



Results presentation

June 2014

Company profile



- **A Central and Eastern European property development and investment company**
- **Distribute cash dividends (or return of capital & share subscription) on a semi-annual basis**
- **Invest in properties with long-term multinational tenants with leases in Euro**
- **In-house property management, asset management, property investment & property development via an integrated approach**
- **5-year nominal average compounded annual growth rate in distribution per share of 14.03%**

Strategy



- Dominant or potentially dominant regional shopping malls and value centres in Romania and Slovakia
- Opportunistic investment in A-grade offices in prime locations in cities with significant multi-national tenant presence
- Continued expansion beyond Romania with strong local management teams, where scale can be established
- Gradual disposal of non-core assets held for sale

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Financial performance



| | Dec 2009 | Jun 2010 | Dec 2010 | Jun 2011 | Dec 2011 | Jun 2012 | Dec 2012 | Jun 2013 | Dec 2013 | Jun 2014 |
|----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Distribution per share (€ cents) | 8.11 | 8.35 | 9.26 | 9.77 | 10.48 | 11.24 | 12.05 | 12.93 | 13.86 | 14.87 |
| Distribution per share (ZAR)* | 84.49 | 77.99 | 90.79 | 99.79 | 106.18 | 119.37 | 143.76 | 172.74 | 207.90 | 211.15 |
| Adjusted NAV per share (€) | 1.97 | 2.03 | 2.22 | 2.33 | 2.43 | 2.63 | 2.88 | 3.10 | 3.70 | 3.89 |
| Gearing (%)** | 46.0 | 42.3 | 49.0 | 41.9 | 32.1 | 33.9 | 25.0 | 18.9 | 22.5 | 16.2 |
| Shares in issue (million) | 41 | 62 | 77 | 88 | 103 | 125 | 144 | 159 | 205 | 225 |
| Trading (million shares) | 3.96 | 6.0 | 5.3 | 5.5 | 17.7 | 14.0 | 12.8 | 16.5 | 17.2 | 15.8 |
| No of shareholders | 232 | 472 | 642 | 1,396 | 1,907 | 2,372 | 3,479 | 4,316 | 6,011 | 7,006 |


* 2014 interim distribution assumed at 14.2 ZAR/€

** (Debt – cash) / (investment property + listed securities)

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Highlights



- **Recurring distributable earnings (€)**  **19%**
(compared to the six months ended 30 June 2013)
- **Increase in acquisition and development pipeline**

Retail:

- **Achievement of scale in Romania**
- **Increase in foot-fall**
- **Vacancy* at 1.45%** *(1.52% at 31 Dec 2013)*
- **Negligible arrears**

** Excluding investment property held-for-sale*

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Highlights (continued)



Office:

- **Increased supply in Floreasca – Barbu Vacarescu office corridor**
- **Strong demand in Timisoara and Cluj**
- **Vacancy* at 1.19%** *(0.06% at 31 Dec 2013)*
- **65% of The Office – Phase I development leased**
- **Negligible arrears**

** Excluding investment property held-for-sale*

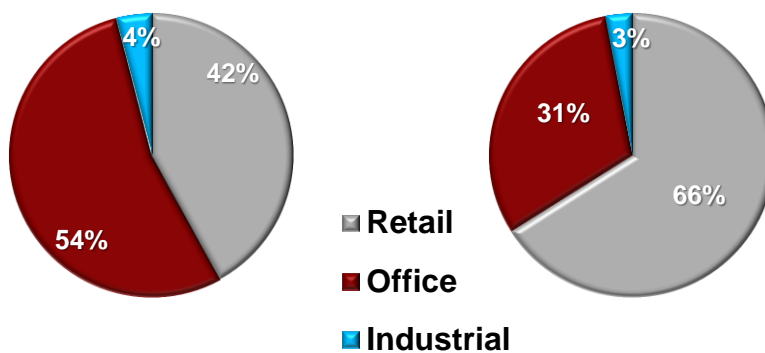
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Portfolio structure by gross rental



