

CTP

AR

015



To watch a synopsis video of the
top line numbers, themes and major
accomplishments presented in this
annual report, please go to:

ctp.eu/ar2015



CTP is a full-service commercial real estate developer and manager, specializing in the delivery and management of custom-built, high-tech business parks for leading international and domestic companies making strategic investments in new or expanded operations in Central Europe. CTP is the owner of the CTPark Network, the largest integrated system of premium business parks in Central Europe, with over 3.24 million m² of A-Class properties in over 60 strategic locations, as of 31st December 2015.



KEY FINANCIALS 2015

Currency: EUR

Total Revenues

165

million

Total Asset Value

3,061

million

EPRA Profit Before Tax

83.2

million

Net Valuation Result On Investment Property

131

million

Total Investment Property

2,924
million

Total Equity

1,124
million


Total Financing

1,558
million

Loan To Value

53%



An aerial photograph of a landscape. The top half shows green fields with a winding, light-colored path or river. The bottom half is a large, light-colored, textured area, possibly a dry lake bed or a large field, with some darker, irregular shapes. The overall texture is grainy and high-contrast.

Total Lettable Area

3.24

million m²



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STRATEGIC REPORT

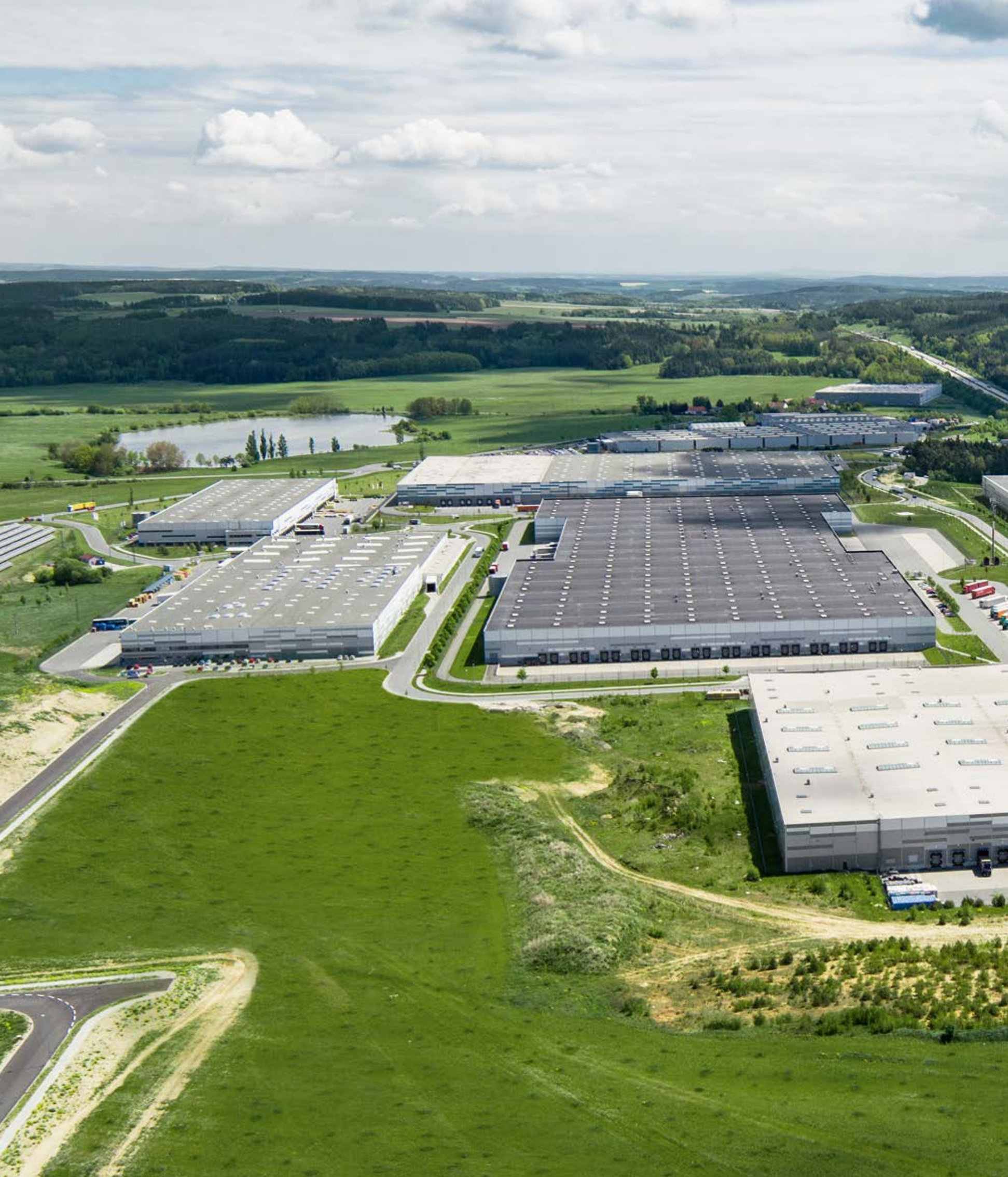
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EXECUTIVE SUMMARY

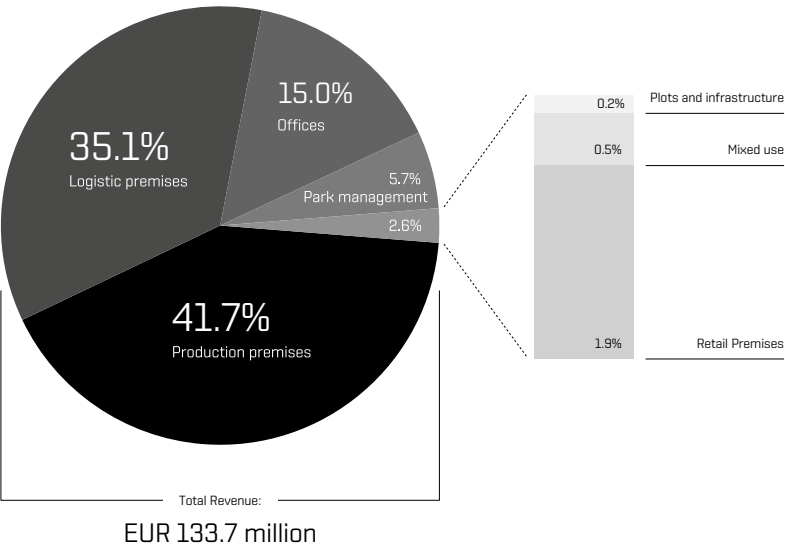


CEO STATEMENT

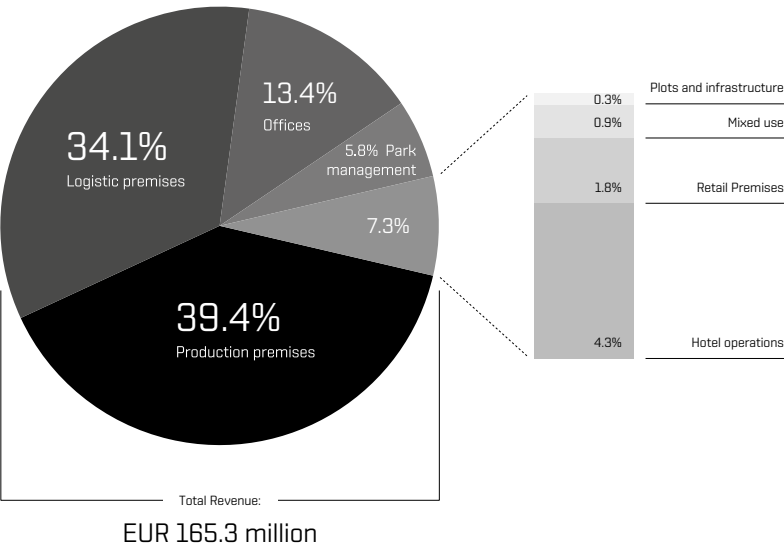
We maintained the agility to seize market opportunities and continued to professionalise the company and processes.

Revenue Growth and Composition
Revenue growth, while driven primarily by the growth of our core business, was augmented by income from non core-activities, which comprised 7.3% of total revenue, up from 2.6% in 2014. The largest contribution to this growth was realised from the acquisition of hotel operations in the Czech Republic, further diversifying our portfolio.

Revenue 2014



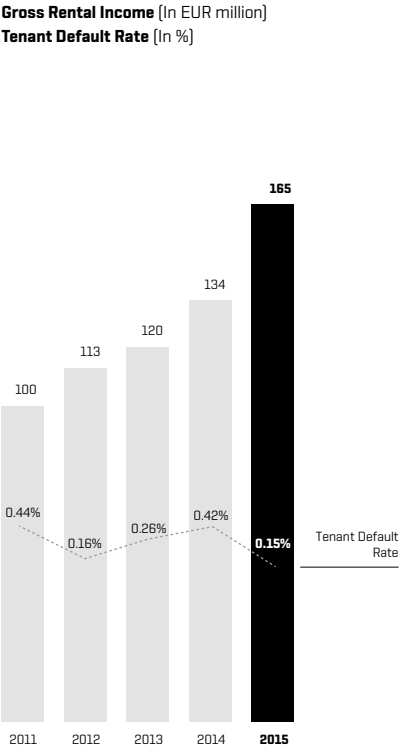
Revenue 2015



As a leading developer in the region, CTP has a desire, and responsibility, to be a force for positive change. Our business model revolves around identifying opportunities, adding value throughout the client lifecycle, and investing into our portfolio and platform to fuel further growth. On top of this, we play a role in a much larger game, that of the development and strengthening of the central European economy and business climate as a whole. The moment we stepped into our regional role, which was dramatically strengthened during 2015, our path forward become clear.

- For us, identifying opportunities, also means positioning central Europe as the investment location of choice for advanced manufacturers and value-add operations.
- Adding value throughout the client lifecycle, also means changing the way that developers cooperate with investors, by shifting the focus to a partnership-led enterprise.
- And reinvesting into the portfolio, also means developing our assets to ensure long-term returns for the company, which in turn, supports growth of the region and the economy in general.

This business model is supported by our growth strategy, which clearly outlines the areas in which we need to succeed to accomplish our goal of being the developer and manager of central Europe’s largest portfolio of premium properties, generating significant, sustainable, long-term returns.



GROWTH

CTP’s goal to reach 5 million m² of premium lettable space moved forward significantly in 2015. Thanks to a number of factors, including market demand, low interest rate environment, and strong financial fundamentals, we shifted forward the target date for achieving this goal from 2020 to 2018, which we believe is both realistic and achievable. As we consolidate our leadership position in the region, our responsibility to the markets in which we operate also increases. We are proud that more than 47,000 people across the region are employed within our properties, a 27% increase from the previous year.

STRATEGY

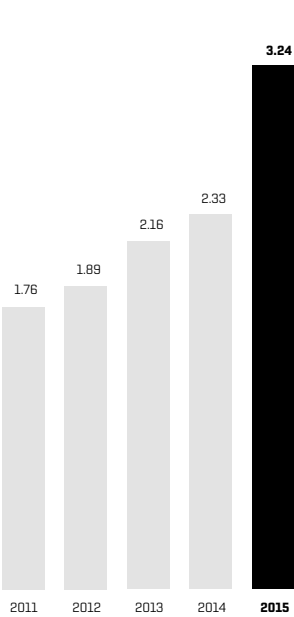
This growth is underpinned by our successful developer-owner strategy, namely to identify opportunities, add-value as a developer and owner of the properties, and ultimately reinvest into the network and our Platform of people. Our location strategy remains the same, we focus on the developing markets of central Europe and especially those locations undersupplied by premium properties, which are interesting for investors for various reasons: proximity to international markets; a skilled and educated labour force; and competitive labour costs. As we develop our properties, we enable further investment by our clients. It is encouraging to see the towns and regions in which we operate directly benefit from CTP as a neighbour.

BUSINESS PLAN

Clients remain at the heart of what we do. More than 60% of new business comes from existing clients. During 2015 we registered strong interest from clients looking to expand with us internationally, especially into new markets Slovakia and Romania. As client demands increase, so too does our focus on providing premium service across the client lifecycle. Our unique proposition, the CTP Platform, brings together in-house a strong team of industry professionals, from building and technology designers, to permitting and legal services, to construction and property managers, which allows us to quickly and flexibly answer the needs of our clients. Because we remain owners and managers of the buildings which we develop, it is in our interest to become a valued and long-term partner of the communities in which we operate, and we reinvest into these communities through the development of infrastructure and public transport, job creation, and the support of local social activities.

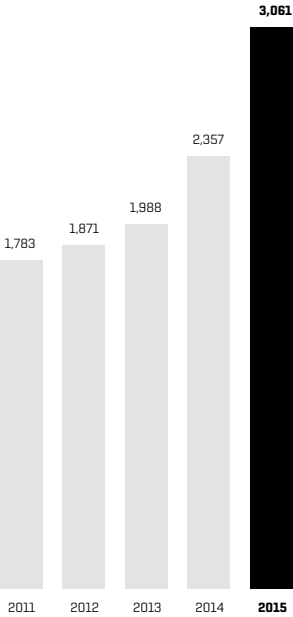
Total Lettable Area (In million m²)

The size of the CTP portfolio grew approximately 40% year on year. Driven by acquisitions, CTP extended its portfolio primarily in Romania, Slovakia, and Hungary while also acquiring new sites in our home market of the Czech Republic.



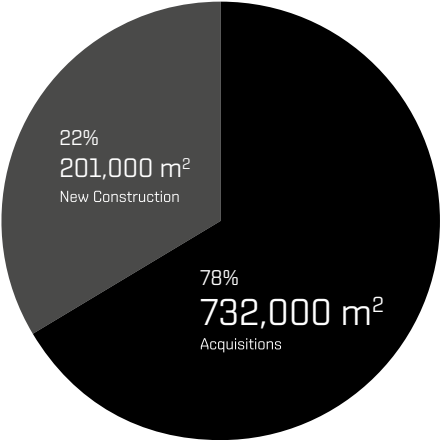
Value of Assets Under Ownership

(In EUR million)
Portfolio growth was also reflected in the FMV of the standing and acquisition portfolio, rising 30% year-on-year.



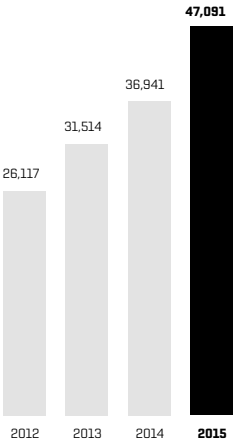
Portfolio Expansion 2015 (In m²)

For the first time, CTP grew its portfolio mainly through acquisitions, although organic growth remained strong. CTP views 2015 unique in this regard, and expect future growth to be driven more organically than through acquisitions, as has been the historic trend.



Employees in our parks

CTP chose to set up operations in regional cities, where we foresaw high growth potential. Our clients brought investment and jobs to our parks, boosting the regional economies. By 2015, direct employment by clients in our parks amounted to over 47,000 jobs, mostly in the value-add technology, manufacturing, R&D, and office sectors.



THE MARKETS

Despite the geographical diversification of our network, market conditions across the region remain universally positive. The region as a whole recorded GDP growth of approximately 3.1%, exceeding that of the euro zone by 1.6%. As confidence in the region grows, so too does investor appetite, which is key for growth. CTP works closely with governments and investment authorities to position central Europe as the investment location of choice for advanced manufacturers and value-add operations. The CTP client profile reflects that strongly, with approximately 40% of the portfolio comprising clients engaged in advanced manufacturing and production activities.

PORTFOLIO EXPANSION

Our capacity for positive change increases with the size of our portfolio in the region. We grew the portfolio by more than 900,000 m² across seven markets – the Czech Republic, Romania, Slovakia, Hungary, Slovenia, Ukraine and Poland – more than 40% portfolio growth year-on-year. The majority of this growth came via acquisitions, though we continue to grow organically, driven primarily by the expansion of our existing clients within the network. In order to support these activities, we looked into, and secured, additional financing from new banks both within Czech Republic and other CEE countries, which demonstrates the confidence of our financial partners in our business model.

ROMANIA FOCUS

Our growth in Romania last year deserves special mention. Although CTP has been present in Romania since 2008, neither the market conditions nor investor appetite were right for us to push forward there. That changed in 2014/2015 thanks to three key factors, namely the low interest rates, increasing market demand, and movements & competitor exits in the market. CTP had the vision to see these conditions aligning and during 2015, we managed to close on a large number of acquisitions before the competition had a chance to react. The culmination of this activity came in December, with the acquisition of a 100,000 m² facility just 20 kilometers outside of Bucharest, as well as of Romania's premium industrial park, the 130,000 m² facility at the city's edge, renamed CTPark Bucharest.

REVENUE BREAKDOWN

This growth resulted in a healthy 23% increase in our total revenues over the previous year. Industrial property remains our core business, making up 73.5% of revenue, though our acquisition of three hotels in the Czech Republic had a positive impact on the revenue share overview.

UPDATE ON THE PLATFORM

All of this is made possible by our strong in-house team of professionals, which we call the CTP Platform. During 2015, we began the process of growing the team to meet the increasing demands on the network, mainly in our new markets, and also in key departments such as the finance and construction teams. This further allows us to shift client focus

to a partnership-led joint enterprise. As of December 31st, our headcount stood at 167, a 10% increase from the previous period, and we expect this number to top 230 by year-end 2016.

LOOKING FORWARD TO 2016

Looking forward to 2016, we anticipate a similar level of growth, though less acquisition-based. Our construction pipeline is healthy and we have the right people in place to address the growth, while caring for our current clients. We plan to further professionalise the company with upgraded processes and systems and ready ourselves for the next chapter in the company's story.



A stylized handwritten signature in black ink, consisting of a large 'R' followed by a series of loops and a final flourish.

Remon L. Vos, FRICS
Chief Executive Officer



Remon L. Vos, FRICS
Chief Executive Officer



CFO STATEMENT

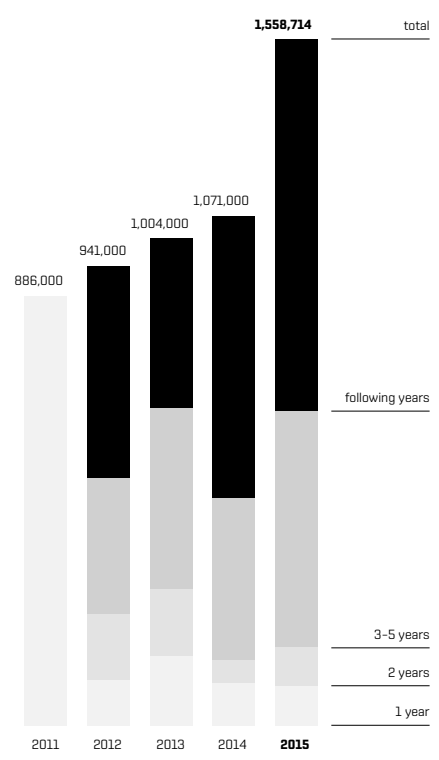
CTP’s operational results in 2015 were supported throughout the year with adequate financing. Due to market conditions, CTP was able to improve our financial position, as well as improve relationships with our financial partners.

On many fronts we were able to exceed our initial goals for the year. In line with expectations, we increased gross revenues over 23% to EUR 165 million due primarily to portfolio growth. CTP financed both new developments and major acquisitions during 2015 which increased our balance sheet by nearly 31% to over EUR 3 billion. EPRA profits before tax improved significantly to EUR 83 million—nearly 34% growth year-on-year—demonstrating the stability of our business model. During the year, we continued to invest into existing properties and into improvements of newly acquired properties to bring them up to CTP standards to ensure the long term-value of our properties.

Selected Financial Results (In EUR thousand)

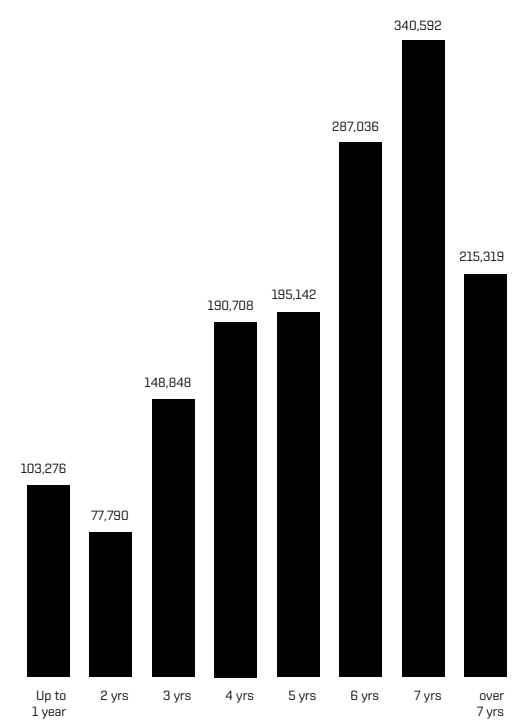
Year	Gross income	Net valuation result on investment property	Personnel expenses	EPRA profit before tax	Profit/loss before income tax	Total asset value	Total investment property	Total equity	Total financing
2011	100,169	77,297	3,812	36,356	89,521	1,782,705	1,668,434	582,788	940,929
2012	112,867	-19,349	4,345	51,076	25,882	1,870,618	1,783,261	588,497	1,004,096
2013	120,440	28,222	5,024	58,235	99,234	1,987,611	1,905,655	671,949	1,071,257
2014	133,698	212,571	4,936	62,235	275,235	2,356,951	2,239,949	900,863	1,156,359
2015	165,282	131,278	6,007*	83,200	267,993	3,061,411	2,924,220	1,124,027	1,558,714

*Figure does not contain personnel expenses incurred by hotel operations



Loan Growth & Maturity
(In EUR thousand)

To finance expansion in 2015, CTP took on significantly more debt with new loans, and at the same time, refinanced existing loans. During the year, CTP was able to negotiate better terms, as well as to extend the maturity of outstanding loans significantly.



Residual Maturity of Bank Loan Financing
(In EUR million)

CTP refinanced major loans with repayment schedules generally between 17-20 years, which in the process, allowed us to push out the major repayment bullets beyond five years, mostly to seven years.

Because of the continued low interest rate environment, CTP was able to agree financing for new developments and acquisitions under very favorable conditions. Secondly, we agreed both new and refinancing arrangements of EUR 812 million, reducing debt-repayment burdens, improving cash flow, and providing greater financial stability for the coming years.

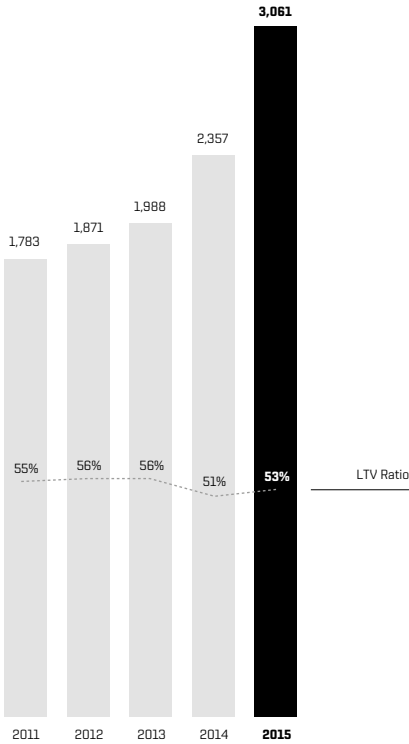
We were able to both deepen our relationships with lending banks while at the same time increasing the number of institutions we do business with, reducing risk for all parties. Despite a much larger balance sheet and a significant increase in loan value, we were able to reduce overall financing costs to a level of 2.7% in 2015. Due to the combination of valuation gains of newly acquired property, revaluations of existing assets, as well as the volume of new loans and improved conditions for refinancing, we were able to maintain an overall LTV of 53%, up slightly from 51% in 2014.

To enable growth, we strengthened our central finance team with M&A specialists, and made key hires with strong local knowledge in the expansion markets of Romania, Slovakia & Hungary.

Total Asset Value (In EUR million)

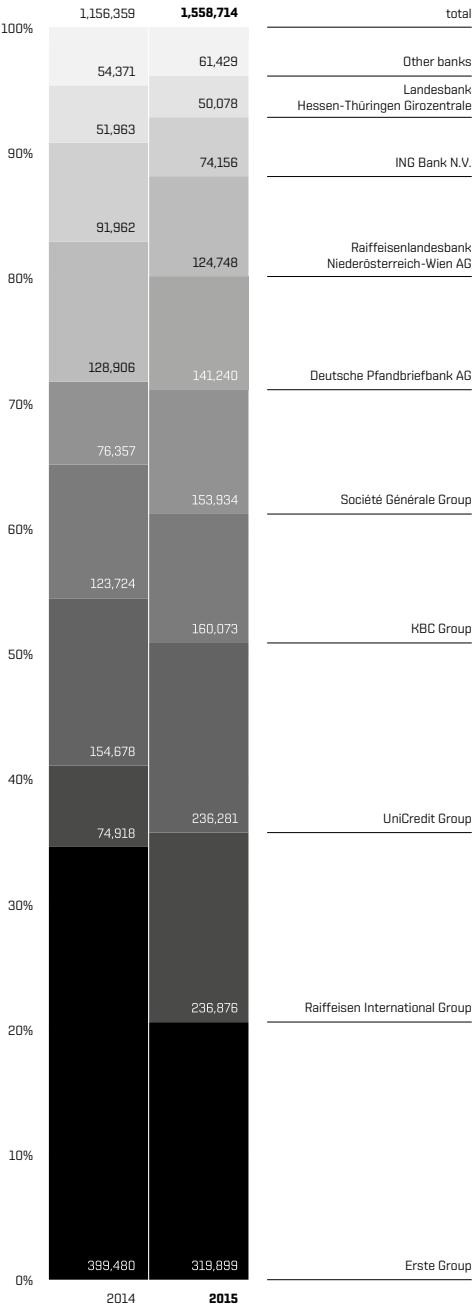
Loan to Value Ratio (In %)

Despite strong financial growth exhibited in 2015, we either matched or beat our important KPI's, with LTV remaining mostly stable at 53% and the tenant default dropping to almost 0%. This combination of factors demonstrates the underlying stability of the CTP business model.



Total Loan Values (In EUR million)

One of our goals in 2015 was to reduce the percentage of loans held by ErsteBank, vis-à-vis our other lenders. We successfully refinanced loans among major pan European banks. Refinancings allowed CTP to improve the residual maturity of its liabilities, stabilize long-term cash outflow predictions and better diversify loan obligations, mitigating risks for both CTP and banks.



Valuation Yields (In %)

The positive investment environment in 2015 pushed yields down, and drove property values up. The overwhelming majority of our properties are in the Czech Republic, where the yield compression in that market was the main driver behind the higher overall portfolio valuation.

	2012	2013	2014	2015
Czech Republic				
Industrial premises	7.50-8.25	7.75-8.50	7.00-7.50	6.75-7.25
Office properties	7.25-7.75	7.40-8.00	7.20-8.00	7.15-8.00
Romania				
Industrial premises	9.50-9.85	9.50-9.75	9.75-9.85	9.00-9.25
Slovakia				
Industrial premises	8.75-9.00	8.75-9.00	8.50-8.75	7.75-8.00

We expect that in 2016, CTP will continue to utilize market conditions to lower the cost of financing to an average of 2.5% or less.

Because CTP was the 1st to act in the new markets, we were able to seize attractive opportunities, and in the process, leverage our growing position as market leader to recognize EUR 49 million in negative goodwill.

We acquired two hotel assets in Plzeň and Prague operated by the Marriott Courtyard. We closed an operation agreement with Marriott Courtyard to open their first hotel in Brno at Spielberk. CTP will finalise the development of the Tower II during 2016 with the hotel and business services, completing the final phase of the Spielberk development site.

CTP recognised an overall yield compression on the market in which we operate. We observed that yield compression is driven by the low interest rate environment and we believe this will continue in the coming years, thereby providing stability to the portfolio valuation in the near- to mid-term.



Radek Zeman
Chief Financial Officer

RISK MANAGEMENT

OPERATIONAL RISKS					
Description	Potential Impact	Mitigation Strategies	Description	Potential Impact	Mitigation Strategies
Projects under development	Inability to secure the required permits.	Specialised in-house property development team and use of external consultants in order to hedge all risks.	Obsolescence and building quality	Obsolescence of the buildings, reducing their usability and rentability	Regular update of investment plans for the portfolio, with the objective of maintaining the highest quality levels
	Major delays resulting in the loss of potential income.			Loss of income and long period during which the invested capital does not generate a profit.	Ad-hoc redevelopment and renovation of obsolete properties in addition to regular investment in quality and sustainability
	Substantial overrun of investment budgets.	Strict monitoring of construction sites, including the implementation of penalty clauses in the event of non-compliance with contracts by third parties.			
	In the event of speculative developments, long periods of vacancy.	Use of well-established contractors with good solvency, who submit the required guarantees.			
Lease termination	Failure to achieve the projected (higher) returns on developments.	Community engagement to maintain a constructive dialogue with local decision-makers.	Unplanned destruction of buildings	Discontinuity in the use of the building	The insured value of the portfolio is based on the new value, i.e. the cost of restoring the building to its original state, including architects' fees and value-added tax
		In normal circumstances, no speculative developments are initiated, which means projects are launched only if they are pre-let and fully financed and the required permits have been obtained.		Loss of rental income and possible client turnover	Loss of rental income due to temporary full or partial vacancy is also insured
Vacancy	Higher vacancy rates, assumption of costs that are typically recharged to the tenant (withholding tax and management costs) and commercial costs related to re-letting and/or downward adjustment of the rents.	Specialised in-house teams responsible for commercial management and facility management.	Concentration risk	Sharp decline in income and cash flows in the case of the departure of a tenant	Highly diversified tenant base, of which the largest tenant accounts for less than 5% of rental income (over multiple sites)
	Decline in revenues and cash flows.	Very extensive network in the industrial property market in each country where we operate.		Decline in the FMV of the property	Furthermore, the largest tenants (8 of the top 10) are spread over several buildings, various countries and different activities
		Contractually required indemnity in the event of early termination of the lease.			High geographic diversificaion across approximately 60 sites, with the largest property representing less than 10% of the fair value of the portfolio
		Preference for realistic rent levels and long-term contracts with tenants.			
Negative variations in the FMV of buildings		Proactive internal property management and marketing.	Tenant solvency	Decline in rental income due to a lower collection rate or a decline in occupancy	Extensive tenant solvency check by external rating agencies prior to inclusion in portfolio
		High quality and versatility of the buildings, which increases reletting potential.		Higher commercial costs due to reletting	Contractual lease agreements with rent is payable in advance on a monthly, quarterly or annual basis.
	Decline in the fair value of the property, resulting in a lower NAV.	Preference for realistic rent levels and long-term contracts with tenants, as reflected by the fact that 70% of leases which expired In the last five years were renewed by the then current tenants.			Standard rent deposit covering at least three months, and contractual break penalties
Industry-specific risks	Negative change in LTV	Investment policy oriented to high-quality property at strategic locations with growth potential.			
		Prudent, clearly defined management of financial obligations			
Maintenance and repair cost volatility	Loss of income if a specific industry is affected by an economic downturn	High variety of international tenants representing a wide range of industries			
	Decline in financial results and cash flows	Continuous inspection of the buildings by the facility managers and commercial teams in their day-to-day interaction with clients			
	Unexpected fluctuations in financial results	Stringent periodic maintenance policy that is managed within the company			

MARKET RISKS		
Description	Potential Impact	Mitigation Strategies
Economic Slowdown	Lower demand for industrial and/or office space	Negotiate long lease terms
	Higher vacancy and/or lower rents when re-let.	Clients represent a diverse range of industries
	Reduction in the fair market value FMV of the property	Contracts are concluded with parent company guarentees
	Tenant bankruptcies & therefore broken lease contracts	Quality of the tenant portfolio, comprising mainly large national and international companies and a limited annual provision for dubious debts (averaging less than .05% over the past 10 years). Excellent location of CTP properties, near major cities and transport arteries and in areas of high unemployment, and lower cost vis-à-vis western markets
Rental market deterioration	Rental income and cash flow affected due to higher vacancy rates	Diversified client base mitigates exposure to a single tenant's fortunes; and a wide variety of tenants across major industries
	Increased tenant defaults and recovery fees	Activity across multiple markets mitigates exposure to local market downturns. Thorough market integration in the market thanks to years of experience; in-house business development and marketing teams
	Lower FMV of the property	High quality, young portfolio with high energy ratings
	Higher client acquisition costs, lower pre-leasing of properties, and increased holding period of lower yielding landbank	Flexible & diverse property development solutions and in house sales, design and construction with ability to provide built-to-suit solutions
Investment market	Lower FMV	Investment strategy aimed at high-quality buildings that generate stable, long-term income
		Prudent management of the LTV of our portfolio, making it possible to offset any potential decreases in the fair value of the property. CTP's current LTV rate of 53% is in line with historic trends
		Geographic diversification of the portfolio across all major CEE markets, with close ties to western European markets
		Large share of land in the valuation of the property portfolio (36%), with lower residual price volatility
Interest rate volatility	Negative impact on expenses and consequently on cash flow in the event of a rise in the interest rate.	High degree of hedging against interest rate fluctuations (70% of debt is covered by fixed-interest financial debts) through derivative financial instruments (e.g. Interest Rate Swaps)
	Sharp fluctuations in the value of the financial instruments that serve to hedge debt.	Regular monitoring of interest rate movements and of their impact on the effectiveness of the hedges
		Fluctuations in the fair value of the hedging instruments represent a non-realised non-cash item (if these products are held until maturity and are not settled prematurely)
Deflation	Fall in rental income, due primarily to downward pressure on market rent levels and lower or negative indexation.	A majority of our lease contracts include a fixed indexation clause
Financial market volatility	Difficulty accessing financial markets in order to fund new developments	Ongoing, transparent dialogue with financial counterparties
	Inability to refinance or rollover current financial obligations	Long-term relationships with banks
		Regular monitoring of risks that could negatively affect our financial partners

FINANCIAL RISKS		
Description	Potential Impact	Mitigation Strategies
Counterparty risks	Loss of deposits	Diversification of financing sources among different banks.
Liquidity risk	Impossibility of financing acquisitions or new development (with shareholders' equity or debt) or at higher cost	Conservative and prudent financing strategy with a balanced spread of maturity dates for debts maturing between 2016 and 2027,
	Non-availability of financing to repay interest and/or operating costs	Diversification of financing from a large group of stable banking partners, in multiple countries, with whom long-standing banking relationships exist
	Higher cost of debt negativley impacts the financial results and cash flows	Maintenance of sufficient lines of credit to finance operating costs and planned investments
		Continuous dialogue with banking partners in order to build solid long-term relationships
Derivative risk	Volatility of the FMV of the hedging instruments	Prudent financial policy, including continuous monitoring in order to meet LTV targets of between 50-60%
	Counterparty risk with regard to partners with whom derivatives contracts have been signed	

REGULATORY AND OTHER RISKS		
Description	Potential Impact	Mitigation Strategies
Changes to IFRS reporting policies	Potential impact on reporting, capital requirements, use of derivatives and organisation of the company.	Continuous assessment of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industry organisations
Transaction complexity	Assuming certain inaccurately assessed risks, negatively impacting the financial results	Own and third-party due diligence on property, economic, tax, legal, accounting and administration matters
Regulatory changes	Negative impact of business, financial results, profitability and good name of the company	Constant monitoring of existing and future legislation, regulations and requirements in coordination with external experts

Risk is inherent in any business undertaking, and this list aims to identify and describe the strategies we apply to mitigate those risks which we deem consequential to our operations and financial results. This list should not be taken as complete or exhaustive. CTPs risk management policies integrate both ad-hoc and regular assessment schedules.





