NEW EUROPE PROPERTY INVESTMENTS PLC

CONDENSED CONSOLIDATED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

Incorporated and registered in the Isle of Man with registered 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 BVB share code: NEP JSE share code: NEP ISIN: IM00B23XCH02 ("NEPI", "the Group" or "the Company")

DIRECTORS' COMMENTARY

DISTRIBUTABLE EARNINGS

The Group has achieved distributable earnings of 25.95 euro cents per share for the financial year ended 31 December 2012. This distinctive financial result is due to continued strong performance in the Group's assets, the favourable impact of the acquisition of City Business Centre in February 2012, additional rental income generated through various re-developments that were completed towards the end of the prior year and a settlement with the vendors of Promenada Mall (which gave rise to €7.1 million in non-recurring distributable earnings). Recurring distributable earnings per share improved by 12.6% compared to the prior year.

DISTRIBUTION

The Board of Directors resolved to limit the 2012 full year distribution to 23.29 euro cents per share, an improvement of 15% over the 20.25 euro cents distribution declared in relation to the 2011 financial year. Accordingly, the Board has declared a final distribution of 12.05 euro cents per share in respect of the six months ended 31 December 2012.

OPTION TO RECEIVE CAPITAL RETURN

Consistent with the practice introduced in relation to the 2012 half year distribution and given the ongoing development and acquisition programme, the Board has resolved to offer shareholders the option to receive the distribution in relation to the six months ended 31 December 2012 as a cash distribution or a return of capital by way of an issue of new shares credited as fully paid up at a ratio of 2.774 new shares for each 100 shares held. A circular that contains details of the election, accompanied by an announcement on the Stock Exchange News Service of the JSE ("SENS"), the Regulatory News Service of the LSE ("RNS") and the Bucharest Stock Exchange ("BVB"), will be issued in due course.

RETAINED DISTRIBUTABLE EARNINGS

The balance of retained distributable earnings as at 31 December 2012, after the full year distribution in relation to 2012, amounts to €8.2 million (this amount includes distributable earnings carried forward from prior years). The retained distributable earnings will be considered for distribution during the 2013 and 2014 financial years as the Group pursues various property developments. The developments are expected to have a positive impact on per share distributions, once completed. However, during the construction period, developments dilute distributable earnings as interest in relation to property under construction is capitalised at the Group's average cost of finance and as cash balances retained to finance such developments yield low returns.

OTHER HIGHLIGHTS

Improvement in the volumes of trading in the Company's shares has been a priority for a number of years. During 2012, the Company raised €138 million via the issue of ordinary shares. Partly as a result of this, the shareholder base of the Company expanded to over 3,400 shareholders by the 2012 financial year end (compared to approximately 1,900 shareholders at the end of the 2011 financial year) and the volumes of daily trade of the Company's shares have improved further.

Adjusted Net Asset Value ("NAV") as at 31 December 2012 is 18.5% higher compared to the prior year end. Vacancy is on a downward trend; the vacancy calculated as a portion of available rentable area (excluding the rentable areas under earn-out arrangements in City Business Centre in Timisoara) at the 2012 year end is 4.8% compared to 5.3% at the prior year end and has reduced further since the 2012 year end. Non-recoverable tenant income amounted to €72,000 in respect of the year ended on 31 December 2012, equivalent to 0.18% of contractual rental income and expense recoveries for the year.

RETAIL PROPERTY ACQUISITIONS, EXTENSIONS AND DEVELOPMENTS

During the 2012 financial year, the Group made significant progress in extending its portfolio of retail properties and retail development pipeline with the opening of Ploiesti Shopping City and the conclusion of a number of transactions that secure further retail development and extension opportunities for the 2013 and 2014 financial years. The Group will benefit from rental income generated in relation to Ploiesti Shopping City in 2013. In addition, three significant and six smaller retail developments and/or extension projects have or are expected to commence construction during the 2013 financial year. NEPI has withdrawn from the Victoria City Centre development opportunity in Bucharest, Romania, reported in the 2011 annual report.

