NEW EUROPE PROPERTY INVESTMENTS PLC

REVIEWED CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

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
Registered office: 2nd Floor, Anglo International House, Lord Street, Douglas, Isle of Man, IM1 4LN
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 achieved 34.76 euro cents in recurring distributable earnings per share for 2015, which combined with the 0.58 euro cents per share non-recurring distributable earnings (which were the result of a financial discount derived from the early repayment of a term loan) represents a 19% improvement in distributable earnings per share compared to 2014. The growth in distributable earnings for 2015 is due to the continuing strong performance of NEPI's assets, the positive impact of acquisitions and developments completed during the year, and the favourable funding arrangement with the minority shareholder of Mega Mall.

FINAL DISTRIBUTION AND OPTION TO RECEIVE CAPITAL RETURN

The Board declares a distribution of 17.17 euro cents per share for the six months ended 31 December 2015, which combined with the distributable earnings for the first half of the financial year, results in a 35.34 euro cents per share distribution for 2015. Shareholders can elect to receive their distribution in cash or by way of an issue of fully paid shares at a ratio between the distribution declared and the reference price. The reference price will be determined using an up to 5% discount to the 5 - day volume weighted average traded price (less distribution) of NEPI shares on the JSE, no later than 1 March 2016.

A circular containing full details of the election being offered to shareholders, accompanied by announcements on the Stock Exchange News Service (SENS) of the Johannesburg Stock Exchange (JSE), the Regulatory News Service (RNS) of the London Stock Exchange (LSE) and the Bucharest Stock Exchange (BVB), will be issued in due course.

HIGHLIGHTS

INVESTMENT GRADE RATINGS AND BOND ISSUE

In October 2015, Standard & Poor's Ratings Services (S&P) assigned NEPI a first-time BBB- preliminary, long-term corporate credit rating. Moody's Investors Service (Moody's) has upgraded the Company's rating to Baa3, replacing NEPI's 2014 assigned Ba1 rating. Both ratings have a stable outlook.

Subsequent to a roadshow with European fixed-income investors in November 2015, NEPI issued €400 million of unsecured, 5.25 year Eurobonds maturing on 26 February 2021, carrying a 3.750% fixed coupon and with an issue price of 99.597%. This represents a milestone for NEPI, as it is the first time the Company has raised material amounts from European investors, enabling it to compete more effectively in the Central and Eastern European real estate markets in the long term. Of the proceeds, approximately €212 million refinanced existing debt, while the balance is earmarked for acquisitions and developments.

ACQUISITIONS AND DEVELOPMENTS

The Group completed the acquisition and development of a number of properties during 2015 which are discussed in more detail below. The effective, or opening, date of acquisitions and developments is indicated in parenthesis after the name. All populations are estimates, and all developments and acquisitions are located in Romania unless otherwise specified.

RETAIL PROPERTY ACQUISITIONS, COMPLETED DEVELOPMENTS AND EXTENSIONS

Mega Mall (14 May 2015)
The Group's largest development to date, the 75,500m² Gross Leasable Area (GLA) Mega Mall, commenced trading in the first half of 2015, and is currently 98.2% occupied. Since opening, the centre has dominated retail in heavily populated eastern Bucharest, with a catchment area of 910,000 within a 30-minute drive. Peek & Cloppenburg opened its largest store in Romania in Mega Mall during October 2015.

Iris Titan Shopping Center (1 July 2015)
NEPI acquired Iris Titan Shopping Center, a 44,700m² GLA shopping mall, located in Titan, Bucharest's most densely populated district. There are 599,000 residents within a 15-minute drive. The property is anchored by Romania's first, and largest, Auchan hypermarket, and contains numerous international brands, such as Adidas, C&A, CCC, Deichmann, dm, Flanco, H&M, New Yorker and Takko, as well as a seven-screen cinema.

City Park extension – first phase (31 July 2015)
The Group opened the first phase of the mall's extension, a ten-screen Cinema City, featuring Romania's second 4DX auditorium (the first is in NEPI's Mega Mall). The centre is located in Constanta, which has a population of 284,000. There are 541,000 residents within a 45-minute drive.

Shopping City Deva extension (24 September 2015)
The 10,100m² GLA extension to Shopping City Deva attracts the city's 57,000 inhabitants. There are 277,000 residents within a 45-minute drive. The extension includes new tenants such as Altex, C&A, CCC, a six-screen Cinema City, Deichmann, H&M, Hervis, KFC, New Yorker, Orsay and an entertainment area. The total GLA after the extension is 52,300m², and these additional brands and facilities strengthen the centre's regionally dominant position.

