





# Interim Results Presentation

June 2013

- **A Romanian focused property 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**

- **The relationship between retained distributable earnings, property developments, cash holdings & distribution growth per share**
- **Listed securities**
- **Retail – regional dominance**
- **Office – A-grade in prime locations, cities with significant multi-national tenant presence**
- **Increase in scale**
- **Expansion beyond Romania**

- **Distribution per share**  **15.00%**
- **Recurring distributable income per share**  **17.27%**
- **Inclusion in the JSE mid-cap index**
- **Major progress in expansion of acquisition and development pipeline**
- **First major acquisition outside Romania**

# Financial performance

	30 Jun 13	31 Dec 12	30 Jun 12	31 Dec 11	30 Jun 11	31 Dec 10
Distribution per share (€ cents)	12.93	12.05	11.24	10.48	9.77	9.26
Adjusted NAV per share	3.10	2.88	2.63	2.43	2.33	2.22
Gearing*	18.9%	25.0%	33.9%	32.1%	41.9%	49.0%
Shares in issue	159 277 789	144 362 152	125 461 951	102 783 693	88 497 979	76 933 734

Property portfolio analysis	% by gross rental	% by value	% by area
Retail	40%	43%	45%
Office	55%	54%	45%
Industrial	5%	3%	10%

\*  $(Debt - cash) / (investment\ property + listed\ securities)$

Key indicators	2012	2013	2014	2015	2016	2017
Real GDP growth (%)	0.7	2.4	3.0	3.8	4.3	4.0
General gov. budget balance (% of GDP)	(2.5)	(2.7)	(2.7)	(2.7)	(2.6)	(2.5)
General gov. debt (% of GDP)	33.3	36.9	37.3	37.9	37.8	37.1
Unemployment (%)	5.6	4.8	4.3	3.8	3.4	2.9
Price inflation (%)	3.3	4.8	3.0	3.3	3.2	2.8

- 2012 GDP growth positively revised
- Improved 2013 outlook
- Continued political and economic stability after 2012 elections
- Moody's Country rating ► Baa3

Source: EIU – Country Forecast July 2013

# Slovakia – Macro economic

Key indicators	2012	2013	2014	2015	2016	2017
Real GDP growth (%)	2.0	0.7	2.3	3.2	3.6	4.3
General gov. budget balance (% of GDP)	(4.3)	(3.2)	(3.0)	(2.7)	(2.0)	(1.9)
General gov. debt (% of GDP)	52.1	54.8	55.8	56.0	54.3	52.7
Unemployment (%)	13.6	13.3	12.8	12.8	12.6	12.3
Price inflation (%) (EU harmonised)	3.6	1.9	2.0	2.1	2.2	2.3

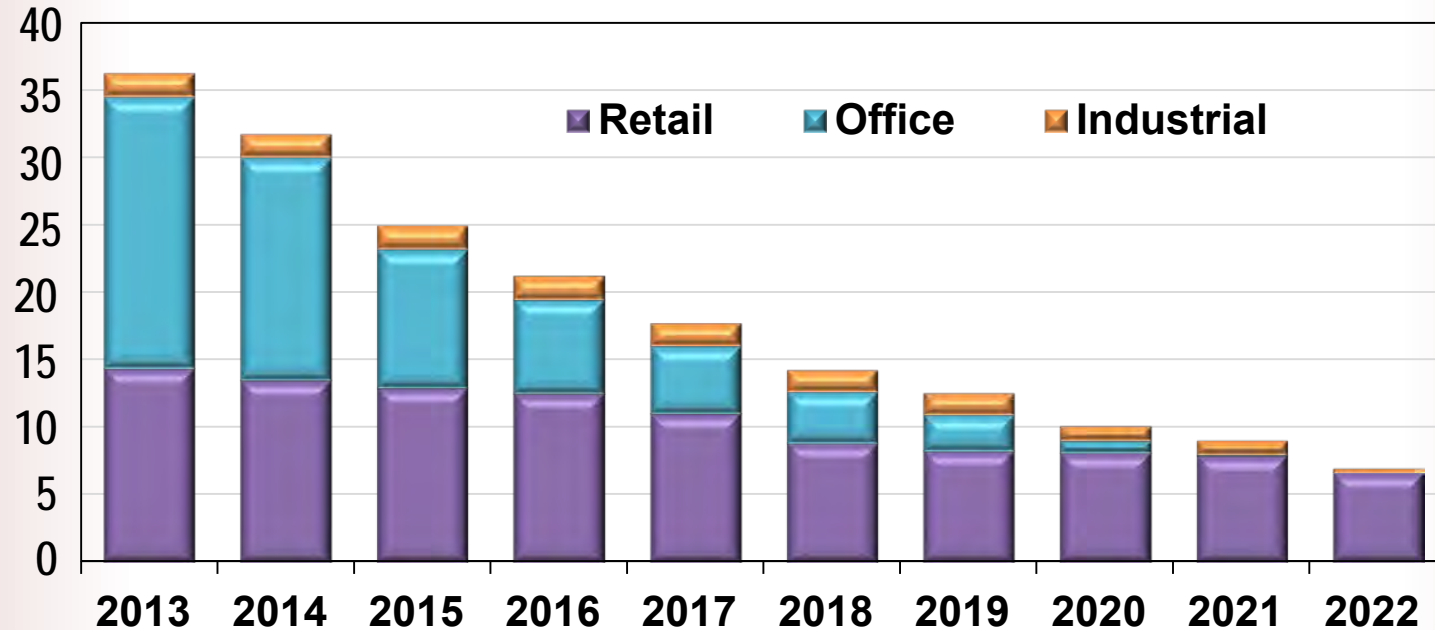
- Eurozone country expected to avoid recession
- Politically stable
- Moody's Country rating ► A2

