



# NBG PANGAEA REAL ESTATE INVESTMENT COMPANY

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015  
(published in accordance with the requirements of Hellenic Capital Market Commission decision no. 4/507/28.04.2009)  
(Amounts are expressed in thousand euros)

## Company Information

Supervising Authority:	Ministry of Economy, Development and Tourism
Headquarters:	6, Karageorgi Servias Str., 10562, Athens
Business:	Real Estate Investment Company
Capital Market Commission Decision Number:	6/458/13.12.2007
General Commercial Registry Number:	3546201000
Date of approval of Financial Statements by BoD:	March 22, 2016
Certified Public Accountant - Auditor:	Beate Randulf (R.N. SOEL 37541)
Audit Firm:	Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
Independent Auditor's report:	Unqualified opinion
Issue date of Auditor's report:	March 22, 2016
Website:	www.nbgpangaea.gr

## Statement of Financial Position (Consolidated and Standalone)

	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Assets</b>				
Investment property	1,470,079	1,407,659	1,111,067	1,081,049
Property, plant and equipment	3,348	4,334	3,508	1,698
Investment in subsidiaries	0	0	210,908	210,091
Intangible Assets	187	216	187	216
Other long-term receivables	17,314	11,737	17,314	11,729
<b>Total non-current assets</b>	<b>1,490,928</b>	<b>1,423,946</b>	<b>1,342,984</b>	<b>1,304,783</b>
Trade receivables	14,730	7,142	11,880	5,131
Other receivables	20,344	79,976	14,350	173,789
Cash and cash equivalents	90,433	125,638	61,985	7,193
<b>Total current assets</b>	<b>125,507</b>	<b>212,756</b>	<b>88,115</b>	<b>186,113</b>
<b>Total assets</b>	<b>1,616,435</b>	<b>1,636,702</b>	<b>1,431,099</b>	<b>1,490,896</b>
<b>Shareholders' equity</b>				
Share capital	766,484	765,193	766,484	765,193
Share premium	15,890	15,890	15,970	15,890
Reserves	333,615	326,953	333,435	326,917
Retained earnings / (losses)	77,719	151,038	62,830	127,909
<b>Equity attributable to Company's shareholders</b>	<b>1,193,708</b>	<b>1,259,074</b>	<b>1,178,719</b>	<b>1,235,909</b>
Non-controlling interests	0	1,362	0	0
<b>Total equity</b>	<b>1,193,708</b>	<b>1,260,436</b>	<b>1,178,719</b>	<b>1,235,909</b>
<b>Liabilities</b>				
Borrowings	387,284	320,054	234,495	230,054
Retirement benefit obligations	213	251	213	85
Deferred tax liability	276	382	0	0
Other long-term liabilities	3,320	6,497	701	319
<b>Total non-current liabilities</b>	<b>391,043</b>	<b>327,184</b>	<b>235,409</b>	<b>230,458</b>
Trade and other payables	18,319	29,553	10,091	15,393
Derivative financial instruments	2,779	3,042	0	0
Current tax liabilities	756	866	684	636
Borrowings	9,830	15,621	6,106	8,500
<b>Total current liabilities</b>	<b>31,684</b>	<b>49,082</b>	<b>16,971</b>	<b>24,529</b>
<b>Total liabilities</b>	<b>422,727</b>	<b>376,266</b>	<b>252,380</b>	<b>254,987</b>
<b>Total shareholders' equity and liabilities</b>	<b>1,616,435</b>	<b>1,636,702</b>	<b>1,431,099</b>	<b>1,490,896</b>

## Statement of Changes in Equity (Consolidated and Standalone)

	Group		Company	
	From 1.1. to 31.12.2015	31.12.2014	From 1.1. to 31.12.2015	31.12.2014
<b>Balance at beginning of period</b>	<b>1,260,436</b>	<b>1,036,183</b>	<b>1,235,909</b>	<b>1,030,550</b>
<b>Changes during the period:</b>				
Total comprehensive income / (expense), net of tax	42,653	177,599	49,767	160,004
Acquisition of subsidiaries	(19)	1,299	0	0
Share capital increase / Share Premium	0	45,917	1,291	45,917
Expenses related to share capital increase	0	(562)	0	(562)
Effect from reverse merger	0	0	1,114	0
Dividends distributed	(109,362)	0	(109,362)	0
<b>Balance at end of period</b>	<b>1,193,708</b>	<b>1,260,436</b>	<b>1,178,719</b>	<b>1,235,909</b>

