



Grivalia Properties REIC

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*Company Presentation
December 2014*

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Company overview

- The leading Greek REIC
- Strong shareholder base
- Strong management team
- High quality property portfolio and remarkable tenant mix
- Strong operational performance
- Tax-Efficient Structure

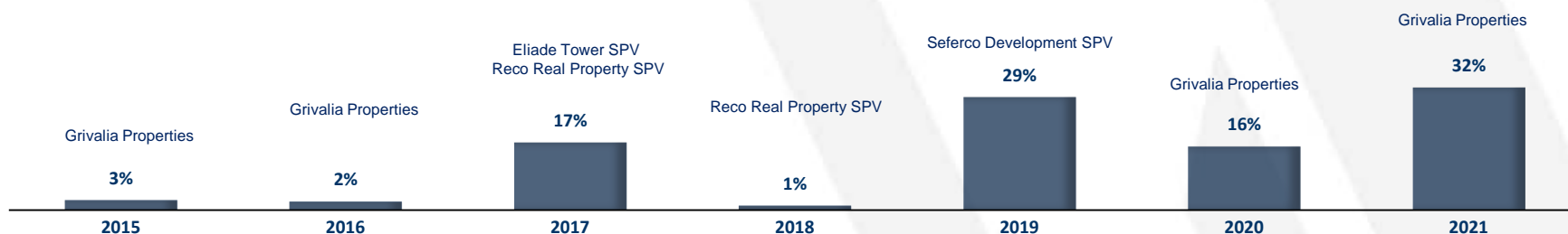
Financial snapshot

Actual Data – 30.09.2014

Group

- **Cash (Term Deposits):** €170m
- **Total debt outstanding:** €65m
- Average deposit rate: 2,84%
- Debt to Total Assets: 7%
- Loan to Value: 9%
- Weighted average maturity: 5 years
- Weighted average cost of debt : 2,90%
- All debt is on floating interest rate