Source: EIU – Country Forecast July 2013

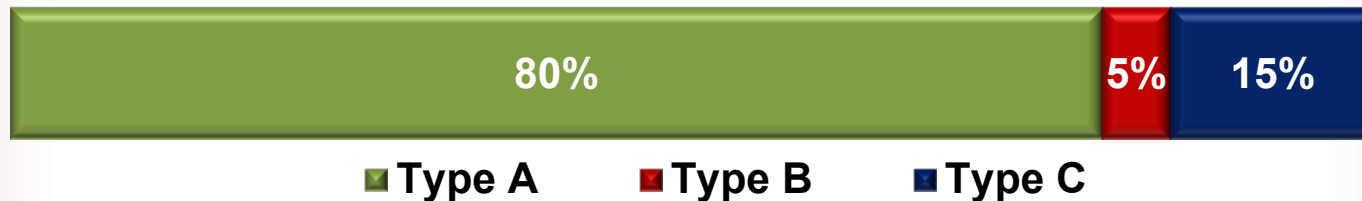
# Contracted rent profile per sector

## Expiry profile – gross rentals

€ million



## Tenant profile – gross rentals



*Weighted average duration of 5.8 years*

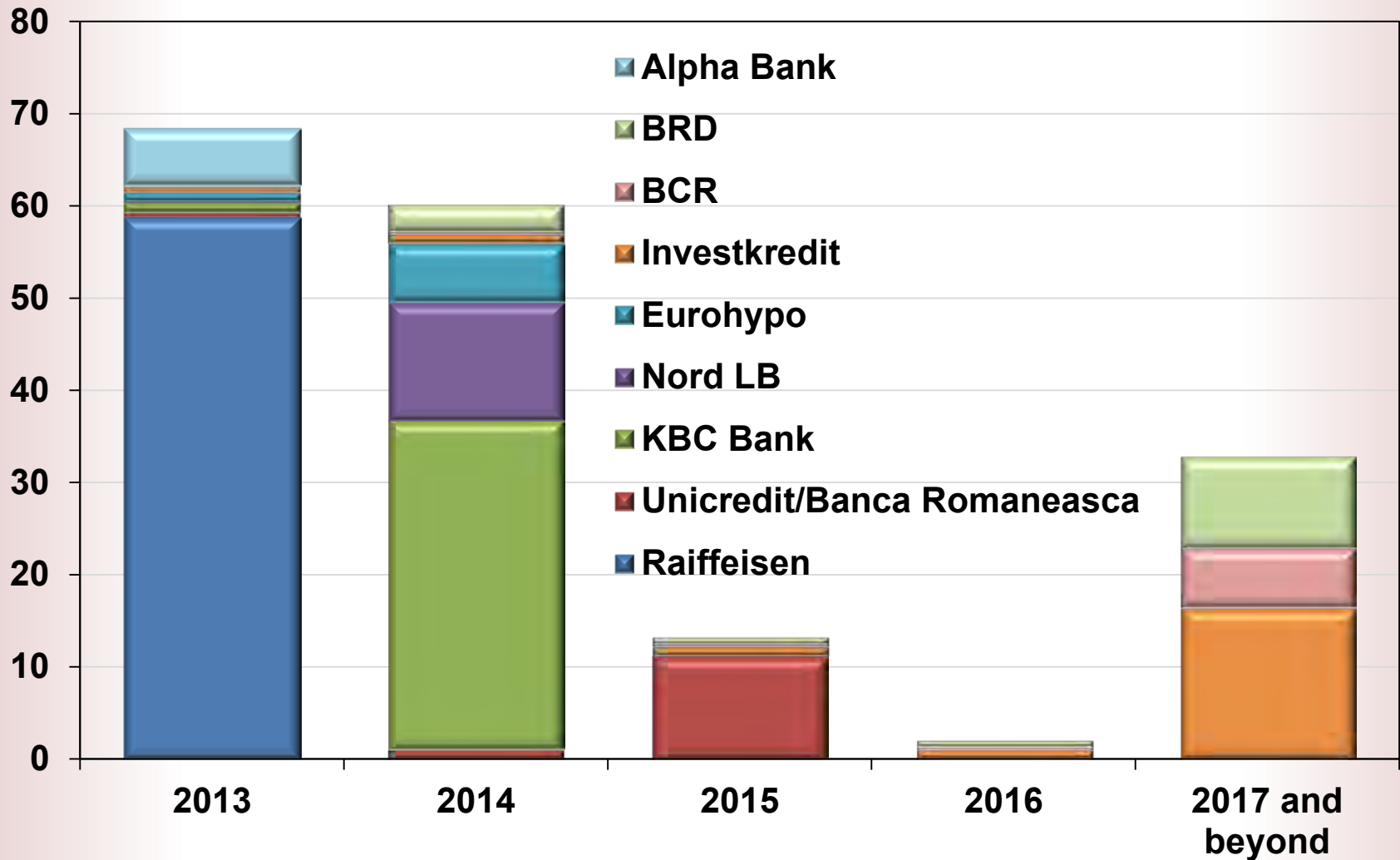


- **Vacancies & arrears**
- **Renewals**
- **Retail**
- **Office**
- **Industrial**

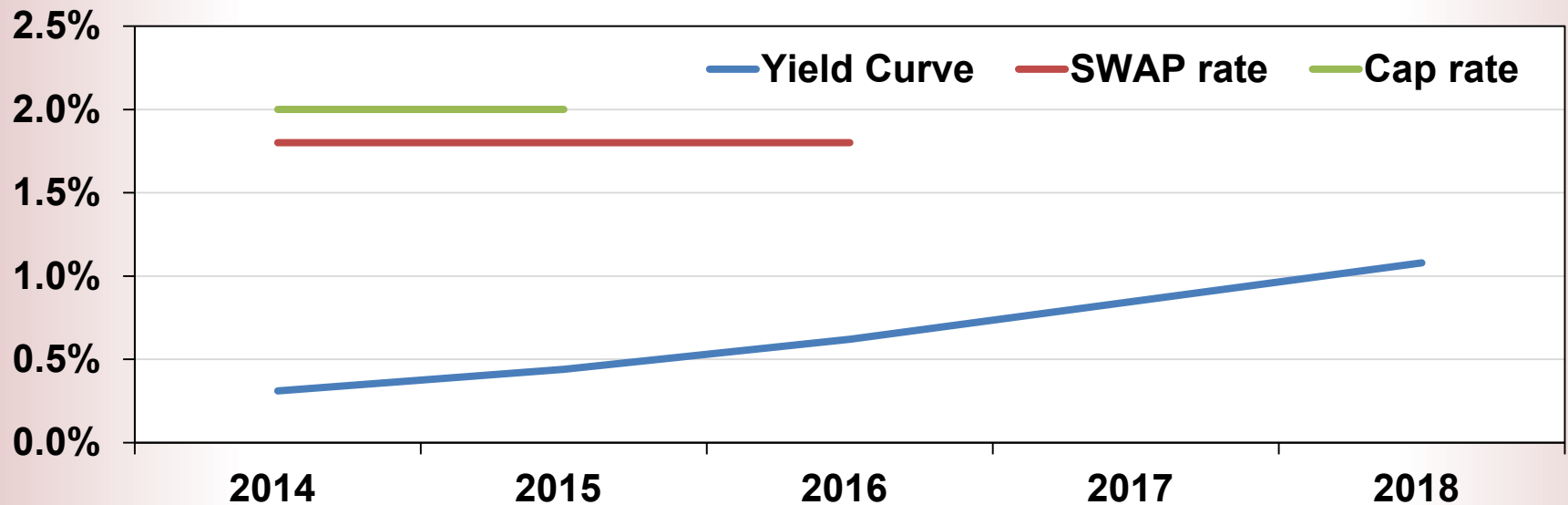
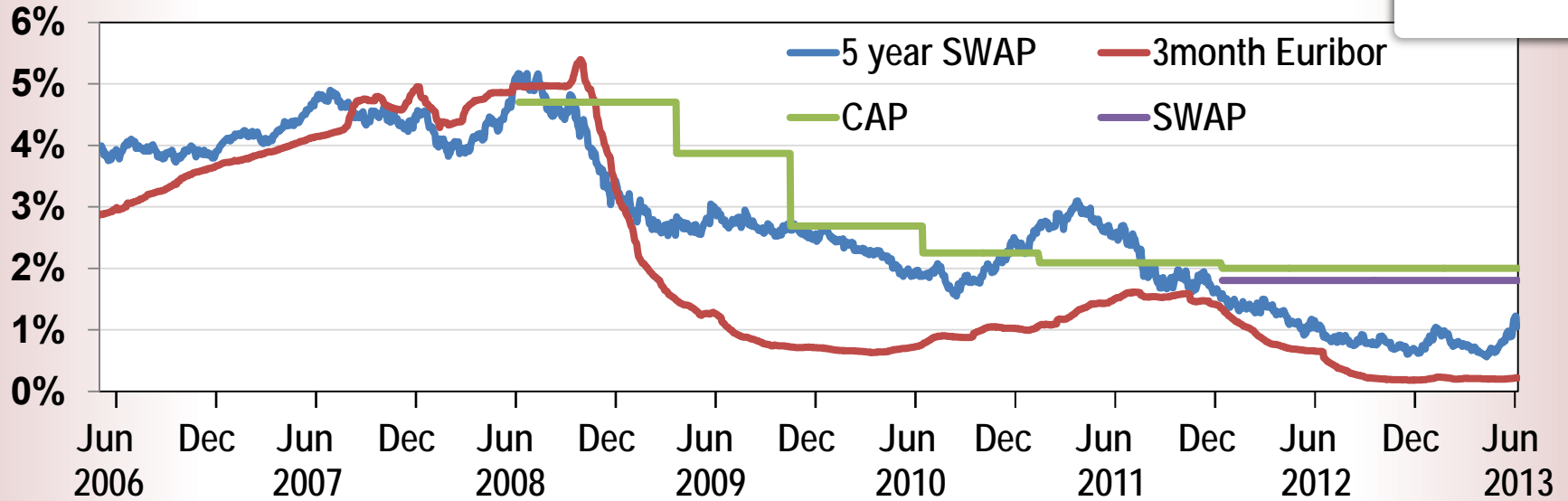
# Debt repayment profile