## Notes

1. During 2015, it was completed the merger by absorption of NBG Pangaea REIC by MIG Real Estate REIC. In particular, the Boards of Directors of MIG Real Estate REIC and NBG Pangaea REIC, in their meetings held on January 30, 2015, decided to propose to the General Assembly Meetings of their shareholders the merger by absorption (hereinafter "Merger") of NBG Pangaea REIC by its 96.944% subsidiary MIG Real Estate REIC. As transformation date has been set the 31st of January 2015. The Merger was performed according to the provisions of C.L. 2190/1920 and L. 2166/1993 and according to the terms and conditions included in the draft merger agreement signed between the merging companies on August 6, 2015 and was approved by the Extraordinary General Meetings of the merging companies on September 25, 2015. The Merger was approved by the Ministry of Economy, Development and Tourism with its decision No. 100104/01.10.2015 which was registered in the General Commercial Registry of the aforementioned Ministry on October 1, 2015. As a result of the Merger, the company resulting from the Merger (hereinafter "New Company" or "Company") is named "NBG PANGAEA REAL ESTATE INVESTMENT COMPANY", with the distinctive title "NBG PANGAEA REIC", following the amendment of all articles of the Articles of Association of the former MIG Real Estate REIC and the approval of the new Articles of Association by the Hellenic Capital Market Commission and the competent services of the Ministry of Economy, Development and Tourism (Note 1 of the annual financial statements for the year ended December 31, 2015). The Company together with its subsidiaries (hereinafter the "New Group" or "Group") is considered as absolute continuity of NBG Pangaea REIC Group and operates in real estate investments in Greece and abroad (Note 1 of the annual financial statements for the year ended December 31, 2015). 2. The principal accounting policies that have been adopted are in accordance with the requirements of International Financial Reporting Standards (hereinafter "IFRS") as adopted by the European Union and are the same with those applied in the previous year financial statements. Regarding the accounting treatment of the Merger mentioned in Note 1, one of the most important principles that IFRS adopt is that of economic substance over legal form which results in the reflection of economic substance of events and transactions and not merely their legal form. Consequently, in any case, the group financial statements shall not be affected by the merger of companies within the group, but only by the amount of the total shareholding structure's change (change in non-controlling interests in the event that the ratios of the parent entity's shareholders and the subsidiaries' minorities, change after the merger in relation to the respective ratios prior to the merger). More specifically, the absorption of NBG Pangaea REIC, parent entity, by MIG Real Estate REIC, subsidiary of NBG Pangaea REIC Group, is a legal fact which does not substantially change the function of NBG Pangaea REIC Group, as at group level, the companies had already been consolidated and continue to operate on the same activities as a single entity. At group level, the only change is the conversion of non-controlling in the former MIG Real Estate REIC to shareholders of the New Company. At the level of separate financial statements, the merger is not covered by IFRS provisions. Specifically, paragraph 2 (c) of IFRS 3 "Business Combinations" states that the specific standard does not apply to business combinations which are under common control. In absence of a standard or an interpretation, under the provisions of paragraph 10 of IAS 8 regarding the Accounting policies, Management decided to apply the specific transaction by applying the method of merger accounting. Upon the completion of the Merger, the "old" shareholders of NBG Pangaea REIC continue to hold a significant stake in the New Company. As a result, while MIG Real Estate REIC is legally the absorbing company, from an accounting perspective, it is considered that NBG Pangaea REIC absorbed MIG Real Estate REIC. Consequently, the comparative figures of the separate financial statements are those that NBG Pangaea REIC had published as of December 31, 2014. Details are included in Note 2 of the annual financial statements as of December 31, 2015. 3. The tax authorities have not audited the books and records of NBG Pangaea REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, the Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011, 2012, 2013 and 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm "Deloitte Hadjipavlou Sofianos & Cambanis S.A." ("the statutory auditor"), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/13 and the relevant tax audit certificates were issued with no qualifications on July 19, 2012, September 30, 2013, July 10, 2014 and September 30, 2015 respectively. According to P.O. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, the Company's Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company (Note 29 of the annual financial statements for the year ended December 31, 2015). 4. The tax authorities have not audited the books and records of NBG Pangaea REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, the Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011, 2012, 2013 and 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/13 and the relevant tax audit certificates were issued with no qualifications on July 25, 2012, September 23, 2013, July 7, 2014 and September 30, 2015 respectively. According to P.O. