CONSOLIDATED INTERIM REPORT
OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015

Place and date of publication: Warsaw, 14 May 2015

GLOBE TRADE CENTRE S.A.

MANAGEMENT BOARD'S REPORT ON ACTIVITIES OF CAPITAL GROUP
IN THE THREE-MONTH PERIOD ENDED 31 MARCH 2015

Table of content

Item 1. Introduction

The GTC Group is a leading real estate company in CEE and SEE, operating in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria, and Slovakia. Additionally, it co-owns land in Ukraine and Russia and operates in the Czech Republic through its associates and joint ventures. The Group was established in 1994 and has been present in the real estate market for approximately 20 years.

The Group's portfolio comprises: completed office buildings and office parks as well as retail and entertainment centres (commercial real estate); residential projects; and undeveloped plots of land and suspended projects (land bank).

Since its establishment the Group: has developed approximately 950 thousand sq. m of commercial space and approximately 300 thousand sq. m of residential space and has sold approximately 372 thousand sq. m of commercial space in completed commercial properties and approximately 294 thousand sq. m of residential space.

As of 31 March 2015, the Group owns and manages a portfolio of:

- 25 completed commercial properties, including 19 office properties and 6 retail properties with a combined commercial space of approximately 537 thousand sq. m, of which the Group's proportional interest amounts to approximately 493 thousand sq. m of NRA;
- 1 office project under construction with total NRA of approximately 28 thousand sq. m, of which the Group's proportional interest amounts to 28 thousand of NRA; as at date of the report only first phase is under construction with NRA of 10 thousand sq. m;
- inventory of residential units totaling 6 thousand sq. m;
- land bank designated for future development, with approximately 941 thousand sq. m NRA designated for commercial use and approximately 400 thousand sq. m NRA designated for residential use; and
- 3 asset held for sale, including 1 retail property with a NRA of approximately 29 thousand sq m. 1 office property with NRA of approximately 15 thousand sq m and 1 suspended project designated for retail use.

As of 31 March 2015, the book value of the Group's portfolio amounts to €1,273,277 with: (i) the Group's completed commercial properties accounting for 78% thereof; (ii) completed residential units accounting for 1% , (iii) a land bank designated for future development accounting for 17% and (iv) assets held for sale accounting for 4%.

Additionally, the Group conducts operations in the Czech Republic, through its associates. The Group's proportional interest in assets in Czech Republic amounts to approximately 24 thousand sq. m of NRA in two office buildings and a shopping mall. The Group is also the co-owner of a 140 thousand sq. m land plot located in Ukraine, of which the Group's proportional interest is 70 thousand sq. m and 43 thousand sq. m land plot located in Russia, of which the Group's proportional interest is 28 thousand sq. m and a 10 thousand sq. m land plot designated for Ana Tower, located in Romania, of which the Group's proportional interest is 5 thousand sq. m.

The Group's completed properties in its three most significant markets, i.e. Poland, Romania and Hungary, constitute 43%, 15% and 15% of the total value of the Group's completed real estate portfolio, respectively.

Additionally, the Group manages third party assets including two office buildings: one in Budapest and one in Warsaw.

The Company's shares are listed on the WSE and included in the WIG30 index. The Company's shares are also included in the international MSCI index, the Dow Jones STOXX Eastern Europe 300 average, the GPR250 index, which comprises the 250 largest and most liquid real estate companies in the world; and the FTSE EPRA/NAREIT Emerging Index.

The Group's headquarters are located in Warsaw, at 5 Wołoska Street.

In the Management Board's report references to the Company or GTC are to Globe Trade Centre S.A. and all references to the Group or the GTC Group are references to Globe Trade Centre S.A. and its consolidated subsidiaries. Expressions such as: "Shares" relate to the shares in Globe Trade Centre S.A., which were introduced to public trading on the Warsaw Stock Exchange in May 2004 and later and are marked under the PLGTC0000037 code; "Bonds" refers to the bonds issued by Globe Trade Centre S.A. and introduced to alternative trading market and marked with the ISIN codes PLGTC0000144, PLGTC0000151 and PLGTC0000177; „the Report" refers to the consolidated annual report prepared pursuant to art. 87 of the Decree of the Finance Minister of 19 February 2009 on current and periodical information published by issuers of securities and conditions of qualifying as equivalent the information required by the provisions of law of a country not being a member state; "CEE" refers to the group of countries that are within the region of Central and Eastern Europe (Czech Republic, Hungary, Poland and Slovakia); "SEE" refers to the group of countries that are within the region of South-eastern Europe (Bulgaria, Croatia, Romania and Serbia); "net rentable area", "NRA", or "net leasable area", "NLA" refer to the metric of the area of a given property as indicated by the real property appraisal experts for the purposes of the preparation of the relevant real property valuations. With respect to commercial properties, net leasable (rentable) area is all the leasable area of a property exclusive of non-leasable space, such as hallways, building foyers, and areas devoted to heating and air conditioning installations, elevators and other utility areas. The specific methods of calculation of NRA may vary among particular properties, which is due to different methodologies and standards applicable in the various geographic markets on which the Group operates; "Commercial properties" refer to properties with respect to which GTC Group derives revenue from rent and includes both office and retail properties; "EUR", "€" or "euro" refers to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time; "PLN" or "zloty" refers to the lawful currency of Poland.

Presentation of financial information

Unless indicated otherwise, the financial information presented in this Report was prepared pursuant to International Financial Reporting Standards ("IFRS") as approved for use in the European Union.

All the financial data in this Report is presented in euro and expressed in thousands unless indicated otherwise.

Certain financial information in this Report was adjusted by rounding. As a result, certain numerical figures show as totals in this Report may not be exact arithmetic aggregations of the figures that precede them.

Forward-looking statements

This Report contains forward-looking statements relating to future expectations regarding the Group's business, financial condition and results of operations. You can find these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate" and similar words used in this Report. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by forward-looking statements. The Group cautions you not to place undue reliance on such statements, which speak only as of the date of this Report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Group or persons acting on its behalf may issue. The Group does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Report.

The Group discloses important risk factors that could cause its actual results to differ materially from its expectations under Item 3. "Key risk factors" in Management Board's report on the activities of Globe Trade Centre S.A. Capital Group in the financial year ended 31 December 2014, Item 5. "Operating and financial review", and elsewhere in this Report. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on behalf of the Group. When the Group indicates that an event, condition or circumstance could or would have an adverse effect on the Group, it means to include effects upon its business, financial situation and results of operations.

Item 2. Selected financial data

The following tables set forth the Group's selected historical financial data for the three-month periods ended 31 March 2015 and 2014. The historical financial data should be read in conjunction with Item 5. "Operating and Financial Review" and the unaudited interim condensed consolidated financial statements for the three-month period ended 31 March 2015 (including the notes thereto). The Group has derived the financial data presented in accordance with IFRS from the unaudited interim condensed consolidated financial statements for the three-month period ended 31 March 2015. Selected financial data presented in PLN is derived from the unaudited interim condensed consolidated financial statements for the three-month period ended 31 March 2015 presented in accordance with IFRS and prepared in the Polish language and based on the Polish zloty.

The reader is advised not to view such conversions as a representation that such zloty amounts actually represent such euro amounts, or could be or could have been converted into euro at the rates indicated or at any other rate.

	For the three-month period ended 31 March			
	2015		2014	
(in thousands)	**€**	**PLN**	**€**	**PLN**
Consolidated Income Statement				
Revenues from operations	29,596	123,865	30,961	129,555
Cost of operations	(9,586)	(40,119)	(11,107)	(46,477)
Gross margin from operations	20,010	83,746	19,854	83,078
Selling expenses	(524)	(2,193)	(612)	(2,561)
Administrative expenses	(2,410)	(10,086)	(1,857)	(7,771)
Loss from revaluation/impairment of assets, net	(382)	(1,562)	(1,961)	(8,205)
Share of profit in associates and joint ventures	(1,606)	(6,721)	423	1,770
Financial income/(expense), net	(8,259)	(34.566)	(11,496)	(48,105)
Net loss	7,867	33,003	(1,760)	(7,364)
Basic and diluted earnings per share (not in thousands)	0.02	0.10	(0.00)	(0.01)
Weighted average number of issued ordinary shares (not in thousands)	351,310,288	351,310,288	345,568,760	345,568,760
Consolidated Cash Flow Statement				
Net cash from operating activities	19,482	81,537	16,650	69,671
Net cash used in investing activities	5,650	23,657	(11,347)	(47,480)
Net cash from/(used in) financing activities	(27,194)	(113,812)	132,410	553,030
Cash and cash equivalents at the end of the period	80,590	329,533	192,231	801,853

Consolidated statement of financial position	As of 31 March 2015		As of 31 December 2014		As of 31 March 2014	
(in thousands)	€	PLN	€	PLN	€	PLN
Investment property	1,186,247	4,850,564	1,221,319	5,205,628	1,385,900	5,781,005
Inventory	7,333	29,985	23,539	100,330	37,010	154,380
Cash and cash equivalents	80,590	329,533	81,063	345,515	192,231	801,853
Total assets	1,501,429	6,139,345	1,517,064	6,466,183	1,865,804	7,782,829
Non-current liabilities	939,655	3,842,248	944,680	4,026,509	1,023,289	4,268,445
Current liabilities	123,725	505,920	145,203	618,907	215,804	900,183
Equity	438,049	1,791,177	427,181	1,820,767	626,711	2,614,201
Share capital	7,849	35,131	7,849	35,131	7,849	35,131

Item 3. Presentation of the Group

Item 3.1. Structure of the Group

The structure of Globe Trade Centre S.A. Capital Group as of 31 March 2015 is presented in the unaudited interim condensed consolidated financial statements for the three-month period ended 31 March 2015 in Note 6 "Investment in subsidiaries, associates and joint ventures".

Item 3.2. Changes to the principal rules of the management of the Company and the Group

There were no changes to the principal rules of management of the Company and the Group.

Item 4. Main events

Following events took place during the three-month period ended 31 March 2015:

On 28 January 2015, the Company was notified that as a result of two subsequent transactions involving the purchase of shares in the Company executed by LSREF III on the regulated market operated by the Warsaw Stock Exchange, LSREF III, directly, and Lone Star, indirectly (through LSREF III), holds 114,179,790 ordinary shares in the Company, which constituted 32.5% of its share capital.

On 19 March 2015, the Supervisory Board of the Company appointed Erez Boniel as member of the management board of the Company for new three-year terms.

On 31 March 2015 a Company's subsidiary, GTC GK Office Sp. z o.o., signed with Kazimierz Office Center Sp. z o.o. a preliminary agreement for the sale of the right of perpetual usufruct of a plot of land, situated in Krakow and the ownership of the office building of Centrum Biurowe Kazimierz in Krakow erected on the said plot of land as well as the other rights and movable assets attached to the Property. The net price for the property and the other rights and movable assets under the agreement is €42,000.

On 30 March 2015 LSREF III GTC Investments B.V. announced the tender offer for GTC shares. Pursuant to the tender offer circular, Lone Star aims to increase its stake in GTC to up to 66% of the Company's shares with the intention to take control over GTC. The tender offer is conditional. The subscription period will commence on 18

May 2015 and end on 3 June 2015. For the first five days, i.e. from 18 May until 22 May, Lone Star offers PLN 6.10 per GTC share, whereas during the remainder of the offer period, i.e. for shares tendered on or after 23 May 2015, the tender offer provides for a price of PLN 5.50 per GTC share.

On 22 April 2015, ING Powszechne Towarzystwo Emerytalne S.A. acting on behalf of ING Otwarty Fundusz Emerytalny re-appointed Krzysztof Gerula to the Company's Supervisory Board.

On 23 April 2015, i.e. on the date of the annual shareholders meeting of the Company approving the financial statements for the last full financial year of their service as members of the management board of the Company, the mandates of management board members Piotr Kroenke and Mariusz Kozłowski expired pursuant to Article 369 § 4 of the Commercial Companies Code.

Item 5. Operating and financial review

Item 5.1. General factors affecting operating and financial results

The key factors affecting the Group's financial and operating results are discussed below. The Management believes that the following factors and important market trends have significantly affected the Group's results of operations since the end of period covered by the latest published audited financial statements, and the Group expects that such factors and trends will continue to have a significant impact on the Group's results of operations in the future.

Economic conditions in CEE and SEE

The Group's business results have been affected by the global financial crisis, which started in 2008/2009. The global crisis on the financial markets impacted the condition of many financial institutions, and governments were often forced to intervene on the capital markets on an unprecedented scale. Such turbulence resulted in businesses having restricted access to bank financing, an increase in interest rates charged on bank loans and a decrease in consumer spending with many tenants making requests for temporary or permanent rent reduction or downsizing of rental space. All these factors impacted the real estate market as well as resulted in a decrease in the value of real estate.

