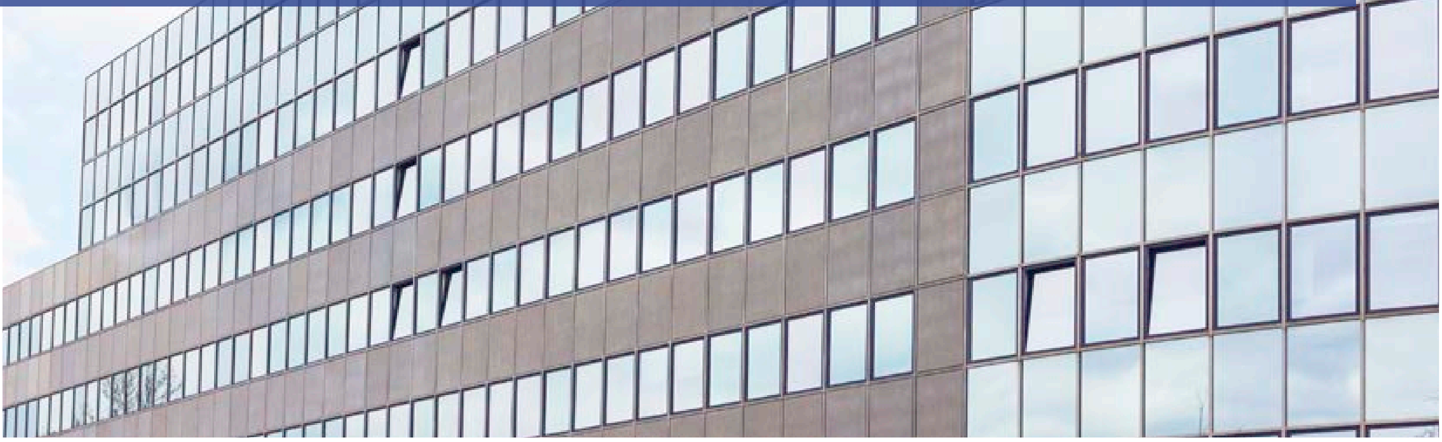
Q1 2016 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2016



AROUNDTOWN
PROPERTY HOLDINGS PLC

CONTENT

KEY FINANCIALS

	1-3 2016	change	1-3 2015
RENTAL AND OPERATING INCOME (€ thousands)	**50,069**	149%	20,097
ADJUSTED EBITDA 1) (€ thousands)	**53,053**	87%	28,439
FFO I (€ thousands)	**32,919**	73%	19,047
FFO I PER SHARE (€ cent)	**5.5**	45%	3.8

	1-3 2016	1-3 2015	1-12 2015
EBITDA (€ thousands)	**285,547**	296,487	1,041,372
NET PROFIT (€ thousands)	**230,114**	284,880	920,754
EPS (BASIC) (€)	**0.27**	0.51	1.26

	Mar 2016 pro forma 2)	Mar 2016	Dec 2015
EPRA NAV (€ thousands)	**3,562,854**	3,296,354	3,042,864
TOTAL EQUITY (€ thousands)	**2,900,684**	2,634,184	2,425,512
LOAN-TO-VALUE	**19.3%** 3)	38.5%	34.5%
EQUITY RATIO	**61.5%** 3) 4)	55.5%	54.6%

1) including AT's share in GCP's adjusted EBITDA

2) including the €266.5m capital increase from April 2016

3) assuming conversion of the convertible bonds which are in the money

4) including the issuance of AT's Series D straight bond in April 2016

THE COMPANY

The Board of Directors of Aroundtown Property Holdings PLC and its investees (the "Company", "AT" or the "Group") hereby submits the interim report as of March 31, 2016. The figures presented are based on the interim consolidated financial statements as of March 31, 2016, unless stated otherwise.

AT is a specialist real estate investment group, with a focus on value-add income generating properties primarily in the German real estate markets. The Group covers commercial and residential real estate assets which benefit from strong fundamentals and growth prospects. The commercial properties are held directly by AT and its subsidiaries the residential investments are carried out through Grand City Properties S.A. ("GCP") which is currently held to 32% by AT. The Group's unique business model and experienced management team led the Company to grow continuously for more than a decade.

As of June 2016, AT's portfolio includes a commercial portfolio of 2.6 million sqm generating €248 million rental and operating income run rate and GCP holds 80k units which generate €423 million rental and operating income run rate. Presented figures of AT's portfolio are attributed to its proportional holding in GCP.

The in-place rent of AT's total portfolio, including the portion of the residential portfolio, is 6.7 €/sqm and the vacancy rate on rentable area is at 8.8%. The portfolio is positioned on one hand to benefit from high and strong cash flows, and capture upside potential in terms of rent and occupancy on the other. Additional information about AT's portfolio is presented on pages 23-28.

Operating with a fully integrated real estate value chain Aroundtown targest properties with value creation potential. In this real estate market AT picks cash generating properties with upside potential in rent and/ or occupancy increase and consequential value. Through an intensive property turnaround, including operational and repositioning activities, AT further improves the portfolio results, creating secure and strong cash flow generating characteristics and lifting great internalized growth potential.

AT's properties generate strong operational results and presents significant portfolio growth, best illustrated through run rates, annualizing the monthly results. The Adjusted EBITDA run rate for June 2016 is €250 million and the Funds from Operations I (FFO I) run rate is €160 million.


ICO's Laden
ICO's Laden

FINANCIAL POSITION HIGHLIGHTS

€ thousands	As of	Mar 2016	Dec 2015
CASH AND LIQUID ASSETS		**187,864**	386,983
TOTAL ASSETS		**4,748,217**	4,440,147
TOTAL ASSETS PRO FORMA (1), (2)		**5,587,969**	4,440,147
TOTAL EQUITY		**2,634,184**	2,425,512
TOTAL EQUITY PRO FORMA (1)		**2,900,684**	2,425,512
TOTAL LOANS AND BORROWINGS		**780,692**	645,339
STRAIGHT BONDS		**188,365**	187,923
CONVERTIBLE BONDS		**811,424**	817,721

1) Including the issuance of AT's €266.5m equity capital from April 2016
2) Including the issuance of AT's Series D straight bond in April 2016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REMARKABLE CORPORATE ACHIEVEMENTS

DEC 2014

Private placement of **Series A straight bonds** at the amount of €161 million. The series was tapped to a total aggregate amount of €200 million in January 2015

APR 2015

Successful **pre-IPO convertible bonds (Series B)** issuance of €450 million

13 JUL 2015

Successful **capital increase** of €320 million. The new shares start to trade on Euronext Stock Exchange on 13.7.15, Symbol: ALATP

JUL 2015

Dividend policy resolved of 30% of FFO I starting in 2016

NOV 2015

Dual listing on Frankfurt Stock Exchange **(Xetra),** Symbol: AT1

AT received an **investment grade credit rating of BBB-** from S&P

Oversubscribed **equity capital increase** of €267 million

Successful portfolio growth to **€5.6 billion** total assets

Current free float at 35% (Fully diluted free float at 49%)

35%

49%

DEC 2015

DEC 2015

APR 2016

APR 2016

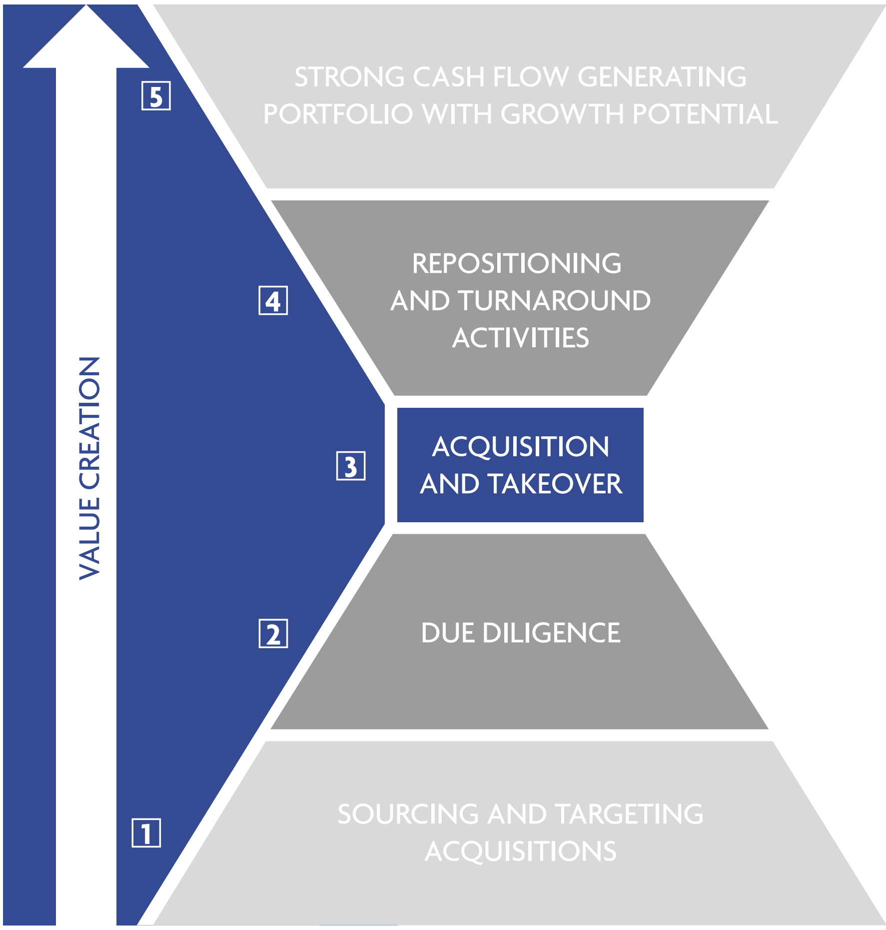
MAY 2016

Successful issuance of 2021 **convertible bonds (Series C)** of €300 million and 1.5% coupon

Successful issuance of 2022 **straight bond (Series D)** of €600 million and 1.5% coupon

STRATEGY

AT'S VALUE CREATION STARTS PRIOR TO ACQUISITION



1 SOURCING AND TARGETING ACQUISITIONS

AT's property sourcing success stems from its unique network as well as reputation as a reliable real estate acquirer. The Group focuses on value-add properties characterized mainly by under market rent levels and/or vacancy reduction potential. With over 12 years of experience in the market, the Group benefits from a preferred buyer status across its sourcing network. The Group sources deals from a large and diverse deal sourcing base, such as receivers, banks, loan funds, broker network, distressed owners, private and institutional investors and court auctions. The Group's primary focus is on major cities and metropolitan areas with positive demographic prospects.

The Group follows acquisition criteria, which ensure that its newly acquired properties fit to AT's business model:

- Upside potential through operational improvements
- Cash flow generating assets
- Vacancy reduction potential
- Rent level per sqm below market level (under-rented properties)
- Acquisition in densely populated areas and commercially attractive cities
- Purchase price below replacement costs and below market values
- Potential to reduce the cost per sqm significantly through operational improvements

Through the broad coverage and knowledge of its management, AT considers the potential usage for the individual property. This includes altering its primary usage which opens up opportunities for properties that experience demand shortages in their current market. Given the complexity and necessity for cross-segment experience in the successful completion of reclassification projects, AT's unique profile is a strong and sustainable competitive advantage.

2 DUE DILIGENCE

AT's due diligence processes are based on the vast experience of all departments involved. After a potential property passes the initial indicative screening, each property is assessed taking into account the individuality of each project while ensuring the acquisition is in line with the Company's business strategy. The experience of the Group in analyzing properties with value creation potential, identifying both the potential risks and the potential upside of each property, results in fast but thorough and reliable screening procedures.

During the due diligence phase the Group's construction team analyses potential capex requirements. These are subsequently priced in the valuation process to provide a fair assessment.

For each property a detailed business plan is created in the due diligence phase, including an assessment of the portfolio fit and identification of feasible tenants. Starting to look for tenants prior to acquisition decreases risk on one hand, while on the other accelerates the takeover process.

3 ACQUISITION AND TAKEOVER

Due to a thorough cross-organizational process in the due diligence phase, once a property is acquired the actual takeover occurs swiftly and efficiently. As liquidity plays a significant role in the acquisition of value-add properties, AT benefits strongly from its solid liquidity and ability to acquire with existing resources and refinance at a later stage. The Group benefits from a strong and experienced legal department, which combined with close and longstanding relationships with external law firms enables AT to complete several deals simultaneously.

STRATEGY

4 REPOSITIONING AND TURNAROUND ACTIVITIES

As a specific tailor made business plan is constructed for each property, and the weaknesses and strengths were mapped pre-acquisition, the execution of the turnaround process becomes easier and faster. The business plan input is integrated into AT's proprietary IT/software platform which enables the management to monitor all operational and financial parameters and fully control the turnaround progress. The success of the turnaround and repositioning of the properties are the result of the following actions:

OPERATIONAL AND MARKETING INITIATIVES

The initial repositioning activities aim at minimizing the time until the profitability of the acquired properties is improved. Targeted marketing activities are implemented to increase occupancy and thereby rental income. Vacancy reduction initiatives are tailored to the property at hand. Procedures applied to AT's commercial properties focus on establishing a network of internal and external, local and nationwide, letting brokers, offering promotional features and building a reputation in the market for high service standards. Initiatives in the residential properties target relationship building with potential tenants and the local community by collaborating with local governments, supporting community building projects and advertising on key real estate platforms. For the hotel assets, optimal operators are selected for the asset and a fixed long-term lease contract entered into once the hotel is stabilized.

Rent increase and tenant restructuring, assessed in the due diligence process, are executed according to the business plan. Further, the operational improvements AT initiates improve the living quality or business environment for existing and future tenants. Thereby, the demand for these repositioned assets rises.

Having identified areas for operational improvements, the Group drills down on cost saving opportunities on a per unit basis, making use of modern technologies such as consumption based meters. These efforts combined with cost savings achieved through vacancy reductions and economies of scale enable the Company to benefit from a significant improvement of the cost base and therefore higher profitability.

AT manages its entire real estate value chain, across acquisition, letting, upkeep and refurbishment. This integrated approach brings further efficiency benefits and a preferred landlord status to the Group and fast response times to its tenants.

SMART CAPEX INVESTMENTS, WHEN REQUIRED

AT addresses capex needs to keep the properties at high standards and addresses the requirements of its existing and prospective tenants. Capital improvements are discussed in close coordination with committed tenants allowing an efficient and cost effective implementation of the investments. The carried out investments are followed by our experienced construction team.

The financial feasibility of the proposed alterations is balanced against the lease term, rental income and acquisition cost and bear quick returns over the investment period.

RELATIONSHIP MANAGEMENT

AT puts great emphasis on establishing strong relationships with its tenants to reduce churn rates, to predict as well as strengthen the tenant structure and thereby positively affect its cash flows in the future. The Company aims at offering high quality services for potential and existing tenants. The Group pays strong attention to the industry in which its commercial tenants operate and to their individual success factors. The Group offers direct support in form of additions to the rental property such as parking facilities, space extensions to facilitate growth and smart space redesign to match modern office layouts. For its strong residential tenant base GCP provides a wide range of services including a 24/7 Service Center and invests into community building projects such as playgrounds and community centers.

Further, the Group aims to establish personal relationships between its asset and property managers and its tenants, providing them with personal contact points, reacting promptly to problems and proactively prolonging existing contracts that expire soon to optimize and secure long-term revenues.

5 STRONG CASH FLOW GENERATING PORTFOLIO WITH GROWTH POTENTIAL

Secure cash flows are continuously strengthened by ongoing cost controls and profitability improvements. Given vacancy and discount of the existing rents to market rent prices, AT's portfolio exhibits further strong and lasting growth after the implementation of initial repositioning activities. In line with the Group's primarily buy and hold strategy, with a strong focus on creating a long-term stream of secure cash flows, this continuous internal growth ensures that AT can continue to grow organically without relying on further acquisitions.