Ploiesti Shopping City | The Group finalised and opened the first phase of a regional mall in joint venture with Carrefour Property on 15 November 2012, in less than 11 months from the start of construction works. On opening day the mall which comprises 46,000 m² of Gross Lettable Area ("GLA") included more than 75 operational tenants including Altex, Bershka, Carrefour (the second largest retailer in the world), Douglas, Deichmann, Flanco, H&M, Intersport, KFC, Leonardo, New Yorker, Office Shoes, Orsay, Paul, Pull and Bear, Quasi Pronti, Reserved, Segafredo, Sephora, Stradivarius, Takko, Vodafone, Yves Rocher and Zara. A 12 screen cinema complex (the largest such complex in Romania outside of the capital city) operated by Cinema City (the largest cinema operator in central Europe) opened on 5 December 2012. Trading since opening has exceeded expectations. A second phase development is under consideration.

Brasov Shopping City | During the year, the Group completed the purchase and leaseback of a retail box (including additional land) from Mobexpert, the leading Romanian furniture retailer. The acquired properties are adjacent to the Group's 2011 re-developed strip mall and the Carrefour hypermarket in Brasov, Romania, and the acquisition was concluded with the intention to re-develop the combined properties into a regional mall, in partnership with Carrefour Property. Brasov is the eighth largest city in Romania and one of the most important industry hubs in the country. Due to its numerous historical sites and its proximity to popular ski and mountain resorts, Brasov is also a leading tourist destination in Romania. The city does not have a large modern shopping centre and NEPI and Carrefour's properties are ideally located to be re-developed into a dominant regional mall. The original intention was to develop up to 57,000 m² of GLA. The Group and its development partner have since agreed to enlarge the planned mall and are, to this end, in the process of acquiring an additional 7,000 m² plot of land adjacent to NEPI's assets. The enlarged regional mall will consist of approximately 65,000 m² of GLA and will be integrated with 13,200 m² of neighbouring bulk retail. The completion of the development, which is subject to final approval by the NEPI and Carrefour boards, is planned for 2014.

Galati Shopping City | As announced in November 2012 the Group has concluded an agreement to acquire a plot of land of approximately 127,000 m² in Galati, Romania. The site of the proposed Galati development is located on one of the main boulevards of Galati and has good vehicular and public transport access. Galati is the seventh largest Romanian city and the largest Romanian port city on the Danube River. The site is 25 kilometres from Promenada Mall Braila, NEPI's regional shopping centre in neighbouring town Braila. There are no major retail centres in Galati. The Group acquired the land with the intention of developing a retail value centre anchored by a hypermarket and several international value brands. Due to strong tenant demand, the Group now intends to develop a shopping centre on the site. The permitting process is progressing well. Construction of the first phase (approximately 30,000 m² of GLA) will commence once the required building permit has been obtained.

Vulcan Value Centre | As announced in June 2012, the Group entered into a joint venture to acquire and develop a former factory site located in an under-serviced and densely populated area of Bucharest (the capital city of Romania). The site has good vehicular and public transport access. NEPI plans to develop a value centre with 25,500 m² of GLA anchored by a hypermarket and other value tenants. The zoning approval was obtained during December 2012, which was later than anticipated. Lease agreements have been entered into with Carrefour (for a hypermarket) and KFC (for a drive through). Lease discussions with a number of other international tenants are progressing well. Broad commercial terms have been negotiated in respect of 65% of the planned GLA. Site preparation works have commenced and construction works will begin when the required building permit has been obtained, with an opening planned by the 2013 year end, provided that there are no further delays in the permitting process.

Kaufland value extensions | The Group has concluded agreements to acquire land in two smaller Romanian towns adjacent to existing Kaufland supermarkets (in Alexandria and Sfantu Gheorghe) and is in the process of acquiring three further similar sites in other similar towns with the intention to develop convenience retail value schemes linked to the supermarkets. Kaufland is a German discount supermarket chain which operates over 1,000 stores in Germany and several Central and Eastern European countries. It became the leading food retailer in Romania with 81 well located owned and operated stores by the end of 2012 and over €1.3 billion in annual sales in Romania. The stores have standard layouts with sales areas of approximately 5,000 m² per store. The five planned developments will initially range from 1,900 to 2,900 m² of GLA per development.

Promenada Mall Braila | The expansion of the fashion offering referred to in NEPI's 2011 annual report was completed in May 2012 with the opening of H&M and C&A. This has strengthened the mall's regional dominance. Since this expansion, NEPI has acquired approximately 1,900 m² of land adjacent to the fashion section of the mall with a view to effect a further extension of the mall with additional international fashion brands.