Loan maturity schedule



Actual balloon payments

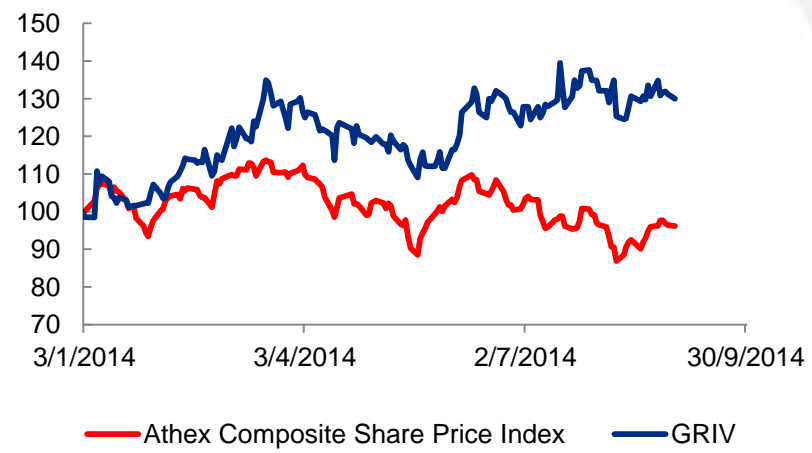


Total
balloon
payments:
€39m

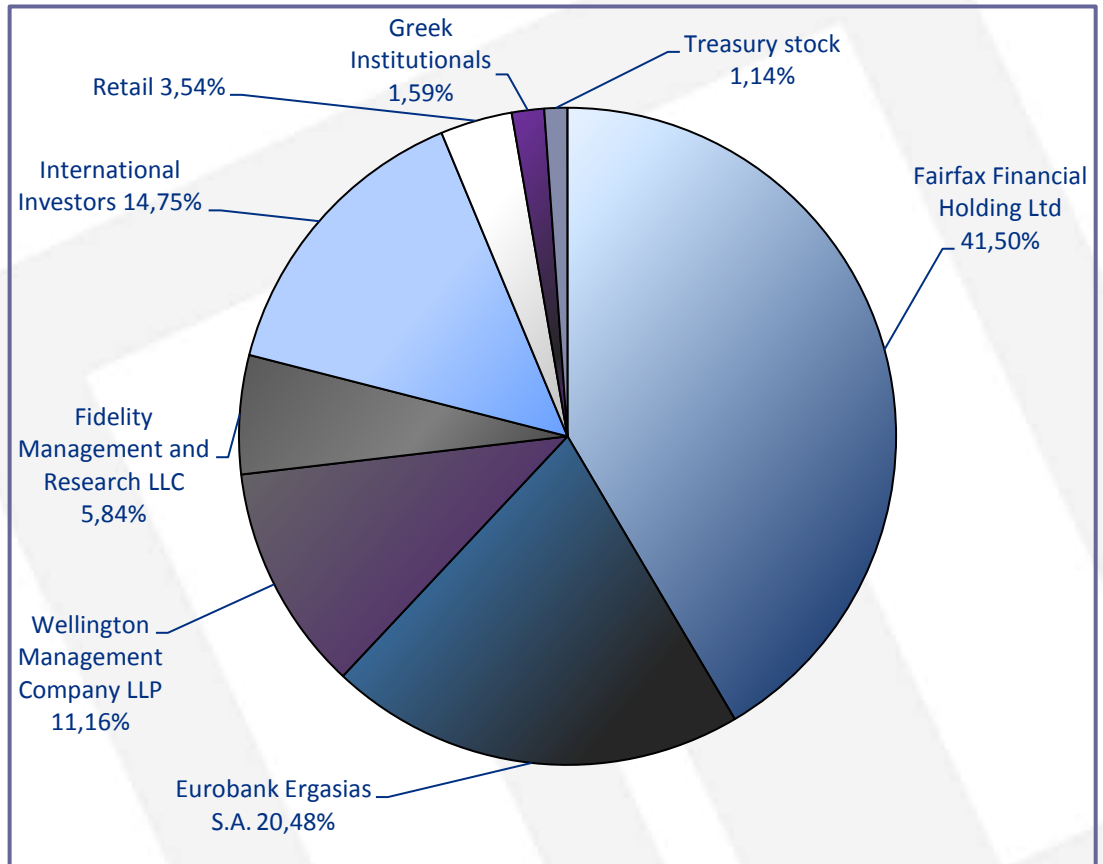
Shareholder NAV and Stock Information

Share Price Information

- Share Price (30.09.2014) → €9,00
- Market Capitalization → €911m
- NAV → €843m
- NAV per share → €8,32