PLANETHOME
GROUP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STRATEGY

TRADING DATA AND ANALYST COVERAGE

Placement	Frankfurt Stock Exchange and Euronext Paris
WKN/Symbol	AT1 (Xetra, FSE), ALATP (Euronext Paris)
Initial placement of capital	13.07.2015

AS OF MARCH 2016

Number of shares	600,141,641
Total number of shares incl. dilution effect of Series B*	730,829,241
Number of shares on a fully diluted basis	782,619,233

AS OF THE DATE OF THIS REPORT

Number of shares (as of the date of this report)	668,630,519
Total number of shares incl. dilution effect of Series B*	795,829,241
Number of shares on a fully diluted basis	847,619,456

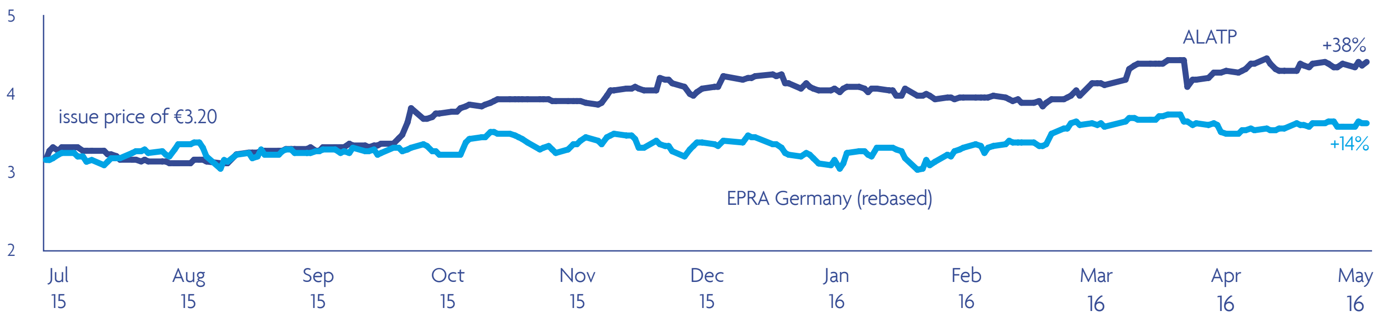
Free Float (as of the date of this report)	35%
Free float including conversion of Series B* in the money	45%
Fully diluted free float	49%
Market Cap (as of 31 March 2016)	€2,6 bn

*Convertible bond Series B is in the money

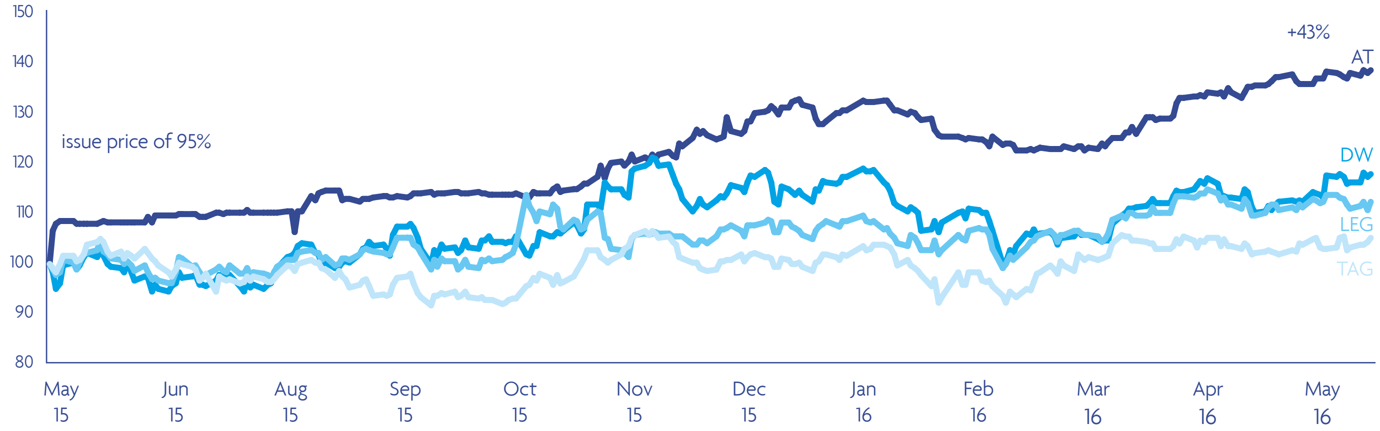
INVESTOR RELATIONS ACTIVITIES

The Group is pro-actively approaching a large investor audience in order to present its business strategy, provide insight into its developments and create awareness of its overall activities in order to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows and one-on-one presentations in order to present a platform for open dialogue. Explaining our unique business strategy in detail and presenting the daily operations allows investors to gain a full overview about the Group's successful business approach. Additionally, to publishing comprehensive financial statements on a quarterly basis, the Group publishes regular updates on, among others, developments of the portfolio, operations and financial activities. The most recent information is provided on its website www.aroundtownholdings.com and open channels for communication are always provided. Currently, AT is covered by six different research analysts on an ongoing basis, which reports are updated and published regularly.

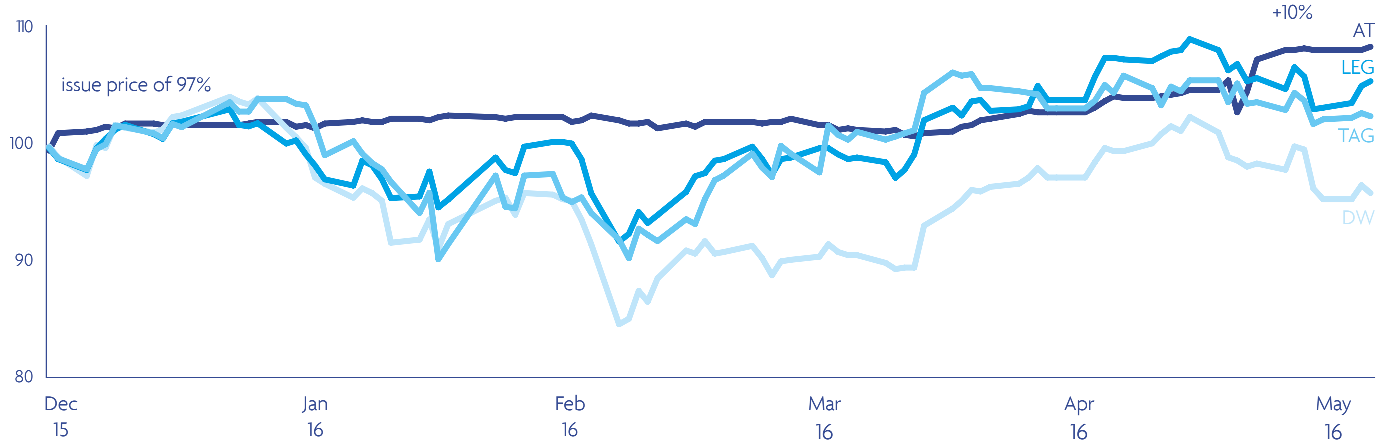
SHARE PRICE PERFORMANCE SINCE INITIAL PLACEMENT OF CAPITAL (13.7.2015)



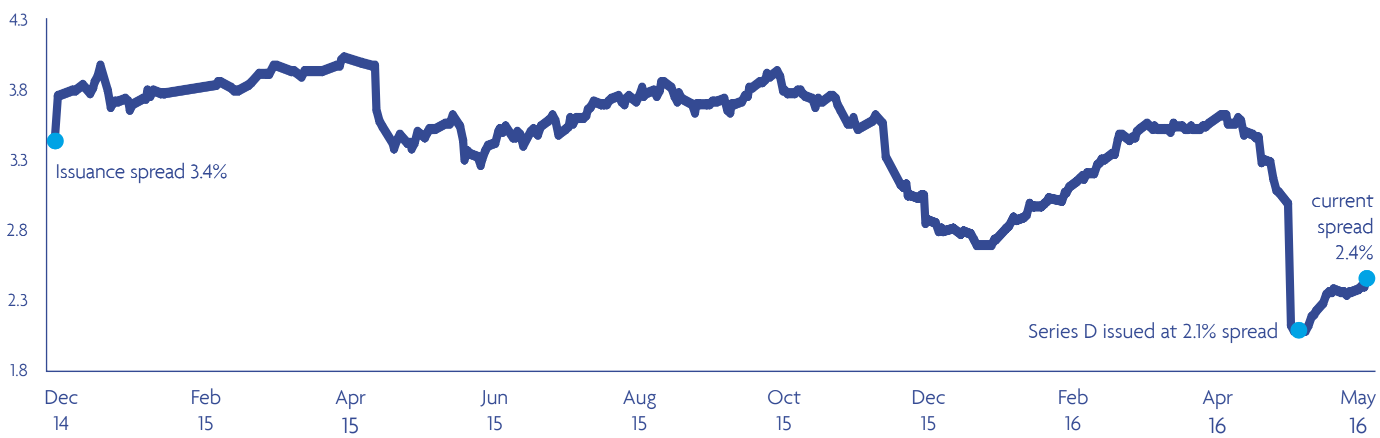
CONVERTIBLE BOND SERIES B PERFORMANCE SINCE PLACEMENT (27.4.2015)



CONVERTIBLE BOND SERIES C PERFORMANCE SINCE PLACEMENT (15.12.2015)



SPREAD OVER MID-€-SWAP FOR STRAIGHT BONDS A AND D, REMAINING 6 YEARS

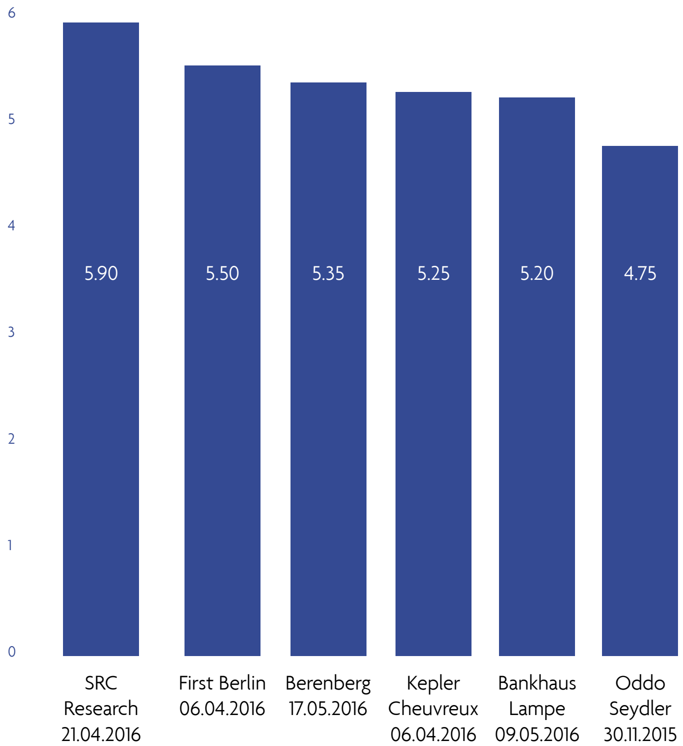


KEY STRENGTHS

SEVERAL EQUITY RESEARCH ANALYSTS FOLLOW THE COMPANY'S GROWTH ON A CONTINUOUS BASIS

Strong buy recommendation

ANALYST RESEARCH TARGET PRICE



EXPERIENCED MANAGEMENT

AT's management can draw from a wealth of experience in the real estate market and associated sectors. This enables the Group to continuously innovate, take strategic decisions quickly and accurately as well as successfully grow. Its remarkable growth over the recent years has created two key benefits in this regard, on one hand the ability to attract managers and employees that redefine the industry, on the other hand the internalization of a knowledge and experience pool at a fraction of the cost in relation to its portfolio.

This knowledge is communicated and utilized across the Company and its business units which shapes its processes and operational improvements, such as automated cost saving initiatives and automated rent increase processes.

AT's management possesses the knowledge that makes up its main competitive advantage, the ability to extract the operational and value potential from its assets. This includes the ability to execute the business plan successfully, which includes among others, the competence to assess the limiting factors that led to vacancy and execute vacancy reduction activities rapidly, putting in-place cost effective measures, setting rent increase processes, understanding tenant structures and optimizing rental contracts in terms of lease maturity and income security, cross-sector experience to enable the extraction of the full value of the property and operations experience to monitor and reduce costs.

DEAL SOURCING AND ABILITY TO CREATE ACCRETIVE GROWTH

The Group's acquisition track record of over 12 years has led the Group to become a market leader and have a preferred acquirer status, primarily due to its professional approach, fast and high execution rates and reliability.

Given the wide coverage and knowledge, AT is able to assess repositioning options, including optimizing the object's primary use. This improves efficiency and extracts value.

The Group has a proven track record of acquiring properties which exhibit potential value gains and successfully turning these around. This ability is mirrored by a continuous pipeline and acquisition of attractive properties and the successful transition of the existing properties to stabilized assets.

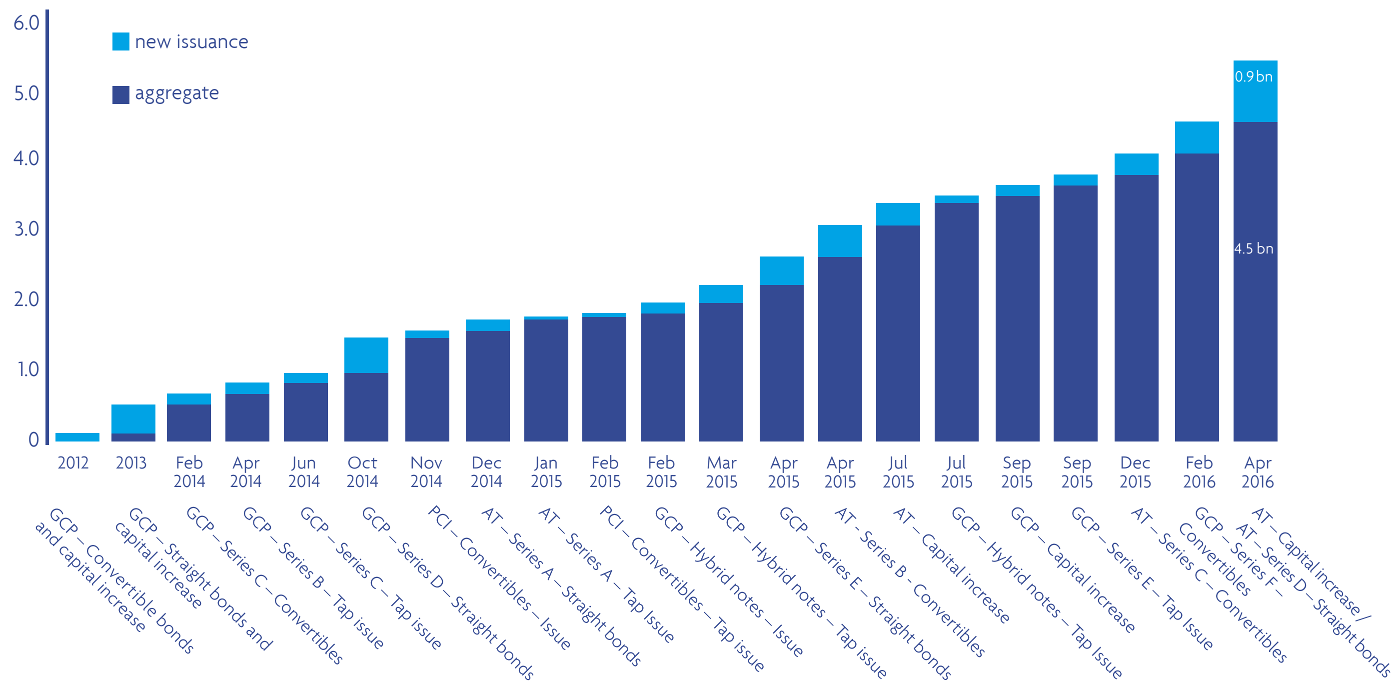
PROPRIETARY IT/SOFTWARE PLATFORM

AT emphasizes the internalization of relevant skills to support innovation and improve processes. Its operations and growth are supported by scalable proprietary IT/software systems that connects all departments and all property units, enabling efficient monitoring and implementation of turnaround measures. The platform constantly monitors vacancy and rents across AT's portfolio, ensuring yields are optimized and strict cost discipline is implemented. The Group's in-house software team continuously interacts with the operational teams and delivers fast and efficient solutions to the Company's operational needs. After a software solution is implemented, constant improvements and updates take place to adapt to any additional operational necessities arising.

ROBUST FINANCIAL FLEXIBILITY

AT's operations are based upon solid financing and its management can draw from many years of experience in raising capital. The Group works with leading national as well as international investment banks both as a direct source of bank loan funding and as bookrunners. Proven access to capital markets through numerous issuances of equity, bonds, convertible bonds and hybrid notes provide experience and contacts to tap capital markets in the future. In 2015 and starting 2016 alone, the Group raised in 14 different issuances €3.7 billion capital through issuances of equity, bonds, convertible bonds and hybrid notes. Furthermore, the Group has a strong network with over 20 commercial banks and has vast experience in obtaining bank debt with preferred conditions.

