

Prestiżowe adresy na komercyjnej mapie Warszawy



**POLSKI HOLDING
NIERUCHOMOŚCI S.A.**

Consolidated Financial Result for Q1 2015

**Presentation
Warsaw, May 15, 2015**

1) PHN GROUP IN Q1 2015

1. PHN GROUP IN NUMBERS AS AT MARCH 31, 2015
2. KEY ACHIEVEMENTS IN Q1 2015 AND AFTER THE BALANCE SHEET DATE

2) PHN GROUP'S PROPERTY PORTFOLIO – CAPITAL RECYCLING

1. PROPERTIES REMAINING IN THE PORTFOLIO, DIVESTMENTS AND ACQUISITIONS
2. PHN GROUP'S INVESTMENT PROJECTS

3) WARSAW OFFICE MARKET IN Q1 2015

4) PHN GROUP'S FINANCIAL RESULTS

5) SUPPLEMENTARY INFORMATION



Presentation of consolidated financial results for Q1 2015:

1) PHN GROUP IN Q1 2015



POLSKI HOLDING
NIERUCHOMOŚCI S.A.

PHN GROUP IN NUMBERS AS AT MARCH 31, 2015

► RENTAL REVENUE [PLN million]:

30.3 ▼ - 2.6 %

Q1 2014: **31.1**

In Q1 2015, the Group reported rental revenue of PLN 30.3 million compared to PLN 31.1 million in Q1 2014.

► GROUP ASSETS [PLN million]:

2,243.6 ▼ - 2.2 %

Q1 2014: 2,294.0

At the end of Q1 2015, the Group's assets amounted to PLN 2,243.6 million compared to PLN 2,294.0 million at the end of Q1 2014.

► NET ASSETS [PLN million]:

2,013.4 ▲ 0.6 %

31.12.2014: **2,000.7**

As at March 31, 2015 the Group's net assets increased by 0.6% compared to December 31, 2014.

► EBITDA AFTER ADJUSTMENT [PLN million]:

5.9 ▲ + 9.0 %

Q1 2014: **5.4**

In Q1 2015, the Group achieved EBITDA after adjustment of PLN 5.9 million compared to PLN 5.4 million in Q1 2014.

► NET RESULT FOR THE GROUP [PLN million]:

12.7 ▲ 370 %

Q1 2014: **2.7**

In Q1 2015, the Group earned a net profit of PLN 12.7 million compared to PLN 2.7 million in Q1 2014.

► LEASABLE AREA [sq.m.]:

302,748 ▲ + 0.6 %

31.12.2014: **300,967**

The Group has a total of 300 thousand sq.m. of gross leasable area (office space, retail, logistics, and housing areas).

► REAL ESTATE PORTFOLIO [quantity]:

142 ▲ + 1.4 %

31.12.2014: **140**

As at March 31, 2015, the Group's real estate portfolio included a total of 142 properties.

► EMPLOYMENT:

118 ▼ - 3.3 %

31.12.2014: **122**

As a result of restructuring, the Group reduced its headcount to 118 employees as at March 31, 2015.

KEY ACHIEVEMENTS IN Q1 2015 AND AFTER THE BALANCE SHEET DATE

► KEY EVENTS IN Q1 2015

■ SIGNING A LETTER OF INTENT ON THE PURCHASE OF PROPERTY

In January 2015, the Company **signed a letter of intent on the purchase of a state-of-the-art A-class office building** by the Issuer's Group, with an area of approx. 15,000 sq.m., in prime location in one of the major regional cities in Poland.

■ SIGNING A JV AGREEMENT ON THE PARZNIOW LOGISTIC HUB PROJECT

In January 2015, PHN concluded a **JV agreement with Parzniew Partners B.V.** (a company owned by leaders in the international logistics property market: **Menard Doswell & Co. and Hillwood Europe**), which sets forth detailed terms and conditions of cooperation, and the partners' roles in implementing the joint venture, consisting in constructing Parzniew Logistic Hub – a state-of-the-art warehouse park.

■ CONTINUING THE DIVESTMENT PROGRAM

In Q1 2015, **two agreements were concluded for the final sale of properties** – one located in Gdańsk at ul. Stągiewna and one located in Katowice. Moreover, to date the Company has signed **two preliminary contracts** – for the sale of properties located in Warsaw at ul. Łowicka 44 and Prądyńskiego 21.

■ APPOINTING THE VICE-PRESIDENT OF THE MANAGEMENT BOARD

In February 2015, the Supervisory Board appointed Mr. Mateusz Majewski for the **position of Vice-President of the Management Board – Member of the Management Board for Managing Property Assets**. Mr. Majewski served as Member of the Management Board from April 29, 2011, and on October 20, 2014 was delegated by the Supervisory Board for temporarily acting as Vice-President of the Management Board – Member of the Management Board for Managing Property Assets.

► KEY CURRENT ACTIVITIES

■ COMMERCIALIZATION OF FOKSAL CITY AND DOMANIEWSKA OFFICE HUB

In May 2015, the **commercialization of the Foksal City office building was completed**. It will soon house the Ministry of Foreign Affairs. **The commercialization of the Domaniewska Office Hub office building is in the final stage.**

■ COMPLETING THE PROCESS OF PURCHASING AN A-CLASS OFFICE BUILDING

PHN entered the final stage of purchasing an office building. The due diligence process has been completed and the project is at the stage of preparing transaction documentation and financing from the bank. **The transaction is planned to be closed at the end of June 2015.**

■ ISSUING BONDS

PHN plans to **obtain external financing by issuing debt securities**. As part of preparing the issue, PHN selected the program's organizers – a consortium of banks.

THE PROJECT "PRESTIGIOUS LOCATIONS" AS PART OF DIVESTMENTS

Initiating the **program of selling properties located in prestigious Warsaw locations**. The project includes the sale of 18 properties with a total value of PLN 100 million.

■ COMMENCING COOPERATION WITH SARP

In May 2015, PHN concluded a **partnership agreement with the Association of Polish Architects (Stowarzyszenie Architektów Polskich – SARP)**, under which PHN S.A. will support the activities of SARP and contribute to promoting ambitious architectural initiatives in Warsaw and throughout Poland.

