

---

# RomReal Limited

## Investor presentation Q3 2014 results

Harris Palaondas– Investor Relations

21 November 2014

Lakeside View Plot –  
Ovidiu/Constanta

---

# Contents

Highlights in connection with the Q3 2014 results	3
Property Portfolio Sales	4
RomReal Properties per Q3 2014	5
NAV movement in Q3 2014	6
Financial highlights – IFRS	7
Romania Macro Developments	8
Romania Real Estate Update	9-10
RomReal shareholders	11
Main focus areas going forward	12
Contact details	13



Mamaia Nord Plot



Lake Morii Plot - Bucharest



Hospital Plot - Bucharest

---

# Highlights of the Q3 2014 results

## **Statutory Net Asset Value (NAV)**

- NAV: EUR 0.51 (NOK 4.23) per share, - 1.2% compared to the end of Q2 2014.

## **Valuation**

- No change to the land bank valuation since Q4 2013.

## **Financial Results**

- Pre-tax loss of EUR 0.40 million.
- Total assets EUR 33.5 million compared to EUR 33.6 million at end of Q2 2014.

## **Plot division and sales**

- One additional small plot sold for EUR 37,000, VAT excluded.
- The down payment for the Brasov plot has been used to reduce the Alpha Bank loan.

---

## Property Portfolio Sales

- As mentioned in the Q2 report, RomReal sold its Brasov plot in Q3 for a total consideration of EUR 1,050,000. The price is marginally higher than the latest valuation performed by Knight Frank and it represents 3% of the total land bank value. The transaction will close in April 2015.
- During Q3, RomReal has sold an additional smaller plot which brings the total number of smaller plot sales to date to 6. The plots are sold for a total of EUR 212,000.
- The instalments received from the sales have reduced the Alpha Bank loan balance.
- All the plots sold are included in the land bank portfolio until the transactions are closed and fully paid.
- Following the Brasov sale, RomReal has now a land bank portfolio fully focused on Bucharest and Constanta

---

## RomReal Properties Q3 2014

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	61,029
2 Badulescu plot	Constanta North/Ovidiu	50,000
3 Tatar Peninsula	Constanta North/Ovidiu	4,202
4 Ovidiu Town	Constanta North/Ovidiu	4,641
5 Ovidiu (Oasis)	Constanta North/Ovidiu	25,127
6 Centrepoint	Constanta North/Ovidiu	122,350
7 Gunaydin plot	Constanta North/Ovidiu	15,000
8 Balada Market	Central Constanta	7,188
9 Carrefour plot	Constanta	15,000
10 Morii Lake	Bucharest Sector 6	11,716
11 Hospital plot	Bucharest Sector 5	13,263
12 Brasov plot	Central Brasov	4,127
13 Un-zoned land	Constanta	865,062
14 Mamaia North plot	Navodari/Mamaia	56,167
<b>Total</b>		<b>1,255,300</b>

For more information regarding the Properties of RomReal Ltd, please visit the Company's website [www.romreal.com](http://www.romreal.com)

## NAV movement in Q3 2014

Asset base	Q3 2014			Q2 2014		
	EUR '000	EUR/share	NOK/share	EUR '000	EUR/share	NOK/share
Investment property	28,980	0.70	5.85	29,006	0.70	5.93
Inventories	2,563	0.06	0.52	2,563	0.06	0.52
Cash	652	0.02	0.13	669	0.02	0.14
Other assets/(liabilities)	(11,254)	(0.27)	(2.27)	(11,040)	(0.27)	(2.26)
Net asset value	20,941			21,199		
NAV/Share		0.51	4.22		0.52	4.33
Change in NAV	-1.2%			-0.8%		

The total issued number of shares issued at end Q3 2014 was 41,367,783

## Financial highlights - IFRS

<b>EUR '000</b>	<b>Q3 2014</b>	<b>Q3 2013</b>	<b>YTD 2014</b>	<b>YTD 2013</b>
Operating Revenue	117	93	363	283
Operating Expenses	(228)	(232)	(682)	(665)
Other operating income/ (expense), net	151	33	(703)	673
Net financial income/(cost)	(446)	(155)	652	(723)
Pre-tax result	(406)	(261)	(370)	(432)
Result for the period	(423)	(265)	(296)	(398)
Total assets	33,463	35,889	33,463	35,889
Total liabilities	12,522	12,179	12,522	12,179
Total equity	20,941	23,731	20,941	23,731
Equity %	62.6%	66.1%	62.6%	66.1%
NAV per share (EUR)	0.51	0.57	0.51	0.57
Cash position	652	1,768	652	1,768
Cash equivalents	749		749	

# Romanian Macro development

- Strong rebound in GDP growth for 3Q (year-on-year growth). Romania has the highest GDP growth compared with the rest of the EU countries for Q3 2014.
- GDP growth expected to remain between 2 and 3 per cent in 2014 and 2015, driven by continuous export growth and a pickup in domestic demand.
- The National Bank of Romania has reduced its interest rates to a record low of 2.75%. It has also cut the minimum required cash reserves for hard currency liabilities of banks, which will release about EUR 450m in the market.
- Romania has elected Mr. Klaus Iohannis as president. The end of the electoral campaign is expected to improve investment confidence based on initial market reaction.