FRUITFUL CAPITAL MARKET ACTIVITIES: GROUP RAISED €5.4 BILLION



PROVEN ABILITY TO ACCESS CAPITAL MARKETS

APR 2016	AT issuance of series D, 2022 straight bonds of € 600m (nominal value), coupon of 1.5%
APR 2016	AT equity capital increase of €267m
FEB 2016	GCP issued Series F, 2022 convertible bonds of € 450m, coupon of 0.25% p.a.
JAN 2016	Completion of the conversion of GCP's Series C convertible bonds (€275m)
DEC 2015	AT issuance of Series C, €300m convertible bond, coupon 1.5%, duration of 5.1 years
SEP 2015	GCP tap issuance of € 150m of 10 year straight bond to an aggregate nominal amount of € 550m
SEP 2015	GCP equity capital increase of € 151m
JUL 2015	GCP tap issuance of perpetual hybrid notes, (coupon 3.75%), of additional € 100m
JUL 2015	AT equity capital increase of €320m
APR 2015	AT issuance of 5 year convertible bond of € 450m, coupon 3% p.a.
APR 2015	GCP issuance of 10 year straight bond of € 400m with a coupon of 1.5% p.a.
MAR 2015	Tap Issuance of perpetual hybrid notes of additional € 250m
FEB 2015	Issuance of €150m perpetual hybrid notes, coupon 3.75%
FEB 2015	PCI, tap issuance of € 50 million on existing convertible bonds

EQUITY AND BOND BOOKRUNNERS

J.P.Morgan, UBS, citi, Kempen & Co, Berenberg, Morgan Stanley, Deutsche Bank, Societe Generale, Credit Suisse

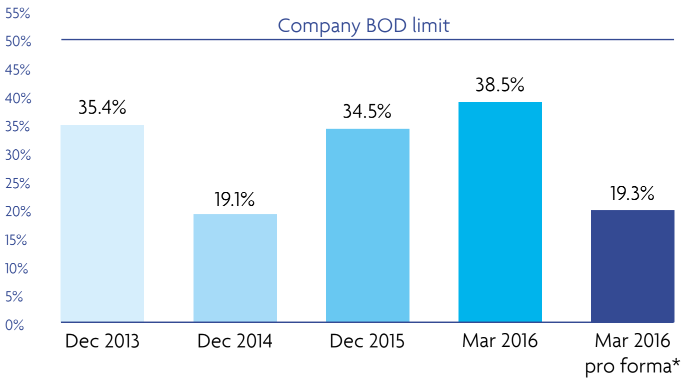
JAN 2015	AT, tap issuance of € 39m of series A bond to a total aggregate amount of € 200m
DEC 2014	AT issuance of series A straight bonds of € 161 million (nominal value) with a coupon of 3% p.a.
NOV 2014	PCI issued convertible bonds at principal amount of € 100 million
OCT 2014	GCP, redemption of straight bonds with nominal amount of € 350m. Issuance of 7 year straight bond of € 500m with a coupon of 2% p.a.
JUN 2014	GCP tap issuance of convertible bonds with gross proceeds of € 140m
APR 2014	GCP tap issuance of existing straight bonds with gross proceeds of € 160m
FEB 2014	GCP issued 5 year convertible bonds of € 150m and a coupon of 1.50% p.a
DEC 2013	Capital increase of GCP of € 175m
OCT 2013	Full conversion of GCP's convertible bond into equity
JUL 2013	GCP issued a 7 year straight bond of € 200m with a coupon of 6.25% p.a.
FEB 2013	GCP increased capital by € 36m
OCT 2012	GCP issued 5 year convertible bonds of €100m and a coupon of 8%
JUL 2012	GCP increased capital by € 15m

KEY STRENGTHS

CONSERVATIVE FINANCING STRUCTURE

AT's conservative capital structure approach is reflected in an LTV of 38.5% as of March 31, 2016. March 2016 pro forma, including the effect on the €267 million equity capital increase in 2016 and assuming conversion of convertible bonds which are in the money, LTV is 19.3%. The management views the debt ratios as a key source of competitive advantage and puts policies in place to keep financing costs low and the portion of unencumbered assets high. The low leverage of the Group enables further external growth, while still maintaining a conservative capital structure. This conservative capital structure emerges from AT's diversified financing sources with long maturities.

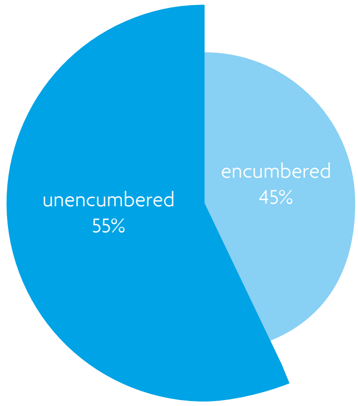
LOAN-TO-VALUE



* assuming conversion of the convertible bonds which are in the money and the issuance of AT's €266.5m equity capital from April 2016

UNENCUMBERED ASSETS AS OF JUNE 2016

(BASED ON RENT)

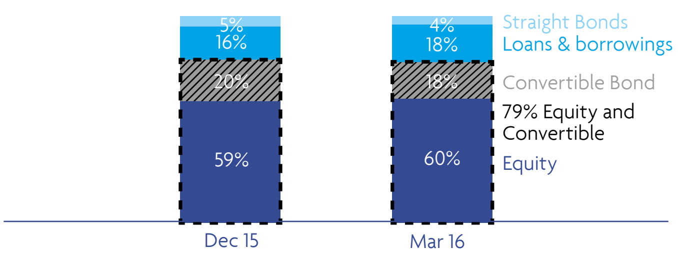


FINANCIAL POLICY

Aroundtown has set a financial policy to improve its capital structure further:

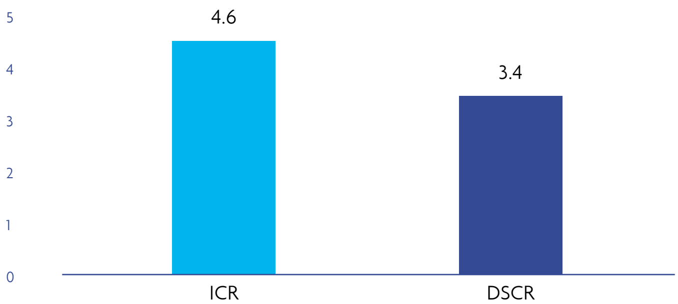
- **Strive to achieve A- global rating in the long-term**
- Maintaining an LTV below 50%
- Maintaining very conservative financial ratios
- Unencumbered assets above 50% of total assets
- Long debt maturity profile
- Good mix of long term unsecured bonds and non-recourse bank loans
- Convert the convertible bonds into equity
- Dividend of 30% of FFO I

FINANCING SOURCES MIX



In addition to its conservative capital structure and vast experience in accessing capital markets that enable AT to finance its future growth, the Company maintains a strong liquidity position through a mix of its operational cash generation, cash and liquid assets which as of March 2016 amount to €188 million and strong cover ratios. Additionally, the high ratio of unencumbered assets of 55% as of June 2016 provides additional financial flexibility.

STRONG COVER RATIOS – Q1 2016



CREDIT RATING ACHIEVEMENT

In December 2015, Aroundtown was assigned for the first time with the investment grade credit rating of 'BBB-' from Standard & Poor's Ratings Services. Besides Aroundtown's strong cover ratios and low leverage which result in a financial risk profile assessment of "intermediate", the business risk profile is supported by a portfolio of good scale and diversification across multiple property types with long lease structures and no tenant dependency.

S&P
BBB-
Dec 15

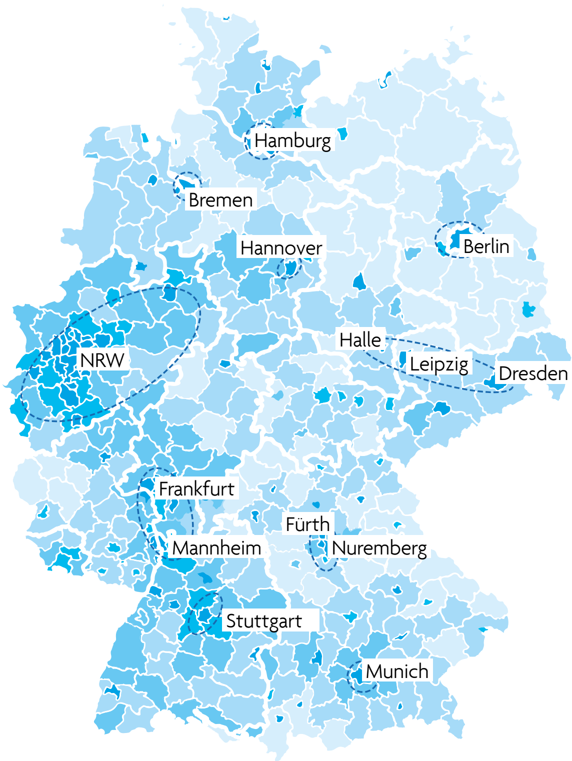
AROUNDTOWN
PROPERTY HOLDINGS PLC

COMMERCIAL PORTFOLIO

RESIDENTIAL PORTFOLIO
32% IN GCP

AROUNDTOWN'S PORTFOLIO

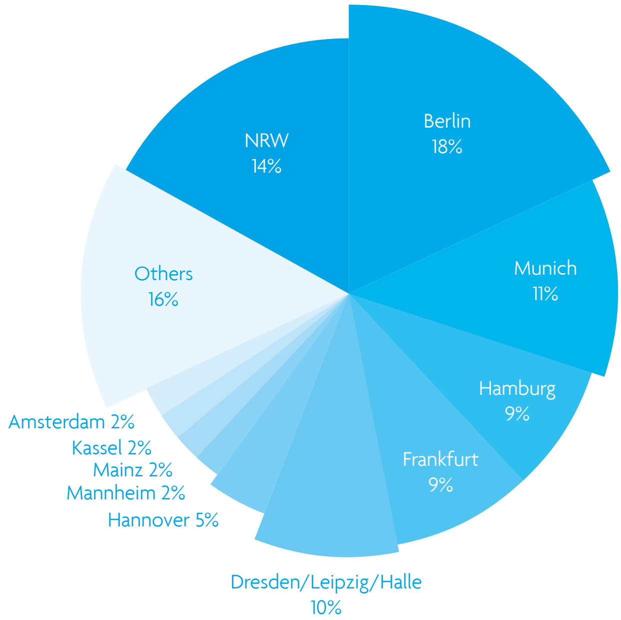
POPULATION DENSITY IN GERMANY



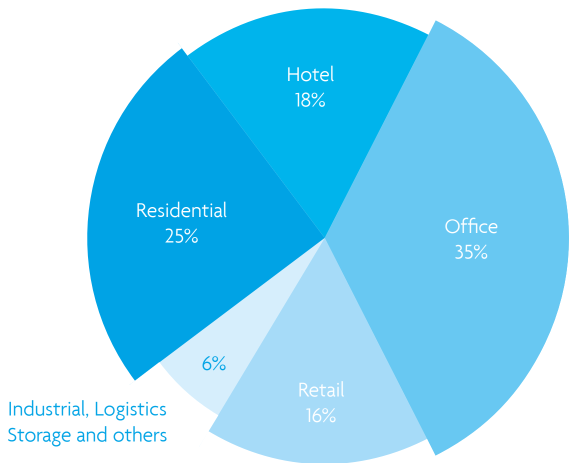
INHABITANTS PER SQKM (2013)

- < 100
- 100 - 200
- 200 - 500
- 500 - 1000
- > 1000

REGIONAL DISTRIBUTION (BY VALUE) *



ASSET TYPE (BY VALUE)*



*residential portfolio is accounted for at the holding rate of 32%

COMMERCIAL INVESTMENT PORTFOLIO

AT holds a diverse portfolio of commercial assets of various asset types which focus on various urban centers with strong demographics and favourable economic fundamentals. The commercial portfolio is diversified over several different asset types of offices, retail, hotel and other properties covering 2.6 million sqm.

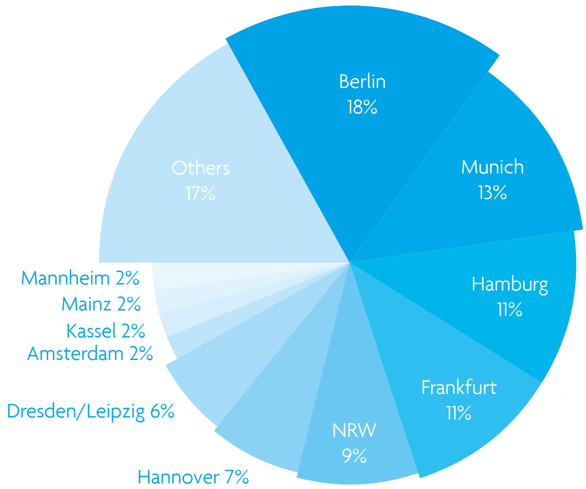
As of June 2016, the Group's commercial portfolio with a value of over €3.8 billion assets generate a rental and operating income run rate (June 2016 annualized) of €248 million and operate at an in-place rent of 7.6 €/sqm and at a vacancy rate on rentable area of 8%. The portfolio exhibits strong growth potentials through rent and occupancy increase as well as cost efficiency improvements resulting in the bottom line FFO run rate (June 2016 annualized) of €128 million.

Aroundtown's commercial portfolio is located in key locations which benefit from strong demographic and economic fundamentals, such as Berlin, Munich, Hamburg, Frankfurt, Dresden, Düsseldorf, Mannheim and Leipzig. Due to the high diversity, AT's portfolio has a limited dependency on single tenants with a tenant base of approx. 1,500 tenants spread across a wide range of sustainable market sectors which further reduces cluster risk while a WALT of 8.5 years offers long-term cash flow security.

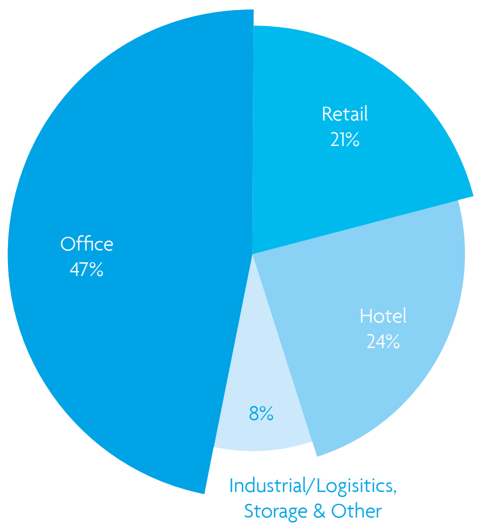
The management believes that its business platform benefits from its skilled personnel, its experience and track record and reliable practices that enable the Company to perform strongly and to further expand in the commercial property market. The Company also believes that the business environment will provide abundant acquisition opportunities in the attractive markets it targets, to support its external growth strategy in the medium to long term. A strong deal pipeline and favourable market conditions provide further upside potential for the future.

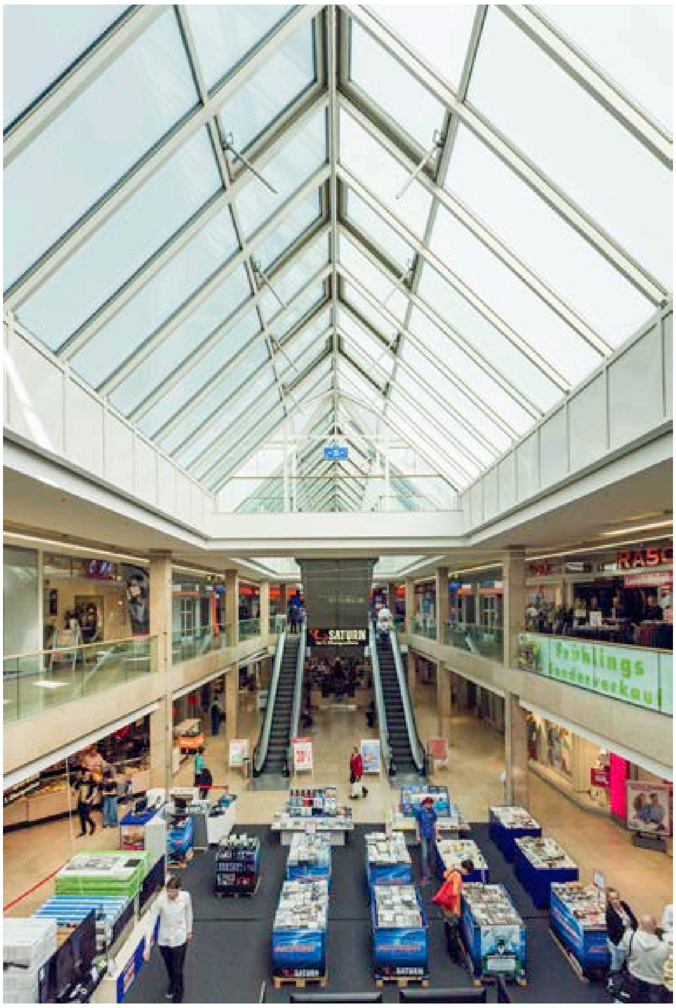
The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. The management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand. An integral component of the business plan is a long-term fixed rental lease, which increases the cash flow visibility. AT keeps close relations with the operators and monitors their performance on an ongoing basis, making use of its tailor made IT/software system. In return, AT benefits from fixed annual rent increases, which contributes directly to the bottom line. As of June 2016 the Group holds hotel assets across half a million sqm in 55 hotels with 8,700 rooms. The hotels assets are held through Primecity Investments PLC ("PCI").

