Secure Property Development & Investment PLC ('SPDI' or 'the Company')
Final Results

27 May 2015

Secure Property Development & Investment PLC, the AIM quoted South Eastern European focused property and investment company, is pleased to announce its full year financial results for the year ended 31 December 2014.

Financial Highlights

- 59% increase in total asset value to €62 million (2013: €39million) reflecting the transformational acquisitions made during the year across the region
- 33% increase in rental income to €3.6 million (2013: €2.7million)
- 300% increase in EBITDA to €0.8 million (2013: €0.2million)
- £0.75 per share of Net Asset Value at year end (2013: £1.13) significant premium to current share price – provides strong asset backing

Operational Highlights

- Successfully implemented strategy to expand geographic spread of the portfolio to encompass fast growing South Eastern European countries which offer high yields and capital growth
- Acquired three income producing assets in Romania & Greece that generate ~€3.5 million of Net Operating Income ('NOI') annually, increasing the Company's annualised NOI by ~230%
    - Blue chip tenants include Danone, Nestle & Kuehne+Nagel
    - Long lease terms providing revenue visibility
- Platform in place to take advantage of highly positive South Eastern European property market fundamentals

Post Balance Sheet Highlights

- €26 million of net asset value acquisitions made in Romania and Bulgaria in 2015
    - increases total Assets under Management (AuM) to €126 million
    - provides further geographic diversification of portfolio, and
    - ensures its position as a regional property company
- €8 million cash raised via Open Offer in March 2015

Lambros G. Anagnostopoulos, Chief Executive Officer, said, "2014 has been a transformational year for the Company, one that has seen us embark on the roll-out of our regional growth strategy. Thanks to this, the Company has ended the year with a presence in three countries and a geographically diversified portfolio of prime real estate in Southeastern Europe, which generates visible income streams and offers significant capital growth potential.

"In 2014, we added three income producing properties in Greece and Romania to our portfolio, all of which fit our investment criteria: prime locations; strong covenants with blue chip tenants on long term rental contracts; secured at attractive, double digit yields. As a result we now have a broad asset backed, revenue generative property portfolio. With a strong management team in place with a proven track record in emerging Europe, coupled with positive market fundamentals for the region, I look forward to the year ahead, as we continue to implement our strategy towards our goal of creating the leading institutional South Eastern European income producing and dividend yielding property company."

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1. Chairman's Statement

2014 was a pivotal year for SPDI, as the Company embarked upon its acquisition strategy in earnest. The logic behind this strategy remains unchanged: to take advantage of the low prices of commercial property on offer in South East Europe with strong tenants and competitively priced financing. The objective is to build a diversified portfolio of fully let prime commercial real estate, which generates high levels of income from a blue chip tenant base on long leases, and at the same time offers the potential for significant capital growth.

With the above in mind, the year under review has seen excellent progress made. The numbers speak for themselves: 57% increase in total assets to €61 million (2013: €39million), a reflection of the transformational acquisitions made during the year across the region; a 33% increase in rental income to €3,6 million (2013: €2,7million); and a 300% increase in EBITDA to €0,8 million (2013:€0,2million). We have ended the year with a Net Asset Value of £0,75 per share (2013: £1,13) which, even after taking into account the new shares issued during 2015, remains substantially higher than our current market valuation and provides us with considerable asset backing.

Finding the right properties across Europe to meet our strict investment criteria against a backdrop of a property market that is on a rising trend, requires a management team with a proven track record. The year under review has demonstrated that SPDI has one such team, and as a result we believe that we are very well positioned to continue to source a strong pipeline of suitable opportunities due to our wealth of experience and contacts, as we look to add to our growing number of properties owned and managed across the region.

Indeed post period end we have done just that. In April 2015, we announced the acquisition of an interest in a fully let and income generating office building in Sofia, while in May we followed this up by announcing the acquisition of a series of prime property assets in Romania and Bulgaria, including a 100% interest in a prime location big box retail property in Craiova, Romania (wholly let to Praktiker) as well as a 24,35% interest in Delea Nuova, a Class A office building in Bucharest city centre, which is fully let mainly to the telecommunications regulator of Romania.

With a running annualized NOI of €8 million, a portfolio of seven income producing properties covering four countries we now have a cash generative platform from which to accelerate the roll-out of our strategy to build a portfolio of prime real estate in Southeastern Europe. We continue to evaluate additional opportunities that fit the Company's investment criteria of high yields and blue chip tenants in Southeastern European population hubs, as we look to expose our shareholders to both immediate cash flows with long term visibility, as well as the potential for significant capital uplift, as the on-going European yield compression play gathers momentum across the continent.

The very low interest rates across Europe should work in favour of continued yield compression in commercial property, and we remain confident that we are very well positioned to make 2015 another year of carefully structured acquisitions of undervalued property assets and improving financial performance.

Paul Ensor
Chairman of the Board
26 May 2015

2. Letter to the Shareholders

26 May 2015

Dear Shareholders,

2014 was the year that the Company's strategy of diversifying regionally and acquiring high yielding income producing assets was kicked off in earnest. SPDI started the year, as it had always done in the past, as a wholly Ukraine based company, and by year-end it owned and managed more properties in other countries in terms of Asset Value.

The directors of SPDI embarked on its growth and diversification strategy with a view to identifying ways to acquire undervalued income producing assets and extending its reach beyond its traditional one country. The Company then moved forward to identify and negotiate to acquire a number of portfolios of assets, all class A with substantial income generation capacity and capital appreciation potential, while at the same time it moved to identify a number of investors that would want to contribute assets or capital. By year end the Company had identified key participants on both efforts, having signed preliminary agreements. The stage was set to take a big step forward.

During the year, SPDI acquired four income producing assets. The logistics park that Nestle is using in Bucharest, Romania , the headquarters of Danone also in Bucharest, Romania, a residential portfolio of let apartments in the same city and the logistics park leased to Kuehne+Nagel in Athens, Greece (transaction completed in 2015). These new assets, generate annually ~€3,6 million of Net Operating Income ('NOI'), increasing the Company's annual running NOI by ~230%. To underpin its asset management capability in the new regions it invested in, the Company hired a small number of seasoned executives in Bucharest that can help its effort to grow further in Romania. By year end, the Company is well poised to grow as it attracts more investor shareholders who share the Company's vision of creating the leading institutional property company in the region.

Set against the macroeconomic environment and geopolitical events that unfolded during the year, our growth and diversification strategy has been vindicated. For much of the year, Eastern Europe was growing fast and hopes were high that it would contribute to a regeneration of European GDP growth that was in the making. By year-end though, the mood and the facts were not as positive. The crisis in Ukraine continued unabated, despite the election of the new president in May and the new government in October, with more intensive fighting in the East of the country and the Hryvnia spiralling down as the country's economy was moving closer to collapse. Greece, which had been expected to be able to regain market access and had seen its government bond rates dropping substantially close to those of other EU nations by mid year, experienced a marked setback with snap elections being called for January 2015, which created political and economic instability. Romania, among the countries we gained exposure to during the year, experienced solid economic growth through the year, had the fastest GDP growth rate of any EU country in Q3 2014 and showed signs of even faster growth by year end. At the same time, Europe as a whole was inching to recession with the ECB deciding to commence a QE package of its own, mirroring what the Fed did in the US three years earlier.

In addition to growing and rebalancing our portfolio of assets, the year under review also saw considerable progress made with regards to strengthening our balance sheet. In December 2014, twenty months after having finalised negotiations with the European Bank for Reconstruction and Development ("EBRD") on rescheduling the amortisation plan of the Brovary construction loan and twelve months after having received the written agreement of the 'B' Lender on the restructuring, we finally managed to sign all legal documents and eliminate the pending legacy balance sheet risk factor by formalising the loan agreement.

The 2014 accounts show a much better and more different operational picture than any prior ones. If we disregard the asset revaluation and FX losses as a result of the Ukrainian Crisis, the operating results are positive and promising. It is the first year in the history of the Company that our revenues topped €3,6 million, while our EBITDA surpassed €0,8 million, more than quadrupling in comparison to 2013. Finally the Company has profits after tax of ~€1 million indicating an even better year to come.

Having successfully put the Company on a solid foundation, both financially and operationally, against the backdrop of the global economic and financial sector issues between 2010 – 2013 (including the Cypriot economic crisis in 2013 and the Ukrainian crisis in 2014), we are highly confident that 2014 was a turnaround year for SPDI. With property assets and people on the ground now in the capitals of the three largest economies/countries in South East Europe, SPDI is well positioned to take the necessary steps forward that the shareholders have mandated us to perform. Even though some of these countries are going through considerable change, their property markets are in need of international investors and capital to grow. We plan to play our part in assisting them to do just that. With the support of our shareholders and partners that share our vision, we plan to exert every effort in achieving our common goals.

Best regards,

Lambros G. Anagnostopoulos
Chief Executive Officer

3. Management Report

3.1. Corporate Overview & Financial Performance

In 2014 the Company's management focused on diversifying its asset base into more than one regional country. The Company acquired four assets:

- The Innovations Logistics Park located on Bucharest's ring road in Romania, a 15.862 sqm gross leasable area logistics center that is primarily let to Nestle Romania (72% of its income).
- The Danone headquarters office building (EOS) in Bucharest, Romania. The 3.386 sqm gross leasable office is built next to Danone's production and warehousing facility close to Bucharest ring road and is fully let to Danone.
- A portfolio of let apartments as part of four separate residential developments in Bucharest. The 122 apartments are 60% let and are generating income both from lettings as well as from sales now that the market in Bucharest is picking up.
- The GED Logistics park in Athens, Greece, mostly let to Kuehne + Nagel (70% of its warehouse income). The 17.756 sqm logistics center also has a 1MW photovoltaic installation on its roof generating and selling electricity to the grid. This transaction was completed in early 2015.

At the same time, management also spent time and resources in identifying various acquisition opportunities so as to create a strong pipeline of suitable targets. We entered negotiations for a number of these during the period, moved into thorough due diligence on some of them and, by the year end, were able to bring four to a position where they are ready for closing subject equity capital availability.

On that front, the Company scanned the equity markets and identified a small number of potential cornerstone investors that would be interested in supporting the growth plan of the Company.
Finally, the Company continued focusing on efficient operations and addressing the Ukrainian economic deterioration that caused substantial Hryvnia devaluation. All the tenants of our Brovary logistics terminal have US$ based lease agreement but nonetheless they are operating in a market that undergoes serious issues and their bottom line is hit by the local currency devaluation. As such they have requested and we plan to extend to them some rental relief as they go through this very tough period.

In parallel, the Company maintained its overall lean and strict operations management, keeping the annual operating and administrative costs to ~€2,3 million even though a number of new assets have been added to the portfolio while increasing the Company's net annual rental income by 33% to €3,6 million.

The political instability in Ukraine continues and until this is resolved it is hard to predict the final impact on the country's economy.

As Terminal Brovary is in Kiev and all its tenancy agreements are in US$, there is minimal imminent risk. On the other hand, in view of the serious bottom line loss its tenants are being faced with, we plan to offer lease incentives to maintain the low or zero vacancy.

During 2014 and for a short period there were capital controls imposed in the country, at which time it was difficult to export the rental income we had received. We used such period to re-pay a higher amount of the EBRD loan capital, ensuring that the Company does not suffer from such controls that had been stopped by year-end.

In an effort to further streamline its operations, the Company has progressed with finalizing the merger of many of its Ukrainian non-operational, idle entities, thus lowering administrative costs. Further optimization is to be expected by further consolidating operating companies and eliminating intercompany loans so as to decrease the Ukrainian operation's dependency on equity support.

Furthermore, by introducing the new leveraged acquisitions the Company moves towards meeting its target leveraged capital structure of 50-55% LTV.
The Audit Committee has met on a few occasions during the year in order to effectively monitor potential conflicts of interest of the directors and senior managers as well as to discuss with the auditors the affairs of the Company. The Audit Committee in its role of overseeing the financial reporting and internal controls of the Company ensures proper corporate governance in this respect.

The Remuneration Committee pursuant to its responsibility to determine the policy for the remuneration of the Directors and Executive Management of the Company has met a few times throughout the year to review the practices of the Company and engaged with management to ensure that all issues under its supervision are resolved. The Remuneration Committee has proposed to the BoD the application of the Employee Stock Option plan, following the decision of the December 2013 AGM. Such share options will be distributed to the employees for the first time in 2015.

The Board is ultimately responsible for the Group's financial reporting, internal control and risk management systems and ensures that the Finance Department prepares detailed budgets and cash flow projections, which are approved annually and updated regularly throughout the year. Ongoing financial control is a responsibility of the management which reports to the BoD in order to maintain a tight liquidity control.

