

NEW EUROPE PROPERTY INVESTMENTS PLC

Incorporated and registered in the Isle of Man with registration number 001211V
Registered as an external company with limited liability under the laws of South Africa,
registration number 2009/000025/10
AIM share code: NEPI; JSE share code: NEP; BVB share code: NEP
ISIN: IM00B23XCH02
("NEPI" or "the Company")



ACQUISITION OF PROMENADA MALL

INTRODUCTION

Shareholders are advised that, on 31 October 2014, NEPI, through its subsidiary NE Property Cooperatief UA ("the Buyer"), concluded an agreement to acquire all the issued shares in, and shareholders' claims against, Floreasca City Center SRL ("Floreasca") from RE Project Development SRL and Manierita Limited (collectively "the Sellers") and repay Floreasca's entire outstanding debt ("the Transaction").

Floreasca wholly owns a shopping mall of 40,300 m² of GLA situated in Bucharest, Romania, that opened in October 2013, known as Promenada Mall ("the Property").

RATIONALE FOR THE TRANSACTION

Promenada Mall is located close to the Floreasca Business Park and the Lakeview office buildings, both owned by NEPI, in Bucharest's emerging business district. This area has seen significant development in recent years including new A-grade office buildings and infrastructure, and the Property is expected to benefit further from a substantial office development pipeline. The Property has excellent visibility and public transport connections: metro, bus and tram lines, and is linked to the city centre by two major boulevards.

The Property contains numerous international fashion brands, such as Adidas, Bershka, C&A, Deichmann, H&M, Hervis, Intersport, Lacoste, Massimo Dutti, Oysho, Peek & Cloppenburg, Promod, Stradivarius, Tommy Hilfiger and Zara. Other tenants include a Billa supermarket, a World Class gym, several international fast food brands, including KFC and McDonalds, and various other international and national tenants.

SALIENT TERMS OF THE TRANSACTION

The Transaction was completed on 31 October 2014 ("Effective Date").

The aggregate purchase price for the Transaction is EUR148 million ("Purchase Price") and was settled from NEPI's existing cash resources.

The purchase agreement for the Transaction contains typical warranties.

There are no outstanding conditions precedent.

DETAILS OF THE PROPERTY

The details of the Property, including the valuation, effective as at 31 October 2014, attributed by NEPI, are as follows:

Property description	Location	Sector	Monthly weighted average rental per m²	Rentable area (GLA)	Purchase price	Valuation	Estimated passing rent
			(EUR)	(m²)	(EUR' million)	(EUR' million)	(EUR' million)
Promenada Mall	Bucharest, Romania	Retail	22	40 300	148	148	10

*The purchase price reflects the price for the acquisition of the issued shares in and shareholder's claims against Floreasca and settlement of debt, as noted above, whilst the valuation amount reflects the value attributed to the Property by the directors of the Company. The directors of the Company are not independent and are not registered as professional valuers or as professional associate valuers in terms of the Property Valuers Profession Act, No 47 of 2000.

As required by the AIM Rules for Companies, NEPI reports that Floreasca registered a statutory profit of RON 13,756,631 for the six months ended 30 June 2014 based on the Romanian accounting standards.

CATEGORISATION OF THE TRANSACTION

The Transaction is classified as a category 2 transaction in terms of paragraph 9.5(a) of the Listings Requirements of the JSE Limited (and accordingly does not require approval by NEPI's shareholders) and a substantial transaction under the AIM rules.

31 October 2014

For further information please contact:

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