



INVESTORS' UPDATE

SEPTEMBER 2015

Company profile

INTEGRATED COMMERCIAL PROPERTY DEVELOPER, INVESTOR AND OPERATOR

NEPI is a leading property investment and development group with a highly effective and skilled internal management team using an integrated approach by combining investment, development, asset management, property management, leasing and financial skills.

This results in the company and shareholders benefitting from development, general contracting, property management, asset management, leasing, marketing and electricity trading profit margins.

DISTRIBUTIONS

Voluntary, semi-annual distribution of the recurring direct result, with a scrip dividend election option.

5-year compounded annual growth rate in distribution per share is 17%.



Company profile (continued)

BUSINESS STRATEGY

Continued above industry growth in recurring distribution per share by:

- Expanding the investment property portfolio via developing, extending, re-developing and acquiring dominant or potentially dominant retail assets in emerging European markets with high consumption growth potential;
- Extracting additional revenue from retail assets via active asset management;
- Active re-positioning of portfolio by disposing of non-core and lower growth assets when opportune, and
- Benefitting from optimal funding costs due to continued increase in scale.

PROPERTY PORTFOLIO

Exceptional property portfolio and development pipeline in Romania and Slovakia, progressing with a retail expansion program in other emerging European retail markets that generates earnings from long-term, triple net leases in Euro with strong corporate covenants.

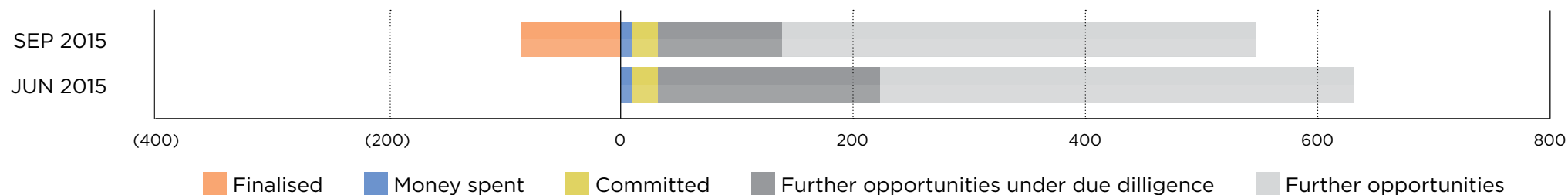




INVESTMENT UPDATE

Acquisitions, developments and extensions pipeline

ACQUISITIONS PIPELINE (€ MILLION)



DEVELOPMENTS AND EXTENSIONS PIPELINE (€ MILLION)



Committed: projects currently under construction

Controlled: projects where the land is controlled, but not yet under construction

Capitalised interest not included

*Developments finalised since December 2014

Schedule of developments and extensions - 25 September 2015

	Type	Category	Target opening date	Ownership	GLA on completion	Weighted yield on cost	Weighted cost to date*	Weighted future cost	Weighted total cost	
COMMITTED	Developments under construction			%	m²	%	€m	€m	€m	
					113,900		94.7	84.4	179.1	
	Shopping City Timisoara	Mall	Development	2015 Q4/2016 Q1	100	55,900	9.4	44.5	36.7	81.2
	City Park extension**	Mall	Extension	2016 Q1 – Phase II	100	20,500	9.3	18.1	25.3	43.4
	Severin Shopping Center extension	Mall	Extension	2015 Q4 – Phase I 2016 – Phase II	100	9,700	10.4	5.4	4.1	9.5
	Victoriei Office	Office	Development	2016 Q1	100	8,400	8.7	19.8	13.9	33.7
	The Office – Phase II	Office	Extension	2015 Q4	50	19,400	13.3	6.9	4.4	11.3
	Developments under permitting and pre-leasing				120,200		69.8	141.4	211.2	
CONTROLLED	Promenada Mall extension	Mall/Office	Extension	2018	100	51,000	9.6	28.9	82.3	111.2
	Shopping City Piatra Neamt	Mall	Development	2016	100	25,000	8.6	9.6	24.2	33.8
	Shopping City Satu Mare	Mall	Development	TBA	100	27,000	10.9	3.8	23.7	27.5
	The Office – Phase III	Office	Extension	2017	50	17,200	11.6	1.0	11.2	12.2
	Land held for extensions				100			26.5	0	26.5
	Further opportunities							0.0	171.8	171.8
TOTAL DEVELOPMENTS					234,100		164.5	397.6	562.1	

Capitalised interest not included

* Estimated

** Total costs include also City Park extension Phase I which was finalised in July 2015

Acquisitions completed: Auchan Titan

BUCHAREST, ROMANIA

Auchan Titan is located in Titan neighbourhood, in the most densely populated district of Bucharest. The property is anchored by the first and largest Auchan hypermarket in Romania and contains numerous international brands.

