

**ARCONA PROPERTY FUND N.V.**

**INTERIM COMPANY FINANCIAL STATEMENTS AS AT 30 JUNE 2017**

# 1 COMPANY BALANCE SHEET AS AT 30 JUNE 2017

	<b>30-06-2017</b> In € 1,000	<b>31-12-2016</b> In € 1,000
<b>Investments</b>		
Investments in group companies	23,832	16,940
Receivables from group companies	25,059	24,355
Other financial investments	-	70
<b>Total investments</b>	<b>48,891</b>	<b>41,365</b>
<b>Receivables</b>		
Other receivables	687	656
Deferred expenses	95	4
<b>Total receivables</b>	<b>782</b>	<b>660</b>
<b>Other assets</b>		
Cash and cash equivalents	2,107	753
<b>Total assets</b>	<b>51,780</b>	<b>42,778</b>
<b>Shareholders' equity</b>		
Issued capital	15,826	15,826
Share premium	16,426	16,426
Revaluation reserve	5,990	4,524
Reserve for currency translation differences	2,192	1,973
Equity component convertible bonds	266	266
Retained earnings	-/- 1,830	-/- 2,563
<b>Total shareholders' equity</b>	<b>38,870</b>	<b>36,452</b>
<b>Provisions</b>		
Deferred tax liabilities	46	25
<b>Long-term liabilities</b>		
Convertible bonds	4,408	5,786
Private loans	6,718	-
<b>Total long-term liabilities</b>	<b>11,126</b>	<b>5,786</b>
<b>Current liabilities</b>		
Convertible bonds	1,407	-
Other liabilities	81	241
Accruals	250	274
<b>Total current liabilities</b>	<b>1,738</b>	<b>515</b>
<b>Total shareholders' equity and liabilities</b>	<b>51,780</b>	<b>42,778</b>

## 2 COMPANY PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2017

	01-01-2017 to 30-06-2017 In € 1,000	01-01-2016 to 31-12-2016 In € 1,000
<b>Income from investments</b>		
Interest	608	705
<b>Realised valuation results of investments</b>		
Receivables from group companies	33	273
<b>Unrealised valuation results of investments</b>		
Investments in group companies	1,955	1,357
Receivables from group companies	329	-/- 407
	2,284	950
<b>Other operating income</b>	3	2
<b>Total operating income</b>	<b>2,928</b>	<b>1,930</b>
Administrative expenses	319	439
Other operating expenses	175	1,367
Interest expenses	235	385
<b>Total expenses</b>	<b>729</b>	<b>2,191</b>
<b>Result before income tax</b>	<b>2,199</b>	<b>-/- 261</b>
Income tax expense	-	-/- 31
<b>Result after income tax</b>	<b>2,199<sup>1</sup></b>	<b>-/- 292</b>

<sup>1</sup> The "Result after income tax" includes the one-off result concerning the "result on acquisition through business combinations, net of tax", regarding the acquisition of the 3 leasehold assets through the takeover of the shares of RECE Progress Sp. z.o.o. The "Result after income tax" without "result on acquisition through business combinations, net of tax" amounts to € 1,018,000.

### 3 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2017

	Issued capital In € 1,000	Share premium In € 1,000	Revaluation reserve In € 1,000	Reserve for currency translation differences In € 1,000	Equity component convertible bonds In € 1,000	Retained earnings In € 1,000	Total Shareholders' equity In € 1,000
Balance as at 1 January 2017	15,826	16,426	4,524	1,973	266	-/- 2,563	36,452
Result for the financial period	-	-	-	-	-	2,199	2,199
Change in revaluation reserve	-	-	1,466	-	-	-/- 1,466	-
Change in reserve for currency translation differences	-	-	-	219	-	-	219
<b>Balance as at 30 June 2017</b>	<b>15,826</b>	<b>16,426</b>	<b>5,990</b>	<b>2,192</b>	<b>266</b>	<b>-/- 1,830</b>	<b>38,870</b>
Balance as at 1 January 2016	7,194	16,786	4,157	2,245	91	-/- 1,904	28,569
Result for the financial period	-	-	-	-	-	-/- 292	-/- 292
Change in revaluation reserve	-	-	367	-	-	-/- 367	-
Change in reserve for currency translation differences	-	-	-	-/- 272	-	-	-/- 272
Change in equity component convertible bonds	-	-	-	-	175	-	175
Own shares issued	8,632	-	-	-	-	-	8,632
Distributions to shareholders	-	-/- 360	-	-	-	-	-/- 360
<b>Balance as at 31 December 2016</b>	<b>15,826</b>	<b>16,426</b>	<b>4,524</b>	<b>1,973</b>	<b>266</b>	<b>-/- 2,563</b>	<b>36,452</b>

## **4 NOTES TO THE INTERIM COMPANY FINANCIAL STATEMENTS**

### **4.1 GENERAL**

The accounting policies are equal to those applied in the financial statements 2016.

The interim company financial statements are presented into Euros, rounded to the nearest thousand.

The information in these interim company financial statements has not been audited by an expert pursuant to article 393 Book 2 BW (auditor's report).

*Amsterdam, 3 August 2017*

*The Managing Board:*

*Arcona Capital Fund Management B.V.  
On behalf of,*

*G.St.J. Barker LLB FRICS  
Managing Director*

*P.H.J. Mars M.Sc.  
Managing Director*

*H.H. Visscher  
Managing Director*