■ RECOMMENDING THE PAYMENT OF DIVIDEND

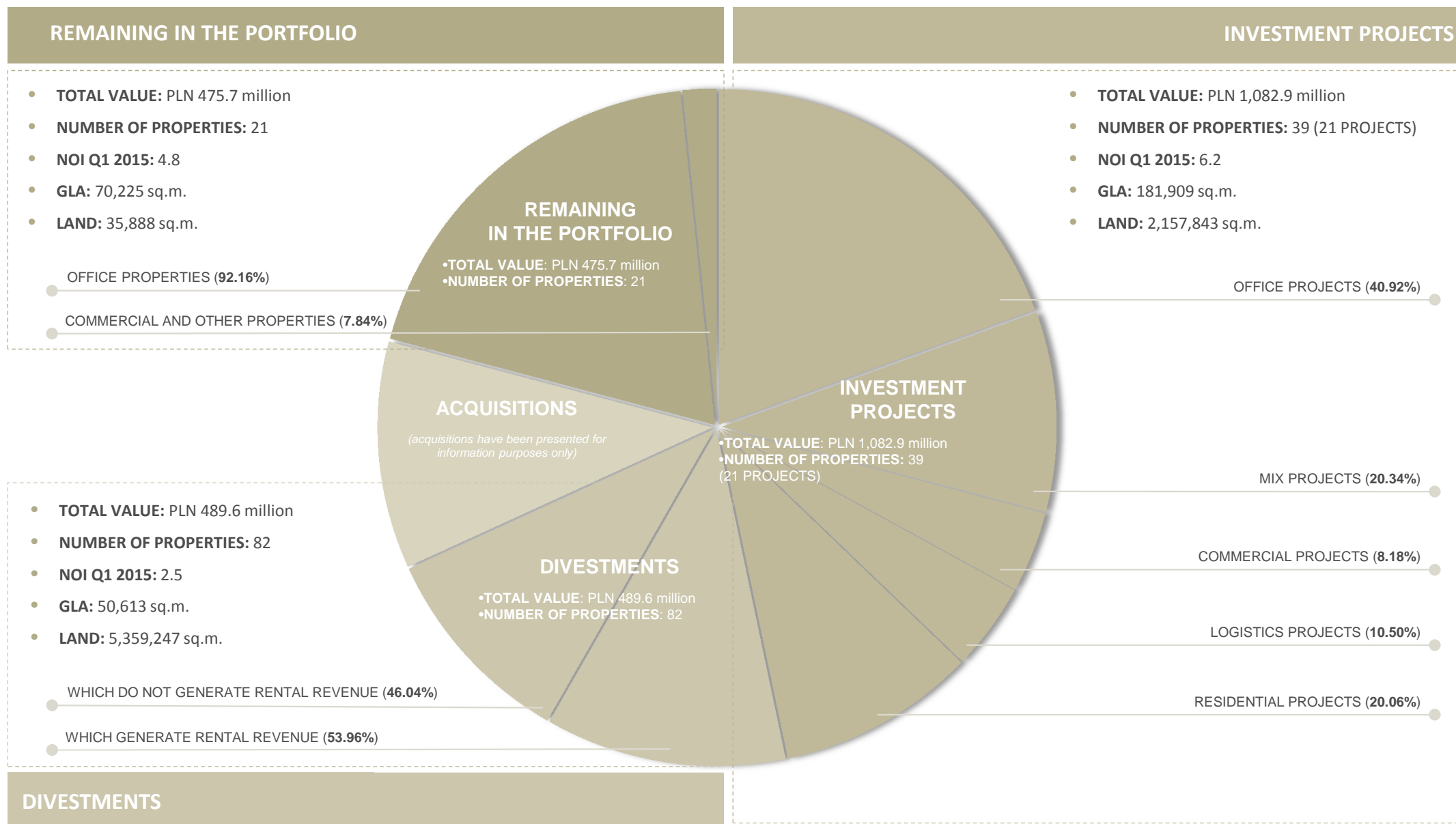
The Management Board of PHN will recommend allocating half of last year's profit for a dividend for shareholders, i.e. PLN 1.30 per share.



Presentation of consolidated financial results for Q1 2015:

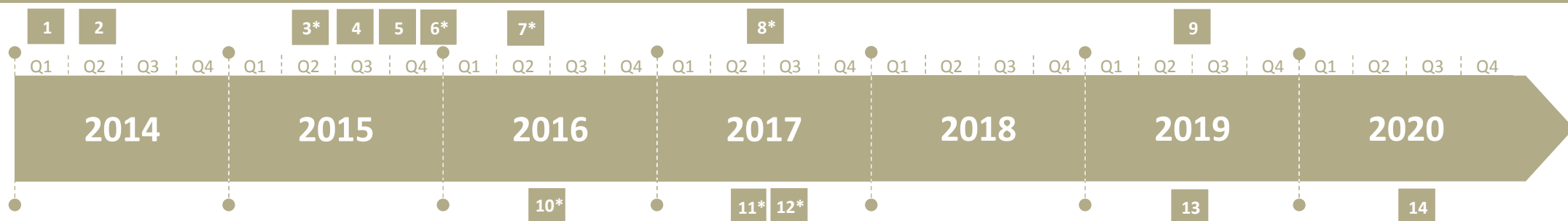
2) PHN GROUP'S PROPERTY PORTFOLIO – CAPITAL RECYCLING

PHN GROUP'S PROPERTY PORTFOLIO – CAPITAL RECYCLING *



* Data on the diagram are presented according to fair value

KEY INVESTMENT PROJECTS – SCHEDULE



* Completion of the first phase of the project

COMPLETED PROJECTS AND PROJECTS IN PROGRESS

RAKOWIECKA CITY

- GLA: 1,700 sq.m.
- Start: Q1 2012
- Completion: Q1 2014
- Capex: PLN 12 million

1

FOKSAL CITY

- GLA: 3,340 sq.m.
- Start: Q3 2012
- Completion: Q2 2014
- Capex: PLN 30 million

2

RETKINIA RETAIL HUB

- GLA: 1,181 sq.m.
- Start: Q4 2014 (phase I)
- Completion: Q2 2015 (phase I)
- Capex: PLN 3.7 million

3

DOMANIEWSKA OFFICE HUB

- GLA: 27,100 sq.m.
- Start: Q1 2014
- Completion: Q3 2015
- Capex: PLN 177 million

4

WROCŁAW INDUSTRIAL PARK

- GLA: 40,000 sq.m.
- Start: Q1 14
- Completion: Q4 2015
- Capex: JV partner bears the costs

5

PROJECTS UNDER PREPARATION

LEWANDÓW RETAIL HUB

- Total GLA: 60,000 sq.m.
- Start: Q4 2014 (phase I)
- Completion: Q4 2015 (phase I)
- Total Capex: PLN 268 million

6

PARZNIĘW LOGISTIC HUB

- GLA: 80,000 sq.m. (5 phases)
- Start: Q2 2015 (phase I)
- Completion: Q2 2016 (phase I)
- Total Capex: PLN 120 million

7

PORT RYBACKI

- GLA: 71,000 sq.m./usable area: 122,000 sq.m.
- Start: 2015 (phase I)
- Completion: 2017 (phase I)
- Total Capex: PLN 1,250 million

8

PHN TOWER (CITY TOWER)

- GLA: 44,000 sq.m.
- Start: 2017
- Completion: 2019
- Capex: PLN 550 million

9

PLANNED PROJECTS

INTRACO CITY

- Total GLA: 38,000 sq.m.
- Start: Q4 14 (I) / Q2 16 (II)
- Completion: Q4 2016 / Q1 2019
- Total Capex: PLN 270 million

10

WILANOWSKA OFFICE HUB

- GLA: 28,000 sq.m. / 30,000 sq.m.
- Start: 2015 / 2016
- Completion: 2017 / 2019
- Capex: ca. PLN 200 million

11

BARTYCKA RETAIL HUB

- Total GLA: 69,000 sq.m.
- Start: 2015 (I) / 2016 (II)
- Completion: 2017 / 2018
- Total Capex: PLN 543 million

12

WILANÓW

- Usable area: ca. 30,000 sq.m.
- Start: 2015
- Completion: 2019
- Capex: no data

13

PRYMASA TYSIĄCLECIA

- Usable area: 25,100 sq.m. / GLA: 10,700 sq.m.
- Start: 2015
- Completion: 2020
- Capex: PLN 181 million

14

INVESTMENT PROJECTS – COMPLETED AND IN PROGRESS

RAKOWIECKA CITY



1

FOKSAL CITY



2

RETKINIA RETAIL HUB

RETKINIA
RETAIL
HUB

3

DOMANIEWSKA OFFICE HUB



4

SEGRO INDUSTRIAL PARK



5

RAKOWIECKA 19

- Excellent location
- A-class
- Office building GLA: 1,700 sq.m.
- Start: Q1 2012
- Completion: Q1 2014
- Capex: PLN 12 million

FOKSAL 10A

- Excellent location
- A-class
- Office building GLA: 3,340 sq.m.
- Start: Q3 2012
- Completion: Q2 2014
- Capex: PLN 30 million

RETKINIA, ŁÓDŹ

- Attractive location
- Commercial buildings
- GLA: 1,181 sq.m.
- Start: Q4 2014 (phase I)
- Completion: Q2 2015 (phase I)
- Capex: PLN 3.7 million

DOMANIEWSKA 37C

- Attractive location
- A-class
- Office building GLA: 27,100 sq.m.
- Start: Q1 2014
- Completion: Q3 2015
- Capex: PLN 177 million

WROCŁAW

- Attractive location
- Warehouses
- GLA: 40,000 sq.m.
- Start: Q3 12(I) / Q1 14 (II)
- Completion: Q4 13 / Q4 15
- Capex: the partner bears the costs

In 2014, redevelopment and retrofitting was completed for the building located at ul. Rakowiecka 19 – RAKOWIECKA CITY. In Q3 2014, the Group signed the property sale contract with the Embassy of the Republic of Turkey.