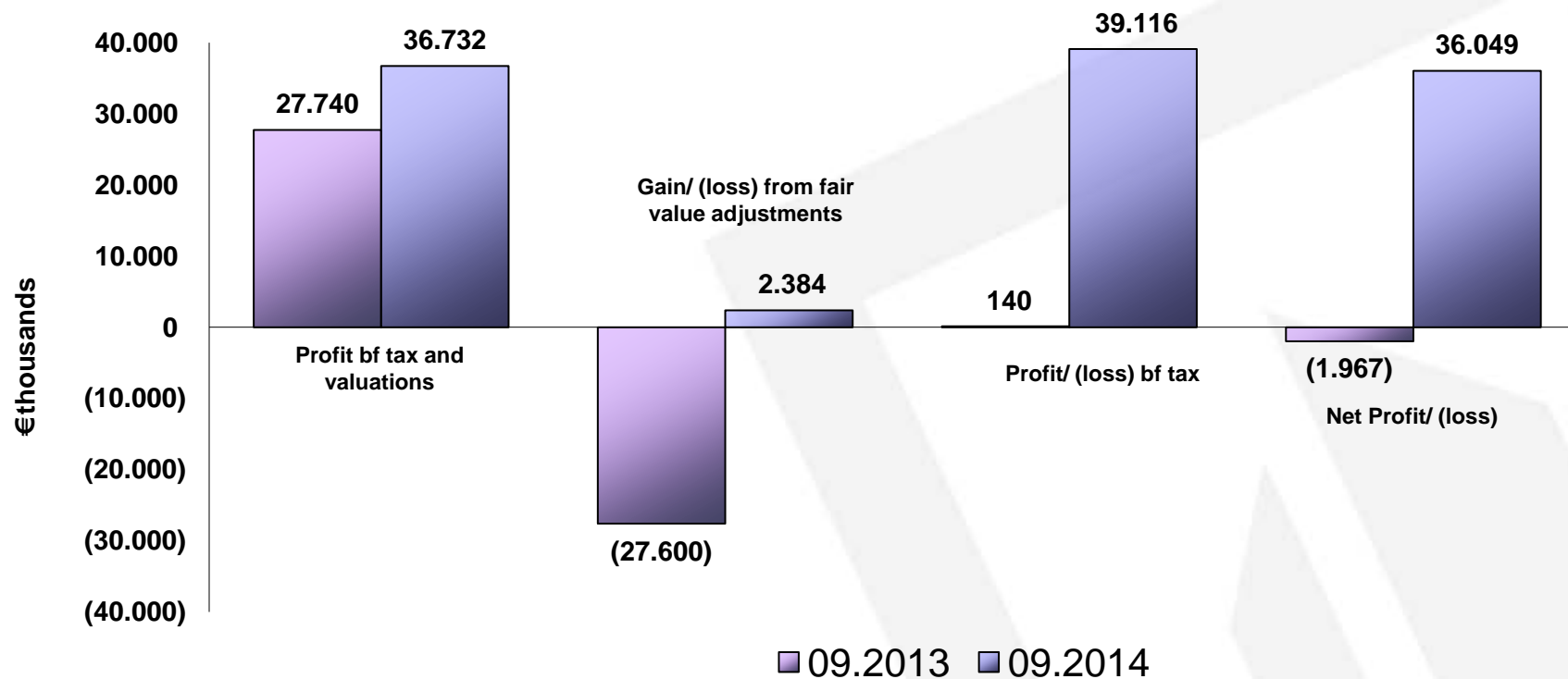


Shareholder Structure* – 09/2014



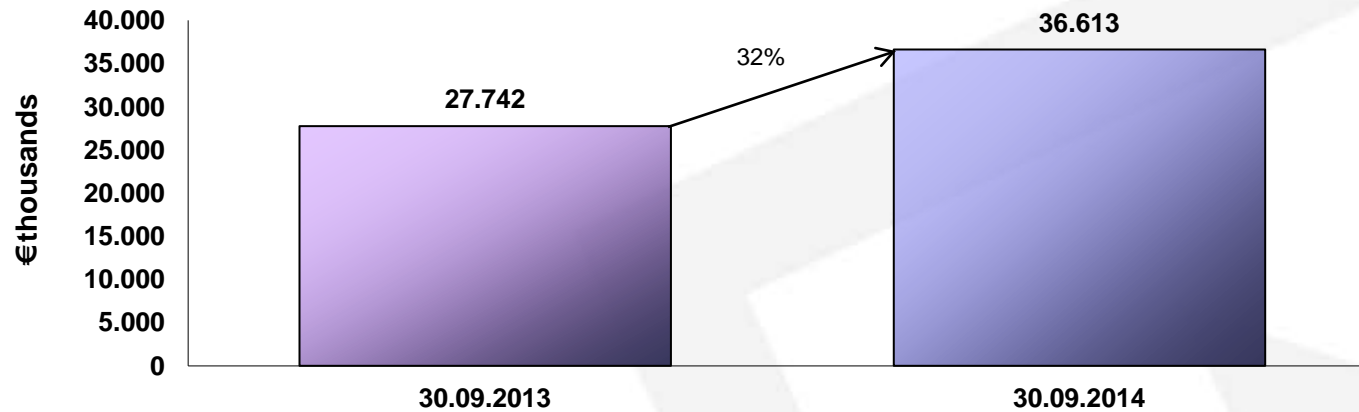
Total Shares Outstanding : 101.260.000

Financial information 30.09.2014

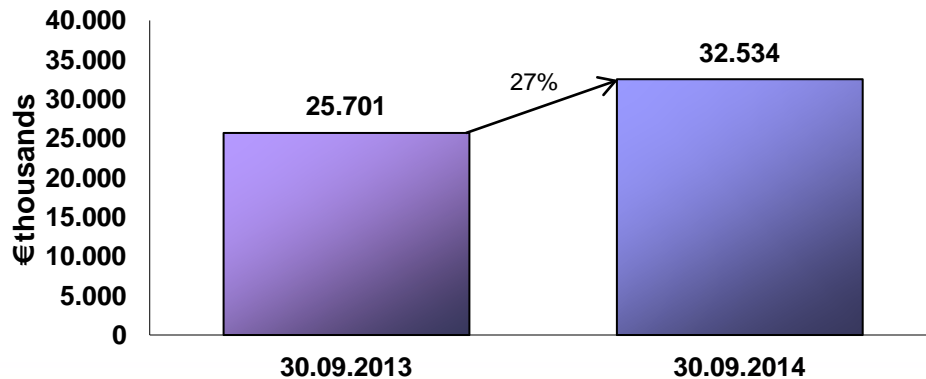


Financial information 30.09.2014

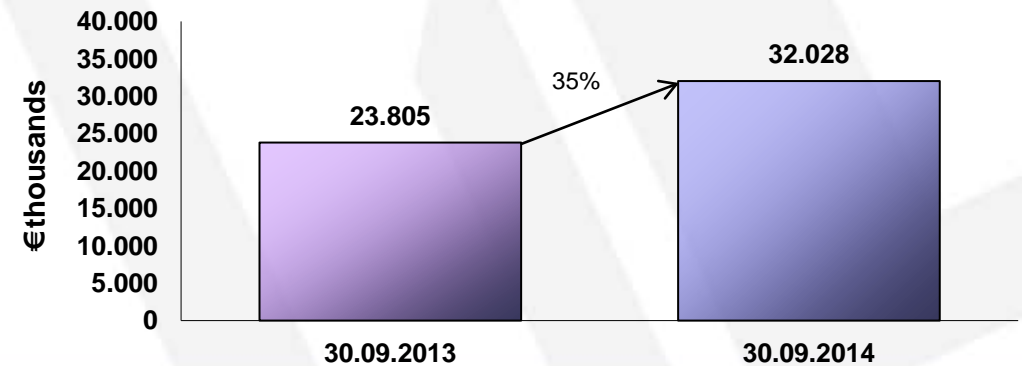
Rental income



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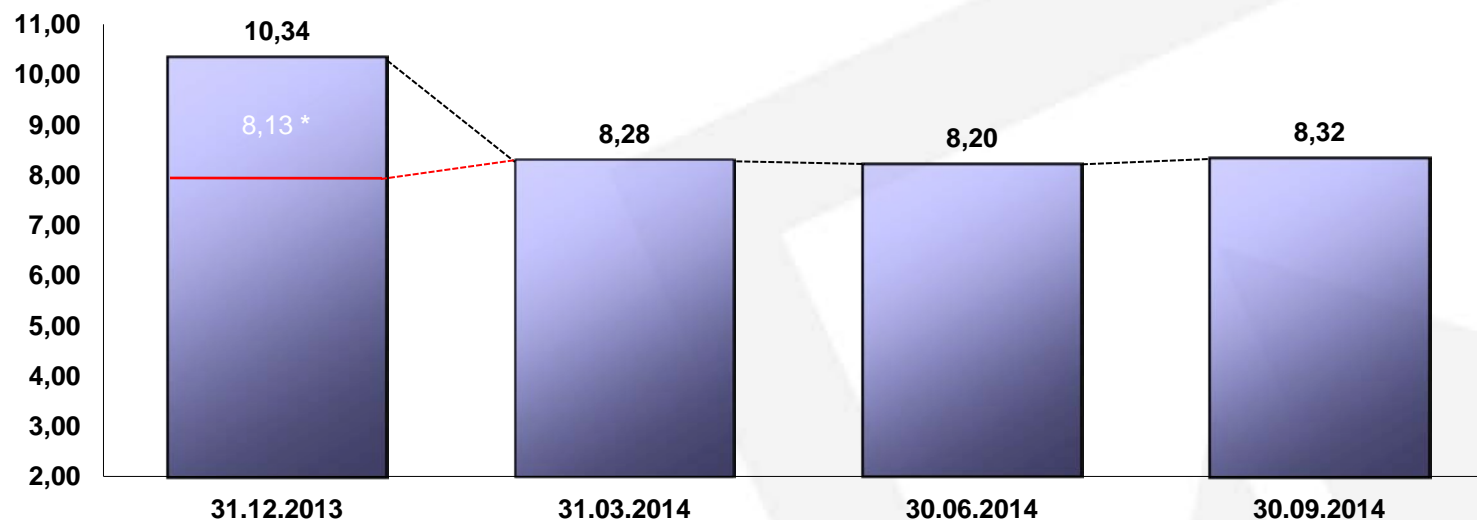


Adjusted EBITDA



Financial information 30.09.2014

NAV per share



At December 31, 2013, NAV per share calculation is based on 61m shares, whereas for 2014 the calculation is based on 101,26m shares.

The decrease in NAV per share in the 2nd Q 2014, is mainly driven by the distribution of dividends amounting to €18m which offset the rental revenue increase of €12m.