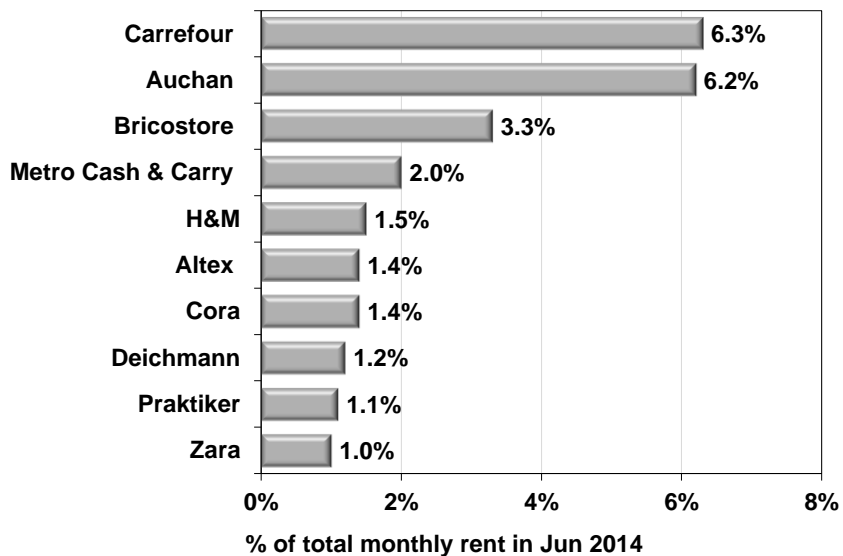
Jun 2013

Jun 2014



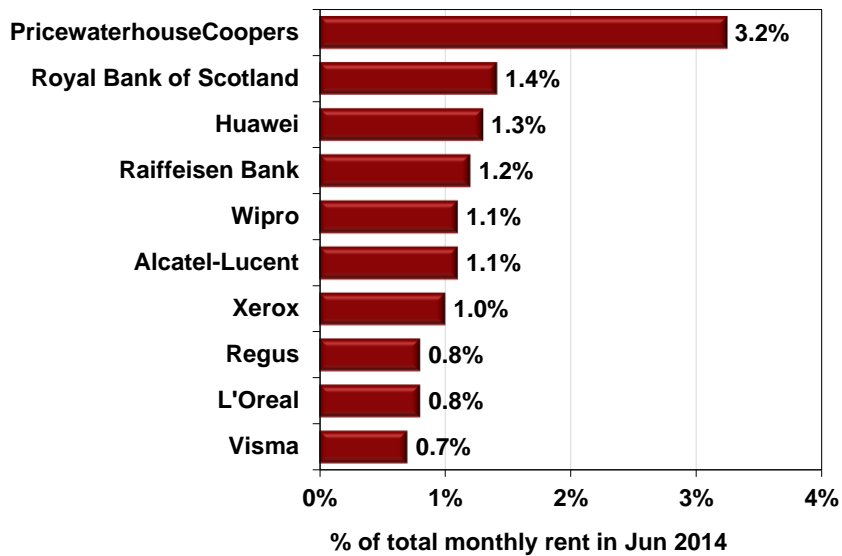
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Top 10 retail tenants



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Top 10 office tenants

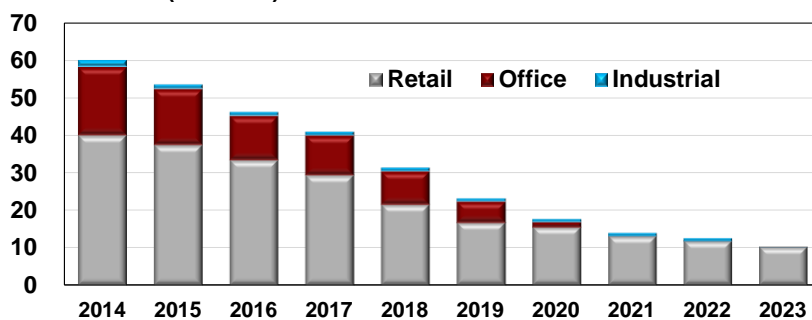


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Rent expiry profile per sector



Gross rentals (€ million)