The crisis experienced by the financial markets slowed down the general economy in many countries, including Poland, Hungary, and Romania, where the Group operates. The economic downturn in those countries resulted in reduced demand for property, growth of vacancy rates, and increased competition in the real estate market, which adversely affected the Group's ability to sell or let its completed projects at their expected yields and rates of return.

The reduced demand for property that, on the one hand, resulted in a drop in sales dynamics, and, on the other, an increase in vacancy rates and lower rent revenues from leased space, significantly impacted the results of operations of the Group. Specifically, the Group was forced to change some of its investment plans, for example numerous projects in Bulgaria, Romania and Croatia, as those projects did not meet the initially assumed returns targets. Additionally, the Group was not able to develop numerous plans in the countries where it operates.

Real estate market in CEE and SEE

The Group derives the majority of its revenue from operations from rental activities, including rental and service revenue. For the three-month period ended 31 March 2014 and for the three-month period ended 31 March 2015, the Group derived 68% and 68% of its revenues from operations as rental revenue, which greatly depends on the rental rates per sq. m and occupancy rates. The amount the Group can charge for rent largely depends on the property's location and condition and is influenced by local market trends and the state of local economies. The Group's revenue from rent is particularly affected by the delivery of new rent spaces, changes in vacancy rates and the Group's ability to implement rent increases. Rental income is also dependent upon the time of completion of the Group's development projects as well as on its ability to let such completed properties at favorable rent levels. Moreover, for the three-month period ended 31 March 2014 and for the three-month period ended 31 March 2015, respectively, the Group derived 20% and 22% of its revenues from operations as service revenue, which reflects certain costs the Group passes on to its tenants.

The vast majority of the Group's lease agreements are concluded in Euro and include a clause that provides for the full indexation of the rent linked to the European Index of Consumer Prices. When a lease is concluded in another currency, it is typically linked to the consumer price index of the relevant country of the currency.

To a certain extent, the Group's operational results are influenced by its ability to sell residential units, which for the three-month period ended 31 March 2014 and for the three-month period ended 31 March 2015, amounted for 10% and 12% of the Group's total revenues, respectively. The supply of new apartments in the different markets in which the Group operates and the demand on such markets affect apartment prices. The demand for apartments is further impacted by fluctuations in interest rates, the availability of credit and the mortgage market in general. For example, the Group's residential revenues decreased steadily over the last few years due to the slowdown in the sale of residential properties coupled with an increase in discounts which had to be granted to purchasers of the Group's apartments in order to facilitate sales.

Real estate valuation

The Group's results of operations depend heavily on the fluctuation of the value of assets on the property markets. The Group revalues its investment properties at least twice per year. Any change in fair value of investment property is thereafter recognized as a gain or loss in the income statement.

The following three significant factors influence the valuation of the Group's properties: (i) the cash flow arising from operational performance, (ii) the expected rental rates and (iii) the capitalization rates that result from the interest rates in the market and the risk premiums applied to the Group's business.

The cash flow arising from operational performance is primarily determined by current gross rental income per square meter, vacancy rate trends, total portfolio size, maintenance and administrative expenses, and operating expenses. Expected rental values are determined predominantly by expected development of the macroeconomic indicators as GDP growth, disposable income, etc. as well as micro conditions such as new developments in the immediate neighborhood, competition, etc. Capitalization rates are influenced by prevailing interest rates and risk premium. In the absence of other changes when capitalization rates increase, market value decreases and vice versa. Small changes in one or some of these factors can have a considerable effect on the fair value of the Group's investment properties and on the results of its operations.

Moreover, the valuation of the Group's land bank additionally depends on among others the building rights and the expected timing of the projects. The value of land bank which is assessed using a comparative method is determined by referring to the market prices applied in transactions relating to similar properties.

The Group recognized net revaluation losses and impairment of assets and residential projects of €1,961 and €382 in the three-month period ended 31 March 2014 and in the three-month period ended 31 March 2015, respectively

Impact of interest rate movements

Substantially all of the loans of the Group have a variable interest rate, mainly connected to Euribor. The bonds issued by the Company are denominated in PLN and bear interest connected to WIBOR. Approximately 31% of the Group's loans are hedged or partially hedged. Increases in interest rates generally increase the Group's financing costs. For example, an interest rate increase of 50 basis points for the year ended 31 December 2014 would have increased the Group's interest expense for the year ended 31 December 2014 by approximately €1,585. In addition, in an economic environment in which availability of financing is not scarce, demand for investment properties generally tends to increase when interest rates are low, which can lead to higher valuations of the Group's existing investment portfolio. Conversely, increased interest rates generally adversely affect the valuation of the Group's properties, which can result in recognition of impairment that could negatively affect the Group's income.

Historically, Euribor rates have demonstrated significant volatility, changing from 1.343% as of 2 January 2012, through 0.188% as of 2 January 2013, to 0.280% as of 3 January 2014 and 0,076% as of 2 January 2015 (Euribor for three-month deposits).

Impact of foreign exchange rate movements

For the three-month period ended 31 March 2014 and for the three-month period ended 31 March 2015 a vast majority of the Group's revenues and costs were incurred or derived in euro. Nonetheless, the exchange rates against euro of the local currencies of the countries in which the Group operates are an important factor as the credit facilities that are obtained may be denominated in either euro or local currencies.

The Group reports its financial statements in euro, its operations, however, are based locally in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria, Slovakia and other countries. The Group receives the majority of its revenue from rent denominated in euro, however, it receives a certain portion of its income (including the proceeds from the sales of residential real estate) and incurs most of its costs (including the vast majority of its selling expenses and administrative expenses) in local currencies, including the Polish zloty, Bulgarian leva, Czech korunas, Croatian cunas, Hungarian forints, Romanian lei and Serbian dinars. In particular, the significant portion of the financial costs incurred by the Group includes: (i) the interest on the bonds issued by the Group in Polish zloty and (ii) the interest on the loan taken by the Group in Hungarian forints. The exchange rates between local currencies and euro have historically fluctuated.

The income tax expense (both actual and deferred) in the jurisdictions in which the Group conducts its operations is incurred in such local currencies. Consequently, such income tax expense was and may continue to be materially affected by foreign exchange rate movements.

Accordingly, the foreign exchange rate movements have a material impact on the Group's operations and financial results.

Availability of financing

In the CEE and SEE markets, real estate development companies, including the companies of the Group, usually finance their real estate projects with proceeds from bank loans, loans extended by their holding companies or the issuance of debt securities. The availability and cost of procuring financing are of material importance to the implementation of the Group's projects and for the Group's development prospects, as well as its ability to repay existing debt. Finally, the availability and cost of financing may impact the Group's sales dynamics and the Group's net profit.

In the past, the principal sources of financing for the Group's core business included, apart from proceeds from asset disposals, bank loans and proceeds from bonds issued by the Company

Item 5.2. Specific factors affecting financial and operating results

As of 31 December 2014, the loan agreements with Unicredit related to the Felicity residential project with an outstanding loan amount of €25,563 exceeded the fair value of related asset. In March 2015, the Group transferred the Felicity project to a subsidiary of Unicredit. Unicredit released the Group from any payment obligations arising from the loan agreements.

On 31 March 2015, the Company's subsidiary, GTC GK Office, signed with Kazimierz Office Center Sp. z o.o. a subsidiary of a fund managed by GLL Real Estate Partners a preliminary agreement for the sale of the office building of Centrum Biurowe Kazimierz in Krakow. The net price for the property and the other rights and movable assets under the Agreement is €41,600. As of 31 March 2015, the asset is presented within assets held for sale.

Item 5.3. Presentation of differences between achieved financial results and published forecasts

The Group did not present forecasts for the three-month period or full year 2015.

Item 5. 4. Statement of financial position

Item 5.4.1. Key items of the statement of financial position

Investment property

Investment properties that are owned by the Group comprise office and commercial space, including property under construction. Investment property can be split up into: (i) completed investment property; (ii) investment property under construction presented at fair value; and (iii) investment property under construction presented at cost.

Residential land bank

The Group classifies its residential inventory as current or non-current assets based on their development stage within the business operating cycle. The normal operating cycle in most cases falls within a period of one to five years. The Group classifies residential inventory the development of which is planned to be commenced at least one year after the balance sheet date as residential land bank, which is part of its non-current assets.

Investment in associates and joint ventures

Investment in associates and joint ventures is accounted for pursuant to the equity method. Such investment is carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of the net assets of the associate and joint ventures.

Assets held for sale

Assets held for sale comprise office or retail space and land plots that are designated for sale.

Inventory

Inventory relates to residential projects under construction and is stated at the lower of cost and net realisable value. Expenditures relating to the construction of a project are included in inventory.

The Group classifies its residential inventory as current or non-current assets based on their development stage within the business operating cycle. The normal operating cycle in most cases falls within a period of one to five years. Residential projects which are active are classified as current inventory.

Short-term deposits

Short-term and long-term deposits are restricted and can be used only for certain operating activities as determined by underlying contractual commitments.

Derivatives

Derivatives include instruments held by the Group that hedge the risk involved in the fluctuations of interest and currency rates. In relation to the instruments qualified as cash flow hedges, the portion of gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income and the ineffective portion is recognized in net profit or loss. The classification of hedges in the statement of financial position depends on their maturity. For derivatives that do not qualify for hedge accounting, any gain or losses arising from changes in fair value are recorded directly in net profit and loss for the year. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Item 5.4.2. Financial position as at 31 March 2015 compared to 31 December 2014

Total assets decreased by €15,635 (1%) to €1,501,429 as of 31 March 2015. The decrease was mainly due to sale of residential landbank and inventory in Felicity project as part of the restructuring arrangement.

Assets

The value of investment property including asset held for sale increased by €6,276 (0.5%) to €1,234,249 as of 31 March 2015 from €1,227,973 as of 31 December 2014 mainly due investment in FortyOne office building in Belgrade and capital expenditure in various projects.

The value of assets held for sale of €48,002 as of 31 March 2015 includes Kazimierz Office Centre, Avenue Mall Osijek and Galleria Varna, following conclusion of preliminary sale agreements for the sale of those projects.

The value of residential landbank and inventory decreased by €25,956 (40%) to €39,027 as of 31 March 2015 from €64,983 as of 31 December 2014, mainly due to selling the Felicity project (Romania) to the bank for settlement of the loan, as well as sale of completed apartments in other projects for €2,594.

The value of the cash and cash equivalents decreased by €473 (1%) to €80,590 as of 31 March 2015 from €81,063 as of 31 December 2014.

Liabilities

The value of loans and bonds decreased by €26,056 (3%) to €896,135 as of 31 March 2015 from €922,191 as of 31 December 2014, mainly due to restructuring arrangement of the Felicity project.

The value of derivatives decreased by €344 (6%) to €5,700 as of 31 March 2015 from €6,044 as of 31 December 2014.

Equity

Equity increased by €10,868 (3%) to €438,049 as of 31 March 2015from €427,181 on 31 December 2014 mainly due to an increase in the accumulated profit.

Item 5.5. Consolidated income statement

Item 5.5.1. Key items of the consolidated income statement

Revenues from operations

Revenues from operations consist of:

- rental income, which consists of monthly rental payments paid by tenants of the Group's investment properties for the office or retail space rented by such tenants. Rental income is recognized as income over the lease term;

- service income, which comprises fees paid by the tenants of the Group's investment properties to cover the costs of the services provided by the Group in relation to their leases; and

- residential revenue, which comprises proceeds from the sales of houses or apartments, which is recognized when such houses or apartments have been substantially constructed, accepted by the customer and a significant amount resulting from the sale agreement has been paid by the purchaser.

Cost of operations

Costs of operations consist of:

- service costs, which consist of all the costs that are related to the management services provided to the individual tenants within the Group's properties — service costs should be covered by service income; and

- residential costs, which comprise the costs that are related to the development of residential properties sold. The costs related to the development of residential properties incurred during the construction period are capitalized in inventory. Once income is recognized, the costs in respect of sold units are expensed.

Gross margin from operations

Gross margin from operations is equal to the revenues from operations less the cost of operations.

Selling expenses

Selling expenses include:

- brokerage and similar fees incurred to originate the lease or sale of space;

- marketing and advertising costs; and

- payroll and related expenses directly related to leasing or sales personnel.

Administrative expenses

Administration expenses include:

- payroll, management fees and other expenses that include the salaries of all employees that are not directly involved in sales or rental activities;

- provisions made to account for the share-based incentive program that was granted to key personnel;
- costs related to the sale of investment properties;
- costs of audit, legal and other advisors;
- office expenses;
- depreciation and amortization expenses include depreciation and amortization of the Group's property, plant and equipment;
- exchange gains or losses; and
- others.