2014 showed the turnaround of the Company as achieved through the intensive 2012-2013 restructuring. Most notably, the Company more than quadrupled its EBITDA to €0,8m (2013:€0,2m) and passed to net operational profitability of ~€1m (2013:-€0,1m). Income from Operations grew by 33%.

3.2. Property Holdings

The Company's portfolio, consists of commercial income producing and residential properties in Romania, Greece and Ukraine as well as four development projects at different development stages in Ukraine.

Commercial-Industrial

Terminal Brovary Logistic Park consists of a 49.180 sq.m. Class A warehouse and associated office space, situated on the junction of the main Kiev – Moscow highway and the Borispil road which was fully completed in 2012. The facility has been 85% leased (warehouse space was 94% leased) at the end of the reporting period.

Innovations Terminal Logistic Park consists of a 16.570 sqm gross leasable Class A warehouse and associated office space, situated on the west side of Bucharest's ringroad. Its construction, tenant specific, was completed in 2008 and is separated in four warehouses, two of which offer cold storage, the total area of which being 6.395 sqm. Innovations was acquired by the Company in May 2014 and was 100% leased at the end of the reporting period, 61% to Nestle and 39% to other local companies.

GED Logistic Park consists of a 17.756 sq.m. gross leasable area industrial and associated office space, situated on the west side of Athens, close to the Port of Piraeus. The facility has been in operation since 2010 and as at the end of the reporting period was 100% leased to Kuehne + Nagel (70%) and GE Dimitriou SA (30%). The park also has a photovoltaic alternative energy production facility installed on its roof. The said asset is to be consolidated within the Company's accounts in 2015 as the closing of the transaction was effected in March 2015.

EOS Business Park which serves Danone Head Quarters in Romania, is a 3.386 sqm GLA Class A office building, situated in the North Eastern Part of Bucharest. The building is fully let to Danone.

Land Bank

Bela Logistic Centre is a 22.4 ha plot in Odessa situated on the main highway to Kiev. Following the issuance of permits in 2008, below ground construction for the development of a 103.000 sq.m. GBA logistic center commenced. Construction was put on hold in 2009 due to the global economic crisis.

Kiyanovskiy Lane consists of four adjacent plots of land, totaling 0.55 ha earmarked for a residential development, which are well located, overlooking the scenic Dnipro River, St. Michael's Spires and historic Podil neighborhood. During 2014, management held discussions with a number of interested parties with regard to a possible development of this asset should the market developments allow for such action.

Tsymlyanskiy Lane is a 0.36 ha plot of land located in the historic Podil District of Kiev earmarked for the development of a residential complex.

Balabino project is a 26.38 ha plot of land situated on the south entrance of Zaporozhye, a city in the south of Ukraine with a population of 800.000 people. Balabino is zoned for retail and entertainment development.

<u>Residential portfolio</u>

This consists of a portfolio of 122 apartments units, situated on four distinct locations in the city of Bucharest. By year end 60% of the apartments units were let while during the year 7 units were sold.

In 2014, the Company continued with RICS accredited CBRE Ukraine as its valuer for the Ukrainian Assets and also appointed RICS accredited Property Partners as the valuer for the Romanian assets. The valuations have been carried out by the appraisers on the basis of Market Value in accordance with the appropriate sections of the current Practice Statements contained within the Royal Institution of Chartered Surveyors (“RICS”) Valuation – Professional Standards (2014) (the “Red Book”) and is also compliant with the International Valuation Standards (IVS).
At the year-end, the Company’s property assets were valued at €61 million, an increase of 57% from the December 2013 valuation due to acquisitions effected throughout 2014. It should be noted that the fair value of the Ukrainian assets has been reduced by ~€8 million (representing a reduction of ~20% in EUR denominated values or ~30% in USD denominated values) due to the continuing crisis.

During the year the Company’s asset portfolio became more diversified in terms of geography as well as asset class. At the end of the reporting period, 54% of the company’s portfolio is outside Ukraine while with the addition of GED Logistics in March 2015, Ukraine falls to 43% and by the reporting date only 26% of the Gross Asset Value is attributable to the said country. The same applies to the income generation ability of the Company which at the reporting date depends on Ukraine by 28%.

Excluding the revaluation losses that are attributable to the reduction of asset prices in Ukraine as well as the foreign exchange losses either associated with the EBRD loan to Terminal Brovary, mostly hedged due to the USD denominated income, and the intercompany loans that have been affected on paper by the devaluation of the UAH from 8 to the USD, to 33 to the USD by the end of the reporting period, the table below presents the comparable for the operating performance in the last 3 years:

	2014	notes	2013	notes	2012	notes
EUR						
Operational income	3.591.903	1	2.717.166		1.650.897	
Administration expenses	(2.743.723)	2	(2.475.720)		(2.523.734)	
Investment property operating expenses	(660.263)		(543.217)		(431.414)	
Other (expenses)/ income, net	(136.058)		495.774	3	407.933	3
Gain realized on acquisition of subsidiary	766.221	4	-		-	
Operating profit	**818.080**		**194.003**		**(896.318)**	
Finance costs, net	(1.414.400)		(1.034.456)		(1.677.544)	
Profit/(loss) before tax	**(596.320)**		**(840.453)**		**(2.573.862)**	
Income tax expense	(220.476)		(125.722)		(65.259)	
(Loss) / Profit for the year	**(816.796)**		**(966.175)**		**(2.639.121)**	
Valuation gains/(losses) from investment property	9.297.525		635.067		2.687.028	
Foreign exchange losses, net	(7.512.640)		201.952		-	
(Loss) / Profit for the year	**968.089**		**(129.156)**		**47.907**	

Notes

1. includes 6months income from Innovations and 4months from EOS Business Park
2. includes one off legal expanses
3. includes legacy liabilities write off
4. refers to acquisition of asset below market value

The Net Equity attributable to the shareholders as at 31 December 2014 stood at €32 million representing a 13% decrease over the 2013 Net Asset Value due to revaluation of the Ukrainian assets.

The table below presents the contribution of each of the holdings of the Company at the end of the reporting period to its Net Asset Value.

		2014			2013
€m		**GAV**	**Debt**	**NAV**	**NAV**
Innovations	Rom	14,0	7,4	6,6	
Eos	Rom	6,4	4,3	2,1	
Terminal Brovary	Ukr	17,4	11,8	5,6	8,0
Residential units	Rom	8,4	6,2	2,2	
Land banking	Ukr	14,9		14,9	22,0
Total Property Value		61,1	29,7	31,4	29,9
Other Assets minus Other Liabilities		1,2		1,2	7,8
Net Asset Value total				**32,6**	**37,7**
Mcap 31/12/2014 (Share price at £0,56)				**24,1**	
Mcap 26/5/2015 (Share price at £0,31)				**18,5**	
Discount as of the reposrting date vs NAV 31/12/2014				**-43%**	

The NAV per share as at 31 December 2014 stood at GBP 0.75; lower than a year before, due to the new shares issued as a result of a capital increase and the valuation decrease of the Ukrainian assets, while the discount of the Market Value against the NAV decreased to 26%. Due to a drop in share price in the first quarter of 2015, this discount reached by the reporting date 43%.

3.3. Financial and Risk Management

The Group's overall bank debt exposure at the end of the reporting period consisted of €30 million including:

a. the €11,8m construction loan to Terminal Brovary from EBRD. The loan was originally restructured in June 2011 and was again under a restructuring process which concluded in December 2014 and effectively matched the then current cash inflows from the asset with the debt amortization plan.
b. the €4,3m lease of the EOS business park with Alpha Bank.

c. the €7,4m lease of the Innovations park with Bank of Piraeus.
d. with the remaining being the residential project loans

Overall, the Group's Loan to Value ratio at the end of 2014 stands at 48%.
Throughout 2014 the Company continued to preserve liquidity and optimize its cash flow in a difficult credit environment. By maintaining a tight cash flow schedule, the Company has been able to manage its liabilities while making progress towards implementing its growth strategy by acquiring income producing assets.

Most importantly, during the year the Company mitigated the effects of the Ukrainian hryvnia devaluation to a large extent, by minimizing the cash available in Ukraine and transferring all excess cash out of the country by repaying either the EBRD or the intercompany loans, thus protecting the shareholder's value.

3.4. 2015 and beyond

Going into 2015, the Company is poised to grow by acquiring new income producing assets in Romania, Bulgaria and/or Greece. To effect that, more capital needs to be raised, and as first step the Company executed an open offer for new shares to its existing shareholders raising €8m in March 2015. Political turmoil in Greece and military one in Ukraine will necessitate even more prudence on actions taken but will also create an environment full of opportunities when such turmoil abates.

In early March 2015 the Company concluded the GED warehouse acquisition in Greece, while in April 2015 the Company proceeded in acquiring 20% of the Autounion, a Class A office building in Sofia, Bulgaria. The acquisition, which is the Company's first in Bulgaria, is in line with its strategy to build a diversified portfolio of prime commercial real estate in East and Southeast Europe, which is fully let to blue chip tenants on long leases, generate high yields and have the potential for capital growth.

In May 2015 the Company acquired two portfolios of assets consisting of:

- 100% of a DIY retail property in a prime location in Craiova, Romania. The building of a Gross Lettable Area ('GLA') of 9.385 sqm is wholly let to Praktiker, a leading DIY brand and produces an annualised NOI of ~€1 million

- a 24,35% interest in Delea Nuova, a Class A office building in a prime business location in Bucharest - the building is fully let mainly to the telecommunications regulator of Romania, produces an annualized NOI of €1,9 million and has a GLA of 10.280sqm over ten floors and includes underground parking

- a small portfolio of newly built income producing residential assets, located on Grivita Lake in north Bucharest and on the slopes of Boyana in South Sofia. They generate an annualized income of €300.000, as they are mostly let - the Company intends to sell these to generate substantial near term cash for reinvestment

As a result of these acquisitions the Gross Asset Value of the Company is now diversified as follows:

	Gross Asset Value					
EURm/%	**May 2015e**		**2014**		2013	
Ukraine	32	26%	32	42%	40	100%
Greece	16	13%	16	21%		
Romania	59	47%	29	37%		
Bulgaria	19	15%		0%		
Total	**126**	**100%**	**77**	**100%**	**40**	**100%**

Furthermore, the annualized Net Operating Income, considering also the newly acquired assets is estimated as follows:

	Annualized Net Operating Income					
EURm	**May 2015e**		**2014**		2013	
Ukraine	2,3	28%	2,4	40%	2,7	100%
Greece	1,5	18%	1,5	24%		
Romania	3,7	46%	2,1	36%		
Bulgaria	0,7	9%		0%		
Total	**8,2**	**100%**	**6,0**	**100%**	**2,7**	**100%**

As such, our focus in 2015 is a) to improve even further the Company's operating results, b) leading to a dividend distribution for the first time in its history in 2016, while at the same time to attract more like minded investors and grow the Company's balance sheet with both new capital and assets in other countries in the South East Europe region, while safeguarding our position and income in Ukraine.

3.5. Ukraine

Nearly one year after the clashes that resulted in the fall of the incumbent government, the deterioration and finally breaking off of Russia-Ukraine relations and the loss of part of Ukraine's geographic area, the situation remains particularly volatile. The social and geopolitical instability continues to affect not only Ukraine's economic and political well-being, but also relations between Russia and the rest of the world, as the international financial markets remain volatile. Ukraine engaged in a loan agreement with the IMF before the summer, having already received two tranches of the loan for ongoing fiscal consolidation. The future remains uncertain for the country, even though the two elections (the presidential in May and the Parliamentary in October) have resulted in a pro-European government.

Gross Domestic Product continued to decrease for yet another quarter and it is expected to close for 2014 at -6,0% from 0% growth in the previous year, as domestic demand, investments and consumption have been severely hit. Another factor that will negatively contribute to economic activity is the current situation in the Donetsk and Lugansk Region, where almost 75% of Ukraine's steel production comes from. Steel production levels reached the ones of the 2008 crisis.

The devaluation of the Ukrainian Hryvnia which peaked at 34 UAH to the USD (from 8 UAH to the USD in late 2013) and the deterioration in imports and exports have led to a favorable current account balance in 2014. Specifically, the current account deficit in H1 2014 contracted to 1,8% of GDP from 3,1% in H1 2013, as the trade deficit decreased accordingly. Inflationary pressures led to a CPI index of 11% in the period January-November 2014 compared to -0,3% in January-November 2013.

While fiscal finances have deteriorated, the IMF deal has provided some stability. The fiscal deficit in the period January-September widened to 4,8% of GDP from 3,2% in January-September 2013, as expenditures shot up to 53,1% from 34,2% in the same periods. Revenues, however, also increased to 48,6% of GDP in January-September from 31% in January-September 2014.