OFFICE PROPERTY ACQUISITIONS, EXTENSIONS AND DEVELOPMENTS

Given the relative scarcity of capital for investment in its markets, NEPI has identified attractive office acquisition and development opportunities in Romania. NEPI's office strategy is to own large A-grade offices that comply with international tenant requirements in prime locations in cities with significant multi-national tenant presence. To this end, the Group has acquired the centrally located City Business Centre (the only A-grade office development) in Timisoara and centrally located office development land in Cluj-Napoca ("Cluj"). NEPI is in negotiations to acquire The Lakeview offices in Bucharest. NEPI owns significant prime offices in Bucharest and Timisoara and has commenced works in relation to a unique office development in Cluj.

City Business Centre | During February 2012, the Group acquired the City Business Centre in Timisoara. Timisoara is home to a growing back-office activities-and-services market that offers a skilled labour force, low costs and proximity to Western Europe. The acquisition includes three existing office buildings of 27,150 m² of GLA and a forward commitment to acquire two further office buildings with approximately 20,000 m² of GLA that were under development. Tenants in the three existing office buildings include Alcatel, Deloitte, IBM, Microsoft, PricewaterhouseCoopers, Raiffeisen Bank, UniCredit Tiriac Bank and Wipro. The first of the two office buildings which were under development at the time of the acquisition was completed in September 2012. To date, close to 70% of the office space in this building has been leased to tenants including Autoliv, EBS, Maerz, SAP and Unified Post. The building also includes conference facilities.

The Office Cluj-Napoca | During July 2012, the Group acquired an 18,082 m² plot of land in the city centre of Cluj, in a joint venture with Mr. Ovidiu Sandor (the developer of City Business Centre) with a view to develop, in three phases, up to 54,200 m² of A-grade office GLA. Cluj is situated in the north-western part of Romania and is the second largest city in Romania by population. The city houses the headquarters of a number of multinational companies and the city is also an important centre for tertiary education. Since the project was announced, significant tenant enquiries were received for what would be the first A-grade office development in Cluj. Site set-up has commenced in February 2013 and the issue of a building permit is imminent. The first phase of the development is expected to be completed by spring 2014.

The Lakeview | The Group is in negotiations to acquire The Lakeview offices in Bucharest, Romania. The Lakeview is a landmark A-grade office building consisting of offices and ground floor retail with a total GLA of 25,500 m² and 485 parking bays. The Lakeview is located close to NEPI's Floreasca Business Park in the emerging office corridor between Floreasca and Barbu Vacarescu Streets in the North East of Bucharest. The building is fully occupied with tenants including Alcon, Colgate-Palmolive, Huawei, Philips, PricewaterhouseCoopers and Royal Bank of Scotland. Further announcements in relation to the acquisition of The Lakeview will be made as and when appropriate.

Piata Victoriei office development | Design and permitting works are ongoing in relation to a landmark office development on NEPI's land in Piata Victoriei, Bucharest. As the site is part of a historic area, progress is slow with several authorities that need to approve the development proposal.

DISPOSALS

Retail Park Auchan Pitesti | As announced during August 2012, the Group entered into agreements with the Auchan group to sell the hypermarket section of Retail Park Auchan Pitesti for a total consideration of approximately €28.7 million. The transaction, which is subject to a number of conditions precedent, is expected to conclude early in 2013.

CASH MANAGEMENT AND DEBT

In addition to €147.4 million in cash and net listed property shares, the Group has an undrawn secured revolving facility with UniCredit Tiriac Bank for €9.5 million and is expected to be in a position to drawdown a further €3.25 million as the construction loan with BRD (a subsidiary of Societe Generale) in relation to Ploiesti Shopping City is converted into an investment loan.

The Group will retain high levels of access to liquidity due to the instability of the European banking markets, to finance the Group's development pipeline and to pursue further investment opportunities. In order to mitigate the dilutory effect this has on earnings, a portion of the cash held for capital commitments has been invested in liquid dividend paying listed property shares. The total investment exposure to listed securities amounted to €71.5 million as at year end. As at 31 December 2012 and as at the date of this report, the listed securities traded at a premium to their initial acquisition cost and accrued income.