Profit/(loss) from the revaluation/impairment of assets

Net valuation gains (loss) on investment property and investment properties under development reflect the change in the fair value of investment properties and investment property under development.

Financial income/(expense), net

Financial income includes interest on loans granted to associate companies and interest on bank deposits.

Financial expenses include interest on borrowings and deferred debt rising expenses. Borrowing costs are expensed in the period in which they are incurred, except for those that are directly attributable to construction. In such a case, borrowing costs are capitalized as part of the cost of the asset. Borrowing costs include interest and foreign exchange differences.

Additionally, financial income or expenses include settlement of financial assets and gain or losses arising from changes in fair value of derivatives that do not qualify for hedge accounting.

Taxation

Income tax on profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted as of the balance sheet date and any adjustments to tax payable in respect of previous years. Generally, the Group disposes of property holding companies rather than the real estate itself, in part because in certain jurisdictions the sale and disposal of real estate is generally subject to real estate transfer tax and/or VAT.

Item 5.5.2. Comparison of financial results for the three-month period ended 31 March with the result for the corresponding period of 2014

Revenues from operations

Revenues from operations decreased by €1,365 to €29,596 in the three-month period ended 31 March 2015. Residential revenues decreased by €697 to €2,989 in the three-month period ended 31 March 2014. Rental and service revenues decreased by €668 to €26,607 in the three-month period ended 31 March 2015 due to rent free periods in certain office properties.

Cost of operations

Cost of operations decreased by €1,521 to €9,586 in the three-month period ended 31 March 2015. Residential costs decreased by €870 to €2,594 in t the three-month period ended 31 March 2014 resulting from recognition of costs related to sales of residential properties in Romania and Poland. Cost of rental operations decreased by €651 to €6,992 in the three-month period ended 31 March 2015 as a result of cost cutting.

Gross margin from operations

Gross margin (profit) from operations increased by €156 to €20,010 in the three-month period ended 31 March 2015, mainly due to an improvement in margin from residential activities. The gross margin (profit) on rental activities decreased by €17 to €19,615 in the three-month period ended 31 March 2015 from €19,631 in the three-month period ended 31 March 2014. Gross margin on rental activities in the three-month period ended 31 March 2015 was 74% compared to 72% in the three-month period ended 31 March 2014. The gross margin (profit) on residential activities increased to €395 in the three-month period ended 31 March 2015 from €222 profit in the three-month period ended 31 March 2014. Gross margin on residential activities was 13% in the three-month period ended 31 March 2015 as compared to 6% in the three-month period ended 31 March 2014.

Selling expenses

Selling expenses decreased by €88 to €524 in the three-month period ended 31 March 2015 from €612 the three-month period ended 31 March 2014.

Administrative expenses

Administrative expenses (before provision for stock based program) decreased by €680 to €2,335 in the three-month period ended 31 March 2015. The decrease is due to further cost cutting initiatives. In addition, mark-to-market of phantom shares program resulted in de-recognition of provision of €75 compared to €1,158 income in the three-month period ended 31 March 2014.

Profit/(loss) from the revaluation/impairment of assets and impairment of residential projects

Net loss from the from the revaluation of the investment properties and impairment of residential projects amounted to €382 in the three-month period ended 31 March 2015, as compared to a net loss of €1,961 in the three-month period ended 31 March 2014 mainly due to a recognition of fit out contributions in certain office properties**.**

Other income/(expense), net

Other income (net of other expenses) related to land bank properties increased to €422 in the three-month period ended 31 March 2015 from €556 expenses in the three-month period ended 31 March 2014.

Foreign exchange profit/(loss)

Foreign exchange loss amounted to €3,453 in the three-month period ended 31 March 2015, as compared to a foreign exchange loss amounting to €783 in the three-month period ended 31 March 2014, mainly due to straitening of PLN versus euro which had an impact on the PLN denominated bonds.

Financial income/(cost), net

Net financial cost decreased by €3,237 to €8,259 in the three-month period ended 31 March 2015 as compared to €11,496 in in the three-month period ended 31 March 2014 due to deleveraging activity.

The average effective interest rate (including the hedging arrangements related thereto) on the Group's loans amounted to 4.2% in the three-month period ended 31 March 2015 and 4.3% in the three-month period ended 31 March 2014**.**

Share of profit (loss) of associates

Share of loss of associates was €1,606 in the three-month period ended 31 March 2015 as compared to a share of profit of €423 in the three-month period ended 31 March 2014. The share of loss in 2015 is mainly due to recognition of interest on shareholders loans in favor of GTC in Ukraine, Czech Republic and Ana Tower projects, and reserve for potential property tax in Ukraine.

Taxation

Taxation benefit amounted to €4,069 the three-month period ended 31 March 2015. Due to the PLN strengthening versus Euro, Euro denominated loans granted to GTC's subsidiaries were depreciated (in PLN) which creates a loss in PLN and a corresponding tax shield. Such shield is recognized in Euro as the Group's primary tax liability is recognized in connection with the value of its assets expressed in local currency of each jurisdictions in which such assets are located.

Net profit/ (loss)

Net profit amounted to €7,867 in the three-month period ended 31 March 2015, as compared to a net loss of €1,760 in the three-month period ended 31 March 2014, mostly due to improved operating results and recognition of tax benefit.

Item 5. 6. Consolidated cash flow statement

Item 5.6.1. Key items from consolidated cash flow statement

Net cash from (used in) operating activities

The operating cash flow is the cash that the Group generates through running its business and comprises cash inflows from rental activities and sale of residential projects.

Net cash used in investing activities

The investing cash flow is the aggregate change in the Group's cash position resulting from any gains (or losses) from investments in the financial markets, investment properties and operating subsidiaries, as well as changes resulting from amounts spent on investments in capital assets, such as property, plant and equipment.

Net cash from (used in) financing activities

The cash flow from (used in) financing activities accounts for, inter alia, the payment of cash dividends, receiving proceeds from loans or bond and issuing stock.

Cash and cash equivalents

Cash balance consists of cash in banks. Cash in banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. All cash is deposited in banks no matter the negligible amount. All cash and cash equivalents are available for use by the Group.

Item 5.6.2. Comparison of cash flow for the three-month period ended 31 March 2015 with the cash flow for the corresponding period of 2014

The table below presents an extract of the cash flow for the period of three-months ended on 31 March 2015 and 2014:

	Three-month period ended 31 March 15	Three-month period ended 31 March 14
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net cash from operating activities	**19,482**	**16,650**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditure on investment property under construction	(4,310)	(11,595)
Sale of asset or shares in subsidiaries	9,704	-
Purchase of minority	-	(279)
Other, interest and similar costs	256	527
Net cash from (used in) investing activities	**5,650**	**(11,347)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of shares	-	53,680
Share issuance expenses	-	(841)
Proceeds from long-term borrowings	1,177	95,495
Repayment of long term borrowings	(19.333)	(5,834)
Interest paid	(7,278)	(6,318)
Loans origination cost	-	(1,550)
Increase (decrease) in short term deposits	(1,760)	(2,222)
Net cash from (used in) financing activities	**(27,194)**	**132,410**
Effect of foreign currency translation	**1,589**	**(1,921)**
Net increase/(decrease) in cash and cash equivalents	**(473)**	**135,792**
Cash and cash equivalents, at the beginning of the year	**81 063**	**56,439**
Cash and cash equivalents, at the end of the year	**80,590**	**192,231**

Cash flow from operating activities was €19,482 in the three-month period ended 31 March 2015 compared to €16,650 in the three-month period ended 31 March 2015 mainly due to working capital changes.

Investment in real-estate amounted to €4,310 in the three-month period ended 31 March 2015 and was related mainly to investment in FortyOne office building.

Cash flow used in financing activities amounted to €27,194 in the three-month period ended 31 March 2015, compared to €132,410 cash flow from financing activities in the three-month period ended 31 March 2014. It is mostly composed of proceeds from long term borrowings of €1,177, repayment of long term borrowings of €19,333 and payment of interest in the amount of €1,760.

Cash and cash equivalents as of 31 March 2015 amounted to €80,590 compared to €192,231 as of 31 March 2014. The Group keeps its cash in the form of bank deposits, mostly in euro, with various international banks.

Item 5.7. Future liquidity and capital resources

As of 31 March 2015, the Group holds cash and cash equivalent in the amount of approximately €80,590. There are certain loans outstanding that may become due prior to original maturity and might require immediate partial repayment. The Group attempts to efficiently manage all its liabilities and is currently reviewing its funding plans related to: (i) debt servicing of its existing assets portfolio; (ii) capex; and (iii) development and acquisition of commercial properties. Such funding will be sourced through available cash, operating income, sales of assets and refinancing. Whilst liquidity uncertainties exist, the Management Board believes that based on its current assumptions, the Group will be able to settle all its liabilities for at least the next twelve months.

As of 31 March 2015, the Group's non-current liabilities amounted to €939,655, compared to €944,680 as of 31 December 2014.

The Group's total debt from long and short-term loans and borrowings as of 31 March 2015 amounted to €896,135, as compared to €922,191 as of 31 December 2014. The Group's loans and borrowings are mainly denominated in Euro. The corporate bonds are denominated in PLN. The loans extended to the Group are project loans, i.e. in each case granted to a specific subsidiary, which holds the underlying investment properties and manages a given project.

The Group's loan-to-value ratio amounted to 53% as of 31 March 2015, as compared to 47% as of 31 March 2014. The Group's strategy is to keep its loan-to-value ratio at the level of between 40% and 60%.

As of 31 March 2015, 39% of the Group's loans (by value) were hedged against interest fluctuations, mostly through interest rate swaps and currency swap as mentioned above.

Item 6. Information on granted and received guarantees with a particular emphasis on guarantees granted to related entities

During the three-month period the Group did not grant guarantees of the value that exceeds 10% of its capital.

Item 7. Information on granted and received guarantees with a particular emphasis on guarantees granted to the related entities

The Group gave guarantees to third parties in order to secure construction cost-overrun and loans of its subsidiaries. As of 31 March 2015 and 31 December 2014, the guarantees granted amounted to €149,000 and €149,000, respectively. Additionally, in connection with the sale of its assets, the Company gave typical warranties under the sale agreements, which are limited in time and amount. The risk involved in above warranties is very low.

In the normal course of our business activities the Group receives guarantees from the majority of its tenants to secure the rental payments on the leased space.

Item 8. Shareholders who, directly or indirectly, have substantial shareholding

The following table presents the Company's shareholders, who had no less than 5% of votes at the Ordinary Shareholders Meeting of GTC S.A. as of the date of publication of this Report. The table is prepared based on information received directly from the shareholders. It takes into consideration the changes in the shareholding structure arising from:

- notification dated 27 January 2015 received from LSREF III GTC Investments B.V and Lone Star Real Estate Partners III L.P. (see: Current report no 5/2015), and
- notification of appointment Mr. Krzysztof Gerula as a member of the supervisory board of the Company dated 22 April 2015 received from ING OFE (see: Current report no 13/2015).

Shareholder	Number of shares and rights to the shares held	% of share capital	Number of votes	% of votes
LSREF III GTC Investments B.V.[1]	114,179,790	32.50%	114,179,790	32.50%
ING OFE	40,460,549	11.52%	40,460,549	11.52%
AVIVA OFE	35,898,010	10.22%	35,898,010	10.22%
OFE PZU	31,445,571	8.95%	31,445,571	8.95%
Other shareholders	129,326,368	36.81%	129,326,368	36.81%
Total	**351,310,288**	**100.00%**	**351,310,288**	**100.00%**

[1]LSREF III GTC Investments B.V. is a company related to Lone Star Real Estate Partners III L.P.

On 30 March 2015 LSREF III GTC Investments B.V. announced the tender offer for GTC shares. Pursuant to the tender offer circular, Lone Star aims to increase its stake in GTC to up to 66% of the Company's shares with the intention to take control over GTC. The tender offer is conditional. The tender offer is conditional. The subscription period will commence on 18 May 2015 and end on 3 June 2015. For the first five days, i.e. from 18 May until 22 May, Lone Star offers PLN 6.10 per GTC share, whereas during the remainder of the offer period, i.e. for shares tendered on or after 23 May 2015, the tender offer provides for a price of PLN 5.50 per GTC share.

Item 9. Shares and rights to shares of GTC held by members of the Management Board and the Supervisory Board

Shares held by members of the Management Board

The following table presents shares owned directly or indirectly by members of the Company's Management Board of 14 May 2015, the date of publication of this interim report, and changes in their holdings since the date of publication of Group's last financial report (interim report for the financial year ended 31 December 2014) on 23 March 2015.