Portfolio Geographic Breakdown

Belgrade & Nis

No. of Assets	2
GLA (sqm)	6.379
MV (€mn)	13,4
% of TMV	1,8%

Bucharest & Iasi

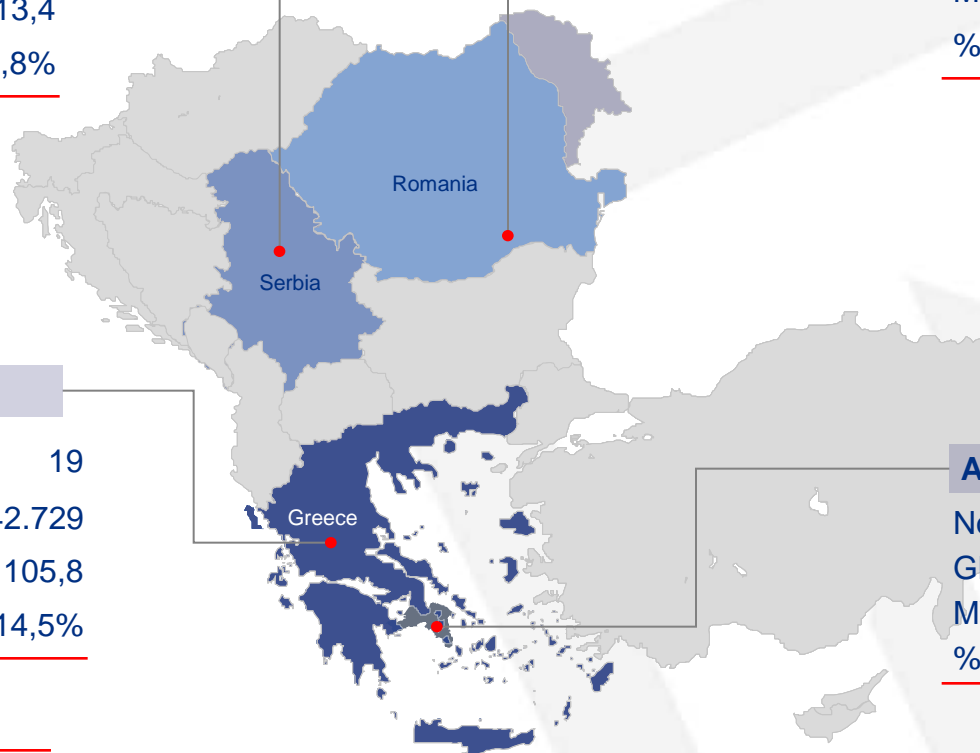
No. of Assets	3
GLA (sqm)	40.435
MV (€mn)	74,5
% of TMV	10,2%

Rest of Greece

No. of Assets	19
GLA (sqm)	142.729
MV (€mn)	105,8
% of TMV	14,5%

Athens and Greater Athens

No. of Assets	51
GLA (sqm)	430.012
MV (€mn)	534,9
% of TMV	73,5 %



Greece: 87,9%

International: 12,1%

Note: Market values are based on independent valuations as at 30.09.2014.

High quality diversified portfolio

Office



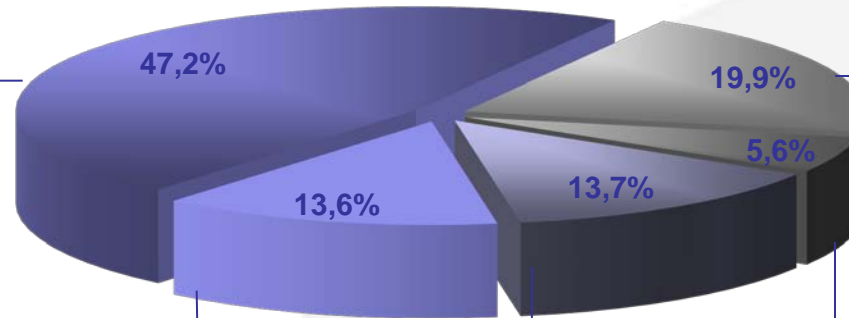
33 properties
292.211 sqm
54,2% of total rents
95,5% leased

Special use Buildings



5 properties
84.375 sqm
8,2% of total rents
100% leased

% of Total GLA (619.555 sqm) by Sector



Logistics



5 properties
85.167 sqm
7,7% of total rents
94,6% leased

Mixed use



10 properties
34.718 sqm
7,4% of total rents
72,2% leased

Total portfolio resume

- Properties: 74
- Plots of land: 1
- Occupancy Rate: 95,4 %
- Land size: 776.791 sqm
- Building size: 619.555 sqm
- Remaining building coefficient: 16.508 sqm

Retail



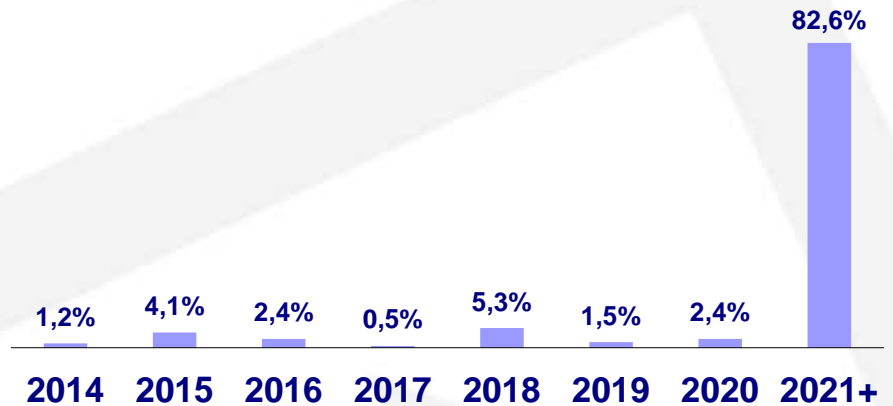
21 properties
123.084 sqm
22,5% of total rents
99,3% leased

