



NBG PANGAEA

NBG PANGAEA REAL ESTATE INVESTMENT COMPANY

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014
(published in accordance with the requirements of Hellenic Capital Market Commission decision 4/507/28.04.2009)
(Amounts are expressed in thousand euros)

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.

Company Information

Supervising Authority:	Ministry of Regional Development and Competitiveness
Headquarters:	6, Karageorgi Servias Str., 10562, Athens
Business:	Real Estate Investment Company
Capital Market Commission Decision Number:	9/544/18.03.2010
General Commercial Registry Number:	009313201000
Date of approval of Financial Statements by BoD:	27 March 2015
Certified Public Accountant - Auditor:	Beate Randulf (R.N. SOEL 37541)
Audit Firm:	Deloitte Hadjipavlou, Sofianos and Cambanis S.A.
Independent Auditor's report:	Unqualified opinion
Issue date of Auditor's report:	27 March 2015
Website:	www.nbgpangaea.gr

The Board of Directors

Christos I. Protopapas	Non Executive member - Chairman of the BoD
Paula N. Hadjisotiriou	Non Executive member - Vice-chairman A'
Christophoros N. Papachristophorou	Executive member - Vice-chairman B'
Aristotelis D. Karytinios	Executive member - Chief Executive Officer
Thiresia G. Messari	Executive member
Akbar Abdul Aziz Rafiq	Non Executive member
Arnaud Dominique Maurice Bertrand Plat	Non Executive member
Prodromos G. Valmis	Independent Non Executive member
Spyridon G. Makridakis	Independent Non Executive member

Statement of Financial Position (Consolidated and Standalone)

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Assets				
Investment property	1,407,659	930,879	1,081,049	739,758
Property, plant and equipment	4,334	1,433	1,698	1,433
Investment in subsidiaries	0	0	210,091	129,672
Intangible Assets	216	245	216	245
Other long-term receivables	11,737	0	11,729	0
Total non-current assets	1,423,946	932,557	1,304,783	871,108
Trade receivables	7,142	2,514	5,131	719
Other receivables	79,976	14,512	173,789	8,727
Cash and cash equivalents	125,638	160,963	7,193	156,371
Total current assets	212,756	177,989	186,113	165,817
Total assets	1,636,702	1,110,546	1,490,896	1,036,925
Shareholders' equity				
Share capital	765,193	735,712	765,193	735,712
Share premium	15,890	0	15,890	0
Reserves	326,953	326,973	326,917	326,973
Retained earnings / (losses)	151,038	(26,502)	127,909	(32,135)
Equity attributable to Company's shareholders	1,259,074	1,036,183	1,235,909	1,030,550
Non-controlling interests	1,362	0	0	0
Total equity	1,260,436	1,036,183	1,235,909	1,030,550
Liabilities				
Borrowings	320,054	51,390	230,054	0
Retirement benefit obligations	251	26	85	26
Deferred tax liability	382	0	0	0
Other long-term liabilities	6,497	9,183	319	0
Total non-current liabilities	327,184	60,599	230,458	26
Trade and other payables	29,553	7,932	15,393	5,661
Derivative financial instruments	3,042	2,783	0	0
Current tax liabilities	866	782	636	688
Borrowings	15,621	2,267	8,500	0
Total current liabilities	49,082	13,764	24,529	6,349
Total liabilities	376,266	74,363	254,987	6,375
Total shareholders' equity and liabilities	1,636,702	1,110,546	1,490,896	1,036,925

Statement of Comprehensive Income (Consolidated and Standalone)

	Group		Company	
	From 1.1 to 31.12.2014	31.12.2013	From 1.1 to 31.12.2014	31.12.2013
Rental income	93,054	79,166	78,393	71,343
Total revenue	93,054	79,166	78,393	71,343
Net gain / (loss) from the fair value adjustment of investment property	98,651	(101,988)	91,799	(103,173)
Less: investment property related expenses	(6,741)	(2,864)	(5,164)	(2,492)
Gross profit/ (loss) from investment activities	184,964	(25,686)	165,028	(34,322)
EBIT	186,560	(25,420)	163,405	(35,237)
Profit/ (loss) before tax	179,100	(23,942)	161,331	(29,748)
Taxes	(1,482)	(1,666)	(1,271)	(1,493)
Profit/ (loss) after tax (A)	177,618	(25,608)	160,060	(31,241)
Attributable to:				
- Equity shareholders	177,599	(25,608)	160,060	(31,241)
- Non controlling interests	19	0	0	0
Other Comprehensive expense, net of tax (B)	(19)	0	(56)	0
Total comprehensive income / (expense) (A+B)	177,599	(25,608)	160,004	(31,241)
Attributable to:				
- Equity shareholders	177,579	(25,608)	160,004	(31,241)
- Non controlling interests	20	0	0	0
Earnings/ (losses) per share (€) - Basic and Diluted	0.9563	(0.1730)	0.8619	0.2111
EBITDA	186,612	(25,377)	163,446	(35,195)

Statement of Cash Flows (Consolidated and Standalone)