The information included in the table is based on information received from members of the Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

Management Board Member	Balance as of 14 May 2015 (not in thousand)	Nominal value of shares in PLN (not in thousand)	Change since 23 March 2015 (not in thousand)
Thomas Kurzmann	0	0	No change
Erez Boniel	128,000	12,800	No change
Yovav Carmi	0	0	No change
Mariusz Kozłowski[1]	0	0	No change
Piotr Kroenke [1]	298,811	29,881	No change
Jacek Wachowicz	0	0	No change
Witold Zatoński	0	0	No change
Total	426,811	42,681	

[1] Balance as of 23 April 2015

Phantom shares held by members of the Management Board

The following table presents phantom shares owned directly or indirectly by members of the Company's Management Board as of 31 March 2015 since 31 December 2014. The phantom shares granted to the members of the Management Board are subject to Supervisory Board decision on the equity settlement.

Management Board Member	Balance as of 31 March 2015 (not in thousand)	Change since 31 December 2014 (not in thousand)
Thomas Kurzmann	0	No change
Erez Boniel	0	Decrease of 905,117
Yovav Carmi	361,087	No change
Mariusz Kozłowski	707,117	No change
Piotr Kroenke	905,117	No change
Jacek Wachowicz	300,885	No change
Witold Zatoński	553,056	No change

Shares of GTC held by members of the Supervisory Board

The following table presents shares owned directly or indirectly by members of the Company's Supervisory Board of 14 May 2015, the date of publication of this interim report, and changes in their holdings since the date of publication of Group's last financial report (interim report for the financial year ended 31 December 2014) on 23 March 2015.

The information included in the table is based on information received from members of the Supervisory Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

Members of Supervisory Board	Balance as of 14 May 2015 (not in thousand)	Nominal value of shares in PLN (not in thousand)	Change since 23 March 2015
Alexander Hesse	0	0	No change
Philippe Couturier	0	0	No change
Michael Damnitz	0	0	No change
Jan Düdden	0	0	No change
Krzysztof Gerula	2,474	247	No change
Mariusz Grendowicz	7,000	700	No change
Jarosław Karasiński	0	0	No change
Tomasz Mazurczak	0	0	No change
Marcin Murawski	0	0	No change
Katharina Schade	0	0	No change
Dariusz Stolarczyk	0	0	No change
Total	9,474	947	

Phantom shares of GTC held by members of the Supervisory Board

The members of the Company's Supervisory Board did not own directly or indirectly phantom shares as at 31 March 2015. There have been no changes in their holdings since 31 December 2014.

Item 10. Material transactions with related parties concluded on terms other than market terms

The Group did not conduct any material transactions with the related parties that are not based on arms length basis.

Item 11. Proceedings before a court or public authority of Globe Trade Centre SA or its subsidiaries, with the total value of liabilities or claims of at least 10% of the Company's equity

There are no individual proceeding or group of proceedings before a court or public authority involving Globe Trade Centre SA or its subsidiaries, with the total value of liabilities or claims of 10% or more of the Company's equity.

GLOBE TRADE CENTRE S.A.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015 TOGETHER WITH INDEPENDENT AUDITORS` REVIEW REPORT

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Financial Position
as of 31 March 2015
(in thousands of Euro)

	Note	31 March 2015 (unaudited)	31 March 2014 (unaudited)	31 December 2014
ASSETS				
Non-current assets				
Investment property	12	1,186,247	1,385,900	1,221,319
Residential landbank	1, 13	31,694	77,697	41,444
Investment in associates and joint ventures	11	96,253	118,400	96,046
Property, plant and equipment		1,442	1,822	1,480
Deferred tax asset		2,180	3,963	2,245
Long term deposits		-	2,800	-
Other non-current assets		501	338	639
		1,318,317	**1,590,920**	**1,363,173**
Assets held for sale	1	**48,002**	**-**	**6,654**
Current assets				
Residential inventory	1, 13	7,333	37,010	23,539
Debtors		5,858	5,112	5,035
Accrued income		1,435	1,307	1,358
VAT and other tax recoverable		1,831	3,287	1,840
Income tax recoverable		527	729	429
Prepayments and deferred expenses		3,862	4,138	2,268
Short-term deposits		33,674	31,070	31,705
Cash and cash equivalents		80,590	192,231	81,063
		135,110	**274,884**	**147,237**
TOTAL ASSETS		**1,501,429**	**1,865,804**	**1,517,064**

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Financial Position
as of 31 March 2015
(in thousands of Euro)

	Note	31 March 2015 (unaudited)	31 March 2014 (unaudited)	31 December 2014
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital	15	7,849	7,849	7,849
Share premium		364,228	364,228	364,228
Capital reserve		8,574	8,391	8,392
Hedge reserve		(3,771)	(9,469)	(3,839)
Foreign currency translation		3,764	755	1,128
Accumulated profit		119,708	294,164	111,455
		500,352	**665,918**	**489,213**
Non-controlling interest		(62,303)	(39,207)	(62,032)
Total Equity		**438,049**	**626,711**	**427,181**
Non-current liabilities				
Long-term portion of long-term loans and bonds	14	802,078	880,989	802,631
Deposits from tenants		5,534	5,652	5,415
Long term payable		3,367	5,980	3,391
Provision for share based payment		364	1,702	289
Derivatives		3,026	4,417	2,892
Provision for deferred tax liability		125,286	124,549	130,062
		939,655	**1,023,289**	**944,680**
Current liabilities				
Trade and other payables		22,320	26,597	19,650
Current portion of long-term loans and bonds	14	94,057	157,274	119,560
VAT and other taxes payable		3,503	1,053	1,736
Income tax payable		524	565	521
Derivatives		2,674	27,168	3,152
Advances received		647	3,147	584
		123,725	**215,804**	**145,203**
TOTAL EQUITY AND LIABILITIES		**1,501,429**	**1,865,804**	**1,517,064**

Globe Trade Centre S.A.
Interim Condensed Consolidated Income Statement
for the three-month period ended 31 March 2015
(in thousands of Euro)

	Note	Three-month period ended 31 March 2015 (unaudited)	Three-month period ended 31 March 2014 (unaudited)	Year ended 31 December 2014
Revenues from operations	7	29,596	30,961	124,284
Cost of operations	8	(9,586)	(11,107)	(43,155)
Gross margin from operations		**20,010**	**19,854**	**81,129**
Selling expenses		(524)	(612)	(2,884)
Administration expenses	10	(2,410)	(1,857)	(8,781)
Loss from revaluation/ impairment of assets	12	(382)	(1,586)	(160,325)
Impairment of residential projects		-	(375)	(34,079)
Other income		1,262	81	3,145
Other expenses		(840)	(637)	(2,529)
Profit (loss) from continuing operations before tax and finance income / (expense)		**17,116**	**14,868**	**(124,324)**
Foreign exchange differences loss, net		(3,453)	(783)	(93)
Finance income		707	894	3,904
Finance cost		(8,966)	(12,390)	(46,441)
Share of profit (loss) of associates and joint ventures		(1,606)	423	(27,568)
Profit (loss) before tax		**3,798**	**3,012**	**(194,522)**
Taxation		4,069	(4,772)	(12,868)
Profit (loss) for the period		**7,867**	**(1,760)**	**(207,390)**
Attributable to:				
Equity holders of the parent		8,253	(1,113)	(183,822)
Non-controlling interest		(386)	(647)	(23,568)
Basic earnings per share (Euro)	16	0.02	(0.00)	(0.53)

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Comprehensive Income
for the three-month period ended 31 March 2015
(in thousands of Euro)

	Three-month period ended 31 March 2015 (unaudited)	Three-month period ended 31 March 2014 (unaudited)	Year ended 31 December 2014
Profit (loss) for the period	**7,867**	**(1,760)**	**(207,390)**
Gain on hedge transactions	282	3,485	10,549
Income tax	(107)	(668)	(2,001)
Net gain on hedge transactions	175	2,817	8,548
Foreign currency translation	2,644	(3,662)	(3,294)
Total comprehensive income (loss) for the period, net of tax, to be reclassified to profit or loss in subsequent periods	**10,686**	**(2,605)**	**(202,136)**
Attributable to:			
Equity holders of the parent	10,957	(1,910)	(178,616)
Non-controlling interest	(271)	(695)	(23,520)

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Changes in Equity
for the three-month period ended 31 March 2015
(in thousands of Euro)

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Non-controlling interest	Total
Balance as of 1 January 2014	**7,082**	**312,155**	**15,154**	**(12,344)**	**4,427**	**295,277**	**621,751**	**(45,870)**	**575,881**
Other comprehensive income / (loss)	-	-	-	2,875	(3,672)	-	(797)	(48)	(845)
Loss for the period ended 31 March 2014	-	-	-	-	-	(1,113)	(1,113)	(647)	(1,760)
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**2,875**	**(3,672)**	**(1,113)**	**(1,910)**	**(695)**	**(2,605)**
Issuance of shares	767	52,073	-	-	-	-	52,840	-	52,840
Acquisition of non-controlling interest	**-**	**-**	(6,763)	-	-	-	(6,763)	7,358	595
Balance as of 31 March 2014	**7,849**	**364,228**	**8,391**	**(9,469)**	**755**	**294,164**	**665,918**	**(39,207)**	**626,711**

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Non-controlling interest	Total
Balance as of 1 January 2014	**7,082**	**312,155**	**15,154**	**(12,344)**	**4,427**	**295,277**	**621,751**	**(45,870)**	**575,881**
Other comprehensive income / (loss)	-	-	-	8,505	(3,299)	-	5,206	48	5,254
Profit / (loss) for the period ended 31 December 2014	-	-	-	-	-	(183,822)	(183,822)	(23,568)	(207,390)
Total comprehensive income / (loss) for the year	**-**	**-**	**-**	**8,505**	**(3,299)**	**(183,822)**	**(178,616)**	**(23,520)**	**(202,136)**
Issuance of shares	767	52,073	-	-	-	-	52,840	-	52,840
Other transactions	**-**	**-**	(6,762)	-	-	-	(6,762)	7,358	596
Balance as of 31 December 2014	**7,849**	**364,228**	**8,392**	**(3,839)**	**1,128**	**111,455**	**489,213**	**(62,032)**	**427,181**
Other comprehensive income	-	-	-	68	2,636	-	2,704	115	2,819
Profit / (loss) for the period ended 31 March 2015	-	-	-	-	-	8,253	8,253	(386)	7,867
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**68**	**2,636**	**8,253**	**10,957**	**(271)**	**10,686**
Other	**-**	**-**	182	-	-	-	182	-	182
Balance as of 31 March 2015	**7,849**	**364,228**	**8,574**	**(3,771)**	**3,764**	**119,708**	**500,352**	**(62,303)**	**438,049**

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Cash Flows
for the three-month period ended 31 March 2015
(in thousands of Euro)

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit (loss) before tax	3,798	3,012	(194,522)
Adjustments for:			
Loss from revaluation/impairment of assets	382	1,961	194,404
Share of loss (profit) of associates and joint ventures	1,606	(423)	27,568
Profit on disposal of assets	(1,037)	(4)	(4)
Foreign exchange differences loss (gain), net	3,365	686	(445)
Finance income	(707)	(894)	(3,904)
Finance cost	8,966	12,390	46,441
Share based payment income	75	(1,195)	(2,538)
Depreciation and amortization	118	88	499
Operating cash before working capital changes	**16,566**	**15,621**	**67,499**
Increase in debtors and prepayments and other current assets	(3,000)	(2,603)	(1,680)
Decrease in inventory	2,290	3,330	12,895
Increase/(decrease) in advances received	68	486	(2,082)
Increase in deposits from tenants	-	125	17
Increase/(decrease) in trade and other payables	4,377	305	(945)
Cash generated from operations	**20,301**	**17,264**	**75,704**
Tax paid in the period	(819)	(614)	(2,452)
Net cash from operating activities	**19,482**	**16,650**	**73,252**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Expenditure on investment property under construction	(4,310)	(11,595)	(25,821)
Sale of investment	9,704	-	10,614
Purchase of minority	-	(279)	(279)
Acquisition of shares in associates	-	-	-
VAT on sale of investment property	-	-	-
Interest received	236	509	2,019
Lease origination expenses	-	(53)	(208)
Loans granted	20	(187)	(566)
Loans repayments	-	258	330
Net cash from (used in) investing activities	**5,650**	**(11,347)**	**(13,911)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of shares	-	53,680	53,680
Share issuance expenses	-	(841)	(841)
Proceeds from long-term borrowings	1,177	95,495	124,494
Repayment of long-term borrowings	(19,333)	(5,834)	(149,409)
Repayment of hedge	-	-	(20,762)
Interest paid	(7,278)	(6,318)	(38,456)
Loans origination cost	-	(1,550)	(1,561)
Decrease (increase) in short term deposits	(1,760)	(2,222)	(89)
Net cash from (used in) financing activities	**(27,194)**	**132,410**	**(32,944)**
Effect of foreign currency translation	**1,589**	**(1,921)**	**(1,773)**
Net increase / (decrease) in cash and cash equivalents	**(473)**	**135,792**	**24,624**
Cash and cash equivalents at the beginning of the period	**81,063**	**56,439**	**56,439**
Cash and cash equivalents at the end of the period	**80,590**	**192,231**	**81,063**

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

1. Principal activities

Globe Trade Centre S.A. (the "Company" or "GTC") was registered in Warsaw on 19 December 1996 and is listed on the Warsaw Stock exchange. The Company's registered office is in Warsaw at 5 Wołoska Street. The Company and its subsidiaries (the "Group" or "GTC Group") own commercial and residential real estate companies in Poland, Hungary, Romania, Serbia, Croatia, Ukraine, Slovakia, Bulgaria, Russia and the Czech Republic. The Company is developing, and leasing or selling space to commercial and individual tenants, through its directly and indirectly owned subsidiaries. There is no seasonality in the business of the Group companies.