---

## Romania Real Estate Update

### **Residential market**

- Apartment prices have stabilized during first nine months.
- Sales of newly built apartments has recovered. The recovery is driven by a slight improvement mortgage loans availability (mainly in local currency) and price reductions by developers in the recent years

### **Land market**

- CBRE reports that land transactions have increased in number and volume during 1H 2014. 15 major land transactions were counted, in all parts of Romania for a total cumulated surface of 630,000 sqm. Mainly retailers and industrial buyers.
- Pricing for such land properties varies depending of future use, location and accessibility, availability in the area. Prime properties located in Bucharest or in larger cities suitable for retail or office development priced between EUR 200 - 500 per sqm.

# Apartment Price Development

## Romania



## Constanta



- National apartment prices were EUR 917 per m2 in Sept. 2014 versus EUR 903 per m2 a year ago
- Constanta apartment prices were EUR 846 per m2 versus EUR 857 per m2 a year ago
- Since September both national and Constanta prices has improved an additional 0,5%

## RomReal shareholders as at 18/11/2014

Shareholder	Holding	%
CREDIT SUISSE SECURI (EUROPE) PRIME BROKE	11,691,024	28.26
THORKILDSEN KAY TØNNES	5,415,756	13.09
GRØNSKAG KJETIL	3,850,307	9.31
SILJAN INDUSTRIER AS	2,162,598	5.23
SEB Private Bank S.A	1,323,373	3.20
SAGA EIENDOM AS	1,223,667	2.96
CO/JONAS BJERG NTS TRUSTEES LTD	1,058,306	2.56
SPAR KAPITAL INVESTO	940,236	2.27
Carnegie Investment CLIENT ACCOUNT	851,692	2.06
ENERGI INVEST A/S	848,220	2.05
THORKILDSEN INVEST A	829,478	2.01
ORAKEL AS	700,000	1.69
HOEN ANDERS MYSSSEN	689,557	1.67
CLEARSTREAM BANKING	653,181	1.58
PERSSON ARILD	588,000	1.42
MIDELFART INVEST AS	561,967	1.36
Skandinaviska Enskil A/C CLIENTS ACCOUNT	508,384	1.23
KBC SECURITIES NV A/C CLIENTS NON-TREA	477,676	1.15
DANSKE BANK A/S 3887 OPERATIONS SEC.	457,998	1.11
LUNDE DANIEL PETTER	294,100	0.71
<b>TOTAL TOP 20</b>	<b>35,125,520</b>	<b>84.92</b>

(1) The above list is the 20 largest shareholders according to the VPS print out; please note that shareholders might use different accounts and account names, adding to their total holding.

(2) There are 441 shareholders per 18.11.2014

(3) Thorkildsen Invest AS is a company controlled by RomReal CEO Kay Thorkildsen . Altogether RomReal CEO Kay Thorkildsen owns 15.1% of the Company.

(4) RomReal Director Arne Reinemo controls directly or indirectly SILJAN INDUSTRIER AS

---

## Main focus areas going forward

- The Management is proactively seeking to sell further properties and it expects further disposals.
- To make the plots sellable, the Company is seeking to add incremental value to the individual plots during the period in which they are part of the Land Bank up until a potential sale is completed. The various forms of adding value include upgrading of planning permission as well as maintenance of plot surfaces, buildings, fencing and similar.
- Management will also attempt to create income from the plots in its Land Bank by renting out to third parties for commercial use, structured in a way so it does not prevent or interfere with an eventual sale of the plots.
- Actively communicate with existing and new owners of the Company.

---

# Thank you

## Investor Relations

Harris Palaondas

+40 731 123037 | [investors@romreal.com](mailto:investors@romreal.com)

9 Burnaby Street, Hamilton HM12, Bermuda

For further information on RomReal, including presentation material relating to this interim report and financial information, please visit [www.romreal.com](http://www.romreal.com)

### DISCLAIMER

The information included in this Report contains certain forward-looking statements that address activities, events or developments that RomReal Limited ("the Company") expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to economic and market conditions in the geographic areas and markets in which RomReal is or will be operating, counterparty risk, interest rates, access to financing, fluctuations in currency exchange rates, and changes in governmental regulations. For a further description of other relevant risk factors we refer to RomReal's Annual Report for 2013. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in the information given above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and RomReal disclaims any and all liability in this respect.