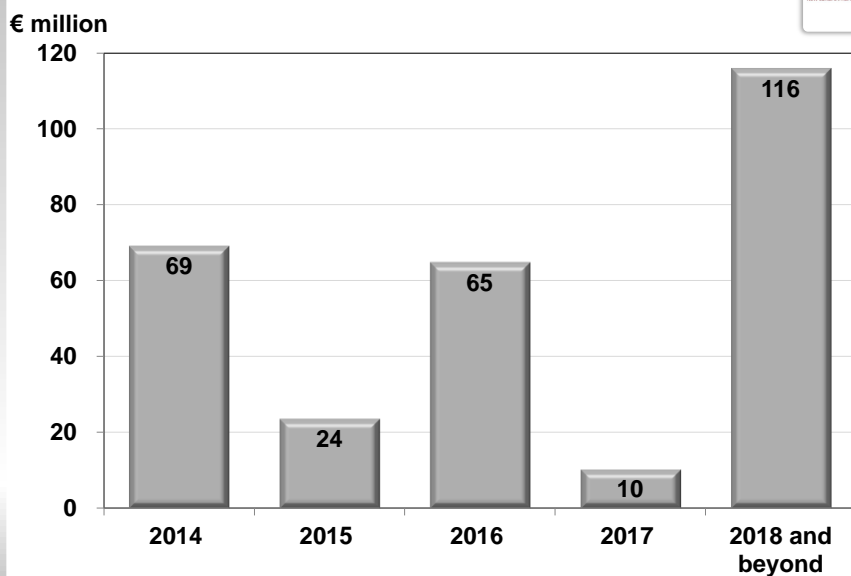
Tenant profiles gross rentals



Weighted average duration remaining of 4.6 years

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Debt repayment profile



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Romania – macroeconomic



| Key indicators | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-------|-------|-------|-------|-------|-------|
| Real GDP growth (%) | 3.5 | 3.1 | 3.8 | 4.6 | 4.7 | 4.5 |
| General gov. budget balance (% of GDP) | (2.3) | (2.3) | (2.1) | (2.0) | (2.0) | (2.0) |
| General gov. debt (% of GDP) | 38.4 | 37.4 | 37.2 | 36.5 | 36.0 | 35.4 |
| Unemployment (%) | 7.3 | 5.1 | 4.6 | 4.2 | 3.8 | 3.5 |
| Price inflation (%) (EU harmonised) | 3.2 | 2.0 | 3.3 | 3.2 | 2.9 | 2.7 |

Source: Eurostat, Economist Intelligence Unit

- S&P raised country rating to BBB-; Romania achieved investment grade rating from all three major rating agencies
- Continued fiscal adjustment further reduces government deficit
- Decreasing interest rates
- Further improvement in law enforcement

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Slovakia – macroeconomic



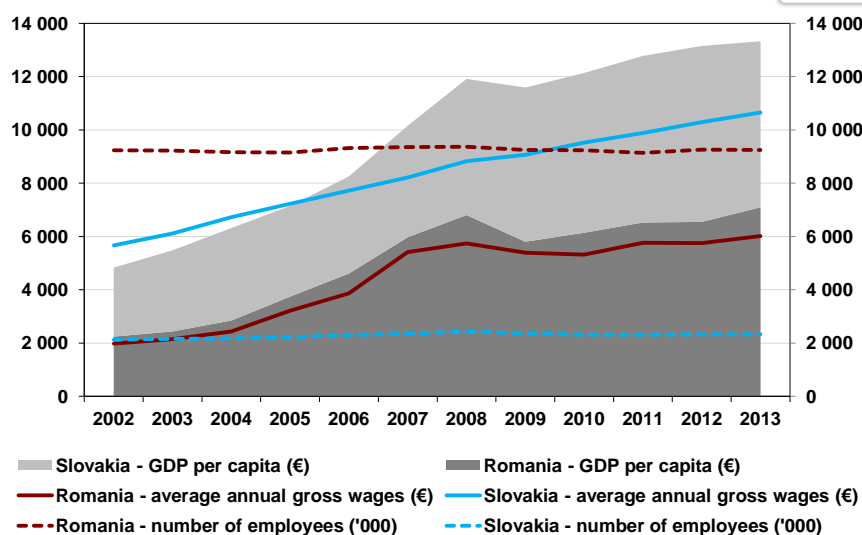
| Key indicators | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-------|-------|-------|-------|-------|-------|
| Real GDP growth (%) | 0.9 | 2.4 | 3.1 | 3.6 | 3.9 | 4.0 |
| General gov. budget balance (% of GDP) | (2.8) | (2.9) | (3.0) | (2.9) | (2.8) | (2.7) |
| General gov. debt (% of GDP) | 55.4 | 56.8 | 57.1 | 56.8 | 54.9 | 54.9 |
| Unemployment (%) | 14.2 | 13.8 | 13.6 | 13.3 | 12.9 | 12.5 |
| Price inflation (%) (EU harmonised) | 1.5 | 0.4 | 1.3 | 1.4 | 1.6 | 1.9 |

Source: Eurostat, Economist Intelligence Unit

- Improving macro-economic environment

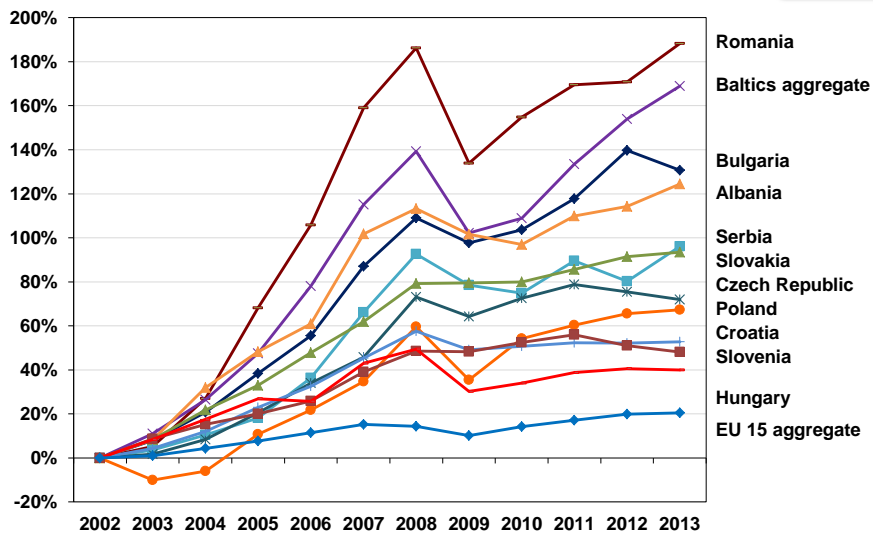
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Macroeconomics