Severin Shopping Center extension – first phase (15 October 2015)
The first phase of Severin Shopping Center's extension, located in Drobeta Turnu Severin, comprises 4,400m² GLA. The city has 86,000 inhabitants and 175,000 residents live within a 45-minute drive from the shopping centre. New tenants include Benvenuti, a six-screen Cinema City, KFC, as well as leisure and entertainment facilities.

Shopping City Timisoara – hypermarket and gallery (26 November 2015)
NEPI is progressing with the development of the 56,800m² GLA first phase of a regional mall of up to 80,000m² GLA, in a densely populated district of Timisoara. The city, with 319,000 inhabitants, is the third largest in Romania, while 570,000 residents are within a 45-minute drive. The first section, comprising 16,300m² GLA, includes tenants such as Carrefour, Media Galaxy, Noriel, Pepco and Zoomania. The adjacent do-it-yourself store, owned by Dedeman, opened on 23 October 2015.

OFFICE PROPERTY ACQUISITIONS, COMPLETED DEVELOPMENTS AND EXTENSIONS

The Office, Cluj-Napoca – second phase (27 November 2015)
The second phase of The Office, Cluj-Napoca, comprising 19,400m² of A-grade office GLA has been completed, and was ready for tenant fit out in November 2015. As at 8 February 2016, 82% of Phase II has been let.

City Business Centre, Timisoara - buildings D&E (30 November 2015)
NEPI has completed the acquisition of City Business Centre by adding the newest two buildings in the complex to its portfolio. The total GLA is now 47,100m² and the property, which includes five separate buildings with a common parking, is the largest A-grade office in Timisoara.

DEVELOPMENT PIPELINE

The Group has steadily increased its investment in developments and, during the last five years, completed developments and redevelopments have significantly contributed to the growth in distributable earnings per share. NEPI's development pipeline, including redevelopments and extensions, has increased to €601 million (estimated at cost), of which €145 million had been spent by 31 December 2015. This represents an increase of €54 million compared with the previous year.

RETAIL PROPERTY DEVELOPMENTS AND EXTENSIONS

City Park extension – second phase
Work on the second phase of City Park's extension, including tenants such as C&A, Colin's, H&M, Motivi, New Yorker, Orsay, Sephora, World Class and Zara Home, is on-going and completion is expected during the second quarter of 2016. Once completed, the centre's total GLA will be 49,800m².

Promenada Mall extension
The Group is in the process of obtaining new zoning and construction permits for a retail extension and integrated office building to its Promenada Mall, situated in Bucharest's new central business district. The extension will add approximately 34,000m² of retail GLA to the existing 40,400m², while the integrated office will consist of up to 30,000m² GLA (depending on permitting). The retail extension will include new fashion tenants, a cinema and additional leisure and entertainment facilities, as well as 1,900 new parking spaces that will benefit residents and employees. Subject to permitting, NEPI estimates that the extension will be completed in 2018.

Severin Shopping Center extension – second phase
The Group will extend Severin Shopping Center with an additional 1,500m² fashion GLA during 2016, increasing total GLA to 22,400m².

Shopping City Timisoara – fashion and entertainment section
The Carrefour hypermarket and gallery opened in the last quarter of 2015, while the fashion and entertainment section is scheduled to be completed in the first quarter of 2016. The tenants will include Bershka, C&A, CCC, Cropp, Deichmann, dm, Douglas, H&M, Hervis, KFC, Koton, LC Waikiki, New Yorker, Orsay, Otter, Pimkie, Pizza Hut, Pull&Bear, Sephora, Sport Vision, Stradivarius, Tom Tailor and Zara. The centre will have substantial modern entertainment and leisure facilities, including a gym and a thirteen-screen cinema (the largest cinema outside of Bucharest), with an IMAX and a 4DX auditorium.

Shopping City Piatra Neamt
The Group is developing a 27,900m² GLA regional mall in Piatra Neamt. The city has 86,000 inhabitants with 245,000 residents within a 45-minute drive. Carrefour has been secured as a tenant for a 10,000m² GLA hypermarket together with a six-screen cinema operated by Cinema City. Other secured tenants include C&A, CCC, Orsay and Pepco. The shopping centre is scheduled to open in the fourth quarter of 2016.