Radek Zeman
Chief Financial Officer

OPERATIONAL HIGHLIGHTS 2015

PLATFORM

FEBRUARY

Barbora Yousseff joins CTP as Property Manager for Spielberk & Ponávka. Her focus is on keeping these A-class premises well maintained, user friendly, pleasant to use and to ensure that all customers remain satisfied.

MARCH

Michal Felcman joins CTP to strengthen the CTP Finance team in the area of acquisitions and financing. Michal is responsible for execution of acquisitions of real estate projects in the CEE region and also for acquisition and construction financing.

MAY

Nina Hradečná joins CTP as a Senior Lawyer, bringing with her valuable expertise in real estate law, gained as an associate at a leading global law firm. She is responsible for major property development and lease agreements from first draft, through negotiation, to conclusion.

Dan-Florin Flesariu joins the growing CTP Romnaia team as Operations Manager. Dan is a rounded real estate and investment banking professional with more than 15 years of experience.

Tomas Míča joins CTP's finance & accounting team and is responsible for part of the Czech portfolio as well as foreign companies in the CEE region. Before he joined CTP, he spent seven years at Ernst & Young delivering various assurance & advisory business services.

JULY

Stanislav Pagáč returns to CTP in 2015 after working in the Austrian market for 2.5 years. He earned his degree in Construction Engineering at STU Bratislava and has been involved in the development and construction of industrial properties on the sides of investor, developer and general contractor.

Csaba Hegedűs joins CTP responsible for Asset Management in Hungary, as well as property management of the entire Hungarian portfolio; acquisitions of leased buildings & land plots; and property development preparations.

AUGUST

Čestmír Přindiš joins CTP as Creative Director. Čestmír has a strong background in the development and management of creative campaigns for companies in the software, retail, telecommunications, FMCG and automotive sectors.

Hendrik Jung joins CTP as Senior Business Development Manager, responsible for sourcing and acquiring new clients, with a focus on companies from his native Germany. Previously at Cushman & Wakefield, he was involved in tenders for international companies.

DECEMBER

Julius Aleva joins CTP as Deputy-CFO. Previously, Julius spent eight years in the finance team of Czech Raiffeisenbank. Prior to that, he was employed by Deloitte working in the banking and financial institutions group.

Marian Orzu joins the Romanian team as Head of Leasing and Business Development. Marian comes from CBRE Romania, where he was Head of the Industrial Agency.

FINANCIAL

MARCH

CTP and new financial partner pbb Deutsche Pfandbriefbank, execute a EUR 132 million financing deal for properties at CTPark Bor during MIPIM 2015. The deal includes a portfolio of existing buildings, as well as a line of financing for extension of the park in the future.

CTP signs a EUR 30 million financing deal with long-term financial partner Société Générale & KB group for the BREEAM Excellent rated building A3.2 in CTPark Brno.

JUNE

CTP and long-term business partner Erste Group sign a EUR 110 million syndicated loan for the financing of CTPark Modřice—a park with total lettable area of 200,000 m². Over 15 years of cooperation, CTP and Erste Group have signed deals worth a total of EUR 750 million for various A-class business properties across central Europe.

JULY

CTP and long-term bank partner, Raiffeisenlandesbank Niederösterreich-Wien, sign a loan agreement worth EUR 122 million for the refinancing and purchase of a number of properties for the CTPark Network in CTPark Brno, CTPark Ostrava, and CTPark Plzeň.

AUGUST

CTP signs a loan agreement worth EUR 50 million with UniCredit Bank Czech Republic and Slovakia to finance new acquisitions in Slovakia.

OCTOBER

CTP and ING Bank agree terms for a facility of EUR 75 million for the financing of part of CTP's standing portfolio in the cities of Ostrava, Nový Jičín, Prague, Humpolec, Brno, Pohořelice, and Jihlava. Tenor of the loan is until 2021.

GROWTH

JUNE

CTP acquires a 93,000 m² logistics park in Arad, which was added to CTP’s expanding Romanian portfolio under the name CTPark Arad. The new CTPark Arad will offer units starting from 1,000 m², with the possibility of greenfield expansion.

JULY

CTP signs a deal for the acquisition of the DNV Logistics Park in western Bratislava, rebranded as CTPark Bratislava. The park covers a total of 20 hectares, and lies directly adjacent to the Volkswagen Bratislava manufacturing plant. The size of the acquisition makes this one of the largest single transactions in the Slovak market in recent years.

AUGUST

CTP acquires the former Deva Logistics Park, and rebrands it CTPark Deva. The park covers a total of 26,000 m², with an additional 17,000 m² available for development, prominently located nearby the A1 motorway near Deva.

SEPTEMBER

CTP adds CTPark Lviv to the CTPark Network. CTP and the city of Lviv, located in the western region of Ukraine just 60 km from the Polish border, agree to cooperate on the development of CTPark Lviv in the city’s Rzasne industrial zone. By doing so, the city and CTP will attract international investors to this increasingly key location.

NOVEMBER

CTP successfully concludes the purchase of a 46 ha business park comprised of 100,000 m² of lettable space and 36ha of land for future development from a competitor. The portfolio, rebranded CTPark Bucharest West, is located on the A1 highway 20km from Bucharest.

DECEMBER

CTP successfully concludes the purchase of the Bucharest West Industrial Park on the outskirts of Bucharest from a competitor. The park, rebranded CTPark Bucharest, has a total lettable area of 130,000 m² with an additional 11 hectares available for development.

CTP acquires a major portfolio of commercial real estate in Slovakia, making CTP one of the biggest players on the market. The portfolio includes the 62,000 m² CTPark Trnava, the 15,000 m² CTPark Nitra, and the 8,500 Westend Tower office building in Bratislava.

CTP concludes the acquisition of a portfolio of properties in Hungary, including CTPark Üllő to the south of Budapest, and CTPark Tatabánya, 60km to the west of the capital.

OPERATIONAL

FEBRUARY

Danish producer of metal furniture, Blika, opens a new factory in CTPark Kadaň, leasing 7,700 m². Production is scheduled to begin in the summer of 2015. Blika will employ up to 50 people in the first stage.

MARCH

CTP hands over a 4,000 m² unit in CTPark Turda to long-term client, Fränkische, on April 1st 2015. Investments into CTPark Turda exceed EUR 5 million, including construction of new infrastructure and also completion of phase I of the Fränkische service centre. Construction on the unit began in autumn 2014 and continued over the winter months.

CTP hands over the 55,000 m² facility to the Irish retail giant, Primark, at CTPark Bor near the Czech-German border, from where the company will service the German market.

JULY

CTP concludes an archaeological dig at CTPark Modřice. Below the topsoil, evidence is revealed of settlements from ancient times.

AUGUST

CTP prepared a 10,200 m² expansion for Japanese logistics group, MOL, at CTPark Plzeň, which was delivered in August. The company currently leases 7,160 m² in the same park.

SEPTEMBER

CTP achieves BREEAM Excellent for building A4.1C in CTPark Brno. The building scored particularly well on factors such as transport access, waste minimisation, energy usage and building management.

OCTOBER

In a newly-published list of the 50 largest industrial parks in CEE/SEE by local experts, CTP filled three of the top 10 positions regionally. CTPark Brno and CTPark Bor are ranked 1st and 2nd respectively. In national rankings, CTP filled five of the top 10 positions in the Czech Republic, and three out of the Romanian top 10.

CTP invests more than EUR 1.3 million into the upkeep and improvement of the landscaping across the CTPark Network. New grassy meadows, bushes, trees and shrubs, covering a total land area of more than 155,500 m² was cultivated by CTP in 2015.

NOVEMBER

CTP celebrates 15 years and five extensions with long-term client and business partner, Valeo, in CTPark Humpolec. Valeo agrees an additional 7,000 m² extension, which was delivered during 2015.

Construction begins on a 25,000 m² facility for Romanian supermarket chain, Profi, in CTPark Cluj. The new building is on schedule for handover in early 2016.

CTP undertakes to exchange and improve several technologies that resulted in a higher rating for the Energy Performance Certificate (EPC) in CTPark Divišov, moving the EPC rating from C to B.

CTP’s Remon Vos is awarded Industry Professional of the Year for the 4th year in a row at the Construction Investment Journal Awards. On the same evening, CTP’s marketing team picks up 3rd place in the Czech Top 100 Annual Report competition.



PART 2

STRATEGIC REPORT



BUSINESS MODEL



EXPANSION

As the client's buisness continues to grow, CTP works with the client to facilitate their expansion plans. Based on the client's requirements, CTP will agree to either build an extension onto their current facility, propose a different location, or offer a different building solution if a client wants to locate a different business process.



BUILDING UPGRADES

After some years of operation, CTP invests into the building, often installing new atmosphere control systems, reducing the overall energy consumption during normal operation, reducing operating costs which agree with the client's parent company's global energy policies.



CLIENT SERVICES

CTP agrees with the client on a yearly service contract, freeing the client to concentrate on his core business. CTP works with local fire and security councils to ensure safety norms, and creates monthly schedules for outdoor cleaning, snow blowing, groundskeeping and general building maintenance.



FACILITY IN OPERATION

After move-in, CTP park- and facility managers keep in close contact with the client to ensure all systems operate efficiently and they are comfortable in their new premises.



EMPLOYEE SEARCH

Before the client finally moves in, CTP assists the client in finding appropriately skilled workers through its job portal. 200 new positions are made available ranging from line workers to middle management. Posts are pre-filled, and workers trained before the facility is handed over.

The CTP business model puts the client's needs at the centre. CTP works with the client as with a long- term partner, not only during the initial development process, but during the course of their lease to ensure that the client is fully satisfied. Keeping in close touch with our clients allows CTP to attend to their current, as well as future needs. With the CTP platform of services in house, CTP is able to respond in a timely, professional manner.



CLIENT REQUIREMENT

Client chooses the CEE markets to locate a new manufacturing facility. Client meets CTP business development team during the search process to describe plans, facility size, and use needs. Initial requirements are drafted and agreed.



LOCATION SEARCH

CTP provides an overview of potential locations which match the size and use requirements of the client. The selection consist of both existing buildings at various parks in the CTPark Network, as well as pre-zoned land plots in the Network and alternative locations which could be acquired on behalf of the client, for a fully built-to-suit solution.



PERMITS

As speed-to-market is a key requirement, the client chooses to build a new facility on an existing landplot within the network, with adjacent land for later expansion. With the plot pre-zoned and fully permitted, construction can begin as soon details are agreed.



FINANCING

CTP meets with its financial partners to ensure sufficient financing for both construction and fit-out.



DESIGN

CTP's design and engineering team work closely with the client to agree detailed building specifications, from floor loading, ceiling height, temperature requirements, and sufficient office & sanitary space. A floorplan is agreed, and construction schedules are put in place.



CONSTRUCTION

CTP acts as general contractor to construct the building, outsourcing to reliable, high-quality suppliers, after open tenders are awarded, which meet budget, quality and safety standards.



FITOUT

After construction of the building shell is finished, CTP works with the client to install specialized manufacturing machinery, technology and other details such as employee break out rooms, and furnishings.



Zdeněk Raus
Financial Manager

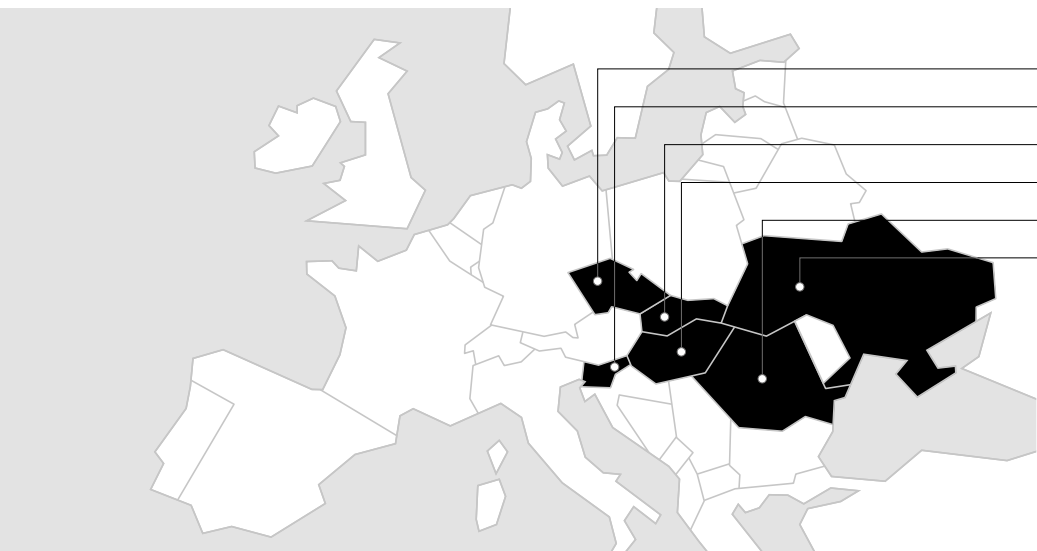


THE MARKET

The nations of central and Eastern Europe continue to grow steadily, with GDP growth levels of 2015 ranging from 2.6 to 3.6 percent, supported largely by private consumption and stronger euro area recovery.

Investment levels remained relatively stable in the region, which experienced less of a pre-crisis surge and thus less of a bust since 2008 – 2009. Investment was supported by the automotive and energy sectors and increased use of European Union funds.

The region has recently become a net exporter of knowledge-intensive manufactured goods (including finished automobiles and parts, aerospace products, and electronics), with a surplus equivalent to two percent of GDP, and is now in a position to support more high-value-added activities, becoming regional hubs serving all of Europe and beyond.



Country	Parks	FMV (In EUR thousand)
Czech Republic	45	2,500,000
Slovenia	1	1,500
Slovakia	9	160,000
Hungary	6	14,000
Romania	11	210,000
Ukraine	1	2,000

The CEE region has become a net exporter of knowledge-intensive manufactured goods, including automobiles and parts, aerospace products, and electronics.

TRENDS FOR REQUIREMENTS

CTP has seen two main trends in terms of requirements through 2015;

- 1. **Increasing demand from the automotive, electronics and e-commerce sectors**
- 2. **Increasing demand from existing clients for expansion opportunities in other CEE markets**

Demand for A-Class built-to-suit facilities remains strong, as does the appetite for energy-efficient buildings, preferably with a 'Good' or better BREEAM-rating.

Clients continue to be attracted by secondary cities throughout the region, with a specific tactical advantage, such as a positive cost-to-labour ratio, access to an educated workforce, or proximity to the end-customer, who doesn't necessarily reside in the same country.

Building standards are scrutinised closely during the initial selection and construction phases, and clients are demanding above-standard specifications. Newer, more efficient technologies are always preferred by clients, who appreciate occupying a young facility at peak-performance.

SOLVING BUSINESS CHALLENGES

CTP's strategy has always been to provide premium A-class facilities for companies looking to open new – or upgrade existing – strategic investments in Central Europe. Early on, CTP recognised the opportunities of secondary cities and markets across the region as the areas with the maximum growth potential.

Increase in investor appetite has driven a resurgence in interest in the markets of central Europe. Investors new to a region require a knowledgeable development partner who has a deep understanding of local market circumstances, and has the experience and capability to deliver the required space quickly.

SUPPORTING INVESTORS

The CTP Platform is a key enabler of our clients business. Understanding the needs of clients entering into new markets, CTP seeks to provide complete end-to-end property development service. The development of the CTP platform, with deep local knowledge, was designed specifically to address client's needs, and differentiates CTP on the market. At year-end 2015, CTP comprised of approximately 167 professionals on the ground across central Europe.

CTP designed five unique building types to suit virtually any business operation, from logistics and warehousing, to advanced manufacturing facilities. Our building types are easily

customisable to suit the exact needs of the client, large or small. Each building type incorporates a specific set of high quality standards, providing clients with transparency and quality assurance.

We continually improve on these standards, incorporating the latest technologies and innovations, providing a high value per m² at a reasonable cost.

We have always had a wide offering of space across our core markets, but with 2015's expansion into the markets of Romania, Hungary, Slovakia, Ukraine and Slovenia, we now are in a better position to offer clients flexible space solutions in multiple locations. CTP's expansion is a direct result of seeing the increase in the number of clients who choose to move within the network to another central European country.

Clients remain at the heart of CTP's business, and it is of paramount importance to listen to their needs. Historically low unemployment rates have driven the demand for skilled and available labour. CTP took the strategic decision in 2015, to assist our clients with their HR requirements, though a pilot HR programme called CTP Personnel.

Sources used in this section include:
The World Bank, Trading Economics, and Bloomberg

DE

PL

CZ

AT

SK

SI

HR

IT

THE MARKET



60

CTP's balanced portfolio of industrial, office, retail and hotel properties comprised 3.24 million m² of premium space for lease throughout Europe. More than 60 parks comprise the award-winning CTPark Network.



CZECH REPUBLIC

OVERVIEW

The Czech Republic has the most developed industrialized economic system of the countries in Central and Eastern Europe. The country has quickly become the most stable and prosperous of the post-Communist states of Europe.

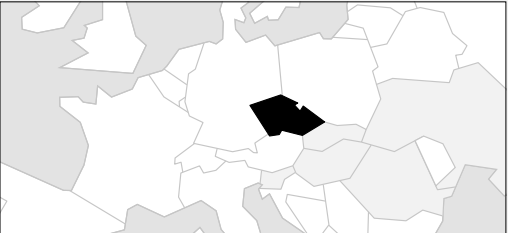
Economic growth picked up strongly in 2015, driven by private demand and a boost from EU-financed public investment. Supportive financial conditions, growth in wages and profits and strengthening external demand are projected to support robust growth in 2016 and 2017.

The Czech economy advanced 4% year-on-year in the three months to December of 2015, slowing from a 4.7% expansion in the previous quarter but beating preliminary estimates of 3.9% growth. Considering full 2015, the GDP advanced 4.3%, the highest annual growth rate in eight years.

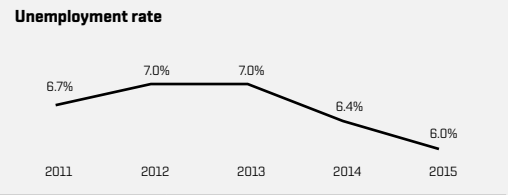
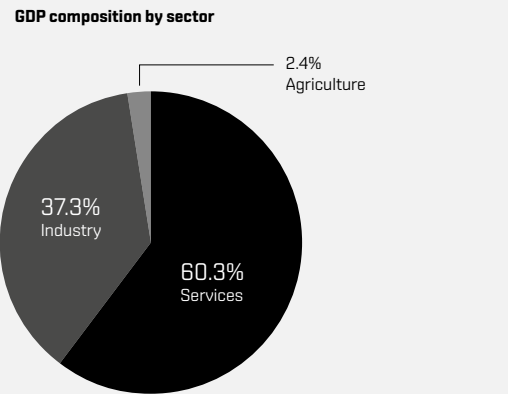
In August 2015, Czech GDP growth was 4.4%, making the Czech economy the highest growing in Europe. On 9 November 2015, unemployment in the Czech Republic was at 5.9%, the lowest number since February 2009.

Industrial production in Czech Republic increased 5.6% year-on-year in February of 2016, up from a 1.3% growth in the previous month and beating market expectations of 4.7%. Manufacturing surged 7.6%, boosted by manufacture of motor vehicles, trailers and semi-trailers (+18.8%), rubber and plastic (+10.7%), metal products (+9.9%) and electrical equipment (+6.4%).

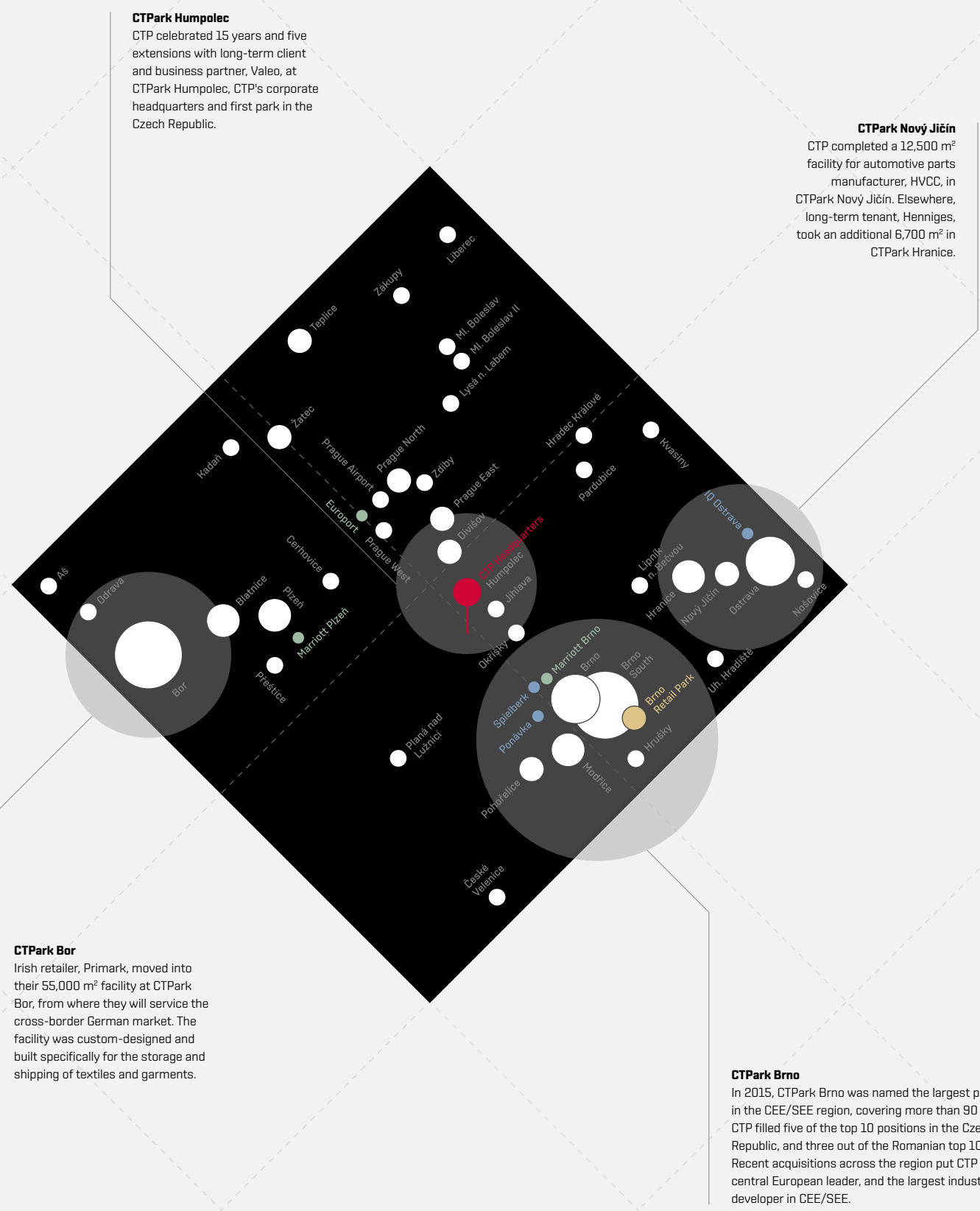
FACTS



Country overview	
Total area	78,867 m²
Capital	Prague
Total population	10.5 million
Labour force	5.3 million
Adult literacy	99%
Country economic statistics	
GDP Growth	4.3% [2015]
GDP per capita	US\$ 19,500 [2014]
Gross domestic expenditure on R&D	2.0% [2014]

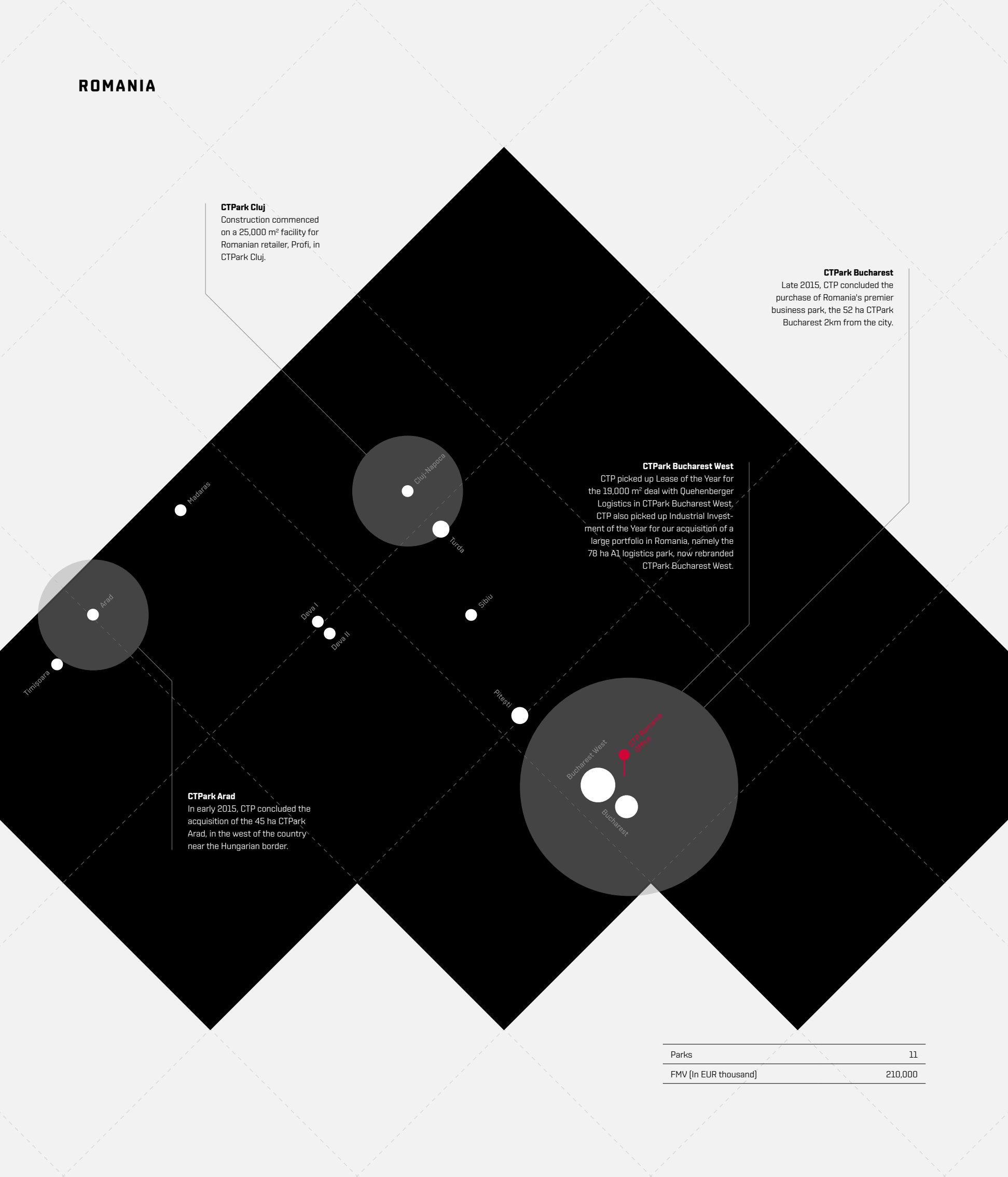


Government bond ratings	
Standard & Poor's	AA-
Moody's rating	A1
Moody's outlook	STA



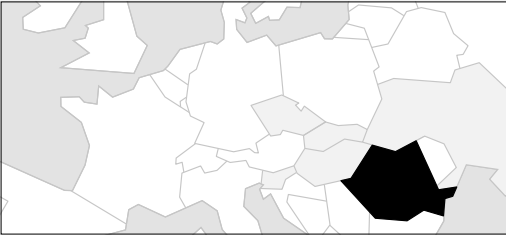
Parks	45
FMV (In EUR thousand)	2,500,000

ROMANIA

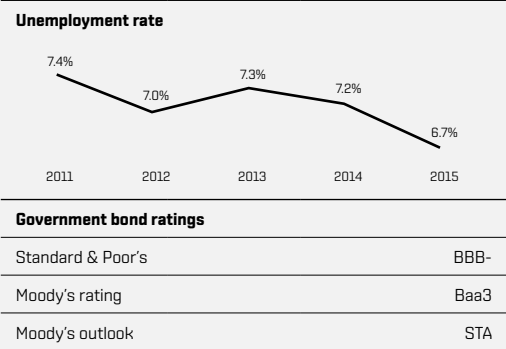
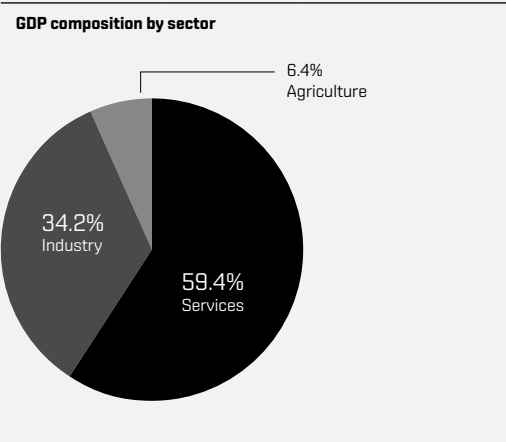


Parks	11
FMV [In EUR thousand]	210,000

FACTS



Country overview	
Total area	238,391 m²
Capital	Bucharest
Total population	21.2 million
Labour force	9.5 million
Adult literacy	97.7%
Country economic statistics	
GDP Growth	3.8% [2015]
GDP per capita	US\$ 10,000 [2014]
Gross domestic expenditure on R&D	0.38% [2014]



OVERVIEW

Romania has a developing, upper-middle income market economy, the 17th largest in the European Union by total nominal GDP and the 13th largest based on purchasing power parity. Romania grew swiftly following the fall of the communist regime in 1989. Accession to the EU in 2007 and renewed interest in CEE following the economic downturn, has driven the Romanian economy, growing faster than its EU counterparts in 2015.

Romania has experienced growth in foreign investment with a cumulative FDI totaling more than \$170 billion since 1989. Until 2009, Romanian economic growth was among the fastest in Europe (officially 8.4% in 2008 and more than three times the EU average). The country is a regional leader in multiple fields, such as IT and motor vehicle production. Bucharest, the capital city, is one of the largest financial and industrial centres in Eastern Europe.

The Gross Domestic Product (GDP) in Romania expanded 4.30 percent in the first quarter of 2016 over the same quarter of the previous year. GDP Annual Growth Rate in Romania averaged 3.61 percent from 2001 until 2016, reaching an all time high of 9.80 percent in the third quarter of 2004 and a record low of -8.70 percent in the second quarter of 2009.

Industrial production in Romania decreased by 0.4 percent in March of 2016 over the same month in the previous year, compared to a 0.2 percent drop in February. Industrial Production in Romania averaged 3.47 percent from 2001 until 2016, reaching an all time high of 16.39 percent in March of 2007 and a record low of -12 percent in February of 2009.

SLOVAKIA

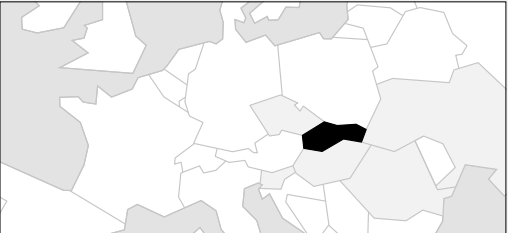
OVERVIEW

The GDP in Slovakia expanded 3.30% year-on-year in the first quarter of 2016, slowing from a 4.3% expansion in the previous period, preliminary estimates showed. GDP Annual Growth Rate in Slovakia averaged 3.70% from 1998 until 2016, reaching an all-time high of 13.50% in the fourth quarter of 2007 and a record low of -6.10% in the second quarter of 2009.

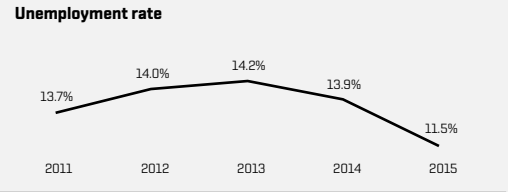
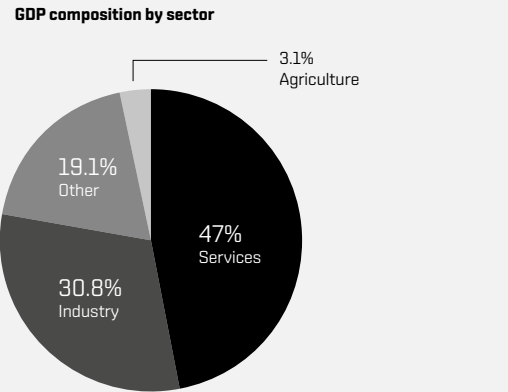
Slovakia is the 67th most competitive nation in the world out of 144 countries ranked in the 2015–2016 edition of the Global Competitiveness Report. Slovakia averaged a ranking of 59 from 2007 until 2016, reaching an all time high of 78 in 2014 and a record low of 36 in 2007.