Attractive lease profile

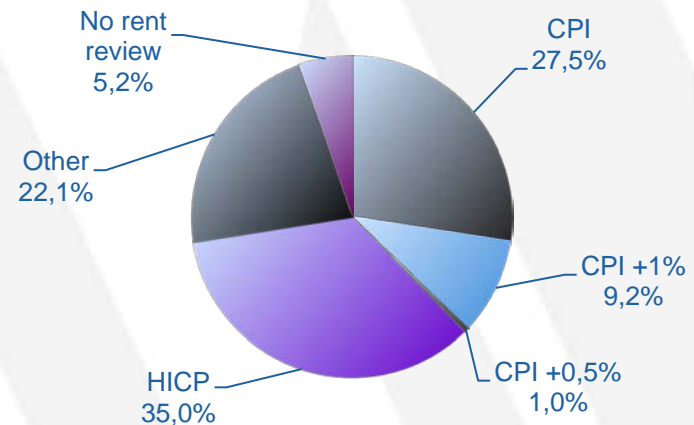
Leases Overview

- Vast majority of leases in Greece remain with term of 12 years
- Weighted average remaining term of 12 years
- 73,6% of the annual rental income comes from “guaranteed” leases
- Signed agreements with several tenants under which they waive right to terminate leases for a period of 1 – 20 years
- All tenants responsible for ordinary maintenance expenses

Expiration (% of Annualised Rent)



Contracted Indexation Profile (1)



(1) - Due to the unfavorable economic situation we have granted freeze of the rental indexation for 1 to 2 years to several tenants
 (2) representing 26,8% of total rental income.
 - Most of the retail contracts have an upside through turnover clauses.

Recent transactions & pending investment



Hellenic Republic, Sale & Leaseback

- Portfolio of 14 assets in Athens and locations around Greece with c. 136.000 sqm of office areas
- 100% occupancy rate, annual rental income of €14,05m
- Transaction price: €145,8m
- Transaction concluded on May 12th, 2014



Portfolio of two warehouses in Aspropyrgos

- Newly constructed assets with modern specifications and total GLA of c. 32.000 sqm
- 100% occupancy rate, annual rental income of €1,66m
- Transaction price: €14,2m
- Acquisition of two warehouses was concluded in 2014 Q1



Retail big box in Mandra, Western Attica

- Retail unit of the largest and most successful DIY retailer in Greece, with GLA of c. 12.500 sqm
- 100% occupancy rate, annual rental income equal to 5% of net store sales with min. guaranteed rent €617k p.a.
- Transaction price: €6,5m
- Acquisition will be concluded in 2014 Q4

Appendices

- Balance Sheet
- REIC Legal Regime
- Tax Regime
- Share Performance Comparison
- European Discounts to NAV

Balance Sheet 30.09.2014

Balance Sheet

in € thousands	30.09.2014	31.12.2013
Investment property	726.305	564.194
PPE, Goodwill and Intangible assets	3.015	1.990
Deferred tax asset	391	391
Other long term receivables	3.404	2.959
Non-current assets	733.115	569.534
Trade and other receivables	15.681	5.125
Cash and cash equivalents	169.548	190.695
Current assets	185.229	195.820
Total Assets	918.344	765.354
Bank Debt	65.175	125.089
Current income tax liabilities	3.254	2.425
Other Payables	9.655	8.193
Total Liabilities	78.084	135.707
Share capital	215.684	129.930
Share based payment reserve	700	-
Share premium	571.234	466.749
Own shares	(4.894)	(6.735)
Other reserves	10.779	10.779
Retained earnings	46.757	28.924
Total Equity	840.260	629.647
Total Liabilities & Equity	918.344	765.354

REIC Legal Regime- New favorable legislation introduced

Laws 4141/2013, 4209/2013 and 4281/2014, improved the legal regime governing Greek REICs in the following areas:

1) Greater investment horizon by allowing investments in:

- Residential assets, hospitality real estate business, marinas etc ⁽¹⁾
- Long- term concessions
- Property development ⁽¹⁾

2) Flexibility in investing through structuring and investing in:

- JVs for property acquisition or development- minimum 25% share
- SPVs that have the same business objects as REICs- minimum 80% share
- Holding companies which hold shares in the above SPVs- minimum 80% share
- Regulated mutual and alternative investment funds that invest solely or mainly in shares of real estate companies or real estate mutual funds- minimum 80% share

Furthermore, REICs:

- Can borrow funds up to 75% of their total assets (previously 50%) from all kinds of institutions (previously only from banks)
- Can set up special funding vehicles