As far as interest rates are concerned, the National Bank of Ukraine hiked its key rate by 150 bp to 14% in November. The interest rate move was apparently motivated by the accelerating inflation in the last few months. Given basically non-functioning monetary transmission mechanism, NBU interest rate decision is mostly symbolic and will have no much impact on other interest rates and economic dynamics.

3.6. Romania

Romania's preliminary GDP results recorded a 3,3% year-on-year increase in Q3 2014, from 2,2% in Q2 2014 and 3,6% in Q3 2013.

In the first eight months of 2014, the Current Account Deficit was 0,6% of GDP compared to 0,4% of GDP in January-August 2013, as per the adoption of the new calculation methodology, as the primary income deficit widened. The external sector remains relatively firm, as the RON is stable and until now imports and exports have not been hit by the ongoing crisis in Ukraine and Russia. In addition, public finances have improved significantly in 2014, as in the first nine months the fiscal balance turned to a surplus of 0,1% of GDP compared to a deficit of 1,3% in January-September last year, as public expenditures have declined. According to the updated data and the new calculation methodology, the external debt in the first nine months decreased to 64,5% of GDP from 69,5% in 2013. Both short-term and long-term debt were limited.
Inflation has fallen to historically low levels since September 2013 (1,4% in October 2014), as a result of the abundant agricultural harvest, taxes imposed during last year and declining food prices. The latest forecast for average inflation in 2014 is 1,5%.

The National Bank of Romania continued its cycle of monetary easing by cutting its rate to 2,75%, with the aggregate cuts since December 2013 totaling 100 bps. It has also reduced the minimum reserve requirement ratios on Romanian Leu and FX-denominated debt to 10% and 14% from 12% and 18% respectively, thus allowing banks to build up their reserves.

S&P upgraded in mid-May Romania's long-term and short-term foreign and local currency sovereign credit ratings to "BBB-/A-3" from "BB+/B", with stable outlook. This move brings S&P's

rating on par with the other two major rating agencies, Moody's and Fitch, which both rate Romania investment grade.

3.7. Bulgaria

Bulgaria continues to show signs of a steady recovery, as real GDP remains very stable although below its long-term average. GDP grew by 1,6% year-on-year in Q3 2014 from a slightly higher increase of 1,8% in Q2 2014 and a lower 1,1% in Q3 2013. The revision of the national accounts to convert to the ESA 2010 methodology brought up real GDP in 2013 to 0,9% compared to the previous 0,7% value.

The Current Account balance decreased to 2,0% of the GDP for the period of January to August from 3,1% in the same period last year, mainly due to the increase of the trade deficit. The Bulgarian economy has been on a deflationary path since September 2013. Reduction in the administratively set energy prices and a strong harvest (leading to lower food prices) made prices trend sharply downward. Indicatively, inflation in the first ten months of 2014 averaged -1,5% from 1,4% in the same period last year, as most of the consumer price index constituents either declined or slowed down.

The fiscal deficit in the first nine months widened to 1,9% of GDP from 0,4% in January-September last year, due to an increase in public expenditures. This number however is well below the maximum of 3,0% providing the necessary stability to the country.

The government successfully resorted on June 27 to the international markets with the planned €1,5bn September 2024 Eurobond sale. The said issue attracted strong as well as diversified demand in reflection of ongoing as well as broad-based investor confidence towards Bulgarian assets. Total bids reportedly amounted to ca €3,7bn and the auction produced an average accepted yield of 3,055% or 160bps over mid-swaps.

On the political front, a fragmented new parliament emerged from the early parliamentary elections in Bulgaria on October 5th. Eight parties, the highest number in the post-Communist era, accomplished to surpass the 4% threshold in order to enter the parliament. The new coalition government successfully managed to deal with one major issue; the resolution of Corporate Commercial Bank.

3.8. Greece

The confirmation by Eurostat of the 2013 primary budget surplus and the redistribution of part of that surplus to a number of social groups, reinforced the credibility of the Greek fiscal consolidation, boosted consumer confidence and stabilized household spending. 2014 was going to be the first year after 6 recession years with an overall GDP increase but elections declared in December 2014 have taken a heavy toll and have thrown the country's economy back into recession. In addition to the economics the country's credibility is being severely damaged.

In the first nine months of 2014, Greece's GDP level was higher by 0,6%, compared with the corresponding period of last year, when it had fallen by 4,3%. This was mainly due to higher international tourist arrivals during the summer period, leading to the strongest growth in the exports of goods since the 2004 Olympic Games.

Total domestic consumption increased by 1,2% in the first nine months of 2014, after a contraction by 4,2% in the same period a year earlier and 6 consecutive negative years. Again, in the second part of the year consumption started to show signs of further improvement before collapsing in November and December due to the elections announcement.

With exports rising faster than imports, the deficit of the external sector has been reduced by 9,7% over the first half of the previous year, at €2,6 billion (3,4% of the GDP), while during the same period of 2013 that deficit had shrank much faster (43,1%).

Bank of Greece recorded a net deposit outflow of ~€11bn that extended to €35bn by end of March 2015 bringing the banking crisis under severe liquidity stress. For the moment the slack is being picked up by the ECB through the ELA. Deposits are at an all-time low of €135bn from €250 in 2008.

4. Real Estate Market Developments

4.1. Ukraine

Ongoing tensions in the East along with fundamental economic problems, have taken their toll on the country's real estate market during the first half of the year. Since then, the situation seems to stabilize with businesses largely adopting a wait-and-see attitude.

In 2014, the new supply of logistics space reached 144.000 sqm, nearly 7% increased in comparison with 2013, leading to a total stock of 1,72 million sqm in the Greater Kiev area. Compared to the same period in 2013, take-up has decreased by 60%, reaching approximately 118.000 sqm. This drop in demand along with the delivery of several relatively sizeable schemes during the period against the background of extremely suppressed business dynamics in the country, led to rent contraction by 15-25%. Growing supply and low business activity have made downward correction of market rents, by 50-100bp.

The cumulative new office supply in 2014 in Kyiv reached approximately 155.000 sqm and was around 18% higher than at the end of 2013 and only 1% less than in 2012. There was approximately 1,71 million sqm of speculatively delivered office stock in Kyiv at the end of 2014, excluding government buildings and offices constructed by owner-occupiers. The vacancy rate in Kiev remains the highest among the European capitals and in the end of the reporting period was standing at 23,5%. Devaluation and prevailing supply in the market balance is the reason behind the drop and the wide range in rental rates, especially in class A offices. According to preliminary estimates, take-up did not exceed 50.000 sqm by year end results, mainly driven from manufacturing and IT companies.

In 2014, total stock amounted to around 1,44 million sqm, approximately 8% higher than in 2013. At the first half of the year, some retailers decided to leave the Ukrainian market, but in the second half new brands like Nespresso, Intimissimi and Calzedonia decided to enter the market. New supply on the market, loss of tenants and a low occupancy rate of some new objects on the market led to a vacancy rate of 10%. These rates along with the devaluation of the local currency put downward pressure on rental rates, which dropped at USD 50-80/sqm for shopping centers and USD 150-200/sqm for high street shops.

(1 - Sources : Jones Lang LaSalle, DTZ Research, CBRE Research, The Advisers/Knight Frank, Forton International, MBL Research, Colliers International)

4.2. Romania

The investment volume in Romania in 2014 rose by 254% compared to 2013, reaching €1,3 billion (including owner-occupied and residential transactions). This represents the highest volume recorded in Romania since 2007.

The modern stock in Bucharest remains constant at approximately 1 million sqm. During the year, Romanian industrial market experienced its largest ever transaction involving a single asset, with CA Immo selling a 215.000 sqm logistic park. Gross take-up amounted to approximately 210.000 sqm, the highest figure in the last five years. Considering the recent transactions and the absence of speculative development, the vacancy rate dropped from 11-13% to ca. 8% in Bucharest and Ilfov areas and it remained at the same level in the rest of the country. Yield slightly compressed from 10% to 9,5%, while rental rates showed no significant change throughout the year.

Take-up in 2014 reached a total of 223.000 sqm, the highest figure registered since 2008. The modern office stock in Bucharest stands at around 2,21 million sqm. Currently there is 215.900 sqm of space under construction, of which 28% has already been secured under pre-let agreements and, with an anticipated improvement in demand will help to lower the vacancy rate which at the end of the year was 14,3%, the sharpest year on year change (370bp) after the financial crisis. Prime headline rents increased slightly to €18,5/sqm, while the increasing interest from investors for prime properties in Bucharest encouraged a yield compression by 25 bps, now at 7,75 %.

The modern retail stock in Romania increased slightly at 2,9 million sqm as only three new retail schemes were built during the year. After a weak performance in 2013, retail sales recorded a 7% year-on-year growth in 2014. The gap between prime and secondary stock continues to be significant. Yield and rental rates are stable since 2013 while vacancy rates remain at low levels, due to the lack of new supply.

After a timid market recovery in 2012, and a more active 2013, the first half of 2014 saw a reduction in the number of vacant units in previously completed residential projects. The revival of the market is also indicated by the expansion of well-performing projects. As in previous years, the Prima Casa government program is still a major driver of demand. Between 2008 and H1

2014, c. 119.200 Prima Casa loans were approved, with a total value of over €4,5 billion, helping the market to pick up quickly.

4.3. Bulgaria

The Bulgarian Real Estate market remains stable with signs of sector improvement in the office and residential assets classes. The relative stability of the Bulgarian economy and the reduced residential prices at levels 50% to the 2008 peak have fueled a sizable increase in transactions.

Total modern stock in 2014 increased by 5% year-on-year to 757.000 sqm, while take-up activity hardly reached 12.000 until the end of Q3. Prime rents slightly increased -for the first time after the recession- to €3,75/sqm. (7% year-on-year), while yields remained relatively stable for one more year at 11,75%.

During 2014, only 20.000 sqm of class A offices were delivered. As a consequence, the Sofia office stock increased only by 1,8% at 1,68 million sqm. The overall market vacancy rate registered a decrease for a second consecutive year. The total class A and B vacant space amounted to approximately 255.000 sqm, or an aggregate 15% of the total class A and B inventory. The pipeline showed a further 40% decrease year-on-year reaching 100.000. The take-up of class A and B space reached 71.000 sqm on a year-on-year basis, showing a 9% increase. Yields are at 9%, recording a slight drop of 50bp year-on-year.

After the closure of The Strand in Burgas and Mega Mall Ruse in the second half of 2014, the total volume of modern retail space of shopping centers in Bulgaria reached 783.000 sqm,, while demand remains relatively healthy and rental rates increased 6% year-on-year in shopping malls. Vacancy rates in Sofia remained stable at 12%. However, good news comes from international retailers, who are either returning or entering the Bulgarian market for the first time, indicating imminent decrease in vacancy rates.

4.4. Greece

The outlook for the Greek economy which has been much improved in the first 3 quarters of 2014, after seven years of recession, has deteriorated rapidly in the last quarter of the year. Risks are now greater than ever to the recovery story and yet more negative shock have affected market performance driving transaction to a collapse in late 2014.

As of Q3, €50 million exchanged hands, more than double the total seen in 2013. Investors struggle to balance risk and price especially given the subdued occupational market and fragile economy. Value-add funds and Greek REICs are likely to be the first to act if the right asset comes to market, spurred on partially by the recent reduction of transfer tax to a flat rate of 3,00%. Prime rents are stable at €2,60/sqm for manufacturing in Athens and €4,00/sqm for logistics. Yields dropped 200 bps, now standing at 11% on average.

Development finance is very limited and no significant schemes were constructed in Athens during 2014. Some projects that have broken ground were postponed by their developers, who decided to wait for when fundamentals are more robust. Total office deals reached approximately €28 million as of Q3. The high vacancy rate is heavily linked with the lack of demand. Prime rents in Athens CBD have seen a 5% drop year-on-year. Yields recorded a drop of 100bps, now at 8,5%.

During the period of recession there was a distortion of rent levels on existing lease agreements versus new leases. Consequently, the same area can see a large gap between rent levels. Upward pressure on prime rents, especially for these small and medium size units, continued and double-digit growth was recorded in Athens and Thessaloniki's high streets, ranging from 5% to 30% year-on-year. Supply for prime space has been tightening, however, vacancies are still on the rise in secondary areas. Yields have contracted slightly since last year, standing at 7-8% for high streets shops and a little over 8% for shopping centers.

5. Property Assets

5.1. Aisi Brovary – Terminal Brovary Logistic Park , Ukraine

The Brovary Logistic Park consists of a 49.180 sq m GLA Class A warehouse and associated office space. The building has large facades to Brovary ring road, at the intersection of the Brovary (E-95/M-01 highway) and Borispil ring roads. It is located 10 km from Kiev city border and 5 km from Borispol international airport.