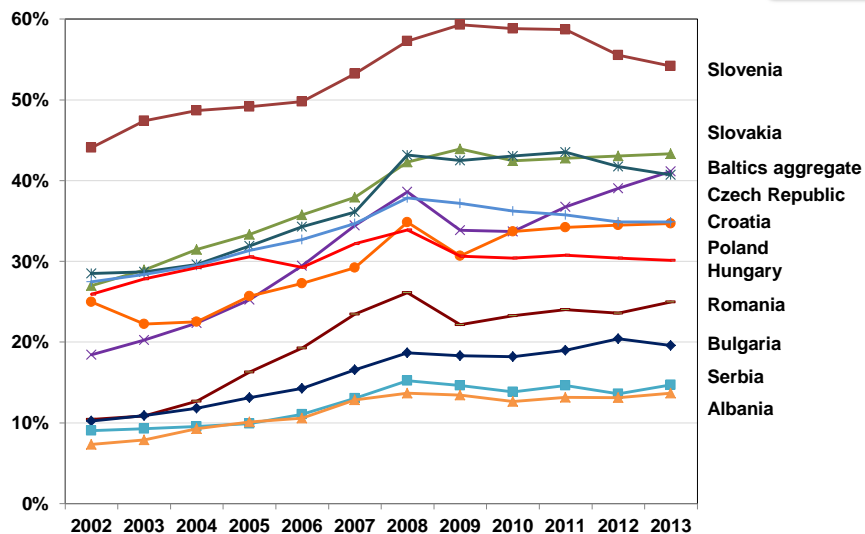
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Private consumption growth (2002 base)



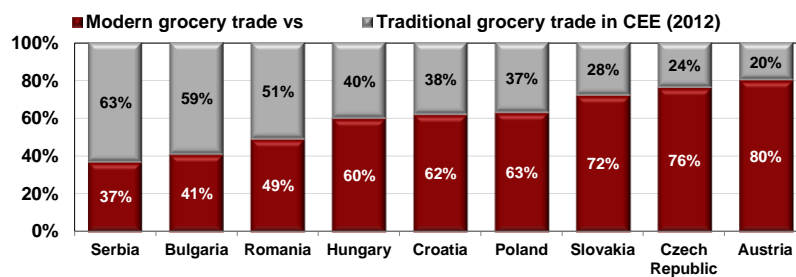
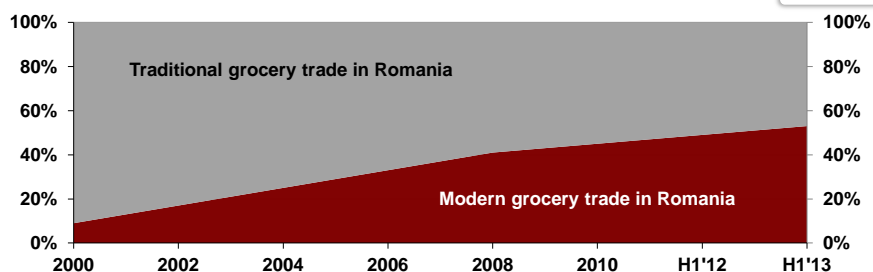
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Private consumption per inhabitant as % of EU15



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Increasing market share - modern grocery trade



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Investment and development activities

Completed acquisitions and developments



Developments completed during 2014

- **Vaslui Strip Mall** (*May 2014*)
- **The Office Cluj-Napoca - Phase I**
(*July 2014 - final sign-off by authorities pending*)

Land acquisitions during 2014

- **Shopping City Timisoara** (*April 2014*)
- **Piatra Neamt** (*July 2014*)

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Kaufland value extension (Vaslui, Romania)



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Kaufland value extension (Vaslui, Romania)



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Kaufland value extension (Vaslui, Romania)