REGIONAL DISTRIBUTION (BY VALUE)



ASSET TYPE (BY VALUE)



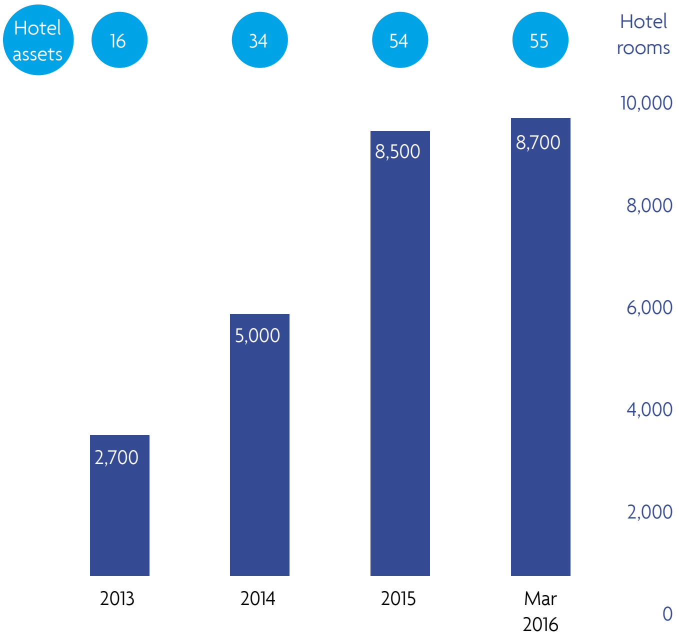

SATURN
frühlings


Ferrari


HOTEL

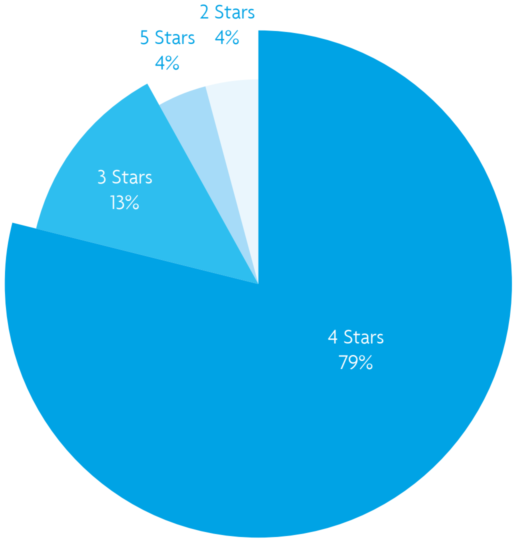
COMMERCIAL INVESTMENT PORTFOLIO (CONTINUED)

HOTEL ASSETS & ROOMS



HOTEL PORTFOLIO COMPOSITION BY STAR CATEGORY (BY VALUE)

Responding to the highest market demand of star category, the majority of hotels consists of 4 star hotels.



THE GROUP CHOOSES FRANCHISORS WITH STRONG BRANDS, A COMPETITIVE BOOKING PLATFORM AND A LARGE SCALE OF CATEGORIES WHICH PROVIDES HIGH FLEXIBILITY FOR THE BRANDING OF ITS ASSETS

WYNDHAM Hotels and Resorts

Sheraton HOTELS & RESORTS

WYNDHAM GARDEN

Best Western

TRYP BY WYNDHAM

STEIGENBERGER HOTEL GROUP

Days Inn

swissôtel Hotels & Resorts

CARLSON REZIDOR HOTEL GROUP

Holiday Inn

park inn by Radisson

ACCOR HOTELS Feel Welcome

Radisson BLU HOTELS & RESORTS

Mercure HOTELS

ibis STYLES HOTELS

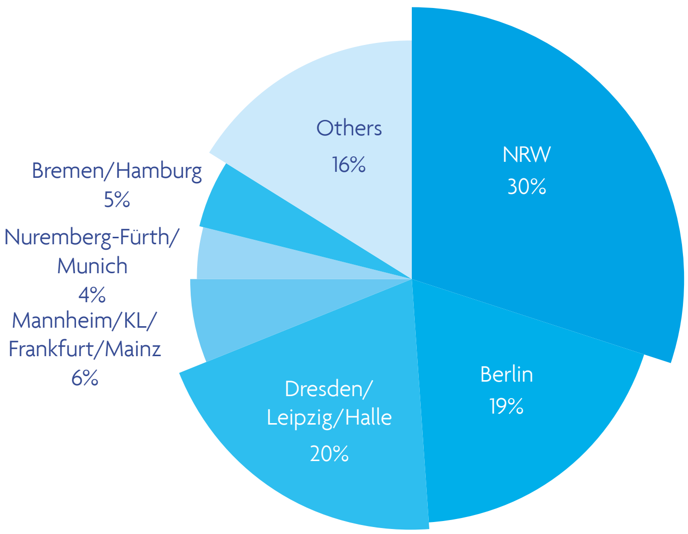
ibis HOTELS

ibis budget HOTELS

RESIDENTIAL INVESTMENT PORTFOLIO (GCP)

The residential portfolio is held through a 32% interest in Grand City Properties ("GCP"), a leading market player in the German residential market. AT is the largest shareholder in GCP. The remaining 68% are widely distributed and held by many international leading institutional investors. There is no major single shareholder except for AT. As of May 2016, GCP holds 80,000 units in its portfolio and manages additional 14,000 units for third parties. Its holdings are spread across densely populated areas, with a focus on North Rhine-Westphalia, Berlin and the metropolitan regions of Leipzig, Halle and Dresden. GCP puts strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its 24/7 Service Center and by supporting community building initiatives GCP established an industry leading service level and lasting relationships with its tenants.

REGIONAL DISTRIBUTION (BY VALUE)

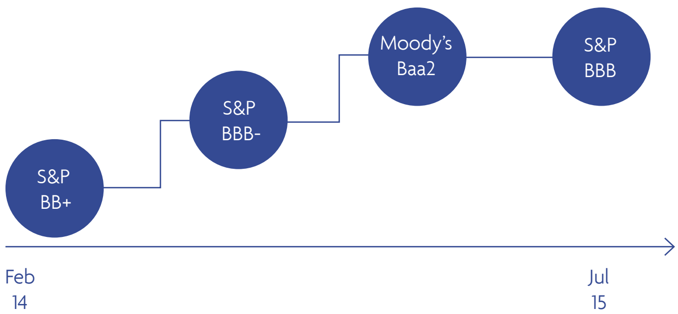


As of May 2016, Grand City Properties' portfolio generates an FFO I run rate (May 2016 annualized) of €155 million and rental income run rate (May 2016 annualized) of €423 million. The current portfolio has an in-place rent of 5.3 €/sqm at a vacancy rate on rentable area of 10%.

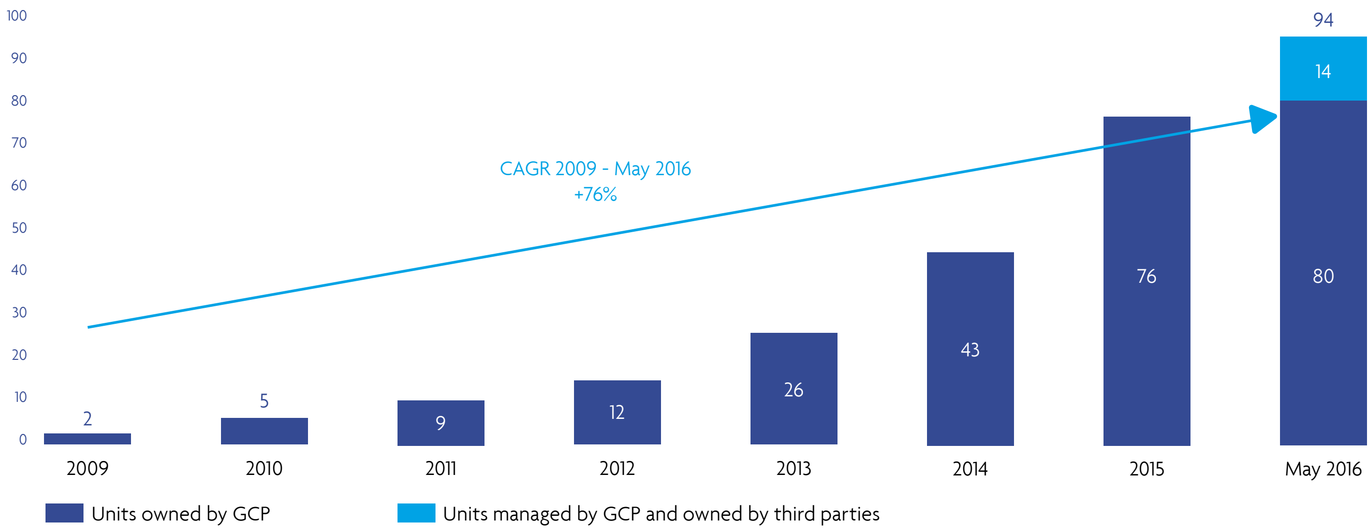
GCP's success is mirrored in the strong performance in the debt and capital markets. Since the beginning of 2015, GCP raised an aggregate amount of €1.65 billion, issuing in 2015 €550 million in straight bonds of Series E, €500 million in perpetual hybrid notes and €150 million in equity and in February 2016 the Series F convertible bond with a volume of €450 million. GCP's average cost of debt is 1.6%.

GCP holds investment grade credit ratings from Moody's Investors Service at Baa2 and BBB from Standard & Poor's Rating Services and follows the strategy to achieve a rating of A- in the long-term. GCP is listed on the Frankfurt Stock Exchange since 2012 and as of May 2016 has a market cap of €3 billion. GCP outperformed the market continuously since its IPO, in share, convertible bond, straight bond and hybrid notes performances. GCP is included in major FTSE EPRA/NAREIT indices, including FTSE EPRA/NAREIT Global, Developed and Developed Europe and in the GPR 250 index. GCP has a dividend policy to distribute 30% of FFO I.

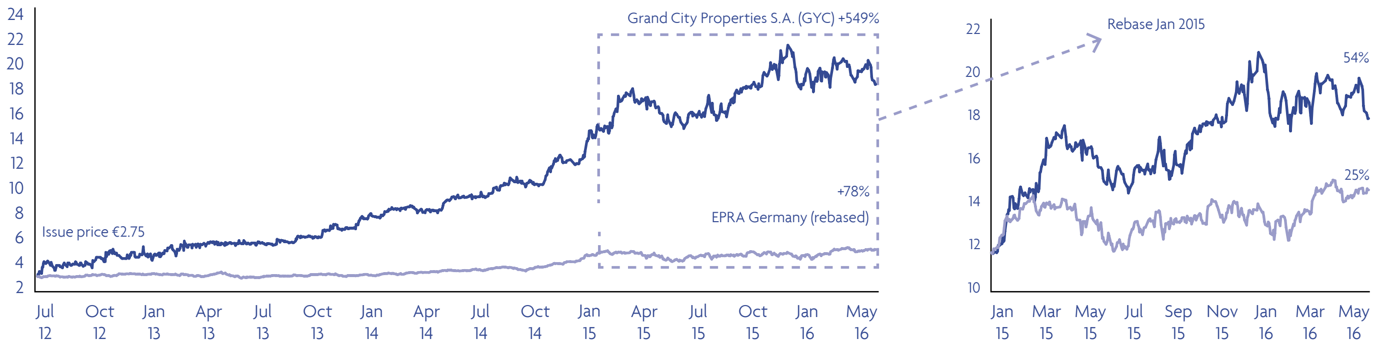
RATING ACHIEVEMENTS



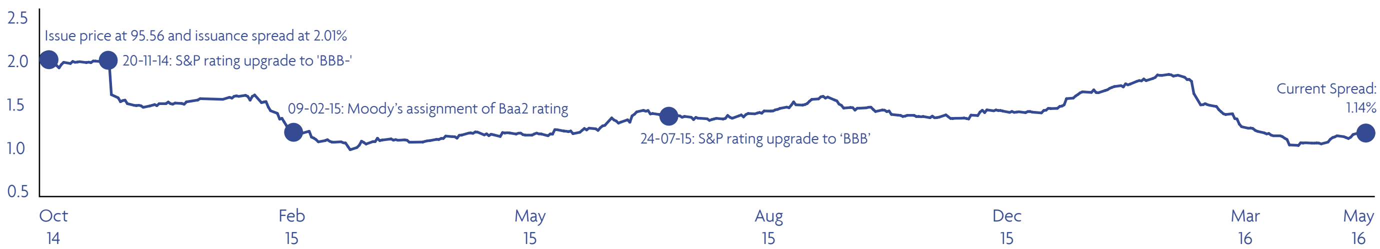
PORTFOLIO DEVELOPMENT IN UNITS ('000)



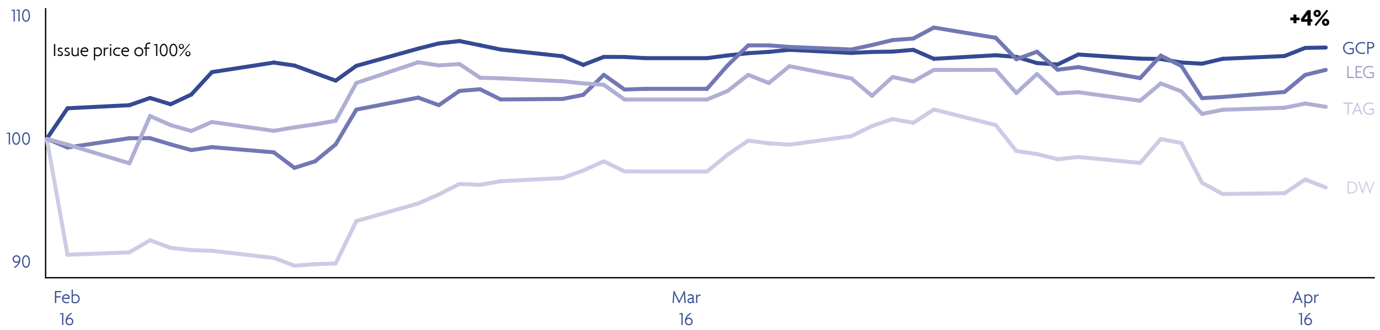
SHARE PRICE PERFORMANCE COMPARISON SINCE FIRST EQUITY PLACEMENT (19.07.2012)



STRAIGHT BOND SERIES D – SPREAD OVER MID-€-SWAP, REMAINING 5.5 YEARS



CONVERTIBLE BOND SERIES F PERFORMANCE SINCE PLACEMENT (24.02.2016)



CORPORATE GOVERNANCE

ANNUAL GENERAL MEETING

On 4th of February 2016 the Annual General Meeting and Extraordinary General Meeting have been convened, in which all of the items on the agenda of both meetings were carried by a great majority. The main items included reappointing the Board of Directors, authorization to issue up to five million shares for an incentive plan for the Board of Directors and senior management and reappointing KPMG as the auditors of the Company.

CORPORATE GOVERNANCE

The Group puts a strong emphasis on corporate governance, executed responsibly by the Board of Directors, Advisory Board and the management teams. The Group directs its efforts in maintaining the high trust it received from its shareholders to balance interests. AT is proud of the high confidence of its investors, which is reflected in the impressive placement of funds by major global investment banks. AT's shares and bonds were issued to many international leading institutional investors and major global investment and sovereign funds.
The Group strives to put a strong emphasis on high standards of corporate governance and internal procedures. This is particularly the case with the implementation of the Advisory Board, the Risk Committee and the Audit Committee. Furthermore, the Group ensures that its senior management are comprised of senior executives with vast experience and skills in the areas relevant to the business of the group. The Group adopted quarterly reporting standards and updates its corporate presentation and most updated Run Rate figures on a continuous basis.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors and the management make decisions solely on the Group's interest and independently of any conflict of interest. The Group is administered by a Board of Directors that is vested with the broadest powers to perform in the Group's interest. All powers not expressly reserved by the Cyprus Companies Law or by the articles of incorporation to the general meeting of the shareholders fall within the competence of the Board of Directors.
Regularly, the Board of Directors and its senior management evaluate the effective fulfilment of their remit and compliance with corporate governance procedures implemented by the Group. This evaluation is also performed on and by the Audit and Risk Committees. Aroundtown Property Holdings PLC, the Board of Directors currently consists of a total of three members and resolves on matters on the basis of a simple majority, in accordance with the articles of incorporation.

MEMBERS OF THE BOARD OF DIRECTORS

Name	Position
Mr. Reshef Ish-Gur	Director
Ms. Elena Koushos	Director
Ms. Jelena Afxentiou	Director

SENIOR MANAGEMENT

Name	Position
Mr. Shmuel Mayo	CEO
Mr. Eyal Ben David	CFO
Mr. Oschrie Massatschi	COO

ADVISORY BOARD

The Board of Directors established an Advisory Board to provide expert advice and assistance to the Board of Directors. The Board of Directors decides on the composition, tasks and term of the Advisory Board as well as the appointment and dismissal of its members. The Advisory Board has no statutory powers under Cyprus Companies Law or the articles of incorporation of the Company, but applies rules adopted by the Board of Directors from time to time. The Advisory Board is an important source of guidance for the Board of Directors when making strategic decisions, acquisitions, capital markets activities, corporate rating and in fostering contact with the business community, governmental authorities, financial institutions, analysts, and investors.

MEMBERS OF THE ADVISORY BOARD

Name	Position
Mr. Yakir Gabay	Chairman of the Advisory Board
Mr. Andrew Wallis	Vice chairman of the Advisory Board
Dr. Axel Froese	Member

AUDIT COMMITTEE

The Board of Directors established an Audit Committee. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The responsibilities of the Audit Committee relate to the integrity of the financial statements, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes and monitoring the accounting processes.
The Audit Committee provides guidance to the Board of Directors on the auditing of the annual financial statements of the Company and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor. The members of the Audit Committee are Ms. Jelena Afxentiou, Elena Koushos, Mr. Christian Hupfer as well as Mr. Oschrie Massatschi.

RISK COMMITTEE

The Board of Directors established a Risk Committee for assisting and providing expert advice to the Board of Directors in fulfilling its oversight responsibilities, relating to the different types of risks, recommend a risk management structure including its organization and its process as well as assess and monitor effectiveness of the risk management. The Risk Committee provides advice on actions of compliance, in particular by reviewing the Group's procedures for detecting risk, the effectiveness of the Group's risk management and internal control system and by assessing the scope and effectiveness of the systems established by the management to identify, assess and monitor risks. The members of the Risk Committee are Mr. Andrew Wallis, Ms. Jelena Afxentiou and Mr. Eyal Ben David. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment and dismissal of its members.

INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

The Group closely monitors and manages any potential risk and sets appropriate measures in order to mitigate the occurrence of any possible failure to a minimum. The risk management is led by the Risk Committee, which constructs the risk management structure, organization and processes. The Risk Committee monitors the effectiveness of risk management functions throughout the organization, ensures that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline. The Group categorizes the risk management systems into two main categories; internal risk mitigation and external risk mitigation.

INTERNAL RISK MITIGATION

Internal controls are constructed from four main elements:

- Risk assessment – set by the Risk Committee and guided by an ongoing analysis of the organizational structure and by identifying potential weaknesses. Further, the committee assesses control deficiencies in the organization and executes issues raised by internal audit impacting the risk management framework.
- Control discipline – based on the organizational structure and supported by employee and management commitments. The discipline is erected on the foundations of integrity and ethical values.
- Control features – the Group sets physical controls, compliance checks and verifications such as cross departmental checks. The Group puts strong emphasis on separation of duties, as approval and payments are done by at least two separate parties. Payment verifications are cross checked and confirmed with budget and contract. Any payment exceeding a certain set threshold amount requires additional approval by the head of the department as a condition for payment.
- Monitoring procedures – the Group monitors and tests unusual entries, mainly through a detailed monthly actual vs. budget analysis and checks. Strong and sustainable control and organizational systems reduce the probability of errors and mistakes significantly. The management sees high importance in constantly improving all measures, adjusting to market changes and organizational dynamics.

EXTERNAL RISK MITIGATION

As ordinary course of business, the Group is exposed to various external risks. The Risk Committee is constantly determining whether the infrastructure, resources and systems are in place and adequate to maintain a satisfactory level of risk. The potential risks and exposures are related, inter alia, to volatility of interest risks, liquidity risks, credit risk, regulatory and legal risks, collection and tenant deficiencies, the need for unexpected capital investments and market downturn risk.

The Group sets direct and specific guidelines and boundaries to mitigate and address each risk, hedging and reducing to a minimum the occurrence of failure or potential default.

SHAREHOLDERS' RIGHTS

The Group respects the rights of all shareholders and ensures that they receive equal treatment. All shareholders have equal voting rights and all corporate publications are transmitted through general publication channels as well as on a specific section on its website.

The shareholders of Aroundtown Property Holdings PLC exercise their voting rights at the Annual General Meeting of the shareholders, whereby each share is granted one vote. The Annual General Meeting of the shareholders takes place at such place and time as specified in the notice of the meeting. At the Annual General Meeting of the shareholders the Board of Directors presents, among others, the directors report as well as consolidated financial statements to the shareholders.

The Annual General Meeting resolves, among others, on the financial statements of Aroundtown Property Holdings PLC, the appointment of the auditor of the Company and the discharge to and appointment or re-election of the members of the Board of Directors.

NOTES ON BUSINESS PERFORMANCE

SELECTED CONSOLIDATED INCOME STATEMENT DATA

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Rental and operating income	**50,069**	**20,097**
Capital gains, revaluations and other income	223,692	250,777
Share in profit from investment in equity-accounted investees	25,846	28,914
Property operating expenses	(12,915)	(2,267)
Cost of buildings sold		
Administrative and other expenses	(1,661)	(1,053)
Operating profit	**285,031**	**296,468**
EBITDA	285,547	296,487
Adjusted EBITDA (*)	**53,053**	**28,439**
Finance expenses	(8,593)	(3,135)
Other financial results	(4,150)	10,840
Current tax expenses	(3,740)	(994)
Deferred tax expenses	(38,434)	(18,299)
Profit for the period	**230,114**	**284,880**

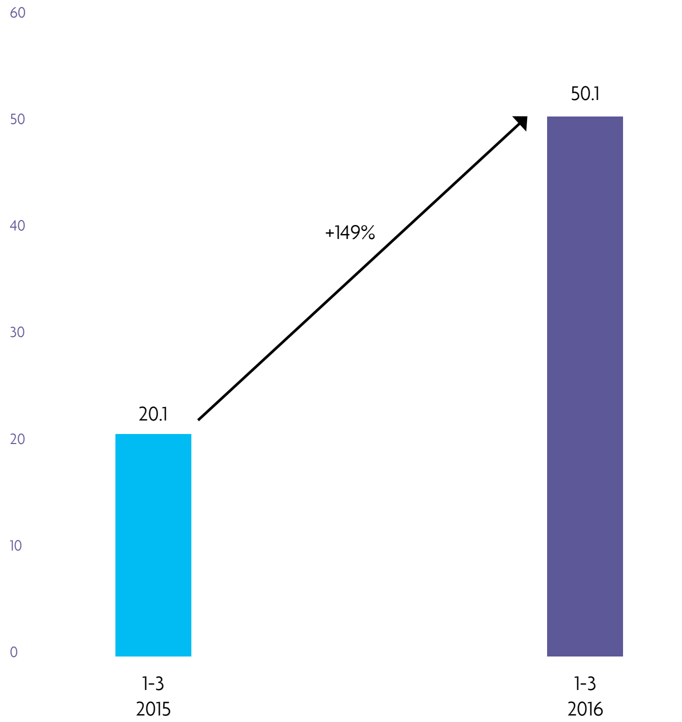
(*) including AT's share in GCP's adjusted EBITDA

REVENUE

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Rental and operating income	50,069	20,097
Revenue	**50,069**	**20,097**

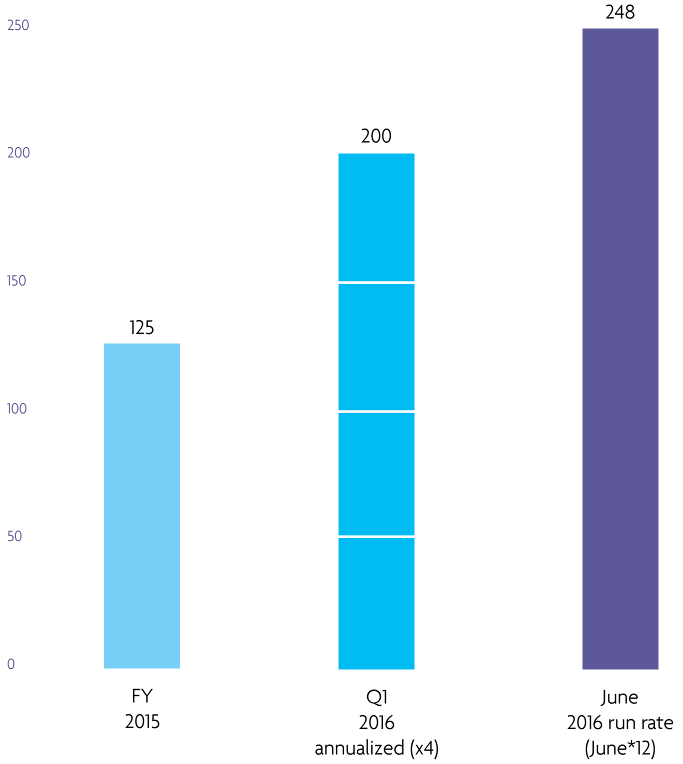
Revenues increased in the first quarter of 2016 by 149% to €50 million in comparison to the first quarter of 2015, mainly as a results of the significant portfolio growth between the two periods and was supported by internal growth arising from the successful measures of the portfolio turnaround.

RENTAL AND OPERATING INCOME QUARTERLY DEVELOPMENT (IN € MILLIONS)



AT's portfolio has increased substantially during 2016, with many properties acquired towards the end of the quarter. Therefore, the revenue of the first three months of 2016 does not capture the full rental and operating income impact of the portfolio. The monthly annualized rental and operating income run rate for the commercial portfolio as of March 2016 was €213 million, and amounts to €248 million as of June 2016 including the portfolio's growth in the second quarter of 2016.

RENTAL AND OPERATING INCOME ANNUALIZED DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE

SHARE IN PROFIT FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Share in profit from investment in equity-accounted investees	**25,846**	**28,914**

AT's share in GCP's profit is reflected in profit from investment in equity-accounted investees, which amounted in the first quarter of 2016 to €25.8 million in comparison to €28.9 million in the first quarter of 2015. GCP's profit is the result of strong operational results alongside capitalized value creation from the successful turnaround of the residential portfolio.

CAPITAL GAINS, PROPERTY REVALUATIONS AND OTHER INCOME

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Capital gains, revaluations and other income	**223,692**	**250,777**

Capital gains, property revaluations and other income amounted in the first quarter of 2016 to €224 million compared to €251 million in the first quarter of 2015. The amount of revaluation gains are additional proof of AT's ability to create value in its properties.

AT sources assets primarily in off-market deals which have sound business fundamentals, upside potentials and where it finds its management capabilities are fitting to achieve significant improvement of occupancy and rent, reduction of operating costs and improvement of lease terms. The value creation resulting from a successful turnaround validates AT's business model. The values of the Group's assets are appraised by external, independent and professionally qualified valuators.

PROPERTY OPERATING EXPENSES

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Property operating expenses	**(12,915)**	**(2,267)**

Property operating expenses are related to ancillary costs recoverable from the tenants (such as heating and energy costs) as well as maintenance and personnel expenses related to the operations, and other non-recoverable costs. Property operating expenses increased in the first quarter of 2016 to €12.9 million compared to €2.3 million in the first three months of 2015. The increase in this item is a result of the increase in the portfolio size and a proportionally larger amount of recoverable ancillary costs.

ADMINISTRATIVE AND OTHER EXPENSES

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Administrative and other expenses	**(1,661)**	**(1,053)**

Administrative and other expenses include, among others, expenses for personnel, audit, accounting, legal and marketing. In the first three months of 2016 administrative and other expenses amounted to €1.7 million, increasing by 58% from €1.1 million in the respective period in 2015. The administrative and other expenses increased marginally in comparison to the significant increase in revenues and in relation to the significant increase of the portfolio between the two periods, validating the strong management platform, catered to serve growth while extracting economies of scale.

NET FINANCE EXPENSES

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Finance expenses	(8,593)	(3,135)
Other financial results	(4,150)	10,840
Net finance expenses	**(12,743)**	**7,705**

Finance expenses increased in the first quarter of 2016 to €8.6 million from €3.1 million in the comparable period in 2015 and is a direct result of the portfolio growth and of the increase in AT's financial uses. Whereas the finance expenses increased between the two periods by 174% total debt increased by 224%, reflecting the decrease of AT's cost of debt between the periods, which was supported by a first time credit rating assignment from S&P with the investment grade rating of BBB- in December 2015. The Company's current average cost of debt is 2.2%, and marginally lower as evident in AT's April 2016 €600 million straight bonds issuance bearing a coupon of 1.5%. The Company's efficiency in its financial structure is reflected by a strong interest coverage ratio of 4.6, i.e. the adjusted EBITDA covers finance expenses 4.6-fold.
Other financial results amounted in the first quarter of 2016 to an expense of €4.2 million and to an income of €10.8 million in the comparable period in 2015. Other financial results are mainly impacted by changes in value of financial assets and derivatives, which are non-recurring and mainly non-cash items.

NOTES ON BUSINESS PERFORMANCE

TAXATION

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Current tax expenses	(3,740)	(994)
Deferred tax expenses	(38,434)	(18,299)
Tax and deferred tax expenses	**(42,174)**	**(19,293)**

Tax and deferred tax expenses increased in the first three months of 2016 to €42 million in comparison to €19 million in the comparable period in 2015. The majority of these expenses are made up of deferred tax expenses of €38 million which are linked to the capital and revaluation gains and not cash effective. For the calculation of the deferred tax expenses AT conservatively applies a corporate tax rate of 15.825% based on theoretical disposals through asset deals.
The current tax expenses increased in the first quarter of 2016 to €3.7 million from €1 million in the first quarter of 2015 and is a direct result of the portfolio growth and the increase in the operational profits.

PROFIT FOR THE PERIOD

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Profit for the period	**230,114**	**284,880**

In the first quarter of 2016, Aroundtown increased its operational profits by 73% as reflected in the FFO I growth of Q1 2016 in comparison to the first quarter of 2015 as a result from the larger portfolio and successful operational achievements. AT recorded high amounts of non-cash effective revaluation gains in the first three months of 2016 however, a lower amount of revaluation gains in contrast to the comparable period in 2015 offset the increase in operational profits.

EARNINGS PER SHARE

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Basic earnings per share	0.27	0.51
Diluted earnings per share	0.21	0.48
Weighted average basic shares in thousands	600,142	500,000
Weighted average diluted shares in thousands	782,619	500,000

Earnings per share in the last 12 months were affected by a higher share amount from a capital increase and convertible bond conversions. EPS amounted the first quarter of 2016 to €0.27 and €0.21, taking into account the dilutive effect of the outstanding convertible bonds.

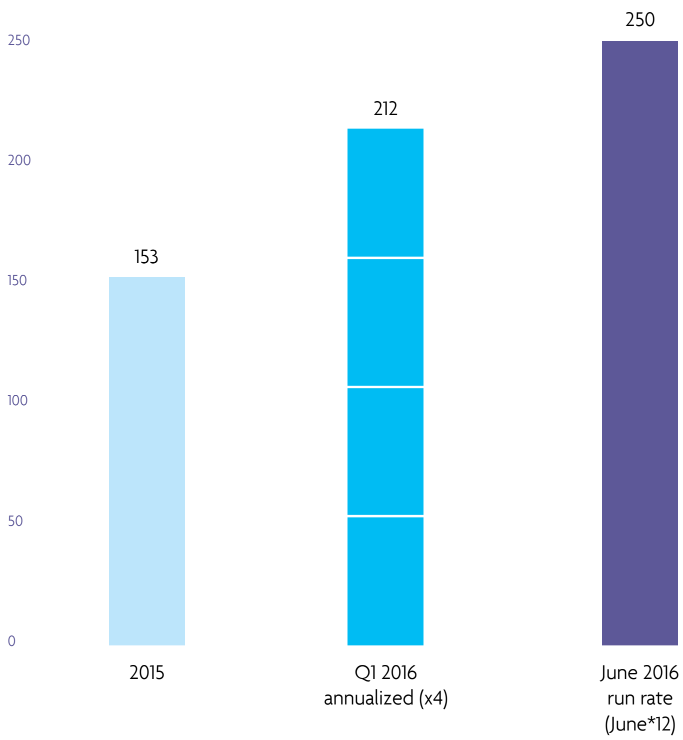
ADJUSTED EBITDA

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Operating profit	285,031	296,468
Total depreciation and amortization	516	19
EBITDA	**285,547**	**296,487**
Capital gains, revaluations and other income	(223,692)	(250,777)
Share in profit from investment in equity-accounted investees	(25,846)	(28,914)
Adjustment for GCP operational contribution*	17,044	11,643
Adjusted EBITDA	**53,053**	**28,439**

* The adjustment is to reflect Aroundtown's share in GCP's adjusted EBITDA.

Adjusted EBITDA is a measure of the operational performance of the portfolio, calculated by deducting non-operational items such as capital gains, revaluations and disposal gains from the EBITDA. For a reflection of the recurring operational results, the Group's adjusted EBITDA calculation substitutes the share of profit from investments in equity accounted investees, deriving from the share in GCP's profit, with the Group's share in GCP's adjusted EBITDA, accounting only for the operational results of GCP, and thus presenting a strictly operational performance measurement.
AT's adjusted EBITDA for the first three months of 2016 increased to €53.1 million, up 87% in comparison to the first quarter of 2015. The increase stems from both, the external portfolio growth of the Group and from internal growth resulting from the success of the turnaround process, resulting in higher rents and occupancies.
As the external and internal growth were carried out during the first quarter of 2016, the periodic reported figure does not reflect the full effect of the portfolio at the end of the period. The monthly annualized adjusted EBITDA run rate as of March 2016 is €224 million in comparison to €212 million annualized Q1 2016. Moreover, including the further growth of the portfolio in the second quarter of 2016, the monthly annualized adjusted EBITDA as of June 2016 amounts to €250 million.