## Bank loans reimbursement schedule

€ million

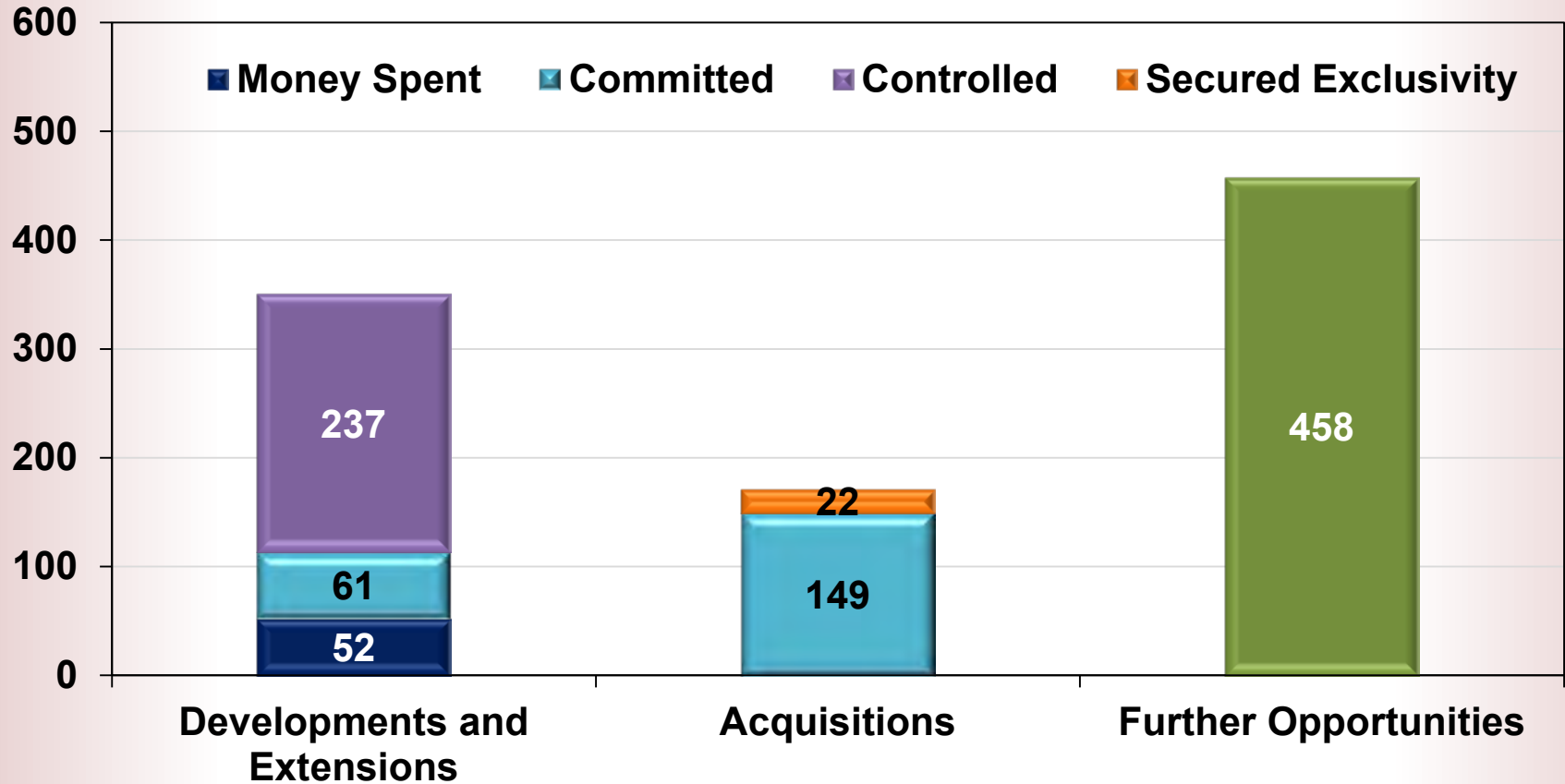


# Interest rate hedge position



# Acquisition and Development Pipeline

€ million



**Committed:** Projects currently under construction and acquisitions finalised or committed to after 30 June 2013.

**Controlled:** Projects where the land is controlled, but not yet under construction.

**Secured exclusivity:** Projects where NEPI has exclusivity and due diligence and/or contract negotiation is ongoing.

**Note that capitalised interest and cost relating to committed acquisitions are not included.**

- **Completed since 2012**
  - The Lakeview Office Building (Feb 2013)
  - Timisoara Building D (Feb 2013)
  - Alexandria Kaufland Value Extension (May 2013)
  
- **Acquisitions under completion\***
  - Aupark (Zilina, Slovakia)
  - Deva Shopping Centre (Deva)
  - Severin Shopping Center (Drobeta-Turnu Severin)
  
- **Distressed debt acquisition**
  - Sibiu Shopping City (Sibiu)

*\* Note: Not completed as at 30 June 2013*

## Developments under construction

- **Galati Shopping City (Galati)**
  
- **Kaufland Value Extensions:**
  - Petrosani
  
  - Sfantu Gheorghe
  
  - Sighisoara
  
- **The Office (Cluj-Napoca)**

## Permitting status of developments not yet commenced

Project	Location	CU PUZ	PUZ	CU AC	AC
Mega Mall	Bucharest	✓	✓	✓	✓
Brasov Shopping City	Brasov	✓			
Kaufland Value Extension	Vaslui	✓	✓	✓	
Piata Victoriei Office	Bucharest			✓	
Targu-Jiu Shopping City	Targu-Jiu	✓	✓	✓	
Vulcan Value Centre	Bucharest	✓	✓	✓	