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, the company's Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company (Note 29 of the annual financial statements for the year ended December 31, 2015). 5. Until the date of the approval of the financial statements, the tax audit for the year 2015 has not been completed by the statutory auditor. Information about the unaudited tax years of the subsidiaries are included in Note 10 of the annual financial statements for the year ended December 31, 2015. 6. There are no pending cases under litigation or in arbitration, nor any pending cases, which are expected to have a material impact on the financial position or operations of the Group (Note 29 of the annual financial statements for the year ended December 31, 2015). It is noted that the Company filed an appeal against the Greek State for the refund (incl. interest) of capital accumulation tax paid by the Company at April 14, 2010, September 16, 2014 and September 17, 2014 totally amounting to € 7,790 thousand and the Company's Management, based on the advice of its legal advisors, believes that the reimbursement of the amounts is in essence certain (Note 12 of the annual financial statements for the year ended December 31, 2015). 7. The number of Group and Company employees as of December 31, 2015 was 27. The number of Group and Company employees as of December 31, 2014 was 24 and 16 respectively (Note 23 of the annual financial statements for the year ended December 31, 2015). 8. The Company's Financial Statements are included in the Consolidated Financial Statements of National Bank of Greece S.A. (Incorporated in Greece), which owns 32.66% of the Company's share capital, by the full consolidation method. 9. Nine properties in Attica (8 in Athens and 1 in Piraeus) have prenotations of mortgage in favour of Alpha Bank S.A., each for an amount of €9,880 thousand. The outstanding balance of the bond loan as of December 31, 2015 amounted to €4,009 thousand and the fair value of the nine properties as of December 31, 2015 amounted to €10,711 thousand (Note 16 of the annual financial statements for the year ended December 31, 2015). In accordance with the terms of the bond loan program dated August 11, 2014, as amended on August 20, 2014, for the issuance of the bonds totaling amounting to €237,500 thousand, the Company registered mortgages on 77 properties in Greece (included the owner-occupied property) in favour of Alpha Bank S.A. (bondholder agent) as collateral for all liabilities of KARELA SA under the bond program and the bonds issued (Note 16 of the annual financial statements for the year ended December 31, 2015). In the context of the credit agreement to open a current account with Alpha Bank S.A. (Note 16), the Company provided specific and irrevocable power of attorney, authorization and right to lawyers acting for Alpha Bank S.A. so that they may attend and represent the Company before any competent court for the purpose of the registration of mortgage pre-notation amounting to €55,440 thousand, into fourteen (14) Company's properties in Greece, which were the subject of the tender "sale and leaseback" (Note 6 of the annual financial statements for the year ended December 31, 2015), in favour of Alpha Bank S.A.. The power of attorney shall expire automatically, either with the full and complete settlement of all Company's obligations under the credit agreement, or the moment that Alpha Bank S.A. covers entirely the debentures of a bond loan, as it may be issued in the future by the Company, and it will be subject to full and complete settlement of any amount under the aforementioned credit agreement (Note 29 of the annual financial statements for the year ended December 31, 2015). On the property owned by KARELA S.A. a prenotation of mortgage was established in favour of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €106,000 thousand. The outstanding balance of the bond loan as of December 31, 2015 amounted to €50,221 thousand and the fair value of the property as of December 31, 2015 amounted to €125,136 thousand. Moreover, the entire share capital of KARELA SA is collateral in favour of Piraeus Bank S.A., for all amounts due under the bond program. In addition, all rights of KARELA S.A. arising from the lease with Cosmote have been assigned in a favour of the bondholders. Finally, the Company has given corporate guarantee for all liabilities of KARELA SA under the bond program and the bonds issued (Note 16 of the annual financial statements for the year ended December 31, 2015). The properties owned by subsidiary Picasso Fund are bordered with first class mortgage in favour of Banca IMI S.p.A. for an amount of €204,000 thousand. The outstanding balance of all of December 31, 2015 amounted to €99,382 thousand and the fair value of the properties amounted to €176,700 thousand. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender (Note 16 of the annual financial statements for the year ended December 31, 2015). 8. Related party transactions and balances of the Group as defined in IAS 24 are as follows: a) Income €67,780 thousand, b) Expense €3,872 thousand, c) Assets €28,444 thousand, d) Liabilities €10,749 thousand. Related party transactions and balances of the Company as defined in IAS 24 are as follows: a) Income €69,307 thousand, b) Expense €3,091 thousand, c) Assets €28,393 thousand, d) Liabilities €956 thousand. Related party transactions and balances of the Group with BoD, its Committees and senior management personnel are as follows: a) Key management compensation €1,826 thousand, b) Due from key management personnel NIL and c) Due to key management personnel €10 thousand. Related party transactions and balances of the Group with BoD, its Committees and senior management personnel are as follows: a) Key management compensation €1,604 thousand, b) Due from key management personnel NIL and c) Due to key management personnel €10 thousand (Note 30 of the annual financial statements for the year ended December 31, 2015). 