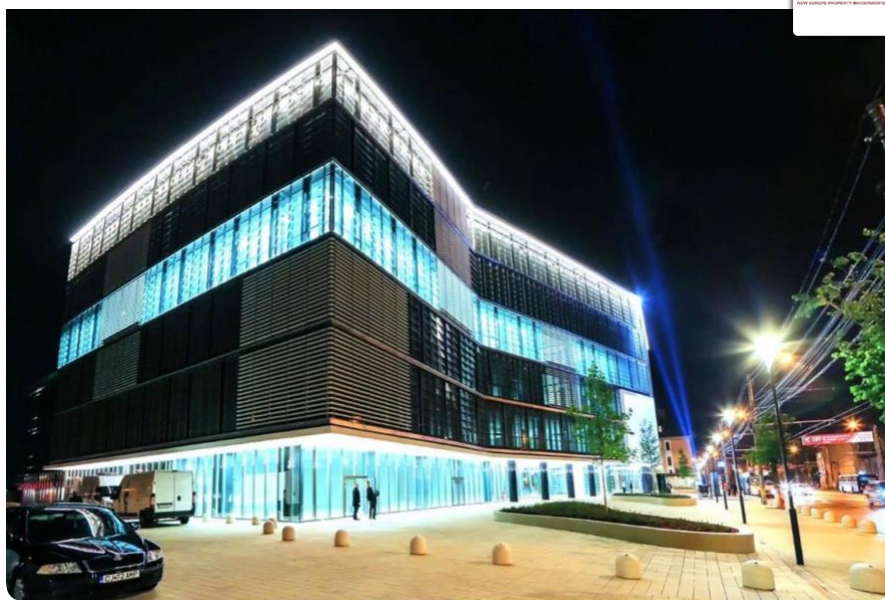
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The Office (Cluj, Romania)



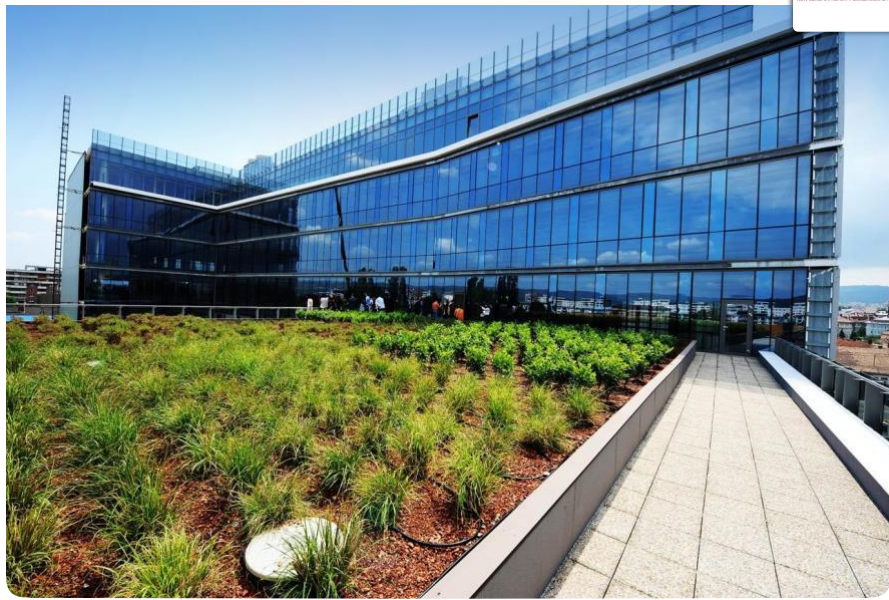
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The Office Phase I (Cluj)



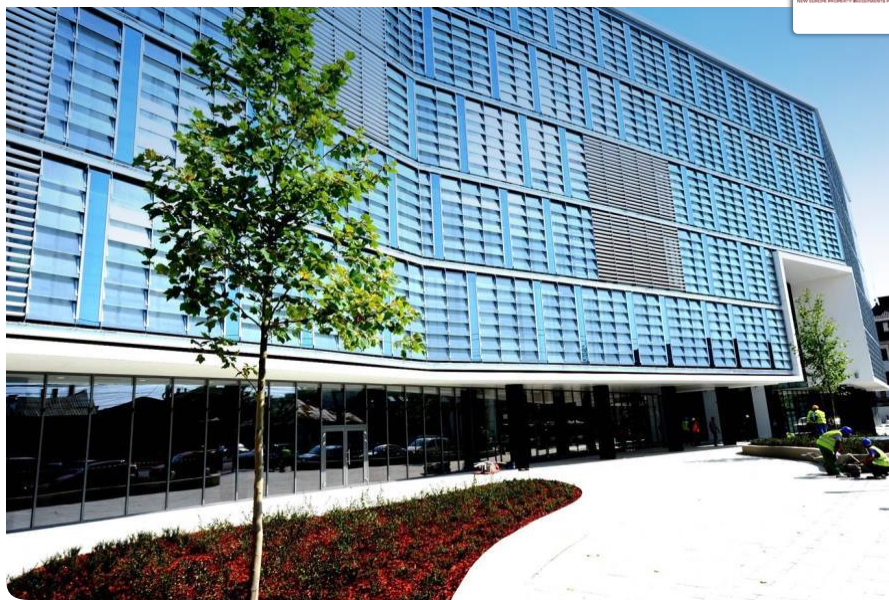
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The Office Phase I (Cluj)



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The Office Phase I (Cluj)



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The Office Phase I (Cluj)