In March 2014, use permit was obtained for the FOKSAL CITY building. In Q2 2015, the building's commercialization was completed and it was rented in full by the Ministry of Foreign Affairs, which will move in in September 2015.

A grocery supermarket is being built. It is planned that construction will be completed in Q2 2015. The Group is in the course of selecting a designer to prepare a concept of optimum development of the entire area of Retkinia and Brus.

The Group continues the project implementation. The investment is planned to be completed in Q3 2015, in accordance with the contractual date of obtaining use permit at the turn of Q2 and Q3 2015. The facility's commercialization is at its final stage.

As part of implementing the Wrocław Industrial Park (JV with SEGRO), the first stage was completed (ca. 19,500 sq.m.), under which rental agreements were signed for ca. 16,000 sq.m. Preparatory works for launching the second stage, which will cover ca. 19,000 sq.m., are currently in progress.

INVESTMENT PROJECTS – UNDER PREPARATION

LEWANDÓW RETAIL HUB

LEWANDÓW
RETAIL
HUB

6

PARZNIĘW LOGISTIC HUB



7

PORT RYBACKI



8

PHN TOWER (CITY TOWER)



9

LEWANDÓW

- Attractive location
- Retail park in several phases
- Total GLA: 60,000 sq.m.
- Start: Q4 2014 (phase I)
- Completion: Q4 2015 (phase I)
- Total Capex: PLN 268 million

PHN is currently in the course of advanced negotiations with potential partners with regard to commercial development of the property. The Group also conducts negotiations regarding the sale or lease of the remaining parts of the property to chain operators from the food and industry sector.

PARZNIĘW

- Location close to A2 motorway
- Warehouses
- GLA: 80,000 sq.m. (5 phases)
- Start: Q2 2015 (phase I)
- Completion: Q2 2016 (phase I)
- Total Capex: PLN 120 million

In January 2015, the Group signed the JV contract for the construction of a modern warehouse complex in Parzniew with Parzniew Partners B.V. owned by leaders in the international logistics property market: Menard Doswell & Co. and Hillwood Europe. Pre-development works started in February 2015.

GDYNIA

- Excellent location
- Offices/Apartments/Retail
- GLA: 71,000 sq.m./usable area: 122,000 sq.m.
- Start: 2015 (phase I)
- Completion: 2017 (phase I)
- Total Capex: PLN 1,250 million

As part of performing the agreement with mLocum S.A., design works are in progress for the investment consisting in constructing 6 residential buildings (ca. 10,000 sq.m. of usable area) on the property belonging to the Group. At the same time, the Group conducts negotiations with partners with regard to joint implementation of next stages of the Molo Rybackie Project.

ŚWIĘTOKRZYSKA 36

- Excellent location (city center)
- A-class
- Office building GLA: 44,000 sq.m.
- Start: 2017
- Completion: 2019
- Capex: PLN 550 million

The Group continued preparations for project implementation, including by performing study works related to the investment program regarding functions, logistics of the construction process and availability of investment grounds in the area limited by streets: Świętokrzyska/Twarda/Jana Pawła II/Mariańska in Warsaw.

INVESTMENT PROJECTS – PLANNED

INTRACO CITY



10

WILANOWSKA OFFICE HUB



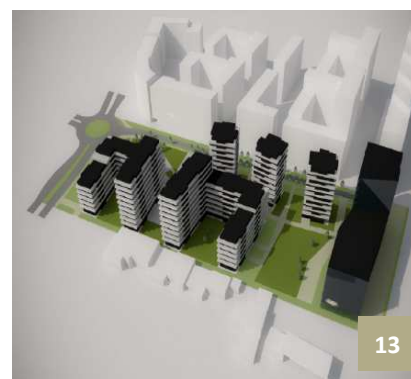
11

BARTYCKA RETAIL HUB



12

PRYMASA TYSIĄCLECIA



13

WILANÓW



14

STAWKI 2

- **Excellent location**
- Office building in **2 phases**
- **Total GLA:** 38,000 sq.m.
- **Start:** Q4 14 (I) / Q2 16 (II)
- **Completion:** Q4 2016 / Q1 2019
- **Total Capex:** PLN 270 million

WILANOWSKA 372

- **Attractive location**
- Office / Retail
- **GLA:** 28,000 sq.m. / 30,000 sq.m.
- **Start:** 2015 / 2016
- **Completion:** 2017 / 2019
- **Capex:** ca. PLN 200 million

BARTYCKA 26

- **Attractive location**
- **Exhibition complex**
- **Total GLA:** 69,000 sq.m.
- **Start:** 2015 (I) / 2016 (II)
- **Completion:** 2017 / 2018
- **Total Capex:** PLN 543 million

PRYMASA TYSIĄCLECIA 83

- **Attractive location**
- Apartments and an office building
- **GLA:** 10,700 sq.m. / **usable area:** 25,100 sq.m.
- **Start:** 2015
- **Completion:** 2020
- **Capex:** PLN 181 million

WILANÓW RESIDENTIAL ESTATE

- **Attractive location**
- Residential estate
- **Usable area:** ca. 30,000 sq.m.
- **Start:** 2015
- **Completion:** 2019
- **Capex:** no data

PHN is in the course of **design works including the development of a comprehensive, multi-discipline investment design** including analyses, expert analyses and arrangements necessary for obtaining a construction permit.

On the property at al. Wilanowska 372, **the construction of WILANOWSKA OFFICE HUB (two 6-storey office buildings) is planned.** Design works are currently beginning in order to obtain a construction permit for the project.

Talks are conducted with potential tenants with regard to commercializing the retail part of the project. In Q1 2015, the **Optimum Property Development Study was performed.** Analyses regarding obtaining optimum development conditions were continued.

The project assumes the creation of a friendly urban space with low density of buildings. Analyses point to the possibility of building **476 modern apartments** with a total usable area of 25,100 sq.m. with balconies as well as an office building with GLA of 10,700 sq.m.

The project assumes construction of a **residential estate.** Works started on the Optimum Property Development Study in order to select one of two options: replacing the existing buildings with new ones or supplementing them with new ones.



Presentation of consolidated financial results for Q1 2015:

3) WARSAW OFFICE MARKET IN Q1 2015



POLSKI HOLDING
NIERUCHOMOŚCI S.A.

WARSAW OFFICE MARKET – OUTLOOK *

▶ WARSAW OFFICE MARKET

ABSORPTION:

62,321 | **180,000**

Q1 2015 | 2015 F
(sq.m.)

NEW SPACE:

59,154 | **348,000**

Q1 2015 | 2015 F
(sq.m.)

