

The Company is required to publish financial results for the three months ended 31 March 2016 in terms of the rules of the Romanian Financial Supervisory Authority ('RFS') and the Rule Book of the Bucharest Stock Exchange ('BVB'). Accordingly, this announcement presents the unaudited condensed consolidated financial results of the Group in respect of the financial period from 1 January 2016 to 31 March 2016 in a form compliant with the requirements of the RFS and the BVB. Earnings guidance for the financial year remains unchanged.

Management Accounts

All amounts in € '000 unless otherwise stated

CONSOLIDATED STATEMENT OF INCOME	31 Mar 2016	31 Dec 2015	31 Mar 2015
Gross rental income	31 601	110 937	23 943
Net service charge and operating expenses	(465)	(2 526)	(592)
Service charge and other recoveries	13 509	44 074	9 491
Property operating expenses	(13 974)	(46 600)	(10 083)
Net operating income	31 136	108 411	23 351
Corporate expenses	(2 698)	(9 618)	(1 554)
Property management net result	842	2 902	760
EBITDA	29 280	101 695	22 557
Net finance (expense)/ income	(4 492)	(5 759)	(256)
Finance expense	(6 433)	(17 829)	(3 446)
Finance income	557	3 822	619
Interest capitalised on development costs	1 384	8 248	2 571
Non-controlling interest	2 676	(7 427)	1 755
Dividends received from financial investments	292	-	-
Current income tax	(79)	-	-
Direct investment result	27 677	88 509	24 056
Indirect investment result	(5 619)	69 889	(3 040)
Profit for the period attributable to equity holders	22 058	158 398	21 016
Reverse indirect result	5 619	(69 889)	3 040
Company specific adjustments	(1 531)	12 096	(102)
Distributable earnings before issue cum distribution	26 146	100 605	23 954
Issue cum distribution adjustment	341	1 954	362
Distributable earnings	26 487	102 559	24 316
Distributable earnings per share (euro cents)	8.75	35.34	8.61
of which recurring distributable earnings per share (euro cents)	8.75	34.76	8.61
Distribution per share (euro cents)	-	35.34	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 Mar 2016	31 Dec 2015	31 Mar 2015
ASSETS			
Non-current assets	1 899 181	1 858 740	1 529 040
Investment property	1 856 792	1 814 357	1 469 842
Investment property at fair value	1 714 808	1 655 219	1 200 850
Developments at cost	141 984	159 138	268 992
Goodwill	23 986	23 986	22 828
Other long-term assets	17 255	18 115	36 219
Financial assets at fair value through profit or loss	1 148	2 282	151
Current assets	408 421	410 095	175 983
Investment property held for sale	23 605	25 255	27 688
Trade and other receivables	50 495	55 229	50 039
Financial investments at fair value through profit or loss	22 015	-	-
Cash and cash equivalents	312 306	329 611	98 256
Total assets	2 307 602	2 268 835	1 705 023
LIABILITIES	804 272	772 285	454 947
Bank borrowings	223 846	201 095	294 912
Bonds	394 456	393 414	-
Deferred tax liabilities	98 154	93 571	69 756
Other long-term liabilities	15 538	15 443	14 348
Financial liabilities at fair value through profit or loss	3 480	3 417	4 878
Trade and other payables	68 798	65 345	71 053
Equity attributable to equity holders	1 503 330	1 496 550	1 250 076
Total liabilities and equity attributable to equity holders	2 307 602	2 268 835	1 705 023
Adjusted net asset value per share (euro)	5.21	5.25	4.62

