

Hibernia to acquire Harcourt Square in Dublin 2 for €70m

Hibernia REIT plc (Hibernia) announces that it has exchanged contracts with Gangkhar plc to acquire the Garda Síochána (police) regional headquarters at Harcourt Square, Dublin 2, for €70m in an off-market transaction.

Harcourt Square comprises a 1.9 acre site with 116,848 sq. ft. of office accommodation in four blocks and parking spaces for 158 cars at the junction of Harcourt Street and Charlotte Way, a short distance from St. Stephen's Green in the centre of Dublin. It benefits from excellent public transport links, with immediate proximity to the Harcourt Green Line Luas (tram) stop. The net initial yield is 6.8% and the price equates to a capital value of c.€540 per sq. ft. for the office space. The site has potential for redevelopment at significantly increased density.

The property is let to the Office of Public Works (OPW) and fully occupied by the Gardai at a passing rent of €4.9m per annum (€38 per sq. ft. excluding parking). The lease on Block 1 expired in late 2014 and the leases on Blocks 2-4 expire during 2016. The OPW has applied for a court lease renewal on Block 1 and discussions are ongoing regarding possible lease extensions for the other blocks.

This acquisition is Hibernia's fourteenth since listing: once completed Hibernia will have invested €506m, with a further €43m committed, since its initial public offering in December 2013.

Kevin Nowlan, Chief Executive Officer of WK Nowlan REIT Management Limited, the Investment Manager, said:

"We are delighted with this off-market acquisition which gives us substantial near term income and exciting redevelopment opportunities in the traditional office core of Dublin. The completion of the Luas Cross City project in 2017, linking the Green line to the Red line and the city's main railway stations, will further enhance the area's public transport links.

We expect to submit a planning application shortly and look forward to working closely with Dublin City Council to deliver attractive new Grade A office space in the city centre in future."

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Contacts:

WK Nowlan REIT Management Limited + 353 1 9058350

Kevin Nowlan

Tom Edwards-Moss

Murray Consultants

Doug Keatinge; +353-1-4980379/ +353-86-0374163; douglas.keatinge@murrayconsult.ie

About Hibernia REIT plc

Hibernia REIT plc is an Irish Real Estate Investment Trust ("REIT") and is listed on the Irish and London Stock Exchanges. The principal activity of the Company is to acquire and hold investments in Irish property (primarily commercial property) with a view to maximising shareholder returns.