TOTAL RESOURCES:

4.45 million

(sq.m.) / Q1 2015

VACANCIES:

580,602

(sq.m.) / Q1 2015

AVERAGE VACANCY RATIO:

13.04

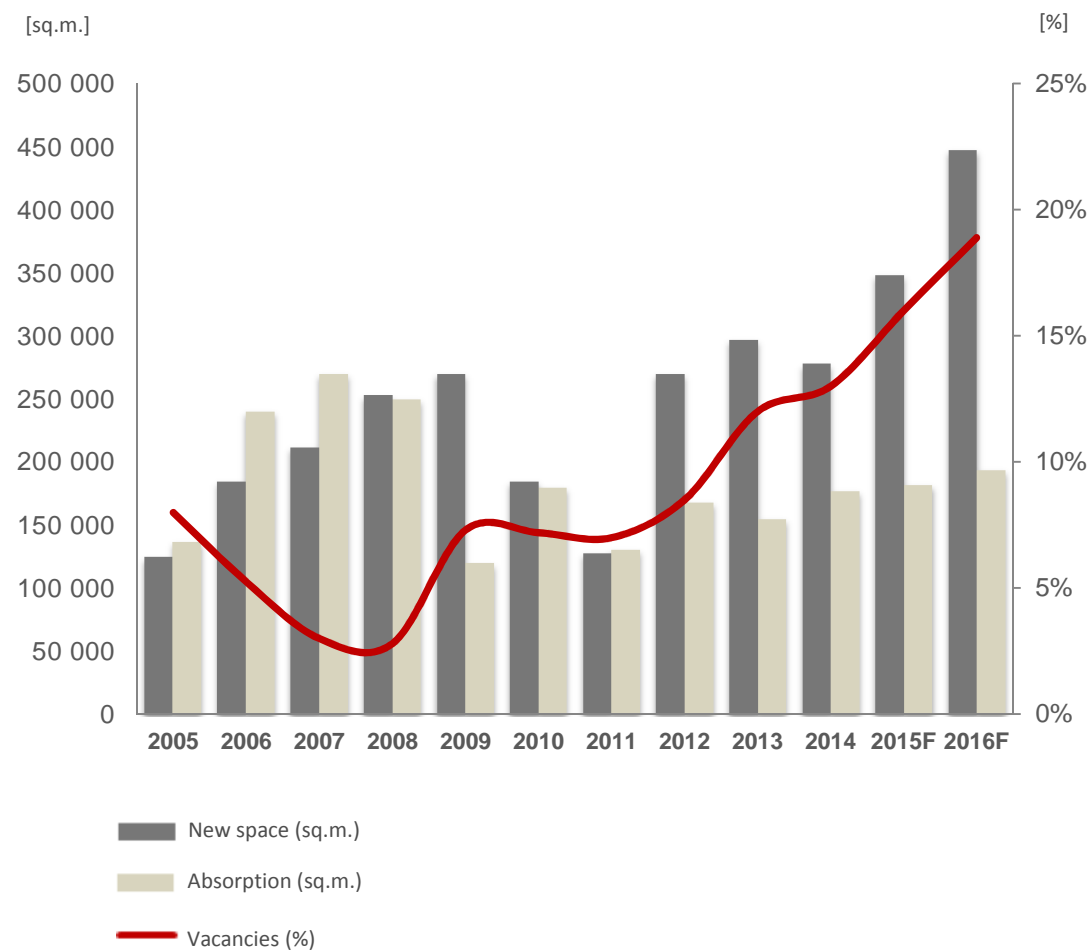
(%) / Q1 2015

PRE LET 2015:

29

(%) / NEW SPACE IN 2015

▶ ABSORPTION OF NEW SPACE AND THE VACANCY RATIO



* Source: Cushman & Wakefield Polska Sp. z o.o., CBRE Sp. z o.o.



Presentation of consolidated financial results for Q1 2015:

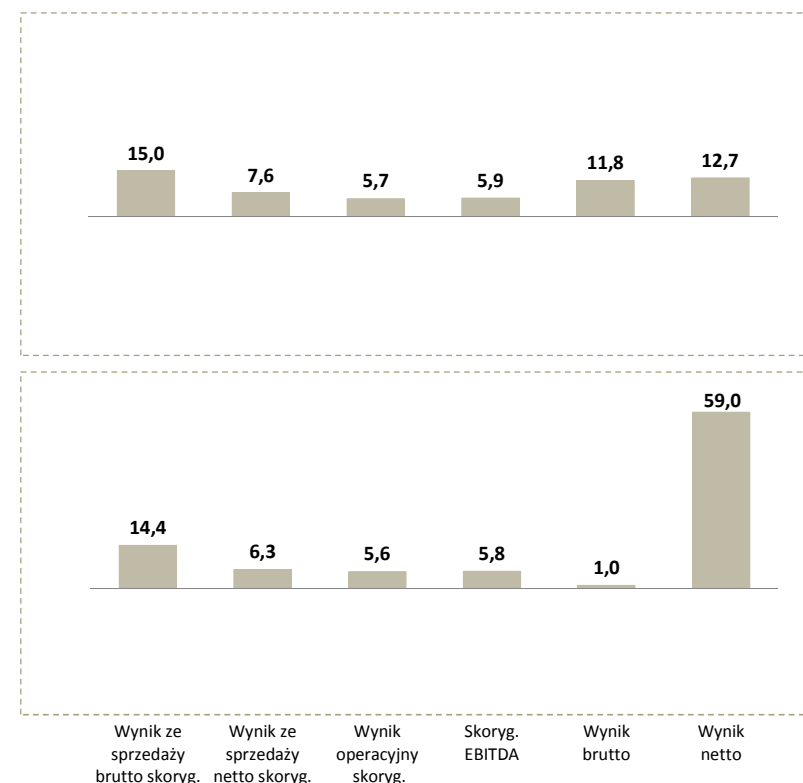
4) PHN GROUP FINANCIAL RESULTS



POLSKI HOLDING
NIERUCHOMOŚCI S.A.

SELECTED PROFIT AND LOSS STATEMENT ITEMS

[PLN million]



- Higher result on rental is mainly due to lower property maintenance costs while maintaining stable revenue despite increased competition in the property market.
- Lower result on development operations due to smaller number of final contracts signed (Q1: 23, Q4: 29). Higher current sales of apartments (Q1: 21, Q4: 18).
- Lower administration and sales expenses mainly due to negative impact (in Q4) of the costs of adapting office space for own needs and higher marketing costs.
- Maintaining the level of adjusted EBITDA despite increased competition in the property market (Q1: PLN 5.9 million, Q4: PLN 5.8 million).

1) adjusted by the sale of land in inventory (Q1: 0, Q4: -PLN 0.3 million) and provision for warranty repairs and damages from previous years (Q1: -PLN 0.2 million, Q4: 0)

2) adjusted by group privatization and restructuring costs (Q1: PLN 0.1 million, Q4: PLN 4.1 million)

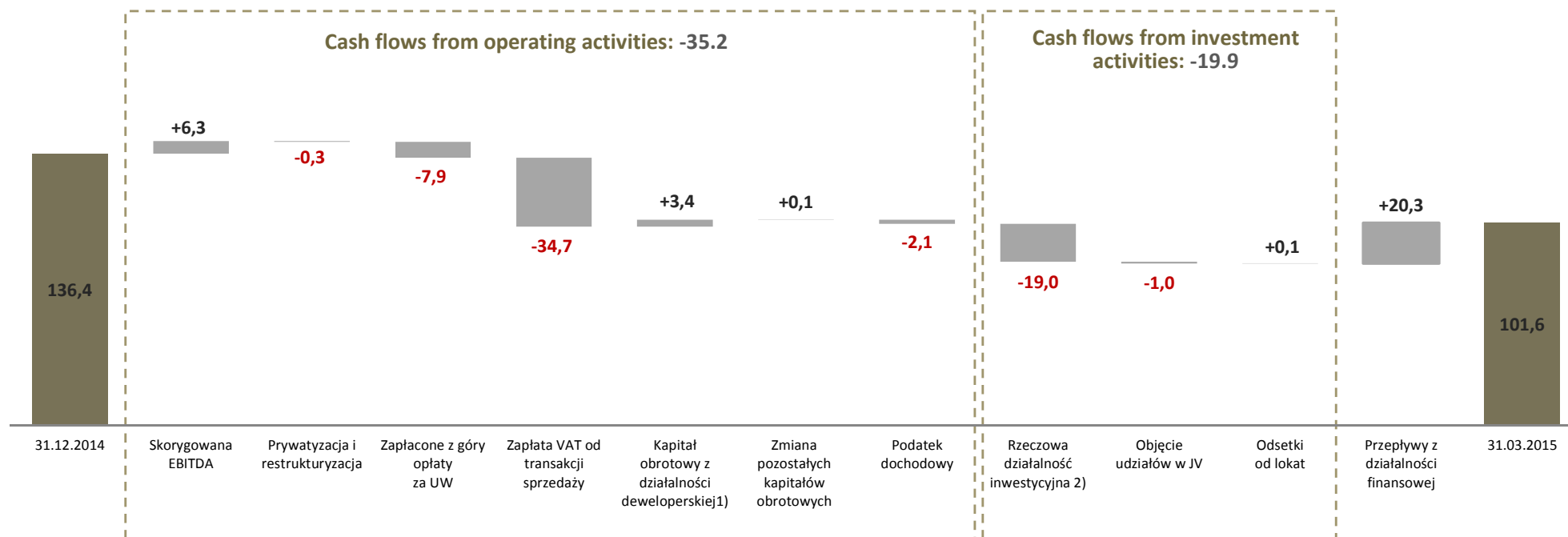
3) movement in fair value of investment properties (Q1: -PLN 3.8 million, Q4: -PLN 33.3 million)