ADJUSTED EBITDA DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE

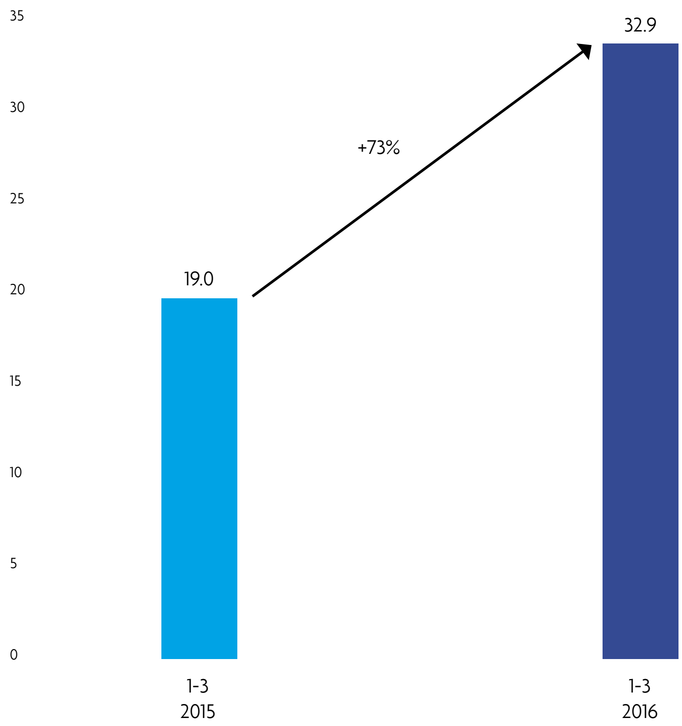
FUNDS FROM OPERATIONS (FFO)

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Adjusted EBITDA	**53,053**	**28,439**
Finance expenses	(8,593)	(3,135)
Current tax expenses	(3,740)	(994)
FFO I adjustment for AT holding rate in PCI*	(1,246)	(1,784)
FFO I adjustment for AT holding rate in GCP*	(6,554)	(3,479)
FFO I	**32,919**	**19,047**
FFO I per share (in € cent)	**5.5**	**3.8**

* The adjustment is to reflect Aroundtown's share in GCP's and PCI's tax and finance expenses, respectively

Funds from Operation I (FFO I) is a measure of the materialized bottom line operational profits, calculated by deducting current tax expenses and finance expenses from the adjusted EBITDA.
Aroundtown's FFO I for the first three months of 2016 amounted to €33 million, up 73% in comparison to the first quarter of 2015. The strong bottom line operational results are due to high operational results reflected in the adjusted EBITDA accompanied by low financial expenses.
We reconcile the calculation of the Group's FFO I to reflect the actual holding rates of AT in GCP and PCI, providing a better indication for the operational profit attributed to the owners of the Group. In adjusting for the 32% holding rate in GCP and therefore to the respective contribution to AT's FFO I, AT's portion in GCP's finance expenses, current tax expenses, and hybrid note payment is deducted.
We further deduct the respective part of the FFO I contribution from the hotel portfolio, corresponding to the Group's holding rate of 80% in Primecity Investment PLC ("PCI") during the first quarter 2016. As of the date of this report, the Group increased its holdings in PCI to 83%.

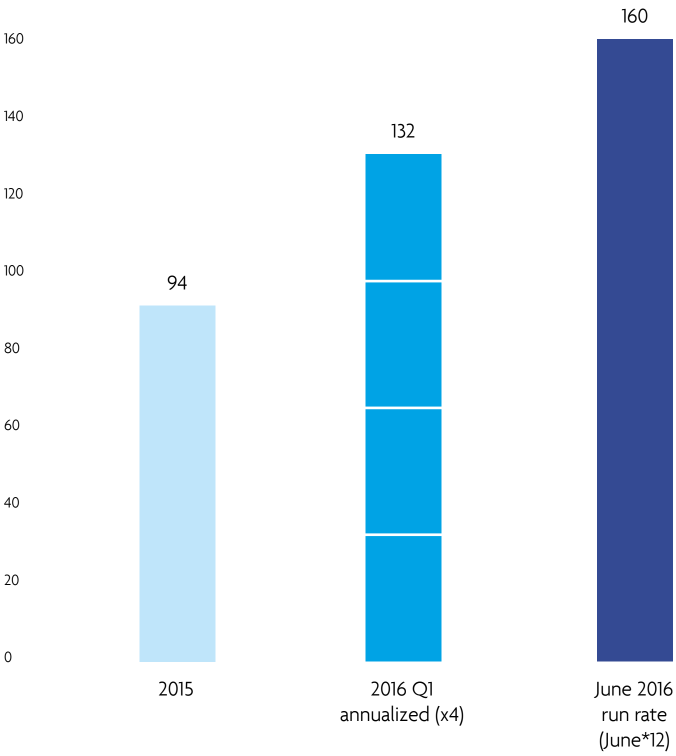
FFO I QUARTERLY DEVELOPMENT (IN € MILLIONS)



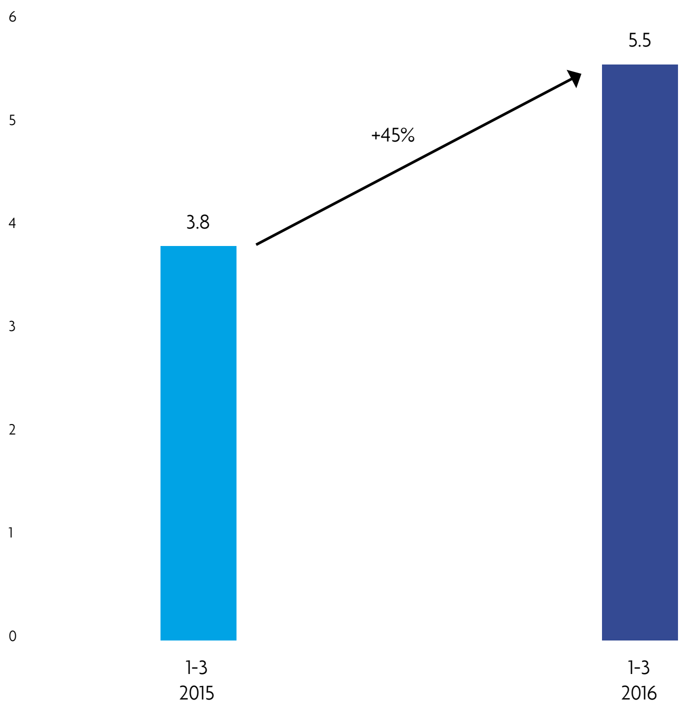
Corresponding to the adjusted EBITDA, the periodic reported FFO I does not reflect the full effect of the portfolio at the end of the period. The monthly annualized FFO I run rate as of March 2016, reflecting the FFO I contribution of the portfolio held in the end of the quarter was €141 million. Moreover, including the further growth of the portfolio in the second quarter of 2016, the monthly annualized FFO I as of June 2016 amounted to €160 million.

FFO I per share increased in the first quarter of 2016 to €5.5 cents per share in the first quarter of 2016, an increase of 45% in comparison to the first quarter of 2015. The FFO per share increase underlines AT's ability to create accretive value for its shareholders on a per share basis. The FFO I per share increase was offset in comparison to the total FFO I increase due to dilution effects attributed to the €320 million equity increase from July 2015.

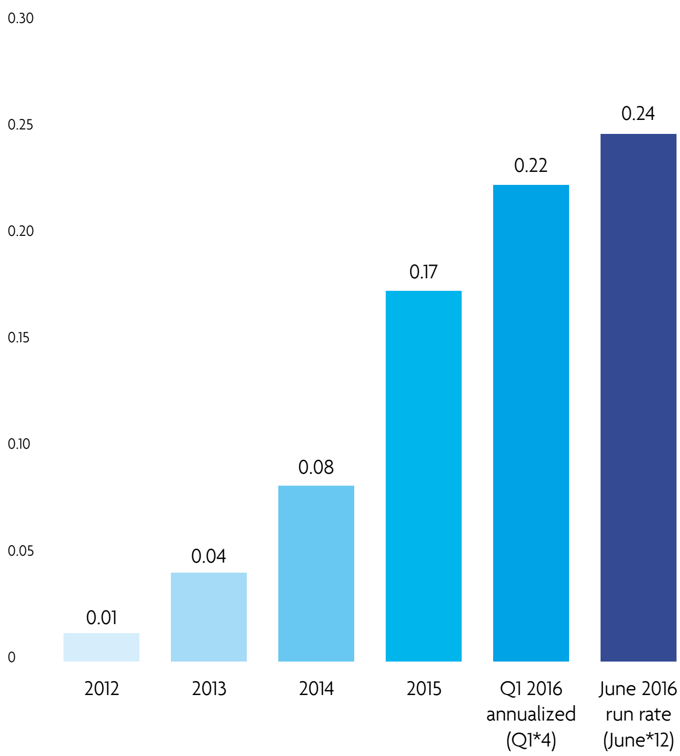
FFO I DEVELOPMENT (IN € MILLIONS)



FFO I PER SHARE QUARTERLY DEVELOPMENT (IN € CENTS)



FFO I PER SHARE ANNUAL DEVELOPMENT (IN €)



NOTES ON BUSINESS PERFORMANCE

CASH FLOW

	For the 3 months ended March 31,	
	2016	**2015**
	In thousands of euro	
Net cash provided by operating activities	32,321	16,374
Net cash used in investing activities	(205,059)	(144,210)
Net cash provided by financing activities	108,271	141,033
Net increase in cash and cash equivalents	**(64,467)**	**13,197**

Net cash flow provided by operating activities amounted in the first quarter 2016 to €32 million, an increase of 97% attributed to the significant portfolio's growth over the period alongside the unfolding effect of the asset turnaround manifesting in cash flow profitability.

Net cash used in investing activities increased to €205 million, fueling the investments and asset growth. The Group carefully selects investment opportunities that have sound fundamentals to support significant operational improvements going forward. The total investment amount is a result of wide process of examining many deals with the aim of finding the best opportunities that correspond to the Group's acquisition criteria and match available skill and experience in reducing vacancy and increasing profitability.

AT financed its growth during the quarter with available funds, alongside proceeds of bank loans drawn over the period. AT maintains active professional relationships with many financial institutions, supplementing corporate financing with secured bank debt for assets in which the Group believes the achieved financing terms are optimal.

In the first quarter of 2016 the total balance of cash and equivalents decreased by €64 million, compared with an increase of €13 million in the comparable quarter.

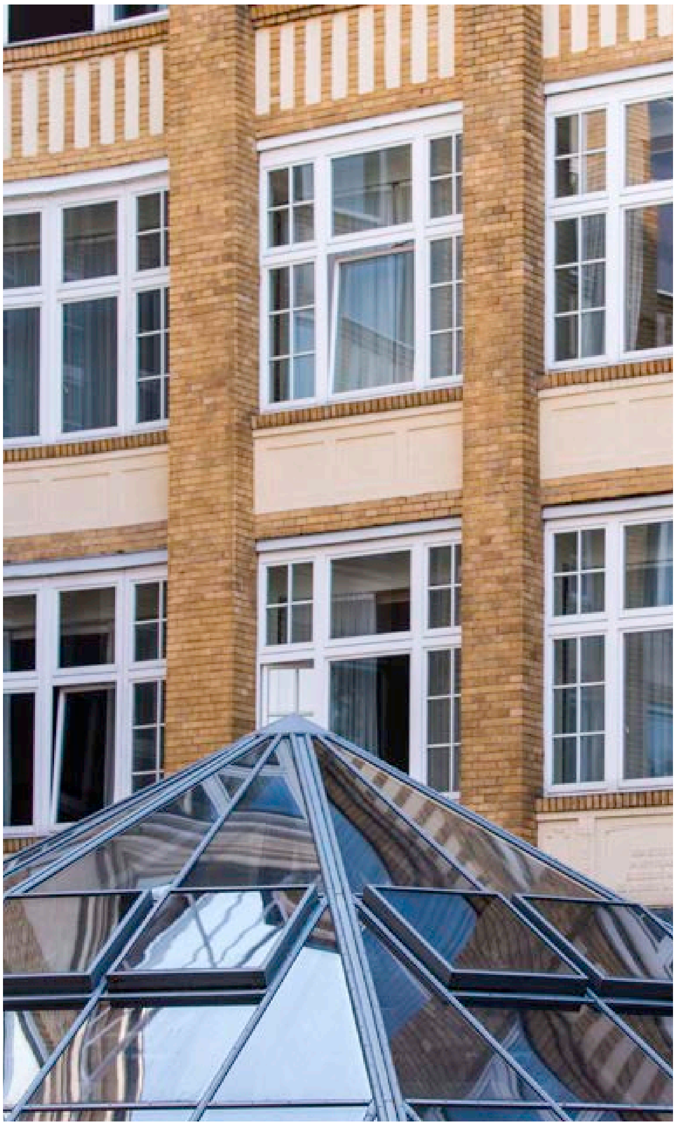
ASSETS

	2016	**2015**
	In thousands of euro	
Non-current assets	4,503,250	4,007,602
Current assets	244,967	432,545
Assets	**4,748,217**	**4,440,147**

Total assets as of March 2016 amount to €4.75 billion, an increase of 7% from 2015 year-end. The item of investment properties including advanced payments for investment property, representing the Group's investment in commercial properties, increased by €441 million over the first quarter to €2.92 billion, following the acquisitions performed over the period as well as revaluations of existing properties. AT kept its strong growth momentum of 2015 into the first quarter of 2016, performing various acquisitions in the Company's main focus areas thereby widening its current income base as well as adding significant internal growth opportunities going forward.

Investment in equity-accounted investees, representing the Company's investment in residential properties through its holdings in GCP, increased by €26 million accounting for AT's share in GCP's profit and amounted to €1.2 billion. GCP continued the strong performance in 2016 with a net profit of €90 million for the first quarter of 2016 and reached over €5.2bn total assets as of the end of March 2016. Other long term assets in AT's balance sheet include mainly advanced payments for investment properties, deposits, prepayments and investments in financial assets such as NPL's and options for deals.

Current assets decreased mainly as available funds were utilized to finance the Company's growth. The balance of cash and liquid assets were replenished during the second quarter, with the successful completion of a €266.5m equity capital increase and the €600m straight bond Series D issuance, taking place in April 2016. Together with the equity and straight bonds issued in April 2016, the total assets increased to €5.6 billion on a pro forma basis.



NOTES ON BUSINESS PERFORMANCE

LIABILITIES

	Mar 2016	Dec 15
	In thousands of euro	
Total loans and borrowings	780,692	645,339
Straight bonds	188,365	187,923
Convertible bonds	811,424	817,721
Deferred tax liabilities	224,392	185,774
Other long term liabilities and derivative financial instruments	22,569	66,026
Current liabilities*	86,591	111,852
Liabilities	**2,114,033**	**2,014,635**

* €67 million is included in loans and borrowings

AT keeps a highly diverse liability structure, both in terms of instrument types of bank loans, corporate convertible bonds and straight bonds, as well as a wide base of banks and investors building up the financing counterparties. This is a result of the Group's strategy of maintaining a remarkable access to the capital markets allowing to find the most fitting financing terms either on a per asset base in bank loans, or on the corporate level. AT has continued to access bank financing during the first quarter 2016, increasing its balance of loans and borrowings to €781 million.

The balance of the convertible bond has decreased by €6 million to €811 million due to conversions. As of March 2016, €530 million of the convertible bonds are in the money and being converted. After the reporting date an additional €24 million convertible bonds were converted into equity.

AT continued to strengthen its debt and capital structure after the reporting date. In April 2016, AT placed new equity capital with proceeds of €266.5 million and in addition issued a 6 year, €600 million straight bond bearing a coupon of 1.5%.

An increase of €39 million in deferred tax liabilities results from the valuation gains achieved by the Group over the period. The Group practices a conservative approach with regard to its deferred tax liabilities, accounting for a corporate tax of 15.825% on the increase in a property value, for theoretical sales through asset deals.

NET DEBT

	Mar 2016	Dec 15
	In thousands of euro	
Total debt	1,780,481	1,650,983
Cash and liquid assets	187,864	386,983
Total net debt	**1,592,617**	**1,264,000**
Convertible bond*	(529,759)	(536,136)
Total net debt assuming conversion	**1,062,858**	**727,864**

* Assuming conversion of the convertible bonds which are in the money

AT's balance of cash and liquid assets amounts as of March 2016 to €188 million, resulting in a €1.6 billion balance of net debt, an increase of €329 million since year end 2015. On a pro-forma basis, i.e. including the recent issuance of equity capital and straight bond in April 2016, net debt as of March 2016 amounts to €1.33 billion, or €796 million assuming conversion of in-the-money convertible bonds.