The major shareholder of the Company is LSREF III GTC Investments B.V. ("LSREF III"), controlled by Lone Star, a global private equity firm, which held 114,179,790 shares or 32.5% of total share as of 31 March 2015. There is no ultimate controlling party.

Events in the period

As of 31 December 2014, the loan agreements with Unicredit related to the Felicity residential project with an outstanding loan amount of EUR 25.6 million exceeded the fair value of related asset.
In March 2015, the Company transferred the Felicity project to a subsidiary of Unicredit. Unicredit released the Company from any payment obligations arising from the loan agreements.

On 31 March 2015, the Company's subsidiary, GTC GK Office (the "Seller"), signed with Kazimierz Office Center Sp. z o.o., a subsidiary of a fund managed by GLL Real Estate Partners (the "Purchaser"), a preliminary agreement for the sale of an office building Centrum Biurowe Kazimierz in Krakow.
The net price for the property and the other rights and movable assets under the preliminary agreement is EUR 41.6 million. As of 31 March 2015, the asset is presented within assets held for sale.

2. Functional and reporting currencies

The Group's Interim Condensed Consolidated Financial Statements are presented in Euro, which is also GTC's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

The financial statements of those entities prepared in their functional currencies are included in the Interim Condensed Consolidated Financial Statements by translation into Euro using appropriate exchange rates outlined in IAS 21. Assets and liabilities are translated at the period end exchange rate, while income and expenses are translated at average exchange rates for the period. All resulting exchange differences are classified in equity as "Foreign currency translation" without affecting earnings for the period.

3. Basis of preparation

The Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting.

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU ("EU IFRS"). At the date of authorisation of these Interim Condensed Consolidated Financial Statements, taking into account the EU's ongoing process of IFRS endorsement and the nature of the Group's activities, there is a difference between International Financial Reporting Standards and International Financial Reporting Standards endorsed by the European Union. The Group applied the possibility existing for the companies applying International Financial Reporting Standards endorsed by the EU, to apply Improvements to IFRSs resulting from the review of IFRS 2010-2012 and amendments to IAS 19, for reporting periods beginning on or after 1 January 2016.

The Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements and the notes thereto for the year ended 31 December 2014. The interim financial results are not necessarily indicative of the full year results.

4. Going concern

The Group's policies and processes are aimed at managing the Group's capital, financial and liquidity risks on a sound basis. The Group meets its day to day working capital requirements through generation of operating cash-flows from rental income and sale of residential properties.

As of 31 March 2015, the Group's net working capital (defined as current assets less current liabilities) was positive and amounted to Euro 11 million. As described in Note 14, three loan facilities guaranteed by the Company were in breach of loan-to-value ("LTV") financial covenants. As a result, the Company presented the related liabilities in the amount of EUR 52 million as short-term as at 31 March 2015, which negatively impacted the net working capital of the Group.

The management has analysed the timing, nature and scale of potential financing needs of particular subsidiaries and believes that cash on hand, as well as, expected operating cash-flows will be sufficient to fund the Group's anticipated cash requirements for working capital purposes, for at least the next twelve months from the balance sheet date. Consequently, the consolidated financial statements have been prepared on the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least 12 months from the balance sheet date.

The management is discussing and negotiating the restructuring of the loans referred to above with financial institutions and believes that it will be successful in reaching a restructuring agreement with the lender on acceptable terms. In the unlikely event that the loans are not restructured and called by the lenders, the management may increase its available cash resources to service the loans by selling assets and/or reducing or postponing planned capital expenditures.

5. Significant accounting policies, estimates and judgments

New and amended standards and interpretations

These interim condensed consolidated financial statements are prepared based on the same accounting policies as for the consolidated financial statements of the Group for the year ended 31 December 2014, except for the following amendments to existing standards and new regulations that are effective for financial years beginning on or after 1 January 2015:

- IFRS 10 *Consolidated Financial Statements* – effective for financial years beginning on or after 1 January 2013, – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014 – application of the standard had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- IFRS 11 *Joint Arrangements* – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014, the Group applied this standard that required restatement of previous financial statements,
- IFRS 12 *Disclosure of Interests in Other Entities* – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014 – application of the standard had impact on disclosures,
- Amendments to IFRS 10, IFRS 11 and IFRS 12 *Transition Guidance* – effective for financial years beginning on or after 1 January 2013 in EU effective at the latest for financial years beginning on or after 1 January 2014 – application of the amendments had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- IAS 27 *Separate Financial Statements* – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IAS for the periods beginning on 1 January 2014 - application of the standard had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- IAS 28 *Investments in Associates and Joint Ventures* – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IAS for the periods beginning on 1 January 2014 - application of the standard had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- Amendments to IAS 32 *Financial Instruments – Presentation: Offsetting Financial Assets and Financial Liabilities*- effective for financial years beginning on or after 1 January 2014 - application of the amendments had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- Amendments to IFRS 10, IFRS 12 and IAS 27 *Investment Entities* (issued on 31 October 2012) – effective for financial years beginning on or after 1 January 2014 - application of the amendments had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,
- Amendments to IAS 36 Recoverable Amounts Disclosures for Non-Financial Assets (issued on 29 May 2013) – effective for financial years beginning on or after 1 January 2014 - application of the amendments had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015,

5. Significant accounting policies, estimates and judgments (continued)

- Amendments to IAS 39 *Novation of Derivatives and Continuation of Hedge Accounting* (issued on 27 June 2013) – effective for financial years beginning on or after 1 January 2014 - application of the amendments had no impact on financial situation or the results of the Group for the three-month period ended 31 March 2015.

Standards issued but not yet effective

The following new standards, amendments to standards and interpretations have been issued but are not yet effective.

- IFRS 9 *Financial Instruments* (issued on 24 July 2014) effective for financial years beginning on or after 1 July 2018 – not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IAS 19 *Defined Benefit Plans: Employee Contributions* (issued on 21 November 2013) – effective for financial years beginning on or after 1 July 2014, in EU effective at the latest for financial years beginning on or after 1 February 2015,
- *Annual Improvements to IFRSs 2010-2012* (issued on 12 December 2013)– some amendments effective for financial years beginning on or after 1 July 2014 and some effective prospectively for transactions occurring on or after 1 July 2014, in EU effective at latest for financial years beginning on or after 1 February 2015,
- IFRS 14 *Regulatory Deferral Accounts* (issued on 30 January 2014) – effective for financial years beginning on or after 1 January 2016 – decision about terms of performing particular steps resulting in endorsement of the Standard has not yet been made by EFRAG – not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* (issued on 6 May 2014) – effective for financial years beginning on or after 1 January 2016 - not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortization* (issued on 12 May 2014) – effective for financial years beginning on or after 1 January 2016 – not yet endorsed by EU till the date of approval of these financial statements,
- IFRS 15 *Revenue from Contracts with Customers* (issued on 28 May 2014) – effective for financial years beginning on or after 1 January 2017 – not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (issued on 30 June 2014) - effective for financial years beginning on or after 1 January 2016 – not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IAS 27 *Equity Method in Separate Financial Statements* (issued on 12 August 2014) – effective for financial years beginning on or after 1 January 2016 – not yet endorsed by EU till the date of approval these financial statements,
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* (issued on 11 September 2014) - effective for financial years beginning on or after 1 January 2016, wherein the effective date was tentatively postponed by IASB – decision about terms of performing particular steps resulting in endorsement of the Amendments has not yet been made by EFRAG – not yet endorsed by EU till the date of approval of these financial statements,

5. Significant accounting policies, estimates and judgments (continued)

- *Annual Improvements to IFRSs 2012–2014* (issued on 25 September 2014) - effective for financial years beginning on or after 1 January 2016– not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (issued on 18 December 2014) - effective for financial years beginning on or after 1 January 2016 – not yet endorsed by EU till the date of approval of these financial statements,
- Amendments to IAS 1 *Disclosure Initiative* (issued on 18 December 2014) – effective for financial years beginning on or after 1 January 2016 – not yet endorsed by EU till the date of approval of these financial statements.

The Company has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

The management is in process of analyzing the impact of the above new standards and amendments on the consolidated financial statements in the period of their initial application.

(in thousands of Euro)

6. Investment in Subsidiaries, Associates and Joint Ventures

The interim condensed consolidated financial statements include the financial statements of the company, its subsidiaries and jointly controlled entities listed below together with direct and indirect ownership of these entities as at the end of each period (the table presents the effective stake):

Subsidiaries

Name	Holding Company	Country of incorporation	31 March 2015	31 March 2014	31 December 2014
GTC Konstancja Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Korona S.A.	GTC S.A.	Poland	100%	100%	100%
Globis Poznań Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC Aeropark Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Globis Wrocław Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC Satellite Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Ogrody Galileo Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC GK Office Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Com 1 Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Karkonoska Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Ortal Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Diego Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Francuska Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC UBP Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Wilson Park Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC Moderna Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
CH Wilanow Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Alfa Development Inwestycje sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC Corius sp. z o.o	GTC S.A.	Poland	100%	100%	100%
Centrum Światowida sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Mieszkania Światowida sp. z o.o. (*)	GTC S.A.	Poland	-	100%	-
Omega Development Inwestycje Sp. z o.o	GTC S.A.	Poland	-	100%	-
Epsilon Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Delta Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	-	100%	-
Glorine investments sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Glorine investments Sp. z o.o. s.k.a.	GTC S.A.	Poland	100%	100%	100%
Omikron Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Galeria CTWA Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%

(*) Merged with Centrum Swiadowida

(in thousands of Euro)

6. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	31 March 2015	31 March 2014	31 December 2014
GTC Hungary Real Estate Development Company Ltd. ("GTC Hungary")	GTC S.A.	Hungary	100%	100%	100%
Commercial Properties B.V.	GTC Hungary	Netherland	100%	100%	100%
Budapest Offices B.V.	GTC Hungary	Netherland	-	100%	100%
Vaci Ut 81-85 Kft.	GTC Hungary	Hungary	100%	100%	100%
Riverside Apartments Kft. ("Riverside")	GTC Hungary	Hungary	100%	100%	100%
Centre Point I. Kft. ("Centre Point I")	GTC Hungary	Hungary	100%	100%	100%
Centre Point II. Kft. ("Centre Point II")	GTC Hungary	Hungary	100%	100%	100%
Spiral Holding Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral I.Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral II. Kft.	GTC Hungary	Hungary	100%	100%	100%
River Loft Ltd.	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Kft. ("Sasad")	GTC Hungary	Hungary	100%	100%	100%
Albertfalva Kft. ("Szeremi Gate")	GTC Hungary	Hungary	100%	100%	100%
GTC Metro Kft (formerly "Jazmin Ingatlan Kft.")	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Offices Kft	GTC Hungary	Hungary	100%	100%	100%
Mastix Champion Kft.	GTC Hungary	Hungary	100%	100%	100%
GTC Renaissance Plaza Kft.	GTC Hungary	Hungary	100%	100%	100%
SASAD II Kft.	GTC Hungary	Hungary	100%	100%	100%
Amarantan Ltd.	GTC Hungary	Hungary	100%	100%	100%
Abritus Kft.	GTC Hungary	Hungary	100%	100%	100%
Immo Buda Kft.	GTC Hungary	Hungary	100%	100%	100%
Szemi Ingatlan Ltd.	GTC Hungary	Hungary	100%	100%	100%
Preston Park Kft.	GTC Hungary	Hungary	100%	100%	100%
GTC Real Estate Investments Ukraine B.V. ("GTC Ukraine")	GTC S.A.	Netherlands	90%	90%	90%
Emerging Investments III B.V. (*)	GTC S.A.	Netherlands	-	100%	-
GTC Real Estate Management Services Ukraine LLC	GTC Ukraine	Ukraine	90%	90%	90%
GTC Real Estate Investments Russia B.V. (*)	GTC RH B.V.	Netherlands	-	100%	-
GTC Real Estate Investments Slovakia B.V. ("GTC Slovakia") (*)	GTC RH B.V.	Netherlands	-	100%	-
GTC Real Estate Developments Bratislava B.V. ("GTC Bratislava") (*)	GTC RH B.V.	Netherlands	-	100%	-
GTC Real Estate Management s.r.o.	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Real Estate Park s.r.o.	GTC RH B.V.	Slovakia	-	100%	-
GTC Vinohradis Piazza S.R.O	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Jarossova S.R.O	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Hill S.R.O	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Vinohradis Villas S.R.O	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Real Estate Vinohrady s.r.o. ("GTC Vinohrady")	GTC RH B.V.	Slovakia	100%	100%	100%
GTC Real Estate Vinohrady 2 s.r.o. ("GTC Vinohrady 2")	GTC RH B.V.	Slovakia	100%	100%	100%

(*) In December 2014, the company merged into GTC RH B.V.