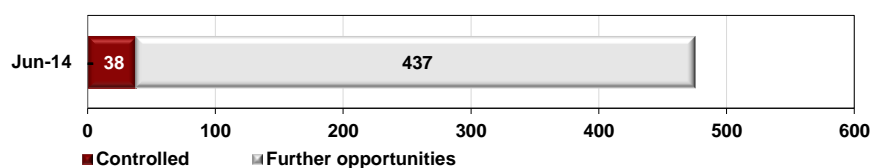


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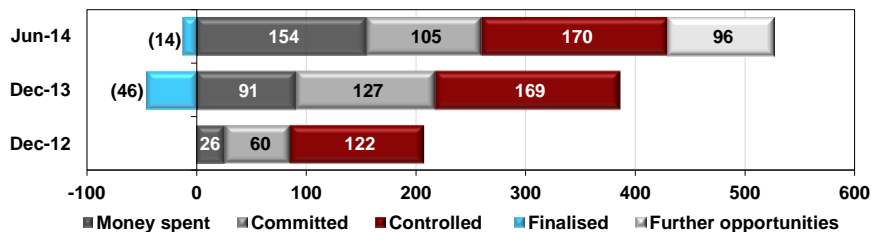
Acquisitions, developments and extensions pipeline



Acquisitions pipeline (€m)



Developments and extensions pipeline (€m)



Committed: projects currently under construction
Controlled: projects where the land is controlled, but not yet under construction
Capitalised interest is not included

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Schedule of developments

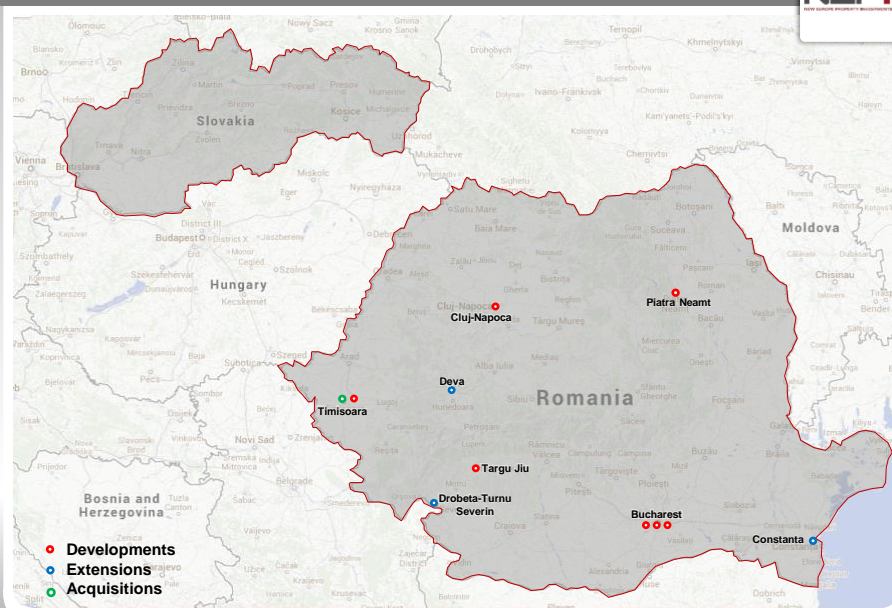


| Property name | Location | Type | Target opening date | Ownership | Weighted GLA on completion | Weighted yield on cost | Weighted cost to date (Jun 14) | Weighted total cost |
|---------------------------------------|----------|--------------|---------------------|-----------|----------------------------|------------------------|--------------------------------|---------------------|
| | | | | % | m² | % | €m | €m |
| Developments under construction | | | | | 120,169 | 10.4 | 118.4 | 227.4 |
| 1 The Office (Phase I) | Romania | Office | 2014 Q3 | 50 | 10,679 | 14.7 | 10.8 | 12.3 |
| 2 Vulcan Value Centre | Romania | Value centre | 2014 Q3 | 100 | 25,200 | 8.7 | 33.3 | 45.2 |
| 3 Shopping City Targu Jiu | Romania | Mall | 2014 Q4 | 100 | 26,800 | 9.8 | 15.8 | 30.6 |
| 4 Mega Mall | Romania | Mall | 2015 Q2 | 70 | 49,490 | 10.0 | 45.1* | 110.2* |
| 5 Victoriei Office | Romania | Office | 2015 | 100 | 8,000 | 8.4 | 13.4 | 29.1 |
| Subject to permitting and pre-leasing | | | | | 136,862 | | 35.9 | 202.2 |
| 6 City Park | Romania | Extension | 2015 | 100 | 21,000 | | - | 35.4 |
| 7 Shopping City Deva | Romania | Extension | 2015 | 100 | 10,000 | | 1.2 | 15.0 |
| 8 Severin Mall | Romania | Extension | 2015 | 100 | 10,000 | | - | 9.5 |
| 9 Shopping City Timisoara (Phase I) | Romania | Mall | 2015 Q4 | 100 | 50,000 | | 19.8 | 73.4 |
| 10 Piatra Neamt | Romania | Mall | 2015 Q4 | 100 | 29,362 | | 1.0 | 33.6 |
| 11 The Office (Phases II and III) | Romania | Office | 2015/16 | 50 | 16,500 | | 2.0 | 23.5 |
| 12 Land held for extensions | Romania | | | 100 | | | 11.8 | 11.8 |
| Further opportunities | | | | | | | - | 96.2 |
| TOTAL DEVELOPMENTS | | | | | | 257,031 | 154.3 | 525.8 |