As reported on before, the Group has renewed its €9.5 million secured revolving facility with UniCredit Tiriac Bank during the 2012 financial year. The facility carries an interest rate of 1 month Euribor plus 4.0% and matures on 31 May 2013 when, at the Group's option, the facility is convertible into a term loan repayable on 31 December 2014. The facility remains undrawn at the date of this report.

A construction loan of €33.5 million was granted by BRD in July 2012 for the development of Ploiesti Shopping City. NEPI and Carrefour Property each own 50% of this project; therefore, the Group accounts for 50% of the loan. The construction loan is in the process of conversion into an investment loan and the total loan amount will increase to €40 million, repayable in 10 years. The construction loan carries an interest rate of 3 month Euribor plus 4.5%, while the investment loan will carry an interest rate of 3 month Euribor plus 4.0%.

The Group had €219 million of third party debt finance in place at 31 December 2012 (€197 million in secured term debt and €22 million in short term facilities secured over the listed property shares). €79 million of the secured term debt is due for repayment during the 2013 financial year. The Group does not foresee difficulty to re-finance the expiring debt. At year end, the Group's gearing ratio (interest bearing debt less cash divided by investment property and listed property shares) decreased to 25%. The average interest rate (including interest rate hedging costs) in relation to the debt was approximately 4.5% during the 2012 financial year.

PROSPECTS

NEPI has achieved high levels of growth in recurring distributable earnings per share over the course of the past five years and as a result achieved a nominal average compounded annual growth rate of 12.15% in distribution per share from the 2008 to 2012 financial years. It remains the Group's ambition to pursue further attractive growth in recurring distributable earnings in 2013 and onwards. Significant progress was made through the acquisition and development activities reported above. In addition, the Group has and will continue to explore and pursue further acquisition and development opportunities in Romania and in other countries in the region. These initiatives, which include two retail development opportunities in Romania and five retail acquisition opportunities in the Central and Eastern European region, are at various stages of progress. Announcements in this regard will be made as and when appropriate.

By order of the Board of Directors

Martin Slabbert — *Chief Executive Officer*
Victor Semionov — *Finance Director*

6 February 2013

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CONSOLIDATED STATEMENT OF INCOME

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Net rental and related income	**30 432 771**	23 727 203
Contractual rental income and expense recoveries	**40 176 801**	32 069 075
Property operating expenses	**(9 744 030)**	(8 341 872)
Administrative expenses	**(2 211 006)**	(1 916 734)
Acquisition fees	**(1 594 393)**	(106 615)
Fair value adjustment of investment property and goodwill	**6 450 485**	3 010 852
Fair value gains on investments	**10 287 980**	–
Distributable income from investments	**822 691**	–
Share-based payment expense	**(996 909)**	(1 041 647)
Foreign exchange loss	**(2 529 495)**	(475 883)
Other operating income	**10 264 266**	–
Profit before net finance expense	**50 926 390**	23 197 176
Net finance expense	**(12 574 251)**	(4 925 640)
Finance income	**1 853 838**	6 253 858
Finance expense	**(14 428 089)**	(11 179 498)
Profit before tax	**38 352 139**	18 271 536
Tax	**(5 248 690)**	500 210
Profit for the year attributable to equity holders*	**33 103 449**	18 771 746
**out of which profit for the year from discontinued operations*	***1 748 367***	*1 715 793*
Weighted average number of shares in issue	**116 238 121**	78 659 834
Diluted weighted average number of shares in issue	**121 391 646**	84 264 285
Basic weighted average earnings per share (euro cents)	**28.48**	23.86
Diluted weighted average earnings per share (euro cents)	**27.27**	22.28
Distributable earnings per share (euro cents)	**25.95**	24.67
Headline earnings per share (euro cents)	**22.93**	20.04
Diluted headline earnings per share (euro cents)	**21.96**	18.70