(in thousands of Euro)

6. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	31 March 2015	31 March 2014	31 December 2014
GTC Real Estate Investments Croatia B.V. (“GTC Croatia”) (*)	GTC S.A.	Netherlands	-	100%	-
GTC Nekretnine Zagreb d.o.o.(“GTC Zagreb”)	GTC RH B.V.	Croatia	100%	100%	100%
Eurostructor d.o.o.	GTC RH B.V.	Croatia	70%	70%	70%
Marlera Golf LD d.o.o	GTC RH B.V.	Croatia	80%	80%	80%
Nova Istra Idaeus d.o.o.	Marlera Golf LD d.o.o	Croatia	80%	80%	80%
GTC Nekretnine Istok d.o.o (“Osijek“)	GTC RH B.V.	Croatia	80%	80%	80%
GTC Nekretnine Jug. d.o.o	GTC RH B.V.	Croatia	100%	100%	100%
GTC Sredisnja tocka d.o.o.	GTC RH B.V.	Croatia	100%	100%	100%
GTC Nekretnine Zapad d.o.o	GTC RH B.V.	Croatia	100%	100%	100%
GTC Real Estate Investments Romania B.V. (“GTC Romania”) (*)	GTC S.A.	Netherlands	-	100%	-
Towers International Property S.R.L	GTC RH B.V.	Romania	100%	100%	100%
Galleria Shopping Center S.R.L. (formerly “International Hotel and Tourism S.R.L”)	GTC RH B.V.	Romania	100%	100%	100%
BCG Investment B.V.	GTC RH B.V.	Netherlands	100%	100%	100%
Bucharest Properties B.V. (*)	GTC RH B.V.	Netherlands	-	100%	-
Green Dream S.R.L	GTC RH B.V.	Romania	100%	100%	100%
Titulescu Investments B.V. (“Titulescu”) (*)	GTC RH B.V.	Netherlands	-	100%	-
Aurora Business Complex S.R.L (“Felicity“)	GTC RH B.V.	Romania	71.5%	71.5%	71.5%
Yasmine Residential Complex S.R.L	GTC RH B.V.	Romania	100%	100%	100%
Bucharest City Gate B.V. ("BCG”)	GTC RH B.V.	Netherlands	58.9%	58.9%	58.9%
Bucharest City Gate S.R.L	BCG	Romania	58.9%	58.9%	58.9%
Mablethompe Investitii S.R.L.	GTC RH B.V.	Romania	100%	100%	100%
National Commercial Centers B.V. (“NCC”) (*)	GTC RH B.V.	Netherlands	-	100%	-
Mercury Commercial Center S.R.L. (“Arad“)	GTC RH B.V.	Romania	100%	100%	100%
Venus Commercial Center S.R.L.	GTC RH B.V.	Romania	100%	100%	100%
Mars Commercial Center S.R.L. (“Galeria Piatra Neamt“)	GTC RH B.V.	Romania	100%	100%	100%
Beaufort Commercial Center S.R.L.	GTC RH B.V.	Romania	100%	100%	100%
Fajos S.R.L.	GTC RH B.V.	Romania	100%	100%	100%
City Gate S.R.L	GTC RH B.V.	Romania	58.9%	58.9%	58.9%
Brightpoint Investments Limited	GTC RH B.V.	Cyprus	50.1%	50.1%	50.1%
Complexul Residential Colentina S.R.L .	GTC RH B.V.	Romania	50.1%	50.1%	50.1%
Operetico Enterprises Ltd.	GTC RH B.V.	Cyprus	66.7%	66.7%	66.7%
Bucharest Tower Investments B.V. (*)	GTC RH B.V.	Netherlands	-	100%	-
Deco Intermed S.R.L	Operetico Enterprises Ltd.	Romania	66.7%	66.7%	66.7%
GML American Regency Pipera S.R.L	GTC RH B.V.	Romania	66.7%	66.7%	66.7%

(*) In December 2014, the company merged into GTC RH B.V.

(in thousands of Euro)

6. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	31 March 2015	31 March 2014	31 December 2014
GTC RH B.V. (formerly GTC Bulgaria B.V.)	GTC S.A.	Netherlands	100%	100%	100%
Galeria Stara Zagora AD ("Stara Zagora")	GTC RH B.V.	Bulgaria	75%	75%	75%
Galeria Burgas AD	GTC RH B.V.	Bulgaria	80%	80%	80%
Galeria Varna AD ("Varna")	Galeria Ikonomov GmbH	Bulgaria	65%	65%	65%
GTC Business Park EAD	GTC RH B.V.	Bulgaria	100%	100%	100%
NRL EAD	GTC RH B.V.	Bulgaria	100%	100%	100%
Galeria Ikonomov GmbH	GTC RH B.V.	Austria	65%	65%	65%
GTC Yuzhen Park EAD ("GTC Yuzhen")	GTC RH B.V.	Bulgaria	100%	100%	100%
GTC Real Estate Investments Serbia B.V. ("GTC Serbia") (*)	GTC S.A.	Netherlands	-	100%	-
City Properties Serbia B.V. (*)	GTC RH B.V.	Netherlands	-	100%	-
GTC Medj Razvoj Nekretnina d.o.o.	GTC RH B.V.	Serbia	100%	100%	100%
GTC Business Park d.o.o.	GTC RH B.V.	Serbia	100%	100%	100%
GTC Commercial and Residential Ventures d.o.o.	GTC RH B.V.	Serbia	100%	100%	100%
GTC Real Estate Developments d.o.o.	GTC Commercial Development d.o.o.	Serbia	95%	95%	95%
Demo Invest d.o.o	GTC RH B.V.	Serbia	100%	100%	100%
Atlas Centar d.o.o.	GTC RH B.V.	Serbia	100%	100%	100%
GTC Commercial Development d.o.o.	GTC RH B.V.	Serbia	100%	100%	100%

Investment in Associates and Joint Ventures

Name	Holding Company	Country of incorporation	31 March 2015	31 March 2014	31 December 2014
Havern Investments sp. z o.o.	GTC S.A	Poland	50%	50%	50%
Delta Development Inwestycje sp. z o.o	GTC S.A	Poland	50%	-	50%
Yatelsis Viborgskaya Limited of Nicosia ("YVL")	GTC RH B.V.	Cyprus	50%	50%	50%
Ana Tower Offices S.R.L	GTC RH B.V.	Romania	50%	50%	50%
Lighthouse Holdings Limited S.A. ("Lighthouse")	GTC S.A.	Luxembourg	35%	35%	35%
CID Holding S.A. ("CID")	GTC S.A.	Luxembourg	35%	35%	35%
Europort Investment (Cyprus) 1 Limited	GTC RH B.V.	Cyprus	49.9%	49.9%	49.9%
Europort LTD	GTC RH B.V.	Israel	9.9%	9.9%	9.9%

(*) In December 2014, the company merged into GTC RH B.V.

(in thousands of Euro)

7. Revenue from operations

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Rental revenue	20,006	20,975	84,124
Service revenue	6,601	6,300	25,511
Residential revenue	2,989	3,686	14,649
	29,596	**30,961**	**124,284**

The majority of revenue from operations is earned predominantly on the basis of amounts denominated in, directly linked to or indexed by reference to the euro.

8. Cost of operations

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Rental and service costs	6,992	7,643	28,703
Residential costs	2,594	3,464	14,452
	9,586	**11,107**	**43,155**

9. Segmental analysis

The Group operating segments are carried out through subsidiaries that develop real estate projects.

The operating segments are aggregated into reportable segments, taking into consideration the nature of the business, operating markets and other factors. Reportable segments are divided into two main segments:

1. Development and rental of office space and shopping malls (“rental activity”) and
2. Development and sale of houses and apartment units (“residential activity”).

Operating segments are divided into geographical zones, which have common characteristics and reflect the nature of management reporting structure:

a. Poland and Hungary
b. Capital cities in SEE countries (Romania, Serbia, Croatia, Slovakia)
c. Secondary cities in Bulgaria
d. Secondary cities in Croatia
e. Secondary cities in Romania

(in thousands of Euro)

9. Segmental analysis (continued)

Management monitors gross margin from operations of its business units for the purposes of making performance assessment and decision making. Operating segment performance is evaluated based on gross margin from operations.

The resource allocation decisions made by the management are based, amongst others, on segmental analysis.

Segment analysis for the three-month periods ended 31 March 2015 (unaudited) and 31 March 2014 (unaudited) is presented below:

	Poland and Hungary		Capital cities in SEE countries		Bulgaria-secondary cities		Croatia-secondary cities		Romania-secondary cities		Consolidated	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Rental and service income	15,167	15,124	8,406	9,174	1,751	1,647	438	482	845	848	26,607	27,275
Contract income	777	1,414	2,212	2,272	-	-	-	-	-	-	2,989	3,686
Total income	**15,944**	**16,538**	**10,618**	**11,446**	**1,751**	**1,647**	**438**	**482**	**845**	**848**	**29,596**	**30,961**
Rental and service costs	3,162	3,128	2,091	2,309	485	737	386	508	868	961	6,992	7,643
Contract costs	570	969	2,024	2,495	-	-	-	-	-	-	2,594	3,464
Total costs	**3,732**	**4,097**	**4,115**	**4,804**	**485**	**737**	**386**	**508**	**868**	**961**	**9,586**	**11,107**
Rental result	12,005	11,996	6,315	6,865	1,266	910	52	(26)	(23)	(113)	19,615	19,632
Contract result	207	445	188	(223)	-	-	-	-	-	-	395	222
Segment result	**12,212**	**12,441**	**6,503**	**6,642**	**1,266**	**910**	**52**	**(26)**	**(23)**	**(113)**	**20,010**	**19,854**

(in thousands of Euro)

10. Administration expenses

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Administration expenses	2,335	3,015	11,351
Expenses (income) arising from shares base payments	75	(1,158)	(2,570)
	2,410	1,857	8,781

11. Investment in associates and joint ventures

The investment in associates and joint ventures comprises the following:

	31 March 2015	31 March 2014	31 December 2014
	(unaudited)	(unaudited)	
Equity accounting – associates	-	-	-
Loans granted	50,148	42,924	47,018
Loss on investment – associates	(27,699)	(10,532)	(24,165)
Investment in associates	**22,449**	**32,392**	**22,853**
Equity accounting – joint ventures	40,230	53,526	39,896
Loans granted	33,574	32,482	33,297
Investment in joint ventures	**73,804**	**86,008**	**73,193**
Investment in associates and joint ventures	**96,253**	**118,400**	**96,046**

12. Investment Property

The investment properties that are owned by the Group are office and commercial space, including property under construction:

Investment property can be split up as follows:

	31 March 2015	31 March 2014	31 December 2014
	(unaudited)	(unaudited)	
Completed investment property	991,174	1,127,113	1,029,276
Investment property under construction at fair value	-	8,708	-
Investment property under construction at cost	195,073	250,079	192,043
Total	**1,186,247**	**1,385,900**	**1,221,319**

(in thousands of Euro)

12. Investment Property (continued)

The movement in investment property for the periods ended 31 March 2015 (unaudited) and 31 December 2014 was as follows:

	Level 2	Level 3	Total
Carrying amount as of 1 January 2014	**762,355**	**613,383**	**1,375,738**
Reclassification	9,468	(9,468)	-
Capitalised subsequent expenditure	4,345	16,956	21,301
Adjustment to fair value / impairment	(18,090)	(141,710)	(159,800)
Disposals	-	(4,654)	(4,654)
Reclassified as assets held for sale		(6,654)	(6,654)
Translation differences and other non-cash adjustments	(4,502)	(110)	(4,612)
Carrying amount as of 31 December 2014	**753,576**	**467,743**	**1,221,319**
Capitalised subsequent expenditure	586	3,560	4,146
Adjustment to fair value / impairment	309	(691)	(382)
Reclassified as assets held for sale	(41,564)	-	(41,564)
Translation differences	2,568	160	2,728
Carrying amount as of 31 March 2015	**715,475**	**470,772**	**1,186,247**

Fair value and impairment adjustment consists of the following:

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Fair value of properties completed in prior years	(378)	(1,368)	(104,780)
Impairment adjustment	(4)	(218)	(55,020)
Total	**(382)**	**(1,586)**	**(159,800)**

(in thousands of Euro)

12. Investment Property (continued)

Assumptions used in the valuations of completed assets as of 31 March 2015 (unaudited) are presented below:

Potfolio	Book value	NRA thousand	Ocupancy	Actual rent	ERV	Fair Value Hierarchy Level	Impact on PBT (*) of 1% change in ERV
		sqm	%	Euro/ sqm	Euro/ sqm		
Poland retail	150,000	50	86%	20.8	19.0	2	7,924
Poland office	260,043	135	91%	14.4	13.9	2	18,743
Serbia office capital city	100,200	53	95%	14.7	15.5	3	6,479
Croatia retail capital city	102,200	36	96%	20.5	22.0	3	4,645
Hungary office capital city	157,432	91	98%	11.4	12.0	2	12,980
Slovakia office capital city	9,100	13	66%	9.2	8.6	3	1,123
Romania retail secondary cities	8,500	45	85%	4.7	4.2	3	2,079
Romania office capital city	148,000	48	93%	19.3	20.0	2	7,513
Bulgaria retail secondary cities	55,699	61	92%	8.3	9.2	3	6,069
Total	**991,174**	**532**	**92%**	**13.6**	**13.9**		

Actual variations in yield or ERV may vary between different markets
(*) Profit before tax
ERV – Estimated Rent Value applicable upon renewals.

Assumptions used in the valuations of completed assets as of 31 December 2014 are presented below:

Potfolio	Book value	NRA thousand	Ocupancy	Actual rent	ERV	Average duration	Fair Value Hierarchy Level	Impact on PBT (*) of 1% change in ERV
		sqm	%	Euro/ sqm	Euro/ sqm	Years		
Poland retail	150,000	50	86%	20.8	19.0	4.3	2	7,907
Poland office	300,711	150	92%	14.7	14.1	3.6	2	21,263
Serbia office capital city	100,200	53	95%	14.7	15.5	3.2	3	6,479
Croatia retail capital city	102,200	36	96%	20.5	22.0	6.4	3	4,645
Hungary office capital city	154,865	91	93%	11.6	12.0	4.6	2	12,913
Slovakia office capital city	9,100	13	65%	9.8	8.6	1.4	3	1,058
Romania retail secondary cities	8,500	45	88%	4.0	4.2	4.5	3	2,033
Romania office capital city	148,000	48	93%	19.5	20.0	3.4	2	7,400
Bulgaria retail secondary cities	55,700	61	92%	8.3	9.2	6.4	3	6,069
Total	**1,029,276**	**547**	**91%**	**13.8**	**13.9**	**4.3**		

Actual variations in yield or ERV may vary between different markets
(*) Profit before tax

(in thousands of Euro)

12. Investment Property (continued)

Information regarding investment properties under construction valued at cost as of 31 March 2015 (unaudited) is presented below:

	Book value	Estimated building rights (GLA)	Average Book value/sqm of building rights
		thousand sqm	Euro/sqm
Poland	111,045	355	313
Serbia	44,619	96	463
Croatia	2,000	21	95
Hungary	20,170	315	64
Romania	13,359	66	202
Bulgaria	3,880	88	44
Total	**195,073**	**941**	**207**

Information regarding impairment of investment properties under construction valued at cost as of 31 December 2014 is presented below:

	Book value	Estimated building rights (GLA)	Average Book value/sqm of building rights
		thousand sqm	Euro/sqm
Poland	110,093	375	254
Serbia	42,537	87	489
Croatia	2,000	21	95
Hungary	20,170	315	64
Romania	13,363	66	202
Bulgaria	3,880	88	44
Total	**192,043**	**952**	**202**

13. Inventory and residential landbank

The movement in residential landbank and inventory for the periods ended 31 March 2015 (unaudited) and 31 December 2014 was as follows:

	Three-month period ended 31 March 2015 (unaudited)	Year ended 31 December 2014
Carrying amount at the beginning of the period	**64,983**	**121,267**
Construction and foreign exchange differences	314	564
Impairment to net realisable value	-	(34,079)
Reclassified as assets held for sale	(980)	-
Cost of units sold	(2,594)	(14,452)
Disposal	(22,696)	(8,317)
Carrying amount at the end of the period	**39,027**	**64,983**

(in thousands of Euro)

13. Inventory and residential landbank (continued)

Completed inventory as of 31 March 2015 (unaudited) consists of the following:

	Book value	Estimated building area rights	Book value/sqm
		Thousand sqm	Euro
Poland	3,548	2	1,556
Croatia	111	<1	693
Hungary	275	<1	810
Slovakia	165	<1	971
Romania	3,234	3	982
Total/Average	**7,333**	**6**	**1,174**

Residential Landbank and uncompleted inventory as of 31 March 2015 (unaudited) consists of the following:

	Book value	Estimated building area rights	Book value/sqm
		Thousand sqm	Euro
Poland	2,100	4	512
Croatia	6,700	48	140
Hungary	9,431	138	68
Slovakia	6,020	68	89
Romania	7,443	141	53
Total/Average	**31,694**	**400**	**79**

Completed inventory as of 31 December 2014 consists of the following:

	Book value	Estimated building rights GLA	Average Book value/sqm of building rights	Impact on PBT of change of NRV by Euro 50 below book value/sqm, building rights
		Thousand sqm	Euro/sqm	
Poland	3,923	3	1,348	145
Hungary	119	<1	745	8
Serbia	275	<1	810	17
Slovakia	173	<1	1,020	9
Romania	19,049	33	572	1,666
Total/Average	**23,539**	**37**	**638**	**1,845**

Residential landbank as of 31 December 2014 consists of the following:

	Book value	Estimated building rights GLA	Average Book value/sqm of building rights	Impact on PBT of change of recoverable amount by Euro 50 below book value/sqm of building rights
		Thousand sqm	Euro/sqm	
Poland	2,100	4	512	205
Croatia	6,700	48	143	2,400
Hungary	9,431	138	68	6,900
Slovakia	6,999	68	103	3,400
Romania	16,214	207	79	10,325
Total/Average	**41,444**	**465**	**89**	**23,230**

(in thousands of Euro)

14. Long-term loans and bonds

	31 March 2015	31 March 2014	31 December 2014
Bonds series 0414	-	84,738	-
Bonds series 2017-2018	49,079	48,124	47,872
Bonds series 2018-2019	73,750	72,497	69,735
Loan from WBK (Globis Poznan)	14,787	15,294	14,914
Loan from WBK (Korona Business Park)	42,784	38,474	41,877
Loan from Pekao (Globis Wroclaw)	25,239	25,930	25,415
Loan from ING (Nothus)	13,067	16,056	13,232
Loan from ING (Zephirus)	13,067	16,056	13,232
Loan from Berlin Hyp (Corius)	12,192	12,604	12,295
Loan from WBK (Kazimierz office)	27,212	27,802	27,369
Loan from Pekao (Galeria Jurajska)	100,522	103,010	101,203
Loan from Berlin Hyp (UBP)	18,936	19,333	19,035
Loan from ING (Francuska)	16,140	16,682	16,277
Loan from MKB (Centre Point I)	19,601	21,164	20,001
Loan from MKB (Centre Point II)	23,419	25,044	23,825
Loan from CIB (Metro)	19,341	20,257	19,573
Loan from MKB (Spiral)	22,836	23,346	21,992
Loan from Erste (Renaissance)	3,609	4,609	3,859
Loan from MKB (Sasad Resort)	8,327	8,327	8,327
Loan from EBRD and Raiffeisen Bank (GTC House)	10,675	12,300	11,100
Loan from Erste (19 Avenue)	22,134	25,389	22,277
Loan from EBRD and Raiffeisen Bank (Block 41)	15,216	17,047	15,685
Loan from Unicredit (Felicity)	-	25,563	25,563
Loan from RZBR (Rose Garden)	487	9,500	2,987
Loan from Erste (Citygate)	88,220	93,494	88,782
Loan from EBRD and Raiffeisen Bank (NCC)	5,778	5,778	5,778
Loan from EBRD and Raiffeisen Bank (Arad)	27,587	27,836	27,575
Loan from MKB and Zagrabecka Banka (AMZ)	24,561	29,015	25,674
Loan from EBRD and Raiffeisen Bank Austria (Osijek)	15,750	15,750	15,750
Loan from MKB and OTP (Galeria Varna)	17,680	18,554	17,904
Loan from EBRD and Unicredit (Stara Zagora)	22,799	22,799	22,799
Loan from EBRD (Burgas)	25,083	26,068	25,356
Loan from VUB Bank (Jarosova)	3,302	2,965	3,475
Loans from minorities in subsidiaries and from joint ventures	119,648	115,086	118,268
Deferred issuance debt expenses	(6,693)	(8,228)	(6,815)
	896,135	**1,038,263**	**922,191**

(in thousands of Euro)

14. Long-term loans and bonds (continued)

Long-term loans and bonds have been separated into the current portion and the long-term portion as disclosed below:

	31 March 2015	31 March 2014	31 December 2014
Current portion of long term loans:			
Bonds series 0414	-	84,738	-
Bonds series 2017-2018	167	177	949
Bonds series 2018-2019	1,801	1,967	711
Loan from WBK (Globis Poznan)	507	507	507
Loan from WBK (Korona Business Park)	1,053	1,053	1,053
Loan from Berlin Hyp (UBP)	396	397	397
Loan from Pekao (Galeria Jurajska)	3,359	2,408	3,197
Loan from Pekao (Globis Wroclaw)	735	692	724
Loan from ING (Nothus)	683	432	662
Loan from ING (Zephirus)	683	432	662
Loan from Berlin Hyp (Corius)	424	412	421
Loan from WBK (Kazimierz office)	648	589	634
Loan from ING (Francuska)	540	540	540
Loan from MKB (Centre Point I)	1,625	1,563	1,600
Loan from MKB (Centre Point II)	1,626	1,626	1,626
Loan from Erste (Renaissance)	1,000	4,609	1,000
Loan from MKB (Sasad Resort)	8,327	8,327	8,327
Loan from CIB (Metro)	953	916	943
Loan from MKB (Spiral)	1,287	1,099	1,191
Loan from EBRD and Raiffeisen Bank (GTC House)	1,750	1,625	1,700
Loan from Erste (19 Avenue)	569	790	569
Loan from EBRD and Raiffeisen Bank (Block 41)	1,959	1,832	1,926
Loan from EBRD and Unicredit (Stara Zagora) (see page 26)	22,799	-	22,799
Loan from MKB and OTP (Galeria Varna)	933	873	918
Loan from EBRD (Burgas)	1,205	986	1,150
Loan from MKB and Zagrabecka Banka (AMZ)	4,454	4,454	4,454
Loan from EBRD and Raiffeisen Bank Austria (Osijek) (see page 26)	1,929	-	964
Loan from EBRD and Raiffeisen Bank (Arad) (see page 26)	27,587	-	27,575
Loan from Erste (Citygate)	3,244	2,731	3,237
Loan from RZBR (Rose Garden)	487	5,500	2,987
Loan from Unicredit (Felicity)	-	25,563	25,563
Loan from VUB Bank (Jarosova)	584	436	574
Loans from minorities in subsidiaries and from joint ventures	1,300	-	-
Deferred issuance debt expenses	(557)	-	-
	94,057	**157,274**	**119,560**

(in thousands of Euro)