RECONCILIATION OF PROFIT FOR THE PERIOD TO DISTRIBUTABLE EARNINGS	31 Mar 2016	31 Dec 2015	31 Mar 2015
Profit for the period attributable to equity holders	22 058	158 398	21 016
Unrealised foreign exchange (gain)/ loss	(145)	348	19
Acquisition fees	721	933	520
Share-based payment expense	-	670	7
Accrued interest on share-based payments	1	89	100
Fair value adjustments of investment property	-	(89 946)	-
Loss on disposal of investment property held for sale	235	-	-
Fair value adjustment of financial assets and liabilities	1 197	(1 398)	(202)
Amortisation of financial assets	(1 670)	(3 554)	(166)
Fair value gains of financial investments	(995)	-	-
Dividends received from financial investments	(292)	-	-
Accrued dividend for financial investments	394	-	-
Deferred tax expense	4 583	19 508	2 591
Shares issued cum distribution	341	1 954	362
Adjustments related to non controlling interest			
Fair value adjustment of Investment property	-	18 598	-
Deferred tax expense	59	(3 041)	69
Distributable earnings for the period	26 487	102 559	24 316
Less: distribution declared	-	(102 559)	-
Interim distribution	-	(51 304)	-
Final distribution	-	(51 255)	-
Earnings not distributed	26 487	-	24 316
Number of shares entitled to distribution	302 714 153	298 590 564	282 423 985
Distributable earnings per share for the period (euro cents)	8.75	35.34	8.61
Less: Distribution declared per share (euro cents)	-	(35.34)	-
Interim distribution per share (euro cents)	-	(18.17)	-
Final distribution per share (euro cents)	-	(17.17)	-
Earnings not distributed (euro cents)	8.75	-	8.61

LEASE EXPIRY PROFILE	2016	2017	2018	2019	2020	2021	2022	2023	2024	≥2025	Total
Total based on rental income	2.9%	9.5%	12.2%	13.8%	16.7%	15.5%	5.1%	3.0%	4.3%	17.0%	100%
Total based on rented area	1.0%	6.4%	12.1%	12.5%	14.0%	14.1%	5.6%	5.4%	5.6%	23.3%	100%

BASIS OF PREPARATION

These unaudited condensed consolidated financial results for the three months ended 31 March 2016 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 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 2015.

As the Group is focusing on being consistent in 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 financial statements is that the management accounts statements are prepared using the proportionate consolidation method for investments in joint-ventures, which is not in accordance with IFRS (but consistent with financial statements prepared in accordance with IFRS reported before 1 January 2013), while the IFRS financial 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 condensed consolidated financial results for the three months ended 31 March 2016, prepared in accordance with IFRS and the management accounts have not been reviewed or reported on by the Group's external auditors.

By order of the Board of Directors
 Alex Morar (Chief Executive Officer), Mirela Covasa (Finance Director)

13 May 2016

IFRS Accounts

All amounts in € '000 unless otherwise stated

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Unaudited 31 Mar 2016	Audited 31 Dec 2015	Unaudited 31 Mar 2015
Net rental and related income	29 773	104 067	22 298
Contractual rental income and expense recoveries	43 206	148 799	31 938
Property operating expenses	(13 433)	(44 732)	(9 640)
Administrative expenses	(1 825)	(6 695)	(703)
EBITDA	27 948	97 372	21 595
Acquisition fees	(721)	(933)	(520)
Fair value adjustments of investment property	-	81 742	-
Fair value gains on financial investments at fair value through profit or loss	995	-	-
Dividends received from financial investments	292	-	-
Share-based payment expense	-	(670)	(7)
Foreign exchange gain/ (loss)	111	(339)	(55)
Loss on disposal of investment property held for sale	(235)	-	-
Profit before net finance income/(expense)	28 390	177 172	21 013
Net finance income/(expense)	(3 003)	(916)	774
Finance income	1 613	7 613	1 380
Finance expense	(4 616)	(8 529)	(606)
Changes in fair value of financial instruments	(740)	1 149	298
Share of (loss)/ profit of joint ventures	(838)	2 399	(161)
Profit before tax	23 809	179 804	21 924
Current tax expense	(79)	-	-
Deferred tax expense	(4 348)	(13 979)	(2 663)
Profit after tax	19 382	165 825	19 261
Total comprehensive income for the year	19 382	165 825	19 261
Non-controlling interest	2 676	(7 427)	1 755
Profit for the period attributable to equity holders	22 058	158 398	21 016
Weighted average number of shares in issue	298 977 923	284 461 222	274 638 368
Diluted weighted average number of shares in issue	299 002 923	285 813 260	278 186 394
Basic earnings per share (euro cents)	7.38	55.68	7.65
Diluted earnings per share (euro cents)	7.38	55.42	7.55