The building is divided into six independent sections (each at least 6.400 sq m), with internal clear ceiling of 12m height and industrial flooring constructed with an anti–dust overlay quartz finish. The terminal accommodates 90 parking spaces for cars and trucks, as well as 24 hour security and municipal provided sewage, water and garbage collection.

As of the end of December, the park remained 85% leased, with 94% of its warehouse capacity leased.

5.2. Innovations Logistics Park, Romania

The Park incorporates approximately 8.470 sqm of multipurpose warehousing space, 6.395 sqm of cold storage and 1.705 sqm of office space. It is located in the area of Clinceni, south west of Bucharest center, 200m from the city's ring road and 6km from Bucharest-Pitesti (A1) highway. Its construction was tenant specific, was completed in 2008 and it comprises four separate warehouses, two of which offer cold storage.
As of the end of December the warehouse was 100% leased with Nestle Ice Cream Romania being the anchor tenant (100% of cold space and 72% of total NOI), following the recent renewal of its lease .

5.3. GED Warehouse and Photovoltaic Park, Greece

The 17.756 sqm complex that consists of industrial and office space is situated on a 44.268 sqm land plot in the West Attica Industrial Area (Aspropyrgos). It is located at exit 4 of Attiki Odos (the Athens ring road) and is 10 minutes from the port of Piraeus and the National Road. The roofs of the warehouse buildings house a photovoltaic park of 1.000KWp.

The buildings are characterized by high construction quality and state-of-the-art security measures. The complex includes 100 car parking spaces, as well as two central gateways (south and west).

The Company reached a binding agreement in August 2014 for the acquisition of the asset which was expected to be concluded upon the transfer of the asset from previous owner to a newly formed company, and completion of certain other conditions which were finalized in March 2015. The complex at the end of December is 100% occupied, while the major tenant (approximately 70%) is the international transportation and logistics company Kuehne + Nagel.

5.4. EOS Business Park – Danone headquarters, Romania

The park consists of 5.000 sqm of land including a class "A" office building of 3.386 sqm GLA and 90 parking places. It is located next to the Danone factory, in the North-Eastern part of Bucharest with access to the Colentina Road and the Fundeni Road. The Park is very close to Bucharest's ring road and the DN 2 national road (E60 and E85) and is also serviced by public transportation. The park is highly energy efficient.

The Company has reached a binding agreement in August 2014 for the acquisition of the asset which was finalised in November 2014. The complex at the end of December is fully let to Danone Romania, the French multinational food company, until 2026.

5.5. Residential portfolio

a) Romfelt Plaza (Doamna Ghica), Bucharest, Romania

Romfelt Plaza is a residential complex located in Bucharest, Sector 2, relatively close to the city center, easily accessible by public transport and nearby supporting facilities and green areas.

The residential unit portfolio acquired by the Company comprises 2.990 sqm across nine studios, six two bed apartments and thirteen three bed apartments, all located in buildings A, D, E, F, and I.

As of the end of December total existing leases stood at 20 indicating an occupancy rate of 74%.

b) Linda Residence, Bucharest, Romania

Linda Residence is a residential complex located in Bucharest, Sector 3, close to subway transportation which connects the project to all areas in Bucharest in less than 30 minutes.

The 2.642 sqm residential portfolio acquired by the Company comprises twenty seven apartments including two studios, fifteen two bed, eight three bed and two four bed apartments, as well as 27 storage spaces, and 20 surface parking spaces.

As of the end of December there are a total of 5 total existing leases indicating an occupancy rate of approximately 23%.

c) Monaco Towers, Bucharest, Romania

Monaco Towers is a residential complex located in South Bucharest, Sector 4, enjoying good car access due to the large boulevards, public transportation, and a shopping mall (Sun Plaza) reachable within a short driving distance or easily accessible by subway.

The residential portfolio acquired by the Company comprises forty apartments, twenty five two-room apartments and fifteen three-room apartments, totaling 3.609 sqm.

As of the end of December the total existing leases stood at 31 indicating an occupancy rate of 78%.

d) Blooming House, Bucharest, Romania

Blooming House is a residential development project located in Bucharest, Sector 3, a residential area with the biggest development and property value growth in Bucharest, offering a number of supporting facilities such as access to Vitan Mall, kindergartens, café, schools and public transportation (both bus and tram).

The residential unit portfolio acquired by the Company comprises twenty seven apartments, comprising twelve two bed, forteen three bed, and one five bed, totaling 2.387 sqm, plus 28 parking spaces, 13 above ground, 15 underground.

At the end of December the total existing leases stood at 17 indicating an occupancy rate of approximately 63%.

5.6. Land Bank

a) Aisi Bela – Bela Logistic Center

The site consists of a 22,4 ha plot of land with zoning allowance to construct up to 103.000 sqm GBA industrial properties and is situated on the main Kiev – Odessa highway, 20km from Odessa port, in an area of high demand for logistics and distribution warehousing.

Following the completion of planning and issuance of permits in 2008, construction commenced, with column foundation and peripheral walls for 100.000 sqm completed in 2009. Development was then put on hold, due to lack of funding and deteriorating market conditions.

b) Kiyanovskiy Lane – Land for Residential Complex

The project consists of 0,55 ha of land located at Kiyanovskiy Lane, near Kiev city centre. It is destined for the development of business to luxury residences with beautiful protected views overlooking the scenic Dnipro River, St. Michaels' Spires and historic Podil.

The concept design of the project is under review with the proposed development to include residential apartments (GBA of circa 21.000 sqm) and 100 parking spaces across two basement levels.

c) Tsymlyanskiy Lane – Land for Residential Complex

The 0.36 ha plot is located in the historic and rapidly developing Podil District in Kiev. The Company owns 55% of the plot, with one local co-investor owning the remaining 45%.

In 2009, all necessary documents were submitted to relevant authorities for approval and issuance of a construction permit. The plan was to develop approximately 10.000 sqm GBA of 40 high end residential units and office spaces on lower floors, as well as 41 parking spaces over three underground levels. Since then, the project has been on hold. In 2014 the company renewed its holding permit.

d) Balabino-Land for Retail/Entertainment Development

The 26,38 site is situated on the south entrance of Zaporozhye city, three km away from the administrative border of Zaporozhye. It borders the Kharkov-Simferopol Highway (which connects eastern Ukraine and Crimea and runs through the two largest residential districts of the city) as well as another major artery accessing the city centre.

The site is zoned for retail and entertainment and various development options are being evaluated as per the market's needs.

7. Consolidated Statement of Comprehensive Income

For the year ended 31 December 2014

	Note	2014 €	2013 €
Operating income	11.3	3.591.903	2.717.166
Valuation gains from investment property	11.3	9.297.525	635.067
		12.889.428	**3.352.233**
Administration expenses	11.4	(2.743.723)	(2.475.720)
Investment property operating expenses	11.5	(660.263)	(543.217)
Gain on acquisition of subsidiaries		766.221	-
Other (expenses)/income, net	11.6	(136.058)	495.774
Operating profit		**10.115.605**	**829.070**
Net finance costs	11.7	(1.414.400)	(1.034.456)
Foreign exchange (losses)/income, net		(7.512.640)	201.952
Profit/(loss) before tax		**1.188.565**	**(3.434)**
Income tax expense	11.8	(220.476)	(125.722)
Profit/(loss) for the year		**968.089**	**(129.156)**
Other comprehensive (loss)/income			
Exchange difference on I/C loans to foreign holdings		(19.746.111)	-
Exchange difference on translation of foreign operations		8.904.153	(1.424.354)
Total comprehensive (loss)/income for the year		**(9.873.869)**	**(1.553.510)**
Profit /(Loss) attributable to:			
Owners of the parent		927.337	(139.408)
Non-controlling interests		40.752	10.253
		968.089	**(129.155)**
Total comprehensive income attributable to:			
Owners of the parent		(9.577.120)	(1.561.681)
Non-controlling interests		(296.749)	8.171
		(9.873.869)	**(1.553.510)**
Earnings/(losses) per share (Euro cent per share):	11.1		
Basic earnings/(losses) for the year attributable to ordinary equity owners of the parent		0,03	(0,01)
Diluted earnings/(losses) for the year attributable to ordinary equity owners of the parent		0,03	(0,00)

8. Consolidated Statement of Financial Position

For the year ended 31 December 2014

	Note	2014	2013	2012
		€	**€**	**€**
ASSETS				
Non-current assets				
Investment properties	11.9	53.533.187	28.714.379	29.733.212
Investment property under construction	11.9	5.083.216	6.525.995	6.331.030
Prepayments made for investments	11.9	2.674.219	3.625.553	3.789.601
Tangible and intangible assets		200.203	103.443	73.011
Goodwill		43.269	-	-
Long-term receivables		125.909	-	-
		61.660.003	**38.969.370**	**39.926.854**
Current assets				
Prepayments and other current assets		4.251.489	3.595.741	4.129.281
Cash and cash equivalents		891.938	9.668.260	194.366
		5.143.427	**13.264.001**	**4.323.647**
Total assets		**66.803.430**	**52.233.371**	**44.250.501**
EQUITY AND LIABILITIES				
Issued share capital	11.10	338.839	4.383.018	4.212.421
Share premium		97.444.044	92.704.841	79.176.629
Foreign currency translation reserve		(1.411.825)	(10.315.978)	(8.891.624)
Exchange difference on I/C loans to foreign holdings		(19.746.111)	-	-
Accumulated losses		(44.064.475)	(49.093.113)	(48.953.705)
Equity attributable to equity holders of the parent		**32.560.472**	**37.678.768**	**25.543.721**
Non-controlling interests		651.882	948.631	930.207
Total equity		**33.212.354**	**38.627.399**	**26.473.928**
Non-current liabilities				
Interest bearing borrowings	11.11	12.255.716	-	1.347.340
Finance lease liabilities	11.13	11.463.253	387.400	428.962
Redeemable preference shares	11.10	349.325	-	-
Trade and other payables	11.12	214.685	480.458	503.940
Deposits from tenants		499.831	315.604	324.328
		24.782.810	**1.183.462**	**2.604.570**
Current liabilities				
Interest bearing borrowings	11.11	5.960.706	11.077.240	12.554.173
Trade and other payables	11.12	1.654.852	779.688	1.941.592
Taxes payable		431.828	423.539	401.567
Redeemable preference shares	11.10	349.325	-	-
Provisions		68.253	119.023	253.564
Deposits from tenants		161.579	-	-
Finance lease liabilities	11.13	181.723	23.020	21.107
		8.808.266	**12.422.510**	**15.172.003**
Total liabilities		**33.591.076**	**13.605.972**	**17.776.573**
Total equity and liabilities		**66.803.430**	**52.233.371**	**44.250.501**
Net Asset Value (NAV) € per share:	11.1			
Basic NAV attributable to equity holders of the parent		0,96	1,34	2,30
Diluted NAV attributable to equity holders of the parent		0,84	1,17	2,01

On 26 May 2015 the Board of Directors of SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC authorised these financial statements for issue.

Lambros Anagnostopoulos	Paul Ensor	Constantinos Bitros
Director & Chief Executive Officer	Director & Chairman of the Board	Chief Financial Officer

9. Consolidated Statement of Changes in Equity

For the year ended 31 December 2014

€	Share capital	Share premium, Net[1]	Accumulated losses, net of non-controlling interest[2]	Exchange difference on I/C loans to foreign holdings[3]	Foreign currency translation reserve[4]	**Total**	Non-controlling interests	**Total**
Balance - 31 December 2012	**4.212.421**	**79.176.629**	**(48.953.705)**	**-**	**(8.891.624)**	**25.543.721**	**930.207**	**26.473.928**
Profit/(Loss) for the period	-	-	(139.408)	-	-	**(139.408)**	10.253	**(129.155)**
Issue of share capital, net (Note 11.10)	170.597	13.528.212	**-**	**-**	**-**	**13.698.809**	**-**	**13.698.809**
Foreign currency translation reserve	**-**	**-**	**-**	-	(1.424.354)	**(1.424.354)**	8.171	**(1.416.183)**
Balance - 31 December 2013	**4.383.018**	**92.704.841**	**(49.093.113)**	**-**	**(10.315.978)**	**37.678.768**	**948.631**	**38.627.399**
Profit for the period	-	-	927.337	-	-	**927.337**	40.752	**968.089**
Issue of share capital, net (Note 11.10)	57.122	4.739.203	-	-	-	**4.796.325**	-	**4.796.325**
Reduction of share capital (Note 11.10)	(4.101.301)	-	4.101.301	-	-	**-**	-	**-**
Exchange difference on I/C loans to foreign holdings	-	-	-	(19.746.111)	-	**(19.746.111)**	-	**(19.746.111)**
Foreign currency translation reserve	-	-	-	-	8.904.153	**8.904.153**	(337.501)	**8.566.652**
Balance - 31 December 2014	**338.839**	**97.444.044**	**(44.064.475)**	**(19.746.111)**	**(1.411.825)**	**32.560.472**	**651.882**	**33.212.354**

[1]Share premium is not available for distribution

[2]Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defense at 20% will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defense is payable on account of the shareholders.