Note: Expected capitalised interest not included, except for weighted yield on cost figures
 * Mega Mall is presented at 100% in the IFRS condensed consolidated results

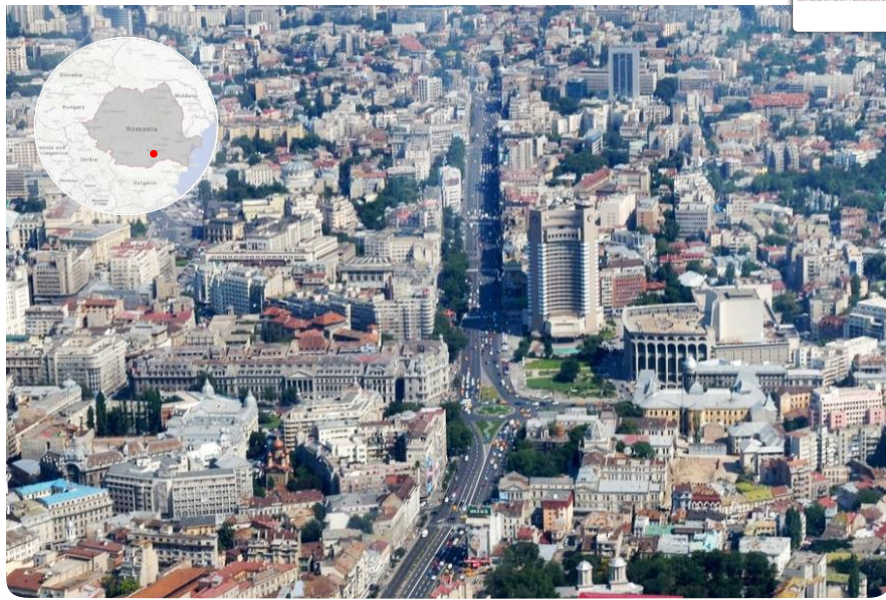
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Committed and controlled pipeline



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



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Mega Mall (Bucharest, Romania)



41

Vulcan (Bucharest, Romania)



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Vulcan (Bucharest, Romania)



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Vulcan (Bucharest, Romania)



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Vulcan (Bucharest, Romania)



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Vulcan (Bucharest, Romania)



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Vulcan (Bucharest, Romania)

NEPI
NEW EUROPEAN PROPERTY INVESTMENT



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Targu-Jiu Shopping City (Targu-Jiu, Romania)

NEPI
NEW EUROPEAN PROPERTY INVESTMENT



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Targu-Jiu Shopping City (Targu-Jiu, Romania)



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Timisoara Retail Development



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Timisoara Retail Development

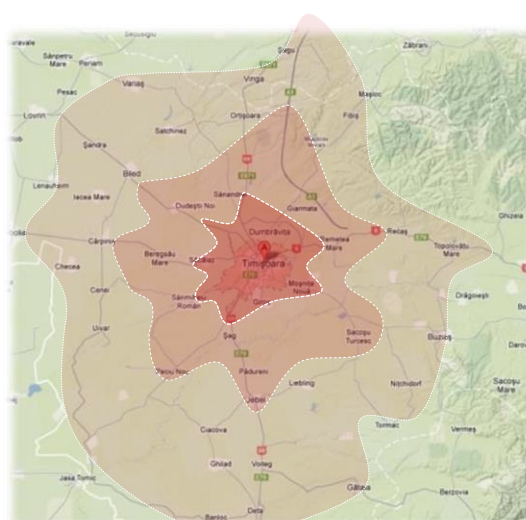


- 303,000 residents
- 3rd largest city in Romania;

| Catchment | Population |
|------------|------------|
| 15 minutes | 439 500 |
| 30 minutes | 476 500 |
| 45 minutes | 570 500 |