	Group		Company	
	From 1.1 to 31.12.2014	31.12.2013	From 1.1 to 31.12.2014	31.12.2013
Operating activities				
Profit/ (loss) before tax (continuing operations)	179,100	(23,942)	161,331	(29,748)
Adjustments for:				
Provisions for employee benefits	4	4	3	4
Other gains	(3,556)	(917)	0	0
Depreciation of property and equipment	23	14	12	13
Amortization of intangible assets	29	29	29	29
Net (gain) / loss from the fair value adjustment of investment property	(98,651)	101,988	(91,799)	103,173
Interest income	(3,233)	(5,510)	(3,210)	(5,496)
Finance costs	10,693	4,032	5,284	7
Net change in fair value of financial instruments at fair value through profit or loss	125	(293)	0	0
Plus / less adjustments to operating activities and working capital changes:				
Increase in receivables	(9,540)	(3,418)	(111,305)	(1,896)
Increase in payables (excl. borrowings)	18,115	2,108	12,550	743
Less:				
Finance costs paid	(10,001)	(4,190)	(4,677)	(7)
Taxes paid	(1,505)	(1,719)	(1,324)	(1,640)
Net cash flows from/ (used in) operating activities (a)	81,603	68,186	(33,106)	65,182
Investing activities				
Acquisition of investment property	(230,100)	0	(230,100)	0
Subsequent capital expenditure on investment property	(162)	(23)	(7)	(23)
Prepayments for the acquisition of investment property and overseas subsidiaries	(13,087)	0	(12,087)	0
Acquisition of property and equipment	(74)	(155)	(72)	(155)
Acquisition of subsidiaries (net of cash acquired)	(45,780)	(52,837)	(50,253)	(56,166)
Interest received	3,233	5,510	3,210	5,496
Net cash flows used in investing activities (b)	(285,970)	(47,505)	(289,309)	(50,848)
Financing activities				
Proceeds from share capital increase	5,825	1	5,825	1
Expenses related to the share capital increase	(562)	(938)	(562)	(938)
Proceeds from the issuance of bond loans and other borrowed funds	240,911	0	240,911	0
Expenses related to the issuance of bond loans	(5,464)	0	(5,464)	0
Repayment of borrowings	(7,343)	(1,755)	0	0
Acquisition of additional participation in subsidiaries	(6,151)	0	(6,151)	0
Participation in subsidiaries' capital increase	0	0	(3,153)	0
Dividends paid	(58,169)	(22,434)	(58,169)	(22,434)
Net cash flows from / (used in) financing activities (c)	169,047	(25,126)	173,237	(23,371)
Net decrease in cash and cash equivalents (a) + (b) + (c)	(35,320)	(4,445)	(149,178)	(9,037)
Cash and cash equivalents at the beginning of the period	160,963	165,408	156,371	165,408
Effect of foreign exchange currency changes on cash and cash equivalents	(5)	0	0	0
Cash and cash equivalents at the end of the period	125,638	160,963	7,193	156,371

Statement of Changes in Equity (Consolidated and Standalone)

	Group		Company	
	From 1.1 to 31.12.2014	31.12.2013	From 1.1 to 31.12.2014	31.12.2013
Balance at beginning of period	1,036,183	939,451	1,030,550	939,451
Changes during the period:				
Total comprehensive income / (expense), net of tax	177,599	(25,608)	160,004	(31,241)
Acquisition of subsidiaries	1,299	0	0	0
Share capital increase / Share Premium	45,917	145,712	45,917	145,712
Expenses related to share capital increase	(562)	(938)	(562)	(938)
Dividends distributed	0	(22,434)	0	(22,434)
Balance at end of period	1,260,436	1,036,183	1,235,909	1,030,550