REIC Legal Regime- New favorable legislation introduced

- Can acquire assets from their shareholders having a shareholding over 5% and their related legal entities (previously completely forbidden), under certain strict conditions that enhance transparency
- Are obliged to distribute at least 50% of their net profits (previously 35%)
- Corporate governance rules and supervision by regulatory authorities were strengthened, ensuring more transparency and accountability

Tax Regime

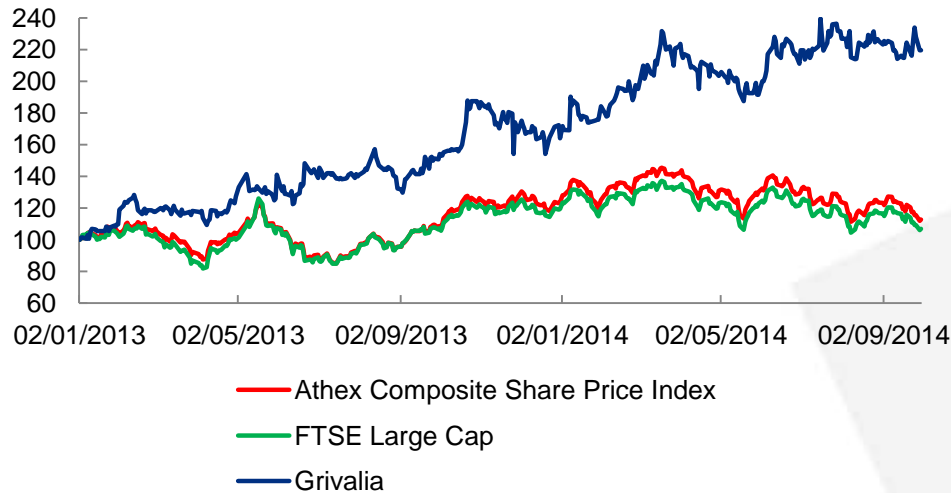
Favourable tax structure linked with ECB

Ordinary Corporate Taxes		REICs' Taxes
▪ Income tax 26% on profits	➔	0,105% on average of fair value of investment property and cash & cash equivalents of two semesters ⁽¹⁾
▪ 3% property transfer tax	➔	No property transfer tax
▪ Registration duties 4,75‰ on the purchase price of the asset	➔	Registration duties 1,75‰ on the purchase price of the asset
▪ 26% Capital Gains Tax as taxable income	➔	No Capital Gains Tax
▪ 10% Tax on Dividends	➔	No Tax on Dividends

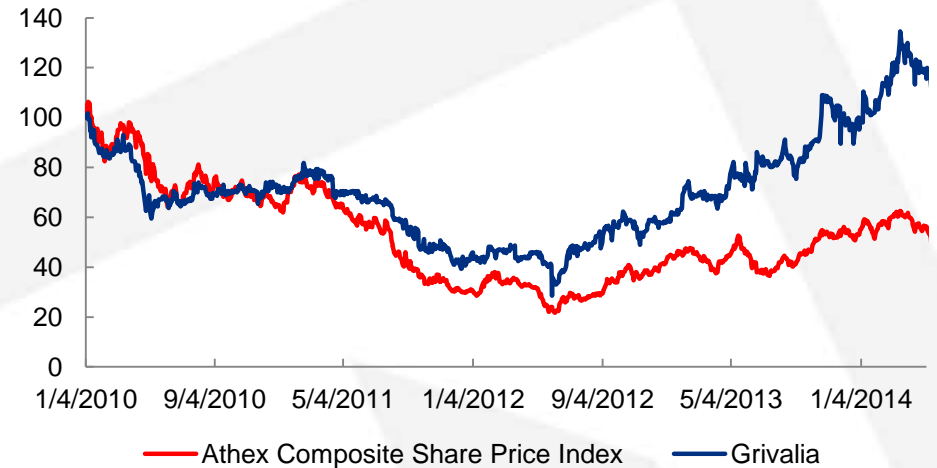
16 (1) The taxation formula is the following: $10\% * (\text{ECB reference} + 1\%)$. The current reference rate is 0,05%, therefore the current rate for the company is $10\% * (1\% + 0,05\%) = 0,105\%$

Share Performance Comparison

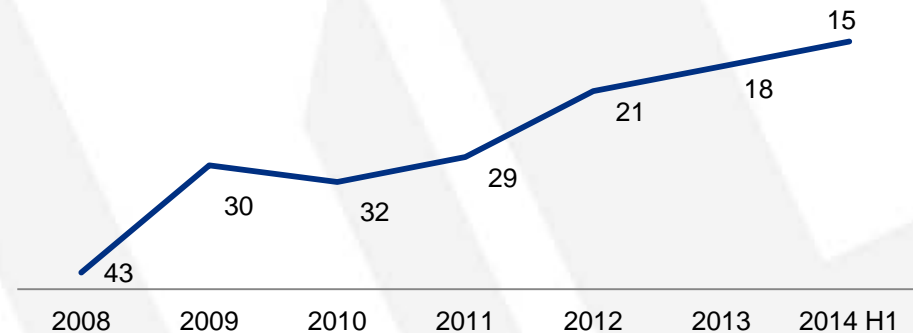
Grivalia vs. Athex Composite Share Price Index ⁽¹⁾ & FTSE Large Cap, 2013-2014