OFFICE DEVELOPMENTS

The Office, Cluj-Napoca – third phase
Based on the strong demand for quality office space, NEPI will soon commence work on the third phase of The Office, Cluj-Napoca, consisting of 18,500m² GLA. The Group estimates that it will be completed during 2017.

Victoriei Office
This development, located in Victoriei Square, adjacent to the Romanian Government building, includes the development of a modern office and the refurbishment of a historical building. This 8,400m² GLA landmark office is scheduled for completion in the third quarter of 2016.

OTHER HIGHLIGHTS

Non-recoverable tenant income for 2015 amounted to €398 thousand, equivalent to 0.26% of annual contractual rental income and expense recoveries. The vacancy level as at 31 December 2015 was 2.9%, without accounting for properties held for sale. The increase in vacancy compared to the 1.8% reported at the end of 2014 is mostly attributable to the recently completed office development and recent acquisitions.

The Company is actively pursuing investment opportunities in other CEE countries where it currently has no presence and expects to enter new markets in 2016. Although increased competition (arising partly from high liquidity) can be seen across the markets, and yield compression occurred during the past period, NEPI remains well positioned for further expansion, given its established property platform.

CHANGES TO THE BOARD OF DIRECTORS

As announced on 30 December, 2015, Mr Dewald Joubert has resigned as Non-executive Director. The Board of Directors appointed Mr Robert Reinhardt Emslie as non-executive Director, effective from 4 February, 2016. Mr Emslie is a Chartered Accountant, with significant experience in banking services and property management, and currently holds chairmanship and non-executive directorship positions in various private and listed companies.

CASH MANAGEMENT AND DEBT

Throughout the financial year the Company raised €179 million by issuing new ordinary shares.

Following the successful €400 million unsecured bond issue completed in November 2015, the Company repaid the €143.8 million unsecured, syndicated term loan (contracted earlier in 2015 as a bridge to the bond financing) and €68 million of secured debt. The Group improved the funding terms on its most attractive debt facilities, including Aupark Kosice, Aupark Zilina and Floreasca Business Park.

As at 31 December 2015, the Group had €330 million in cash and an additional undrawn revolving facility of €80 million. NEPI's gearing ratio (interest bearing debt less cash divided by investment property and listed property shares) reached 14.6%, compared to 8% at the end of the previous year, and is expected to increase further, once available cash is spent to finance the acquisitions and development pipeline. Capital commitments for developments and acquisitions in due diligence or at an advanced stage of negotiations exceed €300 million.

The average interest rate, including hedging costs, was 3.9% during 2015, down from 5% in 2014, due to contracting new debt at lower rates and decreasing the interest margin on the existing debt. As at 31 December 2015, the Group was fully hedged against interest rate movements, with 41% of the base interest rate (Euribor) being hedged with interest rate caps and 59% with interest rate swaps.

PROSPECTS AND EARNINGS GUIDANCE

Recurring distributable earnings per share for the year 2016 are projected to be approximately 15% higher compared to 2015. Recurring distributable earnings for the first half of 2016 are expected to be approximately 5% higher compared to the respective period of 2015 due to changes in funding arrangements and timing of completion of developments and acquisitions planned for the first part of 2016. The earnings guidance is based on the assumption that a stable macroeconomic environment prevails, no major corporate failures occur, planned developments remain on schedule, and is sensitive to the impact of the acquisitions currently in the pipeline. This forecast has not been audited or reviewed by NEPI's auditors and is the responsibility of the Board.

By order of the Board of Directors,

Alexandru Morar
Chief Executive Officer

Mirela Covasa
Finance Director

9 February 2016

Management Accounts

All amounts in € '000 unless otherwise stated

CONSOLIDATED STATEMENT OF INCOME	31 Dec 2015	31 Dec 2014
Gross rental income	**110 937**	**67 459**
Net service charge and operating expenses	(2 526)	(1 733)
Service charge and other recoveries	44 074	25 619
Property operating expenses	(46 600)	(27 352)
Net operating income	**108 411**	**65 726**
Corporate expenses	(9 618)	(4 538)
Property management net result	2 902	1 498
EBITDA	**101 695**	**62 686**
Net finance expense	**(5 759)**	**(1 677)**
Finance expenses	(17 829)	(15 676)
Finance income	3 822	6 374
Interest capitalised on development	8 248	7 625
Non-controlling interest	(7 427)	4 920
Direct investment result	**88 509**	**65 929**
Indirect investment result	69 889	33 266
Profit for the period attributable to equity holders	**158 398**	**99 195**
Reverse indirect result	(69 889)	(33 266)
Company specific adjustments	12 096	2 273
Distributable earnings before issue *cum* distribution	**100 605**	**68 202**
Issue *cum* distribution adjustment	1 954	6 870
Distributable earnings	**102 559**	**75 072**
Distributable earnings per share (euro cents)	35.34	29.69
of which recurring distributable earnings per share (euro cents)	34.76	29.69
Distribution per share (euro cents)	35.34	32.22

