

Union Investment Real Estate completes sale of The Pinnacle to Arab Investments



The German capital investment company Union Investment Real Estate AG has today successfully completed the sale to Arab Investments of its interest in The Pinnacle which will allow the next phase of development for the City's tallest building to proceed.

Union Investment's sale to Arab Investments not only means that it has realised more than its original investment in the scheme but it has also secured the right party to deliver the project.

Dr Frank Billand, Member of the Board of Directors of Union Investment Real Estate AG, said: "We are delighted that we have now have completed the sale of The Pinnacle development to Arab Investments. Following the receipt of planning permission from the City of London last year, the sale has now realised the increased value of the property in the Union Investment fund.

Union Investment will continue to have an ongoing commitment to the London market, which currently includes our co-investment in an office development scheme in Paddington and our Austral House development in the City, and will look at other investment opportunities in the future.”

Arab Investments has the strength to realise the scheme with a tight deadline which began with demolition at Crosby Square in January and is proceeding with the next stage of demolition commencing in June at Crosby Court and Bishopsgate.

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Notes to Editors

The Pinnacle will become the tallest and largest building in prime City at 60 storeys and 288m tall. Large, flexible floor plates of up to 2,381 square metres are created on the lower floors. As the tower tapers upwards, floor plates reduce to create unique double height spaces at level 57. The overall gross external area of the development is 131, 511 square metres, offering approximately 88,000 square metres (circa 950,000 sq ft) of office accommodation over 47 floors between levels three and fifty three. Three levels of retail in the base provide a new concentration of public activity on Bishopsgate and St Helen's Square.

Since the early 1990s Union Investment has been part of the London property market with a current portfolio of 7 office and hotel properties. It is funding One Coleman Street in the City, the 180,000 sq ft new headquarters of Legal & General. In addition, Union Investment co-invests in an office development scheme at Paddington Central.

In January 2007 "DIFA AG" changed its name to "Union Investment Real Estate AG" to reflect the growing integration of its capital and property market related activities.

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