Foreign direct investment (FDI) in Slovakia has increased dramatically. Cheap and skilled labour, a 19% flat tax rate for both businesses and individuals, no dividend taxes, a weak labour code, and a favourable geographical location are Slovakia’s main advantages for foreign investors.

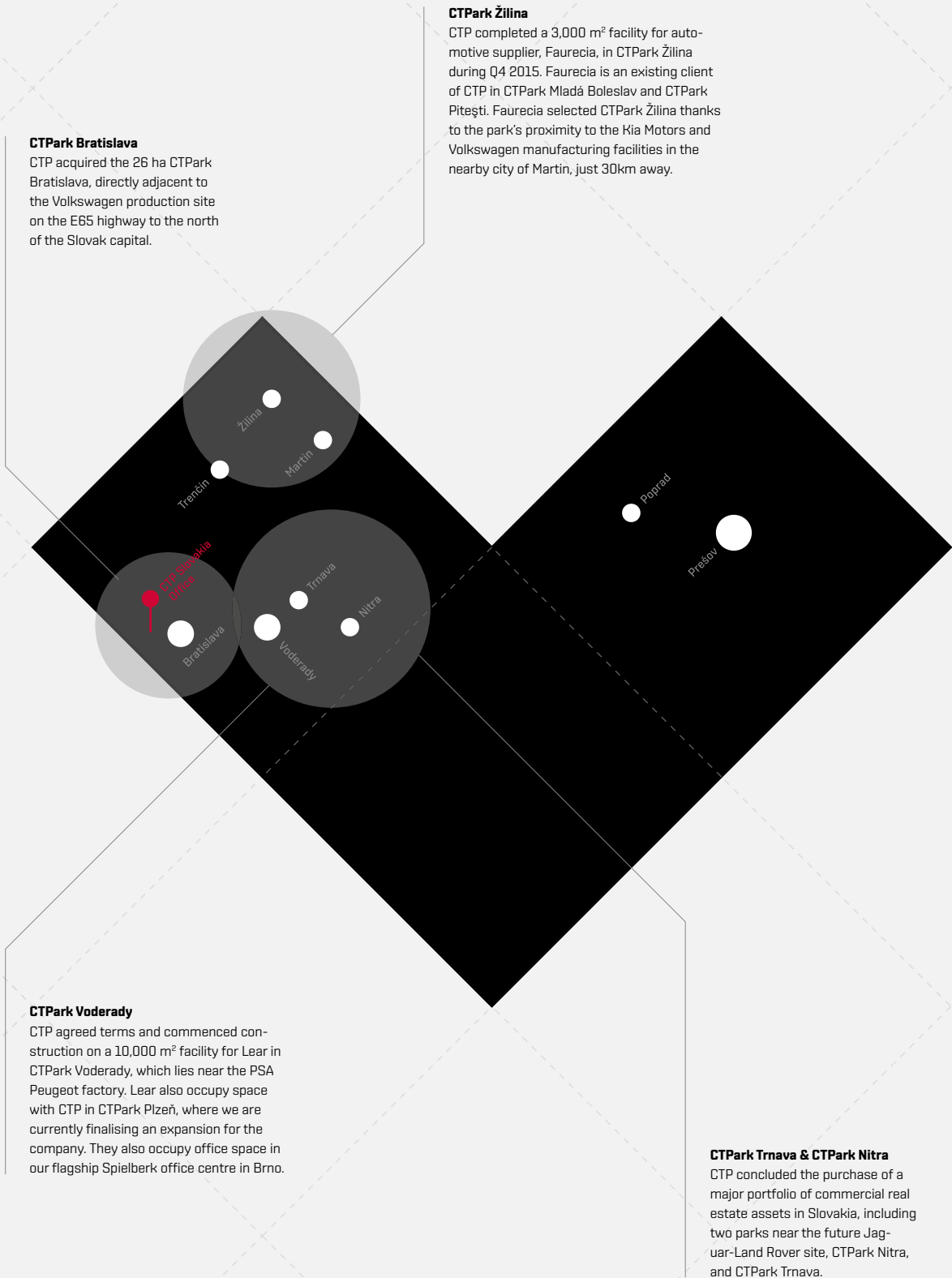
FACTS



Country overview	
Total area	49,035 m²
Capital	Bratislava
Total population	5.4 million
Labour force	2.7 million
Adult literacy	99.6%
Country economic statistics	
GDP Growth	3.0% [2015]
GDP per capita	US\$ 18,500 [2014]
Gross domestic expenditure on R&D	0.89% [2014]



Government bond ratings	
Standard & Poor's	A
Moody's rating	A2
Moody's outlook	STA



Parks	9
FMV (In EUR thousand)	160,000

HUNGARY

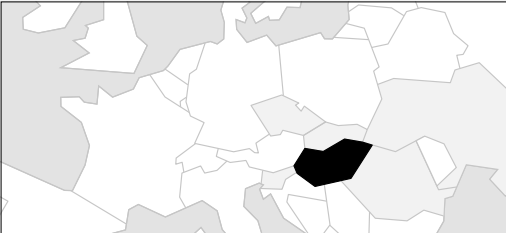
THE MARKET

CTPark Győr and CTPark Mór
In late December, CTPark Győr and CTPark Mór are added to the CTPark Network, taking our tally of parks in Hungary up to four.

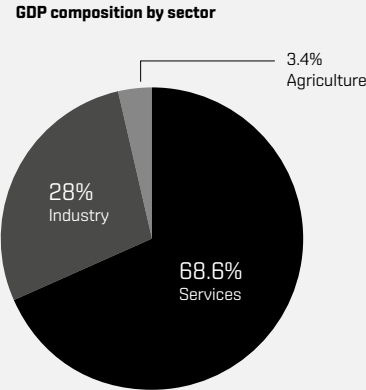
CTPark Üllő and CTPark Tatabánya
CTP concludes the purchase of a portfolio of industrial assets in Hungary, the 34,300 m² logistics warehouse in Budapest at the M0 ring road, now rebranded CTPark Üllő, and the 6,200 m² warehouse and production facility in Tatabánya, 60 km to the west of Budapest on the M1 motorway, now rebranded CTPark Tatabánya.

Parks	6
FMV (In EUR thousand)	14,000

FACTS



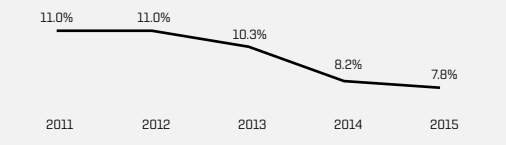
Country overview	
Total area	93,028 m²
Capital	Budapest
Total population	9.9 million
Labour force	4.4 million
Adult literacy	99%
Country economic statistics	
GDP Growth	2.9% [2015]
GDP per capita	US\$ 14,000 [2014]
Gross domestic expenditure on R&D	1.4% [2014]



GDP Growth 2015

2.9%

Unemployment rate



Government bond ratings	
Standard & Poor's	BB
Moody's rating	Ba1
Moody's outlook	NEG


OVERVIEW

Hungary is an OECD high-income mixed economy with very high human development index and skilled labour force with the 16th lowest income inequality in the world, furthermore its the 15th most complex economy according to the Economic Complexity Index.

The Hungarian is the 57th-largest economy in the world (out of 188 countries measured by IMF), and ranks 49th in the world in terms of GDP per capita measured by purchasing power parity. Hungary is an export-oriented market economy with a heavy emphasis on foreign trade, thus the country is the 36th largest export economy in the world. The country exported more than \$100 billion export in 2015 with a high, \$9.003 billion trade surplus, of which 79% went to the EU and 21% was extra-EU trade.

Hungary continues to be one of the leading nations for attracting foreign direct investment in Central and Eastern Europe, the inward FDI in the country was \$119.8 billion in 2015, while Hungary invest more than \$50 billion abroad. As of 2015, the key trading partners of Hungary were Germany, Austria, Romania, Slovakia, France, Italy, Poland and Czech Republic. Hungary is the largest electronics producer in Central and Eastern Europe.

The Gross Domestic Product (GDP) in Hungary expanded 0.90 percent in the first quarter of 2016 over the same quarter of the previous year. GDP Annual Growth Rate in Hungary averaged 2.20 percent from 1996 until 2016, reaching an all time high of 5.60 percent in the first quarter of 2000 and a record low of -7.80 percent in the second quarter of 2009.



Arno van Hummel
Financial Manager



PORTFOLIO REPORT

CTP's portfolio of A-Class properties grew by approximately 40% year-on-year, from 2.3 million m² as of December 31st 2014, to 3.24 million m² by year-end 2015. This growth came primarily from acquisitions into new markets such as Romania, Hungary and Slovakia.

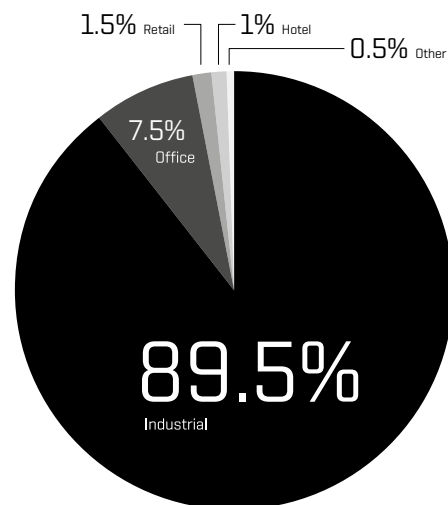
PORTFOLIO COMPOSITION

The CTP portfolio consists of both buildings and land.

Our 200-plus buildings are primarily industrial properties. Of those properties, the majority are manufacturing and warehouse-related properties, and the remainder logistics properties. During 2015 we diversified our portfolio into a new asset class, hospitality, acquiring two Marriott hotels in Plzeň and Prague, but this and our office, retail and other assets remain a minor portion of the overall portfolio.

CTP strategically elects to purchase land in regions where we anticipate future growth, based on our understanding of market and client dynamics. CTP holds land primarily in the Czech Republic, but in 2015, CTP invested into other countries, growing our land holdings in Romania, Slovakia, but also smaller hectareage in strategic locations in Slovenia and Ukraine.

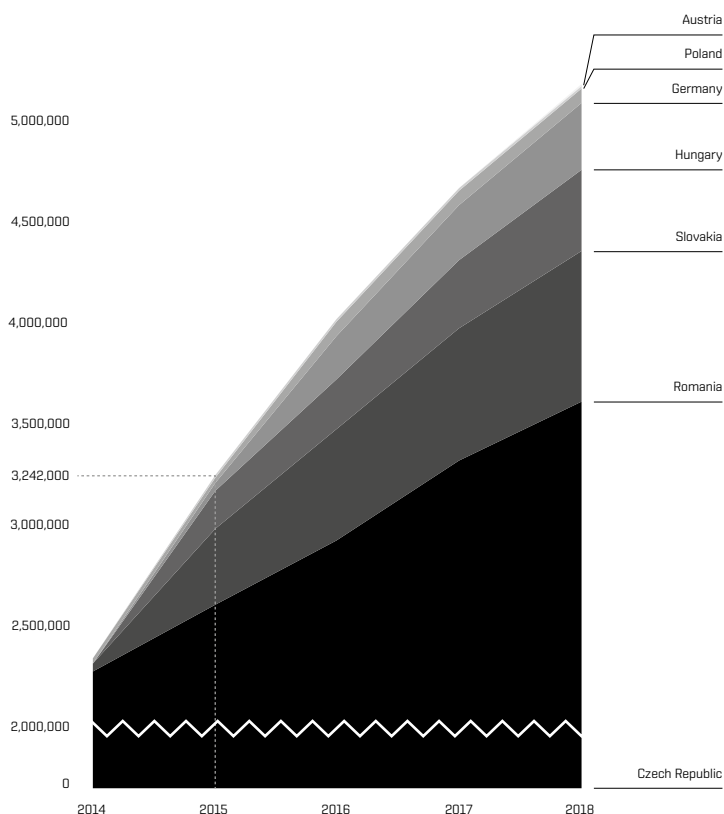
Portfolio Accommodation
[% Total Lettable Area]



GEOGRAPHIC BREAKDOWN OF PORTFOLIO

The Czech Republic remains our core market in terms of portfolio size, with approximately 80% of the total portfolio. Our secondary market, Romania, comprises approximately 13%. During 2015, Romania registered the highest volume of growth, nearly 380,000 m². Our Czech portfolio grew by approximately 310,000 m². In Slovakia, Poland, and Hungary, the portfolio grew by 240,000 m². CTP also holds some smaller assets in Germany and Austria, though these are non-core to the portfolio.

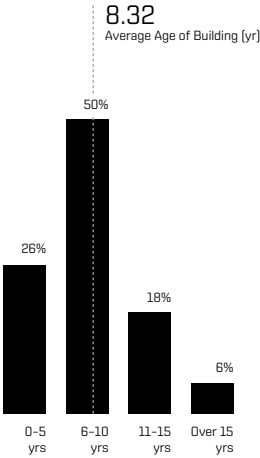
Geographical Breakdown of Portfolio Growth [m²]



BREEAM Certified Buildings

Building Name	Location	Rating	Date Issued	Scheme
Tower 1	Spielberk	Outstanding	May 2013	BRE 2009
IQ Ostrava	Ostrava	Excellent	Feb 2014	BRE 2009
A4.1 A	CTPark Brno	Excellent	Jul 2014	BRE 2009
A4.1 C	CTPark Brno	Excellent	Sep 2015	BRE 2014
D2.1	CTPark Brno	Very Good	Nov 2015	BRE 2009
A3.2 (Original building)	CTPark Brno	Very Good	Feb 2015	BRE 2013
A3.2 D (Extension)	CTPark Brno	Excellent	Feb 2015	BRE 2013
Office A1	Ponávka	Excellent	Jun 2014	BRE 2009

Buildings per Age Category



Strategically, CTP has chosen to develop in regions ripe for growth. Our portfolio comprises mostly self-built buildings, the overwhelming majority of which are under 10 years old, and therefore, have many years of use ahead. As a long-term developer, and investor, we continue to upgrade our older facilities to meet improved standards. The age differences of the properties in the new markets is a result of acquisitions of older buildings, and CTP plans to invest to bring them up to our standards.

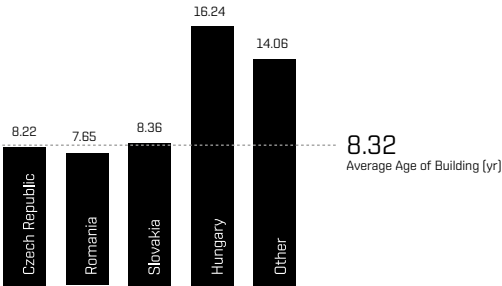
AGE OF BUILDINGS

Our buildings are relatively young, with an average age of 8.32 years. As we grow into new markets and acquire properties which are older, CTP will invest in refurbishments, upgrading these older properties to our higher standards.

BREEAM STANDARDS

Beginning in 2014, CTP committed to build all new buildings to BREEAM standards, and undergoing the process of achieving BREEAM certifications on key new projects. To date, CTP has achieved BREEAM Outstanding certification for Tower I at Spielberk and BREEAM Excellent with our office developments IQ Ostrava and the offices at Ponávka. Significantly, in our industrial parks, we received BREEAM Excellent for both the Honeywell Campus and ABB facilities in CTPark Brno.

Average Age of Buildings by Country



ENERGY CLASSIFICATION

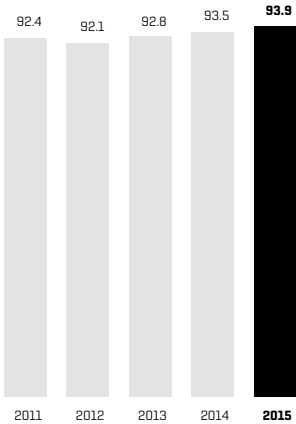
In line with industry standards, CTP works to disclose the energy rating labels of all of our properties. The majority of CTP industrial properties in the Czech Republic are Energy Rating (EPC) C and above. In 2015, CTP began the process of refurbishing and upgrading key properties to improve the EPC score. A pilot project was completed in 2015 on the 10-year old CTPark Divišov which, thanks to new energy-efficient technologies and materials, improved the EPC rating from C to B (see p. 70).

TENANT PROFILE

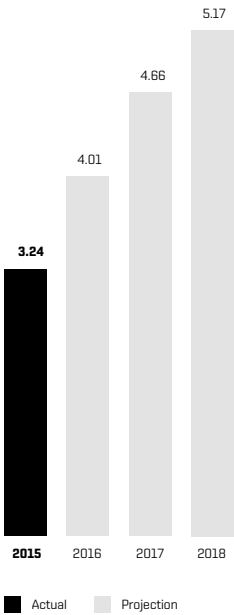
Clients engaged in services related to industrial goods and services account for 46% of our tenant profile. Only 17% of clients within our portfolio undertake activities directly related to the automotive industry, despite the industry’s growing importance to the region. Almost 16% our portfolio is occupied by clients engaged in R&D, advanced manufacturing and other value add services. The long-term nature of these operations provides overall stability to occupancy, and therefore projected rental income. Our top 20 clients are mainly large-scale international companies, and represent a diverse array of sectors, which is a positive indicator of the flexibility of the property solutions that CTP offers.

Occupancy of Core Portfolio Assets

Despite acquisitions with low occupancy rates, CTP moved swiftly to fill vacant space in the new markets, and achieved a modest uptick in overall occupancy, to 93.9% in line with market trends.



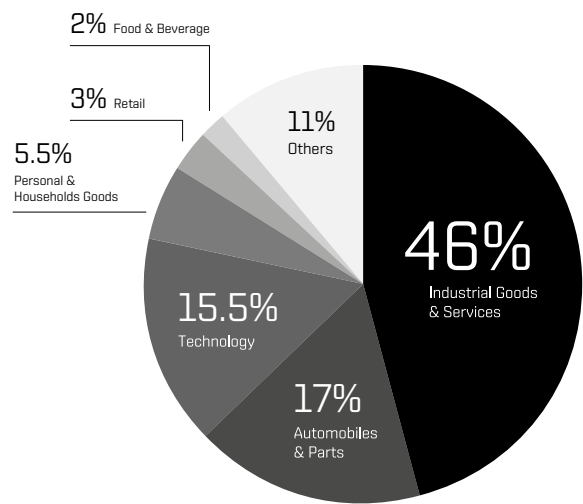
Lettable Area Development (In million m²)



Top 20 clients

ABB
ADC
AVG
Brembo
Bridgestone
DHL Automotive
DHL Supply Chain
Faurecia
FEI
GLOBAL LOGISTICS SOLUTIONS
Honeywell
ITT
Kompan
LOXXESS
ModusLink
Sumisho Global Logistics
Tech Data
Tieto
Wistron
XPO Supply Chain

Revenue by Sector



PORTFOLIO PERFORMANCE

Portfolio occupancy slightly increased in 2015 from approximately 93.5% at year-end 2014 to 93.9% year-end 2015. This is a positive indicator given the volume of acquisitions that were completed during the year. We expect to fill the remaining space within the next two years, though occupancy remains on par with industry standards in the region.

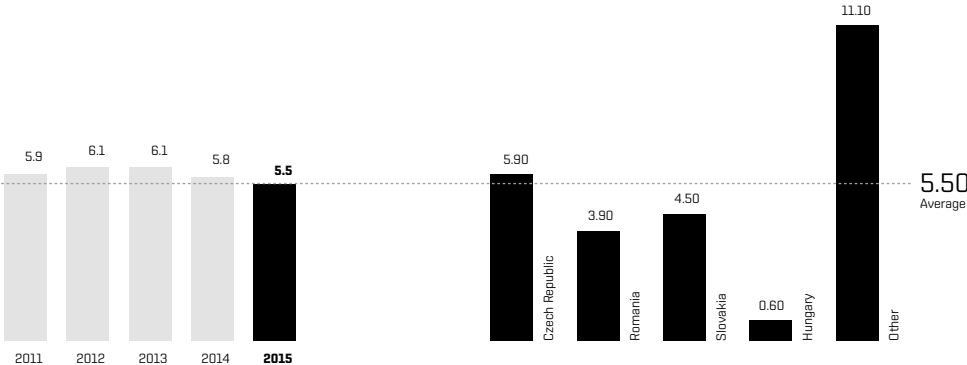
WAULT is relatively flat at 5.5 years. Despite a significantly larger portfolio in 2015, we managed to maintain a stable WAULT rate, which demonstrates a balanced lease profile of long-term leases and short-term expiries.

WAULT (Weighted Average Unexpired Lease Term)

The overall WAULT of the portfolio remained relatively stable at the end of the year. For newly acquired assets, CTP renegotiated contracts with existing tenants, as well as worked swiftly to fill the existing vacancy with new tenants.

WAULT (Market Breakdown)

In the markets where we expanded through acquisition, CTP plans to both renegotiate lease terms with sitting tenants, as well as bring new tenants either to upgraded facilities or newly constructed ones, thereby aligning the client profile more closely with that of the rest of our portfolio.



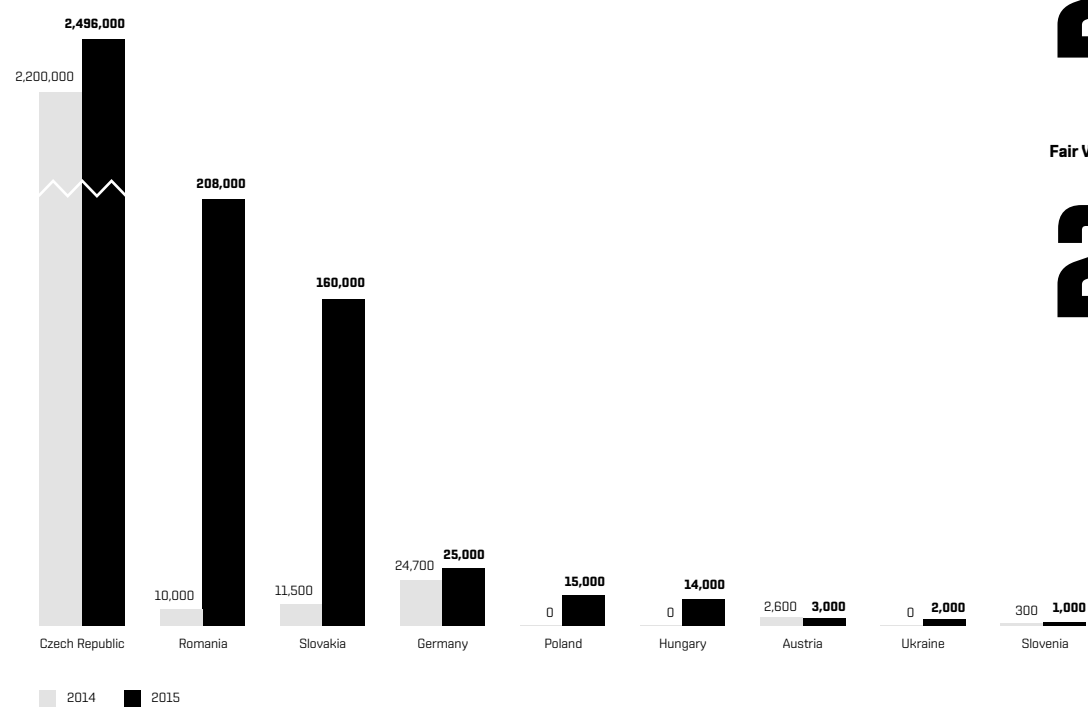
PORTFOLIO VALUE

Portfolio value is primarily derived from our industrial properties, which comprise 82% of the Fair Market Value (FMV)* of the entire portfolio. Office comprises 15%, and the retail and other properties comprise the rest.

Changes in the property portfolio due to investments and acquisitions, as well as a confirmation of better yields as driven by market circumstances, were instrumental in increasing the FMV of the portfolio.

The CTP portfolio was independently surveyed by Jones Lang LaSalle, Cushman & Wakefield and CBRE, who have estimated that the fair value of the portfolio at EUR 2,924 million at 31 December 2015. The comparable value at year-end 2014 was EUR 2,240 million, a 31% increase year-on-year.

Geographical Breakdown of the Fair Value of the Portfolio 2015 vs 2014 (In EUR thousand)



* For the above, Fair Market Value definition under RICS meets the Fair Value measurement requirement under IFRS 13.

Fair Value of the Portfolio 2014 (In EUR million)

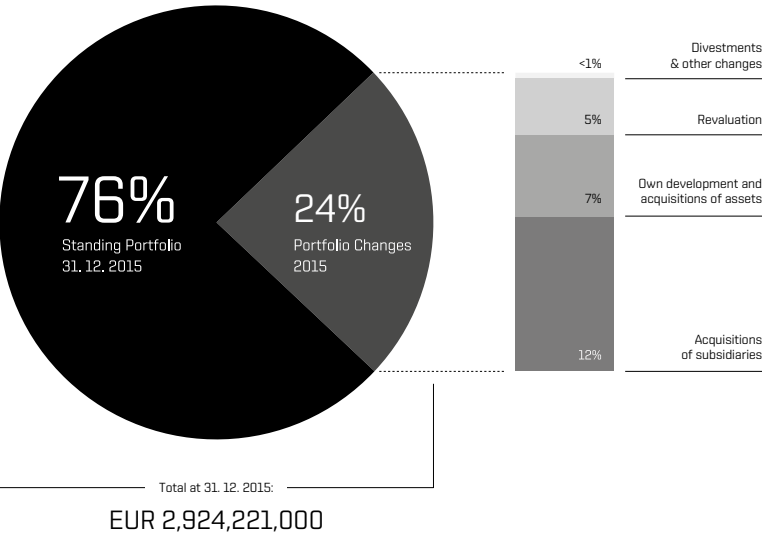
2,240

Fair Value of the Portfolio 2015 (In EUR million)

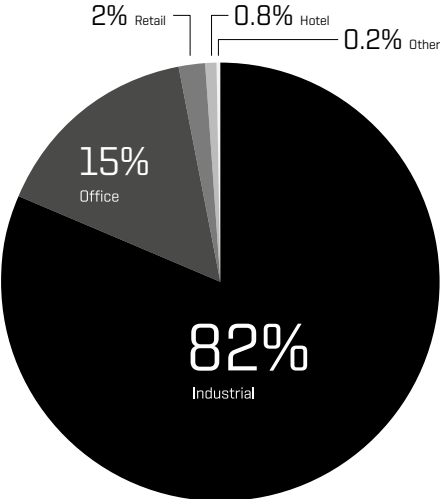
2,924

Changes to portfolio FMV, 2015

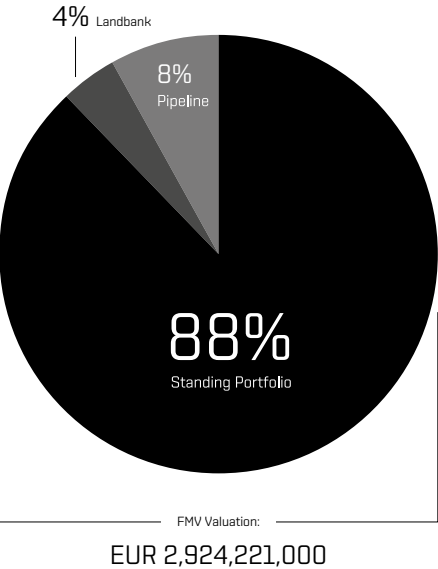
The overall value of the portfolio grew by approximately 24% during 2015, primarily driven by acquisitions of subsidiaries, asstes as well as own development projects. By year end 2015, over 88% of the value of the portfolio was derived from rent-earning assets, while the remain- ing 12% comprised of projects under development and landbank.



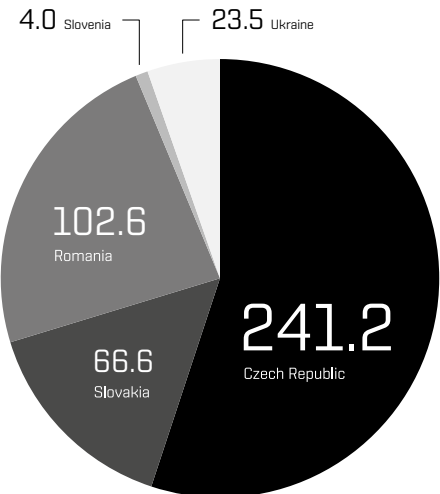
Portfolio Diversification According to Market Value



Portfolio FMV by Asset Type



Landbank (In ha)
Comprising 4% of portfolio FMV, CTP maintains an adequate landbank to ensure future growth. CTP strategically elects to purchase land in regions where we anticipate future growth, based on our understanding of market and client dynamics.







FIVE BUILDING TYPES

CTP’s industrial portfolio is centered on our core business—The CTPark Network—the largest integrated network of premium business parks in Central Europe. With over 60 locations and sufficient land bank available, the CTPark Network enables our clients to cover the whole region. To meet the requirements of major industries, CTP has developed five, bespoke building types ranging in size and functionality to support a wide range of business activities, including high-tech manufacturing, supply-chain and distribution centres, advanced R&D and backoffice operations. The in-house CTP Platform provides for the financing, design and construction of custom-built industrial properties and interior fit-outs, including sophisticated production lines, clean rooms and laboratories, and complex building management systems.



CTBox

450–800 m²

CTBox facilities are specifically designed to support smaller-scale and location-specific operations and feature the three-in-one functionality of retail, warehousing or light manufacturing, and office facilities under one roof. This flexibility supports a range of activities, including light manufacturing, wholesale and retail operations, service and customer support centres, and local and last-mile e-commerce warehousing and distribution centres. CTBox units are available at select CTPark locations, particularly at locations near city centres. Additionally, CTBox units are available as part of the unique office and mixed-used development at Ponávka.



CTFlex

1,150–3,000 m²

CTFlex buildings are medium-scale, multi-purpose facilities pre-built throughout CEE to support diverse business activities, including high-tech manufacturing, logistics and R&D. Flexible building design and partition walls enable tenants to locate multiple operations, including manufacturing, storage, lab and office functions in one efficient unit. CTP maintains an appropriate level of available stock in strategic locations to meet the needs of clients seeking rapid expansion. We routinely custom-fit and improve CTFlex facilities for new tenants, thus maximising asset value. CTFlex buildings are often used by clients as a first-step solution while a custom-built property is being developed. CTFlex buildings can also be adapted to meet the changing business requirements of clients.



CTSpace

3,000–20,000 m²

CTP builds and maintains high-quality, modern warehouses to accommodate the storage, distribution and supply-chain needs of global business. We ensure that an appropriate level of pre-built CTSpace stock is available in strategic locations to accommodate clients that require immediate market entry. We often deliver purpose-designed and purpose-built automated warehousing systems as part of CTSpace facilities to support our clients’ increasingly sophisticated supply-chain, logistics and delivery operations. CTSpace facilities are available throughout the CTPark Network and are concentrated in geographic areas that best support cross-border business.



CTFit

From 5,000 m²

CTP specialises in custom-built properties and fit-outs to meet the most demanding, industry-specific requirements. CTFit properties are typically high-tech manufacturing centres, state-of-the-art R&D laboratories, sophisticated distribution hubs, and premium office properties for companies moving operations to the Czech Republic— both first-time investors and existing CTP clients who are consolidating or expanding operations to new, purpose-built facilities.



CTOffice

From 195 m²

CTOffice buildings are modern, A-class and cost-effective offices designed to support a range of activities. While typically located as part of a larger CTPark location, CTOffices are built to the same standards as CTP’s standalone office park developments and include on-site amenities and landscaped gardens, which create a focal point for the CTPark development. CTOffices are available at select locations within the CTPark Network, and all are connected by on-site public transportation to nearby city centres. Activities carried out at CTOffice facilities range from call centres and customer support and billing to R&D labs and regional headquarters for industrial operations. CTOffice buildings can be custom-built to meet specific client requirements.





FOCUS: PLATFORM

CTP derives a competitive edge thanks to its vertically integrated business model and dedicated team of professionals, which brings extensive, hands-on experience to each project. The CTP Platform provides seamless, full-service coverage at all stages of property development, together with comprehensive property management services.

The efficiencies and synergies of our business model create savings in both time and direct costs for our clients. Beyond the bottom line, our in-house services mean we have greater control of project quality during the entire development cycle. By in-sourcing, we increase value and ensure that knowledge is retained in the company and is available for continual improvement and innovation, which allows us to provide better and faster services to our clients, increasing our overall value proposition.

GROWING THE PLATFORM TO MEET DEMAND

Performance in the regional real estate markets enjoyed an upward trend in 2015, where industrial development played a key role.

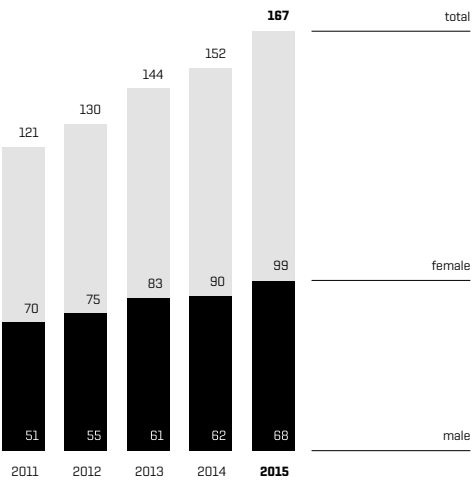
Our relationships with our current clients is a key to our success, and as our operations have expanded in 2015, CTP remained committed to ensure continual and smooth operations. In 2015, we have appropriately scaled our platform across the entire company particularly in key areas of client service, business development, legal, accounting and our property management teams, growing 10% overall. In 2015 we brought in strong talent and highly skilled professionals at both top management and operational roles, not only in regions where we have expanded, but also in our core market in the Czech Republic, deepening our on-the-ground knowledge, allowing us to better serve our clients.

BUSINESS DEVELOPMENT

CTP’s business development team is responsible for acquiring new customers and reducing vacancy across the CTP portfolio. Our team of professionals is on the ground in the locations where our customers want to be.