[3] Exchange differences on intercompany loans to foreign holdings arose as a result of devaluation of the Ukrainian Hryvnia during 2014. The Group treats the mentioned loans as a part of the net investment in foreign operations.

[4] Exchange differences related to the translation from the functional currency of the Group's subsidiaries are accounted for directly to the foreign currency translation reserve. The foreign currency translation reserve represents unrealized profits or losses related to the appreciation or depreciation of the local currencies against the euro in the countries where the Company's subsidiaries own property assets.

10. Consolidated Statement of Cash Flows

For the year ended 31 December 2014

	Note	2014	2013
		€	€
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax and non-controlling interests		**1.188.565**	**(3.434)**
Adjustments for:			
Profit/(loss) on revaluation of investment property	11.3	(9.297.525)	(635.067)
Other non-cash movements		(593.717)	(409.563)
Prepayments and other current assets impairment loss/(reversal)	11.6	3.973	(10.017)
Trade and other payables written off	11.6	(12.422)	(266.771)
Depreciation of property, plant and equipment	11.4	17.897	12.163
Interest income	11.7	(80.895)	(100.013)
Interest expense	11.7	1.385.223	1.022.841
Gain on acquisition of subsidiaries		(766.221)	-
Provisions		(50.770)	(128.310)
Effect of foreign exchange differences		7.512.640	(201.951)
Cash flows used in operations before working capital changes		**(693.252)**	**(720.122)**
Change in prepayments and other current assets		(1.754.061)	(87.782)
Change in trade and other payables	11.12	(710.064)	(529.208)
Change in VAT recoverable		1.408.353	466.210
Change in other taxes and duties		(49.029)	(4.626)
Increase in deposits from tenants		211.228	5.521
Income tax paid		(284.153)	(80.230)
Working capital changes		**(1.177.726)**	**(230.115)**
Net cash flows used in operating activities		**(1.870.978)**	**(950.237)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on investment property	11.9	(60.155)	(130.567)
Prepayment made for acquisition of investment property	11.9	(624.841)	-
Decrease in payables for construction	11.12	-	(324.997)
Changes in property, plant and equipment		-	(47.045)
Interest received		80.895	100.013
Cash outflow on acquisition of subsidiaries		(6.210.254)	-
Net cash flows from / (used in) investing activities		**(6.814.355)**	**(402.596)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital/shareholders advances	11.10	1.727.691	12.834.124
Net repayment of borrowings	11.11	(565.389)	(1.109.377)
Interest and financial charges paid		(1.170.847)	(877.080)
Decrease in financial lease liabilities	11.13	(82.444)	(20.940)
Net cash flows from / (used in) financing activities		**(90.989)**	**10.826.727**
Effect of foreign exchange rates on cash and cash equivalents		(179.750)	(76.641)
Net increase/(decrease) in cash at banks		**(8.956.072)**	**9.397.253**
Cash:			
At beginning of the year		9.668.260	194.366
At end of the year		**891.938**	**9.668.260**

11. Notes to the Consolidated Financial Statements

For the year ended 31 December 2014

11.1. Earnings and net assets per share attributable to equity holders of the parent

a. Weighted average number of ordinary shares

	2014	2013
Issued ordinary shares capital	33.884.054	28.171.833
Weighted average number of ordinary shares (Basic)	30.037.571	24.790.668
Diluted weighted average number of ordinary shares	34.204.860	28.765.486

b. Basic diluted and adjusted earnings per share

Earnings per share (€)	2014	2013
Profit/(loss) after tax attributable to owners of the parent	927.337	(139.408)
Basic	0,03	(0,01)
Diluted	0,03	(0,00)

c. Net assets per share

Net assets per share (€)	31/12/2014	31/12/2013
Net assets attributable to equity holders of the parent	32.560.472	37.678.768
Number of ordinary shares	33.884.054	28.171.833
Diluted number of ordinary shares	38.866.775	32.196.381
Basic	0,96	1,34
Diluted	0,84	1,17

11.2. Segment information

All commercial and financial information related to the properties held directly or indirectly by the Group is being provided to members of executive management who report to the Board of Directors. Such information relates to rentals, valuations, income, costs and capital expenditures. The individual properties are aggregated into segments based on the economic nature of the property. For the reporting period the Group has identified the following material reportable segments:

Commercial-Industrial

- Warehouse segment – the Group acquires, develops operates and disposes warehouses
- Office segment – the Group acquires, develops operates and disposes offices

Residential

- Residential segment – the Group operates and disposes residential properties

Land Assets

- Land assets – the Group owns a number of land assets which are either available for sale or for potential development

There are no sales between the segments.

Segment assets for the investment properties segments represent investment property (including investment properties under construction and prepayments made for the investment properties). Segment liabilities represent interest bearing borrowings, finance lease liabilities and deposits from tenants. These are the only liabilities to the Board on the segmental basis.

For the year 2014 (€)	Warehouse	Office	Residential	Land Plots	Total
Segment profit					
Sales income	-	-	107.917	-	107.917
Cost of sales	-	-	(93.459)	-	(93.459)
Rental income	2.857.904	46.601	159.370	-	3.063.875
Service charges and utilities income	506.599	6.971	-	-	513.570
Valuation gains/(losses) from investment property	10.328.525	550.000	(1.581.000)	-	9.297.525
Segment profit	**13.693.028**	**603.572**	**(1.407.172)**	**-**	**12.889.428**
Gain realized on acquisition of subsidiaries	-	-	-	-	766.221
Investment properties operating expenses	(598.328)	(38.869)	(23.066)	-	(660.263)
Administration expenses	-	-	-	-	(2.743.723)
Other (expenses)/income, net	-	-	-	-	(136.058)
Finance costs (net)	-	-	-	-	(1.414.400)
Foreign exchange losses, net	-	-	-	-	(7.512.640)
Profit before tax	**13.094.700**	**564.703**	**(1.430.238)**	**-**	**1.188.565**

31/12/2014 (€)	Warehouse	Office	Residential	Land plots	Total
Assets					
Investment properties	31.463.310	6.400.000	8.373.000	7.296.877	53.533.187
Investment property under construction	-	-	-	5.083.216	5.083.216
Prepayments made for investments	624.841	-	-	2.049.378	2.674.219
Goodwill	-	43.269	-	-	43.269
Long-term receivables	125.909	-	-	-	125.909
Segment assets	**32.214.060**	**6.443.269**	**8.373.000**	**14.429.471**	**61.459.800**
Tangible and intangible assets	-	-	-	-	200.203
Prepayments and other current assets	-	-	-	-	4.251.489
Cash and cash equivalents	-	-	-	-	891.938
Total assets					**66.803.430**
Interest bearing borrowings	11.756.612	-	6.459.810	-	18.216.422
Finance lease liabilities	7.594.863	3.981.252	-	68.861	11.644.976
Deposits from tenants	621.129	-	40.281	-	661.410
Redeemable preference shares	698.650	-	-	-	698.650
Provision	-	-	-	68.253	68.253
Segment liabilities	**20.671.254**	**3.981.252**	**6.500.091**	**137.114**	**31.289.711**
Trade and other payables	-	-	-	-	1.869.537
Taxes payable	-	-	-	-	431.828
Total liabilities					**33.591.076**

For 2013, the Group had income only from the warehouse segment and only from Ukraine. Also in 2013 the Group had the same land properties as in 2014 (in Ukraine only).

Geographical information

Revenue from external customers (€)	2014	2013
Ukraine	2.439.780	2.717.166
Romania	1.152.123	-
Total	**3.591.903**	**2.717.166**

	31/12/2014	31/12/2013
Carrying amount of investment property, including under construction and prepayments made for investments (€)		
Ukraine	31.076.390	38.865.927
Romania	28.773.000	-
Greece	624.841	-
Total	**60.474.231**	**38.865.927**

11.3. Revenues

Operational income in the amount of €3.591.903 for the year ended 31 December 2014 represents rental and sales income as well as service charges and utilities income collected from tenants generated during the reporting periods as a result of the rental agreements concluded with tenants of the Terminal Brovary Logistic Park, Innovations Logistics Park, EOS Business Park as well as Residential Portfolio while for 2013 it was only generated by Terminal Brovary.

€	**2014**	**2013**
Sales income	107.917	-
Cost of sales	(93.459)	-
Rental income	3.063.875	2.137.448
Service charges and utilities income (Note 11.5)	513.570	579.718
Total Revenues	**3.591.903**	**2.717.166**

Warehouse space vacancy rate of the Terminal Brovary was at 6% as at 31 December 2014 (Note 11.9). As of the end of the reporting period Innovations was 100% leased, EOS Business Park was 100% leased and Residential Portfolio was 60% leased.

Sales income represent several apartments and parking spaces sold in Residential Portfolio while Costs of sales represent the acquisition value of the apartment and parking space reduced by the related depreciation amount until the finalisation of the sale.

Valuation gains/(losses) from investment property for the reporting period are presented in the table below. This table needs to be read in conjunction with Note 11.9 which incorporates foreign exchange translation differences.

Project Name (€)	**Valuation gains/(losses)**	
	2014	**2013**
Brovary Logistic Park	8.512.454	(66.546)
Bela Logistic Center	1.646.852	486.894
Kiyanovskiy Lane	1.155.225	(26.346)
Tsymlyanskiy Lane	184.450	30.109
Balabino	269.744	210.956
Rozhny Lane	(2.440.200)	-
Innovations Logistics Park	1.000.000	-
EOS Business Park	550.000	-
Residential Portfolio	(1.581.000)	-
Total	**9.297.525**	**635.067**

11.4. Administration Expenses

€	2014	2013
Salaries and Wages	807.714	761.317
Legal fees	410.394	525.919
Advisory fees	380.525	487.564
Administrative expenses	238.431	152.731
Directors remuneration	171.197	168.573
Audit and accounting fees	143.261	110.968
Public group expenses	101.780	166.899
Taxes and duties	76.199	89.586
Depreciation	17.897	12.163
Other expenses	396.325	-
Total Administration Expenses	**2.743.723**	**2.475.720**

Salaries and wages include the remuneration:

a) of the CEO, the CFO, the Group Commercial Director and the Managing Directors of Ukraine and Romania

b) of personnel employed in Ukraine and Romania

Legal and Advisory fees relate to expenses incurred by the Company in relation to Ukrainian and Romanian operations, as well as to capital raising and corporate matters.

Administrative expenses included office expenses for Cyprus, Romania and Ukraine.

Directors' remuneration represents the remuneration of all non-executive Directors and committee members.

Public group expenses include among others fees paid to the AIM: LSE stock exchange and the Nominated Advisor of the Company as well as marketing and other expenses related to the listing of the Company.

Other expenses include due diligence costs for projects which have not been acquired and which were presented previously under deferred expenses category. Such expense has been recorded at the moment of the decision not to proceed with the acquisition of the said assets.

11.5. Investment property operating expenses

€	2014	2013
Property management, utility expenses and other property costs	**660.263**	**543.217**

The Group has Maintenance and Property Management Agreements in respect of the servicing of Terminal Brovary Logistics Park and the Innovation Logistics Park. The Group is also incurring property operating expenses including utility expenses, insurance premiums, land and building taxes as well as various other expenses needed for the proper operation of the income generating properties in Kiev and in Bucharest. Part of these expenses are recovered from the tenants through the rental agreements (Note 11.3).

11.6. Other expenses/(income), net

€	2014	2013
Accounts payable written off	(12.422)	(395.081)
Provision on prepayments and other current assets impairment/(reversal)	3.973	(10.017)
Penalties	10.168	63.202
Other expenses/(income), net	134.339	(153.878)
Total	**136.058**	**(495.774)**

Accounts payable written off represents the total amount of payables written off as a result of negotiations and settlement during the reorganization of the Group that started in August 2011.

Provision for prepayments and other current assets impairment - reversal represents difference between allowances for prepayments and other current assets estimated previously by the Management and the amounts which have been finally settled.

Penalties incurred by the Group were mainly caused as a result of delayed payments of its liabilities due to negotiations.

Other income net in 2013 includes a provisional income of US$200.000 for advisory services, one off agency related expenses for the letting of Terminal Brovary and previous year expense write offs. In 2014, other income includes one off agency fees related for the letting of Terminal Brovary as well as other extraordinary one off expenses.