4) adjusted by change in legal status of properties (Q1: 0, Q4: -PLN 5.9 million), severance payment costs (Q1: PLN 0.2 million, Q4: 0), return of tax on civil law transactions (Q1: -PLN 8.0 million, Q4: 0) and change in the provisions for claims from previous years (Q1: -PLN 1.1 million, Q4: -PLN 26.0 million)

5) adjustments mentioned in items 1–4

CASH FLOWS

[PLN million]



1) increase/decrease in payables, receivables, and inventory on development operations

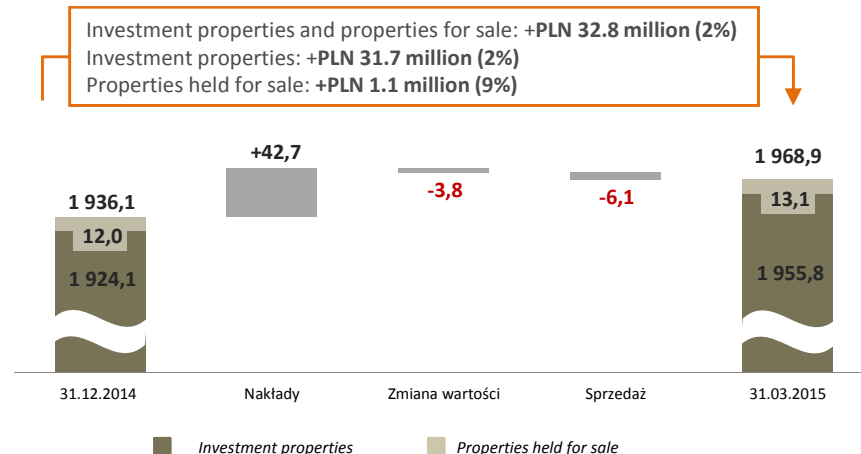
2) net expenses, sale of investment properties

- Decrease in cash by PLN 34.8 million (25%).
- Positive effect
 - ▶ operating results measured by EBITDA after adjustment (PLN 6.3 million), including on discontinued activities (PLN 0.4 million),
 - ▶ decrease in working capital on development operations (PLN 3.4 million),
 - ▶ net loans taken (PLN 20.4 million) partly offset by financial leasing (-PLN 0.1 million).
- Negative effect
 - ▶ payment of the Group restructuring costs (PLN -0.1 million), disbursement of severance payments for redundant employees (PLN -0.2 million),
 - ▶ advanced payments for perpetual usufruct of land (PLN 7.9 million) for Q2–Q4,
 - ▶ payment of PLN 34.7 million of VAT on property sale within the Group, which was returned in Q2,
 - ▶ expenses for investment properties (PLN -19.3 million), partly offset by sale of investment properties (PLN 0.3 million),
 - ▶ taking up shares in JV with mLocum related to the Molo Rybackie project.

INVESTMENT PROPERTIES, PROPERTIES HELD FOR SALE, AND INVENTORY

► INVESTMENT PROPERTIES AND PROPERTIES HELD FOR SALE (IFRS 5)

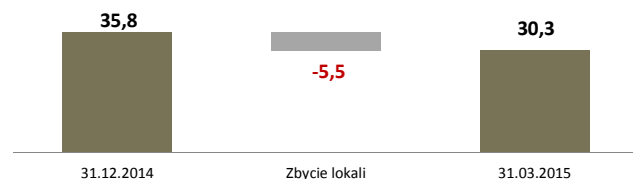
[PLN million]



- PLN 41.8 million in expenses related to commercial development projects (Domaniewska, Retkinia), PLN 0.5 million in expenses related to the preparation of commercial development projects and PLN 0.4 million in expenses related to retrofitting of real estate.
- Transfer to assets classified as held for sale due to acquiring property buyers (PLN 7.2 million), sale of the property in Stągiewna and part of the property in (-PLN 6.1 million).

► DEVELOPMENT INVENTORIES

[PLN million]

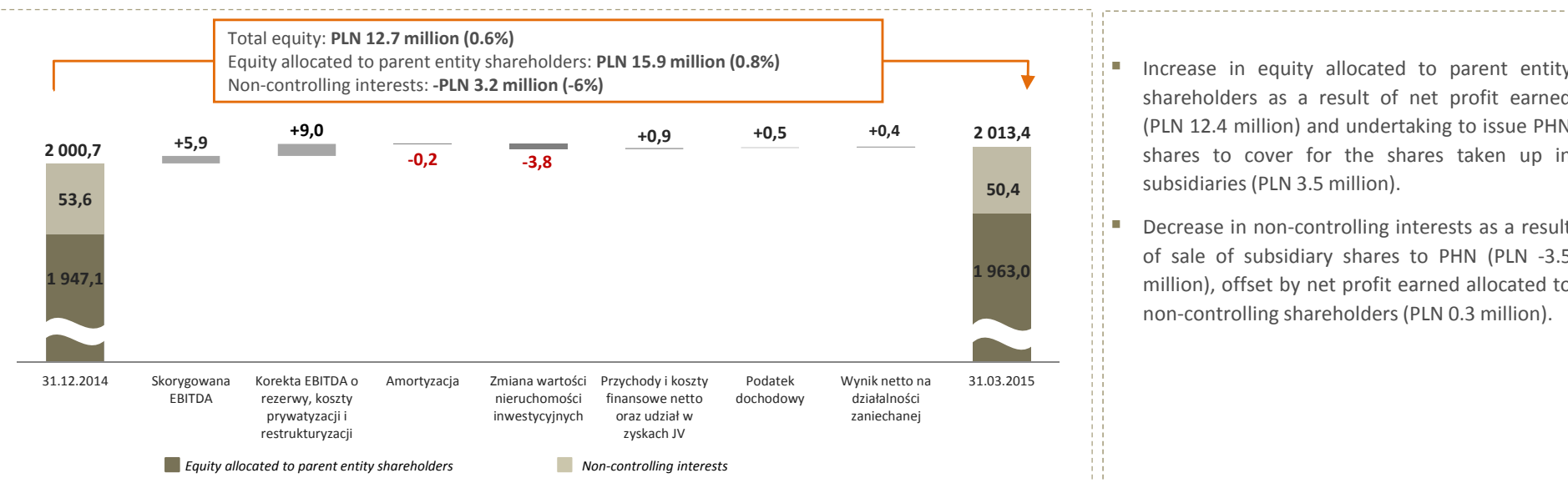


- Sale of apartments, recognized due to the conclusion of final contracts for apartment title transfer (Q1 2015: 23, Q4 2014: 29).
- As at March 31, 2015, there were 106 apartments built on inventory; 21 of these had developer sales contracts in place.