LOAN-TO-VALUE

	Mar 16 pro forma*	Mar 2016	Dec 15
	In thousands of euro		
Investment property**		2,922,700	2,482,085
Investment in equity-accounted investees		1,208,993	1,183,148
Total Value	**4,131,693**	**4,131,693**	**3,665,233**
Total Loans and borrowings		780,692	645,339
Straight bonds		188,365	187,923
Convertible bonds		811,424	817,721
Minus:			
Cash and liquid assets		187,864	386,983
Net Debt	**1,326,117**	**1,592,617**	**1,264,000**
LTV	**32.1%**	**38.5%**	**34.5%**
Net debt without convertible bond	796,358	1,062,858	727,864
LTV assuming conversion * **	**19.3%**	**25.7%**	**19.9%**

* including the effect of AT's €266.5m equity capital increase in April 2016
** including advanced payments
*** Assuming conversion of the convertible bonds which are in the money

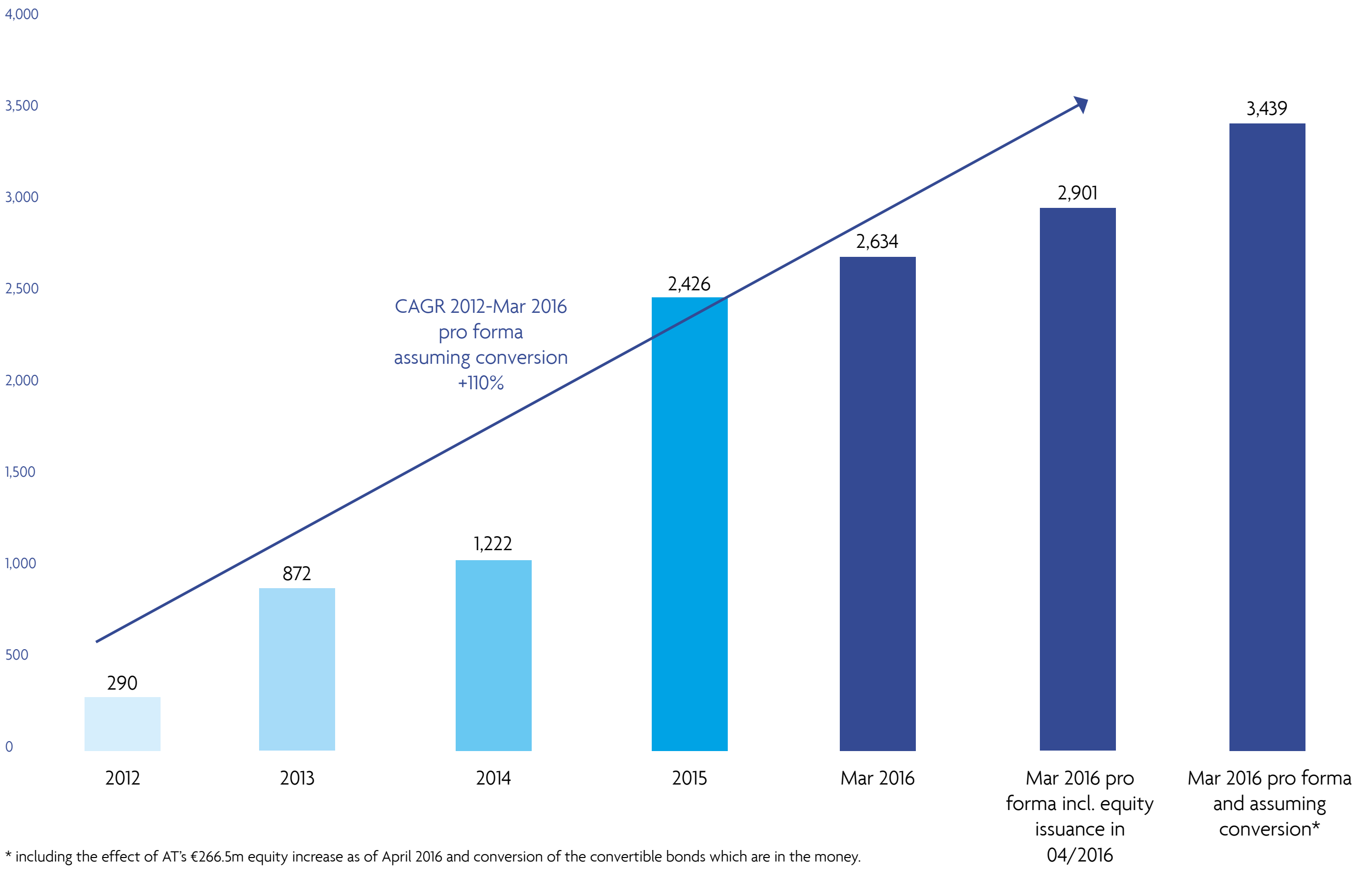
Loan-To-Value ("LTV") is calculated by dividing the financial debt, net of cash and liquid assets, by the aggregate sum of investment properties (including advanced payments) and investments in equity accounted investees.

AT's closely follows a strategy of growth based on accretive deals that match the Company's investment criteria and are supported by ongoing operational achievements in the rest of the portfolio. This strategy is shaping a low leverage and conservative balance sheet reflected in an LTV of 38.5%, or 32.1% pro forma, taking into account the equity capital increase of €266.5 million from April 2016. Further, assuming conversion of convertibles that are in the money, the LTV is at 19.3%.

The low leverage structure supports a high interest coverage ratio of 4.6, proving a high degree of comfort to the debt investors and allowing room for further growth in the future while maintaining the conservative debt framework.

NOTES ON BUSINESS PERFORMANCE

TOTAL EQUITY (IN € MILLIONS)



* including the effect of AT's €266.5m equity increase as of April 2016 and conversion of the convertible bonds which are in the money.

EPRA NAV

	Mar 16 pro forma*	Mar 2016	Dec 15
	In thousands of euro		
Total Equity	2,900,684	2,634,184	2,425,512
Fair Value measurements of derivative financial instruments	5,324	5,324	3,590
Deferred tax liabilities	224,392	224,392	185,774
Convertible bond Series B **	432,454	432,454	427,988
EPRA NAV	**3,562,854**	**3,296,354**	**3,042,864**

* including the effect of AT's €266.5m equity capital increase as of April 2016
** The convertible bonds, Series B, are in the money and includes accrued interest

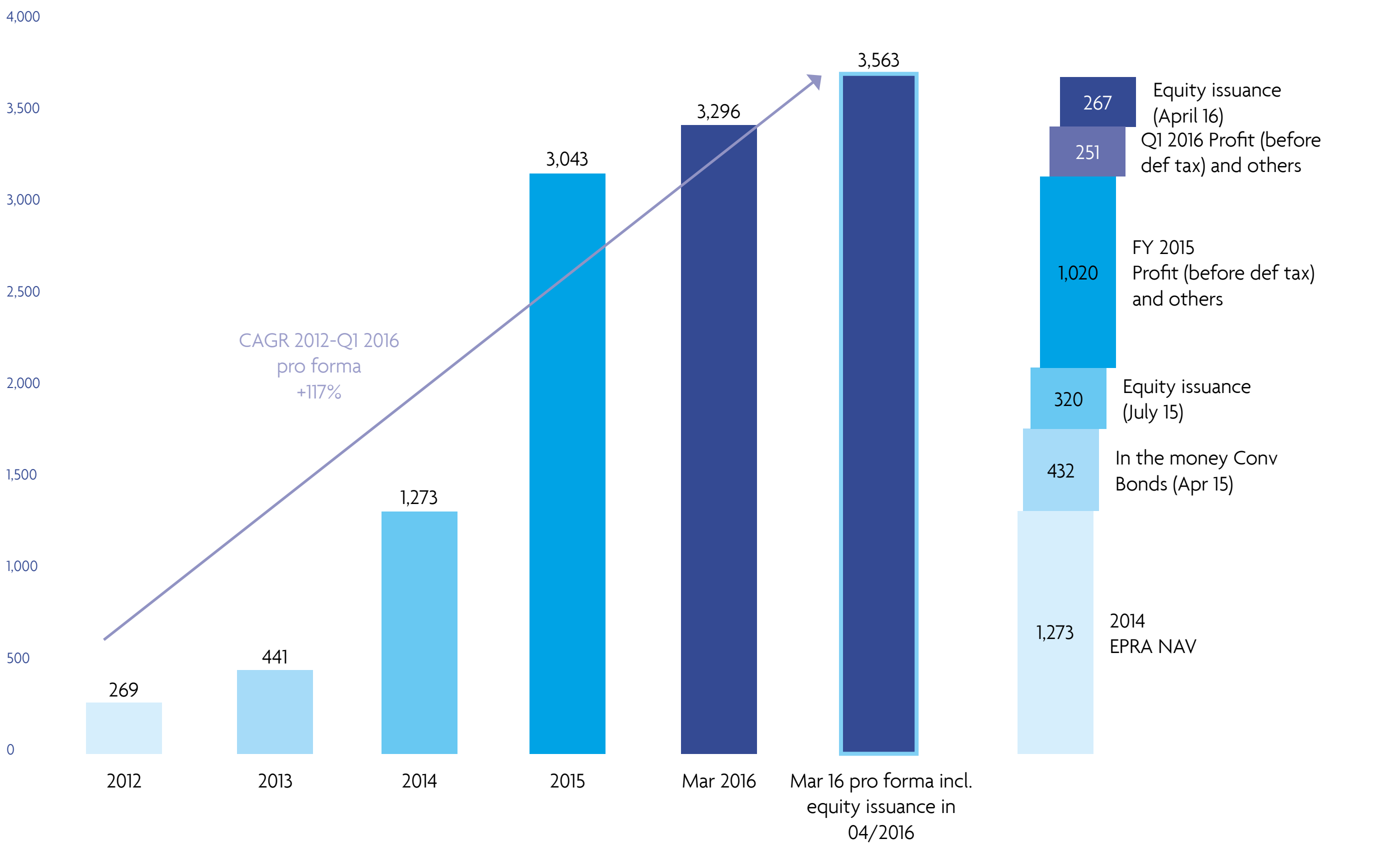
EPRA NAV as of March 31 2016 increased to €3.3 billion, mainly as a result of AT's profit over the period, and the effect of the increase in the balance of deferred tax liabilities, which reduces the profit but is added back in the EPRA NAV calculation.

Taking into account the equity increase of April 2016, EPRA NAV amounts to €3.6 billion, an increase of 17% to year end 2015.

	Total Equity(1)	Basic # of Shares	EPRA NAV	# of shares incl. dilution effect of "in the money" conv. bond Series B	EPRA NAV pro forma(2)	# of shares pro forma incl. dilution effect of "in the money" conv. bond Series B
March 31, 2016	**2,634,184**	**600,141,641**	**3,296,354**	**730,829,241**	**3,562,854**	**795,829,241**
December 31, 2015	**2,425,512**	**600,141,641**	**3,042,864**	**730,829,241**	**3,042,864**	**730,829,241**

(1) Including non-controlling interest in the amount of €374 million as March 2016 and €320 million as of December 2015
(2) Including the effect of AT's €266.5 million equity issued in April 2016

EPRA NAV (IN € MILLIONS)



DISCLAIMER

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report. These condensed interim consolidated financial statements have not been reviewed by the auditor.

By order of the Board of Directors,
May 27, 2016

Jelena Afxentiou Director	Reshef Ish-Gur Director	Elena Koushos Director

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the three months ended March 31,	
	2016	**2015**
	In thousands of euro	
Revenue	**50,069**	**20,097**
Capital gains, property revaluations and other income	223,692	250,777
Share in profit from investment in equity-accounted investees	25,846	28,914
Property operating expenses	(12,915)	(2,267)
Administrative and other expenses	(1,661)	(1,053)
Operating profit	**285,031**	**296,468**
Finance expenses	(8,593)	(3,135)
Other financial results	(4,150)	10,840
Net finance expenses	(12,743)	7,705
Profit before tax	**272,288**	**304,173**
Current tax expenses	(3,740)	(994)
Deferred tax expenses	(38,434)	(18,299)
Tax and deferred tax expenses	**(42,174)**	**(19,293)**
Profit for the period	**230,114**	**284,880**
Other comprehensive income for the period	-	-
Total comprehensive income for the period	**230,114**	**284,880**

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

	For the three months ended March 31,	
	2016	**2015**
	In thousands of euro	
Profit attributable to:		
Owners of the Company	159,878	252,946
Non-controlling interests	70,236	31,934
Total comprehensive income for the period	**230,114**	**284,880**
Net earnings per share attributable to the owners of the Company (in euro):		
Basic earnings per share	0.27	0.51
Diluted earnings per share	0.21	0.48

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	Note	March 31, 2016 Unaudited	December 31, 2015 Audited
		In thousands of euro	
Equipment and intangible assets		6,409	5,123
Investment property	4	2,851,721	2,430,595
Advanced payments for investment property		70,979	51,490
Equity-accounted investees		1,208,993	1,183,148
Other long term assets		363,098	335,741
Deferred tax assets		2,050	1,505
Non-current assets		**4,503,250**	**4,007,602**
Cash and cash equivalents		56,776	121,243
Short term deposits		4,730	4,213
Trade securities at fair value through profit and loss		126,358	261,527
Trade and other receivables		57,103	45,562
Current assets		**244,967**	**432,545**
Total assets		**4,748,217**	**4,440,147**

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

	Note	March 31, 2016	December 31, 2015
		Unaudited	**Audited**
		In thousands of euro	
Equity			
Share capital	6	6,001	6,001
Retained earnings and capital reserves	6	2,253,745	2,099,408
Equity attributable to the owners of the Company		**2,259,746**	**2,105,409**
Non-controlling interests		374,438	320,103
Total equity		**2,634,184**	**2,425,512**
Liabilities			
Loans and borrowings	5A	713,570	515,913
Convertible bonds	5B,5C	811,424	817,721
Straight bonds	5D	188,365	187,923
Derivative financial instruments		5,324	3,590
Deferred tax liabilities		224,392	185,774
Other long term liabilities		17,245	62,436
Non-current liabilities		**1,960,320**	**1,773,357**
Credit from financial institutions		34,172	36,134
Loans and borrowings	5A	18,744	93,292
Loan Redemption	5A	14,206	-
Trade and other payables		67,553	95,971
Tax payable		3,332	2,674
Provisions and current liabilities		15,706	13,207
Current liabilities		**153,713**	**241,278**
Total liabilities		**2,114,033**	**2,014,635**
Total equity and liabilities		**4,748,217**	**4,440,147**

The Board of Directors of Aroundtown Property Holdings PLC authorized these condensed interim consolidated financial statements for issuance on May 27, 2016

Jelena Afxentiou	Reshef Ish-Gur	Elena Koushos
Director	Director	Director

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

	Attributable to the owners of the Company					
	Share capital	Capital reserves	Retained earnings	Total	Non-controlling interests	Total equity
	In thousands of euro					
Balance as at December 31, 2015 (Audited)	**6,001**	**332,750**	**1,766,658**	**2,105,409**	**320,103**	**2,425,512**
Profit for the period	-	-	159,878	159,878	70,236	230,114
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	159,878	159,878	70,236	230,114
Transaction with non-controlling interests	-	-	(5,541)	(5,541)	(15,901)	(21,442)
Balance as at March 31, 2016 (Unaudited)	**6,001**	**332,750**	**1,920,995**	**2,259,746**	**374,438**	**2,634,184**
Balance as at December 31, 2014 (Audited)	**38**	**7,416**	**1,106,115**	**1,113,569**	**108,092**	**1,221,661**
Profit for the period	-	-	252,946	252,946	31,934	284,880
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	252,946	252,946	31,934	284,880
Issuance of ordinary shares	4,962	-	-	4,962	-	4,962
Non-controlling interests arising from initially consolidate companies	-	-	-	-	2,948	2,948
Transaction with non-controlling interests	-	-	947	947	(1,237)	(290)
Balance as at March 31, 2015 (Unaudited)	**5,000**	**7,416**	**1,360,008**	**1,372,424**	**141,737**	**1,514,161**

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the three months ended March 31, 2016	2015
		In thousands of euro	
Cash flows from operating activities			
Profit for the period		**230,114**	**284,880**
Adjustments for the profit:			
Depreciation and amortization		516	19
Capital gains, property revaluations and other income		(223,692)	(*) (250,777)
Share in profit from investment in equity-accounted investees		(25,846)	(*) (28,914)
Finance expenses, net		12,743	(7,705)
Tax and deferred tax expenses		42,174	19,293
		36,009	16,796
Changes in:			
Trade and other receivables		973	(4,314)
Trade and other payables		2,963	2,378
Provisions for other liabilities and charges		(4,462)	2,011
		35,483	16,871
Tax paid, net		(3,162)	(497)
Net cash provided by operating activities		**32,321**	**16,374**
Cash flows from investing activities			
Acquisitions and disposals of equipment and intangible assets, net		(1,802)	(22)
Capex, investments and acquisition of investment property and advances paid		(247,523)	(10,117)
Acquisition of subsidiaries and associate, net of cash acquired		-	(143,798)
Disposal (investment) of (in) trade securities and other financial assets, net		44,266	9,727
Net cash used in investing activities		**(205,059)**	**(144,210)**

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

		For the three months ended March 31,	
		2016	2015
		In thousands of euro	
Cash flows from financing activities			
Proceeds from issuance of straight and convertible bonds, net	5	(805)	88,618
Amortization of loans from financial institutions		(3,109)	(1,511)
Proceeds of loans from financial institutions and others, net		138,663	63,500
Transactions with non-controlling interests		(21,540)	(8,737)
Finance expenses paid, net		(4,938)	(837)
Net cash provided by financing activities		**108,271**	**141,033**
Increase in cash and cash equivalents		**(64,467)**	**13,197**
Cash and cash equivalents at the beginning of the period		121,243	27,994
Cash and cash equivalents at the end of the period		**56,776**	**41,191**

(*) Reclassified.

The accompanying notes on pages 56 to 68 form an integral part of these interim consolidated financial statements

CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2016

1. GENERAL

(A) INCORPORATION AND PRINCIPAL ACTIVITIES

Aroundtown Property Holdings PLC ("the Company") was incorporated on May 7, 2004 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its Registered Office is at Faros Avenue, Spyros Thalassines Alkyonides, 7560 Pervolia, Larnaca, Cyprus. The Company, together with its investees ("the Group"), is a specialist real estate investment group, focusing in the German real estate markets. The Group covers the main real estate properties which benefit from strong fundamentals and growth prospects: residential (through its holding in Grand City Properties S.A.), commercial and hotel properties. The Group's vision is buying, redeveloping, turning around and optimizing real estate properties.
These condensed interim consolidated financial statements ("interim financial statements") for the three month period ended March 31, 2016 consist of the financial statements of the Group.

(B) LISTING ON THE PARIS STOCK EXCHANGE

On June 3, 2015, the Company was listed on the Euronext Paris Stock Exchange.