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 Dec 2015	31 Dec 2014
ASSETS		
Non-current assets	**1 858 740**	**1 389 772**
Investment property	1 814 357	1 334 512
Investment property at fair value	1 655 219	1 038 545
Developments at cost	159 138	213 894
Advances paid for investment property	–	82 073
Goodwill	23 986	17 639
Other long-term assets	18 115	37 446
Financial assets at fair value through profit or loss	2 282	175
Current assets	**410 095**	**180 526**
Investment property held for sale	25 255	27 360
Trade and other receivables	55 229	41 199
Cash and cash equivalents	329 611	111 967
Total assets	**2 268 835**	**1 570 298**
LIABILITIES	**772 285**	**329 009**
Bank borrowings	201 095	218 399
Bonds	393 414	–
Deferred tax liabilities	93 571	55 907
Other long-term liabilities	15 443	9 446
Financial liabilities at fair value through profit or loss	3 417	5 104
Trade and other payables	65 345	40 153
Equity attributable to equity holders	**1 496 550**	**1 241 289**
Total liabilities and equity attributable to equity holders	**2 268 835**	**1 570 298**
Adjusted Net Asset Value per share (euro)	5.25	4.63

RECONCILIATION OF PROFIT FOR THE PERIOD TO DISTRIBUTABLE EARNINGS	31 Dec 2015	31 Dec 2014
Profit for the period attributable to equity holders	**158 398**	**99 195**
Unrealised foreign exchange loss	348	350
Acquisition fees	933	2 357
Share-based payment expense	670	675
Accrued interest on share-based payments	89	542
Fair value adjustments of investment property	(89 946)	(35 227)
Fair value gains of financial investments at fair value through profit or loss	–	(1 299)
Fair value adjustment of financial assets and liabilities	(1 398)	2 882
Amortisation of financial assets	(3 554)	(708)
Dividends received from financial investments	–	(2 417)
Accrued dividend for financial investments	–	2 304
Gain on disposal of investment property	–	(619)
Gain on acquisition of subsidiaries	–	(1 400)
Deferred tax expense	19 508	1 567
Shares issued *cum* distribution	1 954	6 870
Adjustments related to non controlling interest		
Fair value adjustment of Investment property	18 598	–
Deferred tax expense	(3 041)	–
Distributable earnings for the period	**102 559**	**75 072**
Distribution from reserves	–	6 659
Less: distribution declared	(102 559)	(81 731)
Interim distribution	(51 304)	(33 475)
Final distribution	(51 255)	(48 256)
Earnings not distributed	**–**	**–**
Number of shares entitled to distribution	298 590 564	278 138 240
Distributable earnings per share for the period (euro cents)	**35.34**	**29.69**
Distribution from reserves per share (euro cents)	–	2.53
Less: Distribution declared per share (euro cents)	(35.34)	(32.22)
Interim distribution per share (euro cents)	(18.17)	(14.87)
Final distribution per share (euro cents)	(17.17)	(17.35)
Earnings not distributed (euro cents)	**–**	**–**

LEASE EXPIRY PROFILE	2016	2017	2018	2019	2020	2021	2022	2023	2024	≥2025	Total
Total based on rental income	3.9%	9.7%	13.0%	14.1%	17.1%	13.8%	4.4%	2.8%	4.4%	16.8%	100%
Total based on rented area	1.7%	6.8%	12.8%	12.7%	14.1%	12.8%	5.3%	5.4%	5.7%	22.7%	100%

BASIS OF PREPARATION - MANAGEMENT ACCOUNTS

The management accounts presented constitute pro forma financial information in terms of the JSE Limited Listing Requirements.