11.7. Finance costs, net

	2014	2013
	€	€
Borrowing interest expenses (Note 11, 13)	1.091.474	1.029.898
Finance lease interest expenses	293.749	57.643
Finance charges and commissions	68.744	46.928
Bank interest income	(80.895)	(100.013)
Other finance expense	41.328	-
Net finance cost	**1.414.400**	**1.034.456**

Borrowing interest expenses represents interest paid on the borrowings of the Group for EBRD facility of Terminal Brovary as well as for Residential Portfolio (Note 11.11).

Finance leasing interest expenses relate to the sales and lease back agreement of the Group with Piraeus Leasing Romania for Innovations Logistics Park and with Alpha Bank for EOS Business Park as well as to the land lease agreements of Ukrainian entities of the Group (Note 11.13).

Finance charges and commissions include fees paid to the banks.

11.8. Tax

	2014	2013
	€	€
Current income and defence tax expense	220.476	125.722
Taxes	**220.476**	**125.722**

The income tax rate for the year ended 31/12/2014 for the Company's Ukrainian subsidiaries is 19%, for the Romanian subsidiaries is 16% and for the Company and its Cypriot subsidiaries is 12.5%.

The tax on the Group's results differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2014	2013
	€	**€**
Profit / (loss) before tax	**1.188.565**	**(3.434)**
Tax calculated on applicable rates	318.134	(429)
Expenses not recognized for tax purposes	941.488	292.166
Tax effect of allowances and income not subject to tax	(139.164)	(162.031)
Tax effect on tax losses for the year	(882.377)	-
Tax effect on tax losses brought forward	(43.807)	(31.070)
10% additional tax	13.989	10.032
Defence tax	2.656	17.054
Overseas tax in excess of credit claim used during the year	6.598	-
Prior year tax	2.959	-
Total Tax	**220.476**	**125.722**

As from 1 January 2008, deferred tax is not provided in respect of the revaluation of the investment property and investment property under construction as the Group is able to control the timing of the reversal of this temporary difference and the Management has intention not to reverse the temporary difference in the foreseeable future, the properties are held by subsidiary companies in Ukraine. Management estimates that the assets will be realized through a share deal rather than through an asset deal. Should any subsidiary be disposed of, the gains generated from the disposal will be exempted from any tax. The respective reversal of previously accrued Deferred Tax Liabilities has been made in 2008.

11.9. Investment Property

Investment Property consists of the following assets:

- **Terminal Brovary Logistic Park** consists of a 49.180 sqm Class A warehouse and associated office space, situated on the junction of the main Kiev – Moscow highway and the Borispil road. The facility is in operation since Q1 2010 and as at the end of the reporting period its warehouse space is 94% leased.
- **Innovations Logistic Park** is a 15.750 sqm gross leasable area logistics park located in Clinceni in Bucharest, which benefits from being on the Bucharest ring road. Its construction was tenant specific, was completed in 2008 and is separated in four warehouses, two of which offer cold storage, the total area of which being 6.395 sqm. Innovations was acquired by the Group in May 2014 and is 100% leased at the end of the reporting period.
- **EOS Business Park** is a 3.386 sqm gross leasable area and includes a Class A office Building in Bucharest, which is currently fully let to Danone Romania, the French multinational food company. EOS Business Park was acquired by the Group in October 2014.
- **Residential portfolio** is an income producing residential portfolio in Bucharest, Romania consisting of 122 apartments totalling approximately 11.700 sqm across four separate complexes (Romfelt, Linda, Monaco, Blooming House) located in different residential areas of Bucharest. The Group acquired it in August 2014 and the portfolio is 60% let at the year end.
- **Bela Logistic Center** is a 22,4Ha plot in Odessa situated on the main highway to Kiev. Following the issuance of permits in 2008, below ground construction for the development of a 103.000 sqm GBA logistic center commenced. Construction was put on hold in 2009 following adverse macro-economic developments at the time.
- **Kiyanovsky Lane** consists of four adjacent plots of land, totaling 0,55 Ha earmarked for a residential development, overlooking the scenic Dnipro River, St. Michael's Spires and historic Podil neighborhood.
- **Tsymlianskiy Lane,** is a 0,36 Ha plot of land located in the historic Podil District of Kiev and is destined for the development of a residential complex.

- **Balabino project** is a 26,38 ha plot of land situated on the south entrance of Zaporizhia, a city in the south of Ukraine with a population of 800.000 people. Balabino is zoned for retail and entertainment development.
- **GED Logistic Park** is an income producing logistics park in Athens, Greece. The property comprises a fully let 17.756 sqm warehouse property which also has a photovoltaic alternative energy production facility installed on its roof. As at 31 December 2014 the Group made a prepayment for the asset in the amount of €624.841. The acquisition of the asset was concluded in March 2015.

€ Asset Name	Type	Carrying amount 31/12/2014	Foreign Exchange Translation difference	Fair Value gain/(loss)	Additions/ acquisitions 2014	Carrying amount 31/12/2013
Terminal Brovary Logistic Park	Industrial	17.463.310	(9.382.086)	8.512.454	60.155	18.272.787
Bela Logistic Center	Land	5.083.216	(3.089.631)	1.646.852	-	6.525.995
Kiyanovskiy Lane	Land	4.017.381	(2.503.662)	1.155.225	-	5.365.818
Tsymlyanskiy Lane	Land	1.147.823	(776.892)	184.450	-	1.740.265
Balabino	Land	2.131.673	(1.473.579)	269.743	-	3.335.509
Sub total			**(17.225.850)**	**11.768.724**		
Total Ukraine		**29.843.403**	**(5.457.126)**		**60.155**	**35.240.374**
Innovations Logistics Park	Industrial	14.000.000	-	1.000.000	13.000.000	-
EOS Business Park	Office	6.400.000	-	550.000	5.850.000	-
Residential portfolio	Residential	8.373.000	-	(1.581.000)	9.954.000	-
Total Romania		**28.773.000**	**(31.000)**		**28.804.000**	**-**
TOTAL		**58.616.403**	**(5.488.126)**		**28.864.155**	**35.240.374**

The fair value of the properties held by the Group in Ukraine has decreased as a result of the political uncertainty by €7.897.325 including a €2.440.200 write-off of a down payment for the acquisition of a property in 2008 (Note 11.9). The functional currencies of the subsidiaries are the currencies of their primary local economic environments and in terms of local currencies the fair values have increased (Note 11.3), even though the equivalent of these fair values compared to the Group's presentation currency are actually less due to the devaluation of the local currency.

The above two components comprising the fair value loss are presented in accordance with the requirements of IFRS in the consolidated statement of comprehensive income as follows:

a. The fair value gain in terms of the local functional currencies of €9.297.525 , is presented as Valuation gains/(losses) from investment properties is carried forward in Accumulated losses; and,
b. The translation loss due to the devaluation of local currencies of €17.225.850 is presented as part of the exchange difference on translation of foreign operations in other comprehensive income and then carried forward in the Foreign currency translation reserve.

Carrying amounts of the properties represent fair value estimates as of 31 December 2014 as provided by CBRE Ukraine and Property Partners Valuation Consulting, the external valuers.

a. Investment Property Under Construction

(€)	2014	2013
At 1 January	6.525.995	6.331.030
Revaluation on investment property	1.646.852	487.041
Translation difference	(3.089.631)	(292.076)
At 31 December	**5.083.216**	**6.525.995**

As at 31 December 2014 investment property under construction represents the carrying value of Bela Logistic Center project, which has reached the +10% construction in late 2008 but it is stopped since then.

b. Investment Property

(€)	2014	2013
At 1 January	**28.714.379**	**29.733.212**
Capital expenditure on investment property	60.155	130.657
Acquisitions of investment property	28.744.000	-
Revaluation gain/(loss) on investment property	10.090.872	148.027
Translation difference	(14.076.219)	(1.297.517)
At 31 December	**53.533.187**	**28.714.379**

Terminal Brovary, Kiyanovskiy Lane, Tsymlyanskiy Lane, Balabino, Innovations Logistics Park, EOS Business Park and Residential Portfolio are included in the Investment Property category.

c. Prepayment made for Investments

(€)	31/12/2014	31/12/2013
Advances for investments	10.377.372	8.585.706
Impairment provision (cumulative as of the reporting period)	(7.703.153)	(4.960.153)
Total	**2.674.219**	**3.625.553**

The Group has made an advance payment of ~US$12mil. (representing principal plus interest) for the acquisition of a project in Podil (Kyiv) in 2007. As of the end of the reporting period Management continues on its effort to collect the original US $12mil and to enforce on the collateral (land plot of 42 ha in Kiev Oblast) by transferring it in the Group’s name. As the collateral’s value, as valued by CBRE, has been reduced the Group has reduced the amount of the receivable to the value of the collateral having a carrying value of € 2.049.378.

In respect of the Fair Value of Investment Properties the following table represents an analysis based on the various valuation methods. The different levels have been defined as follows:

- Level 1 relates to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 relates to inputs other than quoted prices that are observable for the asset or liability indirectly (that is, derived from prices). Level 2 fair values of investment properties have been derived using the market value approach by comparing the subject asset with similar assets for which price information is available. Under this approach the first step is to consider the prices for transactions of similar assets that have occurred recently in the market. The most significant input into this valuation approach is price per square meter.
- Level 3 relates to inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). Level 3 valuations have been performed by the

external valuer using the income approach (discounted cash flow) due to the lack of similar sales in the local market (unobservable inputs).

To derive Fair Values the Group has adopted a combination of income and market approach weighted according to the predominant local market and economic conditions.

Fair value measurements at 31 December 2014 (€)	**(Level 1)**	**(Level 2)**	**(Level 3)**	**Total**
Recurring fair value measurements				
Balabino- Zaporizhia	-	2.131.671	-	**2.131.671**
Tsymlyanskiy – Podil, Kyiv City Center	-	-	1.147.823	**1.147.823**
Bela Logistics Center- Odessa	-	5.083.216	-	**5.083.216**
Terminal Brovary Logistics Park- Brovary Kyiv Oblast	-	-	17.463.310	**17.463.310**
Kiyanovskiy Lane – Podil, Kyiv City Center	-	-	4.017.381	**4.017.381**
Innovations Logistics Park – Bucharest	-	-	14.000.000	**14.000.000**
EOS Business Park – Bucharest, City Center	-	-	6.400.000	**6.400.000**
Residential Portfolio - Bucharest	-	8.373.000	-	**8.373.000**

Fair value measurements at 31 December 2013 (€)	**(Level 1)**	**(Level 2)**	**(Level 3)**	**Total**
Recurring fair value measurements				
Balabino- Zaporizhia	-	3.335.509	-	**3.335.509**
Tsymlyanskiy – Podil, Kyiv City Center	-	-	1.740.265	**1.740.265**
Bela Logistics Center- Odessa	-	6.525.995	-	**6.525.995**
Terminal Brovary Logistics Park- Brovary Kyiv Oblast	-	-	18.272.787	**18.272.787**
Kiyanovskiy Lane – Podil, Kyiv City Center	-	-	5.365.818	**5.365.818**

The table below shows yearly adjustments for Level 3 investment property valuations:

Level 3 Fair value measurements at 31/12/14 (€)	**Terminal Brovary Logistics Park**	**Kiyanovskiy Lane**	**Tsymlyanskiy**	**Innovations Logistics Park**	**EOS Business Park**	**Total**
Opening balance	18.272.787	5.365.818	1.740.265	-	-	**25.378.870**
Acquisitions	-	-	-	13.000.000	5.850.000	**18.850.000**
Additions	60.155	-	-	-	-	**60.155**
Disposals	-	-	-	-	-	-
Profit on revaluation	8.512.454	1.155.225	184.450	1.000.000	550.000	**11.402.129**
Translation difference	(9.382.086)	(2.503.662)	(776.892)	-	-	**(12.662.640)**
Closing balance	**17.463.310**	**4.017.381**	**1.147.823**	**14.000.000**	**6.400.000**	43.028.514

Level 3 Fair value measurements at 31/12/13 2013 (€)	**Terminal Brovary Logistics Park**	**Kiyanovskiy Lane**	**Tsymlyanskiy**	**Bela Logistic Center**	**Total**
Opening balance	19.035.168	5.635.137	1.788.692	6.331.030	**32.790.027**
Transfer to level 2 due to change of valuation methods	-	-	-	(6.289.557)	**(6.289.557)**
Profit on revaluation	64.001	(26.353)	30.118	-	**67.766**
Translation difference	(826.382)	(242.966)	(78.545)	(41.473)	**(1.189.366)**
Closing balance	**18.272.787**	**5.365.818**	**1.740.265**	**-**	25.378.870

Information about Level 3 Fair Values is presented below:

(€)	Fair value at 31 December 2014	Fair value at 31 December 2013	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Terminal Brovary Logistics Park- Brovary Kiev Oblast	17.463.310	19.035.168	Combined market and income approach	Future rental income and costs for 11 months, yield rate	The higher the estimated price of rental income the higher the fair value. The higher the yield rate, the lower fair value
Kiyanovskiy Lane – Podil Kiev City Center	4.017.381	5.635.137	Combined market and income approach	Future rental income and costs for 4 years	The higher the price of sales/rental income the higher the fair value
Tsymlyanskiy – Podil Kiev City Center	1.147.823	1.788.692	Combined market and income approach	Future rental income and costs for 4 years	The higher the price of sales/rental income the higher the fair value
Innovations Logistics Park – Bucharest	14.000.000	-	Income approach	Future rental income and costs for 10 years	The higher the price of sales/rental income the higher the fair value
EOS Business Park – Bucharest, City Center	6.400.000	-	Income approach	Future rental income and costs for 10 years	The higher the price of sales/rental income the higher the fair value

11.10. Share capital

Number of Shares (as at)	31 December 2013	20 March 2014	16 May 2014	24 June 2014	28 August 2014	30 October 2014	31 December 2014
		Reduction of Share Capital	Increase of Share Capital				
Authorised							
Ordinary shares of €0,01	989.869.935	-	-	-	-	-	989.869.935
Ordinary Shares of €0,92	1	(1)	-	-	-	-	-
Deferred Shares of €0,99	4.142.727	(4.142.727)	-	-	-	-	-
Total equity	**994.012.663**	**(4.142.728)**	**-**	**-**	**-**	**-**	**989.869.935**
Redeemable Preference Shares of €0,01	-	-	785.000	-	-	-	785.000
Total	**994.012.663**	**(4.142.728)**	**785.000**	**-**	**-**	**-**	**990.654.935**
Issued and fully paid							
Ordinary shares of €0,01	28.171.833	-	-	616.726	3.934.853	1.160.642	33.884.054
Ordinary Shares of €0,92	1	(1)	-	-	-	-	-
Deferred Shares of €0,99	4.142.727	(4.142.727)	-	-	-	-	-
Total equity	**32.314.561**	**(4.142.728)**	**-**	**616.726**	**3.934.853**	**1.160.642**	**33.884.054**
Redeemable Preference Shares of €0,01	-	-	785.000	-	-	-	785.000
Total	**32.314.561**	**(4.142.728)**	**785.000**	**616.726**	**3.934.853**	**1.160.642**	**34.669.054**

Value (as at) (€)	31 December 2013	20 March 2014	16 May 2014	24 June 2014	28 August 2014	30 October 2014	31 December 2014
		Reduction of Share Capital	Increase of Share Capital				
Authorised							
Ordinary shares of €0,01	9.898.699	-	-	-	-	-	9.898.699
Ordinary Shares of €0,92	1	(1)	-	-	-	-	-
Deferred Shares of €0,99	4.101.300	(4.101.300)	-	-	-	-	-
Total equity	**14.000.000**	**(4.101.301)**	**-**	**-**	**-**	**-**	**9.898.699**
Redeemable Preference Shares of €0,01	-	-	7.850	-	-	-	7.850
Total	**14.000.000**	**(4.101.301)**	**7.850**	**-**	**-**	**-**	**9.906.549**
Issued and fully paid							
Ordinary shares of €0,01	281.717	-	-	6.167	39.349	11.606	338.839
Ordinary Shares of €0,92	1	(1)	-	-	-	-	-
Deferred Shares of €0,99	4.101.300	(4.101.300)	-	-	-	-	-
Total equity	**4.383.018**	**(4.101.301)**	-	6.167	39.349	11.606	**338.839**
Redeemable Preference Shares of €0,01	-	-	7.850	-	-	-	7.850
Total	**4.383.018**	**(4.101.301)**	**7.850**	**6.167**	**39.349**	**11.606**	**346.689**

1 Authorised share capital

As at the end of 2013 the authorised share capital of the Company was 989.869.935 Ordinary Shares of €0,01 nominal value each, 1 Ordinary Share of €0,92 nominal value and 4.142.727 Deferred Shares of €0,99 nominal value each.

On March 20, 2014 following the approval of the Annual General Meeting of 30/12/2013 the authorised share capital of the Company was reduced to €9.898.699,35 divided into 989.869.935 ordinary shares of €0,01 each and such reduction was effected by the cancellation of 1 ordinary share of €0,92 and 4.142.727 deferred shares of €0,99 each for the purpose of writing off losses of the Company.

On May 16, 2014 following the approval of the Extraordinary General Meeting of 5/5/2014 the authorised share capital of the Company was increased by €7.850 and such increase was effected by the issuance of 785.000 redeemable preference shares of €0,01 each for the purpose of in kind contribution of Innovation Park acquisition.

As at the end of the reporting period the authorised share capital of the Company is 989.869.935 Ordinary Shares of €0,01 nominal value each and 785.000 Convertible Shares of €0,01 nominal value each.

2 Issued Share Capital

As at the end of 2013 the issued share capital of the Company was 28.171.833 Ordinary Shares of €0,01 nominal value each, 1 Ordinary Share of €0,92 nominal value and 4.142.727 Deferred Shares of €0,99 nominal value each.

Further to the resolutions approved at the AGM of 30 December 2013 and at the EGM of 5 May 2014 the Board has proceeded with:

1. On 20/3/2014, following the approval of the Annual General Meeting of 30/12/2013, the cancellation of 1 ordinary share of €0,92 and 4.142.727 deferred shares of €0,99 each for the purpose of writing off losses of the Company.

2. On 16/5/2014, following the approval of the Extraordinary General Meeting of 5/5/2014, the allotment of 785.000 redeemable preferred shares €0,01 each for the purpose of acquiring Innovations Park.

3. On 24/6/2014, following the approval of the Annual General Meeting of 30/12/2013, the allotment of 116.726 ordinary shares of €0,01 each to its Directors, who thus converted their 2013 annual fees amounting to GBP 86.375 into equity.

4. On 24/6/2014, following the approval of the Annual General Meeting of 30/12/2013, the allotment of 500.000 ordinary shares of €0,01 each to the Directors, Management, Employees and Advisors of the Company for their efforts in assisting the Group's turnaround since August 2011 as well as in working towards achieving its investment strategies and goals.

5. On 28/8/2014, following the approval of the Annual General Meeting of 30/12/2013, the allotment of 3.934.853 ordinary shares of €0,01 each for the purpose of an in kind contribution of Residential Portfolio acquisition and advisory related to this acquisition (Note 11.10).

6. On 30/10/2014, following the approval of the Annual General Meeting of 30/12/2013, the allotment of 1.160.642 ordinary shares of €0,01 each for the purpose of capital raising in the Company by new shareholders.

As at the end of the reporting period the issued share capital of the Company is 33.884.054 Ordinary Shares of €0,01 nominal value each and 785.000 Convertible Shares of €0,01 nominal value each.

3 Director's Option scheme

Under the said scheme each of the directors serving at the time, which is still a Director of the Company is entitled to subscribe for 2.631 Ordinary Shares exercisable as set out below:

	Exercise Price	Number of
	US$	Shares
Exercisable until 1 August 2017	57	1.754
Exercisable until 1 August 2017	83	877

The Company considers the said options well out of money (as the share price at the reporting date is USD 0,46), thus the possibility of exercising them is remote and therefore has not any provision on them.

<u>Director Franz M. Hoerhager Option scheme, 12 October 2007</u>

Under the said scheme, director Franz M. Hoerhager is entitled to subscribe for 1.829 ordinary shares exercisable as set out below:

	Exercise Price	Number of
	GBP	Shares
Exercisable until 1 August 2017	40	1.219
Exercisable until 1 August 2017	50	610

The Company considers the said options well out of money (as the share price at the reporting date is GBP 0,30), thus the possibility of exercising them is remote and therefore has not any provision on them.

4 Warrants issued

On 8 August 2011 the Company has issued an amount of Class B Warrants for an aggregate equivalent to 12,5% of the issued share capital of the Company at the exercise date. Each Class B Warrant entitles the holder to receive one Ordinary Share. The Class B Warrants may be exercised at any time until 31st December 2016, pursuant to a decision by the AGM of 30/12/2013. The exercise price of the Class B Warrants will be the nominal value per Ordinary Share as at the date of exercise. The Class B Warrant Instruments have anti-dilution protection so that, in the event of further share issuances by the Company, the number of Ordinary Shares to which the holder of a Class B Warrant is entitled will be adjusted so that he receives the same percentage of the issued share capital of the Company (as nearly as practicable), as would have been the case had the issuances not occurred. This anti-dilution protection will lapse on the earlier of (i) the expiration of the Class B Warrants; (ii) capital increase(s) undertaken by the Company generating cumulative gross proceeds in excess of US$100.000.000 by the time such warrants are exercised; and (iii) the exercise of such warrants. As of the reporting date, the aggregate amount of class B warrants would result in the issuance of 4.840.579 ordinary shares if exercised.

5 Capital Structure as at the end of the reporting period

As at the reporting date the Company's share capital is as follows:

Number of		**(as at)** 31/12/2014	**(as at)** 31/12/2013
Ordinary shares of €0,01	Issued and Listed in AIM	33.884.054	28.171.833
Class B Warrants corresponding in ordinary shares if exercised		4.840.579	4.024.548
Total number of Shares	**Non-Dilutive Basis**	**33.884.054**	**28.171.833**
Total number of Shares	**Full Dilutive Basis**	**38.724.633**	**32.196.381**
Options		4.460	4.460

6 Redeemable Preference Shares description

During the reporting period the Company has issued 785.000 redeemable convertible shares of nominal value €0,01 each. The redeemable convertible shares have no voting powers or rights to dividend. 392.500 of the Convertible Shares can be redeemed out of profits by the Company after 31 January 2015 (the "Redemption Date 1") at the price of €0,89 each and the rest 392.500 of the Convertible Shares can be redeemed out of profits by the Company after 31 January 2016 (the "Redemption Date 2") at the price of €0,89. At any time prior to the Redemption Dates the holders shall have the option to unilaterally reconvert the Convertible Shares into ordinary shares of €0,01 each. As of Redemption Date 1 no shares have been either redeemed or converted.

11.11. Borrowings

	31/12/2014	31/12/2013
	€	€
Principal EBRD loan	11.808.915	10.319.084
Other bank borrowings	6.219.191	-
Banca Comerciala Romana	1.783.826	-
Bancpost SA	2.157.501	-
Alpha Bank Romania	1.184.688	-
Raiffeisen Bank Romania	1.093.176	-
Restructuring fees and interest payable to EBRD	29.685	569.282
Interest accrued on bank loans	240.619	23.275
Prepaid fees to EBRD	(81.988)	-
Interest due to related parties (Note 28.3)	-	165.599
Total	**18.216.422**	**11.077.240**

	31/12/2014	31/12/2013
	€	€
Current portion	5.960.706	11.077.240
Non-current portion	12.255.716	-
Total	**18.216.422**	**11.077.240**

EBRD loan related to Terminal Brovary

In December 2014 the Company has agreed with the EBRD for rescheduling of the amortization plan of the Brovary construction loan, following two years of deliberations partly because of the Cyprus crisis and the ensuing issues that the then defaulted Laiki Bank at the beginning and later the Bank of Cyprus (after taking over Laikis's portion of the Loan) acting as the B Lender were unable to approve such restructuring, despite the fact that SPDI has been observing the capital repayments under an agreement with the EBRD since May 2013. According to the agreement the loan repayment is being extended to 2022, with a balloon payment of US$3.633.333.

Under the current agreement the collaterals accompanying the existing loan facility are as follows:

1. LLC Terminal Brovary pledged all movable property with the carrying value more than US$25.000.

2. LLC Terminal Brovary pledged its Investment property, Brovary Logistics Centre the construction of which was finished in 2010 (Note 15), and all property rights on the center.

3. SPDI PLC pledged 100% corporate rights in SL SECURE Logistics Ltd, a Cyprus Holding Company which is the Shareholder of LLC Terminal Brovary, LLC Aisi Brovary.

4. SL SECURE Logistics Ltd pledged 99% corporate rights in LLC Aisi Brovary.

5. LLC Aisi Brovary pledged 100% corporate rights in LLC Terminal Brovary.

6. LLC Terminal Brovary pledged all current and reserved accounts opened by LLC Terminal Brovary in Unicreditbank Ukraine.

7. LLC Aisi Brovary entered into a call and put option agreement with EBRD, pursuant to which following an Event of Default (as described in the Agreement) EBRD has the

right (Call option) to purchase at the Call Price from LLC Aisi Brovary, 20% of the Participatory Interest of LLC Terminal Brovary on the relevant Settlement Date.