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Unaudited 31 Mar 2016	Audited 31 Dec 2015	Unaudited 31 Mar 2015
ASSETS			
Non-current assets	1 866 744	1 829 440	1 502 668
Investment property	1 774 558	1 732 760	1 402 862
Investment property at fair value	1 635 486	1 576 019	1 140 791
Investment property under development	139 072	156 741	262 071
Goodwill	23 986	23 986	22 828
Investments in joint ventures	14 802	15 640	9 033
Long-term loans granted to joint ventures	35 038	36 674	31 578
Other long-term assets	17 212	18 098	36 216
Financial assets at fair value through profit or loss	1 148	2 282	151
Current assets	380 794	381 097	144 547
Trade and other receivables	49 763	54 487	49 087
Financial investments at fair value through profit or loss	22 015	-	-
Cash and cash equivalents	309 016	326 610	95 460
Investment property held for sale	23 605	25 255	27 688
Total assets	2 271 143	2 235 792	1 674 903
EQUITY AND LIABILITIES			
Total equity attributable to equity holders	1 503 330	1 496 550	1 250 076
Share capital	3 027	2 986	2 793
Share premium	1 213 265	1 213 325	1 075 750
Share-based payment reserve	4 797	4 797	4 135
Currency translation reserve	(1 229)	(1 229)	(1 229)
Accumulated profit	284 517	275 042	176 181
Non-controlling interest	(1 047)	1 629	(7 554)
Total liabilities	767 813	739 242	424 827
Non-current liabilities	687 594	661 717	233 892
Bank borrowings	183 737	162 788	149 252
Bonds	393 048	392 140	-
Deferred tax liabilities	94 000	89 652	67 322
Other long-term liabilities	15 054	14 988	14 054
Financial liabilities at fair value through profit or loss	1 755	2 149	3 264
Current liabilities	80 219	77 525	190 935
Trade and other payables	66 978	62 827	69 873
Bank borrowings	11 833	13 424	121 062
Interest accrued on bonds	1 408	1 274	-
Total equity and liabilities	2 271 143	2 235 792	1 674 903

SEGMENTAL ANALYSIS	Retail	Office	Industrial	Corporate	Total
31 March 2016 (unaudited)					
Contractual rental income and expense recoveries	35 475	7 226	505	-	43 206
Profit before net finance expense	22 838	4 579	443	530	28 390
Total Assets	1 570 301	379 650	17 407	303 785	2 271 143
Total Liabilities	262 240	108 558	2 403	394 612	767 813
31 March 2015 (unaudited)					
Contractual rental income and expense recoveries	24 693	6 746	499	-	31 938
Profit before net finance expense	18 233	2 855	403	(478)	21 013
Total Assets	1 242 768	322 220	17 407	92 508	1 674 903
Total Liabilities	256 321	137 380	2 417	28 709	424 827

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 2015	2 746	1 074 310	4 127	(1 299)	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
Balance at 1 January 2016	2 986	1 213 325	4 797	(1 229)	275 042	1 629	1 496 550
Transactions with owners	41	(60)	-	-	(12 583)	-	(12 602)
- Issue of shares	41	(60)	-	-	-	-	(19)
- Earnings distribution	-	-	-	-	(12 583)	-	(12 583)
Total comprehensive income	-	-	-	-	22 058	(2 676)	19 382
- Profit for the period	-	-	-	-	22 058	(2 676)	19 382
Balance at 31 March 2016	3 027	1 213 265	4 797	(1 229)	284 517	(1 047)	1 503 330

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	Unaudited 31 Mar 2016	Audited 31 Dec 2015	Unaudited 31 Mar 2015
Profit after tax	19 382	165 825	19 261
Adjustments	7 007	(66 987)	1 653
Changes in working capital	5 031	1 378	34 934
Cash flows from operating activities	31 420	100 216	55 848
Proceeds from issue of shares	(19)	139 255	1 487
Earnings distribution	(12 583)	(50 489)	(11 968)
Net movements in bank loans and bonds borrowings	20 558	297 522	(6 703)
Other payments	-	(2 395)	-
Cash flows from financing activities	7 956	383 893	(17 184)
Investments in acquisitions and developments	(36 242)	(265 735)	(51 440)
Net cash flow used in financial investments	(20 728)	-	-
Cash flows used in investing activities	(56 970)	(265 735)	(51 440)
Net increase in cash and cash equivalents	(17 594)	218 374	(12 776)
Cash and cash equivalents brought forward	326 610	108 236	108 236
Cash and cash equivalents carried forward	309 016	326 610	95 460