Notes

- The principal accounting policies that have been adopted are in accordance with the requirements of International Financial Reporting Standards ("IFRS") and are the same with those applied in the 2013 financial statements. Details are included in Note 2 of the annual financial statements as of 31.12.2014.
- The Company has not been audited for tax purposes for the year ended 31 December 2010. The fiscal years 2011, 2012 and 2013 were audited by the Company's independent auditors, Deloitte Hadjipavlou Sofianos & Cambanis S.A., in accordance with article 82 of L. 2238/1994. The relevant tax audit certificates for the years 2011, 2012 and 2013 were unqualified and issued on 19 July 2012, 30 September 2013 and 10 July 2014 respectively. Fiscal year 2011 is considered closed for tax purposes, since, as per ministerial decision POL 1236/2014, the deadline of 30 April 2014 has elapsed after which the tax authorities cannot tax audit the said fiscal year. In particular, POL 1236/2014 extended, in the case of fiscal year 2011, the 18 months deadline (as from the date of submission of the "Tax Compliance Report") which was set by art. 6 of ministerial decision POL 1159/22.7.2011 as the period after the lapse of which the tax authorities cannot tax audit the respective fiscal year. The fiscal years 2012 and 2013 should be considered closed for tax purposes following the lapse of a period of 18 months from the submission of the "Tax Compliance Report" to the Ministry of Finance (unless the said deadline is extended in the future by a new decision of the Ministry of Finance) (Note 28). The fiscal year 2014 is currently being audited by the Company's independent auditors. Information about the unaudited tax years of the subsidiaries are included in Note 10 of the annual financial statements of the year ended 31 December 2014.
- 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 28). 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 14 April 2010, 16 September 2014 and 17 September 2014 totally amounted 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).
- The number of Group and Company employees as of 31.12.2014 was 24 and 16 respectively. As of 31.12.2013, the number of the Company employees was 9 and the entities of the Group did not employ any personnel.
- The Company's Financial Statements are included in the Consolidated Financial Statements of National Bank of Greece S.A. (Incorporated in Greece), which owns 32.69% of the Company's share capital, by the full consolidation method.
- In accordance with the terms of the bond loan program dated 11 August 2014, as amended on 20 August 2014, for the issuance of the bonds totaling amounting to €237,500 thousand, the Company until 31 December 2014 registered mortgage prenotations on 8 properties in Greece and mortgages on 68 properties in Greece in favor of Alpha Bank S.A. (bondholder agent) as collateral for all Company's obligations under the financing documents, each for an amount of €250,000 thousand. It is pending the registration of a mortgage on 1 property, in order for the total number of properties, on which a mortgage or a mortgage prenotation is registered, to be 77 (Note 16). 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 prenotation amounting to €55,440 thousand into fourteen (14) Company's properties in Greece, which were the subject of the tender "sale and leaseback" by HRADF (Note 7), in favor 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 (i.e. 30 July 2015), 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 28). On the property owned by KARELA S.A. a prenotation of mortgage was established in favor of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €106,000 thousand. Moreover, the total number of shares of KARELA S.A. is collateral in favor 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 agreement with Cosmote have been assigned in a favor of the bondholders (Note 16). Nine properties in Attica (8 in Athens and 1 in Piraeus) owned by MIG Real Estate REIC have prenotations of mortgage in favor of Alpha Bank S.A., each for an amount of €9,880 thousand (Note 16). On the office complex in Milan Italy, owned by Picasso Fund, a first rank mortgage has been registered in favor of Banca Monte dei Paschi di Siena S.p.A. for an amount of €72,000 thousand and a second rank mortgage has been registered in favor of the same bank for an amount of €8,000 thousand. In addition, on the office property in Rome Italy, owned by the 100% subsidiary Picasso Fund, a first rank mortgage has been registered in favor of the aforementioned bank, for an amount of €27,000 thousand. Finally, all rights of Picasso Fund arising from the leases for the properties mentioned above have been assigned in a favor of Banca Monte dei Paschi di Siena S.p.A. (Note 16).
- Related party transactions and balances of the Group as defined in IAS 24 are as follows: a) Income €72,524 thousand, b) Expense €2,199 thousand, c) Assets €7,316 thousand, d) Liabilities €10,947 thousand. Related party transactions and balances of the Company as defined in IAS 24 are as follows: a) Income €72,524 thousand, b) Expense €1,346 thousand, c) Assets €107,269 thousand, d) Liabilities €785 thousand. Related party transactions and balances of the Group with BoD, its Committees and senior management personnel are as follows: a) Key management compensation €504 thousand, b) Due from key management personnel NIL and c) Due to key management personnel €35 thousand.
- On 12 August 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 31 December 2014. On 22 October 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 27.01.2015), against payment of the offer price of €3.10 per share (exit right). Given the fact that following the MTO the Company held shares that represented at least 90% of the voting rights of MIGRE, the Company is 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 as of the date of publication of the MTO results (i.e. up to 27.01.2015), against payment of the offer price of €3.10 per share (exit right). Upon the completion of the three-month period, the shareholding of the Company in MIGRE increased to 96.94% (shareholding in MIGRE as of 31 December 2014: 96.90%) (Note 6, 9 and 14).
- On 20 March 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 €839 thousand was recognised directly in the income statement of the year ended 31 December 2014 (Note 9).
- There are no entities exempted from the annual financial statements as of 31.12.2014 and there have been no changes in the method of consolidation since the previous annual financial statements.
- As of 31.12.2014, 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 €45 thousand and c) other provisions amounted to €290 thousand.
- "Other comprehensive expense, net of tax" of the Group, in the current period, is comprised of (€82) thousand relating to the remeasurement of the net defined benefit liability/asset and €63 thousand relating to currency translation differences. The corresponding amounts for the Company are €(56) thousand and NIL respectively.
- As of 31.12.2014, the Group and the Company did not hold any treasury shares.
- On 30 January 2015, the Board of Directors of the Company ("Acquiree") and its subsidiary "MIG Real Estate REIC" ("Acquirer") in their meetings, decided the commencement of the preparatory actions for the merger by absorption of the first by the second. The planned merger has been proposed to take place by consolidating the assets and liabilities of the above mentioned companies, with combined application of articles 68 et seq. of C.L. 2190/1920 and L. 2166/1993, as applicable. The transformation date has been set for 31 January 2015 (Note 1 and 31).

The Chairman of the BoD

The Chief Executive Officer

Athens, 27 March 2015

The CFO / COO

The Deputy CFO

Christos Protopapas
ID No. 2061431

Aristotelis Karytinios
ID No. AK801025

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Anna Chalkiadaki
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