



NBG PANGAEA

Athens, December 12, 2016

PRESS RELEASE

NBG PANGAEA REIC: INVESTMENTS IN CITY HOTELS AND STUDENT HOUSING

Mr Aristotelis Karytinios, CEO of NBG PANGAEA REIC, announced the expansion of the company's investment activities in the sectors of city hotels and student housing during the 18th Capital Link Invest in Greece Forum held in New York on December 12th.

Tourism represents a very important sector of the Greek economy, whose role constantly increases. Especially in regards to city hotels, their average occupancy has been increasing steadily over recent years, reflecting their potential in the hospitality sector, they have been attracting foreign investors and there is a steady trend towards upgrading of city hotels in major cities.

The student housing sector is an alternative real estate investment product with significant demand worldwide by the users (students) and a constant annual increase in the volume of transactions by investors. The international model of operation provides for professional management of the building, as well as the provision of basic, all-inclusive services to the tenants / students, such as security, electricity, heating, water supply and internet access, and the furnishing of the leased premises.

In Greece, given on one hand, the significant number of students who study away from home and create a steady demand for housing, and, on the other hand, the scarcity of student housing product, organized in accordance with international standards that ensure substantial "value for money", student housing is expected to become in the coming years an attractive investment sector as an alternative type of property use.

In this context, PANGAEA recently entered into a memorandum of understanding for the acquisition of two properties in Patra, Peloponnese, which will be leased to a third party in order for the properties to be redeveloped and operate, by the tenant, as a classic type hotel with 116 rooms and as a furnished 48 apartment hotel, addressed to students, respectively.

As stated by Mr Karytinios, "city hotels and student housing perfectly integrate into the urban character of our company's real estate portfolio and, through the expansion of our investment policy in these sectors, the existing portfolio will be further enhanced resulting in risk diversification.

This recent investment continues our increased investment activity during the past four years (more than €600 mn of investments mainly in Greece) and marks the entry of PANGAEA, as an institutional investor, in tourism, a key economic sector of our country, and in supporting education, a sector that has always represented great importance for the Greek society.

Our Company's primary goal for 2017 is to raise funds from the equity markets the soonest possible, in order to further develop its portfolio and to achieve its goals, which include the expansion of the existing, high quality, portfolio, mainly in Greece, with the ultimate aim to establish the Company as one of the leading real estate investment vehicles in South-Eastern Europe, and to enhance the dispersion of the Company's shareholder base (free float) and achieve the trading of the Company's shares in the large-cap category of the Athens Exchange in order to attract institutional investors and investment funds to Greece and boost the Greek capital market."

NBG PANGAEA REIC