14. Long-term loans and bonds (continued)

	31 March 2015	31 March 2014	31 December 2014
Long term portion of long term loans:			
Bonds series 2017-2018	48,912	47,947	46,923
Bonds series 2018-2019	71,949	70,530	69,024
Loan from WBK (Globis Poznan)	14,280	14,787	14,407
Loan from WBK (Korona Business Park)	41,731	37,421	40,824
Loan from Pekao (Globis Wroclaw)	24,504	25,238	24,691
Loan from ING (Nothus)	12,384	15,624	12,570
Loan from ING (Zephirus)	12,384	15,624	12,570
Loan from Berlin Hyp (Corius)	11,768	12,192	11,874
Loan from WBK (Kazimierz office)	26,564	27,213	26,735
Loan from Pekao (Galeria Jurajska)	97,163	100,602	98,006
Loan from Berlin Hyp (UBP)	18,540	18,936	18,638
Loan from ING (Francuska)	15,600	16,142	15,737
Loan from MKB (Centre Point I)	17,976	19,601	18,401
Loan from MKB (Centre Point II)	21,793	23,418	22,199
Loan from CIB (Metro)	18,388	19,341	18,630
Loan from MKB (Spiral)	21,549	22,247	20,801
Loan from Erste (Renaissance)	2,609	-	2,859
Loan from EBRD and Raiffeisen Bank (GTC House)	8,925	10,675	9,400
Loan from Erste (19 Avenue)	21,565	24,599	21,708
Loan from EBRD and Raiffeisen Bank (Block 41)	13,257	15,215	13,759
Loan from RZBR (Rose Garden)	-	4,000	-
Loan from Erste (Citygate)	84,976	90,763	85,545
Loan from EBRD and Raiffeisen Bank (NCC)	5,778	5,778	5,778
Loan from EBRD and Raiffeisen Bank (Arad)	-	27,836	-
Loan from MKB and Zagrabecka Banka (AMZ)	20,107	24,561	21,220
Loan from EBRD and Raiffeisen Bank Austria (Osijek)	13,821	15,750	14,786
Loan from MKB and OTP (Galeria Varna)	16,747	17,681	16,986
Loan from EBRD (Burgas)	23,878	25,082	24,206
Loan from EBRD and Unicredit (Stara Zagora)	-	22,799	-
Loan from VUB Bank (Jarosova)	2,718	2,529	2,901
Loans from minorities in subsidiaries and from joint ventures	118,348	115,086	118,268
Deferred issuance debt expenses	(6,136)	(8,228)	(6,815)
	802,078	**880,989**	**802,631**

As securities for the bank loans, the banks have mortgage over the assets and security deposits together with assignment of the associated receivables and insurance rights.

In its financing agreements with banks, the Company undertakes to comply with certain financial covenants that are listed in those agreements; the main covenants are: maintaining a Loan-to-Value and Debt Service Coverage ratios in the company that holds the project.

In addition, substantially, all investment properties and IPUC that were financed by a lender have been pledged to secure the long-term loans from banks. Unless otherwise stated, fair value of the pledged assets exceeds the carrying value of the related loans.

14. Long-term loans and bonds (continued)

Galleria Arad and Stara Zagora. The loan agreements entered into in connection with the Arad and Stara Zagora projects, with outstanding total loan amount of EUR 27.6 million and EUR 22.8 million respectively, include loan-to-value (‘”LTV”) financial covenants. As at 31 March 2015 the external valuations of the assets were estimated below the threshold set by the LTV covenants. As stipulated in the loan agreement, Arad and Stara Zagora have six months from a notice given by the lender, to remediate the breach. The loans are guaranteed by GTC. The notice has not been served by the lender. Both loans were classified as current liabilities according to the remediation period which is less than 12 months.

Avenue Mall Osijek. The loan agreement entered into in connection with the Osijek project, with outstanding total loan amount of approximately EUR 15.8 million (long-term part of EUR 13.8 million), include LTV covenant. As at 31 March 2015 the external valuation of the asset was estimated below the threshold set by the LTV covenant. As stipulated in the restructuring amendment, Osijek has twelve months from a notice given by the lender, to remediate the breach. The loan is guaranteed by GTC. The notice has not been served by the Lender. Consequently, part of the loan was classified as non-current liability according to the remediation period and original repayment schedule.

In addition, the amount outstanding under the loan related to the Galeria Piatra Neamt project, of EUR 5.8 million, was higher than the asset value of EUR 3.9 million as of 31 December 2014. The loan is guaranteed by GTC. The loan is currently classified as non-current liability.

The Company is currently in the process of negotiating with the respective lenders of the restructuring of such loans. Subsequent to the Balance sheet date, the Company has discussed an agreement with lenders, according to which the loans will be taken over by GTC and will be amortized over 2.5 years.

Sasad residential projects. The loan agreements related to Sasad residential projects with an outstanding loan amount of EUR 8.3 million respectively also include LTV financial covenants .
As at 31 March 2015 the external valuations of the assets were estimated below the threshold set by the LTV covenant. These loans are currently classified as current liabilities. These loans are not guaranteed by GTC. The Company is currently negotiating with the lender the restructuring of the loan.

According to the loan agreement related to the **Varna**, project, with an outstanding amount of EUR 17.7 million (long-term part of EUR 16.7 million), the LTV covenant under such loan agreement will be applicable from December 2017. However, as at 31 March 2015 the external valuation of the asset was estimated below the threshold set by the LTV covenant. The loan is guaranteed by GTC. The Company is currently negotiating with the lenders the restructuring of the relevant loan.

(in thousands of Euro)

14. Long-term loans and bonds (continued)

Repayments of long-term debt and interest are scheduled as follows (Euro million):

	31 March 2015 (unaudited)	31 December 2014
First year	113	139
Second year	76	76
Third year	189	172
Fourth year	208	134
Fifth year	167	179
Thereafter	213	302
	966	**1,002**

(in thousands of Euro)

15. Capital and Reserves

As at 31 March 2015, the shares structure was as follows:

Number of Shares	Share series	Total value in PLN	Total value in euro
139,286,210	A	13,928,621	3,153,995
1,152,240	B	115,224	20,253
235,440	B1	23,544	4,443
8,356,540	C	835,654	139,648
9,961,620	D	996,162	187,998
39,689,150	E	3,968,915	749,022
3,571,790	F	357,179	86,949
17,120,000	G	1,712,000	398,742
100,000,000	I	10,000,000	2,341,372
31,937,298	J	3,193,729	766,525
351,310,288		**35,131,028**	**7,848,947**

All shares are entitled to the same rights.

Shareholders who as at 31 March 2015 held above 5% of the Company shares were as follows:

- LSREF III
- ING OFE
- AVIVA OFE BZ WBK
- OFE PZU

The statutory financial statements of GTC S.A are prepared in accordance with Polish Accounting Standards. Dividends may be distributed based on the net profit reported in the standalone annual financial statements prepared for statutory purposes.

On 23 April 2015, the Company held an ordinary shareholders meeting. The ordinary shareholders meeting decided that the loss for the year 2014 presented in the financial statements of Globe Trade Centre S.A. prepared in accordance with the Polish Accounting Standards shall be presented under Retained earnings.

<u>Phantom shares</u>

Certain key management personnel are entitled to the Company Phantom Shares.

The Phantom Shares grant the entitled persons a right for a settlement from the Company in the amount equal to the difference between the average closing price for the Company's shares on the Warsaw Stock Exchange during the 30-day period prior to the date of delivery to the Company of the exercise notice, and settlement price ("strike") amount per share (adjustable for dividend).

(in thousands of Euro)

15. Capital and Reserves (continued)

The income (expenses) recognized during the period is shown below:

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Income (expenses) arising from cash settled share based payments	(75)	1,158	2,570

As at 31 March 2015 (unaudited), phantom shares issued were as follows:

Strike (PLN)	Blocked	Vested	Total
7.23	2,100,000	-	2,100,000
8.36	90,267	5,294,577	5,384,844
Total	**2,190,267**	**5,294,577**	**7,484,844**

The Phantom shares (as presented in above mentioned table) have been provided for assuming cash payments will be effected, as the Company assesses that it is more likely to be settled in cash.

16. Earnings per share

Basic and diluted earnings per share were calculated as follows:

	Three-month period ended 31 March 2015	Three-month period ended 31 March 2014	Year ended 31 December 2014
	(unaudited)	(unaudited)	
Profit for the period attributable to equity holders (euro)	8,253,000	(1,113,000)	(183,822,000)
Weighted average number of shares for calculating basic earnings per share	351,310,288	345,568,760	349,822,797
Basic earnings per share (euro)	0.02	(0.00)	(0.53)

There have been no potentially dilutive instruments as at 31 March 2015, 31 March 2014 and 31 December 2014.

17. Contingent liabilities and commitments

Guarantees

GTC gave guarantees to third parties in order to secure construction cost-overruns and loans to its subsidiaries. As of 31 March 2015 and 31 December 2014, the guarantees granted amounted to Euro 149 million and Euro 149 million, respectively. Additionally, in connection with the sale of its assets, the Company gave typical warranties under the sale agreements, which are limited in time and amount. The risk involved in above warranties is very low.

Croatia

In relation to Marlera Golf project in Croatia, part of the land is on concession lease from Ministry of Tourism of Croatia (Ministry) and the agreement with the Ministry included a deadline for the completion a golf course that has passed in 2014. The Company has taken steps to achieve extension of the period for completing the project. In February 2014, the Company received a draft agreement from the Ministry expressing its good faith and intentions to prolong the abovementioned timeline. Negotiations in this respect are still on-going, however the extension of the lease agreement is no longer at sole discretion of the Group. As a result, the Management decided to revalue the freehold asset in Q4 2014 assuming no development of the golf course project. As of 31 March 2015 the investment in Marlera amounts to Euro 6.8 million and is fully recoverable.

Ukraine

As of 31 March 2015, the Group holds 49.9% interest in Europort Investment 1 Limited, which indirectly owns undeveloped land in Odessa, Ukraine.

The economic and political uncertainty in Ukraine increased significantly. Furthermore, between 1 January 2015 and the date of the authorization of the financial statements, the Ukrainian Hryvnia devalued to major foreign currencies by approximately 48% calculated based on the NBU exchange rate of US$ as of the respective date, and the National Bank of Ukraine imposed certain restrictions on purchase of foreign currencies at the inter-bank market. International rating agencies have downgraded sovereign debt ratings for Ukraine. The combination of the above events has resulted in a deterioration of liquidity and much tighter credit conditions where credit is available.

At 31 March 2015, the Group's balance sheet exposure to Ukrainian risk amounted to approximately Euro 4.2 million (the full amount of investment), consisting of the aggregate value of unimpaired investments in equity and loans, granted to the Ukrainian associates. These and any further negative developments in Ukraine could adversely impact results and financial position of the Group and its Ukrainian investments in a manner not currently determinable, however not more than Euro 4.2 million.

17. Contingent liabilities and commitments (continued)

Russia

As of 31 March 2015, the Group holds 50% interest in Yatelsis, which indirectly owns land and buildings in St. Petersburg Russia.

During the last year, the economic and political uncertainty in Russia increased significantly. The Moscow Stock Market decreased, the Russian ruble devalued and there has been evidence of capital outflow. Furthermore, international sanctions are effective against Russia. The above events have resulted in a deterioration of liquidity and much tighter credit conditions where credit is available. The market uncertainty created an unclear view as for potential future development of the St. Petersburg project.

At 31 March 2015, the Group's balance sheet exposure to St. Petersburg amounted to approximately Eur 6.2 million (the full amount of investment). The above mentioned events could adversely impact the results and financial position of the Group and its St. Petersburg investments in a manner that could not be estimated at this stage.

18. Subsequent events

On 30 April 2015, GTC Group acquired the remaining 35% in Galeria Ikonomov GmbH, which holds Galeria Varna project and the minority shareholder’s loans granted to the project, for a consideration of Euro 0.8 million. Following the transaction GTC remained the sole owner of the project.

As a result of the transaction, the negative Non-Controlling interest will decrease by Euro 28.0 million and the capital reserve will decrease by Euro 26.4 million. Consequently, the total equity will increase by Euro 1.6 million.

19. Release date

The interim condensed consolidated financial statements were authorised for the issue by the Management Board on 13 May 2015.

Building a better
working world

Ernst & Young Audyt Polska
spółka z ograniczoną odpowiedzialnością sp. k.
Rondo ONZ 1
00-124 Warszawa
Tel. +48 22 557 70 00
Faks +48 22 557 70 01
warszawa@pl.ey.com
www.ey.com/pl

Report on review of interim condensed consolidated financial statements to the General Shareholders' Meeting and Supervisory Board of Globe Trade Centre S.A.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Globe Trade Centre S.A. ('the Company') as at 31 March 2015 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, interim condensed consolidated statement of cash flows for the three-month period then ended and other explanatory notes ('the interim condensed consolidated financial statements').

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting' as adopted by the European Union ('IAS 34'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

We also reported on 13 May 2015 separately on the interim condensed consolidated financial statements of Globe Trade Centre S.A. for the same period, prepared in accordance with IAS 34 using PLN as the presentation currency.

ERNST & YOUNG AUDYT POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. K.

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

13 May 2015