As the Group is focusing on being consistent on those areas of reporting that are seen to be of most relevance to investors and on providing a meaningful basis of comparison for users of the financial information, it has prepared unaudited management accounts. The main difference between the management accounts and the condensed consolidated financial results prepared in accordance with IFRS is that the management accounts are prepared using the proportionate consolidation method for investments in joint ventures, which is not in accordance with IFRS (consistent with financial statements prepared in accordance with IFRS reported before 1 January 2013), while the IFRS statements use the equity method for accounting for these investments (following the adoption of IFRS 11 'Joint Arrangements' effective 1 January 2013).

The management accounts have been prepared by and are the responsibility of the Directors of NEPI. Due to their nature, the management accounts may not fairly reflect the financial position and results of the Group after the differences set out above.

The directors are not aware of any matters or circumstances arising subsequent to 31 December 2015 that require any additional disclosure or adjustment to the reviewed condensed consolidated financial results.

In relation to management accounts included in this preliminary report, a reporting accountant's report is required by JSE Limited and will be available for inspection at the Company's registered office. Furthermore, any reference to future financial performance included in this preliminary report has not been reviewed or reported on by the group's external auditors. The auditor's review report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review report together with the accompanying financial information from the Company's registered office. The directors take full responsibility for the preparation of the preliminary report.

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NEPI
NEW EUROPE PROPERTY INVESTMENTS PLC

REVIEWED CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

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Registered office: 2nd Floor, Anglo International House, Lord Street, Douglas, Isle of Man, IM1 4LN
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IFRS Accounts

All amounts in € '000 unless otherwise stated

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Reviewed 31 Dec 2015	Audited 31 Dec 2014
Net rental and related income	**104 067**	**61 749**
Contractual rental income and expense recoveries	148 799	87 017
Property operating expenses	(44 732)	(25 268)
Administrative expenses	(6 695)	(2 839)
EBITDA	**97 372**	**58 910**
Acquisition fees	(933)	(2 357)
Fair value adjustments of investment property	81 742	27 980
Fair value gains on financial investments at fair value through profit or loss	–	1 299
Dividends received from financial investments	–	2 417
Share-based payment expense	(670)	(675)
Foreign exchange loss	(339)	(241)
Gain on acquisition of subsidiaries	–	1 400
Gain on disposal of investment property	–	619
Profit before net finance income/(expense)	**177 172**	**89 352**
Net finance income/(expense)	**(916)**	**3 278**
Finance income	7 613	7 315
Finance expense	(8 529)	(4 037)
Changes in fair value of financial instruments	1 149	(1 866)
Share of profit of joint ventures	2 399	4 148
Profit before tax	**179 804**	**94 912**
Deferred tax expense	(13 979)	(637)
Profit after tax	**165 825**	**94 275**
Total comprehensive income for the year	**165 825**	**94 275**
Non-controlling interest	(7 427)	4 920
Profit for the period attributable to equity holders	**158 398**	**99 195**
Weighted average number of shares in issue	284 461 222	225 426 685
Diluted weighted average number of shares in issue	285 813 260	229 775 959
Basic earnings per share (euro cents)	55.68	44.00
Diluted earnings per share (euro cents)	55.42	43.17

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Reviewed 31 Dec 2015	Audited 31 Dec 2014
ASSETS		
Non-current assets	**1 829 440**	**1 368 193**
Investment property	1 732 760	1 269 299
Investment property at fair value	1 576 019	978 980
Investment property under development	156 741	208 246
Advances paid for investment property	–	82 073
Goodwill	23 986	17 639
Investments in joint ventures	15 640	13 241
Long-term loans granted to joint ventures	36 674	30 395
Other long-term assets	18 098	37 444
Financial assets at fair value through profit or loss	2 282	175
Current assets	**381 097**	**148 705**
Trade and other receivables	54 487	40 469
Cash and cash equivalents	326 610	108 236
Investment property held for sale	**25 255**	**27 360**
Total assets	**2 235 792**	**1 544 258**
EQUITY AND LIABILITIES		
Total equity attributable to equity holders	**1 496 550**	**1 241 289**
Share capital	2 986	2 746
Share premium	1 213 325	1 074 310
Share-based payment reserve	4 797	4 127
Currency translation reserve	(1 229)	(1 229)
Accumulated profit	275 042	167 133
Non-controlling interest	1 629	(5 798)
Total liabilities	**739 242**	**302 969**
Non-current liabilities	**661 717**	**241 345**
Bank borrowings	162 788	171 071
Bonds	392 140	–
Deferred tax liabilities	89 652	57 517
Other long-term liabilities	14 988	9 171
Financial liabilities at fair value through profit or loss	2 149	3 586
Current liabilities	**77 525**	**61 624**
Trade and other payables	62 827	38 365
Bank borrowings	13 424	23 259
Interest accrued on bonds	1 274	–
Total equity and liabilities	**2 235 792**	**1 544 258**