**CU PUZ** Urbanisation Certificate for PUZ

**PUZ** Urban Zoning Plan

**CU AC** Urbanisation Certificate for AC

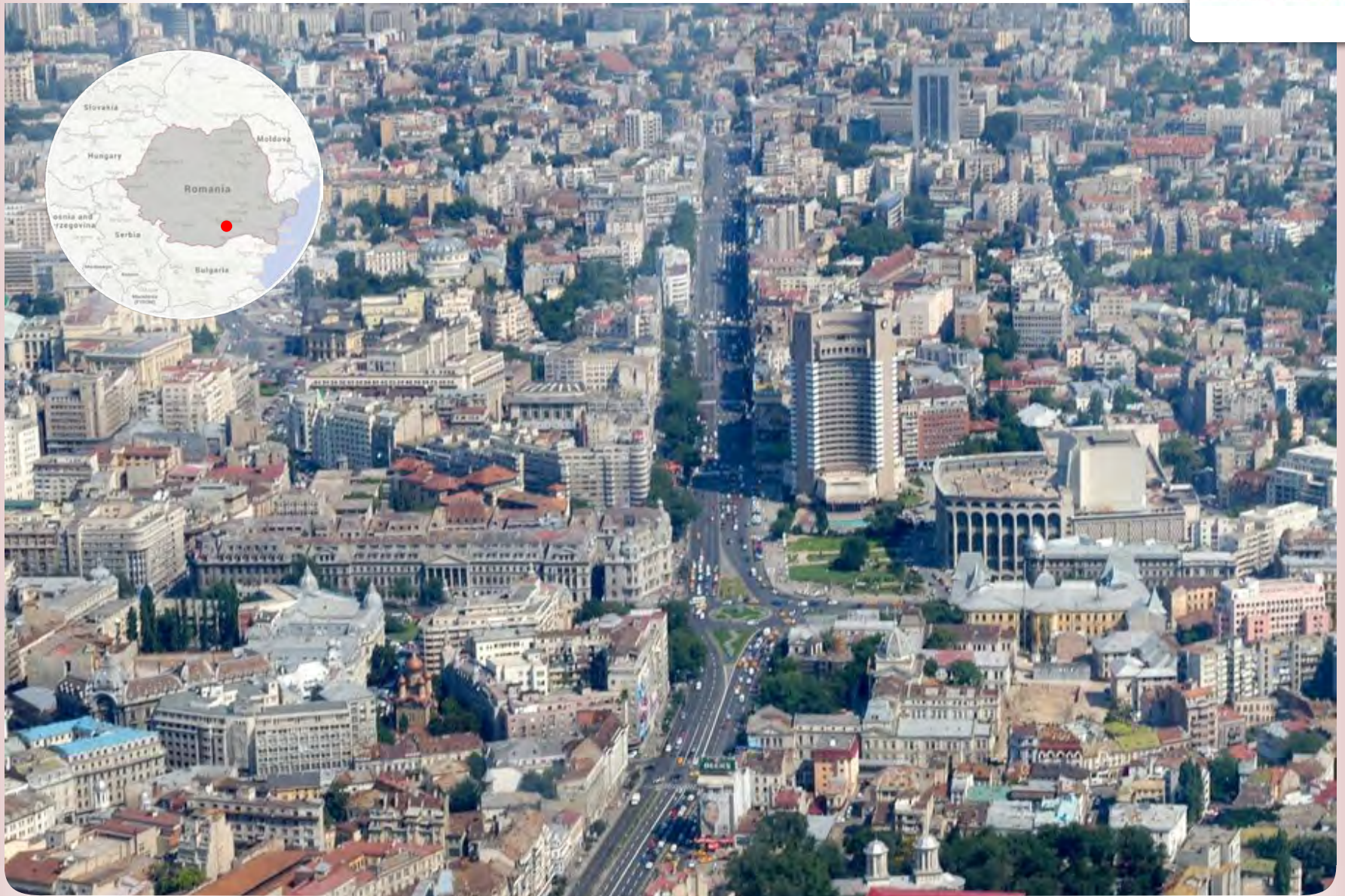
**AC** Building Permit

# Acquisition and Development Pipeline

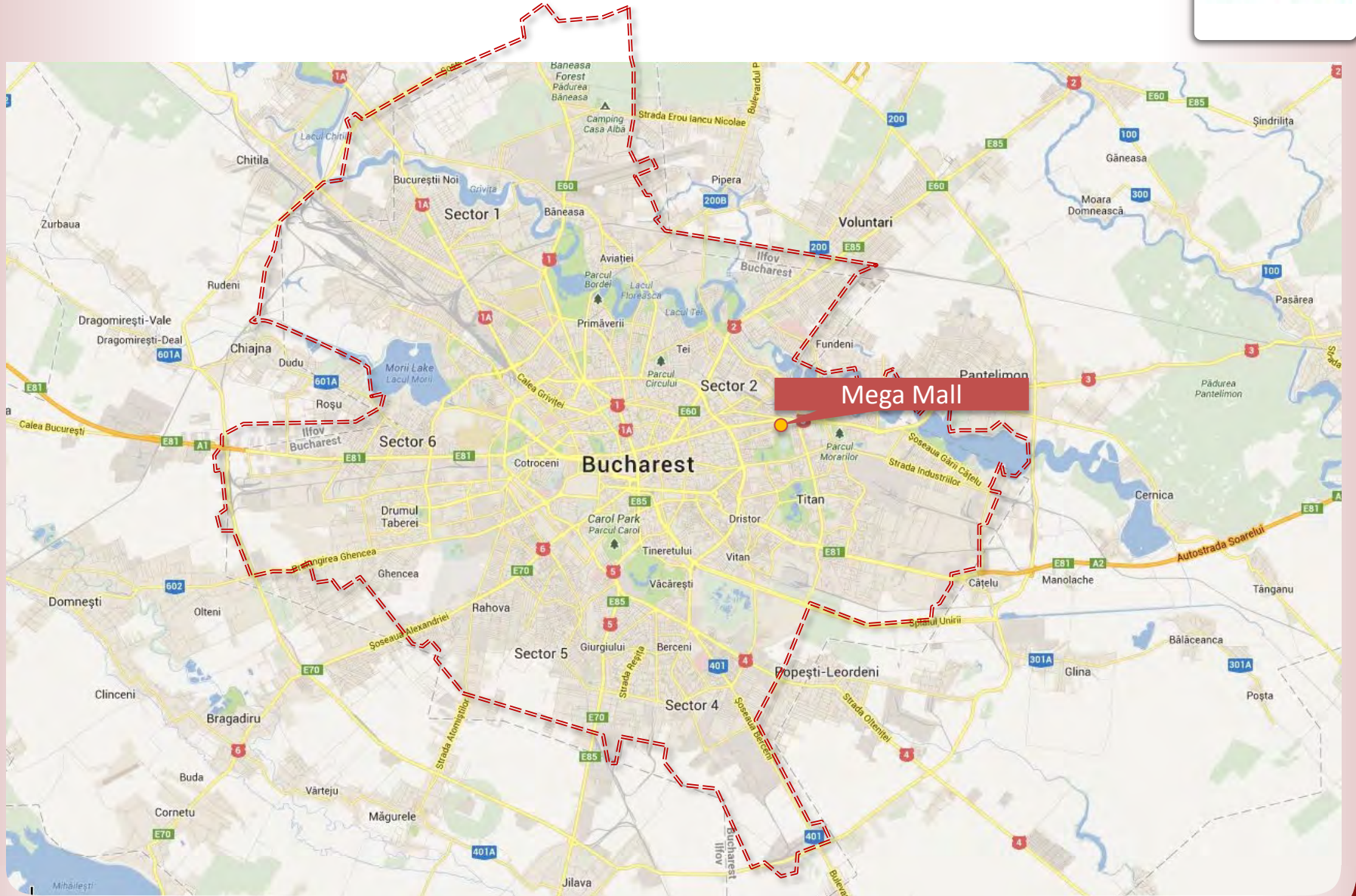




# Mega Mall (Bucharest, Romania)



# Mega Mall (Bucharest, Romania)



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# Mega Mall (Bucharest, Romania)