8. LLC Terminal Brovary has granted EBRD a second ranking mortgage in relation to its own and LLC Aisi Brovary's obligations under the call and put option agreement.

9. LLC Terminal Brovary has pledged its rights arising in connection with the existing Lease agreements with Tenants.

10. LLC Aisi Brovary has entered with EBRD into a conditional assignment agreement of 20% and 80% corporate rights in LLC Terminal Brovary.

11. SL Secure Logistics Limited has entered with EBRD into a conditional assignment agreement of 99% corporate rights in LLC Aisi Brovary.

The issued corporate guarantee dated 12 January 2009 guaranteeing all liabilities and fulfillment of conditions under the existing loan agreement remains in force. The maturity of the guarantee is equal to the maturity of the loan.

The existing credit agreement with EBRD includes among others the following requirements for LLC Terminal Brovary and the Group as a whole:

1. At all times LLC Brovary Logistics shall maintain a balance in the Debt Service Reserve Amount (DSRA) account equal to not less than the sum of all payments of principal and interest on the Loan which will be due and payable during the next six month.

2. LLC Terminal Brovary shall achieve a "CNRI"(Contract Net Rental Income is the aggregate of monthly lease payments, net of value added tax, contracted by the Borrower pursuant to the Lease Agreements as of the relevant testing date and converted into Dollars at the official exchange rate established by the National Bank of Ukraine as of such testing date) according to the following schedule:

    (1) on 31 December 2014, CNRI of USD 200,000 or more;

    (2) on 30 June 2015, CNRI of USD 220,000 or more;

    (3) on 31 December 2015, CNRI of USD 230,000 or more; and

    (4) on 30 June and 31 December in each year commencing on the date of 30 June 2016, CNRI of USD 250,000 or more, in respect of the six month period commencing on any such date.

3. LLC Terminal Brovary shall achieve a "DSCR"(Debt Service Coverage Ratio is the sum of net income minus operating expenses plus amortization, divided with the sum of paid principal & interest) according to the following schedule:

    i. in respect of the 6 months period ending on 31 December 2014, the DSCR of more than 1,10x.

    ii. in respect of the 6 months period ending on 30 June 2015 and 31 December 2015, the DSCR of more than 1,15x.

    iii. in respect of the 6 months period ending on 30 June or 31 December in any year commencing on the date of 30 June 2016, the DSCR of more than 1,2x.

Other bank Borrowings (related to residential projects)

In October 2009, Sec Rom Real Estate entered into a loan agreement with Alpha Bank- Romania for a credit facility for financing part of the acquisition of the Doamna Ghica Project apartments. As of the end of the reporting period, the balance of the loan is €1.184.688, bears interest of EURIBOR 3M+5,25% and is repaid on the basis of investment property sale. The loan matures on October 2016 and is secured by all assets of Sec Rom as well as its shares.

On January 31st, 2012, Ketiza Real Estate entered into a loan agreement with Bancpost for a credit facility for financing the acquisition of the Blooming House Project and 100% of the remaining (without VAT) construction works Blooming House project. As of the end of the reporting period the balance of the loan is €2.157.501. The loan bears interest of EURIBOR 3M plus 3,5% and the Company negotiates its prolongation until May 2017 as it expires in April 2015. The bank loan is secured by all assets of Ketiza as well as its shares (Note 11.14).

In January 2011, Sec Vista Real Estate entered into a loan agreement with Raiffeisen Bank-Romania for a credit facility for financing part of the acquisition of the Linda Residence Project apartments. As of the end of the reporting period the balance of the loan is €1.093.176. The loan bears interest of EURIBOR 1M+5,2% and is currently under restructuring negotiation. The loan is secured by all assets of Sec Vista as well as its shares.

On October 13th, 2011, SecMon Real Estate entered into a loan agreement with Banca Comerciala Romana for a credit facility for financing part of the acquisition of the Monaco Towers Project apartments. As of the end of the reporting period the balance of the loan is €1.783.826 and bears interest of EURIBOR 3M plus 5%. The loan is repayable in October 2015 and is secured by all assets of SecMon as well as its shares.

11.12. Trade and other payables

€	31/12/2014	31/12/2013
Payables to related parties	335.004	575.216
Payables for construction, non-current	202.200	293.994
Payables for services	916.827	121.159
Deferred income from tenants non-current	12.485	186.463
Deferred income from tenants current	132.782	-
Accruals	270.239	83.314
Total	**1.869.537**	**1.260.146**

€	31/12/2014	31/12/2013
Current portion	1.654.852	779.688
Non - current portion	214.685	480.458
Total	**1.869.537**	**1.260.146**

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

Payables for construction represent amounts payable to the contractor of Bella Logistic Center in Odessa. The settlement was reached in late 2011 on the basis of maintaining the construction contract in an inactive state (to be reactivated at the option of the Group), while upon reactivation of the contract or termination of it (because of the sale of the asset) the Group would have to pay an additional UAH 5.400.000 (€ 280.769) payable upon such event occurring. Since it is uncertain when the latter amount is to be paid it has been discounted at the current discount rates of 20% in Ukraine and is presented as a non-current liability.

Payables and accruals for services represent amounts payable to various service providers including auditors, legal advisors, consultants and third party accountants related to the current operations of the Group as well as with due diligence related expenses incurred in preparation of new acquisitions.

11.13. Finance Lease Liabilities

As at the reporting date the Finance Lease liabilities consist of the non-current portion of € 11.463.253 and the current portion of € 181.723 (31/12/2013: € 387.400 and € 23.020, accordingly).

2014 (€)	**Note**	**Minimum lease payments**	**Interest**	**Principal**
Less than one year		766.289	584.677	181.612
Between two and five years		3.424.203	2.205.329	1.218.874
More than five years		13.285.643	3.094.876	10.190.767
		17.476.135	**5.884.882**	**11.591.253**
Accrued Interest				53.723
Total Finance Lease Liabilities				**11.644.976**

2013 (€)		**Minimum lease payments**	**Interest**	**Principal**
Less than one year		75.704	68.492	7.212
Between two and five years		321.263	213.075	108.188
More than five years		1.289.094	1.103.833	185.261
		1.686.061	**1.385.400**	**300.661**
Accrued Interest				109.759
Total Finance Lease Liabilities				**410.420**

1 Land Plots Financial Leasing

The Group rents land plots classified as finance lease. Lease obligations are denominated in UAH. The fair value of lease obligations approximate to their carrying amounts as presented above. Following the appropriate discounting finance lease liabilities are carried at € 152.479 under current and non-current portion. The Group's obligations under finance leases are secured by the lessor's title to the leased assets.

2 Sale and Lease Back Agreements

A. <u>Innovations Logistic Park</u>

In May 2014 the Group concluded the acquisition of Innovations Logistics Park in Bucharest (Note 16), owned by Best Day Srl, through receiving debt from Piraeus Leasing Romania SA in the form of a sale and lease back agreement. The financed amount was €7.500.000 bearing interest rate at 3M Euribor plus 4,45% margin, being repayable in monthly tranches until 2026. At the maturity of the lease agreement Best Day will become owner of the asset.

Under the current finance lease agreement the collaterals for the facility are as follows:

1. Best Day pledged its future receivables from its tenants.
2. Best Day pledged its shares.
3. Best Day pledged all current and reserved accounts opened in Piraeus Leasing , Romania.
4. Best Day is obliged to provide cash collateral in the amount of €250.000 in Piraeus Leasing Romania, which shall be deposited as follows, half in May 2014 and half in May 2015.
5. SPDI provided a corporate guarantee in favor of the bank towards the liabilities of Best Day arising from the sales and lease back agreement.

B. EOS Business Park

In October 2014 the Group concluded the acquisition of EOS Business Park in Bucharest, owned by First Phase Srl, through receiving debt from Alpha Bank Romania SA in the form of a sale and lease back agreement. The financed amount was €4.000.000 bearing interest rate at 3M Euribor plus 5,25% margin, being repayable in monthly tranches until 2024. At the maturity of the lease agreement First Phase will become owner of the asset.

Under the current finance lease agreement the collaterals for the facility are as follows:

1. First Phase pledged its future receivables from its tenants.
2. First Phase pledged Bank Guarantee receivables from its tenants.
3. Best Day pledged its shares.
4. First Phase pledged all current and reserved accounts opened in Alpha Bank Romania SA.
5. First Phase is obliged to provide cash collateral in the amount of €300.000 in Alpha Bank Romania SA, starting from October 2019.
6. SPDI provided a corporate guarantee in favor of the bank towards the liabilities of First Phase arising from the sales and lease back agreement.

11.14. Events after the end of the reporting period

A. GED Logistics and Photovoltaic Park Acquisition

The Company has completed the acquisition of an income producing logistics park that includes warehouse space as well as an alternative energy production facility of photovoltaic park (the "Complex"), located in the West Attica Industrial Area, Greece, from a Greek company listed in Athens Stock Exchange.

The Complex comprises 17.756 leasable sq m and has a net operating income ("NOI") of approximately €1,5 million. It is fully let 70% to the German multinational transportation and logistics company, Kuehne + Nagel and 30% to a Greek commercial company trading electrical appliances GE Dimitriou SA. The NOI also includes income from selling electric energy produced by the photovoltaic park installed on the roof of the warehouse property to the Greek Electric Grid. The consideration paid is ~€1.800.000 reflecting an agreed value for the Complex of €15.000.000 and the assumption of associated debt of €13.000.000 as well as some other liabilities.

B. Open offer and share capital increase

The Company has raised in March 2015 €8 million (before expenses), having received valid applications in respect of 23.777.748 new ordinary shares (the "New Ordinary Shares") at a price of 25 pence per New Ordinary Share, following the Open Offer addressed to its existing shareholders that closed on Wednesday 11th March.

According to the Open Offer the net proceeds of the Open Offer would be primarily be deployed in acquiring, or securing the acquisition of, income generating industrial, retail and commercial property assets in Bulgaria, Romania and Greece.

The New Ordinary Shares were credited to CREST accounts on 19 March 2015. Following admission of the new Ordinary Shares, the Company's total issued and voting share capital is 57.661.802 ordinary shares.

C. Autounion 20% acquisition

Secure Property Development & Investment PLC, acquired in April 2015 a 20% interest in Autounion, a Class A BREEAM certified, fully let and income generating office building in Sofia. The acquisition, which was the Company's first in Bulgaria, is in line with its strategy to build a diversified portfolio of prime commercial real estate in East and Southeast Europe. The office building, which is fully let to a leading Bulgarian insurance company on a long lease extending to 2027, produces an annualized Net Operating Income of €2,9 million. The Company has acquired the 20% of the corporate entity owning the building for a cash consideration of €4,06 million.

The acquisition widens the Company's investment activity to four countries. The consideration was funded from the Company's cash reserves, which were boosted by the Open Offer.

D. CRAIOVA Acquisition

In May 2015 the Company acquired 100% interest in BLUEBIGBOX 3 S.R.L, a DIY retail property in a prime location in Craiova, Romania. The building has a gross lettable area of 9.385 sqm, is wholly let to Praktiker, a leading European DIY retailer and produces an annualized NOI of ~€1 million. The Purchase Price was €6,1 million while the property has debt amounting to €5m. The Purchase price will be through issuance to the Seller of 8.618.997 redeemable convertible preference shares. The transaction will be completed following an EGM by the Company approving the terms of the redeemable convertible shares.

E. SEC South East Continent Unique Real Estate Investment Ltd Acquisition

In May 2015 the Company acquired all the shares of SEC South East Continent Unique Real Estate Investments Ltd ("Sec South") in exchange for 18.028.294 SPDI shares. The Net Asset Value of the acquired entity was €16,9 million while the Gross Asset value was €42,3 million. Sec South has a 24,35% interest in Delea Nuova, a Class A office building in a prime business location in Bucharest - the building is fully let mainly to the telecommunications regulator of Romania, produces an annualized NOI of €1,9 million and has a GLA of 10.280 square meters over ten floors and includes underground parking. Sec South also has a small portfolio of newly built income producing residential assets, located on Grivita Lake in north Bucharest and on the slopes of Boyana in South Sofia. They generate an annualised income of €300.000, as they are mostly let. In addition Sec South has land assets in Bucharest and Sofia. Except from the income producing properties the Company intends to sell these to generate substantial near term cash for reinvestment.

F. Bancpost SA loan on Bloominghouse (Ketiza srl)

Bancpost S.A. has extended the loan facility granted to Ketiza srl, for financing the construction of Bloominghouse residential project (Note 11.11) until mid-June 2015, in order for the discussions that will allow the restructuring the said loan from being a construction one to an investment to be concluded. Management believes that such agreement will be in place within the said timeframe.