

## NEW EUROPE PROPERTY INVESTMENTS PLC

(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 JSE share code: NEP BVB share code: NEP

ISIN: IM00B23XCH02

(“NEPI” or “the company”)



---

## FINANCIAL EFFECTS OF THE ACCELERATED BOOK BUILD AND TOTAL VOTING RIGHTS

---

Shareholders are referred to the results of the book build announcement released on 4 August 2014 in terms of which shareholders were advised that a total of 15,041,885 new shares (“**new shares**”) would be issued and listed today, 11 August 2014.

As the number of new shares issued in terms of the book build is in excess of 5% of the number of NEPI shares in issue prior to the book build, the company, in terms of the JSE Listings Requirements, required to publish the financial effects of the issue of the new shares.

Accordingly, the table below sets out the unaudited pro forma financial effects of the book build based on NEPI’s unaudited consolidated statement of income for the six months ended 30 June 2014 and NEPI’s unaudited consolidated statement of financial position as at 30 June 2014. These financial effects are the responsibility of the directors of NEPI and they have been prepared for illustrative purposes only, in order to provide information about the financial results and the financial position of NEPI assuming that the book build had been implemented on 1 January 2014 and 30 June 2014, respectively.

Due to their nature, the unaudited pro forma financial effects may not give a fair reflection of NEPI’s financial position, changes in equity, results of operations and cash flows subsequent to the book build. The unaudited pro forma financial effects have not been reviewed or reported on by the independent reporting accountants or external auditors.

The unaudited pro forma financial effects have been prepared in accordance with the accounting policies of the NEPI group that were used in the preparation of the results for the year ended 31 December 2013. The issue price of R95.50, representing a 0.65% discount to the 30-day volume weighted average traded price prior to the date that the book build, was agreed between NEPI and the parties subscribing for the new shares. The proceeds of the book build will be used to fund developments and acquisitions of the company’s further operating assets.

The table below reflects the unaudited pro forma financial effects of the book build on a NEPI shareholder:

---

|  | Before the<br>book build | After the<br>book build | Change after<br>the book build<br>(%) |
|--|--------------------------|-------------------------|---------------------------------------|
| Basic weighted average earnings per share (EUR cents)  | 14.62                    | 14.42                   | (1.37)                                |
| Diluted weighted average earnings per share (EUR cents)  | 14.30                    | 14.12                   | (1.26)                                |
| Distributable earnings per share (EUR cents)   | 14.16                    | 14.00                   | (1.13)                                |
| Headline earnings per share (EUR cents)  | 13.95                    | 13.79                   | (1.15)                                |
| Diluted headline earnings per share (EUR cents)  | 13.64                    | 13.50                   | (1.03)                                |
| Net asset value per share (EUR)  | 3.76                     | 3.94                    | 4.79                                  |
| Net tangible asset value per share (EUR)   | 3.68                     | 3.87                    | 5.16                                  |
| Adjusted net asset value per share (EUR)   | 3.89                     | 4.06                    | 4.37                                  |
| Weighted average number of shares in issue   | 207,579,778              | 222,621,663             | 7.25                                  |
| Diluted weighted average number of shares in issue   | 212,287,132              | 227,329,017             | 7.09                                  |
| Number of shares in issue for net asset value and net tangible<br>asset value per share purposes | 220,412,304              | 235,454,189             | 6.82                                  |
| Number of shares in issue for adjusted net asset value per share<br>purposes                     | 225,119,658              | 240,161,543             | 6.68                                  |

---

**Notes and assumptions:**

1. The figures set out in the “Before the book build” column above have been extracted from the unaudited consolidated statement of income for the six months ended 30 June 2014 and the unaudited consolidated statement of financial position as at 30 June 2014.
2. The book build is assumed to have been implemented on 1 January 2014 for basic weighted average earnings, diluted weighted average earnings, distributable earnings, headline earnings and diluted headline earnings per share purposes and on 30 June 2014 for net asset value, adjusted net asset value and net tangible asset value per share purposes.
3. 15,041,885 new shares are assumed to be issued pursuant to the book build, thereby raising capital of EUR100 million (R1 437 million).
4. Estimated costs relating to the book build of approximately EUR0.5 million have been written off against share premium.
5. The net proceeds of the book build are intended to be used partly for the repayment of bank borrowings due in the next 12 months (EUR50 million) and the balance to fund yield enhancing investment opportunities in direct property (EUR49.5 million). However, there are no firm commitments at the date of this announcement to deploy the proceeds which will be received from the book build. Accordingly, there is no factually supportable financial information regarding potential investments. Consequently, it has been assumed that EUR49.5 million of the net proceeds of the book build are held in cash and cash equivalents.
6. Finance income of EUR0.5 million is assumed to be earned throughout the six months ended 30 June 2014 on the net proceeds from the book build held in cash and cash equivalents at a rate of 2.00%, being the historical interest rate on NEPI’s deposits.
7. Finance expense is assumed to decrease by EUR1.2 million throughout the six months ended 30 June 2014 due to repayment of current bank borrowings with an average borrowing cost of 4.98%, being the historical interest rate on NEPI’s bank borrowings.
8. A EUR:ZAR exchange rate of EUR1.00:R14.3658 is assumed to apply.
9. Distributable earnings are assumed to be earned evenly throughout the six months ended 30 June 2014.
10. All statement of income adjustments have a continuing effect.

**Total Voting Rights**

The new shares issued under the book build have been admitted to trading on the JSE Limited, AIM and the Bucharest Stock Exchange (“**BVB**”) today, 11 August 2014 (“**admission**”).

Following admission, the total issued share capital of the company will increase to 240,161,543 ordinary shares with voting rights. Therefore, the total number of voting rights in NEPI will be 240,161,543 which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, NEPI under the UK Financial Services Authority's Disclosure and Transparency Rules.

For further information please contact:

|   |                  |
|---|------------------|
| New Europe Property Investments plc<br>Martin Slabbert  | +40 74 432 8882  |
| Nominated Adviser and Broker<br>Smith & Williamson Corporate Finance Limited<br>Azhic Basirov | +44 20 7131 4000 |
| JSE sponsor<br>Java Capital   | +27 11 283 0042  |
| Romanian advisor<br>SSIF Intercapital Invest SA<br>Razvan Pasol                               | +40 21 222 8731  |

11 August 2014