(C) DUAL-LISTING ON THE FRANKFURT STOCK EXCHANGE

On November 23, 2015, the Company was listed on the Frankfurt Stock Exchange and was added to the electronic trading platform Xetra.

(D) CAPITAL AND BONDS INCREASES

Since December 2014 the Company made several capital market transactions which include issuance of straight bonds, convertible bonds and equity. For further information please see notes 5 and 6.

(E) DEFINITIONS

Throughout these notes to the interim financial statements:

The Company	Aroundtown Property Holdings PLC
The Group	The Company and its investees
Subsidiaries	Companies that are controlled by the Company (as defined in IFRS 10) and whose financial statements are consolidated with those of the Company
Associates	Companies over which the Company has significant influence (as defined in IAS 28) and that are not subsidiaries. The Company's investment therein is included in the consolidated financial statements of the Company using equity method of accounting
Investees	Subsidiaries, jointly controlled entities and associates
GCP S.A.	Grand City Properties S.A. (an associate of the Company)
PCI; Camelbay	Primecity Investment PLC, Camelbay Limited (subsidiaries of the Company)
Related parties	As defined in IAS 24
The reporting period	The three months ended on March 31, 2016

2. BASIS OF PREPARATION

(A) STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 interim financial reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2015. These condensed financial statements have not been reviewed by an auditor.

For further information on the accounting and measurement policies used, please refer to the consolidated financial statements as at December 31, 2015, which are the basis for these interim consolidated financial statements.

These condensed interim consolidated financial statements were authorized to be issued by the Board of Directors on May 27, 2016.

(B) JUDGMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management applies judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those that applied to the consolidated financial statements as at and for the year ended December 31, 2015.

(C) OPERATING SEGMENTS

The Group meets the definition of operating in one operating segment. An operating segment is a component of the Group that meets the following three criteria:

- Is engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to intragroup transactions;
- Whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- For which separate financial information is available.

(D) SEASONALITY OF OPERATIONS

Rental income, other revenues and costs are received and incurred smoothly over the accounting period. Therefore no additional disclosures are made in the condensed interim consolidated financial statements.

(E) GOING CONCERN

These condensed interim consolidated financial statements are prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended on December 31, 2015. The following standards have been issued but are not yet effective for annual periods beginning on January 1, 2016. Those which may be relevant to the Group are set out below. The Group does not plan to early adopt these standards.

(I) IFRS 9 – Financial Instruments (2009, 2010)

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 (2010) introduces additional changes relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and to add new requirements to address the impairment of financial assets and hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

(II) IFRS 15 – Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customers Loyalty Programs. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

The Group has considered the above new standards and will continue to evaluate the impact on the Group's consolidated financial statements. At this time, the impact of the above publications is not expected to be material to the Group's consolidated financial statements.

The Group has considered the above new standards and will continue to evaluate the impact on the Group's consolidated financial statements. At this time, the impact of the above publications is not expected to be material to the Group's consolidated financial statements.

4. INVESTMENT PROPERTY

	Three months ended March 31 **2016**	Year ended December 31 **2015**
	Unaudited	Audited
	In thousands of euro	
Balance at the beginning of the period / year	2,430,595	426,303
Capex, additions (disposals) and adjustments, net during the period / year	421,126	1,356,707
Investment property arising from initial consolidations	-	647,585
Balance at the end of the period / year	**2,851,721**	**2,430,595**

5. LOANS AND BORROWINGS

A. COMPOSITION

		March 31 2016	December 31 2015
		Unaudited	Audited
		In thousands of euro	
Long term			
Bank loans		713,570	515,913
Convertible bonds	B, C	811,424	817,721
Straight bonds	D	188,365	187,923
Total long term		**1,713,359**	**1,521,557**
Short term			
Bank loans		18,744	15,142
Loans and notes redemption		14,206	78,150
Total short term		**32,950**	**93,292**

B. CONVERTIBLE BONDS IN PCI

On November 13, 2014, PCI successfully completed with the placement of euro 100 million convertible bonds maturing in 2019, convertible into ordinary shares of PCI. The convertible bonds bear a coupon of 4% p.a., payable semi-annually in arrears. The initial conversion price was fixed at euro 3.00. The bonds were issued at 100% of their principal amount and will be redeemed at maturity at 110% of their principal amount.

On February 13, 2015, PCI successfully tapped up its convertible bond series with an additional principal amount of euro 50 million. The further convertible bond series was issued at 105% of their principal amount and has the same characteristics of the previous tranche issued in November 2014 and described above.

	Three months ended March 31 2016	Year ended December 31 2015
	Unaudited	Audited
	In thousands of euro	
Balance at the beginning of the period / year	112,442	97,254
Proceeds from issuance of PCI convertible bond (500 notes at euro 100,000 par value each) (a)	-	52,500
Transaction costs	-	(835)
Net proceeds during the period / year	-	51,665
Amount classified as non-controlling interests (a)	-	(489)
Expenses for the period / year	1,319	7,145
Expenses paid	-	(4,534)
Conversion to ordinary shares of PCI	(7,919)	(38,599)
Carrying amount of liability at the end of the period / year	**105,842**	**112,442**
Non-current portion of Convertible bond series A	102,750	110,222
Accrued interest	1,560	581
Total Convertible bond series A	104,310	110,803
Deferred income	**1,532**	**1,639**

(a) This amount includes additional euro 2.5 million that were received as part of the bond placement (reflects 5% of the par value), out of which euro 0.5 million were allocated as non-controlling interests according to external economic valuer.

5. LOANS AND BORROWINGS (CONTINUED)

C. CONVERTIBLE BONDS SERIES B IN THE COMPANY

On May 5, 2015, the Company has successfully completed with the placement of euro 450 million senior, unsecured convertible bonds convertible into new ordinary shares having a par value of euro 0.01 per share. The bonds were placed by the Company to institutional investor only, with a coupon of 3% p.a., maturity of five years, at an issue price of 95.68% of their principal amount, and will be redeemed at maturity at par. The initial conversion price was set at euro 3.53 per share.

On July 13, 2015, as a result of the additional 100,000,000 ordinary shares issuance (see note 6B(4)) and in accordance with the terms and conditions of the bond, the Company adjusted the conversion price for the convertible bonds to be euro 3.4395 per share.

	Three months ended March 31	Year ended December 31
	2016	**2015**
	In thousands of euro	
Balance at the beginning of the period / year	427,988	-
Proceeds from issuance of convertible bond (4,500 notes at euro 100,000 par value each)	-	430,560
Transaction costs	-	(3,330)
Net proceeds during the period / year	-	427,230
Amount classified as equity	-	(4,029)
Expenses for the period / year	4,466	11,999
Expenses paid	-	(6,750)
Conversion to ordinary shares	-	(462)
Carrying amount of liability at the end of the period / year	432,454	427,988
Non-current portion of Convertible bonds	427,009	425,914
Accrued interest	5,445	2,074
Total Convertible bond	432,454	427,988

D. CONVERTIBLE BONDS SERIES C IN THE COMPANY

On December 15, 2015, the Company has successfully completed with the placement of euro 300 million senior, unsecured convertible bonds convertible into new ordinary shares having a par value of euro 0.01 per share.

The bonds were placed by the Company to institutional investors, with a coupon of 1.5% p.a. payable semi-annually in arrear, a maturity of approximately five years, at an issue price of 97.05% of their principal amount, and will be redeemed at maturity at par value. The initial conversion price was set at euro 5.79 per share.

	Three months ended March 31	Year ended December 31
	2016	**2015**
	In thousands of euro	
Balance at the beginning of the period / year	281,745	-
Proceeds from issuance of convertible bond (3,000 notes at euro 100,000 par value each)	-	291,150
Transaction costs	(805)	(2,609)
Net proceeds during the period / year	(805)	288,541
Amount classified as equity	-	(7,076)
Expenses for the period / year	2,007	280
Carrying amount of liability at the end of the period / year	282,947	281,745
Non-current portion of Convertible bond	281,665	281,585
Accrued interest	1,282	160
Total Convertible bond	282,947	281,745

E. STRAIGHT BONDS SERIES A

On December 9, 2014, the Company has successfully completed with the placement of euro 161 million (nominal value) of unsubordinated, senior secured straight bonds maturing in December 2021 and bear a coupon of 3% p.a., payable semi-annually in arrears, for a consideration that reflects 94% of their principal amount.

In the beginning of 2015, the Company increased its series A bonds in an additional principal amount of euro 39 million for a price of 94% of the nominal value. Therefore the aggregated amount was euro 200 million principal amount.

	Three months ended March 31	Year ended December 31
	2016	**2015**
	Unaudited	Audited
	In thousands of euro	
Balance at the beginning of the period / year	188,284	150,813
Proceeds from issuance of Bond series A (390 notes at euro 100,000 par value)	-	36,660
Transaction costs	-	(868)
Net proceeds during the period / year	-	35,792
Expenses for the period / year	1,939	7,679
Expenses paid	-	(6,000)
Carrying amount of liability at the end of the period / year	190,223	188,284
Non-current portion of straight bond series A	188,365	187,923
Accrued interest	1,858	361
Total straight bond series A	**190,223**	**188,284**

5. LOANS AND BORROWINGS (CONTINUED)

F. OTHER INFORMATION

(1) MAIN SECURITY, PLEDGE AND NEGATIVE PLEDGE AS DEFINED IN THE BONDS' TERMS AND CONDITIONS

The obligations of the Company and PCI under their Bonds and any Further Secured Bonds are secured in favor of the Trustee for the benefit of the Trustee, the Bondholders and the holders of any Further Secured Bonds by:

- a first-ranking charge, governed by the laws of Cyprus, over all ordinary shares held by PCI in its subsidiary, Zaplino Limited ("Zaplino");
- a first-ranking account pledge, governed by Luxembourg law, over the bank account held by PCI with Bank Hapoalim (Switzerland) Limited, Luxembourg branch, (the "Lux PrimeCity Account");
- a first-ranking account pledge, governed by the laws of Cyprus, over the bank account held by PCI with Bank of Cyprus Public Co Ltd. (the "Cyprus PrimeCity Account");
- first-ranking account pledges, governed by Luxembourg law, over each bank account held by Zaplino with Bank Hapoalim (Switzerland) Limited, Luxembourg branch, (the "Zaplino Luxembourg Accounts"); and
- an assignment by way of security, governed by the laws of Cyprus, of PCI's receivables and rights under, and claims against Zaplino for payment of principal and interest under, the loan agreements between PCI and Zaplino in an aggregate principal amount equal to the net issuance proceeds of the Bonds ("PrimeCity Loans") and all other loan agreements (of whatever nature and for whatever purpose howsoever described) relating to any loan by PCI to Zaplino of the net issuance proceeds in respect of any Further Secured Bonds.
- a first-ranking charge, governed by the laws of Cyprus, over all ordinary shares held by the Company in its subsidiary, Camelbay;
- an assignment by way of security, governed by the laws of Cyprus, of the Company's receivables and rights under, and claims against Camelbay for payment of principal and interest under, the loan agreements between the Company and Camelbay in an aggregate principal amount equal to the net issuance proceeds of the Bonds; and
- a first-ranking account pledge governed by Luxembourg law, over the Interest Reserve Account.

In addition to the pledge above – out of the Company's total holding in GCP S.A. 19.5 million of GCP S.A.'s shares are pledged due to several facility agreements.

(2) MAIN COVENANTS AS DEFINED IN THE BONDS'TERMS AND CONDITIONS

The Company

- The Company will, up to and including the Final Discharge Date, procure that Net Debt shall not exceed: (a) at any time, 55% of the Portfolio Value; and (b) 50% of the Portfolio Value for a period of more than six (6) months.
- The Company will:
  (a) up to and including the Final Security Discharge Date, not pay any dividend unless the Net Assets of the Company are higher than euro 400,000,000 and provided that any such dividend shall be payable only out of available profits on the basis of audited consolidated financial statements of the Company prepared in accordance with IFRS; (b) up to and including the Final Discharge Date, not, and will not permit any Subsidiary (excluding any listed Entity) (the "Restricted Subsidiaries") to, directly or indirectly, create or permit to exist or become effective any consensual and encumbrance or restriction on the ability of any of the Restricted Subsidiaries to (a) make or pay dividends or any other distributions on its share capital to the Company or any of the Company's other Restricted Subsidiaries or grant to the Company or any of the Company's Restricted Subsidiaries any other interest or participation in itself; or (b) pay any indebtness owed to the Company or any of the Company's other Restricted Subsidiaries; or (c) make loans or advances to the Company or any of the Company's other Restricted Subsidiaries; or (d) transfer any of its properties or assets to the Company or any of the Company's other Restricted Subsidiaries.
- up to and including the Final Discharge Date, the Company undertakes that, on each Reporting Date, the Interest Coverage Ratio will be at least 1.86.

PCI

- procure that Net Debt shall not exceed (i) at any time, 65% of the Portfolio Value and (ii) 60% of the Portfolio Value for a period of more than six (6) months;
- not pay a dividend as long as the Net Debt of the Group exceeds 50% of the Portfolio value;
- not open, maintain or hold any interest in, and will procure that Zaplino will not open, maintain or hold any interest, in each case directly or indirectly, in any account whatsoever with any bank or financial institution except for the Charged Accounts, unless the Issuer or Zaplino, respectively, grant a first-ranking security interest, satisfactory to the Trustee, over the respective account in favor of the Trustee, for the benefit of the Trustee and the Bondholders; and
- not, and will not permit any of its Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Subsidiary of the Company to (i) make or pay dividends or any other distributions on its share capital to the Company or any of the Company's other Subsidiaries or grant to the Company or any of the Company's other Subsidiaries any other interest or participation in itself or (ii) (a) pay any indebtedness owed to the Company or any of the Company's other Subsidiaries (b) make loans or advances to the Company or any of the Company's other Subsidiaries or (c) transfer any of its properties or assets to the Company or any of the Company's other Subsidiaries.

6. EQUITY

A. SHARE CAPITAL

	March 31, 2016		December 31, 2015	
	Unaudited		Audited	
	Number of shares	In thousands of euro	Number of shares	In thousands of euro
Authorized				
Ordinary shares of euro 0.01 each	1,500,000,000	15,000	1,500,000,000	15,000
Issued and fully paid				
Balance as at January 1	600,141,641	6,001	22,200	38
Conversion of shares to nominal value of euro 0.01 per share	-	-	3,774,000	-
Issuance and payment on authorized shares	-	-	496,203,800	4,962
Capital increase in July 2015	-	-	100,000,000	1,000
Exercise of Convertible bond into shares during the period / year	-	-	141,641	1
Balance at the end of the period / year	600,141,641	6,001	600,141,641	6,001

B. ISSUED CAPITAL

1. Upon incorporation on May 7, 2004, the total authorized, issued and fully paid ordinary share capital amounted to 5,550 units with a par value of euro 1.71 each.
2. On November 28, 2014, the Company issued 16,650 ordinary shares of euro 1.71 each.
3. In February 2015, as a part of capital restructuring process, the Company increased its authorized ordinary shares to 1,500,000,000, out of which the issued and fully paid was increased to 500,000,000, with an adjusted par value of euro 0.01 for each share.
4. On July 13, 2015, the Company successfully issued additional 100,000,000 ordinary shares (of euro 0.01 nominal value each) for euro 3.2 each, by way of private placement to institutional investors ("New Shares"). The gross proceeds from the issuance of the New Shares were euro 320 million.

C. CAPITAL RESERVES

The Capital reserves include share premium derives directly from the capital increases which were affected since the date of incorporation and exercise conversions of bonds into shares, which can be distributed at any time and equity components of convertible bonds which temporally cannot be distributed.

7. RELATED PARTY TRANSACTIONS

The transactions with related parties are as follows:

(I) The interest expenses on loans from shareholders and related companies

	For the three months ended March 31,	
	2016	**2015**
	In thousands of euro	
	-	**(20)**

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

FAIR VALUE HIERARCHY

The table below analyzes financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	In thousands of euro			
March 31, 2016 (Unaudited)				
Trade securities at fair value through profit and loss	126,358	-	-	126,358
Total assets	**126,358**	**-**	**-**	**126,358**
Derivative financial instruments	-	5,324	-	5,324
Total liabilities	**-**	**5,324**	**-**	**5,324**
December 31, 2015 (Audited)				
Trade securities at fair value through profit and loss	261,527	-	-	261,527
Total assets	**261,527**	**-**	**-**	**261,527**
Derivative financial instruments	-	3,590	-	3,590
Total liabilities	**-**	**3,590**	**-**	**3,590**

9. COMMITMENTS

The Group had no significant commitments as at March 31, 2016.

10. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contingent assets and liabilities as at March 31, 2016.

11. EVENTS AFTER THE REPORTING PERIOD

a) On April 12, 2016 the Company issued additional 65,000,000 ordinary shares (of euro 0.01 nominal value each) for euro 4.1 each, by way of private placement to institutional investors. The gross proceeds from the issuance of the new shares were euro 266.5 million.

b) On April 26, 2016 the Company has successfully completed with the placement of euro 600 million (nominal value) of senior, unsecured straight bond maturing in 2022 and bears a coupon of 1.5% p.a., payable annually in arrears, for a consideration that reflects 95.542% of their principal amount.

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