SEGMENTAL ANALYSIS	Retail	Office	Industrial	Corporate	Total
2015 Reviewed					
Contractual rental income and expense recoveries	120 046	26 728	2 025	–	148 799
Profit before net finance expense	162 501	15 856	1 295	(2 480)	177 172
Total Assets	1 532 260	380 016	17 099	306 417	2 235 792
Total Liabilities	241 875	99 038	2 372	395 957	739 242
2014 Audited					
Contractual rental income and expense recoveries	59 496	25 541	1 980	–	87 017
Profit before net finance expense	67 431	18 719	1 728	1 474	89 352
Total Assets	1 153 768	292 647	17 208	80 635	1 544 258
Total Liabilities	167 993	129 111	2 382	3 483	302 969

BUSINESS COMBINATIONS	Aupark Kosice 18 Dec 2014*	Iris Titan Shopping Center 1 Jul 2015	City Business Centre 30 Nov 2015
Investment property	165 000	86 000	28 533
Current assets	9 599	5 164	1 038
Current liabilities	(8 677)	(960)	(256)
Non-current liabilities	(82 875)	(1 154)	(5 610)
Deferred tax liabilities	(11 189)	(4 905)	(2 063)
Total identifiable net assets at fair value	71 858	84 145	21 642
Goodwill arising on acquisition	11 189	4 905	2 717
Total consideration payable	**83 047**	**89 050**	**24 359**
Amounts retained from sellers	(1 500)	–	(5 000)
Total consideration paid in cash	**81 547**	**89 050**	**19 359**

* Transaction finalised in 2015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Share capital	Share premium	Share-based payment reserve	Currency translation reserve	Accumulated profit	Non-controlling interest	Total
Balance at 1 January 2014	**1 999**	**632 296**	**3 453**	**(1 229)**	**76 595**	**(878)**	**712 236**
Transactions with owners	747	442 014	674	–	(8 657)	–	434 778
– Issue of shares	715	427 289	–	–	–	–	428 004
– Share-based payment reserve	–	–	11 882	–	–	–	11 882
– Sale of shares issued under the Current Share Scheme	12	3 293	(431)	–	–	–	2 874
– Vesting of shares issued under the Initial Share Scheme	–	–	675	–	–	–	675
– Vesting of shares issued under Current Share Scheme	13	4 791	(4 804)	–	–	–	–
– Reclassification of Current Share Scheme	7	6 641	(6 648)	–	–	–	–
– Earnings distribution	–	–	–	–	(8 657)	–	(8 657)
Total comprehensive income	–	–	–	–	99 195	(4 920)	94 275
– Profit for the period	–	–	–	–	99 195	(4 920)	94 275
Balance at 31 December 2014	**2 746**	**1 074 310**	**4 127**	**(1 229)**	**167 133**	**(5 798)**	**1 241 289**
Balance at 1 January 2015	**2 746**	**1 074 310**	**4 127**	**(1 229)**	**167 133**	**(5 798)**	**1 241 289**
Transactions with owners	240	139 015	670	–	(50 489)	–	89 436
– Issue of shares	205	129 767	–	–	–	–	129 972
– Sale of shares issued under the Initial Share Scheme	35	9 248	–	–	–	–	9 283
– Vesting of shares issued under the Initial Share Scheme	–	–	670	–	–	–	670
– Earnings distribution	–	–	–	–	(50 489)	–	(50 489)
Total comprehensive income	–	–	–	–	158 398	7 427	165 825
– Profit for the period	–	–	–	–	158 398	7 427	165 825
Balance at 31 December 2015	**2 986**	**1 213 325**	**4 797**	**(1 229)**	**275 042**	**1 629**	**1 496 550**