EQUITY

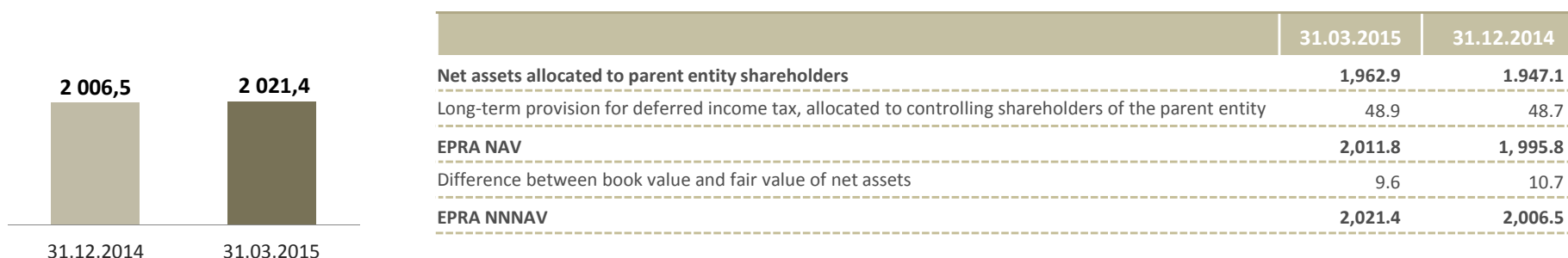
► EQUITY

[PLN million]



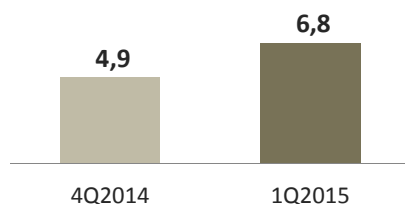
► EPRA NNAV

[PLN million]



EPRA LEASE YIELD INDICATORS

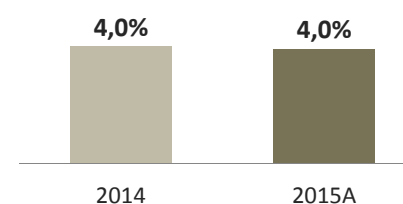
► Adjusted net result for the lease segment acc. to EPRA [PLN million]



	Q1 2015	Q4 2014
Net result for the rental segment*	13.1	59.4
Adjustments	3.1	22.2
<i>Movement in investment properties fair value, and result at sale</i>	3.8	33.3
<i>Change of legal status of properties</i>	-	-5.9
<i>Deferred income tax on the adjustments listed above</i>	-0.7	-5.2
Net result for rental segment acc. to EPRA	16.2	81.6
Adjustments	-9.4	-76.7
<i>One-off costs (Group privatization and restructuring)</i>	-0.1	4.1
<i>Severance payments</i>	0.2	-
<i>Increase/decrease in provisions for claims from previous years</i>	-1.1	-26.0
<i>Return of tax on civil law transactions</i>	-8.0	-
<i>Interest on paid tax on civil law transactions</i>	-0.6	-
<i>Interest on free cash</i>	-0.1	-0.6
<i>Current and deferred income tax on the adjustments listed above</i>	0.3	-4.3
<i>Tax effect of in-kind contributions to a subsidiary</i>	-	-58.5
Adjusted net result for the lease segment acc. to EPRA	6.8	4.9

* Rental segment operating result: Q1: PLN 11.0 million, Q4: PLN 0.5 million, after taking into account the rental segment result from financial activities: Q1: PLN 0.7 million, Q4: PLN 1.6 million, income tax: Q1: PLN 1.2 million, Q4: PLN 57.2 million and share in income of affiliates and joint subsidiaries: Q1: PLN 0.2 million, Q4: PLN 0.1 million

► EPRA NIY ** [PLN million]



	2015A***	2014
Investment properties as shown in the statement of financial position	1,955.8	1, 924.1
Land and commercial development projects in progress	-556.6	-514.9
Investment properties generating rental revenue	1,399.2	1, 409.2
Rental result as per the statement of comprehensive income	55.0	55.5
Adjustments	2.0	3.0
<i>Result generated by land and commercial development projects in progress</i>	-0.2	0.1
<i>Result generated by properties with legal status not ascertained that are not classified as assets</i>	-0.8	-0.3
<i>Result generated by properties classified as held for sale</i>	0.2	0.5
<i>Fit-out costs exclusion</i>	2.8	2.7
Rental results as per EPRA	57.0	58.5
Estimated transaction costs (3% of the real estate value)	42.0	42.3
EPRA NIY	4.0%	4.0%

**EPRA Net Initial Yield – calculated as the ratio of revenue from rents after the deduction of operating irrecoverable property outgoings (result) to the real estate's market value increased by estimated transaction costs;

*** presented as annualized value for 2015 (Q1 multiplied by 4).

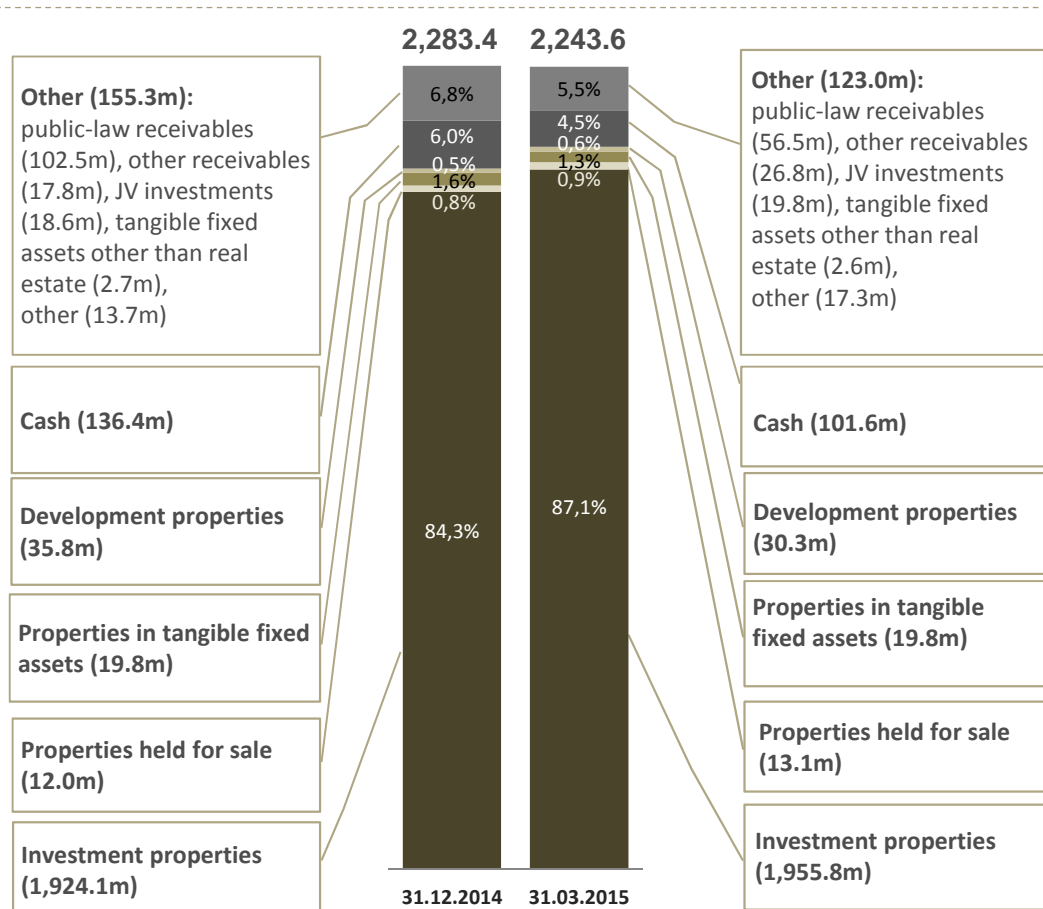
STRUCTURE OF ASSETS AND LIABILITIES



POLSKI HOLDING
NIERUCHOMOŚCI S.A.