9. Prior to the completion of the Merger, on August 12, 2014, the Company acquired 34.96% of the share capital of MIG Real Estate REIC for a consideration of €12,300 thousand. On the same day, the Company acquired an additional 47.85% in the share capital of MIG Real Estate as contribution in kind with the issuance of 3,348,651 new common redeemable shares, with a subscription price of €6.23 per newly issued share (i.e. total fair value of issued shares € 20,862 thousand). The purchase consideration was lower than the fair value of the net assets acquired and the gain (negative goodwill) of €2,725 thousand was recognised directly in the income statement of the year ended December 31, 2014. On October 22, 2014, the Company completed the mandatory tender offer to the shareholders of MIGRE and acquired 1,951,053 shares (13.86% of the share capital of MIGRE) at an offer price of €3.10 per share, increasing its shareholding in MIGRE at 96.67%. Given the fact that following the MTO, the Company held shares which represented at least 90% of the voting rights of MIGRE, the Company was under obligation, in accordance with article 28 of L.3461/2006, combined with the 1/409/29.12.2006 decision of the Hellenic Capital Market Commission, to acquire via the stock market all the shares offered to it within a period of three months beginning from the date of publication of the MTO results (i.e. up to January 27, 2015), against payment of the offer price of €3.10 per share (ext. right). Upon the completion of the three-month period, the shareholding of the Company in MIGRE increased to 96.944% and held 13,643,905 shares (shareholding in MIGRE as of December 31, 2014: 96.90% - number of shares held by NBG Pangaea: 13,638,330) (Notes 6 and 9 of the annual financial statements for the year ended December 31, 2015). 10. On March 20, 2014, the Company acquired 100% of the units of the Picasso Fund in Italy. Picasso Fund owns an office complex, of a total area of approximately 21 thousand sq.m., located in Milan and an office property, of a total area of approximately 12 thousand sq.m., located in Rome. The consideration amounted to €37,953 thousand, out of which €36,953 thousand was paid in cash and €1,000 thousand was recognized as payable. The purchase consideration was lower than the fair value of net assets acquired and the gain (negative goodwill) of €831 thousand was recognised directly in the income statement of the year ended December 31, 2014 (Note 9 of the annual financial statements for the year ended December 31, 2015). 11. There are no entities exempted from the annual financial statements as of 31.12.2015 and there have been no changes in the method of consolidation since the previous annual financial statements. Information regarding the name, the registered office's country and the consolidation method for each of the entities included in the consolidated financial statements as well as the percentage with which the Company participates in their share capital are included in the note 10 of the annual financial statements as of December 31, 2015. 12. As of December 31, 2015, the Group has accounted for a cumulative provision of: a) cases under litigation or in arbitration which may have material effect on the financial position of the Group and the Company amounted to NIL, b) unaudited tax years amounted to NIL and c) other provisions amounted to €339 thousand. 13. In the Statement of Total Comprehensive Income, "Other comprehensive income / (expense) for the period" of the Group, in the current period, is comprised of €51 thousand relating to the remeasurement of the net defined benefit liability/asset, €73 thousand relating to currency translation differences and €(151) thousand relating to 14. As of December 31, 2015, the Group and the Company did not hold any treasury shares (Note 14 of the annual financial statements for the year ended December 31, 2015). 15. On December 4, 2015, the Company was declared as successful bidder for the acquisition by the Bank of Cyprus of a commercial property, of a total area of approximately 1 thousand sq.m., which is located at 12, Agiou Nikolaou str., Patra for a consideration of €2,485 thousand. The property is leased to Massimo Dotti, member of Inditex Group, with a remaining lease duration of approximately 10 years. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €2,586 thousand. The acquisition of the property was completed on March 11, 2016 and financed by the bond loan issued by the Company in August 2014. On February 26, 2016 the Company acquired a commercial property of a total area of approximately 1 thousand sq.m., which is located at 40-42, Hadjimichali Giannari str., Chania for a consideration of €1,820 thousand, financed by the bond loan issued by the Company in August 2014. The property is leased to Public with a remaining lease duration of 6 years and extension right for more 3 years. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €1,850 thousand. There are no other significant events subsequent to the date of the financial statements relating to the Group or the Company for which disclosure is required by IFRS (Note 32 of the annual financial statements for the year ended December 31, 2015).

