

PRESS RELEASE

JOINT VENTURE LED BY DEUTSCHE FINANCE AMERICA AND BLG CAPITAL BUYS BUILDING ON FIFTH AVENUE IN NEW YORK

New York City, Munich and Istanbul – July 26, 2018

A joint venture of institutional investors led by Deutsche Finance America, a subsidiary of Deutsche Finance Group and BLG Capital, a division of Bilgili Group focused on hotel and lifestyle investments, acquired more than 100,000 sq ft of vacant office space in the “Gucci Building” at 685 Fifth Avenue from a publicly-traded real estate investment trust. The joint venture successfully raised \$155 million of equity for the acquisition and development and will seek approximately \$100 million of debt financing to fully capitalize the project.

The joint venture includes Bayerische Versorgungskammer (“BVK”) which is Germany's largest manager of public pension schemes investing through a fund administered by Universal-Investment, the Versicherungskammer Bayern Group (“VKB”), the largest public insurer in Germany, another Munich-based insurer and institutional real estate funds managed by Deutsche Finance Group.

Dr. Sven Neubauer, Chief Investment Officer of Deutsche Finance Group, commented, “685 Fifth Avenue is an iconic piece of real estate in an irreplaceable location and I am very excited about its potential for redevelopment. I am also very pleased to announce the market entry of Deutsche Finance America, our subsidiary focused on direct investments in the United States, with such a high-profile project.”

“We are very excited about our partnership with one of the most reputable global investors in the private equity business, and look forward to diversifying our portfolio further via carefully selected investments in the global real estate market. The transaction marks an important strategic partnership between the firms, who are looking to grow their portfolio further in other global hubs, having previously invested in several projects in Istanbul and now in New York.” said Serdar Bilgili, Chairman of BLG Capital.

“Our joint venture partners have expressed keen interest in partnering with us on similar projects, which we are pursuing” adds Dr. Neubauer.

About Deutsche Finance Group and Deutsche Finance America

Deutsche Finance Group is a leading global financial services firm and institutional investment manager founded in 2005 and based in Munich. Today the Company has \$1.5 billion in assets under management, comprised of 22,000 individual investors and six institutional investment mandates. Deutsche Finance America is a subsidiary company set up to execute on direct real estate investments in the United States, which will complement its parent company’s successful indirect investment activities. Additional information can be found at www.deutsche-finance-group.de

About Bilgili Group and BLG Capital

Bilgili Group is a leading real estate focused Turkish conglomerate and BLG Capital is its independently managed private equity real estate arm founded in 2011. BLG Capital raised and invested more than

\$500 million equity in Turkey since 2011, and the two firms have over \$2 billion of assets under management combined. The firms have a long track record in real estate investments in different asset classes such as hospitality, student housing, city-center mixed use projects, office, high end residential and other commercial properties. Backed by its institutional investor base, the companies aim to integrate new and unique concepts into the markets they operate in and also execute strategic partnerships with leading global brands such as Marriott, Soho House, The Peninsula, Aman Resorts and Dogus Group. The investment portfolio includes W Istanbul Hotel, Soho House Istanbul, Galataport, The Peninsula Istanbul, and Aman Bodrum among other high end residential and student housing projects. Additional information can be found at www.bilgiiholding.com and www.blgcapital.com

About VKB

With consolidated Gross Premiums Written of €8.1 billion in 2017, VKB is Germany's largest public-law insurer. The group ranks among the Top Ten primary insurance groups in Germany, with dominant positions in its local regions. It operates via primary insurers in the regions of Bavaria, Rhineland-Palatinate, Saarland and Berlin-Brandenburg. In the health business and in internet-based sales, the group operates throughout Germany. In its respective regions of operation, VKB has leading market positions. The group offers all lines of insurance coverage, with some focus on private lines but also small and midsize companies, communities, and industrial clients. The group place great importance on social commitment. The strategy focuses on sustainability and the support of voluntary institutions and initiatives and has been strengthened for several years by the two foundations, the Versicherungskammer-Stiftung and the Versicherungskammer-Kulturstiftung. In addition, the Group has been awarded as a family-friendly company for the third time. It has approximately €51.1 billion of assets under management and around 6,800 employees, of which 300 are trainees. Additional information can be found at www.vkb.de

About BVK

Bayerische Versorgungskammer is the competence and service center for occupational and communal pension schemes and Germany's largest pension scheme group under public law. It is the joint executive body of twelve liberal professions' and communal pension schemes. Bayerische Versorgungskammer covers about 1.8 million insured persons in total, with annual contributions of €4.6 billion and annual pension payments of €3.3 billion. It currently has approximately €72 billion assets under management and 1,200 employees. Additional information can be found at www.versorgungskammer.de

About Universal-Investment

Universal-Investment is the largest independent investment company in German-spoken Europe with fund assets in excess of €382 billion under administration, over 1,200 funds and investment mandates and a workforce of around 650. The focus lies on the efficient and transparent administration of funds, securities, real estate and alternative asset classes. The company is headquartered in Frankfurt/Main and has subsidiaries and holdings in Luxemburg and Austria. A pioneer of the investment industry, Universal-Investment is now a market leader in the areas of master-KVG and private label funds. Owing to the strong growth since starting the real estate business in 2011, Universal-Investment established itself among the Top 3 companies for institutional open-ended real estate funds in Germany. Members of the management board are Frank Eggloff, Oliver Harth (deputy spokesman), Markus Neubauer and Bernd Vorbeck (spokesman of the management board). Additional information can be found at www.universal-investment.com

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