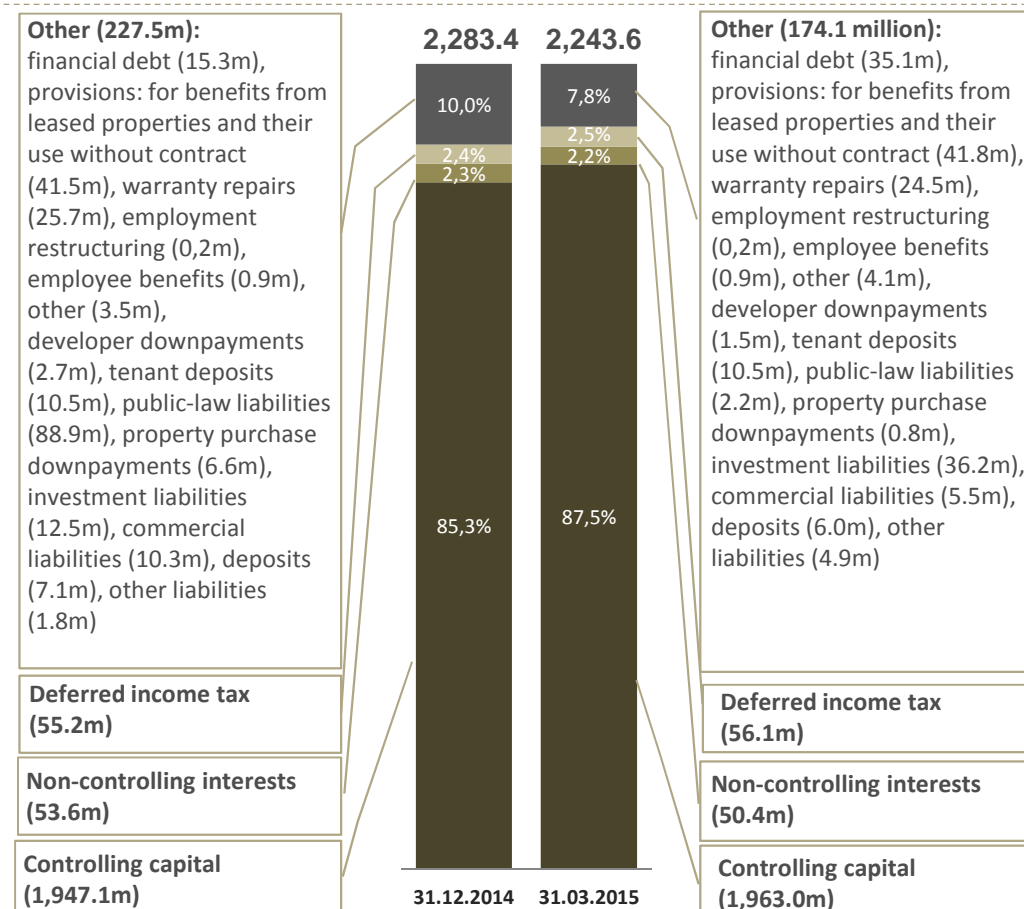
[PLN million]

▶ ASSETS



- Decrease of receivables primarily as a result of return by the Tax Office of VAT on the purchase of properties within the Group (PLN 57 million), partly offset by increase of other public-law receivables (PLN 11 million), mainly tax on civil law transactions and downpayments (PLN 6.8 million), primarily for perpetual usufruct of property
- Decrease of cash by PLN 34.8 million mainly due to payment of VAT on sale of properties within the Group and paying for perpetual usufruct in advance
- Increase of the total value of properties by PLN 27.2 million (expenses +PLN 42.7 million, sale -PLN 11.6 million, valuation -PLN 3.8 million)

▶ LIABILITIES



- Increase in equity of PLN 12.7 as a result of net profit earned
- Decrease of liabilities primarily due to payment of VAT on sale of properties within the Group (PLN 86.8 million), partly offset by increase of investment liabilities (PLN 23.7 million)
- Increase in debt by PLN 19.8 million to the level of 2% of assets



**POLSKI HOLDING
NIERUCHOMOŚCI S.A.**

Thank you

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Presentation of consolidated financial results for Q1 2015:

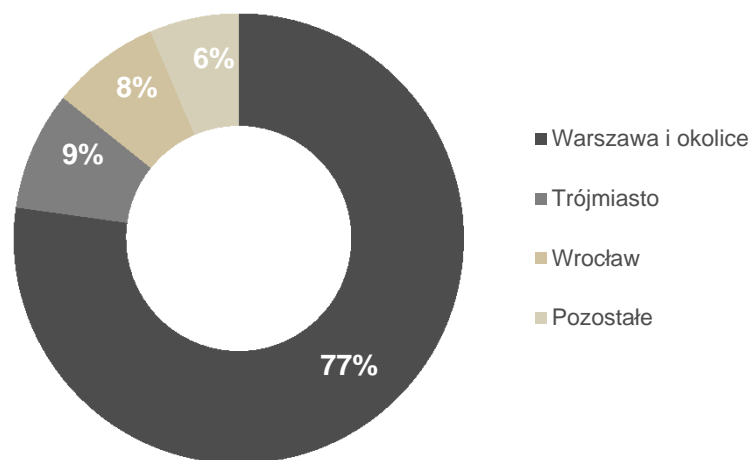
5) ADDITIONAL INFORMATION



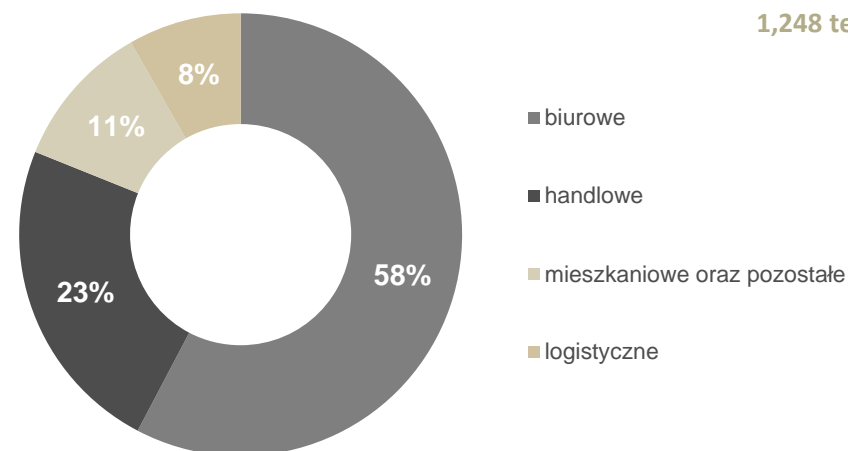
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STRUCTURE OF REAL ESTATE PORTFOLIO AND TENANTS AS AT MARCH 31, 2015