RECONCILIATION OF PROFIT FOR THE YEAR TO DISTRIBUTABLE EARNINGS

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Profit for the year attributable to equity holders	**33 103 449**	18 771 746
Unrealised foreign exchange loss	**2 529 495**	475 883
Acquisition fees	**1 594 393**	–
Share-based payment fair value adjustment	**996 909**	1 041 647
Accrued interest on share-based payments	**569 597**	685 186
Fair value adjustment on investment property and goodwill	**(6 450 485)**	(3 010 852)
Fair value of listed securities investments	**(10 287 980)**	–
Fair value of interest rate derivatives	**6 328 495**	4 263 016
Amortisation of the interest rate derivatives	**(572 063)**	(972 520)
Dividends received from listed securities investments	**(822 691)**	–
Accrued income from listed securities investments	**3 092 147**	–
Deferred tax expense / (income)	**5 248 690**	(500 210)
Share issue *cum* distribution	**3 156 648**	2 323 347
Non-distributable portion of the vendor settlement income	**(3 144 561)**	–
Distributable earnings for the year	**35 342 043**	23 077 243
Less: distribution declared	**(31 497 562)**	(18 689 531)
Interim distribution	**(14 101 923)**	(8 293 733)
Final distribution	**(17 395 639)**	(10 395 798)
Earnings not distributed	**3 844 481**	4 387 712
Number of shares entitled to distribution	**144 362 152**	99 196 545
Distributable earnings per share (euro cents)	**25.95**	24.67
Less: distribution declared (euro cents)	**(23.29)**	(20.25)
Interim distribution per share (euro cents)	**(11.24)**	(9.77)
Final distribution per share (euro cents)	**(12.05)**	(10.48)
Earnings per share not distributed (euro cents)	**2.66**	4.42

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Profit for the year attributable to equity holders	**33 103 449**	18 771 746
Other comprehensive income		
– currency translation differences	**1 421 739**	314 303
Total comprehensive income for the year	**34 525 188**	19 086 049

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
ASSETS		
Non-current assets	**444 666 197**	362 404 369
Investment property	**416 674 175**	341 802 837
Investment property at fair value	**393 966 226**	316 393 495
Investment property under development	**22 707 949**	25 409 342
Goodwill	**13 188 795**	13 351 499
Other long term assets	**14 727 635**	6 213 458
Financial assets at fair value through profit or loss	**75 592**	1 036 575
Current assets	**185 176 059**	62 816 541
Trade and other receivables	**15 798 975**	7 751 441
Financial investments	**81 865 443**	–
Cash and cash equivalents	**87 511 641**	55 065 100
Investment property held for sale	**28 665 158**	–
Total assets	**658 507 414**	425 220 910
EQUITY AND LIABILITIES		
Total equity attributable to equity holders	**393 622 378**	235 258 940
Share capital	**1 352 629**	955 693
Share premium	**355 026 520**	227 844 770
Share-based payment reserve	**15 491 810**	7 456 257
Currency translation reserve	**(1 228 783)**	(2 650 522)
Accumulated profit	**22 980 202**	1 652 742
Total liabilities	**264 885 036**	189 961 970
Non-current liabilities	**147 151 095**	174 098 216
Loans and borrowings	**117 100 152**	156 629 879
Deferred tax liabilities	**22 321 189**	15 086 152
Financial liabilities at fair value through profit or loss	**7 729 754**	2 382 185
Current liabilities	**117 733 941**	15 863 754
Trade and other payables	**12 985 200**	5 251 265
Loans and borrowings	**102 048 042**	8 235 659
Tenant deposits	**2 700 699**	2 376 830
Total equity and liabilities	**658 507 414**	425 220 910
Net asset value per share	**2.83**	2.41
Adjusted net asset value per share	**2.88**	2.43

RECONCILIATION OF NET ASSET VALUE TO ADJUSTED NET ASSET VALUE

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Adjusted net asset value	**415 243 794**	249 738 983
Net asset value per the statement of financial position	**393 622 378**	235 258 940
Loans in respect of the share purchase scheme	**12 489 022**	12 745 390
Deferred tax liabilities	**22 321 189**	15 086 152
Goodwill	**(13 188 795)**	(13 351 499)
Net asset value per share	**2.83**	2.41
Adjusted net asset value per share	**2.88**	2.43
Number of shares for net asset value per share purposes	**139 258 914**	97 569 456
Number of shares for adjusted net asset value per share purposes	**144 362 152**	102 783 693