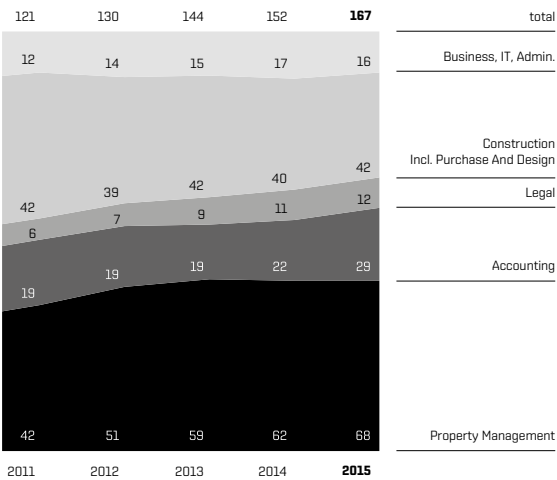
CTP increased occupancy during the year to 93.9%, despite the acquisition of a number of new properties. CTP was able to achieve this by actively engaging with our current clients, who were looking to expand in the improved economic environment. Similar to market trends, 60% of our leasing activity was the result of either current client expansions or prolongations, again demonstrating the attractiveness of the region to clients who are already present, but also their satisfaction with CTP premises and our services.

Employee Headcount Growth



Employees by Departments

CTP employee headcount grew 10% during 2015. Throughout the year, recruitment targeted finance, property management, M&A and other key functions in the company, with many joining the company in Q1 2016.



LEGAL

A key element to the CTP Platform is our in-house legal team, which consists of experienced local experts who understand how to communicate and work with both local administrative authorities and our international clients. We specialise in lease agreements which ensures the professional and efficient conclusion of client requests, modifications and special requirements, reducing negotiation times as well as legal costs for all parties.

During 2015, we strengthened our legal team, in particular to help with growth in new markets and managing the permitting process and procedures with the local building authorities.

The legal department in cooperation with the business development team, successfully signed 450 contracts last year, a year-on-year growth of 30%, in line with the growth of the business at large. The legal team also assisted with the key acquisitions which were completed through 2015, in existing markets of the Czech Republic, Slovakia and Romania, as well as in the new markets of Hungary, Ukraine and Slovenia.

DESIGN & CONSTRUCTION

In order to streamline costs and ensure rapid response times, CTP maintains an in-house design, engineering and construction team which allows us to operate as general contractor for all new-build projects. Close cooperation between clients, project managers, property management and the finance teams enables our in-house design team to develop tailored solutions while incorporating best-practices at all stages of the development process. Our centralised sourcing, tendering and purchasing for multiple projects enables us to reduce costs while integrating the latest technologies into our standards.

FINANCE

CTP's in-house finance team is responsible for managing all aspects of company financing, including development projects and acquisitions as well as cash flow and day-to-day operations. Finance follows the IFRS rulebook to ensure transparency of income and expenditures at all levels.

The restructuring of the company that was completed in 2014 provided a springboard to move into 2015, and the company was able to leverage further equity for future acquisitions.

With every acquisition, we were obliged to grow local accounting and finance teams to manage newly acquired assets. During 2015, we built our financing and accounting team in Prague, and created a specific department focusing on mergers & acquisitions, responsible for identifying, managing, and performing due diligence on new acquisition targets.

PROPERTY MANAGEMENT

Property management at CTP is responsible for our parks, buildings, sustainability and client after-care. CTP's property management team is responsible for oversight of capital expenditure on asset improvements throughout the portfolio. This involves not just repairs and on-going maintenance, but also investments into our business and office park environments, including landscaping, infrastructure, and building management systems, ensuring long-term performance and return on the company's investment.

Property management at CTP is underlined by the belief that our most important assets are the more than 400 clients who work in our business parks. The property management team is responsible for making sure that our clients and their employees are satisfied and comfortable in our properties, allowing them to focus on their core business.

In 2015, the property management team was bolstered by a number of strategic hires in Romania, Slovakia, and Hungary to look after our growing portfolios there.

LOOKING FORWARD

Moving into 2016, we will continue to invest into our Platform as a strategic priority. We will grow the team in areas which need it, and plan a consolidation of financial and administrative personnel in a new regional HQ in Prague, Czech Republic. As we continue to grow in the regions, we will develop the in-house team we need to manage and facilitate that growth.

37.25

**Average Age of CTP
employees**





Stefan de Goeij
Head of Property Management Department

FOCUS: FINANCE

A strong financial base underpins the CTP business model. A key focus of the finance team is to pursue our long-term goals and maintain the sustainable growth of CTP in the region. We engage policies designed to ensure adequate funding for current development projects, and ensure the smooth operation of day-to-day activities.

International Diversification of Financing
(In EUR million)

CTP secures financing for individual projects in the countries where they are located. Thus, we have agreed the financing with local banks in the new markets, most of which are subsidiaries of financial groups with whom we have worked in the past in the Czech Republic.



DEBT

The goal of the CTP Group's financing policy is to maintain a balanced ratio of external debt and shareholder equity. Debt is used to maximize shareholder returns, and its efficient use is monitored continuously. All debt-structuring strategies are consulted transparently with financing banks.

BANKS

Bank financing is transacted with pan-European banking partners. Financing policy aims to keep a diversified portfolio of debt financing in each banking group within the region. At 31 December 2015 the total consolidated bank debt was EUR 1,559 million. Financing is provided mainly by regional subsidiaries of international banks operating in the CEE region including Erste Bank Group, Raiffeisenbank Group, Unicredit Group, Société Generale Group and KBC Group. In addition to these, CTP maintains direct relationships with several other European banks, such as Landesbank Hessen – Thüringen Girozentrale, ING Bank N.V., Deutsche Pfandbriefbank AG and others.

BANK FINANCING

Financing transactions are transacted in a bilateral relationship with each bank, to ensure a clear structure of the asset portfolio and collateral policy. In co-operation with bankers with a strong knowledge of the local real estate markets, we prioritise the maintenance of a balanced- and cross-collateralized portfolio of assets to avoid risk concentration. CTP Group's bank borrowings integrate loan-to-value covenants which are surveyed both by CTP and its financial partners on a regular basis. Each sub-portfolio of assets is, for financing purposes, organised through the creation of independent SPV's. Shares of these SPVs are pledged in favor of the providers of the loans.

RISK MANAGEMENT

The efficiency of CTP's risk management policies and strategies are evaluated continuously and in consultation with bank representatives, board members, and shareholders regularly. Key priorities of risk management are interest- and foreign currency risk. These are monitored in an on ongoing basis.

FOREIGN CURRENCY RISK

CTP Group leases property to its tenants under operating leases. The foreign-currency risk exposure arising during the loan repayment period is offset by revenues denominated in the same underlying currency. Denominating rental income and financing in EURO provides a natural hedge against foreign currency risk.

CTP Group pays construction vendors mostly in local currencies. Foreign currency risk arising from planned construction cash flows are covered by currency-based derivative financial instruments, such as swaps and options.

INTEREST RATE RISK

Bank loans are contracted mainly on floating EURIBOR rates, with reference periods between one to six months, increased by a fixed margin. CTP Group mitigates interest rate risk by holding derivative financial instruments – mostly interest rate swaps – in combination with barrier options (caps). Open-interest risk is hedged on the market with the financing bank. The hedging ratio varies between 60% and 100% of the financing volume, depending on the risk profile, and in agreement with participating banks.

LIQUIDITY RISK

CTP Group's focus is to ensure a stable liquidity position. This is monitored both in terms of construction financing as well as overall portfolio yield. Construction financing reflects progress of construction work performed on each project site individually. Financing is diversified geographically and discussed continuously with financing banks.

Overall portfolio financing, as well as acquisition financing, is provided by local banks. The Group's liquidity position is planned, monitored, and updated regularly. Progress reports on liquidity and cash flow management is reported to banks on a quarterly basis.

BANKING RELATIONSHIPS

In 2015, we strengthened our relationships with long-term financing banks, by both seeking financing for new projects as well as refinancing existing loans. Because we actively expanded into the Romanian, Slovak, Hungarian and other CEE markets, we agreed financing with local branches of our current long-term partners.

Refinancing of existing loans allowed CTP to improve the residual maturity of its liabilities, stabilize long-term cash outflow predictions and better diversify loan obligations. This diversification decreases potential risk for both CTP and banks.



Julius Aleva
Deputy CFO

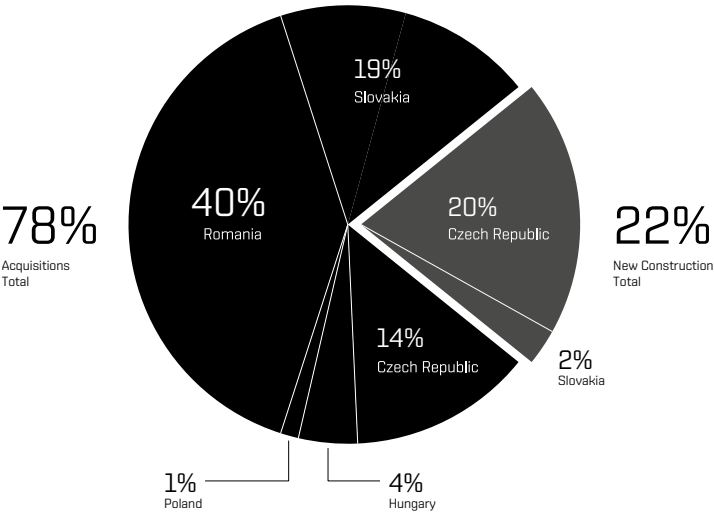


FOCUS: GROWTH

The CTP portfolio grew by approximately 40% year-on-year, primarily through acquisitions, which were made possible partly thanks to the emergence of a favourable investment environment. Growth was driven by three key factors: a low interest rate, an increase in demand for A-Class properties, and market movements.

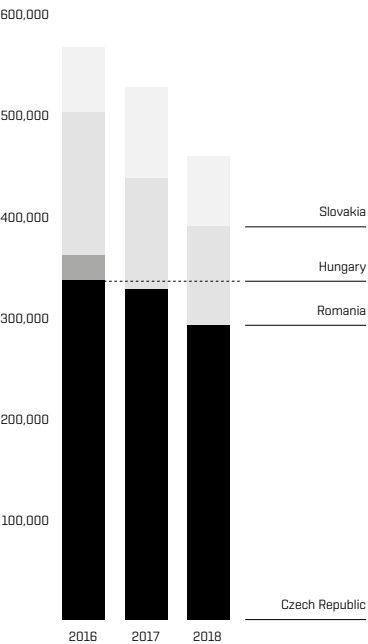
Portfolio Expansion 2015

CTP's portfolio growth was achieved primarily through acquisitions, which comprised 78% of portfolio growth. Most acquisition activity took place in Romania, which comprised 40% of overall growth; and at the same time, making CTP market leader in industrial real estate also in that market. New construction was completed mainly in the Czech Republic and Slovakia. In 2015, although CTP began new construction projects for clients in both Romania and Slovakia, these will be completed as early as Q1 2016.



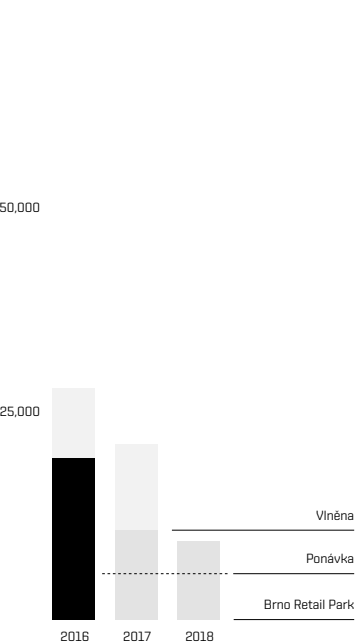
Industrial Pipeline (In m²)

CTP's plan is to achieve a portfolio of 5 million m² by 2018. This plan is buttressed by the region's underlying strength to draw investors, which is visible in our pipeline. The current CTP pipeline—arising from committed expansion of our clients' operations—demonstrates that our plan is achievable. Our projections assume a nominal multiple to achieve our 2018 goals.



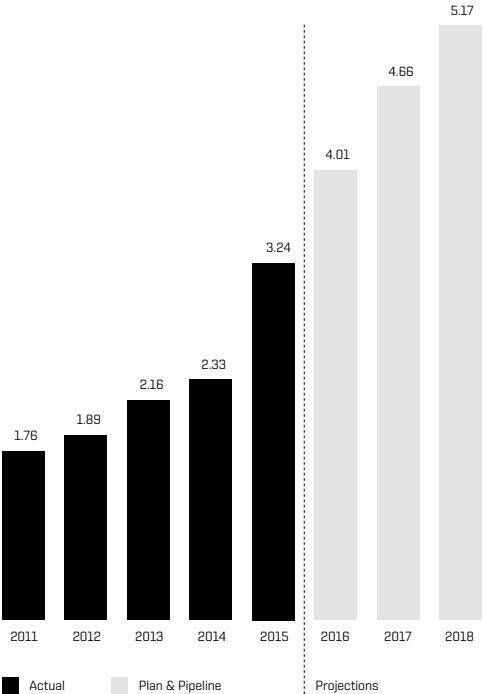
Non-Industrial Pipeline (In m²)

While our industrial developments remain our core business, in markets where we have unique knowledge, CTP seeks opportunities for premium office development schemes which we believe have a low risk profile and which balances our overall portfolio. Our office pipeline continues to grow as a percentage of our portfolio and value, and contributes to our overall goal of 5 million by 2018.



Lettable area development

(In million m²)



THE RIGHT CONDITIONS

In Romania, all three factors, as well as the fractured nature of the local market, created an ideal environment for CTP to identify and close several large acquisitions. In Slovakia, the acquisitions were made possible upon the exit of a major competitor in the market. In Hungary, CTP identified and acquired assets held by one of our financial partners active in the country. Organic growth also played a role, with clients such as Faurecia, Fränkische and Lear expanding their operations at new locations in Romania and Slovakia.

THE ROLE OF THE PLATFORM

The CTP Platform played a key role in realising the growth. CTP's business development team was active both acquiring new clients and accommodating current clients, signing 12% more agreements compared to the previous year. The construction team, responsible for approximately 170,000 m² of new facilities in 2015, focused primarily in the core market of the Czech Republic. The construction pipeline projections 2016–2018 amount to 1.5 million m² of new space.

GROUNDWORK COMPLETED

This growth was enabled thanks to the groundwork realised during 2014 and into 2015, including the refinancing of 80% of the portfolio. As CTP moved into new markets, relationships were sought and established with new financing partners, many of whom are local entities of our existing partner banks in the Czech Republic and abroad.

IDENTIFYING THE RIGHT OPPORTUNITIES

CTP exercised care and attention to ensure that the opportunities identified were the correct ones for the business at that time. Location strategy plays an important part in this. CTP will always look for land and acquisition targets in locations which serve strategic value, namely, those well served by key international transport routes or hubs, and sitting near a skilled and available workforce. In many cases, such as with the 55,000 m² facility we constructed for Primark in CTPark Bor, the facility's proximity to the end customer in Germany was the most important. In Slovakia, CTP identified and acquired a target portfolio consisting two industrial properties near Nitra, and an office development in Bratislava, from a competitor exiting the market. Within two months, Jaguar-Land Rover announced that they would construct at EUR 1.5 billion facility in Nitra, within 20 km of three CTParks.

SPEED-TO-MARKET

CTP's in-house legal team constantly acquires and pre-zones land in order to quickly accommodate client expansion requirements. In the case that a client chooses a different location, CTP has the team and experience working with local land owners and authorities to purchase and zone the land and acquire all the permits in order to enable construction. CTP's in-house construction team has delivered over 200 buildings, and can typically deliver a new facility within nine months. CTP's in-house design and technology team is able to work with clients

to facilitate their space and machine requirements, further speeding up the process. This speed-to-market is a unique selling point of the CTPark Network and Platform, enabling CTP to develop quickly together with clients.

DIVERSE CLIENT BASE

The majority of CTP's clients are engaged in industrial activities, production and advanced manufacturing. Clients engaged in the automotive and parts industry consist approximately 17% of the portfolio and clients in the technology sector comprise 15.5% of the portfolio. This diverse spread of client activity, fuelled by CTP's flexible space solutions (CTSpace, CTFlex, CTFit, CTBox, CTOffice), allow CTP to grow quickly into new industry verticals and mitigates the risk of negative industry-specific events.

LOOKING FORWARD

Through 2016 – 2018, CTP will look to grow primarily through organic means, following a consolidation of our position in the region. The CTP Platform will continue to play a key role in the future of the company, and growth will be driven by the teams in new markets, in line with our core team in the Czech Republic. We will continue to remain agile in spotting and identifying opportunities, and will seize those that bring added-value to the portfolio.

Key Acquisitions		
Park	Total Park Size	Potential Development
CTPark Bucharest	52.3 ha	90,000 m ²
CTPark Bucharest West	78.2 ha	233,000 m ²
CTPark Arad	8.8 ha	--
CTPark Deva	4.3 ha	--
CTPark Bratislava	26.3 ha	34,000 m ²
CTPark Trnava	16.7 ha	110,000 m ²
CTPark Nitra	9.4 ha	14,800 m ²
CTPark Tatabanya	11.7 ha	20,500 m ²
CTPark Üllő	19.3 ha	--
CTPark Mór	3.5 ha	--
CTPark Kadaň	11.4 ha	24,000 m ²
CTPark Hlubočky	7.2 ha	--

Key Client Expansions 2015			
Client	Expansion	Park	Total Space
Faurecia	17,000 m ²	CTPark Pitești CTPark Voderady	52,000 m ²
Fränkische	4,000 m ²	CTPark Turda	23,000 m ²
Henniges	6,000 m ²	CTPark Hranice	24,000 m ²
Kompan	6,200 m ²	CTPark Brno	30,200 m ²
Schenker	2,400 m ²	CTPark Nový Jičín	37,400 m ²
DAS	8,400 m ²	CTPark Hranice	14,500 m ²
Grupo Antolin	3,000 m ²	CTPark Ostrava	34,000 m ²
Lear	10,000 m ²	CTPark Voderady	14,700 m ²
Profi	23,000 m ²	CTPark Cluj	28,000 m ²
Tibbett Logistics	10,000 m ²	CTPark Deva	20,000 m ²
Quehenberger	20,000 m ²	CTPark Bucharest West	23,500 m ²
Gefco	5,300 m ²	CTPark Bucharest West CTPark Divišov	25,800 m ²



Jaroslav Kaizr
Business Director



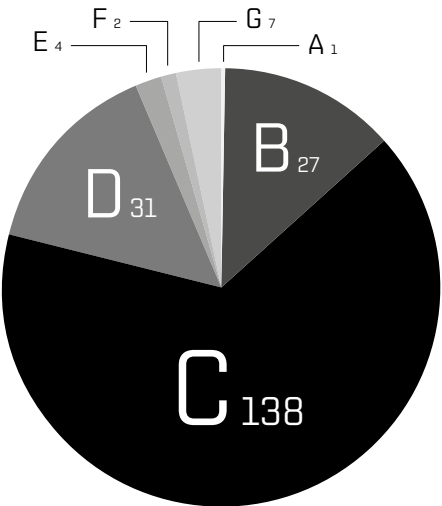
FOCUS: OPERATIONS

As a premium developer, the drive for operational excellence cuts through our entire organisation, with a goal to achieve the highest possible value of our properties.

CTP’s management structure and entrepreneurial culture enable continual operational improvement. Many steps were taken during the year to address key company challenges and improve upon our performance.

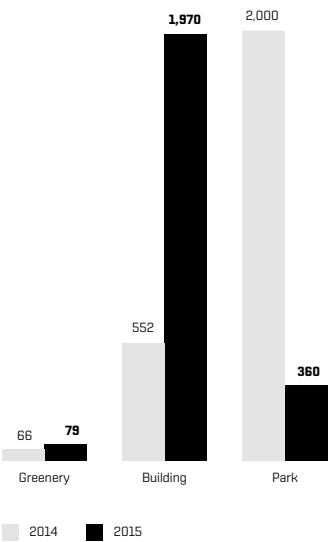
Buildings According to Energy Classification

[Czech Republic Sample]
Starting in the Czech Republic, CTP has published the energy rating of all its buildings. The vast majority scored an energy rating C and above. CTP plans to classify—and improve where possible—its buildings according to local market standards in coming years.



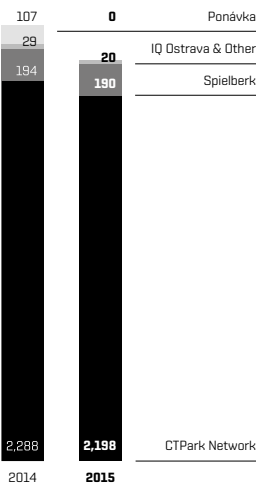
Capital Expenditures by Type
[In EUR thousand]

We invested over EUR 2.6 million into the maintenance and upkeep of our current portfolio, while continuing on-going improvements to the surrounding parks. In 2015, we prioritised improvements to our buildings, upgrading many for higher energy efficiency, improving building lifespan, and therefore, long-term value.



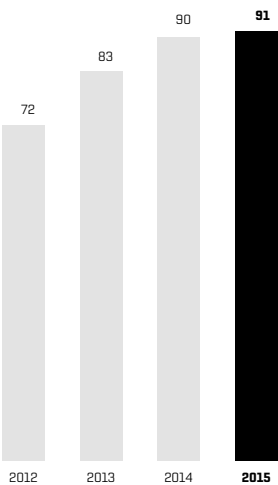
CAPEX Budgets
[In EUR thousand]

Capital improvements are heavily geared toward our industrial parks, with 55% of investment going toward improving roofing, electric installations and lighting. Capital expenditure remained similar to 2014 primarily due to acquisitions and the necessary improvements of new property in the portfolio.



ServiceDesk Requests Resolved within One Week

[In %]
Beating our goal of 90%, we are pleased with the continual improvements on issue resolution as well as response times by our service team. Incidents included a range of issues from leaky faucets to damage caused by inclement weather conditions.



80%

Clients “More Than Satisfied”

INTERNATIONAL CERTIFICATION

CTP continued to seek, and achieve, certifications from key industry bodies. CTP already holds the ISO 14001, an international standard that governs a company’s approach to sustainable management systems. As of December 31st, we were in the process of achieving ISO 50001, and we were committed to attaining relevant business certifications moving forward.

REPORTING

A key part of good management policy is reporting, and we made positive progress on that. In Q3, we brought the creation of our Quarterly Business Updates in-house, under the responsibility of our finance team. Concurrently, we continue to work with external auditors, who validate our processes and reporting procedures.

SERVICES

A crucial interface between CTP and our clients is the CTP Service Desk. During last year, we upgraded the tool to increase reliability and improve the overall client experience. We surpassed our goal of a 90% success rate, completing 91% service desk tickets within five working days.

In order to reduce overhead in dealing with multiple maintenance suppliers, as well as simplifying administration costs for clients, CTP launched a competitively-priced full service facility management package.

CUSTOMER SATISFACTION

The Quarterly Reports highlight the financial and operational health of the company, which serve as an indication of both company performance and client satisfaction. To address the latter, we launched our first pan-portfolio customer satisfaction survey, which sought to understand more clearly the needs of our clients. Following in-depth analysis of the results, CTP implemented action plans for meeting client needs and improving overall satisfaction scores. More than 80% of tenants responded “More Than Satisfied”.

A key indicator of company operational excellence is derived from our ability to design, build and handover a property within deadline and within budget. As a premium developer, CTP must continually invest into the improvement of its standing portfolio, both in terms of better technologies, materials and fitout.

BUILDING STANDARDS

According to our customer survey, 81% of clients believe it is important that the building meets modern standards. CTP has developed a set of building standards, which we call the “CTP White Book”, and during 2015 many standards were added or built-upon, including new façade specifications, LED lighting fixtures as standard, and under-floor heating systems.

INVESTING

As we remain owners of the buildings which we construct, it is in our interest to invest into our buildings as they age. CTP has commenced a strategic program to refurbish and upgrade older properties to bring them in line with modern technologies and standards. In H1 2015, CTP completed a refurbishment of the 20,000 m² CTPark Divišov, with new energy efficient technologies. Thanks to this, the 10-year old building moved from a C Energy classification to a B Energy classification, now competing with new buildings on the market.

Further, 67% consider a BREEAM or LEED certification to be important. Currently, CTP constructs all new-builds to BREEAM standards. We delivered five BREEAM-certified buildings throughout the network during 2015, including a BREEAM Very Good, for the FEI facility and a BREEAM Excellent for the Honeywell camps in CTPark Brno. In line with European best practices, CTP took the decision to publicly state the energy rating of our buildings on our website, CTPark.eu.

We additionally invest in and around the parks, planting trees and grasslands which enhance the 'liveability' of the workplaces. In 2015, we planted upward of 1,500 trees in our parks, especially those parks we acquired, to bring them up to our standards.



Karel Smejkal
Construction Director







CORPORATE SOCIAL RESPONSIBILITY

Development touches communities in many ways, and directly impacts the natural world. For CTP, it is of paramount importance to have a strong corporate social responsibility platform in place, and to act, where possible, as a leader in the implementation of sustainable business practices.

Environment

CTP recognises that development has a significant impact on the natural environment, both in terms of initial construction and the performance of industrial activity within the parks. For this reason, we take our commitment to limiting the impact of development activities on the environment very seriously. Our environmental activities are divided into three areas:

1. BUILDING STANDARDS

Since 2013, we have committed to building all new offices to BREEAM (Building Research Establishment Environmental Assessment Method) specifications, an international standard governing the energy efficiency and environmental impact of buildings. The building certification process evaluates land use, environmental aspects, the building process, water consumption, waste, contaminations, transport, equipment and materials, health and comfort, alongside energy consumption.

2. ENERGY EFFICIENCY & MANAGEMENT

CTP undertakes to minimise energy consumption within the properties making up our portfolio. During 2015 we implemented a 5% pledge to 'reduce energy consumption in our buildings by minimum 5% each year'. We will begin to see the results from that pledge during 2016.

We commenced a number of key upgrading projects during 2015 and successful examples include the implementation of new sustainable technologies in 10-year old CTPark Divišov, which resulted in the building moving from a C energy rating to a B energy rating, and competing with buildings many years its junior. To date, approximately 65% of the CTP portfolio achieved C and above energy rating, with a goal to increase that goal next year.

During 2015, CTP applied for ISO 14001 certification and received it in Q2 2016. The ISO 14001 Environment Management System (EMS) standard is an internationally recognised environmental management standard which was first published in 1996. It is a systematic framework to

manage the immediate and long term environmental impacts of an organisation's products, services and processes.

CTP continued with its LED lighting program. A number of key projects received an upgrade from legacy halogen lighting to LED throughout last year, notably at the DB Schenker facility in CTPark Bor.

3. GREENING OUR PARKS

Together with our long-term landscape architects, Lodewik Baljon, we continue to beautify our parks with trees, water features, relaxation zones and wildlife. To offset our carbon footprint, and improve the overall visual appearance of our parks, CTP has historically undertaken significant tree-planting programs across the network. From October to December last year, CTP planted more than 1,500 trees in parks across Czech Republic and Slovakia. To date, we have planted more than 20,000 trees in the CTPark Network.

Education

CTP recognises that it is in the interest of the development industry, as well as the general public, to consistently and proactively improve the level of education of those working in development. At the same time, improving the skills levels of those working within our parks, benefits the economy at large by increasing the skills-base of the country at-large. The following concrete activities were realised during 2015:

SUPPORT OF ENGINEERING TALENT

CTP was a main sponsor of the European BEST Engineering Competition (EBEC), an annual engineering competition organised by the Board of European Students of Technology (BEST). The regional finals took place in Brno, Czech Republic, in March, with more than 120 students participating. CTP's role in sponsoring this regional event is to showcase our support of the development of the engineering faculties across the region, from where our tenants find many up and coming new talents.

RICS: THE ROLE OF BUSINESS IN MASTERPLANNING

CTP continues to cooperate closely with the Royal Institute of Chartered Surveyors (RICS), whose goal, amongst other things, is to provide training and educational events for real estate professionals looking to improve their qualifications. CTP's Jaroslav Kaizr is a Board Member of RICS in Czech Republic, and he plays a pivotal role in driving the RICS/CTP agenda forward. In 2015, CTP cooperated closely with RICS on a number of key activities, including the supporting of educational events held at key universities. In the second half of the year, CTP supported an event entitled 'The Role of Business in Masterplanning', which took place in Prague's VŠE School of Economics.

BUILDING FOR THE FUTURE

In order to support our growing interest in the next generation of development and engineering professionals, CTP announced in 2015 that we would invest into the development of student housing accommodation centres in key parks across the network. The first such centre will be developed in the inner-city business park, Ponávka. Construction is expected to begin in H2 2016 with a view to offering beds for students commencing the school year in 2017.

MILESTONES & AWARDS

1998

Construction of CTP headquarters and the company’s first business park gets underway at CTPark Humpolec.

2003

CIJ AWARDS

- 1 Best Warehouse/Logistics Development:
CTPark Brno

AFI, MPD, CZECHTRADE

- 1 Industrial Zone with Greatest Economic Impact:
CTPark Modřice

2004

AFI, MPD, CZECHTRADE

- 1 Zone of the Year–Zone with Best Urban Solution:
CTPark Ostrava

2005

CTP launches construction of its flagship office park, Spielberk Office Centre in Brno.

CIJ AWARDS

- 1 Best Warehouse/Logistics Development:
CTPark Brno

2010

ATOZ

- 1 Best Logistics Park:
CTPark Bor

CIJ AWARDS

- 1 Best Overall Development:
AVG, IQ Buildings, Spielberk, Brno

2011

CTP’s annual income from rental activity exceeds EUR 100 million for the first time.

CIJ AWARDS

- 1 Best Warehouse/Logistics Development:
CTPark Brno II
- 1 Industry Leadership Award:
Remon L. Vos

2012

AFI, MPD, CZECHTRADE

- 1 Industrial Zone of the Year:
CTPark Mladá Boleslav

CZECH TOP100

- 3 Annual Report of the Year:
Overall, CTP Invest

2013

CTP enters Prague market.

CTP Portfolio reaches 2 million m².

CTP delivers the first BREEAM Outstanding office building outside the UK–Tower I at Spielberk Office Centre in Brno.

CIJ AWARDS

- 1 Industry Leadership Award:
Remon L. Vos

BEST OF REALTY

- 1 Industrial/Warehouse Park of the Year:
CTPark Mladá Boleslav
- 2 New Administrative Centres:
CTZone Brno

CZECH GREEN BUILDING COUNCIL

- 1 Certificate of Merit:
Tower I, Spielberk, Brno

2006

CIJ AWARDS

- 1 Developer of the Year:
CTP Invest
- 1 Best Warehouse/Logistics Development:
CTPark Plzeň

2007

AFI, MPO, CZECHTRADE

- 1 Industrial Park of the Year-Park with Greatest Economic Impact:
CTPark Ostrava
- 2 Brownfield of the Year:
CTZone Brno

2008

AFI, MPO, CZECHTRADE

- 2 Industrial Park of the Year-Park with Greatest Economic Impact:
CTPark Brno
- 3 Business Property with Greatest Contribution to Research and Innovations:
CTPark Brno

2009

CTP signs a EUR 100 million loan agreement with Erste Bank for new development projects.

AFI, MPO, CZECHTRADE

- 1 Business Property of the Year-Zone of the Year:
CTPark Ostrava

2014

CTP ranked as 4th largest industrial developer in Europe According to European development magazine PropertyEU.

Remon Vos recognised as RICS Fellow.

BEST OF REALTY AWARD

- 1 Industrial/Warehouse Park of the Year:
CTPark Brno, FEI Technology Centre

CIJ AWARDS

- 1 Best Industrial/Warehouse Development of the Year:
CTPark Brno, FEI Technology Centre
- 1 Lease of the Year:
CTPark Brno, FEI Technology Centre
- 1 Industrial Leadership Award:
Remon L. Vos

2015

CIJ AWARDS

- 1 Lease of the Year, Romania:
CTPark Bucharest West
- 1 Industrial Acquisition of the Year, Romania:
CTPark Bucharest West
- 1 Industrial Leadership Award:
Remon L. Vos

CZECH TOP 100

- 3 Annual Report of the Year:
Overall, CTP Invest



Luboš Zajíček
Head of Legal Department





FINANCIAL RESULTS 2015



FINANCIAL RESULTS 2015

Combined pro-forma financial information
for the year ended 31 December 2015

CTP Property N.V.

Luna ArenA, Herikerbergweg 238
1101 CM Amsterdam Zuidoost
The Netherlands

CTP Invest, spol. s r.o.

Central Trade Park D1 1571
Humpolec
Czech Republic

CTP GROUP

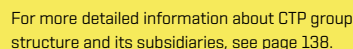
The CTP group provides full-service property development and asset management via two privately held business entities: CTP Invest, spol. s r.o. (Czech Republic) and CTP Property N.V. (Netherlands). This corporate structure provides a balance between operational risk and long-term financial stability.

CTP Invest

is a full-service property development company. Unique among its competitors in Central Europe, CTP is a vertically integrated business with dedicated in-house teams focused on core capabilities. These include all development and construction activities from concept to completion, in-house legal and permitting teams, full-service property management and client after-care. Upon project completion, the properties are transferred to the ownership of CTP Property as part of fund management. CTP Invest continues to provide full-service property and asset management, as well as tenant after-care services following transfer of ownership to CTP Property.

CTP Property

CTP Property is a property fund manager with a standing portfolio of over 200 properties financed by different banks. The principal activity of the company and its subsidiaries is the lease and management of investment property in the Czech Republic and elsewhere in Central Europe. CTP Property holds all operating lease agreements and receivables from leasing and asset management. Company subsidiaries each have a sub-portfolio of assets and financial partners.



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Independent auditors' report to the members of CTP Invest, spol. s r.o.

Management's Responsibility for the Combined Financial Statements

Auditors' Responsibility

Opinion

KPMG Coopers & Lybrand, a U.S. member of the KPMG network, is a significant member firm affiliate of the KPMG International Cooperative (“KPMG Interco”), a Swiss entity.

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Basis of preparation

Without modifying our opinion, we draw attention to Note 3 of the combined financial statements, which explains the basis of preparation, including the approach to and the purpose for preparing them. The combined financial statements were prepared for illustrative purposes only, to provide information about the combined operations of CTP Property N.V. and CTP Invest, spol. s r.o. as at and for the year ended 31 December 2015.

We have issued this report in accordance with your request and it is given for the purpose of complying with that requests and for no other purpose.

A handwritten signature in black ink, reading 'KPMG Česká republika Audit', written in a cursive style.

