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Hansteen Holdings plc
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Hansteen Holdings PLC

("Hansteen" or the "Company")

Hansteen Acquires Netherlands Portfolio for €106 million

Hansteen Holdings PLC (LSE: HSTN), the UK and Continental European property investment company, announces that, following its acquisition, from Unicredit Bank AG ("Unicredit"), of 50% of a loan secured against a portfolio of mainly multi-let industrial property in the Netherlands (announced on 23 December 2013), for a 51% discount to the value of the loan, it has now completed the acquisition of the property assets within the portfolio, for a total consideration of €106 million. The consideration will be satisfied from existing cash resources and a new €60 million five year loan from ING ("New Loan").

The property portfolio extends to more than 370,000 sq m across 41 estates in the Netherlands, with the majority in the core Randstad area. The gross annual rental income of the portfolio is approx. €15.4 million, and contracted rental income is more than €16.0 million. The current vacancy rate is in the region of 20%, which provides a significant opportunity to add value.

Following the acquisition of the Unicredit loan, Hansteen agreed to acquire the remaining 50% of the loan from ING, subject to the New Loan. The Company also agreed to break the swaps on the loan at a discount to their market value and subsequently agreed a consensual deal with the borrower, Lancelot Land BV, which had been in breach of its covenants, to acquire the property assets.

Ian Watson, joint Chief Executive of Hansteen, commented: "This has been a highly complex set of transactions; however, it delivers a sizeable portfolio already producing a significant rent roll but with enormous opportunity for us to add shareholder value through active management and where, we are confident we will see a large uplift at the next valuation".

Derek Heathwood, Hansteen's Benelux Director, added: "We will asset manage the portfolio from our existing office in Amsterdam and from a newly opened office at Smart Business Park, in Utrecht, one of the properties in the portfolio. The Benelux asset management team of five has been enhanced with the addition of three new members and we are already implementing our unique asset management approach to drive income and capital value forward".

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Notes to Editors:

HANSTEEN HOLDINGS PLC

Hansteen Holdings PLC (LSE: HSTN) is a European industrial REIT that invests in properties with high yields, low capital costs and opportunity for value improvement across Germany, the UK, the Netherlands, Belgium and France.

Founded by Morgan Jones and Ian Watson, the Company listed on Aim in November 2005 raising £125 million. In 2009, it raised a further £200.8 million by way of a Placing and Open Offer and moved to the Official List, converting to a REIT shortly thereafter. In April 2011, the Company raised a further £150 million by way of a Placing and Open Offer.

At 31 December 2013, the portfolio under management comprised 4.1 million sq m and was valued at over £1.5 billion.

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