

Summit Germany Limited (“Summit Germany” or the “Company”)

Acquisition of Property Portfolio and Disposal of Interest in Joint Venture

Summit Germany, the German commercial real estate company, is pleased to announce that on 7 April it signed a binding agreement to acquire a loan facility on a portfolio of 11 commercial properties in Germany. Final completion is intended to take place in the next few days. The total cost of the acquisition is ca €45.5 million plus immaterial deal expenses. The loan facility has a face value of €74 million.

The Company has previously owned the Portfolio and as a result of acquiring the loan facility, will regain full control. The Portfolio consists of 11 properties, comprised of mainly offices throughout Germany. It has an aggregate Net Lettable Area of 90,000 square meters and occupancy rate of 71%. The properties generate an aggregate Net Annual Rent of approximately €6.3 million, reflecting a gross rental yield of 13.7% on the acquisition cost.

In addition, the Company is pleased to announce that one of its subsidiaries has sold its 50% stake in a Joint Venture owning a single property in Berlin. The disposal is part of the Company's ongoing strategy of actively managing its portfolio to maximize returns. The property was valued at €5.1 million at sale and had outstanding debt of c. €3m and an implied net yield of 5.2%. The subsidiary's net proceeds from the sale are c. €1.1 million, a €600,000 gain.

Zohar Levy commented:

***“We are delighted to have concluded the acquisition of the loan which brings into the group a portfolio of properties with attractive cash flows and upside potential. We know the properties well and are confident of our ability to enhance their value over time.*”**

In parallel, we continue to strengthen our portfolio by selling properties which have realised their full potential while acquiring new properties with considerable upside.”

Harry Hyman commented:

“I am extremely pleased that Summit has been able to deploy the proceeds raised at the time of its Admission to AIM through this acquisition. I believe this will create substantial value for shareholders. We have a number of attractive opportunities which we continue to evaluate and which leverage the skills of the team in identifying and enhancing value from distressed portfolios.”

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