Athens, March 22, 2016

The Chairman of the BoD

The Chief Executive Officer

The CFO / COO

The Deputy CFO

Christos Protopapas  
ID No. 2061431

Aristotelis Karylinos  
ID No. AK801025

Thiresia Messari  
ID No. AA003175

Anna Chalkiadaki  
Perm. No. 78785 A'

The financial data and information listed below, derive from the financial statements and aim to a general information about the financial position and results of NBG Pangaea REIC and its Group. We therefore recommend the reader, prior to making any investment decision or other transaction concerning the Company, to visit the Company's website (www.nbgpangaea.gr), where the set of financial statements is posted, as well as the auditor's report.

## The Board of Directors

Christos Protopapas	Non Executive member - Chairman of the BoD
Vasileios Mastrokalis	Non Executive member - Vice-chairman A'
Christophoros Papachristophorou	Executive member - Vice-chairman B'
Aristotelis Karylinos	Executive member - Chief Executive Officer
Thiresia Messari	Executive member
Anna Apostolidou	Non Executive member
Athanasios Karagiannis	Non Executive member
Prodromos Valmis	Independent Non Executive member
Spyridon Makridakis	Independent Non Executive member

## Statement of Comprehensive Income (Consolidated and Standalone)

	Group		Company	
	From 1.1. to 31.12.2015	31.12.2014	From 1.1. to 31.12.2015	31.12.2014
Rental income	110,861	93,054	90,630	78,393
<b>Total revenue</b>	<b>110,861</b>	<b>93,054</b>	<b>90,630</b>	<b>78,393</b>
Net gain / (loss) from the fair value adjustment of investment property	(23,723)	98,651	(13,366)	91,799
Less: investment property related expenses	(12,616)	(6,741)	(8,940)	(5,164)
<b>Gross profit/ (loss) from investment activities</b>	<b>74,522</b>	<b>184,964</b>	<b>68,324</b>	<b>165,028</b>
<b>EBIT</b>	<b>64,704</b>	<b>186,560</b>	<b>64,976</b>	<b>163,405</b>
<b>Profit/ (loss) before tax</b>	<b>44,072</b>	<b>179,100</b>	<b>51,054</b>	<b>161,331</b>
Taxes	(1,392)	(1,482)	(1,338)	(1,271)
<b>Profit/ (loss) after tax (A)</b>	<b>42,680</b>	<b>177,618</b>	<b>49,716</b>	<b>160,060</b>
Attributable to:				
- Equity shareholders	42,762	177,599	49,716	160,060
- Non controlling interests	(82)	19	0	0
<b>Other Comprehensive expense, net of tax (B)</b>	<b>(27)</b>	<b>(19)</b>	<b>51</b>	<b>(56)</b>
<b>Total comprehensive income / (expense) (A+B)</b>	<b>42,653</b>	<b>177,599</b>	<b>49,767</b>	<b>160,004</b>
Attributable to:				
- Equity shareholders	42,736	177,579	49,767	160,004
- Non controlling interests	(83)	20	0	0
<b>Earnings/ (losses) per share (€) - Basic and Diluted</b>	<b>0.1674</b>	<b>0.7167</b>	<b>0.1946</b>	<b>0.6459</b>
<b>EBITDA</b>	<b>64,773</b>	<b>186,612</b>	<b>65,500</b>	<b>163,446</b>

## Statement of Cash Flows (Consolidated and Standalone)

	Group		Company	
	From 1.1. to 31.12.2015	31.12.2014	From 1.1. to 31.12.2015	31.12.2014
<b>Operating activities</b>				
Profit/ (loss) before tax (continuing operations)	44,072	179,100	51,054	161,331
Adjustments for:				
Provisions for employee benefits	12	4	12	3
Other Provisions	87	0	87	0
Other (gain) / losses	(13)	(3,556)	0	0
Depreciation of property and equipment	40	23	45	12
Amortization of intangible assets	29	29	29	29
Net (gain) / loss from the fair value adjustment of investment property	23,723	(98,651)	13,366	(91,799)
Interest income	(182)	(3,233)	(146)	(3,210)
Finance costs	20,814	10,693	14,068	5,284
Net change in fair value of financial instruments at fair value through profit or loss	(416)	125	0	0
Plus / less adjustments to operating activities and working capital changes:				
(Increase) / Decrease in receivables	(6,127)	(9,540)	94,641	(111,305)
Increase / (Decrease) in payables (excl. borrowings)	(14,411)	18,115	(5,583)	12,550
Less:				
Finance costs paid	(18,839)	(10,001)	(12,502)	(4,677)
Taxes paid	(1,659)	(1,505)	(1,425)	(1,324)
<b>Net cash flows from/ (used in) operating activities (a)</b>	<b>47,130</b>	<b>81,603</b>	<b>153,646</b>	<b>(33,106)</b>