# Mega Mall (Bucharest, Romania)



# Aupark (Zilina, Slovakia)



# Aupark (Zilina, Slovakia)

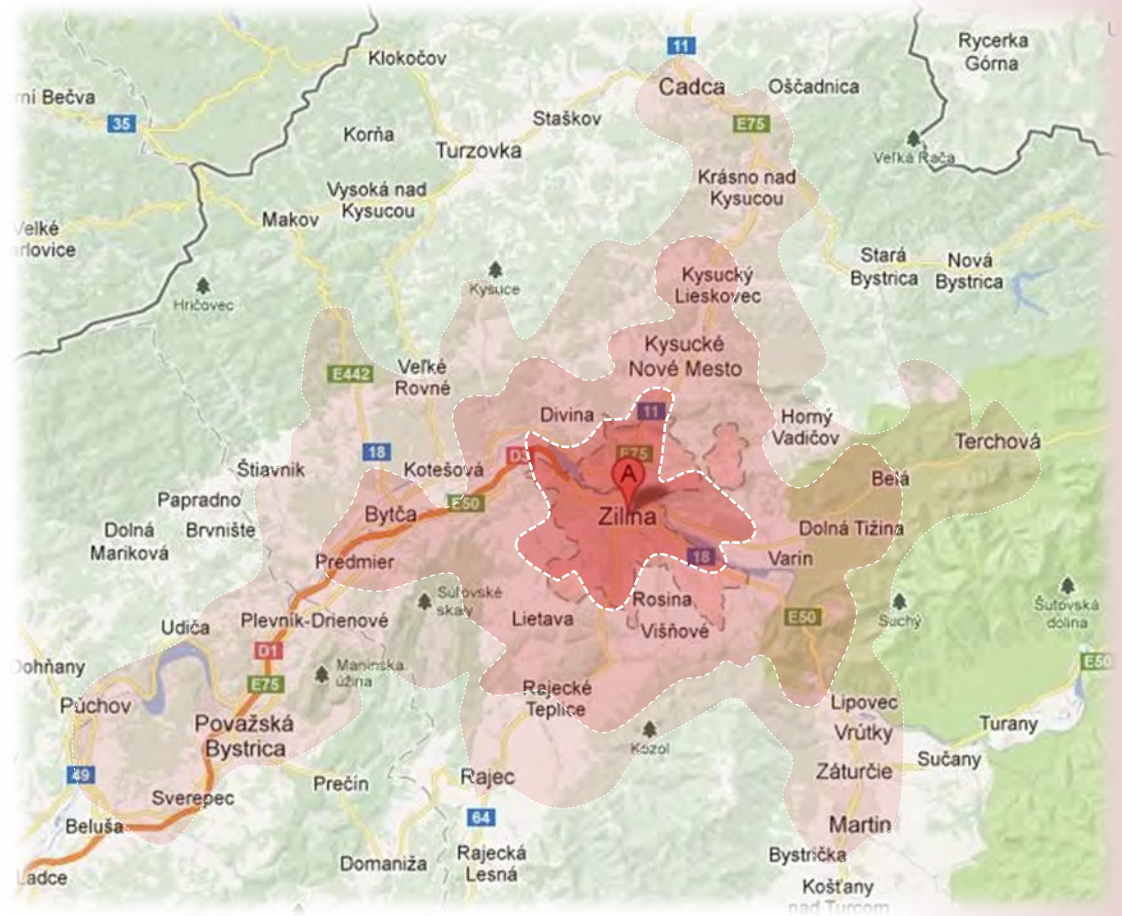
Retail space	Office space
22,000 m <sup>2</sup>	1,700 m <sup>2</sup>
99% let	In process

## Major Tenants

- Billa
- C&A
- Deichmann
- H&M
- New Yorker

Catchment	Population
10 minutes	90 000
20 minutes	180 000
30 minutes	380 000

- 85 000 residents
- Seat of a region of 700,000 residents



# Aupark (Zilina, Slovakia)





# Aupark (Zilina, Slovakia)



1<sup>st</sup> floor (Ground floor)



2<sup>nd</sup> floor



3<sup>rd</sup> floor

# Aupark (Zilina, Slovakia)



# Aupark (Zilina, Slovakia)



# Deva Shopping Centre (Deva, Romania)



# Deva Shopping Centre (Deva, Romania)

## Major Tenants

- Metro
- Real (will become Auchan)
- Praktiker DIY
- Domo
- Jysk
- Takko
- DM

- 56,650 residents
- GLA 41,700 m<sup>2</sup>
- Occupancy 100%
- Extension planned 12,400 m<sup>2</sup>

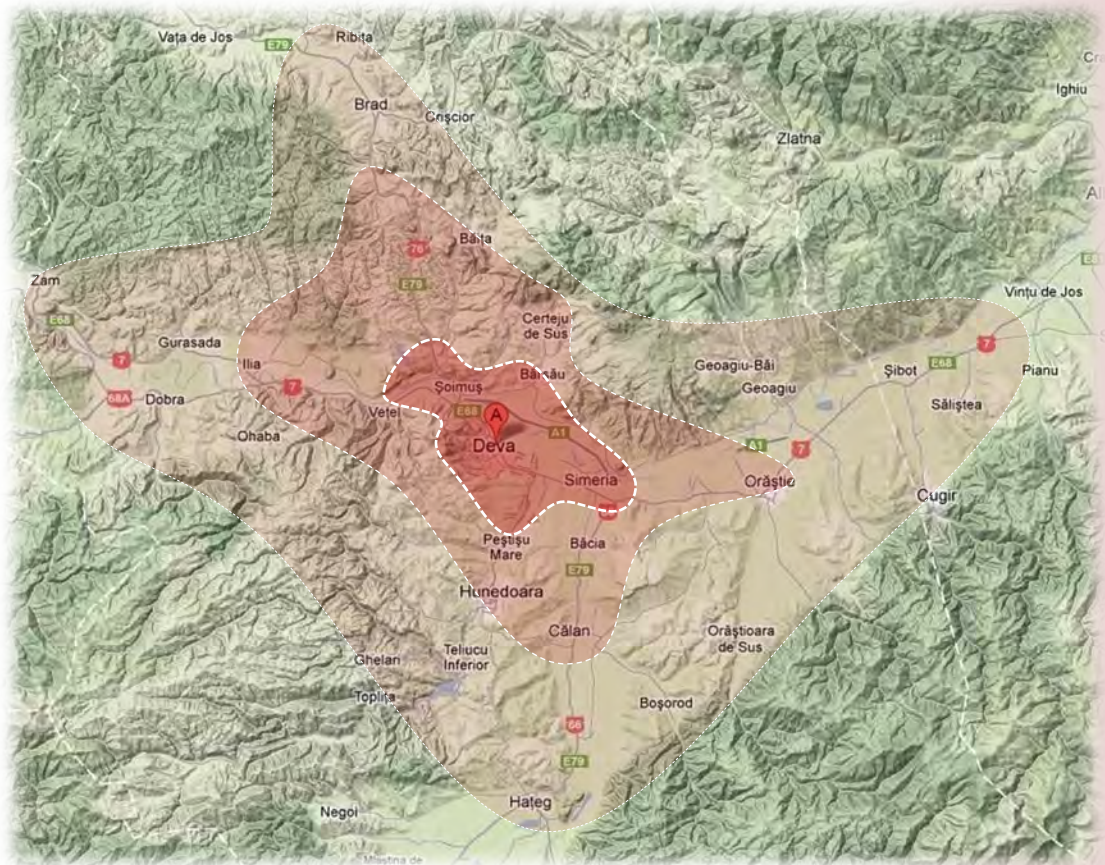
## Catchment

## Population

15 minutes	75 000
30 minutes	177 000
45 minutes	277 000



**396,000 inhabitants**



# Deva Shopping Centre (Deva, Romania)



# Deva Shopping Centre (Deva, Romania)



# Deva Shopping Centre (Deva, Romania)





# Deva Shopping Centre (Deva, Romania)



# Galati Shopping City (Galati, Romania)



# Galati Shopping City (Galati, Romania)

- Braila – Galati Region is known as “Lower Danube Metropolitan Area”
- 400,000 residents in the two cities