650,000 inhabitants



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Timisoara, Romania



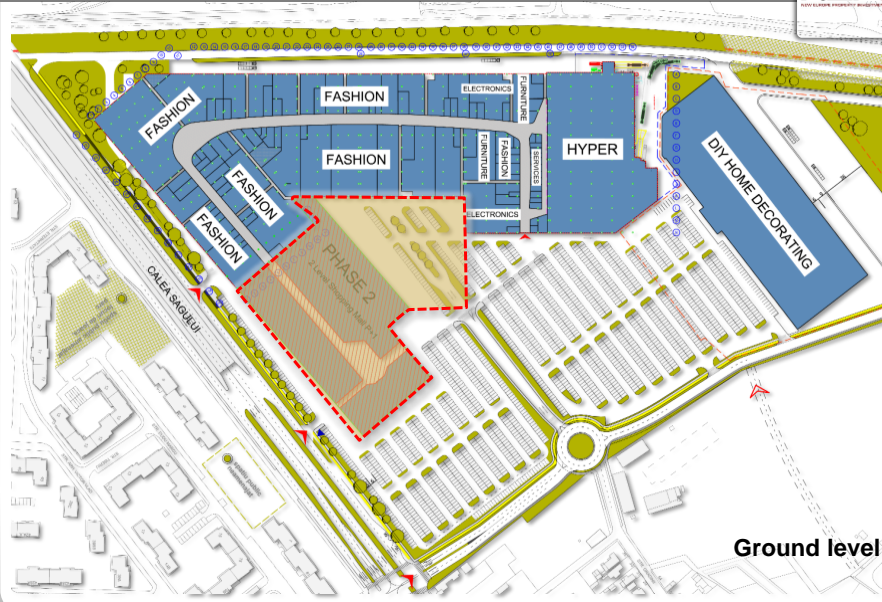
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Timisoara, Romania



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Timisoara, Romania



Ground level

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Timisoara, Romania



Upper level

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Timisoara, Romania



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Timisoara, Romania



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Piatra Neamt Retail Development



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Piatra Neamt Retail Development

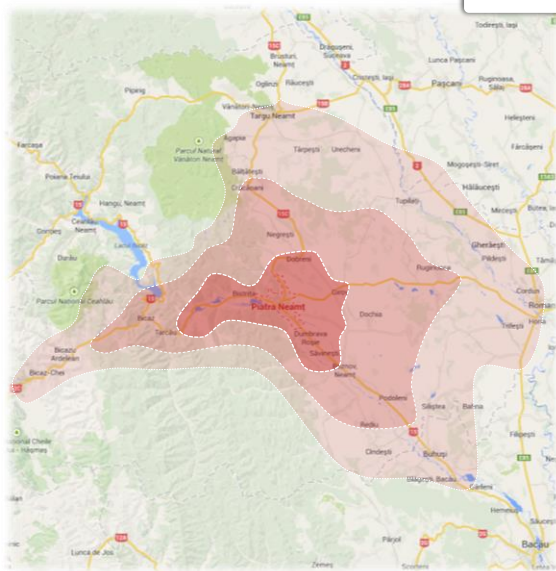


- 85,000 residents

| Catchment | Population |
|------------|------------|
| 15 minutes | 130 000 |
| 30 minutes | 205 000 |
| 45 minutes | 245 000 |



570,000 inhabitants

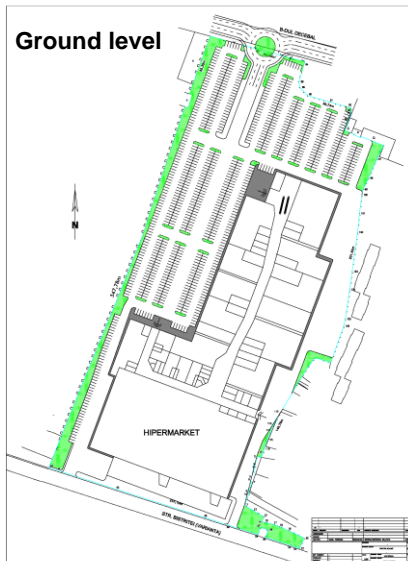


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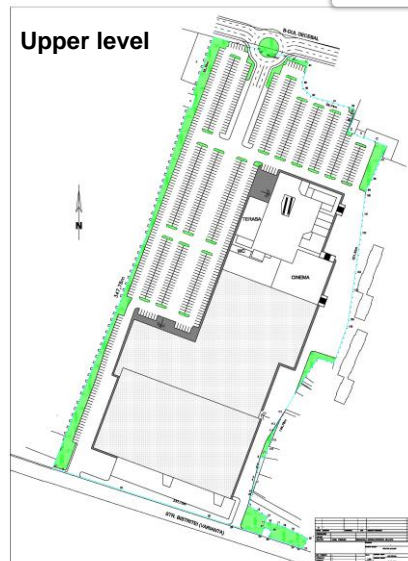
Piatra Neamt Retail Development



Ground level



Upper level



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Piatra Neamt Retail Development



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Piatra Neamt Retail Development



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Victoriei Office (Bucharest, Romania)



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Victoriei Office (Bucharest, Romania)



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Victoriei Office (Bucharest, Romania)



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Victoriei Office (Bucharest, Romania)



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Victoriei Office (Bucharest, Romania)



72

Victoriei Office (Bucharest, Romania)



73

Victoriei Office (Bucharest, Romania)



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Prospects



- **Earnings guidance**
- **Further retail acquisitions and developments**
- **Continued increase in scale**

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Questions & Answers