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Cash flows from operating activities	**25 644 072**	17 186 867
Cash flows from financing activities	**139 575 360**	38 246 038
Cash flows from investing activities	**(132 603 532)**	(24 164 735)
Net increase in cash and cash equivalents	**32 615 900**	31 268 170
Cash and cash equivalents brought forward	**55 065 100**	23 847 282
Translation effect on cash and cash equivalents	**(169 359)**	(50 352)
Cash and cash equivalents carried forward	**87 511 641**	55 065 100

RECONCILIATION OF PROFIT FOR THE YEAR TO HEADLINE EARNINGS

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Profit for the year attributable to equity holders	**33 103 449**	18 771 746
Fair value adjustment of investment property	**(6 450 485)**	(3 010 852)
Headline earnings	**26 652 964**	15 760 894

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group audited	Share capital €	Share premium €	Share–based payment reserve €	Currency translation reserve €	Accumulated (loss)/profit €	Total €
Opening balance 1 January 2011	712 686	159 308 324	759 550	(2 964 825)	(2 728 709)	155 087 026
Transactions with owners	243 007	68 536 446	6 696 707	–	(14 390 295)	61 085 865
– Issue of shares	243 007	69 914 745	–	–	–	70 157 752
– Issue cost recognised to equity	–	(1 378 299)	–	–	–	(1 378 299)
– Share-based payment reserve	–	–	6 696 707	–	–	6 696 707
– Earnings distribution	–	–	–	–	(14 390 295)	(14 390 295)
Total comprehensive income				314 303	18 771 746	19 086 049
– Other comprehensive income	–	–	–	314 303	–	314 303
– Profit for the year	–	–	–	–	18 771 746	18 771 746
Balance at 31 December 2011	955 693	227 844 770	7 456 257	(2 650 522)	1 652 742	235 258 940
Balance 1 January 2012	**955 693**	**227 844 770**	**7 456 257**	**(2 650 522)**	**1 652 742**	**235 258 940**
Transactions with owners	**396 936**	**127 181 750**	**8 035 553**	**–**	**(11 775 989)**	**123 838 250**
– Issue of shares	**391 735**	**125 943 296**	**–**	**–**	**–**	**126 335 031**
– Issue cost recognised to equity	**–**	**(332 117)**	**–**	**–**	**–**	**(332 117)**
– Share-based payment reserve	**–**	**–**	**9 258 789**	**–**	**–**	**9 258 789**
– Sale of shares issued under the Initial Share Scheme	**1 110**	**326 324**	**–**	**–**	**–**	**327 434**
– Sale of shares issued under the Current Share Scheme	**530**	**183 367**	**(158 795)**	**–**	**–**	**25 102**
– Vesting of shares issued under the Current Share Scheme	**3 561**	**1 060 880**	**(1 064 441)**	**–**	**–**	**–**
– Earnings distribution	**–**	**–**	**–**	**–**	**(11 775 989)**	**(11 775 989)**
Total comprehensive income	**–**	**–**	**–**	**1 421 739**	**33 103 449**	**34 525 188**
– Other comprehensive income	**–**	**–**	**–**	**1 421 739**	**–**	**1 421 739**
– Profit for the year	**–**	**–**	**–**	**–**	**33 103 449**	**33 103 449**
Balance at 31 December 2012	**1 352 629**	**355 026 520**	**15 491 810**	**(1 228 783)**	**22 980 202**	**393 622 378**

LEASE EXPIRY PROFILE

Year	Total based on rental income	Total based on rented area
2013	2.5%	2.4%
2014	14.5%	12.8%
2015	20.4%	15.0%
2016	7.2%	4.7%
2017	8.6%	7.6%
2018	6.5%	5.4%
2019	1.5%	1.3%
2020	2.2%	2.3%
2021	3.6%	3.5%
>=2022	33.0%	45.0%
Total	**100%**	**100%**

SEGMENTAL ANALYSIS

	Audited 31 Dec 12 €	Audited 31 Dec 11 €
Contractual rental income and expense recoveries		
Retail	**18 567 825**	14 848 471
Industrial	**1 893 058**	1 830 940
Office	**19 715 918**	15 389 664
Total	**40 176 801**	32 069 075
Profit before net finance expense		
Retail	**19 067 337**	13 180 638
Industrial	**1 501 942**	1 097 525
Office	**12 012 525**	10 788 682
Corporate	**18 344 586**	(1 869 669)
Total	**50 926 390**	23 197 176