Grivalia vs. Athex Composite Share Price Index, 2010-2014

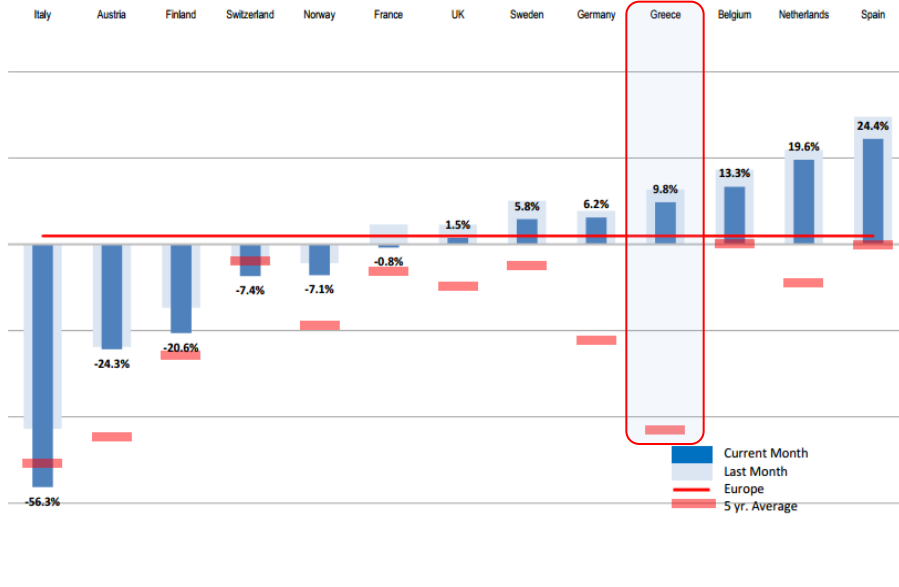


Grivalia Market Cap Ranking in Athex Group ⁽²⁾

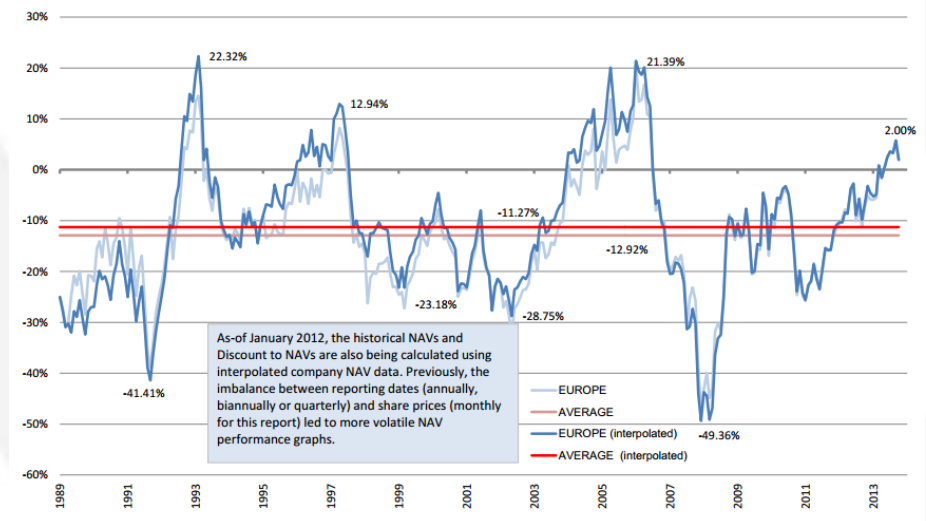


European Discounts to NAV

Discounts in Europe (September 30, 2014)



FTSE EPRA/NAREIT Europe Index Discount to Published NAV



Contact

For further information please contact:

- *Mr George Chryssikos, Chief Executive Officer - telephone number: +30 210 8129677, e-mail: gchryssikos@grivalia.com*
- *Mr Paris Varfis, Chief Financial Officer - telephone number: + 30 210 8129673, e-mail: pvarfis@grivalia.com*
- *Mrs Natalia Strafti, Chief Operating Officer - telephone number: + 30 210 8129674, e-mail: nstrafti@grivalia.com*

Company's website: www.grivalia.com