RECONCILIATION OF NET ASSET VALUE TO ADJUSTED NET ASSET VALUE	Unaudited 31 Mar 2016	Audited 31 Dec 2015	Unaudited 31 Mar 2015
Net Asset Value per the Statement of financial position	1 503 330	1 496 550	1 250 076
Loans in respect of the Initial Share Scheme	64	64	8 003
Deferred tax liabilities	94 000	89 652	67 322
Goodwill	(23 986)	(23 986)	(22 828)
Deferred tax liabilities for joint ventures	4 154	3 919	2 434
Adjusted Net Asset Value	1 577 562	1 566 199	1 305 007
Net Asset Value per share (euro)	4.97	5.01	4.48
Adjusted Net Asset Value per share (euro)	5.21	5.25	4.62
Number of shares for Net Asset Value per share purposes	302 689 153	298 565 564	279 250 260
Number of shares for adjusted Net Asset Value per share purposes	302 714 153	298 590 564	282 423 985

RECONCILIATION OF PROFIT FOR THE PERIOD TO HEADLINE EARNINGS	Unaudited 31 Mar 2016	Audited 31 Dec 2015	Unaudited 31 Mar 2015
Profit for the period attributable to equity holders	22 058	158 398	21 016
Fair value adjustments of investment property	-	(81 742)	-
Loss on sale of investment property held for sale	235	-	-
Total tax effects of adjustments	-	14 333	-
Fair value adjustment of investment property for joint ventures	-	(8 204)	-
Total tax effects of adjustments for joint ventures	-	1 312	-
Headline earnings	22 293	84 097	21 016
Weighted average number of shares in issue	298 977 923	284 461 222	274 638 368
Diluted weighted average number of shares in issue	299 002 923	285 813 260	278 186 394
Headline earnings per share (euro cents)	7.46	29.56	7.65
Diluted headline earnings per share (euro cents)	7.46	29.42	7.55

KEY PERFORMANCE INDICATORS	31 Mar 2016
Current liquidity ratio*	5.74
Gearing ratio**	15.6%
Tenant's receivable turnover	30.37
Return on investment property	7.28%

* Current liquidity ratio=(Current assets+Unused Revolving Facilities)/ Current liabilities
** Gearing ratio=(Loans and borrowings-Cash and cash equivalents)/(Investment property+Financial investments at fair value through profit or loss)

DEBT REPAYMENT PROFILE	Type	Secured/Unsecured	Ownership	Outstanding amount	Available for drawdown	2016	2017	2018	2019	2020	2021 and beyond
Aupark Kosice	Term loan	Secured	100%	103 618	-	4 145	5 526	5 526	5 526	82 895	-
Floreasca Business Park*	Term loan	Secured	100%	46 807	-	2 940	3 920	39 947	-	-	-
Aupark Zilina	Term loan	Secured	100%	45 405	-	1 547	43 858	-	-	-	-
Ploiesti Shopping City (joint venture)	Term loan	Secured	50%	16 060	-	821	1 095	1 095	1 095	1 095	10 859
The Office, Cluj-Napoca (joint venture)	Term loan	Secured	50%	12 539	4 500	513	630	630	630	630	9 506
Timisoara City Business Centre One	Term loan	Secured	100%	-	20 000	-	-	-	-	-	-
NE Property Cooperatief	Fixed coupon bonds	Unsecured	100%	400 000	-	-	-	-	-	-	400 000
NE Property Cooperatief	Revolving facility	Unsecured	100%	-	80 000	-	-	-	-	-	-
Total				624 429	104 500	9 966	55 029	47 198	7 251	84 620	420 365

The reference base rate (1 month EURIBOR, 3 month EURIBOR) was hedged with a weighted average interest rate cap of 0.3% for 47% of the outstanding notional amount and a weighted average interest rate swap of 1.7% for 53% of the outstanding notional amount.

*Floreasca Business Park term loan was voluntarily repaid in April 2016.