

IFRS Accounts

CONSOLIDATED STATEMENTS OF INCOME

	Unaudited 31 Mar 2015	Audited 31 Dec 2014	Unaudited 31 Mar 2014
Net rental and related income	22 298	61 749	14 624
Contractual rental income and expense recoveries	31 938	87 017	19 763
Property operating expenses	(9 640)	(25 268)	(5 139)
Administrative expenses	(703)	(2 839)	(536)
Acquisition fees	(520)	(2 357)	(107)
Fair value adjustments of investment property	-	27 980	-
Fair value gains/(losses) of financial investments at fair value through profit or loss	-	1 299	(150)
Dividends received from financial investments	-	2 417	803
Share-based payment expense	(7)	(675)	(3)
Foreign exchange loss	(55)	(241)	(847)
Gain on acquisition of subsidiaries	-	1 400	1 400
Gain on disposal of investment property	-	619	-
Profit before net finance income/(expense)	21 013	89 352	15 184
Net finance income/(expense)	1 072	1 412	(1 516)
Finance income	1 702	7 315	1 385
Finance expense	(630)	(5 903)	(2 901)
Share of (loss)/profit of joint ventures	(161)	4 148	(368)
Profit before tax	21 924	94 912	13 300
Deferred tax expense	(2 663)	(637)	(535)
Profit after tax	19 261	94 275	12 765
Non-controlling interest	1 755	4 920	515
PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS	21 016	99 195	13 280
Weighted average number of shares in issue	274 638 368	225 426 685	199 836 882
Diluted weighted average number of shares in issue	278 186 394	229 775 959	204 544 236
Basic weighted average earnings per share (euro cents)	7.65	44.00	6.65
Diluted weighted average earnings per share (euro cents)	7.55	43.17	6.49
Distributable earnings per share (euro cents)	8.61	29.69	7.34
Headline earnings per share (euro cents)	7.65	30.19	5.94
Diluted headline earnings per share (euro cents)	7.55	29.62	5.81

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited 31 Mar 2015	Audited 31 Dec 2014	Unaudited 31 Mar 2014
ASSETS			
Non-current assets	1 502 668	1 368 193	910 017
Investment property	1 402 862	1 269 299	818 560
Investment property at fair value	1 140 791	978 980	705 920
Investment property under development	262 071	208 246	112 640
Advances paid for investment property	-	82 073	-
Goodwill	22 828	17 639	16 218
Investments in joint ventures	9 033	13 241	5 124
Long-term loans granted to joint ventures	31 578	30 395	38 714
Other long-term assets	36 216	37 444	30 115
Financial assets at fair value through profit or loss	151	175	1 286
Current assets	144 547	148 705	154 863
Trade and other receivables	49 087	40 469	33 047
Financial investments at fair value through profit or loss	-	-	30 649
Cash and cash equivalents	95 460	108 236	91 167
Investment property held for sale	27 688	27 360	1 561
TOTAL ASSETS	1 674 903	1 544 258	1 066 441
EQUITY AND LIABILITIES			
Equity attributable to equity holders	1 250 076	1 241 289	724 494
Share capital	2 793	2 746	1 999
Share premium	1 075 750	1 074 310	632 302
Share-based payment reserve	4 135	4 127	3 456
Currency translation reserve	(1 229)	(1 229)	(1 229)
Accumulated profit	176 181	167 133	89 360
Non-controlling interest	(7 554)	(5 798)	(1 394)
Total liabilities	424 827	302 969	341 947
Non-current liabilities	233 892	241 345	240 113
Loans and borrowings	149 252	171 071	178 080
Deferred tax liabilities	67 322	57 517	51 213
Other long-term liabilities	14 054	9 171	6 759
Financial liabilities at fair value through profit or loss	3 264	3 586	4 061
Current liabilities	190 935	61 624	101 834
Trade and other payables	69 873	38 365	27 061
Loans and borrowings	121 062	23 259	74 773
TOTAL EQUITY AND LIABILITIES	1 674 903	1 544 258	1 066 441

RECONCILIATION OF NET ASSET VALUE TO ADJUSTED NET ASSET VALUE

	Unaudited 31 Mar 2015	Audited 31 Dec 2014	Unaudited 31 Mar 2014
Net asset value per the statement of financial position	1 250 076	1 241 289	724 494
Loans in respect of the Initial Share Scheme	8 003	9 132	11 574
Deferred tax liabilities	67 322	57 517	51 213
Goodwill	(22 828)	(17 639)	(16 218)
Deferred tax liabilities/(assets) for joint ventures	2 434	(1 610)	(480)
Adjusted net asset value	1 305 007	1 288 689	770 583
Net asset value per share (euro)	4.48	4.52	3.63
Adjusted net asset value per share (euro)	4.62	4.63	3.77
Number of shares for net asset value per share purposes	279 250 260	274 526 188	199 836 882
Number of shares for adjusted net asset value per share purposes	282 423 985	278 138 240	204 544 236

KEY PERFORMANCE INDICATORS

	Unaudited 31 Mar 2015	Unaudited 31 Mar 2014
Current liquidity ratio	1.24*	1.54
Gearing ratio (debt to equity)	12%	25%
Tenant's receivable turnover	5.77 days	7.54 days
Return on investment property	8% per annum	8% per annum

* Computation includes the revolving facilities remaining unused as at 31 March 2015

The Company is required to publish financial results for the three months ended 31 March 2015 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 2015 to 31 March 2015 in a form compliant with the requirements of the RFS and the BVB.