KPMG Česká republika Audit, s.r.o.
1 June 2016
Prague

COMBINED PRO-FORMA STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

In EUR thousand	Note	2015	2014
Revenues	7	165,282	133,698
Property operating expenses	8	-10,921	-8,975
Net rental and related income		154,361	124,723
Income from development activities	9	9,913	6,915
Expenses from development activities	9	-7,091	-6,128
Net income from development activities		2,822	787
Valuation gains on investment property	14,15,16	156,313	237,295
Valuation losses on investment property	14,15,16	-25,035	-24,724
Net valuation result on investment property		131,278	212,571
Other income	10	49,009	17,291
Operational expenses (including administrative expenses)	11	-23,846	-18,692
Net other income/expenses		25,163	-1,401
Net profit/loss before finance costs		313,624	336,680
Finance income	12	23,338	12,142
Finance expense	12	-68,969	-73,587
Net finance costs		-45,631	-61,445
Profit/loss before income tax		267,993	275,235
Income tax	13	-50,778	-46,712
Profit /(loss) for the period attributable to equity holders of the Company		217,215	228,523
OTHER COMPREHENSIVE INCOME			
Revaluation reserve		1,095	1,013
Foreign currency translation differences		4,854	-620
Total comprehensive income for the year attributable to equity holders of the Company		223,164	228,916

The notes 1 to 31 are an integral part of this combined pro-forma financial information.

COMBINED PRO-FORMA STATEMENT OF FINANCIAL POSITION

As at 31 December

In EUR thousand	Note	2015	2014
ASSETS			
Investment property	14	2,698,414	2,081,448
Investment property under development	15	225,806	158,501
Property, plant and equipment	17	23,300	22,828
Finance lease receivables	18	186	234
Financial derivatives	24	1,226	446
Investment in associates and joint venture		--	--
Other long-term receivables		1,354	803
Long-term receivables due from related parties	27	18,989	16,433
Deferred tax assets	25	7,225	--
Total non-current assets		2,976,500	2,280,693
Inventory		245	2,150
Trade and other receivables	19	41,000	35,003
Short-term receivables due from related parties	27	45	48
Finance lease receivables	18	57	34
Financial derivatives	24	257	76
Cash and cash equivalents	20	43,307	38,947
Assets classified as held for sale	21	--	--
Total current assets		84,911	76,258
Total assets		3,061,411	2,356,951
EQUITY			
Issued capital		388,133	388,133
Translation reserve		-4,847	-9,701
Reserves		626,888	626,888
Accumulated losses		-113,434	-341,957
Revaluation reserve		10,072	8,977
Net result for the year		217,215	228,523
Total equity attributable to parent		1,124,027	900,863
Non-controlling interest		--	--
Total equity attributable to parent		1,124,027	900,863
LIABILITIES			
Interest-bearing loans and borrowings from financial institutions	23	1,455,438	1,050,924
Interest-bearing loans and borrowings from other parties		--	1,000
Finance lease payables	23	--	1,025
Trade and other payables		8,820	2,398
Long-term payables to related parties	27	12,445	17,244
Financial derivatives	24	20,430	28,035
Deferred tax liabilities	25	245,255	177,820
Total non-current liabilities		1,742,388	1,278,446
Interest-bearing loans and borrowings from financial institutions	23	103,276	92,561
Interest-bearing loans and borrowings from related parties	27	--	--
Interest-bearing loans and borrowings from other parties		5,000	2,000
Finance lease payables	23	--	11,849
Trade and other payables	23	78,261	60,838
Short-term payables to related parties	27	67	68
Financial derivatives	24	7,586	9,829
Provisions		806	497
Total current liabilities		194,996	177,642
Total liabilities		1,937,384	1,456,088
Total (invested) equity and liabilities		3,061,411	2,356,951

The notes 1 to 31 are an integral part of this combined pro-forma financial information.

COMBINED PRO-FORMA STATEMENT OF CASH FLOWS

For the year ended 31 December

In EUR thousand	2015	2014
OPERATING ACTIVITIES		
Result for the year	217,215	228,523
Change in value of investment property	-131,278	-212,571
Depreciation	1,833	2,474
Net interest expense and expenses from derivatives	47,979	46,779
Valuation loss/gain on changes in derivatives	-10,808	12,764
Other changes and impact of currency translations	--	--
Write-down of inventory, impairment of IPuD and change in provision	807	216
Negative goodwill	-42,785	-13,131
Income tax benefit/expense	50,778	46,712
Operating profit before changes in working capital and provisions	133,741	111,766
Decrease/increase in finance lease receivables	25	34
Decrease/increase in trade and other receivables	-9,101	-24,331
Increase/decrease in trade and other payables	19,045	1,268
Decrease/increase in inventory	1,905	-1,259
Sale of assets classified as held for sale	--	5,767
Cash generated from used in operations	11,874	-18,521
Interest paid and expenses from derivatives	-57,910	-46,298
Interest received	417	302
Income taxes paid	-5,454	-4,838
Cash flows from used in operating activities	82,668	42,411
INVESTMENT ACTIVITIES		
Acquisition of subsidiaries	-50,647	-6,736
Acquisition of property, plant and equipment	-1,588	-708
Development of investment property	-145,822	-109,951
Cash flows from used in investing activities	-198,057	-117,395
FINANCING ACTIVITIES		
Proceeds from changes in lease liabilities	-12,874	-3,227
Repayment of borrowings	-679,756	-158,728
Proceeds from interest-bearing loans and borrowings	812,379	253,785
Cash flows from financing activities	119,749	91,830
Cash and cash equivalents at 1 January	38,947	22,101
Net increase in cash and cash equivalents	4,360	16,846
Cash and cash equivalents at 31 December	43,307	38,947

The notes 1 to 31 are an integral part of this combined pro-forma financial information.

COMBINED PRO-FORMA STATEMENT OF CHANGES IN EQUITY

In EUR thousand	Issued capital	Translation Reserves	Reserves	Revaluation reserve	Accumulated losses	Net result for the year	Total equity
Balance at 1 January 2014	388,133	-9,081	626,888	7,964	-444,960	103,005	671,949
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD							
Profit for period	--	--	--	--	--	228,523	228,523
OTHER COMPREHENSIVE INCOME							
Revaluation of Plant and equipment	--	--	--	1,013	--	--	1,013
Foreign currency translation differences	--	-620	--	--	-2	--	-622
Total other comprehensive income	--	-620	--	1,013	-2	228,523	228,914
Total comprehensive income for the period	--	-620	--	1,013	-2	228,523	228,914
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL							
Acquisition of ownership interests in subsidiaries	--	--	--	--	--	--	--
Total changes in ownership interests in subsidiaries	--	--	--	--	--	--	--
Total transactions with owners	--	--	--	--	--	--	--
OTHER MOVEMENTS							
Transfer of profit 2013	--	--	--	--	103,005	-103,005	--
Addition to the legal reserve	--	--	--	--	--	--	--
Total other movements	--	--	--	--	103,005	-103,005	--
Balance at 31 December 2014	388,133	-9,701	626,888	8,977	-341,957	228,523	900,863
Balance at 1 January 2015	388,133	-9,701	626,888	8,977	-341,957	228,523	900,863
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD							
Profit for period	--	--	--	--	--	217,215	217,215
OTHER COMPREHENSIVE INCOME							
Revaluation of Plant and equipment	--	--	--	1,095	--	--	1,095
Foreign currency translation differences	--	4,854	--	--	--	--	4,854
Total other comprehensive income	--	4,854	--	1,095	--	217,215	223,164
Total comprehensive income for the period	--	4,854	--	1,095	--	217,215	223,164
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL							
Acquisition of ownership interests in subsidiaries	--	--	--	--	--	--	--
Total changes in ownership interests in subsidiaries	--	--	--	--	--	--	--
Total transactions with owners	--	--	--	--	--	--	--
OTHER MOVEMENTS							
Transfer of profit 2014	--	--	--	--	228,523	-228,523	--
Addition to the legal reserve	--	--	--	--	--	--	--
Total other movements	--	--	--	--	228,523	-228,523	--
Balance at 31 December 2015	388,133	-4,847	626,888	10,072	-113,434	217,215	1,124,027

NOTES TO THE COMBINED PRO-FORMA FINANCIAL INFORMATION

1. GENERAL INFORMATION

The CTP Group (hereinafter referred to as “CTP”) is a Dutch based real estate developer developing and leasing a portfolio of prop-
erties (primarily) in the Czech Republic. CTP comprises of the following sub-groups (hereinafter referred to as “the Sub-groups”) that prepare their separate audited consolidated financial statements prepared in accordance with International Financial Reporting Standards and the interpretations adopted by the International Accounting Standards Board (IASB) as adopted by the European Union (hereinafter referred to as “IFRS”):

- (a) CTP Property N.V. domiciled in the Netherlands (hereinafter referred to as “the Sub-group CTP Property”) and
- (b) CTP Invest, spol. s r.o. domiciled in the Czech Republic (hereinafter referred to as “the Sub-group CTP Invest”)

The Sub-groups do not constitute a legal group; however, the Sub-groups were during 2014 and 2015 under the common control of their majority shareholders (hereinafter referred to as “the Majority Shareholders”):

- (a) Multivest B.V. (the Netherlands) and
- (b) Finspel B.V. (the Netherlands)

Therefore, CTP has prepared this pro-forma combined financial information that is a combination of the Sub-groups’ separate audited IFRS consolidated financial statements. The pro-forma financial information has been compiled for illustrative purposes, to provide information about the combined operations of the Sub-groups as at and for the year ending 31 December 2015.

For the structure of CTP as at 31 December 2015 see note 26 and Appendix 1.

Sub-group CTP Property

Principal activities:

The principal operation of the Sub-group CTP Property is the lease of investment property in the Czech Republic. The Sub-group CTP Property leases property to its tenants under operating leases. As at 31 December 2015, the investment property portfolio is held directly by the Sub-group CTP Property and by the finance lease provider.

Registered office:

Luna ArenA, Herikerbergweg 238
1101 CM Amsterdam Zuidoost
The Netherlands

The operating headquarters of the Czech Property holding companies of the Sub-group CTP Property are located at Central Trade Park D1 1571, 396 01, Humpolec, Czech Republic.

Registration number: 02098310

CTP Property N.V. was incorporated on 2 April 2007, for an unlimited period of time.

Shareholders as at 31 December 2015:

Shareholder	Thousands of shares	Share in registered capital	Share in voting rights
Multivest B.V.	59,500	48.0%	48.0%
Finspel B.V.	59,500	48.0%	48.0%
CTP Partners N.V.	5,000	4.0%	4.0%
	124,000	100.0%	100.0%

On 18 September 2015 both Multivest B.V. and Finspel B.V. acquired each 50% of the 1,240 thousand shares, i.e. 620 thousand shares from Erste Group International Immoent Holding GmbH.

Management as at 31 December 2015:

Directors: Remon Leonard Vos, FRICS
Eltje Maas

Proxy: Jan Gijsbertus Koop (since 18 September 2015)

Sub-group entities:

The companies described in the next paragraphs are ultimately owned by CTP Property N.V. through a Luxembourg holding company, CTP Property Lux S.à r.l., which is a 100% subsidiary of CTP Property N.V.

The companies included in the Sub-group CTP Property as at 31 December 2015 are as follows:

CTP, spol. s r.o.	CTPark Prague North, spol. s r.o.
CTP Property, a.s.	CTPark Mladá Boleslav II, spol. s r.o.
CTP Property II, a.s.	CT Finance s.r.o.
CTP Property III, a.s.	CT Retail s.r.o.
CTP Property IV s.r.o.	CTZone Brno, a.s.
CTP Property V, a.s., including subsidiary	CTZone Ostrava, a.s.
CTP Invest VIII, spol. s r.o.	Pekařská Office, s. r. o.
CTP Property VIII, a.s.	Spielberk Office Center, spol. s r.o.
CTP Property IX, a.s.	CTP Immobilienverwaltung GmbH
CTP Property X, spol. s r.o.	CTP Germany GmbH, including subsidiaries
CTP Property XI, spol. s r.o.	DN Beteiligungs GmbH and TGM GmbH
CTP Property XIV, spol. s r.o.	CTP Invest SK, spol. s r.o.
CTP Property XVIII, spol. s r.o.	CTP Alpha SK, spol. s r.o.
CTP Property XXI, spol. s r.o.	CTP Beta SK, spol. s r.o.
CTP Property XXII, spol. s r.o.	CTPark Bratislava, spol. s r.o.
CTP Property XXVII, spol. s r.o.	CTPark Nitra, s.r.o.
CTP Property XXVIII, spol. s r.o.	CTP Slovakia, s.r.o., including subsidiaries
CTP Property XIX, spol. s r.o.	Trnavainvest dodávateľský park, s.r.o., Nitra Park s.r.o.
CTP Property XXX, spol. s r.o.	and Logistics Development s.r.o.
CTP Invest IV, spol. s r.o.	CTP Invest Bucharest S.R.L., including subsidiaries
CTP Invest V, spol. s r.o., including subsidiary	CTPARK ALPHA S.R.L., CTPARK DELTA SRL and
Hotel Operations Brno, spol. s r.o.	CTPARK GAMMA SRL
CTP Invest VII, spol. s r.o.	CTPARK BETA S.R.L.
CTP Invest IX, spol. s r.o.	CTPark Bucharest SRL
CTP Brno I, spol. s r.o.	CTPark Bucharest West I, SRL
CTP Divišov I, spol. s r.o.	DEVA LOGISTIC CENTER SA
CTP Finance, a.s.	H.E.E. (MERCURY) PROPRIETATI SRL
CTP Hranice II, spol. s r.o.	CTP Ljubljana d.o.o.
CTP Infrastructure, a.s.	CTP Property Lux S.à r.l.
CTP Plzeň I, spol. s r.o.	
CTP Pohořelice I, spol. s r.o.	
CTPark Bor, spol. s r.o.	
CTPark Brno Campus s.r.o.	
CTPark Prague East, spol. s r.o., including subsidiary	
Komerční zóna Nupaky, s.r.o.	

Sub-group CTP Invest

Principal activities:

The principal activity of the Sub-group CTP Invest is the development of investment property in the Czech Republic.

CTP Invest, spol. s r.o. is a company domiciled in the Czech Republic. The registered office is located at Humpolec, Central Trade Park D1 1571, 396 01.

Registration number: 261 66 453

CTP Invest, spol. s r.o. was incorporated on 3 April 2000, for an unlimited period of time.

Shareholders as at 31 December 2015:

Finspel B.V.	49.99%
Multinvest B.V.	49.99%
Multifin B.V..	0.02%

Management as at 31 December 2015:

Director:	Remon Leonard Vos, FRICS
Director:	Radek Zeman

Sub-group entities:

The companies included in the Sub-group CTP Invest as at 31 December 2015 are as follows:

- CTP Invest, spol. s r.o.
- CTP Invest 1, spol. s r.o.
- CTP Invest III, spol. s r.o.
- Multidisplay s.r.o.
- Bor Logistics, spol. s r.o.
- CTP Property XVI, spol. s r.o.
- CTP Property XVII, spol. s r.o.
- CTP Property XIX, spol. s r.o.
- CTP Property XX, spol. s r.o. and its subsidiaries
 - RLRE Epsilon Property, s.r.o. and LEHET – ZK a.s.
- CTP Property XXIII, spol. s r.o.
- CTP Products I, spol. s r.o.
- CTP Property XXVI, spol. s r.o.
- CTP Invest X, spol. s r.o.
- CTP Invest XI, spol. s r.o.
- CTP Invest XII, spol. s r.o.
- IMMORENT Brno Retail, s.r.o. (renamed to Brno Retail, spol. s r.o. in 2016)
- LORNOKA REAL ESTATE, s.r.o.
- COPOK s.r.o. and its subsidiaries
 - FW consulting s.r.o., PROCON a.s. and CISK s.r.o.
- Bohemia Pilz s.r.o.
- 2P, s.r.o. and its subsidiary
 - Hotel Operations Plzeň s.r.o.
- Europort Airport Center a.s. and its subsidiary
 - Hotel Operations EUROPORT s.r.o.
- CTPersonal Bor, spol. s r.o. (renamed to CTPersonnel Bor, spol. s r.o. in 2016)
- BB Asset s.r.o. and its subsidiary
 - Muvela Estates s.r.o.
- Dúbravská 2, s.r.o.
- CTP Invest Hungary Kft and its subsidiaries
 - CTPark Alpha Kft, CTPark Beta Kft and CTPark Gamma Kft
- CTP Property Poland I Sp. z o.o.
- CTPark Ukraine LLC and its subsidiaries
 - CTPark Lviv LLC and IQ Lviv LLC

2 . GOING CONCERN

CTP’s properties are let to a wide range of tenants and there is no significant focus on any one particular group or company. CTP closely monitors the financial stability of its tenants and believes that its rental projections for the coming 12 months are realistic in the light of the current economic climate.

CTP expects to settle its current liabilities as at 31 December 2015 during 2016 as follows:

In EUR thousand	
Current liabilities as at 31 December 2015	-194,996
Current assets excluding cash and cash equivalents as at 31 December 2015	41,604
Funds required in 2016 to cover the short-term liquidity gap	-153,392
Short-term payables to related parties for which the maturity will be extended or which will be set-off with long-term receivables	67
Available cash as at 31 December 2015	43,307
Expected funds to be received in 2016 from operating activities	49,680
Expected funds to be received in 2016 from existing loan agreements	40,275
Interest-bearing loans and borrowings from financial institutions to be renegotiated to a long-term basis	26,099
Recurring overdraft	2,878
Expected funds to be received in 2015 to cover the short-term liquidity gap	162,306

The management is convinced of rightly using the going concern assumption based on the CTP's projected cash flows for the next 12 months.

Some of the Group’s borrowings have loan to value covenants which are surveyed by the Group and its financiers on a regular basis. In general the Group is in close contact with its financiers to immediately solve issues when applicable.

3 . BASIS OF COMBINATION

The pro-forma combined financial information is prepared by aggregating the separate audited IFRS consolidated financial statements of the Sub-groups. The Sub-groups, that did not constitute a legal group at the date of the balance sheet, were combined in one set of financial information by adding together their assets, liabilities, equity accounts as well as income and expenses.

The following adaptations were carried out to the aggregation of the separate audited IFRS financial statements in order to establish the pro-forma financial information:

1. Necessary reclassifications were carried out (see below Reclassifications).
2. Inter-group transactions and any unrealised results from inter-group transactions were eliminated (see below Eliminations).
3. Impairment of eliminated inter-group receivables was adjusted (see below Adjustments).

In EUR thousand	CTP Property N.V.	CTP Invest, spol. s r.o.	Total	Reclassifications	Adjustments	Eliminations	2015	2014
ASSETS								
Investment property	2,510,577	187,837	2,698,414	--	--	--	2,698,414	2,081,448
Investment property under development	90,990	117,699	208,689	17,117	--	--	225,806	158,501
Property, plant and equipment	21,479	1,821	23,300	--	--	--	23,300	22,828
Finance lease receivables	--	186	186	--	--	--	186	234
Financial derivatives	1,153	73	1,226	--	--	--	1,226	446
Investment in associates and joint venture	--	14,091	14,091	--	--	-14,091	--	--
Other long-term receivables	1,354	--	1,354	--	--	--	1,354	803
Long-term receivables due from related parties	65,023	57,072	122,095	--	--	-103,106	18,989	16,433
Deferred tax assets	3,405	3,820	7,225	--	--	--	7,225	--
Total non-current assets	2,693,981	382,599	3,076,580	17,117	--	-117,197	2,976,500	2,280,693
Inventory	--	17,362	17,362	-17,117	--	--	245	2,150
Trade and other receivables	32,545	8,455	41,000	--	--	--	41,000	35,003
Short-term receivables due from related parties	3,890	41,188	45,078	--	19	-45,052	45	48
Finance lease receivables	--	57	57	--	--	--	57	34
Financial derivatives	238	19	257	--	--	--	257	76
Cash and cash equivalents	37,416	5,891	43,307	--	--	--	43,307	38,947
Assets classified as held for sale	--	--	--	--	--	--	--	--
Total current assets	74,089	72,972	147,061	-17,117	19	-45,052	84,911	76,258
Total assets	2,768,070	455,571	3,223,641	--	19	-162,249	3,061,411	2,356,951
Issued capital	12,400	375,733	388,133	--	--	--	388,133	388,133
Translation reserve	--	-4,847	-4,847	--	--	--	-4,847	-9,701
Reserves	619,528	7,360	626,888	--	--	--	626,888	626,888
Retained earnings	65,900	-181,026	-115,126	--	1,744	-52	-113,434	-341,957
Revaluation reserve	10,072	--	10,072	--	--	--	10,072	8,977
Net result for the year	171,838	47,053	218,891	--	-1,728	52	217,215	228,523
Total equity attributable to parent	879,738	244,273	1,124,011	--	16	--	1,124,027	900,863
Non-controlling interest	14,091	--	14,091	--	--	-14,091	--	--
Total equity attributable to parent	893,829	244,273	1,138,102	--	16	-14,091	1,124,027	900,863
LIABILITIES								
Interest-bearing loans and borrowings from financial institutions	1,395,144	60,294	1,455,438	--	--	--	1,455,438	1,050,924
Interest-bearing loans and borrowings from other parties	--	--	--	--	--	--	--	1,000
Finance lease payables	--	--	--	--	--	--	--	1,025
Trade and other payables	3,510	5,310	8,820	--	--	--	8,820	2,398
Long-term payables to related parties	61,520	54,031	115,551	--	--	-103,106	12,445	17,244
Financial derivatives	20,254	176	20,430	--	--	--	20,430	28,035
Deferred tax liabilities	224,837	20,415	245,252	--	3	--	245,255	177,820
Total non-current liabilities	1,705,265	140,226	1,845,491	--	3	-103,106	1,742,388	1,278,446
Interest-bearing loans and borrowings from financial institutions	80,871	22,405	103,276	--	--	--	103,276	92,561
Interest-bearing loans and borrowings from other parties	5,000	--	5,000	--	--	--	5,000	2,000
Interest-bearing loans and borrowings from related parties	--	--	--	--	--	--	--	--
Finance lease payables	--	--	--	--	--	--	--	11,849
Trade and other payables	34,392	43,869	78,261	--	--	--	78,261	60,838
Short-term payables to related parties	41,162	3,957	45,119	--	--	-45,052	67	68
Financial derivatives	7,551	35	7,586	--	--	--	7,586	9,829
Provisions	--	806	806	--	--	--	806	497
Total current liabilities	168,976	71,072	240,048	--	--	-45,052	194,996	177,642
Total liabilities	1,874,241	211,298	2,085,539	--	3	-148,158	1,937,384	1,456,088
Total (invested) equity and liabilities	2,768,070	455,571	3,223,641	--	19	-162,249	3,061,411	2,356,951

In EUR thousand	CTP Property N.V.	CTP Invest, spol. s r.o.	Total	Reclassifications	Adjustments	Eliminations	2015	2014
Gross rental income	156,011	9,649	165,660	--	--	-378	165,282	133,698
Property operating expenses	-13,230	-697	-13,927	-4,833	--	7,839	-10,921	-8,975
Net rental and related income	142,781	8,952	151,733	-4,833	--	7,461	154,361	124,723
Income from development activities	--	92,440	92,440	--	--	-82,527	9,913	6,915
Expenses from development activities	--	-85,270	-85,270	--	--	78,179	-7,091	-6,128
Net income from development activities	--	7,170	7,170	--	--	-4,348	2,822	787
Valuation gains on investment property	127,364	40,283	167,647	-14,389	--	3,055	156,313	237,295
Valuation losses on investment property	-20,297	-19,127	-39,424	14,389	--	--	-25,035	-24,724
Net valuation result on investment property	107,067	21,156	128,223	--	--	3,055	131,278	212,571
Other income	30,143	30,793	60,936	2,352	-2,133	-12,146	49,009	17,291
Operational expenses (including administrative expenses)	-11,022	-23,635	-34,657	4,833	--	5,978	-23,846	-18,692
Net other income/expenses	19,121	7,158	26,279	7,185	-2,133	-6,168	25,163	-1,401
Net profit/loss before finance costs	268,969	44,436	313,405	2,352	-2,133	--	313,624	336,680
Finance income	22,196	11,021	33,217	-2,352	--	-7,527	23,338	12,142
Finance expense	-68,985	-2,551	-71,536	--	--	2,567	-68,969	-73,587
Net finance costs	-46,789	8,470	-38,319	-2,352	--	-4,960	-45,631	-61,445
Profit/loss before income tax	222,180	52,906	275,086	--	-2,133	-4,960	267,993	275,235
Income tax	-45,330	-5,853	-51,183	--	405	--	-50,778	-46,712
Profit/loss for the period	176,850	47,053	223,903	--	-1,728	-4,960	217,215	228,523
Profit /([loss] for the period attributable to equity holders of the Company	176,850	47,053	223,903	--	-1,728	-4,960	217,215	228,523
Profit for the period - non controlling interest	5,012	--	5,012	--	--	-5,012	--	--
Profit /([loss] for the period attributable to equity holders of the Company	171,838	47,053	218,891	--	-1,728	52	217,215	228,523
OTHER COMPREHENSIVE INCOME								
Revaluation reserve	1,095	--	1,095	--	--	--	1,095	1,013
Foreign currency translation differences	--	4,854	4,854	--	--	--	4,854	-620
Total comprehensive income for the year attributable to equity holders of the Company	172,933	51,907	224,840	--	-1,728	52	223,164	228,916

4 . BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF THE SUB-GROUPS

A) STATEMENT OF COMPLIANCE

The separate consolidated financial statements of the Sub-groups have been prepared in accordance with International Financial Reporting Standards and the interpretations adopted by the International Accounting Standards Board (IASB) as adopted by the European Union ("IFRS").

The separate IFRS consolidated financial statements of the Sub-group CTP Property were authorized and approved for issue by the management on 1 June 2016.

The separate IFRS consolidated financial statements of the Sub-group CTP Invest were authorized and approved for issue by the management on 1 June 2016.

New and amended standards adopted by CTP in 2015

For the preparation of these consolidated financial statements, the following new or amended standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2015 (the list does not include new or amended standards and interpretations that affect first-time adopters of IFRS or not-for-profit and public sector entities since they are not relevant to CTP).

The nature and the impact of each new standard/amendment are described below:

► Amendment to IFRS 3 Business combinations

The amendment clarifies that paragraph 2(a) of IFRS 3 Business Combinations:

- excludes the formation of all types of joint arrangements as defined in IFRS 11 Joint Arrangements from the scope of IFRS 3; and
- the scope exception only applies to the financial statements of the joint venture or the joint operation itself.

This amendment has no impact on the Group's results for the financial year ending 31 December 2015.

► Interpretation IFRIC 21 Levies

The interpretation clarifies that a levy is not recognized until the obligating event specified in the legislation occurs, even if there is no realistic opportunity to avoid the obligation.

This interpretation has no impact on the Group's results for the financial year ending 31 December 2015.

► Amendment to IAS 40 Investment properties

The amendment clarifies that the judgment is needed to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination in the scope of IFRS 3 and that this judgement is based on the guidance in IFRS 3.

This amendment has no impact on the Group's results for the financial year ending 31 December 2015.

► Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions

Effective for annual periods beginning on or after 1 July 2014. The amendments apply retrospectively. Earlier application is permitted.

The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria. Namely that they are:

- set out in the formal terms of the plan;
- linked to service; and
- independent of the number of years of service.

When these criteria are met, a company is permitted (but not required) to recognise them as a reduction of the service cost in the period in which the related service is rendered.

Initial application of the above stated new or amended standards had no significant effect on the current or prior periods.

Standards, interpretations and amendments to standards adopted before 31 December 2015 but not yet effective

The following new standards and amendments to standards were not yet effective for the year ended 31 December 2015 and were not applied in preparing these consolidated financial statements:

► **IFRS 9 Financial Instruments**

Effective for annual periods beginning on or after 1 January 2018 but not yet adopted by EU; to be applied retrospectively with some exemptions. The restatement of prior periods is not required, and is permitted only if information is available without the use of hindsight. Early application is permitted.

This Standard replaces IAS 39, Financial Instruments: Recognition and Measurement, except that the IAS 39 exception for a fair value hedge of an interest rate exposure of a portfolio of financial assets or financial liabilities continues to apply, and entities have an accounting policy choice between applying the hedge accounting requirements of IFRS 9 or continuing to apply the existing hedge accounting requirements in IAS 39 for all hedge accounting.

The Group does not expect IFRS 9 to have material impact on the consolidated financial statements.

► **IFRS 15 Revenue from Contracts with Customers**

Effective for annual periods beginning on or after 1 January 2018 but not yet endorsed by EU. Earlier application is permitted.

The new Standard provides a framework that replaces existing revenue recognition guidance in IFRS. Entities will adopt a five-step model to determine when to recognise revenue, and at what amount. The new model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised:

- over time, in a manner that depicts the entity's performance; or
- at a point in time, when control of the goods or services is transferred to the customer.

IFRS 15 also establishes the principles that an entity shall apply to provide qualitative and quantitative disclosures which provide useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

The Group has not completed a thorough analysis of expected impact of the new Standard yet.

► **IFRS 16 Leases**

Effective for annual periods beginning on or after 1 January 2019 but not yet adopted by EU.

The new Standard brings significant change in accounting policies for lease contracts for lessees. Under new Standard lessee does not distinguish between finance and operating leases and almost all lease contracts (except for short-term leases) are recognised (related assets and liabilities) in the statement of financial position similarly as current finance lease contracts.

The Group is assessing the impact of IFRS 16.

► **Amendments to IAS 1**

Effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

The amendments to IAS 1 include the following five, narrow-focus improvements to the disclosure requirements contained in the standard.

The guidance on materiality in IAS 1 has been amended to clarify that:

- Immaterial information can detract from useful information.
- Materiality applies to the whole of the financial statements.
- Materiality applies to each disclosure requirement in an IFRS.

The guidance on the order of the notes (including the accounting policies) have been amended to:

- Remove language from IAS 1 that has been interpreted as prescribing the order of notes to the financial statements.
- Clarify that entities have flexibility about where they disclose accounting policies in the financial statements.

The Group does not expect that the new standard, when initially applied, will have material impact on the financial statements.

► **Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations**

Effective for annual periods beginning on or after 1 January 2016; to be applied prospectively. Early application is permitted.

These amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business.

Business combination accounting also applies to the acquisition of additional interests in a joint operation while the joint operator retains joint control. The additional interest acquired will be measured at fair value. The previously held interests in the joint operation will not be remeasured.

The impact of the adoption of the amendments can only be assessed in the year of initial application of the amendments, as this will depend on the acquisition of joint operations that take place during that reporting period. The Group does not intend to adopt the amendments early; therefore it is not possible to estimate the impact adoption of the amendments will have on the Group's financial statements.

- **Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization**
Effective for annual periods beginning on or after 1 January 2016; to be applied prospectively. Early application is permitted.

Revenue-based depreciation banned for property, plant and equipment.

The amendments explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment.

New restrictive test for intangible assets.

The amendments introduce a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. This presumption can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue.

It is expected that the amendments, when initially applied, will not have material impact on the Group's consolidated financial statements as the Group does not apply revenue-based methods of amortisation/depreciation.

The Company's management has performed an analysis of the effect of the above annual improvements and it does not expect them to have a significant impact on the financial statements of the Company.

B) FUNCTIONAL AND PRESENTATION CURRENCY

Sub-group CTP Property

The separate IFRS consolidated financial statements are presented in euros, which is the Sub-group's functional currency. All information presented in euros, has been rounded to the nearest thousands.

Transactions in foreign currencies are translated into euros at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into euros at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into euros at the foreign exchange rates ruling at the dates the fair values were determined.

Sub-group CTP Invest

In 2015 the Group operated in the Czech Republic, Slovakia, Poland, Hungary and Ukraine and considered the local currencies to be its functional currency.

Transactions in foreign currencies are translated to the functional currency of the Sub-group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

The Sub-group presentation currency is the euro (EUR). The Sub-group has selected a different presentation currency because the owners base their economic decisions on information expressed in EUR. All financial information presented in EUR has been rounded to the nearest thousand.

Assets and liabilities are translated into EUR at the foreign exchange rate applying at the reporting date. Revenues and expenses are translated into EUR at exchange rates approximating those at the date of the transactions. Foreign exchange differences arising on translation into the presentation currency are recognized as part of the translation reserve directly through other comprehensive income.

The following exchange rates were used during translations:

Date	Closing Exchange Rate CZK/EUR	Average Exchange Rate CZK/EUR for the year
31 December 2014	27.725	27.533
31 December 2015	27.025	27.283

Date	Closing Exchange Rate UAH/EUR	Average Exchange Rate UAH/EUR for the year
31 December 2014	--	--
31 December 2015	26.223	24.190

Date	Closing Exchange Rate HUF/EUR	Average Exchange Rate HUF/EUR for the year
31 December 2014	--	--
31 December 2015	313.120	309.900

Date	Closing Exchange Rate PLN/EUR	Average Exchange Rate PLN/EUR for the year
31 December 2014	--	--
31 December 2015	4.262	4.184

C] BASIS OF MEASUREMENT

The separate IFRS consolidated financial statements of the Sub-groups are prepared on a historical cost basis, apart from investment property, investment property under development, solar plants and financial derivatives, which are stated at fair value.

D] USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements on the basis of IFRS requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that the management believes to be reasonable under the circumstances, the results of which form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

In particular, information about significant areas of estimates uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial information are described in note 5b) Investment property and note 5c) Investment property under development.

E] MEASUREMENT OF FAIR VALUES

A number of the Sub-groups' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Sub-group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- ▶ Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- ▶ Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Sub-group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

F] COMBINED PRO-FORMA FINANCIAL INFORMATION

As the combined pro-forma financial information has been prepared by only aggregating the separate audited IFRS financial statements of the Sub-groups all the above statements apply to the pro-forma combined financial information as well.

5 . SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to all periods presented in this pro-forma combined financial information and have been applied consistently by CTP entities.

Both the Sub-groups apply the same accounting policies when preparing their separate IFRS consolidated financial statements and consequently no adjustments due to aligning different accounting policies were necessary during the combination.

A) BASIS OF CONSOLIDATION

I Subsidiaries

Subsidiaries are entities controlled by the Sub-groups. Control exists when the Sub-group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the potential voting rights that are exercisable or convertible, are taken into account. The financial statements of subsidiaries are included in the separate IFRS financial statements of the Sub-groups from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Sub-groups.

II Acquisition of business from companies under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations arising from transfers of interest in entities that are under the control of the party that controls the Sub-groups are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented, the date the company was founded or, if later, at the date that common control was established.