**812,300 inhabitants**





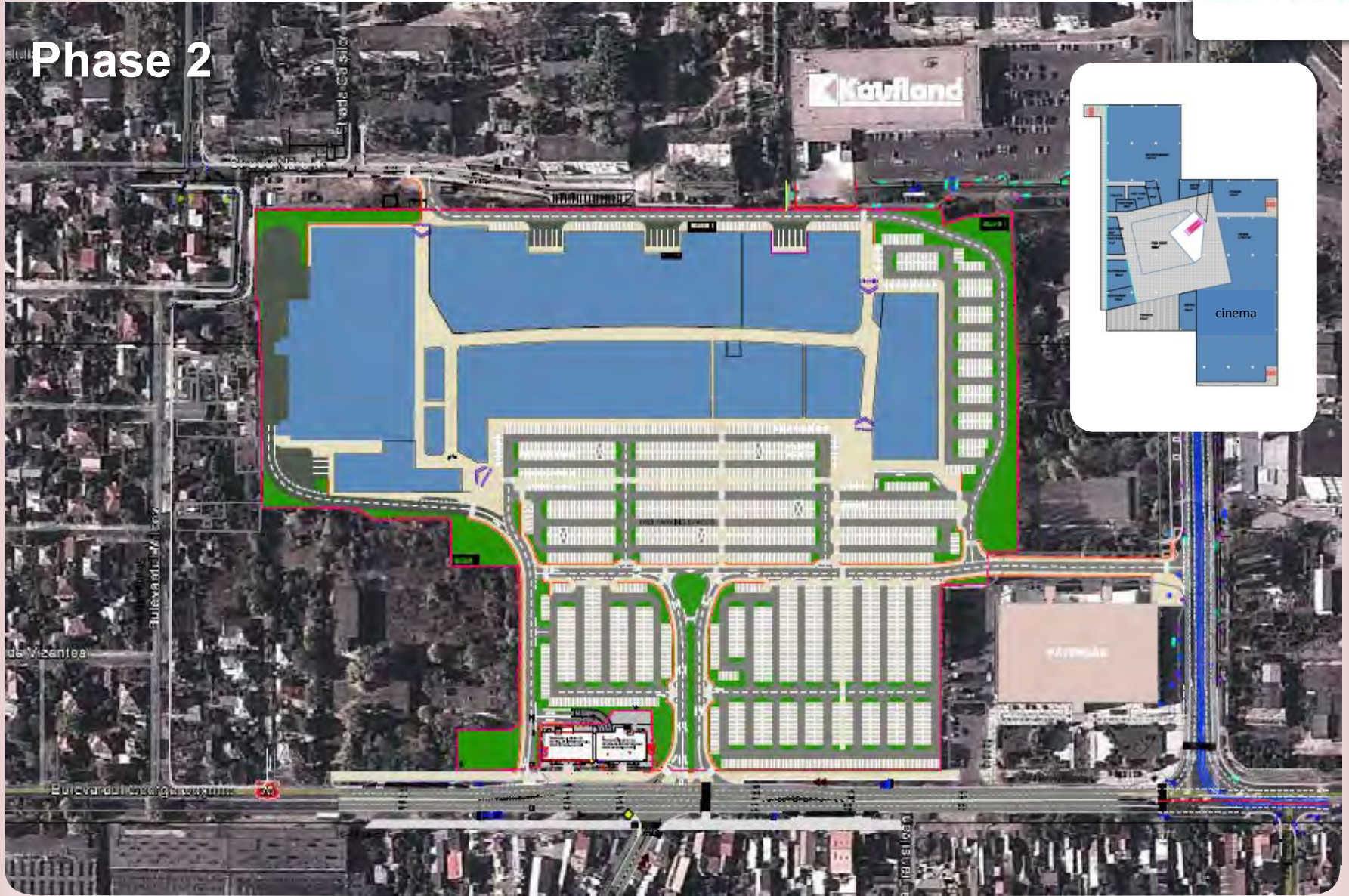
# Galati Shopping City (Galati, Romania)