BANK LOANS AND BORROWINGS AS AT 31 DECEMBER 2012

Borrower	Facility amount €	Outstanding amount €	Available for drawdown €	Interest rate	Hedge
Nepi Bucharest One	6 200 000	6 200 000	–	1M Euribor+4.5%	1M Euribor capped at 2%
General Investment	15 000 000	7 846 666	–	Fixed at 6.23%	–
Nepi Bucharest Two and Unique Delamode	9 500 000	–	9 500 000	1M Euribor+4%	1M Euribor capped at 2%
Premium Portfolio	13 995 000	13 156 446	–	Fixed at 5.17%	–
Promenada Mall	40 000 000	37 844 347	–	3M Euribor+3.0%	3M Euribor swapped at 1.8%
Retail Park Auchan Pitesti	28 813 000	26 457 536	–	1M Euribor+4.0%	1M Euribor capped at 2%
Floreasca Business Park	77 000 000	62 246 248	–	3M Euribor+2.5%	3M Euribor swapped at 1.79%
City Business Centre	10 577 586	10 105 342	–	1M Euribor+1.75%	1M Euribor swapped at 1.93%
City Business Centre	10 836 177	10 383 067	–	1M Euribor+1.75%	1M Euribor capped at 2%
City Business Centre	7 872 995	7 617 382	–	1M Euribor+4.0%	1M Euribor capped at 2%
Ploiesti Shopping City	13 500 000	11 925 217	1 574 783	3M Euribor+4.5%	3M Euribor swapped at 1.74%
Ploiesti Shopping City	3 250 000	3 194 228	55 772	3M Euribor+2.75%	3M Euribor capped at 2.25%
New Europe Property Investments PLC	21 942 531	21 942 531	–	EONIA + 2%	–
Total	**258 487 289**	**218 919 010**	**11 130 555**		

BANK LOANS AND BORROWINGS REPAYMENT PROFILE

Borrower	2013 €	2014 €	2015 €	2016 €	2017 and beyond €	Total €
Nepi Bucharest One	6 200 000	–	–	–	–	6 200 000
General Investment	1 548 018	6 298 648	–	–	–	7 846 666
Premium Portfolio	293 541	12 862 905	–	–	–	13 156 446
Promenada Mall	2 155 653	35 688 694	–	–	–	37 844 347
Retail Park Auchan Pitesti	1 899 256	2 084 140	22 474 140	–	–	26 457 536
Floreasca Business Park	62 246 248	–	–	–	–	62 246 248
City Business Centre	1 218 105	1 265 202	1 314 149	1 365 022	22 943 313	28 105 791
Ploiesti Shopping City	3 599 228	810 000	810 000	810 000	9 090 217	15 119 445
New Europe Property Investments PLC	21 942 531	–	–	–	–	21 942 531
Total	**101 102 580**	**59 009 589**	**24 598 289**	**2 175 022**	**32 033 530**	**218 919 010**

NOTES TO THE CONDENSED CONSOLIDATED AUDITED FINANCIAL STATEMENTS

BASIS OF PREPARATION

The condensed consolidated audited financial statements have been prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS), its interpretations adopted by the International Accounting Standard Board (IASB), the presentation and the disclosure requirements of IAS 34 Interim Financial Reporting and the Listing Requirements of the JSE. The accounting policies adopted are consistent with those of the prior year. Ernst & Young has audited the financial information set out in these financial statements. Their unmodified audit report is available for inspection at the Company's registered office. The independent auditor's report will be included in NEPI's 2012 annual report.

INVESTMENT PROPERTY

Investment property are those held either to earn rental income or for capital appreciation or both. After initial recognition investment property are measured at fair value. Fair value is determined annually by external independent professional valuators with appropriate and recognised professional qualifications and recent experience in the location and category of property being valued.

FINAL DISTRIBUTION

As detailed in the Directors' commentary, the Board has resolved to offer to shareholders the election to receive a cash distribution or a return of capital by way of an issue of new shares credited as fully paid up. A circular that contains details of the election, accompanied by an announcement on SENS, RNS and the BVB, will be issued in due course.