The assets and liabilities acquired under common control are recognized at the carrying amounts recognized previously in the financial statements of the entities acquired. Any cash or equity paid for the acquisition is recognized directly in the equity. In the absence of more specific guidance, the Sub-groups consistently applied the book value method to account for all common control transactions.

III Goodwill

Business combinations, excluding those commenced between parties under common control, are accounted for by applying the acquisition method. Goodwill represents amounts arising upon the acquisition of subsidiaries. Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.

In respect of business acquisitions on or after 1 January 2009, the Sub-groups measure goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

In respect of business acquisitions prior to 1 January 2009, goodwill represents the excess of the cost of the acquisition over the Sub-group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

When the excess is negative (negative goodwill), it is recognized immediately in the consolidated statement of comprehensive income.

IV Transactions eliminated on combination

Intra-group balances and any gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the separate IFRS consolidated financial statements of the Sub-groups.

Unrealized gains arising from transactions with associates and jointly controlled entities are eliminated against the investment to the extent of the Sub-group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

B) INVESTMENT PROPERTY

Investment properties are those which are held to earn rental income, for capital appreciation, or for both. Investment properties are stated at fair value. An external, independent valuer having appropriately recognized professional qualifications and recent experience in the location and category of property being valued, values the portfolio of investment property at least annually.

The independent valuation report was obtained as at 31 December 2015 and was incorporated into the separate IFRS consolidated financial statements of the Sub-groups. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties, and where relevant, associated costs. A yield which reflects the risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

In view of the nature of the properties and the bases of valuation, the valuer adopted the Income Approach based on the discounted cash flow technique for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income. The cash flow is based on the rents receivable under existing lease agreements until their expiry date and the expected rental value for the period remaining in the 10-year period, as applicable. The valuer has based his opinion of the Estimated Rental Value (ERV) on this.

Valuations reflect, where appropriate, the type of tenants actually in occupation or responsible for meeting the lease commitments or likely to be in occupation after letting vacant accommodation and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property. It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices, and where appropriate counter notices, have been served validly and within the appropriate time.

The assumptions used by the independent valuer for the year ended 31 December 2015 were following:

YIELD	
Initial yield	6.50% - 7.50%
Exit yield	
Industrial premises	6.75% - 7.25%
Office properties	7.15% - 8.00%
Retail properties	8.00%
Ongoing Vacancy	0.00% - 10.00%
ERV PER SQM	
Industrial premises	3.00 - 6.00 EUR
Office properties	6.50 - 13.00 EUR
Retail properties	current rent

Any gain or loss arising from a change in fair value is recognized in the Consolidated statement of profit and loss and comprehensive income. Rental income from investment property is accounted for as described in note 5 m).

The land on which the buildings are being constructed and qualifying as investment property upon construction completion is classified as investment property from the beginning and hence recorded at fair value.

The land bank comprises the land acquired under finance lease and the plots of land in CTP's ownership, on which development projects are to be carried out. The land bank has been valued by a registered independent valuer with an appropriately recognized professional qualification and with an up-to-date knowledge and understanding of the location and category of the property.

The valuer used the Sales Comparison Approach for the valuation of the land bank. This valuation method is most useful when a number of similar properties have recently been sold or are currently for sale in the subject property market. Using this approach a value indication by comparing the subject property to prices of similar properties is produced.

The sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. The valuer estimated the degree of similarity or difference between the subject property and the comparable sales by considering various elements of comparison. Percentage adjustments were then applied to the sale prices of the comparables because the prices of these properties are known, while the value of the subject property is not.

C] INVESTMENT PROPERTY UNDER DEVELOPMENT

Property that is being constructed or developed for future use as investment property, is classified as investment property under development and stated at fair value (including prepayments done for property and incl. land plots with a non-exercised purchase option) until construction or development is completed, at which time it is reclassified and subsequently accounted for as investment property. Any gain or loss arising on the measurement is recognised in the statement of comprehensive income.

The independent valuation report was obtained as at 31 December 2015 and was incorporated into the pro-forma combined financial information. Reported estimated figures considered the results of current external valuations. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuer used the Residual Value Approach for the valuation of the investment property under development. In order to assess the market value of the sites, the valuer undertook a development appraisal to assess the potential value (Gross Development Value) of the fully completed and leased development as currently proposed, and deducted hard costs, soft costs, financing costs and a developer’s profit to reflect the required level of return to a developer and the risk of undertaking the scheme.

In assessing the Gross Development Value, the valuer adopted a market approach by estimating the market rental values for the accommodation to be developed, and the appropriate capitalisation rate which a potential investor would require, to arrive at the Market Value of the completed and leased building.

The assumptions used by the independent valuer for the year ended 31 December 2015 were following:

Capitalization rates	6.50% - 9.00%
Ongoing Vacancy	0.00% - 5.00%
ERV PER SQM	
Industrial premises	3.50 - 5.50 EUR
Office properties	9.50 - 12.50 EUR
Retail properties	7.00 EUR

The management judged the Market Value estimated by the valuer for each property and assessed a percentage of this Market Value in the financial information based upon the expected completion dates and anticipated risks within the business environment.

D) PROPERTY, PLANT AND EQUIPMENT

Solar plants which are completed and producing income are classified under Property, plant and equipment. These solar plants are stated at fair value. Any gain or loss arising on the measurement is recognised directly in the equity. An external, independent valuer having appropriately recognized professional qualifications and recent experience in the location and category of the solar plant being valued, values the portfolio of solar plants at least annually.

In view of the nature of the solar plants and the bases of valuation, the valuer adopted the Income Approach based on the discounted cash flow technique for a 20-year period. The cash flow is based on the income receivable under the license provided by the government. The valuer has based his opinion of the Market Value (MV) on this.

Any gain or loss arising on re-measurement of the solar plants is treated as a revaluation under IAS 16, with any gain recorded as part of other comprehensive income, except to the extent that it reverses a previous impairment on the same property, in which case it is recorded in profit or loss. Any loss in respect of the revaluation is recorded into the profit and loss for the period.

Depreciation of the solar plants is recognized into profit or loss on a straight-line basis over the estimated useful life of 20 years.

All other buildings, property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (note 5 h). Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the initial estimate, where relevant, of the costs of dismantling and removing building items and restoring the building site at which they are located, capitalised borrowing costs and an appropriate proportion of production overheads.

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain or loss arising on re-measurement is treated as a revaluation under IAS 16, with any gain recorded as part of other comprehensive income, except to the extent that it reverses a previous impairment on the same property, in which case it is recorded in profit or loss. Any loss in respect of the revaluation is recorded in to profit and loss for the period.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is recognised into profit or loss on a straight-line basis over the estimated useful life of the equipment. The estimated useful life for equipment varies between 3-8 years and for property and plant between 20-30 years.

The Sub-groups recognize in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred and it is probable that the future economic benefits embodied with the item will flow to the

Sub-group and the cost of the item can be measured reliably. The carrying amount of the replace item is derecognised. All other costs are recognized in the statement of comprehensive income as incurred.

E) LEASED ASSETS

Leases in terms of which the Sub-groups assume substantially all the risks and rewards of ownership are classified as finance leases. Property held under finance leases and leased out under operating leases is classified as investment property and is stated at fair value as described in note 5 b). Owner-occupied property acquired by way of a finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

F) NON-DERIVATIVE FINANCIAL ASSETS

The Sub-groups initially recognise loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Sub-group becomes a party to the contractual provisions of the instrument.

The Sub-groups derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Sub-group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Sub-groups have a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Sub-groups have the following non-derivative financial assets: finance lease receivables, loans and receivables.

Finance lease receivable represents a repayment of the principal and finance income to reimburse the lessor for its investment and services. Finance lease receivable has fixed determinable payments and is not a derivative.

The initial measurement of the finance lease receivable includes initial direct costs, such as commissions and legal fees that are incremental and directly attributable to negotiating and arranging a lease.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise loans, trade and other receivables.

G) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank accounts and call deposits that are repayable on demand and form an integral part of the Sub-group's cash management are included as a component of cash and cash equivalents for the purpose of the cash-flow statement.

H) IMPAIRMENT

The carrying amounts of the Sub-group's assets, other than investment property, investment property under development and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. In respect of goodwill, the recoverable amount is estimated at each reporting date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognized in profit or loss.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (groups of units) and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

The Sub-groups consider evidence of impairment for receivables at both specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the Sub-groups use historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater than suggested by historical trends. Impairment losses in respect of receivables are primarily determined based on an analysis of the credit status of customers and the period for which the receivable has been overdue.

I) REVERSALS OF IMPAIRMENT

An impairment loss is reversed if there has been an indication that the loss has decreased or no longer exists and a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment losses been recognized.

J) EQUITY

Sub-group CTP Property - issued capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

Sub-group CTP Invest - share capital

Share capital represents the amount of capital registered in the Commercial Register of the Czech Republic and is classified as equity. External costs directly attributable to the issuance of share capital, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity. Share capital issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

K) PROVISIONS

A provision is recognized in the statement of financial position when the Sub-groups have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

I) NON-DERIVATIVE FINANCIAL LIABILITIES

The Sub-groups initially recognize debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Sub-group becomes party to the contractual provisions of the instrument.

The Sub-groups derecognize a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Sub-groups have a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Sub-groups has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Sub-groups classify as a current portion any part of long-term loans that is due within one year from the reporting date.

As at the reporting date the nominal value of loans is increased by unpaid interest.

Interest and other financial expenses relating to the acquisition of qualifying assets incurred until the asset is put in use are capitalised. Subsequently, they are recorded as financial expenses.

M) RENTAL INCOME

Rental income from investment property leased out under an operating lease is recognized in the Consolidated statement of profit and loss and comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income. Rental income from other property is recognised as other income.

N) INCOME FROM DEVELOPMENT ACTIVITIES

Income from development activities include revenues relating to construction services. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

O) EXPENSES

I Service expenses and property operating expenses

Service expenses for service contracts entered into and property operating expenses are expensed as incurred.

II Finance lease payments

The minimum lease payments under finance leases are apportioned between the finance charge and the reduction of the liability. The finance charge is allocated to each period during the lease term so as to produce a periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

III Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

IV Finance income / finance expenses

The Group's finance income and finance costs include:

- ▶ interest income;
- ▶ interest expense;
- ▶ dividend income;
- ▶ the net gain or loss on financial assets at fair value through profit or loss (other than investment property and investment property under development);
- ▶ the foreign currency gain or loss on financial assets and financial liabilities;
- ▶ the gain on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination;
- ▶ the fair value loss on contingent consideration classified as financial liability;
- ▶ impairment losses recognised on financial assets (other than trade receivables);
- ▶ the net gain or loss on hedging instruments that are recognised in profit or loss; and
- ▶ the reclassification of net gains previously recognised in OCI.

Interest income or expense is recognised using the effective interest method.

P) INCOME TAX

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the first day of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes of one entity relate to the same fiscal authority.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax was calculated using the tax rates valid for the periods in which the tax asset or liability is expected to be utilized.

The income tax rate for the period ended 31 December 2015 was 19% in the Czech Republic (2014 – 19%), 29.48% in Germany (2014 – 29.48%), 22% in Slovakia (2014 – 22%), 16% in Romania (2014 – 16%), 25% in Austria (2014 – 25%), 19% in Poland and 19% in Hungary, 25% in the Netherlands (2014 – 25%) and 28.8% in Luxembourg (2014 – 28.8%), which are the sole jurisdictions in which the Group operates.

Q) DERIVATIVE FINANCIAL INSTRUMENTS

A derivative is a financial instrument or other contract which fulfils the following conditions:

- a) its value changes in response to change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;
- b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- c) it is settled at a future date.

Derivative financial instruments are initially recognized at fair value; attributable transaction costs are recognized in profit or loss as incurred. The derivative financial instruments are classified as held for trading and carried at fair value, with changes in fair value included in net profit or loss of the period in which they arise.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

Fair values are obtained from quoted market prices or discounted cash flow models, as appropriate. The derivatives are carried as current (those that are expected to be settled in less than 12 months) or non-current assets when their fair value is positive, and as current (those that are expected to be settled in less than 12 months) or non-current liabilities when their fair value is negative.

R) FOREIGN CURRENCY TRANSACTION

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated into euros at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

6. EPRA PROFIT RECONCILIATION

In EUR thousand	2015	2014
Gross rental income	158,249	133,698
Property operating expenses	-10,921	-8,975
Net rental and related income	147,328	124,723
Net income from development activities	2,822	787
Other income	3,190	2,370
Operational expenses (including administrative expenses)	-18,710	-18,692
Net other income/expenses	-15,520	-16,322
EPRA net profit/loss before finance costs	134,630	109,188
Finance income	2,703	3,598
Finance expense	-54,133	-50,551
Net finance costs	-51,430	-46,953
EPRA profit/loss before income tax	83,200	62,235
ADJUSTMENTS:		
Net valuation result on investment property	131,278	212,571
Other income - Negative goodwill	42,785	13,131
Other income - Revaluation of assets held for sale	--	--
Other income - Sale of investment property	3,034	1,790
Net result from hotel operations	1,897	--
Change in fair value derivatives	10,808	-12,764
Net foreign exchange gains/losses	-5,009	-1,728
Other financial expenses	--	--
Profit/loss before income tax	267,993	275,235

EPRA profit before tax is an alternative to its IFRS equivalent. It is calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA).

This alternative has been used because it highlights the underlying recurring performance of the property rental business that is the CTP's principal activity.

7. REVENUES

In EUR thousand	2015	2014
Production premises	65,190	55,686
Logistic premises	58,309	46,976
Offices	22,125	20,041
Retail premises	3,014	2,485
Mixed use	1,504	663
Plots and infrastructure	522	229
Park management income	9,585	7,618
Income from hotel operations	7,033	--
	165,282	133,698

CTP leases out its investment property under operating leases. The operating leases are generally for terms of 5–15 years. In the gross rental income for production and logistic premises is included the income generated by solar plants on the roofs of these buildings.

Park management income represents fixed contractual income receivable from tenants for maintenance, cleaning, security, garbage management and usage of infrastructure.

Income from hotel operations is represented by sales revenues from operating two hotels in the Czech Republic that CTP acquired during 2015.

The revenues were generated in the following countries where CTP operates:

In EUR thousand	2015	2014
Czech Republic	156,329	131,211
Romania	2,979	--
Slovakia	2,943	--
Germany	2,304	2,305
Poland	519	--
Austria	180	182
Hungary	28	--
	165,282	133,698

The revenues generated in the Czech Republic include the sales revenues from the hotel operations.

8. PROPERTY OPERATING EXPENSES

In EUR thousand	2015	2014
Park management expenses	-3,948	-2,672
Maintenance and repairs	-3,715	-3,607
Real estate tax	-1,957	-1,711
Insurance	-447	-371
Heat, gas and water consumption	-648	-424
Fee for real estate consultants and brokers	--	--
Other	-206	-190
	-10,921	-8,975

The park management expenses represent expenses for utilities, maintenance, cleaning, security and garbage management provided by external suppliers. These expenses are covered by the park management fees charged to the tenants.

The other property operating expenses represent services which are not covered by the park management fees paid by tenants.

The maintenance and repairs include expenses for the green concept, i.e. for improvements of the environment in the industrial and office parks.

9. NET INCOME FROM DEVELOPMENT ACTIVITIES

In EUR thousand	2015	2014
Income from development activities	9,913	6,915
Expenses connected with development activities	-7,091	-6,128
	2,822	787

Net income from development activities is income from construction services provided by CTP to third party companies.

10. OTHER INCOME

In EUR thousand	2015	2014
Bargain purchase	42,785	13,131
Sale of investment property and infrastructure	3,034	1,790
Commissions received from distributors of utilities	--	--
Other income	3,190	2,370
	49,009	17,291

Bargain purchase of EUR 42,785 thousand (2014 – EUR 13,131 thousand) represents the difference between the fair market value and the purchase price paid for the newly acquired subsidiaries – further refer to note 26.

11. OPERATIONAL EXPENSES

In EUR thousand	2015	2014
Administrative personnel expenses	-5,203	-4,184
Depreciation	-1,833	-2,474
Legal, tax and audit	-2,818	-2,304
Other administration services	-1,666	-1,896
Taxes and charges	-1,124	-867
Advertising and promotion expenses	-1,069	-855
Energy cost	-1,026	-1,187
Rent	-963	-411
Fee for real estate consultants and brokers	-603	-480
IT services	-219	-99
Repair and maintenance, other park services	-177	-154
Telecommunication expenses	-123	-88
Other	-1,886	-3,693
Personnel expenses from hotel operations	-2,080	--
Other expenses from hotel hotel operations	-3,056	--
	-23,846	-18,692

The depreciation includes depreciation of the solar plants in the amount of EUR 1,169 thousand (2014 – EUR 1,169 thousand) and depreciation of the other equipment in the amount of EUR 664 thousand (2014 – EUR 1,305 thousand).

In 2015, the remuneration for CTP's Auditors amounted to EUR 228 thousand (2014 – EUR 150 thousand).

The taxes and charges include EUR 291 thousand (2014 – EUR 287 thousand) of the tax imposed on the income from the solar plants.

Personnel expenses

The split of personnel expenses between project management and administrative is as follows:

In EUR thousand	2015	2014
Project management	-804	-752
Administrative	-5,203	-4,184
	-6,007	-4,936

The average number of employees in 2015 was 149 (2014 – 136 employees). In December 2015 the average number of employees was 157 (December 2014 – 135 employees).

In 2015 as well as in 2014 the Board of Directors of CTP Property N.V. did not receive any remuneration.

Hotel operations

In 2015, the Group acquired two hotels (both the properties and the operations) in the Czech Republic. The result from the hotel operations is as follows:

In EUR thousand	2015	2014
Revenues from hotel operations	7,033	--
Personnel expenses from hotel operations	-2,080	--
Other expenses from hotel operations	-3,056	--
	1,897	--

12. NET FINANCE COSTS

In EUR thousand	2015	2014
Interest income	417	302
Interest income - related parties	534	323
Change in fair value derivatives	20,635	8,500
Net foreign exchange gains	--	44
Payment received from derivatives	--	252
Other financial income	1,752	2,721
Finance income	23,338	12,142
Interest expense	-28,034	-26,634
Interest expense - related parties	-456	-854
Net foreign exchange losses	-5,009	-1,772
Change in fair value derivatives	-9,827	-21,264
Payment made on derivatives	-20,440	-19,916
Other financial expenses	-5,203	-3,147
Finance costs	-68,969	-73,587
Net finance costs	-45,631	-61,445

The interest expenses include the agreed additional interest charge for the EUR 100,000 thousand facility from Erste Bank Group in the amount of EUR 49 thousand (2014 – EUR 260 thousand) that was fully repaid in April 2015.

In 2014 other finance income in the amount of EUR 2,721 thousand represented the agreed remuneration for the (on the financing bank’s request) premature refinancing of a project.

Other expenses comprise standard bank fees as well as arrangement fees for making available new loan facilities and other financial expenses.

13. INCOME TAX EXPENSE

In EUR thousand	2015	2014
Current tax	-5,201	-3,576
Deferred tax	-45,577	-43,136
Total income tax expense in income statement	-50,778	-46,712

Reconciliation of effective tax rate

In EUR thousand	2015	2014
Result before tax	267,993	275,235
Income tax	25.0%	25.0%
Anticipated income tax in the Netherlands	-66,998	-68,809
Effect of tax rates in foreign jurisdictions	16,080	16,513
Other differences	140	5,584
	-50,778	-46,712

The impact of change in foreign currency exchange rate relates to the changes in the tax values of assets and liabilities, which are stated in local currencies, based on the foreign exchange rates during the years 2015 and 2014.

Other differences relate to the tax treatment between CTP Property Lux S.à r.l. and CTP Property N.V.

14. INVESTMENT PROPERTY

In EUR thousand	Owned buildings and land	Leased buildings and land	Land Bank	Total
Balance at 1 January 2014	1,295,586	404,114	88,043	1,787,743
Transfer from / to investment property under development	7,658	--	9,226	16,884
Transfer from / to property, plant and equipment	--	--	--	--
Transfer from / (to) Owned buildings and land	392,154	-392,154	--	--
Acquisitions	37,306	--	5,890	43,196
Additions / disposals	46,506	--	1,626	48,132
Translation reserve	-330	--	-675	-1,005
Valuation gains	180,693	580	15,745	197,018
Valuation gains recognized in previous years on investment property under development transferred to investment property	2,988	--	--	2,988
Valuation losses	-9,730	--	-3,778	-13,508
Assets held for sale	--	--	--	--
Balance at 31 December 2014	1,952,831	12,540	116,077	2,081,448
Balance at 1 January 2015	1,952,831	12,540	116,077	2,081,448
Transfer from / to investment property under development	10,506	--	-4,505	6,001
Transfer from / to property, plant and equipment	--	--	--	--
Transfer within investment property	11,663	-12,540	877	--
Acquisitions	328,780	--	21,999	350,779
Additions / disposals	132,812	--	3,446	136,258
Translation reserve	1,359	--	1,525	2,884
Valuation gains	117,689	--	4,297	121,986
Valuation gains recognized in previous years on investment property under development transferred to investment property	14,389	--	--	14,389
Valuation losses	-5,276	--	-10,055	-15,331
Assets held for sale	--	--	--	--
Balance at 31 December 2015	2,564,753	--	133,661	2,698,414

Owned buildings and land represent assets in CTP’s legal ownership.

The land bank comprises the plots of land in CTP’s ownership, on which development projects are to be carried out. The land bank has been valued by a registered independent valuer with an appropriately recognized professional qualification and with an up-to-date knowledge and understanding of the location and category of the property.

Investment property comprises a number of commercial properties that are leased to third parties. The carrying amount of investment property is the fair value of the property as determined by a registered independent valuer with an appropriately recognized professional qualification and with an up-to-date knowledge and understanding of the location and category of the valued property.

All owned buildings and land are subject to a registered debenture to secure bank loans (refer to note 23).

Fair value hierarchy

At 1 January 2015 the fair value measurement for investment property of EUR 2,081,448 thousand has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

In EUR thousand				
31/12/2015	Level 1	Level 2	Level 3	Total fair value
Investment property	-	-	2,698,414	2,698,414

In EUR thousand				
31/12/2014	Level 1	Level 2	Level 3	Total fair value
Investment property	-	-	2,081,448	2,081,448

Explanation of the fair value hierarchy:

- ▶ Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- ▶ Level 2 – use of a model with inputs (other than quoted prices included in Level 1) that are directly or indirectly observable market data.
- ▶ Level 3 – use of a model with inputs that are not based on observable market data.

Management’s adjustments made in respect of valuations appraisals

The management of CTP did not make any adjustments to valuations appraisals and the carrying amounts of properties fully correspond to their fair values determined by independent valuers as at 31 December 2015.

The investment property and the investment property under development is located in the following countries where CTP operates:

In EUR thousand	2015	2014
Czech Republic	2,495,814	2,191,241
Romania	207,942	9,759
Slovakia	160,094	11,360
Germany	24,862	24,722
Hungary	14,219	--
Poland	15,300	--
Austria	2,530	2,580
Ukraine	2,023	--
Slovenia	1,444	287
	2,924,220	2,239,949

15. INVESTMENT PROPERTY UNDER DEVELOPMENT

In EUR thousand	2015	2014
Balance at 1 January	158,501	117,912
Additions/disposals	55,005	19,393
Divestments	-6,772	--
Transfers from/to investment property	-6,001	-16,884
Transfers from/to property, plant and equipment	687	170
Valuation gains	34,327	40,277
Valuation losses	-9,704	-11,216
Valuation gains recognized in previous years on investment property under development transferred to investment property in current year	-14,389	-2,988
Write off/Impairment / [reversal of impairment] of investment property under development	580	-216
Acquisition of subsidiary	11,171	12,883
Translation reserve	2,401	-830
Balance at 31 December	225,806	158,501

The investment property under development comprises pipeline projects in several stages of completion and of land with plan-ning permits in place which is still to be constructed. The management estimates the pipeline projects to be built in the coming three years.

The carrying amount of investment property is the fair value of the property as determined by a registered independent valuer with an appropriately recognized professional qualification and with an up-to-date knowledge and understanding of the location and category of the valued property.

Fair value hierarchy

At 1 January 2015 the fair value measurement for investment property under development of EUR 158,501 thousand has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

16. NET VALUATION RESULT ON INVESTMENT PROPERTY

Reconciliation of valuation gains/losses recognized in statement of comprehensive income:

In EUR thousand	2015	2014
Valuation gains	156,313	237,295
out of which: Investment Property	136,375	200,006
Investment Property under development	19,938	37,289
Valuation losses	-25,035	-24,724
out of which: Investment Property	-15,331	-13,508
Investment Property under development	-9,704	-11,216
Net valuation gains (- losses) on investment property	131,278	212,571

17. PROPERTY, PLANT AND EQUIPMENT

In EUR thousand	Plant	Equipment	2015	2014
Balance at 1 January	20,728	2,100	22,828	23,539
Acquisitions	--	208	208	--
Additions	--	1,588	1,588	708
Disposals	--	-197	-197	--
Transfers from/to investment property	--	--	--	--
Transfers from/to investment property under development	--	-687	-687	-170
Transfers from/to assets classified as held for sale	--	--	--	--
Valuation gain/loss on solar plants	1,350	--	1,350	1,251
Depreciation	-1,169	-664	-1,833	-2,474
Impact of sale of electricity grid	--	--	--	--
Advance received for sale of electricity grid	--	--	--	--
Translation reserve	--	43	43	-26
Balance at 31 December	20,909	2,391	23,300	22,828

Under Plant are presented the solar plants installed on the roofs of several buildings. The value of EUR 20,909 thousand (2014 – EUR 20,728 thousand) represents the market value of the solar panels based upon the independent valuation report.

Under Equipment in the amount of EUR 2,391 thousand (2014 – EUR 2,100 thousand) the real estate infrastructure (roads, greenery, energy transformers etc.) and related equipment are presented. Besides the real estate infrastructure the furnishing of canteens is separately leased to tenants. All items under Equipment are stated at historical costs minus depreciation.

18. FINANCE LEASE RECEIVABLES

The Company concluded finance lease contracts on machines. The machines have been re-leased under a finance lease contract for a period of 9 years. The maturity date of the finance lease receivables is as follows:

In EUR thousand	2015	2014
Less than one year	57	34
Between one and five years	186	234
	243	268

19. TRADE AND OTHER RECEIVABLES

In EUR thousand	2015	2014
Trade receivables	32,488	31,473
Tax receivables	8,512	3,530
	41,000	35,003

The trade receivables consist mainly of receivables from rent and rent related income.

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of EUR 43,307 thousand (2014 – EUR 38,947 thousand) entirely consist of bank balances. All cash and cash equivalents are payable on demand.

21. ASSETS CLASSIFIED AS HELD FOR SALE

CTP does not report any assets classified as held for sale as at 31 December 2015 (31 December 2014 – EUR 0).

22. EQUITY

CTP Property N.V.

Issued capital

The authorized share capital of the Company consists of 500,000,000 ordinary shares with a nominal value of EUR 0.10 each. As of 31 December 2014 the issued share capital consists of 124,000,000 shares of EUR 0.10 each. The issued share capital has been fully paid up.

Share premium reserve

The Share premium reserve represents the difference in the par value and the value at the date of issuance of the shares. As of 31 December 2015 the share premium amounts to EUR 619,528 thousand.

Revaluation reserve

The Revaluation reserve in the amount of EUR 10,072 thousand (2014 – EUR 8,977 thousand) represents the net valuation gain, i.e. the valuation gain after tax, from the revaluation of the solar plants which was directly recognized in equity.

CTP Invest, spol. s r.o.

Share capital

The issued capital comprises the capital of the Company as recorded in the Czech Commercial Register of EUR 375,733 thousand (31 December 2014 – EUR 375,733 thousand).

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements from the functional to the presentation currency (refer to basis of preparation 4 b).

Reserves

Reserves comprise legal reserve of CTP Invest, spol. s r.o. of EUR 7,360 thousand (31 December 2014 – EUR 7,360 thousand).

23. LIABILITIES

Current trade and other payables

In EUR thousand	2015	2014
Trade payables	52,653	40,249
Accruals	14,394	8,338
VAT payable	2,815	3,261
Other tax payables	8,399	8,990
	78,261	60,838

Interest-bearing loans and borrowings from financial institutions, Finance lease liabilities

In EUR thousand	2015	2014
Non-current liabilities		
Interest-bearing loans and borrowings from financial institutions	1,455,438	1,050,924
Finance lease payables	--	1,025
	1,455,438	1,051,949
	2015	2014
Current liabilities		
Interest-bearing loans and borrowings from financial institutions	103,276	92,561
Finance lease payables	--	11,849
	103,276	104,410

Interest-bearing loans and finance lease payables relate to the following:

In EUR thousand	Balance as at 31 December 2015				Balance as at 31 Dec. 2014	
	Due within			Due in	Total	Total
	1 year	2 years	3-5 years	follow. years		
Erste Group	27,017	17,485	67,997	207,400	319,899	399,480
<i>Erste Group Bank AG</i>	<i>17,760</i>	<i>7,932</i>	<i>39,339</i>	<i>72,922</i>	<i>137,953</i>	<i>227,888</i>
<i>Česká spořitelna, a.s.</i>	<i>6,672</i>	<i>6,958</i>	<i>20,874</i>	<i>99,532</i>	<i>134,036</i>	<i>171,592</i>
<i>Banca Comerciala Romana S.A.</i>	<i>2,585</i>	<i>2,595</i>	<i>7,784</i>	<i>34,946</i>	<i>47,910</i>	--
Raiffeisen International Group	18,680	13,708	78,846	125,642	236,876	74,918
<i>Raiffeisenbank a.s.</i>	<i>15,974</i>	<i>11,002</i>	<i>38,258</i>	<i>125,642</i>	<i>190,876</i>	<i>74,918</i>
<i>Tatra banka, a.s.</i>	<i>2,706</i>	<i>2,706</i>	<i>40,588</i>	--	<i>46,000</i>	--
UniCredit Bank Czech Republic and Slovakia, a.s.	22,323	11,981	67,160	134,817	236,281	154,678
<i>UniCredit Bank Czech Republic and Slovakia, a.s.</i>	<i>21,810</i>	<i>11,468</i>	<i>59,471</i>	<i>134,817</i>	<i>227,566</i>	<i>154,678</i>
<i>UniCredit Bank Hungary Zrt.</i>	<i>513</i>	<i>513</i>	<i>7,689</i>	--	<i>8,715</i>	--
Československa obchodní banka, a.s.	7,491	7,864	53,155	91,563	160,073	123,724
Société Générale Group	8,582	8,278	137,074	--	153,934	76,357
<i>Komerční banka, a.s.</i>	<i>6,413</i>	<i>6,109</i>	<i>104,930</i>	--	<i>117,452</i>	<i>76,357</i>
<i>BRD-Groupe Société Générale S.A.</i>	<i>2,169</i>	<i>2,169</i>	<i>32,144</i>	--	<i>36,482</i>	--
Deutsche Pfandbriefbank AG	2,860	2,860	8,580	126,940	141,240	--
Raiffeisenlandesbank Niederösterreich-Wien AG	7,928	7,928	25,841	83,051	124,748	128,906
ING Bank N.V.	3,375	2,389	7,166	61,226	74,156	91,962
Landesbank Hessen-Thüringen Girozentrale	2,154	2,154	45,770	--	50,078	51,963
Všeobecná úverová banka a.s.	1,465	1,744	26,766	6,971	36,946	29,151
Oberbank AG	553	553	1,658	5,337	8,101	8,501
PPF banka a.s.	848	848	14,686	--	16,382	--
Immigon Portfolioabbau AG [formerly Österreichische Volksbanken-AG]	--	--	--	--	--	8,400
Commerz Real AG	--	--	--	--	--	8,319
	103,276	77,792	534,699	842,947	1,558,714	1,156,359

Interest rates for loans and borrowings are based on EURIBOR and PRIBOR, plus margins that vary from 1.25% to 3.50%.

Some of the Group’s borrowings have among others loan to value and debt service coverage ratio covenants. The Group believes there is sufficient headroom to meet the covenants.

They are usually secured by pledges of shares, real estate, receivables and bank accounts.

The share pledges related to interest bearing loans are described in detail in note 30.

The interest-bearing loans and borrowings were received in the following countries where CTP operates:

In EUR thousand	2015	2014
Czech Republic	1,326,704	1,131,462
Romania	110,973	--
Slovakia	90,499	--
Germany	11,359	14,387
Poland	10,464	--
Hungary	8,715	--
Netherlands	--	9,436
Austria	--	1,074
	1,558,714	1,156,359

Finance leases

The finance lease payables were fully repaid or refinanced during 2015.

