

Date: 3 December 2013
On behalf of: First Property Group plc ("First Property", "the Company" or the "Group")
Embargoed: 0700hrs

First Property Group plc

New Investment by Fprop Opportunities plc

First Property Group plc (AIM: FPO), the property fund management group, is pleased to announce that Fprop Opportunities plc (FOP), its Polish-focused fund in which the Group is a 76.2% shareholder, has acquired the entire issued share capital of a special purpose limited liability company ("SPV") whose sole asset is a multi-let office block in Lublin, Eastern Poland (the "Lublin Property").

The SPV was acquired by FOP from the USS Fprop Managed Property Portfolio LP, a fund managed by First Property Asset Management Ltd.

The price paid to acquire the shares in the SPV was €678,000 in cash, based on its expected net asset value. The price is subject to a final reconciliation, based on the SPV's completion balance sheet, expected to take place in December 2013.

At the date of the acquisition the SPV had third party borrowings of some €12.1 million.

The Lublin Property is generating a net operating income of some €1.4 million per annum. However, a significant lease, to which the property is subject, expires on 31 March 2014 and the net operating income is expected to reduce to €1 million per annum until this space is re-let. With the exception of this lease expiry the weighted average unexpired lease term, to which the property is subject, is over four years.

The investment is expected to generate a contribution to the profit before tax of FOP of over €500,000 for the year to 31 March 2015.

Commenting on the acquisition, Ben Habib, Chief Executive of First Property Group plc, said:

"This is the first investment made by our Polish-focused fund, Fprop Opportunities plc, since December 2010 and marks a return to active investment by FOP following the on-set of the European sovereign debt crisis in 2011. The investment landscape has improved since then and the Polish economy is forecast to grow at an increasing rate in 2014."

"I am pleased that FOP has acquired this property, which is in keeping with FOP's aim to acquire high yielding property in Poland. We anticipate that FOP will be making further investment purchases in 2014."

-Ends-

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Notes to investors and editors:

First Property Group plc is a property fund manager with operations in the United Kingdom and Central Europe.

Its business model is to:

- Raise and manage third party funds to invest in property;
- Co-invest in these funds and thereby earn a return on its own capital invested; and
- Earn fees for the management of these funds. Fees earned are typically a function of the value of assets under management as well as the performance of the funds.

The investment performance of its funds under management is ranked No.1 versus the Investment Property Databank (IPD) universe for Central & Eastern Europe (CEE) for the seven years to 31 December 2012. The Group's performance had previously been ranked No.1 versus the IPD CEE universe over the three, four, five and six years to 31 December 2008, 2009, 2010 & 2011 respectively.

First Property Asset Management Limited is authorised and regulated by the Financial Conduct Authority. Further information about the Company and its products can be found at: www.fprop.com.