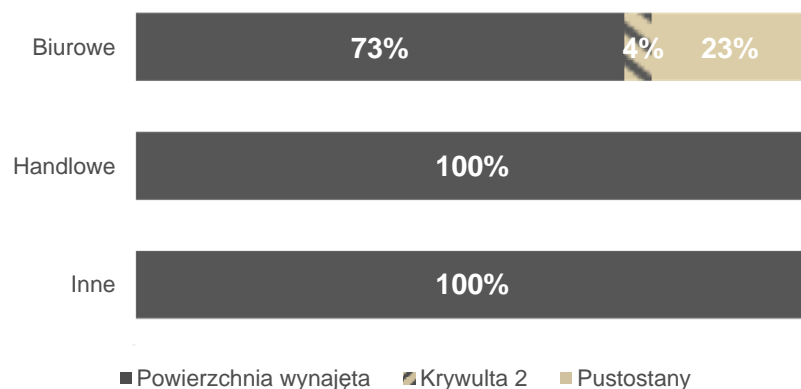
► GEOGRAPHIC STRUCTURE OF THE LEASED PROPERTIES 142 PROPERTIES [% of fair value]



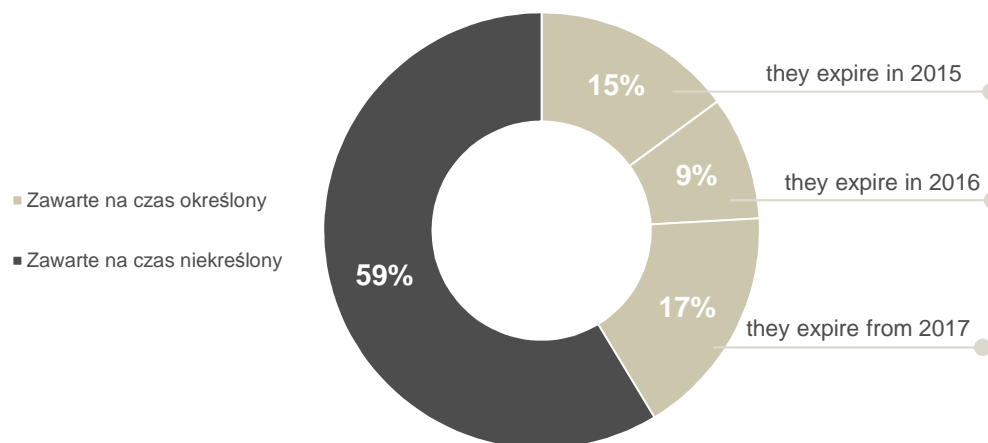
► TENANTS STRUCTURE BY TYPE OF LEASED AREA¹ [% of total tenants]



► OCCUPANCY RATIO OF PROPERTIES REMAINING IN THE PORTFOLIO [% of area]



► TENANTS STRUCTURE BY CONTRACT TERM¹ [% GLA]



PHN S.A. QUOTATIONS CHART

► COMPARISON WITH STOCK EXCHANGE INDICES



CONTINUED OPERATIONS – RESULT

[PLN million]	Q1 2015	Q4 2014
Revenue from sale	37.4	46.3
Operating expenses	(22.2)	(31.6)
Gross result from sales	15.2	14.7
<i>Provision for warranty repairs and damages</i>	(0.2)	-
<i>Result on sale of inventories – land</i>	-	(0.3)
Gross result from sales after adjustment	15.0	14.4
Selling and administration expenses	(7.5)	(12.2)
<i>One-off costs (Group privatization and restructuring)</i>	0.1	4.1
Selling and administration expenses after adjustment	(7.4)	(8.1)
Net result from sales	7.7	2.5
Net result from sales after adjustment	7.6	6.3
Movement in investment properties fair value, and result at sale	(3.8)	(33.3)
Other revenues	10.2	40.9
Other expenses	(3.2)	(9.7)
Operating result	10.9	0.4
<i>Movement in investment properties fair value, and result at sale</i>	3.8	33.3
<i>Costs of severance payments</i>	0.2	0.0
<i>Change of legal status of properties</i>	-	(5.9)
<i>Return of tax on civil law transactions</i>	(8.0)	-
<i>Movement in provision for claims from previous years</i>	(1.1)	(26.0)
Operating result after adjustment	5.7	5.6
<i>Movement in investment properties fair value, and result at sale</i>	3.8	33.3
<i>Result on sale of inventories – land</i>	-	(0.3)
<i>Change of legal status of properties</i>	-	(5.9)
Depreciation and amortization	0.2	0.2
EBITDA	14.9	27.7
<i>Provision for warranty repairs and damages</i>	(0.2)	-
<i>One-off costs (Group privatization and restructuring)</i>	0.1	4.1
<i>Costs of severance payments</i>	0.2	0.0
<i>Return of tax on civil law transactions</i>	(8.0)	-
<i>Movement in provision for claims from previous years</i>	(1.1)	(26.0)
Adjusted EBITDA	5.9	5.8

- adjustments

RENTAL – SEGMENT RESULT

[PLN million]	Q1 2015	Q4 2014
Revenue from sale	30.3	30.1
Operating expenses	(16.6)	(17.5)
Gross result from sales	13.7	12.6
Selling and administration expenses	(5.8)	(10.0)
<i>One-off costs (group privatization and restructuring)</i>	-	4.1
Selling and administration expenses after adjustment	(5.8)	(5.9)
Net result from sales	7.9	2.6
Net result from sales after adjustment	7.9	6.7
Movement in investment properties fair value, and result at sale	(3.8)	(33.3)
Other revenues	10.1	40.9
Other expenses	(3.2)	(9.7)
Operating result	11.0	0.5
<i>Movement in investment properties fair value, and result at sale</i>	3.8	33.3
<i>Costs of severance payments</i>	0.2	-
<i>Change of legal status of properties</i>	-	(5.9)
<i>Return of tax on civil law transactions</i>	(8.0)	-
<i>Movement in provision for claims from previous years</i>	(1.1)	(26.0)
Operating result after adjustment	6.0	6.0
<i>Movement in investment properties fair value, and result at sale</i>	3.8	33.3
<i>Change of legal status of properties</i>	-	(5.9)
Depreciation and amortization	0.2	0.1
EBITDA	15.0	28.0
<i>One-off costs (Group privatization and restructuring)</i>	0.1	4.1
<i>Costs of severance payments</i>	0.2	-
<i>Return of tax on civil law transactions</i>	(8.0)	-
<i>Movement in provision for claims from previous years</i>	(1.1)	(26.0)
Adjusted EBITDA	6.2	6.1

- adjustments

DEVELOPMENT – SEGMENT RESULT

[PLN million]	Q1 2015	Q4 2014
Revenue from sale	7.1	16.2
Operating expenses	(5.5)	(14.0)
Gross result from sales	1.6	2.2
<i>Provision for warranty repairs and damages</i>	(0.2)	-
<i>Result on sale of inventories – land</i>	-	(0.3)
Gross result from sales after adjustment	1.4	1.9
Selling and administration expenses	(0.8)	(0.8)
Net result from sales	0.8	1.4
Net result from sales after adjustment	0.6	1.1
Other revenues	0.1	-
Operating result	0.9	1.4
Operating result after adjustment	0.7	1.1
<i>Result on sale of inventories – land</i>	-	(0.3)
EBITDA	0.9	1.1
<i>Provision for warranty repairs and damages</i>	(0.2)	-
Adjusted EBITDA	0.7	1.1

- adjustments

OTHER OPERATIONS AND UNALLOCATED ITEMS – RESULT

► OTHER OPERATIONS – RESULT

[PLN million]	Q1 2015	Q4 2014
Operating expenses	(0.1)	(0.1)
Gross result from sales	(0.1)	(0.1)
Net result from sales	(0.1)	(0.1)
Operating result	(0.1)	(0.1)
EBITDA	(0.1)	(0.1)
Adjusted EBITDA	(0.1)	(0.1)

► UNALLOCATED ITEMS IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

[PLN million]	Q1 2015	Q4 2014
Selling and administration expenses	(0.9)	(1.4)
Net result from sales	(0.9)	(1.4)
Operating result	(0.9)	(1.4)
Depreciation and amortization	-	0.1
EBITDA	(0.9)	(1.3)
Adjusted EBITDA	(0.9)	(1.3)

- adjustments



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