEPI COOP's tax book value of its assets and liabilities will be continued by NEPI BV, that the tax losses can be used by NEPI BV, that the fiscal unity of which NEPI COOP is the head will not be terminated and that there are no adverse Dutch dividend withholding tax consequences for the members of NEPI COOP;
- f) the Conversion does not have adverse Dutch VAT consequences;
- g) the Netherlands does neither levy withholding tax on interest payments nor in the repayment of debts;
- h) there are no adverse Dutch tax implications on the Notes, issued by NEPI COOP as Issuer of such notes, and related coupons (i.e. no redemption for tax reasons would be triggered); and
- i) the Conversion does not involve any "Illegality" as per the terms and conditions of the Notes.

This announcement is governed by and construed in accordance with the English laws. Any dispute arising out of or in connection with this letter shall be submitted to the exclusive jurisdiction of the courts of England.

Thank you for your understanding and cooperation.

Enquiries:

If you require more information about this subject, we remain available. Please do not hesitate to contact us via e-mail at office@nepirockcastle.com.