Due to that the future minimum lease payments as at 31 December 2015 are nil compared to EUR 13,728 thousand as at 31 December 2014:

In EUR thousand	2015	2014
Total minimum lease payments	--	13,728
Future finance charges on finance lease	--	-854
Present value of finance lease liabilities	--	12,874

24. FINANCIAL DERIVATIVES

In EUR thousand	2015	2014
Non-current liabilities		
Financial derivatives	20,430	28,035
Current liabilities		
Financial derivatives	7,586	9,829
	28,016	37,864

	2015	2014
Non-current receivables		
Financial derivatives	1,226	446
Current receivables		
Financial derivatives	257	76
	1,483	522

As at 31 December 2015 and as at 31 December 2014 CTP held the following financial instruments:

Interest rate swaps as at 31 December 2015:

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Due in currency	Actual nominal amount (in thousands of EUR)	Fair value 2015 (in thousands of EUR)
Interest rate swap	06/30/2019	3M Euribor	1.750%	EUR	80,000	-4,987
Interest rate swap	12/31/2018	3M Euribor	1.290%	EUR	15,000	-619
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	36,664	-1,046
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	16,001	-457
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	7,210	-206
Interest rate swap	03/31/2023	3M Euribor	0.275%	EUR	33,952	-188
Interest rate swap	07/01/2021	3M Euribor	0.430%	EUR	51,500	-529
Interest rate swap	12/31/2019	3M Euribor	2.470%	EUR	48,954	-4,202
Interest rate swap	12/31/2019	3M Euribor	0.350%	EUR	5,695	-59
Interest rate swap	12/31/2019	3M Euribor	0.300%	EUR	24,555	-220
Interest rate swap	09/30/2020	3M Euribor	0.190%	EUR	21,266	36
Interest rate swap	05/29/2020	3M Euribor	0.290%	EUR	3,089	-24
Interest rate swap	05/29/2020	3M Euribor	0.330%	EUR	1,480	-14
Interest rate swap	05/29/2020	3M Euribor	0.340%	EUR	4,000	-29
Interest rate swap	12/31/2018	3M Euribor	1.830%	EUR	41,532	-2,259
Interest rate swap	12/31/2018	3M Euribor	1.305%	EUR	7,888	-313
Interest rate swap	12/31/2021	3M Euribor	0.222%	EUR	5,080	38
Interest rate swap	06/30/2022	3M Euribor	0.690%	EUR	8,259	-264
Interest rate swap	10/31/2018	1M Euribor	-0.105%	EUR	7,535	13
Interest rate swap	06/29/2018	3M Euribor	1.040%	EUR	2,550	-68
Interest rate swap	06/29/2018	3M Euribor	1.405%	EUR	1,862	-66
Interest rate swap	09/29/2023	3M Euribor	1.830%	EUR	7,581	-596
Interest rate swap	09/29/2023	3M Euribor	0.800%	EUR	13,040	-234
Interest rate swap	09/30/2021	3M Euribor	0.660%	EUR	15,328	-297
Interest rate swap	09/29/2023	3M Euribor	0.950%	EUR	65,183	-1,808
Interest rate swap	12/29/2023	3M Euribor	0.615%	EUR	5,600	-29
Interest rate swap	06/30/2022	3M Euribor	0.720%	EUR	20,000	-395
Interest rate swap	07/30/2018	3M Euribor	1.145%	EUR	14,700	-447
Interest rate swap	03/31/2022	3M Euribor	0.341%	EUR	33,293	43
Interest rate swap	03/31/2022	3M Euribor	0.041%	EUR	11,000	-31
Interest rate swap	03/31/2022	3M Euribor	0.341%	EUR	27,876	36
Interest rate swap	03/31/2022	3M Euribor	0.341%	EUR	25,019	32
Interest rate swap	03/31/2022	3M Euribor	0.341%	EUR	22,163	28
Interest rate swap	03/31/2022	3M Euribor	0.648%	EUR	21,780	-370
Interest rate swap	12/31/2018	3M Euribor	0.995%	EUR	11,388	-338
Interest rate swap	12/31/2020	3M Euribor	1.597%	EUR	12,600	-882
Interest rate swap	12/29/2017	3M Euribor	0.807%	EUR	30,000	-580
Interest rate swap	12/31/2019	3M Euribor	0.476%	EUR	3,819	-60
Interest rate swap	03/31/2022	3M Euribor	0.572%	EUR	30,700	391
Interest rate swap	12/31/2019	3M Euribor	0.474%	EUR	23,556	-367
Interest rate swap	12/29/2017	3M Euribor	0.835%	EUR	2,609	-49
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	1,960	-36
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	2,310	-42
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	7,910	-145
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	7,910	-145
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	3,010	-55
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	7,770	-142
Interest rate swap	06/30/2022	3M Euribor	0.694%	EUR	980	-15
Interest rate swap	10/01/2020	3M Euribor	0.430%	EUR	6,898	-84
Interest rate swap	12/02/2020	3M Euribor	0.328%	EUR	29,561	-214
Interest rate swap	09/22/2020	3M Euribor	0.435%	EUR	1,355	-17
Interest rate swap	09/24/2020	3M Euribor	0.432%	EUR	6,113	-75
Interest rate swap	12/31/2020	3M Euribor	0.230%	EUR	32,249	-68
Interest rate swap	09/30/2020	3M Euribor	0.190%	EUR	7,912	-11
Interest rate swap	09/30/2020	3M Euribor	0.190%	EUR	21,266	-30
Interest rate swap	09/29/2023	3M Euribor	0.7600%	EUR	7,484	-123
Interest rate swap	09/30/2020	3M Euribor	0.0187%	EUR	34,300	92
Interest rate swap	06/30/2020	3M Euribor	0.3300%	EUR	10,464	-88
Interest rate swap	04/30/2018	3M Pribor	1.000%	CZK	756	-11
Interest rate swap	03/31/2022	3M Pribor	0.427%	CZK	9,806	124
Interest rate swap	12/30/2018	3M Pribor	1.135%	CZK	14,801	-343
					1,036,122	-22,844

Interest rate swaps as at 31 December 2014:

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Due in currency	Actual nominal amount (in thousands of EUR)	Fair value 2014 (in thousands of EUR)
Interest rate swap	06/30/2019	3M Euribor	1.750%	EUR	80,000	-5,677
Interest rate swap	12/31/2018	3M Euribor	1.340%	EUR	122,000	-4,017
Interest rate swap	12/31/2018	3M Euribor	1.290%	EUR	50,000	-2,287
Interest rate swap	12/31/2018	3M Euribor	1.290%	EUR	15,000	-686
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	38,355	-1,067
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	16,739	-466
Interest rate swap	09/30/2019	3M Euribor	0.845%	EUR	7,542	-210
Interest rate swap	07/01/2015	3M Euribor	4.070%	EUR	52,361	-1,586
Interest rate swap	07/01/2015	3M Euribor	0.290%	EUR	5,300	-8
Interest rate swap	12/31/2019	3M Euribor	2.470%	EUR	71,550	-6,629
Interest rate swap	12/31/2018	3M Euribor	1.830%	EUR	43,203	-2,719
Interest rate swap	12/31/2018	3M Euribor	1.305%	EUR	8,156	-357
Interest rate swap	06/29/2018	3M Euribor	1.040%	EUR	2,730	-79
Interest rate swap	06/29/2018	3M Euribor	1.405%	EUR	1,967	-81
Interest rate swap	09/29/2023	3M Euribor	1.830%	EUR	8,051	-698
Interest rate swap	12/31/2021	3M Euribor	1.660%	EUR	18,000	-1,430
Interest rate swap	09/30/2021	3M Euribor	0.660%	EUR	15,947	-293
Interest rate swap	12/31/2018	3M Euribor	0.995%	EUR	20,600	-627
Interest rate swap	12/31/2018	3M Euribor	0.995%	EUR	12,056	-367
Interest rate swap	12/31/2020	3M Euribor	1.597%	EUR	12,600	-976
Interest rate swap	12/29/2017	3M Euribor	0.807%	EUR	30,000	-633
Interest rate swap	12/31/2019	3M Euribor	0.476%	EUR	3,967	-47
Interest rate swap	12/29/2017	3M Euribor	0.835%	EUR	2,773	-56
Interest rate swap	12/31/2019	3M Euribor	0.474%	EUR	24,716	-286
Interest rate swap	07/30/2018	3M Euribor	1.145%	EUR	15,510	-519
Interest rate swap	03/31/2015	3M Pribor	2.610%	CZK	635	-1
Interest rate swap	04/30/2018	3M Pribor	1.000%	CZK	851	-16
Interest rate swap	06/28/2024	3M Pribor	1.585%	CZK	7,214	-511
Interest rate swap	12/30/2018	3M Pribor	1.135%	CZK	14,427	-454
					702,250	-32,783

Cross currency interest rate swaps as at 31 December 2015:

Derivative financial instruments	Due within maturity date	Receiving leg	Actual nominal amount (in thousands of EUR)	Paying leg	Actual nominal amount (in thousands of CHF)	Fair value 2015 (in thousands of EUR)
Cross currency interest rate swap	01/14/2019	3M Euribor -0,195%	50,077	0.317%	61,558	-2,180

Cross currency interest rate swaps as at 31 December 2014:

Derivative financial instruments	Due within maturity date	Receiving leg	Actual nominal amount (in thousands of EUR)	Paying leg	Actual nominal amount (in thousands of CHF)	Fair value 2014 (in thousands of EUR)
Cross currency interest rate swap	06/30/2019	3M Euribor -0,195%	51,962	0.317%	61,558	-2,227

Interest rate caps as at 31 December 2015:

Operation	Currency	Maturity	Nominal value (in thousands of EUR)	Fair value 2015 (in thousands of EUR)
call option	EUR	12/29/2017	60,000	-676
call option	EUR	1/2/2019	10,000	1
call option	EUR	5/31/2020	8,373	-175
call option	EUR	12/31/2019	6,843	13
call option	EUR	12/31/2020	6,328	147
call option	EUR	3/31/2017	5,650	-26
call option	EUR	4/30/2016	5,000	-9
call option	EUR	12/30/2016	3,422	--
call option	EUR	12/31/2021	1,301	363
call option	EUR	5/29/2020	400	-81
call option	CZK	12/31/2018	3,854	2
call option	CZK	12/31/2021	571	124
			111,742	-317

Interest rate caps as at 31 December 2014:

Operation	Currency	Maturity	Nominal value (in thousands of EUR)	Fair value 2014 (in thousands of EUR)
call option	EUR	12/29/2017	60,000	-1,008
call option	EUR	1/2/2019	10,000	1
call option	EUR	4/30/2016	5,000	-27
call option	EUR	5/31/2020	9,000	-221
call option	EUR	5/29/2020	5,400	-60
call option	EUR	12/31/2021	1,914	374
call option	EUR	3/31/2017	5,650	-46
call option	EUR	12/30/2016	3,800	--
call option	EUR	12/31/2019	7,210	24
call option	EUR	12/31/2020	6,352	103
call option	CZK	12/31/2021	1,297	123
call option	CZK	12/31/2018	5,858	1
			121,481	-736

Interest rate collar as at 31 December 2015:

Derivative financial instruments	Currency	Maturity	Strike	Nominal amount (in thousands of EUR)	Fair value 2015 (in thousands of EUR)
CAP	EUR	12/29/2017	3.500%	24,000	-144
FLOOR	EUR	12/29/2017	2.000%	24,000	-1,048
					-1,192

Interest rate collar as at 31 December 2014:

Derivative financial instruments	Currency	Maturity	Strike	Nominal amount (in thousands of EUR)	Fair value 2014 (in thousands of EUR)
CAP	EUR	12/29/2017	3.500%	24,000	-209
FLOOR	EUR	12/29/2018	2.000%	24,000	-1,387
					-1,596

FX forwards:

As at 31 December 2015 as well as as at 31 December 2014 CTP did not have any FX deals opened.

25 . DEFERRED TAX LIABILITY

Deferred tax assets and liabilities were offset in the consolidation with respect to companies subject to the same tax authority. The deferred tax liability relates to the following temporary differences between the tax basis and the value presented in the combined pro-forma statement of financial position as at 31 December 2015 and 31 December 2014:

In EUR thousand	2015	2014
Temporary differences		
Investment property	-1,306,814	-1,025,058
Finance lease	--	1,224
Tax losses	87,118	90,415
Property, plant and equipment	17,868	18,743
Other (receivables, hedge accounting etc.)	-50,962	-21,216
Total temporary differences	-1,252,790	-935,892
<i>Average tax rate (majority of deferred tax arises in the Czech Republic)</i>	<i>19%</i>	<i>19%</i>
Deferred tax liability	-238,030	-177,820
Change of deferred tax in period ended 31 December	-60,210	-41,901
Deferred tax recorded in statement of comprehensive income	-45,577	-43,136
Deferred tax recorded in translation reserve	-6	89
Deferred tax arised from revaluation of Property, plant and equipment	-259	-239
Deferred tax arised from acquisitions	-14,368	1,385

Tax losses analysis:

In EUR thousand	
Tax losses of CTP Divišov I, spol. s r.o.	18,046
Tax losses of CTP Property X, spol. s r.o.	10,058
Tax losses of CTP Invest V, spol. s r.o.	7,522
Tax losses of CTP Invest VII, spol. s r.o.	7,420
Tax losses of CTPark Bucharest SRL	7,299
Tax losses of Komerční zóna Nupaky, s.r.o.	3,518
Tax losses of CTPark Bratislava, spol. s r.o.	3,379
Tax losses of CTP, spol. s r.o.	3,087
Tax losses of CTP Property IV s.r.o.	2,721
Tax losses of CTP Invest IX, spol. s r.o.	2,698
Tax losses of CTP Property XXI, spol. s r.o.	2,400
Tax losses of Europort Airport Center a.s.	2,309
Tax losses of CTP Property XXII, spol. s r.o.	2,113
Tax losses of CTP Property II, a.s.	1,980
Tax losses of CTZone Brno, a.s.	1,963
Tax losses of Dúbravská 2 s.r.o.	1,657
Tax losses of CTPark Prague North, spol. s r.o.	1,578
Tax losses of CTP Property XVII, spol. s r.o.	1,461
Tax losses of CTP Property XVIII, spol. s r.o.	843
Tax losses of CTP Property Poland I Sp. z o.o.	752
Tax losses of CTPark Bor, spol. s r.o.	745
Tax losses of CTP Property IX, a.s.	523
Tax losses of H.E.E. Mercury (Proprietati) SRL	523
Tax losses of 2P, s.r.o.	411
Tax losses of Trnavainvest dodávateľský park s.r.o.	370
Tax losses of CTPark Prague East, spol. s r.o.	347
Tax losses of IMMORENT Brno Retail s.r.o.	326
Tax losses of CTP Property XX, spol. s r.o.	323
Tax losses of CTP Property XVI, spol. s r.o.	317
Tax losses of CTP Products I, spol. s r.o.	157
Tax losses of CTP Hranice II, spol. s r.o.	147
Tax losses of Nitra park s.r.o.	125
Total tax losses	87,118
Tax losses not recognized	--
Tax losses recognized	87,118

Tax losses expire in 2016, 2017, 2018, 2019 and 2020 respectively.

26 . SUBSIDIARIES

CTP Invest, spol. s r.o.

CTP Invest, spol. s r.o. owns the following subsidiaries:

Subsidiaries	Country	Ownership	
		2015	2014
CTP Invest I, spol. s r.o.	Czech Republic	100%	100%
CTP Invest III, spol. s r.o.	Czech Republic	100%	100%
Multidisplay s.r.o.	Czech Republic	100%	100%
CTP, spol. s r.o. [1]	Czech Republic	--	100%
Bor Logistics, spol. s r.o.	Czech Republic	100%	100%
CTP Property XVI, spol. s r.o. [2]	Czech Republic	100%	100%
CTP Property XVII, spol. s r.o.	Czech Republic	100%	100%
CTP Property XIX, spol. s r.o.	Czech Republic	100%	100%
CTP Property XX, spol. s r.o. including its subsidiaries RLRE Epsilon Property, s.r.o. [3] and LEHET - ZK a.s. [4]	Czech Republic	100%	100%
CTP Property XXIII, spol. s r.o.	Czech Republic	100%	100%
CTP Products I, spol. s r.o.	Czech Republic	100%	100%
CTP Property XXVI, spol. s r.o.	Czech Republic	100%	100%
Jungmannova, s.r.o. [5]	Czech Republic	--	100%
CTP Invest X, spol. s r.o.	Czech Republic	100%	100%
CTP Invest XI, spol. s r.o.	Czech Republic	100%	100%
CTP Invest XII, spol. s r.o.	Czech Republic	100%	100%
IMMORENT Brno Retail, s.r.o. [6]	Czech Republic	100%	--
LORNOKA REAL ESTATE, s.r.o.	Czech Republic	100%	--
COPOK s.r.o. [7] including its subsidiaries FW consulting s.r.o., PROCON a.s. and CISK s.r.o.	Czech Republic	100%	--
Bohemia Pilz s.r.o. [8]	Czech Republic	100%	--
2P, s.r.o. [9] including its subsidiary Hotel Operations Plzeň s.r.o.	Czech Republic	100%	--
Europort Airport Center a.s. [10] including its subsidiary Hotel Operations EUROPORT s.r.o.	Czech Republic	100%	--
CTPersonal Bor, spol. s r.o. [11]	Czech Republic	100%	--
BB Asset s.r.o. [12] including its subsidiary Muvela Estates s.r.o.	Czech Republic	100%	--
Důbravská 2, s.r.o. [13]	Slovakia	100%	--
CTP Invest Hungary Kft [14] including its subsidiaries CTPark Alpha Kft, CTPark Beta Kft and CTPark Gamma Kft	Hungary	100%	--
CTP Property Poland I Sp. z o.o. [15]	Poland	100%	--
CTPark Ukraine LLC [16] including its subsidiaries CTPark Lviv LLC and IQ Lviv LLC	Ukraine	100%	--
CTP Divišov I, spol. s r.o.	Czech Republic	29%	--
CTPark Bor, spol. s r.o.	Czech Republic	2%	--
CTP Immobilienverwaltung GmbH	Austria	1%	--
CTPark Bratislava, spol. s r.o.	Slovakia	15%	--
CTPark Nitra, s.r.o.	Slovakia	10%	--
CTP Slovakia, s.r.o.	Slovakia	10%	--
CTPark Bucharest SRL	Romania	10%	--
CTPark Bucharest West I SRL	Romania	10%	--
DEVA LOGISTIC CENTER SA	Romania	1%	--

- 1) In January 2015, the Group transferred 100% shares in CTP, spol. s r.o. to the CTP Property N.V. Group in a common control transaction.
- 2) As of January 2015, the Group de-merged a part of its assets and liabilities from CTP Property XVI, spol. s r.o. to the CTP Property N.V. Group.
- 3) In December 2015, the Group acquired 100% shares in RLRE Epsilon Property, s.r.o. that owns a part of an industrial building and land plots for a future industrial development in the Czech Republic. 100% of the shares are owned by CTP Property XX, spol. s r.o. The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	8,942	3,619	12,560
Trade and other receivables	18	--	18
Cash	1	--	1
Interest-bearing loans and borrowings	--	--	--
Payables due to related parties	--	--	--
Trade and other liabilities	-3	--	-3
Deferred tax asset/liability	-783	-688	-1,470
Net identifiable assets and liabilities	8,174	2,931	11,106
Consideration paid, satisfied in cash			-8,942
Other costs related to acquisition			-61
Negative goodwill on acquisition			2,103

- 4) In November 2015, the Group acquired 100% shares in LEHET – ZK a.s. that owns a part of an industrial property and land plots for a future industrial development in the Czech Republic. 100% of the shares are owned by CTP Property XX, spol. s r.o.
- 5) In September 2015, the Group transferred 100% shares in Jungmannova, s.r.o. to a third party.
- 6) In May 2015, the Group repaid in full its finance lease payables and acquired 100% shares in IMMORENT Brno Retail, s.r.o. that owns land plots for a future retail development in the Czech Republic. 100% of the shares are owned by CTP Invest, spol. s r.o. In 2016, the subsidiary was renamed to Brno Retail, spol. s r.o.
- 7) In August 2015, the Group acquired 100% shares in COPOK s.r.o. that owns 100% shares in FW consulting s.r.o., PROCON a.s. and CISK s.r.o. All the companies own land plots for a future industrial development in the Czech Republic. 100% of the shares are owned by CTP Invest, spol. s r.o.
- 8) In November 2015, the Group acquired 100% shares in Bohemia Pilz s.r.o. that owns land plots for a future industrial development in the Czech Republic. 100% of the shares are owned by CTP Invest, spol. s r.o.
- 9) In June 2015, the Group acquired 100% shares in 2P, s.r.o. that owns a hotel property in the Czech Republic and also owns 90% shares in Hotel Operations Plzeň s.r.o. (10% are owned by CTP Invest, spol. s r.o.) that operates the hotel. 100% of the shares are owned by CTP Invest, spol. s r.o. The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	14,000	4,000	18,000
Trade and other receivables	684	--	684
Receivables from related parties	2,224	--	2,224
Cash	1,630	--	1,630
Interest-bearing loans and borrowings	-8,511	--	-8,511
Payables due to related parties	-7,131	--	-7,131
Trade and other liabilities	-122	--	-122
Deferred tax asset/liability	213	-682	-469
Net identifiable assets and liabilities	2,988	3,318	6,306
Consideration paid, satisfied in cash			-2,117
Other costs related to acquisition			--
Negative goodwill on acquisition			4,189

10) In June 2015, the Group acquired 100% shares in Europort Airport Center a.s. that owns a hotel property in the Czech Republic and also owns 90% shares in Hotel Operations EUROPORT s.r.o. (10% are owned by CTP Invest, spol. s r.o.) that operates the hotel. 100% of the shares are owned by CTP Invest, spol. s r.o. The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	15,000	--	15,000
Trade and other receivables	132	--	132
Receivables from related parties	1,481	--	1,481
Cash	113	--	113
Interest-bearing loans and borrowings	-16,762	--	-16,762
Payables due to related parties	--	--	--
Trade and other liabilities	-444	--	-444
Deferred tax asset/liability	-96	3,789	3,693
Net identifiable assets and liabilities	-577	3,789	3,212
Consideration paid, satisfied in cash			--
Other costs related to acquisition			--
Negative goodwill on acquisition			3,212

- 11) In September 2015, CTPersonal Bor, spol. s r.o. was established. 100% of the shares are owned by CTP Invest, spol. s r.o. In 2016, the subsidiary was renamed to CTPersonnel Bor, spol. s r.o.
- 12) In April 2015, the Group acquired 100% shares in BB Asset s.r.o. that owns 100% shares in Muvela Estates s.r.o. that owns a non-controlling interest in the CTP Property N.V. Group. 100% of the shares are owned by CTP Invest, spol. s r.o.
- 13) In November 2015, the Group acquired 100% shares in Dúbravská 2, s.r.o. that owns an office property in Slovakia. 100% of the shares are owned by CTP Invest, spol. s r.o.
- 14) In July 2015, CTP Invest Hungary Kft was established. 100% of the shares are owned by CTP Invest, spol. s r.o. In July 2015, its subsidiary CTPark Alpha Kft was established and, in November 2015, its subsidiaries CTP Beta Kft and CTPark Gamma Kft were established. 100% of their shares are owned by CTP Invest Hungary Kft.
- 15) In July 2015, the Group acquired 100% shares in Distribution Terminals (Poland) Sp. z o.o. (later in 2015 renamed to CTP Property Poland Sp. z o.o.) that owns three industrial properties in Poland. 100% of the shares are owned by CTP Invest, spol. s r.o. The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	12,200	3,100	15,300
Trade and other receivables	103	--	103
Receivables from related parties	11	--	11
Cash	629	--	629
Interest-bearing loans and borrowings	-10,374	--	-10,374
Payables due to related parties	-1,372	--	-1,372
Trade and other liabilities	-107	--	-107
Deferred tax asset/liability	-677	-446	-1,123
Net identifiable assets and liabilities	413	2,654	3,067
Consideration paid, satisfied in cash			-378
Other costs related to acquisition			-39
Negative goodwill on acquisition			2,649

- 16) In May 2015, CTPark Ukraine LLC was established. 100% of the shares are owned by CTP Invest, spol. s r.o. In May 2015, its subsidiaries CTPark Lviv LLC (99% of the shares are owned by CTPark Ukraine LLC and 1% is owned by IQ Lviv LLC) and IQ Lviv LLC (99% of the shares are owned by CTPark Ukraine LLC and 1% is owned by CTP Invest, spol. s r.o.) were established.

CTP Property N.V.

CTP Property N.V. ultimately owns mainly through CTP Property Lux, S.à r.l., the 100%-subsidiary in Luxembourg, the following subsidiaries in the Czech Republic, the Slovak Republic, Germany, Austria, Romania and Slovenia:

Subsidiaries	Country	Ownership		Note
		2015	2014	
CTP, spol. s r.o.	Czech Republic	100%	100%	
CTP Property, a.s.	Czech Republic	100%	100%	
CTP Property II, a.s.	Czech Republic	100%	100%	
CTP Property III, a.s.	Czech Republic	100%	100%	
CTP Property IV s.r.o.	Czech Republic	100%	100%	
CTP Property V, a.s. including subsidiary CTP Invest VIII, spol. s r.o.	Czech Republic	100%	100%	
CTP Property VIII, a.s.	Czech Republic	100%	100%	
CTP Property IX, a.s.	Czech Republic	100%	100%	
CTP Property X, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XI, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XIV, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XVIII, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XXI, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XXII, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XXVII, spol. s r.o.	Czech Republic	100%	100%	
CTP Property XXVIII, spol. s r.o.	Czech Republic	100%	--	1)
CTP Property XXIX, spol. s r.o.	Czech Republic	100%	--	1)
CTP Property XXX, spol. s r.o.	Czech Republic	100%	--	1)
CTP Invest IV, spol. s r.o.	Czech Republic	100%	100%	
CTP Invest V, spol. s r.o.	Czech Republic	100%	100%	
CTP Invest VII, spol. s r.o.	Czech Republic	100%	100%	
CTP Invest IX, spol. s r.o.	Czech Republic	100%	100%	
CTP Brno I, spol. s r.o.	Czech Republic	100%	100%	
CTP Divišov I, spol. s r.o.	Czech Republic	71%	100%	2)
CTP Finance, a.s.	Czech Republic	100%	100%	
CTP Hranice II, spol. s r.o.	Czech Republic	100%	--	2)
CTP Infrastructure, a.s.	Czech Republic	100%	100%	
CTP Plzeň I, spol. s r.o.	Czech Republic	100%	100%	
CTP Pohořelice I, spol. s r.o.	Czech Republic	100%	100%	
CTPark Bor, spol. s r.o.	Czech Republic	98%	100%	3)
CTPark Brno Campus s.r.o.	Czech Republic	100%	100%	
CTPark Mladá Boleslav II, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague East, spol. s r.o. including subsidiary Komerční zóna Nupaky, s.r.o.	Czech Republic	100%	100%	
CT Finance, spol. s r.o.	Czech Republic	100%	100%	
CT Retail s.r.o.	Czech Republic	100%	100%	
CTZone Brno, a.s.	Czech Republic	100%	100%	
CTZone Ostrava, a.s.	Czech Republic	100%	100%	
CTPark Prague North, spol. s r.o.	Czech Republic	100%	100%	
Pekařská Office, s. r. o.	Czech Republic	100%	100%	
Spielberk Office Center, spol. s r.o.	Czech Republic	100%	100%	4)
CTP Immobilienverwaltung GmbH	Austria	99%	99%	
CTP Germany GmbH including subsidiaries DN Beteiligungs GmbH and TGM GmbH	Germany	100%	100%	
CTP Invest SK, spol. s r.o.	Slovakia	100%	100%	
CTP Beta SK, spol. s r.o.	Slovakia	100%	100%	
CTP Alpha SK, spol. s r.o.	Slovakia	100%	100%	
CTPark Bratislava, spol. s r.o.	Slovakia	85%	--	5)
CTPark Nitra, s.r.o.	Slovakia	90%	--	6)
CTP Slovakia, s.r.o. including subsidiaries Trnavainvest dodavatelsky park s.r.o., Nitra Park s.r.o. and Logistics Development s.r.o.	Slovakia	90%	--	7)
CTP INVEST Bucharest S.R.L. including subsidiaries CTPARK ALPHA S.R.L., CTPARK DELTA S.R.L. and CTPARK GAMMA S.R.L.	Romania	100%	100%	
CTPARK BETA S.R.L.	Romania	100%	100%	
CTPark Bucharest SRL	Romania	90%	--	8)
CTPark Bucharest West I, SRL	Romania	90%	--	8)
DEVA LOGISTIC CENTER SA	Romania	99%	--	8)
H.E.E. [MERCURY] PROPRIETATI SRL	Romania	100%	--	8)
CTP Ljubljana d.o.o.	Slovenia	100%	100%	

- 1) The companies CTP Property XXVIII, spol. s r.o., CTP Property XXIX, spol. s r.o. and CTP Property XXX, spol. s r.o., were newly established in June and July 2015 for new future developments. Currently the companies have no activities.
- 2) As at 1 May 2015 the companies CTP Property XXIV, spol. s r.o., CTP Property XXV, spol. s r.o. and CTPark Olomouc, a.s. were merged with CTP Divišov I, spol. s r.o. and ceased to exist. At the same time a land plot was demerged into CTP Hranice II, spol. s r.o. As a consequence from this merger and demerger the CTP Invest Group owns 29,27% of the shares in this company. The remaining shares are owned by CTP Property Lux S.a.r.l. (70,02%) and CTP Property N.V. (0,71%).
- 3) As at 1 May 2015 the companies CTP Bor I, spol. s r.o., CTP Bor II, spol. s r.o. and CTP Bor III, spol. s r.o. and a part of the company CTP Property XVI, spol. s r.o. were merged into CTPark Bor, spol. s r.o. As a consequence from this merger the CTP Invest Group owns 1,84% of the shares in this company. The remaining shares are owned by CTP Property Lux S.a.r.l. (98%) and CTP Property N.V. (0,16%).
- 4) On 28 December 2015 the companies CTP Property VI, a.s. and CTP Heršpická, spol. s r.o. were merged into Spielberk Office Center, spol. s r.o.
- 5) During 2015 the Company acquired several SPV´s in Slovakia which were all merged into the newly acquired company CTPark Bratislava, spol. s r.o. so as at 31 December 2015 CTPark Bratislava, spol. s r.o. owns twelve industrial warehouses and one retail building in Bratislava. This subsidiary further owns land for future development. The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	45,500	11,060	56,560
Trade and other receivables	1,287	--	1,287
Cash	1,499	--	1,499
Interest-bearing loans and borrowings	-36,325	--	-36,325
Payables due to related parties	-5,229	--	-5,229
Trade and other liabilities	-1,522	--	-1,522
Deferred tax asset/liability	-3,572	-1,960	-5,532
Net identifiable assets and liabilities	1,638	9,100	10,738
Consideration paid, satisfied in cash			-5,276
Other costs related to acquisition			-207
Negative goodwill on acquisition			5,255

- 6) In September 2015 the Company established the subsidiary CTPark Nitra, s.r.o., this company has no activities for the meanwhile but will acquire land plots in the near future.
- 7) During 2015 the Company established in Slovakia the subsidiary CTP Slovakia, s.r.o. which consequently acquired the subsidiaries Trnavainvest Dodavatelsky Park s.r.o., Nitra Park s.r.o. and Logistics Development s.r.o. Both first mentioned companies owned leased buildings and land plots for further development, the latter company owns only land plots. The acquisition of Trnavainvest Dodavatelsky Park s.r.o. had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	37,450	3,970	41,420
Trade and other receivables	211	--	211
Cash	1,071	--	1,071
Interest-bearing loans and borrowings	--	--	--
Payables due to related parties	-15,124	--	-15,124
Trade and other liabilities	-1,007	--	-1,007
Deferred tax asset/liability	-2,500	-792	-3,292
Net identifiable assets and liabilities	20,101	3,178	23,279
Consideration paid, satisfied in cash			-21,397
Other costs related to acquisition			-37
Negative goodwill on acquisition			1,845

8) During 2015 the Company acquired four subsidiaries in Romania:

a) H.E.E. (MERCURY) PROPRIETATI SRL in March 2015, this subsidiary owns three industrial building in CTPark Bucharest West.
The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	9,000	4,800	13,800
Trade and other receivables	877	--	877
Cash	110	--	110
Interest-bearing loans and borrowings	-5,010	--	-5,010
Payables due to related parties	-4,544	--	-4,544
Trade and other liabilities	-179	--	-179
Deferred tax asset/liability	1,434	-684	749
Net identifiable assets and liabilities	1,688	4,116	5,804
Consideration paid, satisfied in cash			-342
Other costs related to acquisition			-106
Negative goodwill on acquisition			5,356

b) DEVA LOGISTIC CENTER SA in July 2015, this subsidiary owns two industrial building in CTPark Deva II.

c) CTPark Bucharest West I, SRL in November 2015, this subsidiary owns two industrial building in CTPark Bucharest West.
The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	35,000	8,093	43,093
Trade and other receivables	765	--	765
Cash	10,737	--	10,737
Interest-bearing loans and borrowings	--	--	--
Payables due to related parties	-31,992	--	-31,992
Trade and other liabilities	-9,793	--	-9,793
Deferred tax asset/liability	306	-1,295	-989
Net identifiable assets and liabilities	5,023	6,798	11,821
Consideration paid, satisfied in cash			-3,881
Other costs related to acquisition			-77
Negative goodwill on acquisition			7,862

d) CTPark Bucharest SRL in December 2015, this subsidiary owns seven industrial building in CTPark Bucharest.
The acquisition had the following effect on the Group's assets and liabilities at the acquisition date:

In EUR thousand	Acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Investment property	72,000	4,407	76,407
Trade and other receivables	1,032	--	1,032
Cash	422	--	422
Interest-bearing loans and borrowings	-53,164	--	-53,164
Payables due to related parties	-18,213	--	-18,213
Trade and other liabilities	-680	--	-680
Deferred tax asset/liability	660	463	1,123
Net identifiable assets and liabilities	2,057	4,869	6,926
Consideration paid, satisfied in cash			-1,318
Other costs related to acquisition			--
Negative goodwill on acquisition			5,608

27. RELATED PARTIES

CTP has a related party relationship with its directors and executive officers and other companies which equity holders are Multinvest B.V. and Finspel B.V. These entities are ultimate parents of CTP. The majority of transactions are with Multifin B.V. Group companies.

In 2015 and 2014 CTP had the following revenues and expenses with related parties:

In EUR thousand	2015		2014	
	Revenues	Expenses	Revenues	Expenses
Multifin B.V. - interest	328	-328	230	-480
Multinvest B.V. - interest	119	-123	--	-319
CTP Partners N.V. - interest	37	--	34	--
Finspel B.V. - interest	35	--	43	--
CTP Invest Poland sp. z o.o. - interest	9	--	9	--
MaVo Lux S.a.r.L. - interest	6	--	6	--
CTP Alpha Poland sp. z.o.o. - interest	1	-5	1	-7
CTP Solar, a.s. - interest	--	-1	--	-2
Remon L. Vos - interest	--	--	--	-46
Others	1	--	1	--
	536	-457	324	-854

As at 31 December 2015 and 2014, CTP has the following receivables from and liabilities to related parties:

In EUR thousand	2015		2014	
	Receivables	Payables	Receivables	Payables
Current receivables and payables				
Remon L. Vos	42	--	25	1
Multifin B.V.	3	--	23	--
CTP Energy TR, a.s.	--	67	--	67
Current receivables and payables	45	67	48	68

Current non-trade receivables from and non-trade liabilities to related parties are interest bearing and bear interest of 3M EURIBOR+3% margin.