Management Accounts

CONSOLIDATED STATEMENTS OF INCOME

	31 Mar 2015	31 Dec 2014	31 Mar 2014
Gross rental income	23 943	67 459	16 342
Net service charge and operating expenses	(592)	(1 733)	(820)
Service charge and other recoveries	9 491	25 619	4 886
Property operating expenses	(10 083)	(27 352)	(5 706)
Net operating income	23 351	65 726	15 522
Corporate expenses	(1 554)	(4 667)	(920)
Property management net result	760	1 498	306
EBITDA	22 557	62 557	14 908
Net finance income/(expense)	1 499	3 372	(903)
Finance income	619	6 374	1 726
Finance expense	(1 691)	(7 502)	(3 990)
Interest capitalised on development costs	2 571	4 500	1 361
Direct investment result	24 056	65 929	14 005
Indirect investment result	(3 040)	33 266	(725)
Profit for the year attributable to equity holders	21 016	99 195	13 280
Reverse indirect result	3 040	(33 266)	725
Company specific adjustments	(102)	2 273	1 008
Distributable earnings before issue cum distribution	23 954	68 202	15 013
Issue cum distribution adjustment	362	6 870	-
Distributable earnings	24 316	75 072	15 013
Distributable earnings per share (euro cents)	8.61	29.69	7.34
of which recurring distributable earnings per share (euro cents)	8.61	29.69	7.34
Distribution per share (euro cents)	-	32.22	-

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	31 Mar 2015	31 Dec 2014	31 Mar 2014
ASSETS			
Non-current assets	1 529 040	1 389 772	933 624
Investment property	1 469 842	1 334 512	886 003
Income producing properties at fair value	1 200 850	1 038 545	760 789
Developments at cost	268 992	213 894	125 214
Advances paid for investment property	-	82 073	-
Goodwill	22 828	17 639	16 218
Long-term loans granted	36 219	37 446	30 117
Financial assets at fair value through profit or loss	151	175	1 286
Current assets	175 983	180 526	166 740
Investment property held for sale	27 688	27 360	1 561
Trade and other receivables	50 039	41 199	34 672
Financial investments at fair value through profit and loss	-	-	30 649
Cash and cash equivalents	98 256	111 967	99 858
TOTAL ASSETS	1 705 023	1 570 298	1 100 364
LIABILITIES	454 947	329 009	375 870
Loans and borrowings	294 912	218 399	283 748
Deferred tax liabilities	69 756	55 907	50 733
Other long-term liabilities	14 348	9 446	6 864
Financial liabilities at fair value through profit and loss	4 878	5 104	4 837
Trade and other payables	71 053	40 153	29 688
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS	1 250 076	1 241 289	724 494
TOTAL LIABILITIES AND EQUITY ATTRIBUTABLE TO EQUITY HOLDERS	1 705 023	1 570 298	1 100 364
Adjusted NAV per share (euro)	4.62	4.63	3.77

RECONCILIATION OF PROFIT FOR THE PERIOD TO DISTRIBUTABLE EARNINGS

	31 Mar 2015	31 Dec 2014	31 Mar 2014
Profit for the period attributable to equity holders	21 016	99 195	13 280
Unrealised foreign exchange loss	19	350	868
Acquisition fees	520	2 357	107
Share-based payment expense	7	675	3
Accrued interest on share-based payments	100	542	141
Fair value adjustments of investment property	-	(35 227)	-
Fair value gains/(losses) of financial investments at fair value through profit or loss	-	(1 299)	150
Fair value adjustment of financial assets and liabilities	(202)	2 882	1 262
Amortisation of financial assets	(166)	(708)	(184)
Dividends received from financial investments	-	(2 417)	(803)
Accrued dividend from financial investments	-	2 304	1 016
Gain on disposal of investment property	-	(619)	-
Gain on acquisition of subsidiaries	-	(1 400)	(1 400)
Deferred tax expense	2 660	1 567	573
Shares issued cum distribution	362	6 870	-
DISTRIBUTABLE EARNINGS FOR THE PERIOD	24 316	75 072	15 013
Distribution from reserves	-	6 659	-
Less: distribution declared	-	(81 731)	-
Interim distribution	-	(33 475)	-
Final distribution	-	(48 256)	-
Earnings not distributed	24 316	-	15 013
Number of shares entitled to distribution	282 423 985	278 138 240	204 544 236
Distributable earnings per share for the period (euro cents)	8.61	29.69	7.34
Distribution from reserves per share (euro cents)	-	2.53	-
Less: Distribution declared per share (euro cents)	-	(32.22)	-
Interim distribution per share (euro cents)	-	(14.87)	-
Final distribution per share (euro cents)	-	(17.35)	-
Earnings per share not distributed (euro cents)	8.61	-	7.34

BASIS OF PREPARATION

These unaudited condensed consolidated financial results for the three months ended 31 March 2015 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 2014.

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 below mentioned Directors of NEPI. Due to its nature, the management accounts may not fairly reflect the financial position and results of the Group after the differences set out above.

These unaudited condensed consolidated financial results for the three months ended 31 March 2015 have not been reviewed or reported on by the Group's external auditors.

Martin Slabbert (Chief Executive Officer), Mirela Covasa (Finance Director)
 15 May 2015