Catchment area (within 15-minutes drive)	599 000
Purchasing power/inhabitant	€5 671
Bank deposits/inhabitant	€4 848
Competition	Bucuresti Mall - 37 400m ²
Major businesses in the region	IT&C Professional & financial services Property & construction
University	Bucharest is Romania's largest educational centre (35 universities)
Ownership	100%
Type	Mall
Property value	€86 million
Lettable area	44 730m ²
Passing rent	€7.9 million
Hypermarket	Auchan
Major tenants	Adidas, C&A, CCC, Deichmann, dm, Flanco, H&M, New Yorker, Takko



Developments completed

CONSTANTA, ROMANIA

CITY PARK CONSTANTA EXTENSION PHASE I

Phase I of the extension, a ten-screen cinema, including Romania's second 4DX auditorium, opened on 31 July 2015. The cinema is the second best selling Cinema City in Romania, after the one located in Mega Mall. The two phases of the extension will increase City Park's GLA to 49,784m² and will establish the mall as the dominant retail centre in the region.

Catchment area (within 45-minutes drive)	541 000
Purchasing power/inhabitant	€3 949
Bank deposits/inhabitant	€1 918
Competition	Maritimo Mall - 50 000m ² Tom Mall - 32 000m ² Tomis Mall - 18 800m ²
Major businesses in the region	Shipping and naval Tourism Commerce and education
University	Constanta Maritime University
Ownership	100%
Type	Regional Mall
Phase II target opening	Q1 2016
Lettable area after extension	49 784m ²
Hypermarket	Cora
Major tenants	Adidas, Bershka, Cinema City, Domo, Gant, KFC, Koton, Lacoste, LC Waikiki, Mango, Marks&Spencer, McDonald's, Nike, Oysho, Pizza Hut, Pull&Bear, Stefanel, Stradivarius, Zara



Developments completed (continued)

DEVA, ROMANIA

SHOPPING CITY DEVA EXTENSION

The 10,600m² GLA extension has been completed as scheduled, on 24 September 2015. The extension includes fashion and entertainment facilities and secures the centre's dominance in the region.

Catchment area (within 45-minutes drive)	277 000
Purchasing power/inhabitant	€3 729
Bank deposits/inhabitant	€1 111
Competition	No other modern retail centre in the region
Major businesses in the region	Automotive Commerce Construction materials
University	National gymnastics centre
Ownership	100%
Type	Regional Mall
Lettable area after extension	52 780m ²
Hypermarket	Auchan, Metro Cash&Carry
Major tenants	C&A, CCC, Cinema City, Deichmann, Domo, dm, H&M, KFC, Jysk, Orsay, Pepco, Praktiker, Sensiblu, Takko



Other highlights

INVESTMENTS

MEGA MALL

Since its opening in May 2015, Mega Mall has traded excellently and is already earning turnover rent. The mall has the best performing Cinema City in Romania and top performing shops of international brands such as C&A, H&M, Inditex, Koton, LC Waikiki.

SHOPPING CITY TIMISOARA

The Carrefour hypermarket and service gallery will open in November 2015. The remaining section of the 55,900m² GLA Phase I of the regional mall development will include international and national fashion brands, a thirteen-screen cinema, and other entertainment and leisure facilities and is scheduled for opening in Q1 2016.

SEVERIN SHOPPING CENTER

Severin Shopping Center extension is on track for opening in October 2015. Phase I, consisting of 4,500m² GLA of the 9,700m² GLA extension, will include a six-screen Cinema City and other entertainment facilities. The second phase of the extension is scheduled for completion in 2016 and will include additional international fashion brands.

RAMNICU VALCEA

NEPI secured a 12ha land plot in Ramnicu Valcea, Romania in September 2015, where the Group plans to develop a regional retail centre. The offering will include fashion, food and entertainment. Ramnicu Valcea has 92,000 inhabitants, is the capital of a county with 355,000 inhabitants and has no modern retail centres. There are 275,000 inhabitants living within a 45-minute drive.

FINANCE

Current gearing level is approximately 23% and expected to remain constant by year-end.