Phase 1



# Galati Shopping City (Galati, Romania)

Phase 2



# Galati Shopping City (Galati, Romania)



# Galati Shopping City (Galati, Romania)





# Kaufland Value Extension (Alexandria, Romania)



# Kaufland Value Extension (Alexandria, Romania)



# Severin Shopping Center (Drobeta-Turnu Severin, Romania)



# Severin Shopping Center (Drobeta-Turnu Severin, Romania)

## Major Tenants

- Carrefour
- Altex
- Deichmann
- Takko
- Lee Cooper

## Catchment

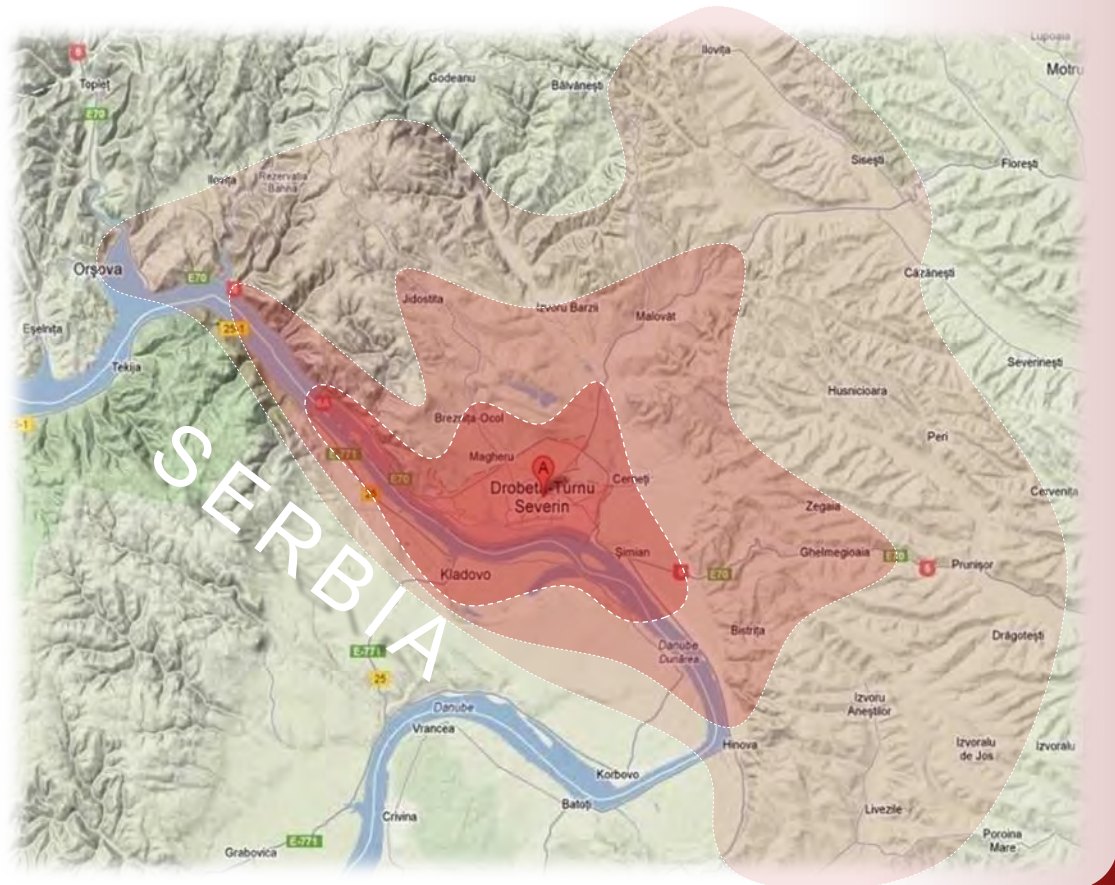
## Population

15 minutes	102 000
30 minutes	138 000
45 minutes	175 500



**255,000 inhabitants**

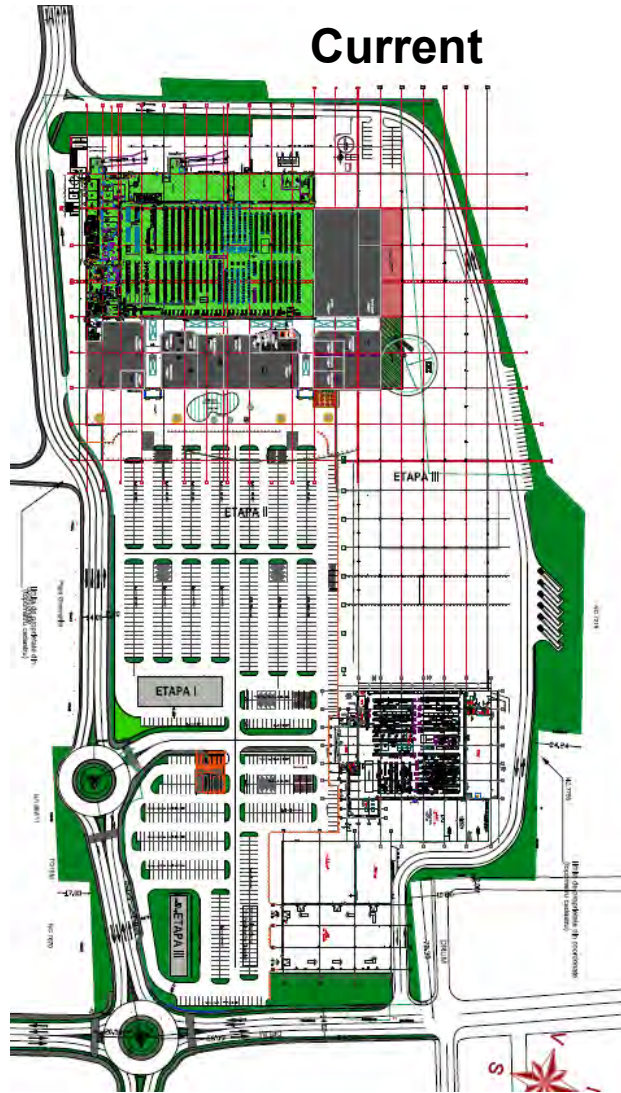
- **86,475 residents**
- **Existing GLA 16,574 m<sup>2</sup>**
- **Occupancy 100%**
- **Extension planned 9,447 m<sup>2</sup>**



# Severin Shopping Center (Drobeta-Turnu Severin, Romania)



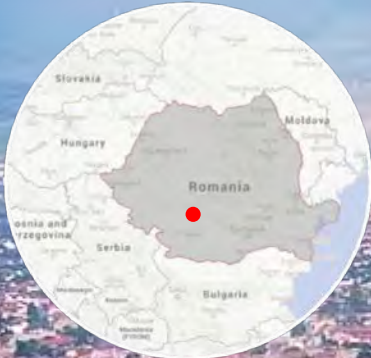
# Severin Shopping Center (Drobeta-Turnu Severin, Romania)



# Severin Shopping Center (Drobeta-Turnu Severin, Romania)



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





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

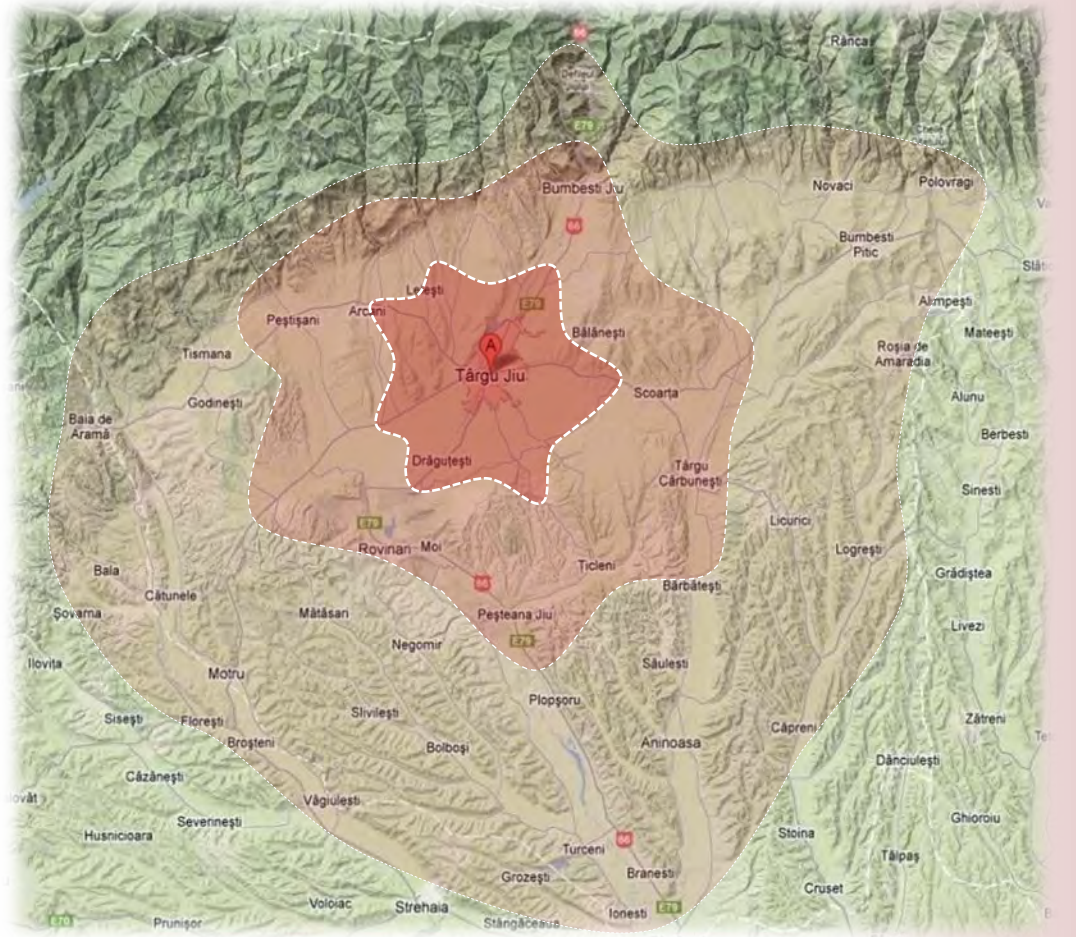


- 78,550 residents
- GLA – 26,799 m<sup>2</sup>

Catchment	Population
15 minutes	98 500
30 minutes	149 500
45 minutes	323 500



**335,000 inhabitants**



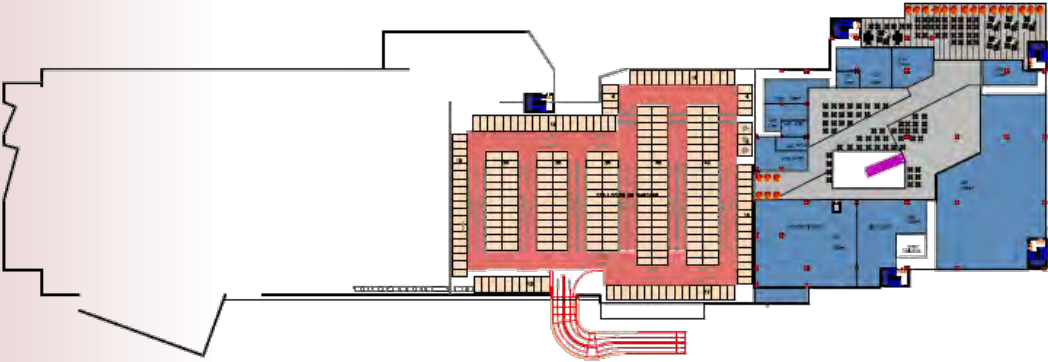
# Targu-Jiu Shopping City (Targu-Jiu, Romania)