RECONCILIATION OF NET ASSET VALUE TO ADJUSTED NET ASSET VALUE	Reviewed 31 Dec 2015	Audited 31 Dec 2014
Net Asset Value per the Statement of financial position	1 496 550	1 241 289
Loans in respect of the Initial Share Scheme	64	9 132
Deferred tax liabilities	89 652	57 517
Goodwill	(23 986)	(17 639)
Deferred tax liabilities/(assets) for joint ventures	3 919	(1 610)
Adjusted Net Asset Value	**1 566 199**	**1 288 689**
Net Asset Value per share (euro)	**5.01**	**4.52**
Adjusted Net Asset Value per share (euro)	**5.25**	**4.63**
Number of shares for Net Asset Value per share purposes	298 565 564	274 526 188
Number of shares for adjusted Net Asset Value per share purposes	298 590 564	278 138 240

RECONCILIATION OF PROFIT FOR THE PERIOD TO HEADLINE EARNINGS	Reviewed 31 Dec 2015	Audited 31 Dec 2014
Profit for the period attributable to equity holders	158 398	99 195
Fair value adjustments of investment property	(81 742)	(27 980)
Gain on sale of investment property	–	(619)
Gain on acquisition of subsidiaries	–	(1 400)
Total tax effects of adjustments	14 333	4 952
Fair value adjustment of investment property for joint ventures	(8 204)	(7 247)
Total tax effects of adjustments for joint ventures	1 312	1 160
Headline earnings	**84 097**	**68 061**
Weighted average number of shares in issue	284 461 222	225 426 685
Diluted weighted average number of shares in issue	285 813 260	229 775 959
Headline earnings per share (euro cents)	29.56	30.19
Diluted headline earnings per share (euro cents)	29.42	29.62

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	Reviewed 31 Dec 2015	Audited 31 Dec 2014
Profit after tax	165 825	94 275
Adjustments	(66 987)	(33 574)
Changes in working capital	1 378	(10 406)
Cash flows from operating activities	**100 216**	**50 295**
Proceeds from issue of shares	139 255	430 878
Earnings distribution	(50 489)	(8 657)
Net movements in bank loans and bonds borrowings	297 522	(43 704)
Other proceeds/payments	(2 395)	-
Cash flows from financing activities	**383 893**	**378 517**
Investments in acquisitions and developments	(265 735)	(437 863)
Net cash flow from investments in financial assets	-	64 795
Cash flows used in investing activities	**(265 735)**	**(373 068)**
Net increase in cash and cash equivalents	**218 374**	**55 744**
Cash and cash equivalents brought forward	108 236	52 492
Cash and cash equivalents carried forward	**326 610**	**108 236**

LOANS AND BORROWINGS REPAYMENT PROFILE	Type	Secured/Unsecured	Ownership	Outstanding amount	Available for drawdown	2016	2017	2018	2019	2020	2021 and beyond
NE Property Cooperatief	Fixed coupon bonds	Unsecured	100%	400 000	–	–	–	–	–	–	400 000
Aupark Kosice Mall	Term loan	Secured	100%	80 143	24 857	5 526	5 526	5 526	5 526	58 039	–
Floreasca Business Park	Term loan	Secured	100%	47 787	–	3 920	3 920	39 947	–	–	–
Aupark Zilina	Term loan	Secured	100%	47 415	–	3 557	43 858	–	–	–	–
Ploiesti Shopping City (joint venture)	Term loan	Secured	50%	16 334	–	1 095	1 095	1 095	1 095	1 095	10 859
The Office, Cluj-Napoca (joint venture)	Term loan	Secured	50%	8 814	–	683	450	450	450	6 781	–
NE Property Cooperatief	Revolving facility	Unsecured	100%	–	80 000	–	–	–	–	–	–
Total				**600 493**	**104 857**	**14 781**	**54 849**	**47 018**	**7 071**	**65 915**	**410 859**

The reference base rate (1 month EURIBOR, 3 month EURIBOR) was hedged with a weighted average interest rate cap of 0.3% for 41% of the outstanding notional amount and a weighted average interest rate swap of 1.7% for 59% of the outstanding notional amount.

BASIS OF PREPARATION - IFRS ACCOUNTS

The reviewed condensed consolidated financial results for the year ended 31 December 2015 have been prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"), the presentation and the disclosure requirements of IAS 34 Interim Financial Reporting and the JSE Listings Requirements. The accounting policies which have been applied are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2014. The directors take full responsibility for the preparation of this preliminary report.

PricewaterhouseCoopers LLC have issued an unmodified review report on the condensed consolidated financial statements for the year ended 31 December 2015 which is available for inspection at the Company's registered office.