In EUR thousand	2015		2014	
	Receivables	Payables	Receivables	Payables
Non-current receivables and payables				
Multifin B.V.	15,683	12,356	13,207	12,538
Finspel B. V.	1,429	--	1,513	119
CTP Partners N.V.	1,660	--	1,306	--
MaVo LUX s.a.r.l	216	--	180	--
CTP Solar, a.s.	1	89	1	88
CTP Invest Poland Sp. z o.o.	--	--	214	--
CTP Alpha Poland Sp. z o.o.	--	--	12	266
Multinvest B.V.	--	--	--	4,233
Non-current receivables and payables	18,989	12,445	16,433	17,244
Total	19,034	12,512	16,481	17,312

As at 31 December 2015 the Group provided loans in the amount of EUR 15,683 thousand to Multifin B.V. (2014 – EUR 13,207 thousand). The interest rate applied for 2015 as well as 2014 was 3M EURIBOR+3%.

As at 31 December 2015 the Group received loans in the amount of EUR 12,356 thousand from Multifin B.V. (2014 – EUR 12,538 thousand). The interest rate applied for 2015 and 2014 was 3M EURIBOR+3%.

Other non-current non-trade receivables from and non-trade liabilities to related parties are interest bearing and bear interest of 3M EURIBOR+3% margin.

Executive management

The average number of executives and remuneration paid for the period ended 31 December 2015 and 31 December 2014 were as follows:

In EUR thousand	2015	2014
Number of employees	14	14
Personnel expenses	1710	1816

28 . RISK POLICIES

Exposure to various risks arises in the normal course of CTP's business. These risks include credit risk, capital risk, operational risk, market risk including foreign currency risk, interest rate and liquidity risk.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to CTP. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed for all customers requiring credit over a certain amount. CTP usually does not require collateral from its tenants. For most of the tenants, a parent company guarantee or a solvent tenant group company guarantee is in place.

Investments can be made only in liquid securities and only with counterparties that have a credit rating equal to or better than CTP. Given their high credit ratings, the management does not expect any counterparty to fail to meet its obligations.

As at the reporting date there were no significant concentrations of credit risk towards third parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. CTP has bank accounts with prestigious banking institutions, where no risk is expected. CTP monitors regularly the financial position of the related parties and the related credit risk.

Credit risk concentration:

In EUR thousand	On-balance sheet	Off-balance sheet	Total 2015	Total 2014
Amounts due from banks	43,307	--	43,307	38,947
Amounts due from financial derivatives	1,483	--	1,483	522
Amounts due from related parties	19,034	--	19,034	16,481
Amounts due from third parties	34,085	--	34,085	32,544
Amounts due from tax institutions	8,512	--	8,512	3,530
Total	106,421	--	106,421	92,024

CTP discloses significant amounts of receivables towards related parties. Receivables towards related parties are partly covered by the liabilities to related parties and assets held by the related parties. If the related parties breach the repayment of CTP receivables and CTP is not able to set off receivables against liabilities, CTP will be exposed to significant credit risk. CTP does not expect breach of repayment.

Capital risk

CTP's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. CTP manages its capital to ensure that entities in CTP will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. CTP's overall strategy remains unchanged compared to 2014.

CTP as property investor is mainly influenced by the fact that it leverages its project financing by using bank debts. There is no real seasonality impact on its financial position but rather the volatility of financial markets that might positively or negatively influence CTP's financial position.

The capital structure of CTP consists of a debt, which includes the borrowings disclosed in note 23.

Gearing ratio:

In EUR thousand	2015	2014
Debt	1,937,384	1,456,088
Equity	1,124,027	900,863
Total	172%	162%

Debt is defined as long-term and short-term liabilities as detailed described in note 23. Equity includes all capital and reserves of CTP (see note 22).

The loan to value (value is the fair market value of the properties) ratio of CTP properties (calculated as a share of interest bearing loans from financial institutions and lease payables on investment property, investment property under construction and plant and equipment) is approximately 53% at 31 December 2015 (2014 – 51%) that is seen as appropriate within the financial markets where CTP is operating.

As the properties are leased for a long period and CTP agreed with its financial institutions long-term financing, CTP expects to fulfill financial covenants in the future.

Operational risk

Operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss from external events. CTP assesses these risks on a regular basis and undertakes measures aimed at systematic detection and minimizations of these risks. During 2015, operational risk management activities concentrated on improving the management information systems containing information about individual projects and related legal documentation.

With respect to areas with an identified significant risk, CTP operates a set of key risk indicators that serve as an early-warning system and as a measurement of operational risks taken.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect CTP’s income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the return.

Foreign currency risk

Currency risk is managed mainly by making, when possible, investments in the same currency as the financing sources utilized. The currency risk during the period of repayment of liabilities to third parties is usually offset by generating revenues denominated in the same underlying currency. CTP pays for buildings in CZK and therefore has foreign currency risk during the construction period. CTP uses derivative financial instruments (FX forwards) to hedge against the exposure to foreign currency risk arising on forecast transactions.

As at 31 December 2015 CTP analyzed the impact of the foreign exchange rate variances on its assets and liabilities and on its statement of comprehensive income. The impact would not be significant as a majority of financial instruments is denominated in EUR.

Interest rate risk

The interest rate risk arises mainly from the floating interest rates applicable to debt financing. Bank loans usually have flexible interest rates based on EURIBOR or PRIBOR rates for the reference period from 1 months to 6 months increased by a fixed margin. In 2015 and 2014, CTP entered into transactions with the financial institutions to hedge the interest rate risk (refer to note 24). CTP mitigated the interest rate risk by holding interest rate swaps, interest rate caps and interest rate collars.

Liquidity risk

Liquidity risk is the risk that CTP will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, CTP is naturally exposed to a certain amount of liquidity risk. CTP manages liquidity risk by constantly monitoring forecast and actual cash flow, financing its investment property portfolio by long-term financing, and refinancing where appropriate, and to use the rent income to settle the short-term liabilities.

Sensitivity analysis on changes in assumptions of investment property valuation

CTP performed a sensitivity analysis on changes in investment property valuation except for land bank investment property. The table below presents the sensitivity of profit and loss before tax as at 31 December 2015 and 31 December 2014 due to changes in assumptions:

Completed investment properties as at 31. 12. 2015 in thousands of EUR

	Current average yield	Current market value	Increased yield by 25 bp	FMV based upon increased yield	Effect of increase in yield by 25 bp
Increase of 25 bp in reversionary yield	7.80%	2,530,115	8.05%	2,451,532	-78,583
	Current average yield	Current rental income	Decrease rental income by 5%	FMV based upon decreased rental income	Effect of decrease in rental income by 5%
Decrease of 5% in estimated rental income	7.80%	197,327	187,461	2,403,609	-126,506

Completed investment properties as at 31. 12. 2014 in thousands of EUR

	Current average yield	Current market value	Increased yield by 25 bp	FMV based upon increased yield	Effect of increase in yield by 25 bp
Increase of 25 bp in reversionary yield	7.76%	1,942,450	8.01%	1,881,825	-60,625
	Current average yield	Current rental income	Decrease rental income by 5%	FMV based upon decreased rental income	Effect of decrease in rental income by 5%
Decrease of 5% in estimated rental income	7.76%	150,738	143,201	1,845,327	-97,123

Market value

Market value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s-length transaction, other than a forced or liquidation sale. Market values are obtained, as appropriate, from quoted market prices, discounted cash flow projections and other valuation models.

To estimate the market value of individual classes of financial instruments, the following methods and assumptions are used:

Cash and cash equivalents, short-term investments

The book value of cash and other short-term investments approximates their fair value, as these financial instruments have a relatively short maturity.

Receivables and payables

The book value of short-term receivables and payables approximates their fair value, as these financial instruments have a short maturity.

Short-term loans

The book value approximates their fair value, as these instruments have a floating interest rate and a short maturity.

Long-term loans

The book value of long-term loans and other liabilities with different interest rates approximates their fair values.

Derivatives

The fair value of derivatives is based on their market value.

Investment property

Investment property is stated at fair market value based upon a discounted cash flow calculation for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income (refer to note 5 b).

Investment property under development

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion (refer to note 5 c).

29 . CONTINGENT LIABILITIES

Issued guarantees

Erste Group Bank AG, in favour of CTP Invest, spol. s r.o., issued a bank guarantee to secure due performance of all claims that may arise consequently to a property purchase agreement concluded between a related party (CTP Property XI, spol. s r.o.) and a third party. The guarantee is limited up to an aggregate maximum amount of EUR 1,400 thousand (plus 5% interest accrued annually) and will finally expire on 31 December 2016.

Real estate transfer tax

All real estate transactions in the Czech Republic are subject to a 4% real estate transfer tax, with the exception of share-based transactions. The management expects that investment property will be held, or, when disposed of, only as a share-based transaction. Therefore, no provision for real estate transfer tax is recorded.

Income tax

CTP was subject to a tax audit. The local tax authority decided that CTP is obliged to pay tax including late payment interest and penalties in the amount of EUR 10,691 thousand. In compliance with the principle of prudence CTP included the amount of EUR 10,691 thousand in the tax expenses over last years and the amount of EUR 7,262 thousand was paid until the year end, for the remaining part CTP created a respective provision and the outstanding amount will be paid in the first half of 2016.

30 . PLEDGES

Shares in some of the subsidiaries are pledged in favour of the financing institutions for securing the bank loans received by them. As at the date of these financial statements the shares in the following companies are pledged:

Company	Shares pledged in favour of
CTP Property XVII, spol. s r.o.	Raiffeisenbank a.s.
CTP Property XX, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
RLRE Epsilon Property, s.r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
LEHET – ZK a.s.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTP Products I, spol. s r.o.	Všeobecná úverová banka a.s.
CTP Invest X, spol. s r.o.	Oberbank AG
2P, s.r.o.	Raiffeisenbank a.s.
Hotel Operations Plzeň s.r.o.	Raiffeisenbank a.s.
Europort Airport Center a.s.	UniCredit Bank Czech Republic and Slovakia, a.s.
Hotel Operations EUROPORT s.r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
Dúbravská 2, s.r.o.	Tatra banka, a.s.
CTPark Alpha Kft	UniCredit Bank Hungary Zrt.
CTP Property Poland I Sp. z o.o.	PPF banka a.s.
CTP Property XVI, spol. s r.o.	Deutsche Pfandbriefbank AG
CTP, spol. s r.o.	Všeobecná úverová banka a.s.
CTP Property, a.s.	Landesbank Hessen-Thüringen Girozentrale
CTP Property II, a.s.	Raiffeisenlandesbank Niederösterreich-Wien AG
CTP Property IV s.r.o.	ING Bank N.V.
CTP Property V, a.s.	Komerční banka, a.s.
CTP Invest VIII, spol. s r.o.	Komerční banka, a.s.
CTP Property VIII, a.s.	Raiffeisenlandesbank Niederösterreich-Wien AG
CTP Property IX, a.s.	Československá obchodní banka, a. s.
CTP Property X, spol. s r.o.	Československá obchodní banka, a. s.
CTP Property XIV, spol. s r.o.	Česká spořitelna, a.s.
CTP Property XVIII, spol. s r.o.	Raiffeisenbank a.s.
CTP Property XXI, spol. s r.o.	Československá obchodní banka, a. s.
CTP Property XXII, spol. s r.o.	Raiffeisenbank a.s.
CTP Invest V, spol. s r.o.	Raiffeisenbank a.s.
CTP Invest VII, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTP Invest IX, spol. s r.o.	Raiffeisenlandesbank Niederösterreich-Wien AG
CTP Brno I, spol. s r.o.	Česká spořitelna, a.s.
CTP Divišov I, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTP Hranice II, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTP Plzeň I, spol. s r.o.	Česká spořitelna, a.s.

Company	Shares pledged in favour of	
CTP Pohořelice I, spol. s r.o.	Česká spořitelna, a.s.	
CTPark Bor, spol. s r.o.	Deutsche Pfandbriefbank AG	
CTPark Brno Campus s.r.o.	Komerční banka, a.s.	
CTPark Mladá Boleslav II, spol. s r.o.	Raiffeisenbank a.s.	
CTPark Prague East, spol. s r.o.	Československá obchodní banka, a. s.	
CT Finance, spol. s r.o.	Erste Group Bank AG	
CT Retail s.r.o.	Raiffeisenbank a.s.	
CTZone Brno, a.s.	Erste Group Bank AG	
CTPark Prague North, spol. s r.o.	Erste Group Bank AG	
Pekařská Office, s. r. o.	Oberbank AG	
Spielberk Office Center, spol. s r.o.	Raiffeisenbank a.s.	
CTP Germany GmbH	PPF banka a.s.	
CTP Alpha SK, spol. s r.o.	Tatra banka, a.s.	pledged in 2016
CTPark Bratislava, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.	
CTP Slovakia, s.r.o.	Tatra banka, a.s.	
Trnavainvest dodavatelsky park s.r.o.	Tatra banka, a.s.	
Nitra Park s.r.o.	Tatra banka, a.s.	
CTPARK ALPHA S.R.L.	Raiffeisen Bank S.A.	pledged in 2016
CTPARK BETA S.R.L.	Banca Comerciala Romana S.A.	
CTPark Bucharest SRL	BRD-Groupe Société Générale S.A.	
CTPark Bucharest West I SRL	Banca Comerciala Romana S.A.	
DEVA LOGISTIC CENTER SA	Banca Comerciala Romana S.A.	
H.E.E. (MERCURY) PROPRIETATI SRL	BRD-Groupe Société Générale S.A.	

31. SUBSEQUENT EVENTS

Loan agreements

In April 2016, CTP signed a loan agreement with PPF banka a.s. for financing of an industrial property to be constructed in the Czech Republic up to an amount of EUR 6,000 thousand.

CTP signed a loan agreement on 22 January 2016 with Raiffeisenbank a.s. for financing of an industrial property to be constructed in the Czech Republic up to an amount of EUR 4,270 thousand.

CTP signed a loan agreement on 23 February 2016 with Tatra banka, a.s. for financing of two industrial properties to be constructed and an industrial property to be acquired in Slovakia up to an amount of EUR 9,800 thousand.

CTP signed a loan agreement on 25 March 2016 with Raiffeisen Bank S.A. for financing of two industrial properties to be constructed and an industrial property to be acquired in Romania up to an amount of EUR 18,000 thousand.

Subsidiaries

In April 2016, three new subsidiaries (CTP Invest XIII, spol. s r.o., CTP Invest XIV, spol. s r.o. and CTP Invest XV, spol. s r.o.) were established. 100% of the shares are owned by CTP Invest, spol. s r.o.

Acquisitions

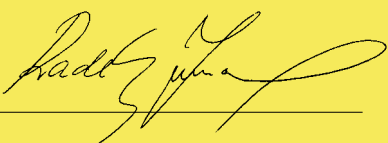
CTP expanded its presence in Hungary through acquisitions of two industrial buildings in April 2016 (asset deals).

CTP acquired in April 2016 100% share in Nitra Park II, s.r.o., a company that owns an industrial property in Slovakia.

CTP is not aware of any other events that have occurred since the statement of financial position date that would have a material impact on this combined pro-forma financial information as at 31 December 2015.

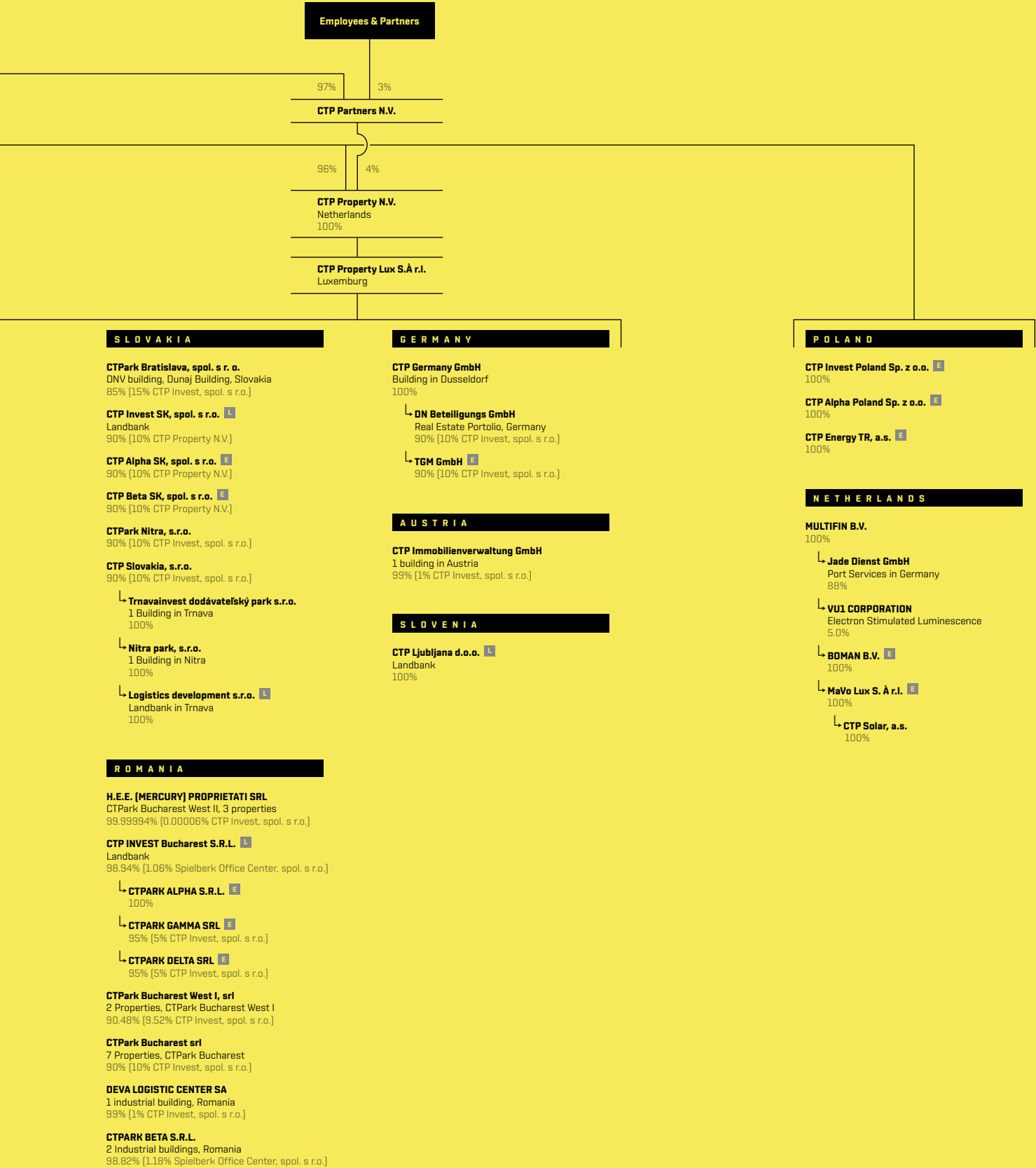
1 June 2016


Remon L. Vos, FRICS


Radek Zeman

As at December 31, 2015

As at December 31, 2015





PART 4

THE PEOPLE



SELECTED BIOGRAPHIES

Great people are the basic building blocks of our company. The team comprises a broad mix of nationalities and specialisations, each bringing unique perspectives and ideas.



Remon L. Vos, FRICS
Chief Executive Officer

Remon established CTP together with two other investors in 1998 to develop full-service business parks for investors doing business in Central Europe. Since the start, he has been CTP's managing director and takes a hands-on approach to running the business. Remon's focus is to grow the company's portfolio and platform of services, and to develop and strengthen relationships with long-term business partners.



Radek Zeman
Chief Financial Officer

Radek joined CTP in 2008. He earned a Master's degree at the University of Economics in Prague and after additional studies in Germany became a member of the Czech Chamber of Auditors and the Czech Chamber of Tax Advisors. As CFO, Radek is responsible for overall financial management of CTP and the financing of company activities and subsidiary companies.



Julius Aleva
Deputy CFO

Julius joined CTP in 2015 as Deputy-CFO. Previously, he worked in the finance team of the Czech Raiffeisenbank, where he spent eight years in managerial positions. Prior to that, he was employed by Deloitte working in the banking and financial institutions group. Julius studied Economics and Finance in Bratislava, Slovakia and in Gent, Belgium.



Jaroslav Kaizr, MRICS
Business Director

Jaroslav joined CTP in mid-2014 following several years' experience working in the Czech industrial market. His focus is to ensure that our properties are full across the portfolio. With his background in the Prague industrial market, he is also tasked with ramping up our efforts at expanding our portfolio in the dynamic and highly competitive Prague region. Jaroslav holds Masters degrees from the University of Economics in Prague and Sheffield Hallam University.



Karel Smejkal
Construction Director

Karel joined CTP in 2007. As construction manager responsible for stand-alone office developments, he is known at CTP as “Mr. Spielberk” for his leadership role in steering our flagship office project to BREEAM Outstanding certification, and he currently oversees preparations for all new A-class office developments across the CEE region. Karel holds a degree in Civil Engineering from the Czech Technical University in Prague and is an authorised building engineer.



Zdeněk Raus
Financial Manager

Zdeněk joined CTP in June 2010. He is in charge of international financing activities as well as international reporting. Zdeněk holds a Masters degree at the Faculty of International Relations of the University of Economics in Prague.



Luboš Zajíček
Head of Legal Department

Luboš joined CTP in October 2006. As head of the Legal department, he is responsible for all legal aspects of company business, including negotiation and conclusion of financial loan agreements, client lease agreements, land purchase and zoning, permitting licenses and intellectual property. He leads a strong in-house team of lawyers with skills and experience unmatched in the market.



Stefan de Goeij, MRICS
Head of Property Management Department

Stefan joined CTP in August 2010 after earning his degree in Real Estate Management at The Hague University in the Netherlands. Stefan is in charge of all park and property management activities, as well as for the staff of the entire CTPark Network portfolio in addition to the office and retail properties of the CTP group. His focus is to increase customer satisfaction, and to reduce customer complaints.



Arno van Hummel
Financial Manager

Arno joined CTP in July 2006. As head of the Finance and Accounting department, he brings some “Dutch blood” to the team and is responsible for cash management and the accounting and reporting of the CTP Group. Arno earned a degree in Economics at the HEAO in Arnhem, Netherlands.

Pavína Adamíková
Corporate Lawyer

Pavína joined CTP in 2012 as a lawyer, responsible primarily for lease agreements. She is an avid sports fan, regularly tackling the marathon, triathlon and 100km hikes through the Beskydy mountains. Pavína also supports blind athletes through volunteer activities.



Thomas A. Kostelac
Marketing Director

Tom joined CTP in 2013 as Marketing Director responsible for the overall look and feel of the company brand, as well as driving the digitalisation of the company. Prior to joining the company, Tom worked with CTP for many years as Owner and Managing Director of a successful advertising and creative agency in Prague. He is a data visualisation freak and gets his kicks combining art and numbers.

Ondřej Tomšů
Technology Designer

Ondřej joined CTP in 2013. As Technology designer, he regularly communicates with clients in order to understand their operations and needs. Together with our in-house designer and engineering team, he designs the optimal solutions so that clients, upon move-in, are able to simply plug in their machinery, and start operations. Ondřej holds a degree in Process Engineering from the Faculty of Mechanical Engineering in Brno and is an authorised technological engineer.



Šárka Truhlářová
Senior Office Manager

Šárka joined CTP in 2012 as Senior Office Manager, responsible for the smooth operations of the Prague office. Prior to CTP she worked as a personal assistant to the managing director of a large corporate company. Šárka gained valuable experience living and working abroad in the United Kingdom, and in her spare time, she enjoys travelling.

Petra Pivovarová
Park Manager, CTPark Ostrava

Petra is a long-term CTP employee. She helped start CTPark Ostrava in 2004 and has been influential in all aspects of the park's development. Today she is responsible for the smooth running of all park facilities and developing new parks in the North Moravia region. Petra is an avid bookworm, keen traveler and a pilates fan.



Vít Novák
Project Manager

Before Vít joined CTP in 2013, he worked on various industrial projects across Czech Republic, as well as a residential project in the UK, at Sheffield. As a project manager in the Brno Region, he is responsible for industry developments. Vít's first project, ABB in Brno, achieved a BREEAM Excellent certificate. Since then, he has built several other industrial developments in Brno and Modřice and a number of modifications of existing buildings for our clients. Vít holds a degree in Civil Engineering from the Technical University Brno.

Zdeněk Apeltauer
Project Manager

Zdeněk joined CTP in 2012. He worked previously for Valeo as a Division Facility Manager for the Czech Republic and Germany. At CTP he is responsible for construction and property management in the Central Bohemia region.



Tomáš Miča
Finance & Accounting Manager

Tomáš joined CTP's Finance & Accounting team in 2015 and is responsible for part of the Czech portfolio as well as foreign companies in the CEE region. He earned his Masters degree in Finance at Tomáš Baťa University in Zlín in 2008 and qualified as a member of Association of Chartered Certified Accountants (ACCA) in 2013. Before he joined CTP, he spent seven years at Ernst & Young delivering various assurance & advisory business services to Czech and multinational companies.

Lenka Šulková
Property Manager

Lenka joined CTP in early 2016. She has worked in the facility management environment for 11 years, including three years abroad in Ireland for Hochtief. Lenka is responsible for the property and facility management of the whole Slovak portfolio.



Miloš Differenc
Finance & Accounting Manager

Miloš joined CTP in 2016 as portfolio accounting manager responsible for reporting of particular domestic and foreign CTP entities. He started his career at KPMG in 2004 in the Financial Services department, where he qualified as a Chartered Accountant. Before he joined CTP, he spent six years at Raiffeisenbank where he participated in the implementation of a new IT system.

Stanislav Pagáč
Regional Director, Slovakia

Stanislav joined CTP in 2008 and spent 5 years in Ostrava as a Project Manager. He rejoined CTP in 2015 after working in Austria for 2.5 years. Ever since he earned his degree in Construction Engineering at STU Bratislava he was involved in development and construction of industrial properties on the sides of investor, developer and general contractor. He holds an MBA, PMP and is an authorised building engineer in Slovakia and Austria.



Nina Hradečná
Corporate Lawyer

Nina joined CTP in May 2015 as a Senior Lawyer, bringing with her valuable expertise in real estate law, gained as an associate at a leading global law firm. She earned her Masters degrees at Charles University in Prague after additional studies in France and the US. She became a member of the Czech Bar Association in 2012. As Senior Lawyer, she is responsible for major property development and lease agreements from first drafts, through negotiation, to conclusion.



Laurentiu-Catalin Hanu
Country Manager, Romania

Hanu is a long-term employee of CTP, responsible for Business Development in Romania. Hanu hails from Transylvania, is a member of the Order of Architects of Romania and enjoys mapping, history and Romanian folklore.



Radka Pudivitrová
Office Manager, Business Development

Radka joined CTP in 2015 as Office Manager in the Business Development Department, responsible for its smooth operation, as well as developing reports and commercial offers. Previously, Radka held various positions in companies in both the Czech Republic and USA. Radka earned her Masters in Economics from the University of Economics, in Prague.



Michal Felcman
M&A, Finance Manager

Michal joined CTP in 2015 to strengthen the CTP Finance team in the area of acquisitions and financing. He earned a PhD at the University of Economics in Prague and an MBA in Manchester, UK. Before joining CTP, he worked in the corporate restructuring business. Michal is responsible for execution of acquisitions of real estate projects in the CEE region and also for acquisition and construction financing.



Jitka Dykastová
Group Controller

Jitka joined CTP in February 2016. In 2006 she gained a degree in Combined Studies in Business Management and Organization from Sheffield University, and later became a member of the Association of Certified Chartered Accountants. Within her role, Jitka is responsible for management and shareholders reports.



Jiří Kostečka
Business Development

Jiří joined CTP in 2007 as Business Development Manager based in Brno. Jiří has been instrumental in introducing new business to many of our Brno-based properties. In his spare time, Jiří enjoys all kind of sports (cycling, beach volleyball, squash, badminton, etc.) but currently he is most active in running and preparing for the Spartan Race, or other exotic running races, as well as half-marathons. He holds an MBA in Ethics in management.



Miroslav Pekník
Project Manager

Miroslav joined CTP in 2011 as Construction Manager responsible for Tower I in Spielberk. He is currently responsible for office buildings in Brno and unique projects such as the Marriott Hotel, CTOffice at Ponávka and Vlněna. During his years in CTP, he has built the Honeywell office buildings, CTPark Brno parking house, CTOffice units and helped fill Spielberk to 90% occupancy. Miroslav holds a degree in Civil Engineering from the Technical University in Brno and has work experience in Norway.



Karol Škorík
Project Manager

Karol joined CTP in 2007 as a Project Manger, responsible for constructon and maintenance of many of CTP's key parks across the Czech Republic. He is currently working on developing the Slovak portfolio. Karol holds a degree in Civil Engineering from the University of Žilina.



Radka Veletová
Office Manager

Radka was one of the first employees of CTP almost 14 years ago. As an assistant to the CEO, she is responsible for scheduling and communicating with clients and new business partners, and is actively involved in growing the company. Radka balances her work at CTP with looking after her two young sons, and she is happy to still work from Humpolec, where the company first began many years ago.

Brendan Donnellan
Head of Marketing

Brendan joined CTP in 2014 and worked his way up to Head of Marketing. He is responsible for the overall marketing strategy, department productivity, and improving on CTP's award-winning creative standards. Brendan earned a degree in Classical Languages from Durham University. An Irish national, though long-term expat, Brendan lived and worked across the globe before settling in the Czech Republic with his wife and son.



Markéta Šárková
Junior Purchasing Manager

Markéta joined CTP at the beginning of 2013. As Junior Purchasing Manager, she cooperates closely with Project Managers and external suppliers in order to achieve the best quality-to-cost ratio for construction materials, and ultimately meet the budget for each project. Prior to CTP, she worked for an international company for four years in the sales department.

David Chládek
Regional Director, North Moravia

David joined CTP in 2010. One of his first tasks was the successful development of CTPark Hranice near Ostrava, and he is now in charge of all development projects in North Moravia. He holds an MBA in Strategic Management from the International Business School in Brno and a degree in Engineering from the Technical University of Ostrava.



David Vais
Business Development Manager

David joined CTP in 2014 as part of the Business Development team responsible for sourcing and securing new deals. His main responsibility is to maintain low vacancy in the Prague region as well as in the Bohemian region. Teamwork and competitive spirit are David's hallmarks.

Barbora Yousseff
Property Manager,
Spielberk & Ponávka

Barbora joined CTP in 2015. She is responsible for smooth operations of office centres Spielberk and Ponávka in the Brno region. Her focus is on keeping these A-class premises well maintained, user friendly, pleasant to use and to ensure that all customers remain satisfied. Barbora gained an Honours Degree in Business Studies at Thames Valley University London and Masters Degree in Economics at Technical University Ostrava.



Čestmír Přindiš
Creative Director

Čestmír joined CTP in summer 2015 to strengthen the marketing department as inhouse Creative Director. Čestmír gained a Masters degree from Academy of Fine Arts in Prague. Since graduating he has worked for many international clients as a graphic designer and art director. In CTP he is responsible for making all marketing materials look great.

Tomáš Budař
Regional Director, South Moravia

Tomáš joined CTP in 2006. His job is to find new opportunities in Brno and South Moravia to challenge the Construction managers and people in the Purchase department. Tomáš brings his street smarts and entrepreneurial attitude to the table at each deal.



Marian Orzu
Head of Leasing & Business
Development, Romania

Marian has been part of the Romanian industrial market since its early beginnings in 2005 and participated actively on its development. He has been involved in most of the major leases and disposals from the Romanian market working with big manufacturers, retailers and 3PL's such as Lear Corporation, Halliburton, Nokia, Quehenberger, Emag etc. "Industrial leasing activity is my second home and I love what I am doing."

Petr Janáček
Junior Purchase Manager

Petr joined CTP in February 2015. As Junior Purchasing Manager, he cooperates closely with Project Managers and external suppliers in order to achieve the best quality-to-cost ratio for construction materials, and ultimately meet the budget for each project. Prior to CTP, he worked for a regional company as a site manager and purchasing manager.



Radka Musilová
Controller

Radka joined CTP in 1999 and belongs to the first people who have played a large role in establishing the CTP success story. In January 2014 she was appointed as a controller for the law department. Her responsibilities are data processing, ongoing maintenance of CTP's internal information system, processing of law agreements, bank guarantees, communication with clients and the overall support for the legal department and other departments.

Hana Šimonová
Financial Manager

Hana joined CTP in October 2012. Prior to joining CTP, she worked for 10 years at Valeo, starting as a Chief accountant at their plant at CTPark Humpolec and finishing as an SSC Czech Republic Chief accountant managing accountancy on the national level.



Jiří Pícka
Facility Manager

Jiří joined CTP in 2012 in the position of Facility manager for CTParks Modřice, Pohořelice and Brno South. His main goal in the first two years was to stabilise facility management and create “partnerships” with all tenants regarding improvement of maintenance services, reaction time and repairs. Jiří is focused on new technical challenges and the long-term sustainability of our parks.

Dan-Florin Flesariu
Operations Manager, Romania

Dan joined CTP in 2015 as Operations Manager to help bolster the company’s growing ambitions in Romania. Dan is from heart of Transylvania and has a strong real estate and investment banking background.



Csaba Hegedűs
Asset Manager

Csaba joined CTP in 2015 when CTP opened operations in Hungary. Apart from property management of the entire Hungarian portfolio, he is involved in new acquisitions, land plots, and property development preparations. Csaba holds degrees in Economics and Real Estate, and has over 10 years experience in real estate, including agency, valuation and asset management.

Hynek Rajský
Senior Corporate Lawyer

Hynek has been working with CTP since 2013 as a Corporate Lawyer. He is responsible for legal matters connected with financing and acquisitions of CTP properties. Hynek has a master degree in law and bachelor degree in economics.



Hendrik Jung
Senior Business Development Manager

Hendrik joined CTP in 2015. He studied Economics & Business Administration in the Netherlands and Italy, before spending 3 years with Cushman & Wakefield’s CEE industrial & logistics brokerage team. As Senior Business Development Manager, Hendrik is responsible for German speaking and international key accounts across CTP’s multinational portfolio of premium business properties in the region.



Petra Kučerová
Financial Analyst, Controller

Petra joined CTP in 2008 as a Financial Analyst and Controller. She earned her Master’s degree in Public Administration at the Economics Faculty of Masaryk University in Brno. Prior to joining CTP, she gained her professional experience in Asseco Czech Republic, while working in the area of finance and accounting for several years.







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