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



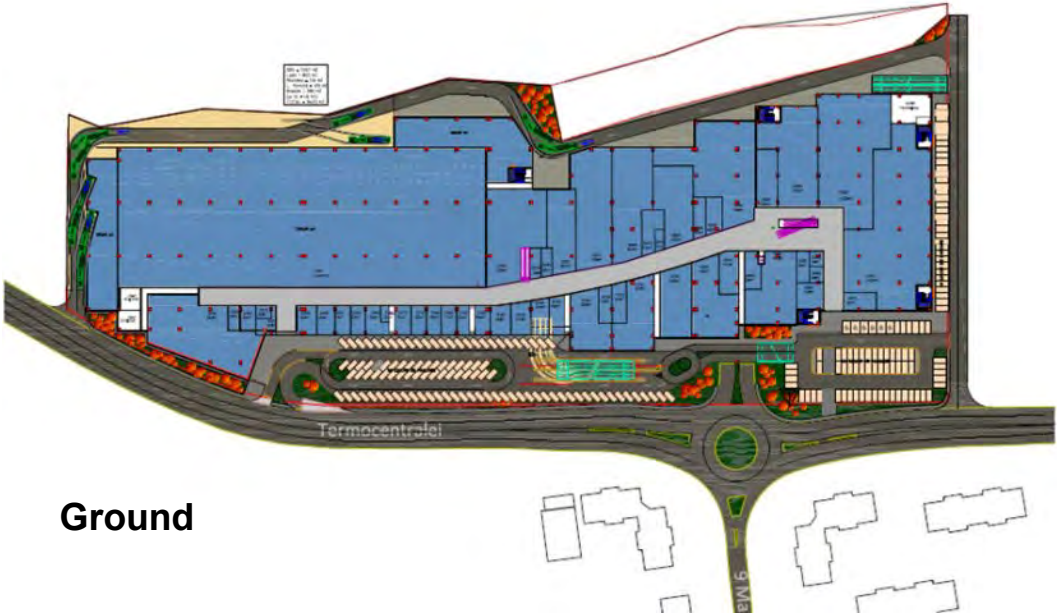
# Targu-Jiu Shopping City (Targu-Jiu, Romania)



Upper



Basement



Ground

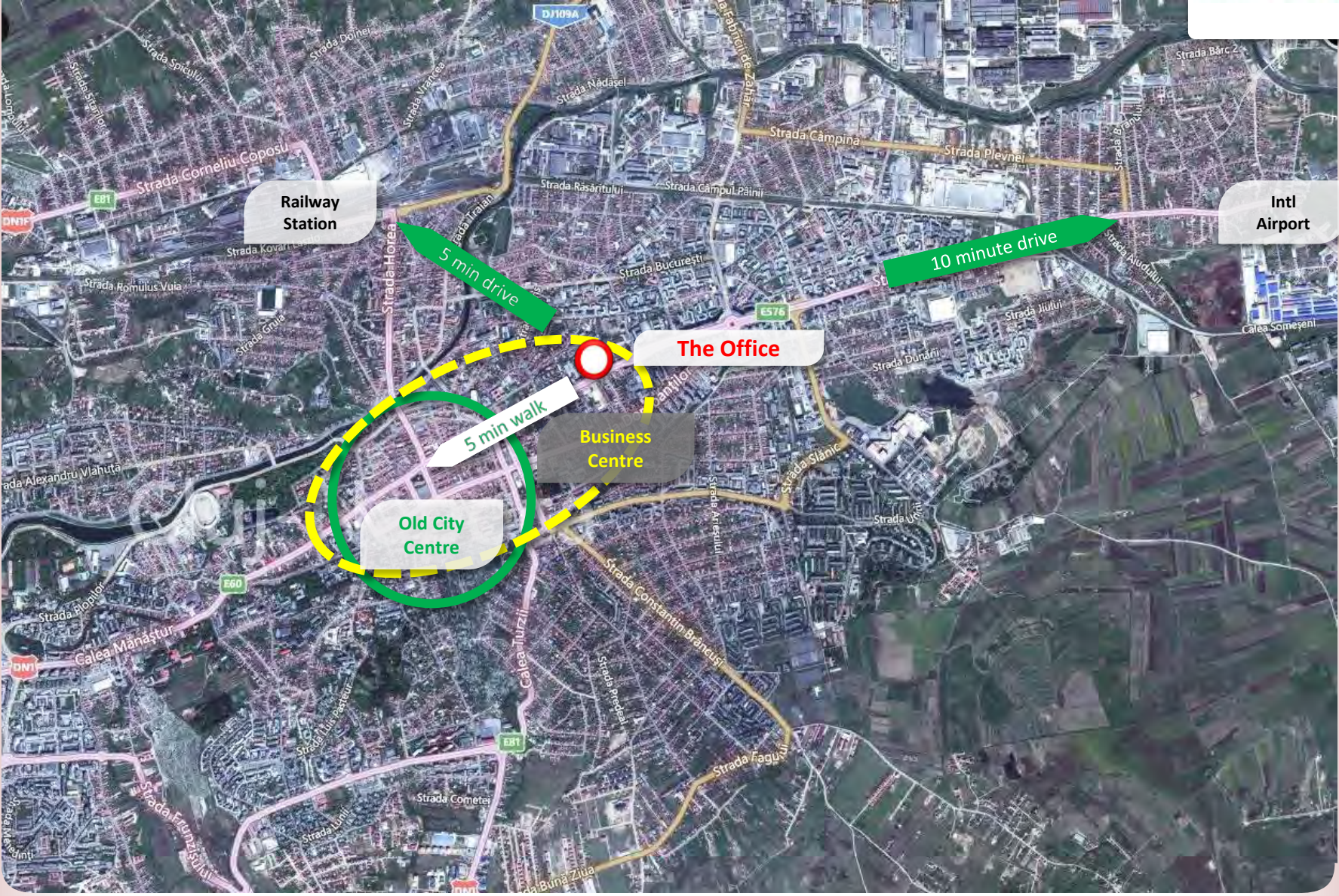
# Targu-Jiu Shopping City (Targu-Jiu, Romania)



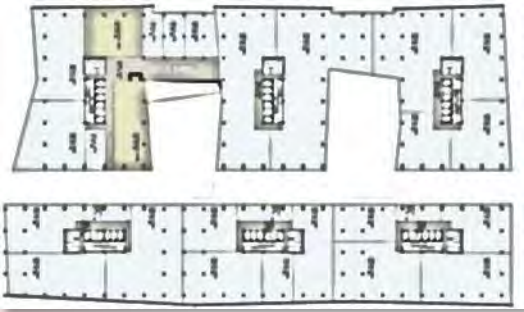
# The Office (Cluj, Romania)



# The Office (Cluj, Romania)



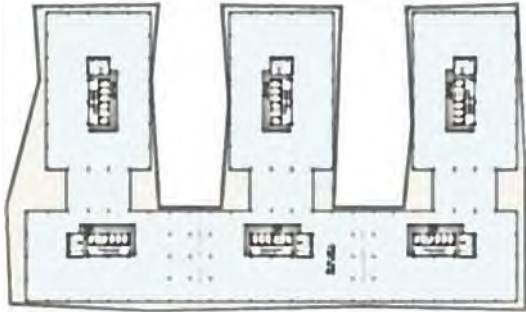
# The Office (Cluj, Romania)



**1st & 2nd FLOOR**



**3rd, 4th, 5th FLOOR**



**PENTHOUSE**



53,287m<sup>2</sup> of office area in 3 phases

**GROUND FLOOR**



# The Office (Cluj, Romania)



# The Office (Cluj, Romania)



- **Earnings guidance**
- **Further opportunities being pursued**
  - Two mall developments
  - One mall acquisition



## Questions & Answers