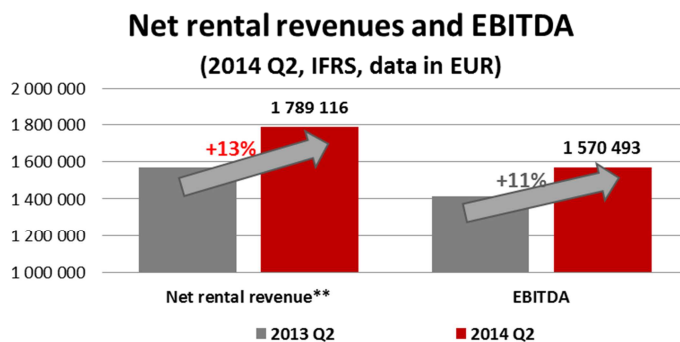


PRESS RELEASE

Appeninn: 2,6 million euros of revenue, 11 percent of EBITDA growth in H1

Budapest, 27 August 2014 — Consolidated revenue of Appeninn Holding, the real estate group listed among the premium equities of BSE, amounted to 2.596 million euros in first half of 2014. Rental income reduced by direct costs increased to 1.789 million euros. The company's EBITDA was 1.57 million euros, and the profit after tax were 40 thousand euros .

The gross revenue of the group in accordance with IFRS amounted to 2.596 million euros in the first half of 2014. Gross revenue – the aggregate revenues stemming from leasing, without VAT – has risen slightly compared to the same period of last year. Costs related to real estate and asset leasing decreased by more than 18 percent compared to previous year's same period, adding up to a total of 807 thousand euros. Due to the increase of coverage and gross rental income growth the company's net rental fee income, in compliance with IFRS, has increased to a total of 1.789 million euros, growing by more than 13 percent – aggregated rental revenues without VAT, net of direct costs. The company operated its portfolio with a 95 percent occupancy rate, well over the market average of 83 percent. "Our EBITDA result exceeded last year's base level by 11 percent reaching 1.570 million euros, and improving its margin further, above 85 percent " - highlights Gábor Székely, CEO of Appeninn Ltd. – " It shows that preserving effectiveness and improving long-term profitability is as important to us as the increasing revenues."



**Net income according to IFRS: aggregated rental revenues without VAT, net of direct costs

Operating results of Appeninn were 1.191 million euros at the end of Q2 , while profit before tax amounted to 138 thousand euros. The company's profit after tax was 40 thousand euros in the first half of 2014, which is equal to the profit attributable to owners.

Single items significantly influenced financial results. During the quarter, the group sold the Ady Center real estate project, that brought a 37 thousand euro profit beside the 375 thousand euro goodwill made on the portfolio item and, which improved the periodical result line. Profit before tax was reduced by a near 380 thousand euro expenditure in 2014 H1 that was spent on the company's current investment project, on Gellért Hill. The revaluation of the property can take place following the completion of the investment in the third quarter. As a consequence of the euro-based accounting the company introduced in 2014, the margin occurring as a result of real estate and credit revaluation will not effect the results of Appeninn. In the future, the impact of loan rate revaluations, the consequence of the conversion of the group's loans to euro, will not show in the results. The property rental income , accounts for more than 93 percent of the company's revenues, , has exceeded 2.4 million euros in Q2. The company maintaining a strong position on the class B office property segment in the capital, has established the increasement of the strong energy efficiency of their real estate portfolios based on one-time investments. This way the group will be able to increase the medium-term operating costs of the office real estate market portfolio and to further improve the company's medium-term profitability.

„In order to expand the company's portfolio we are still looking for potential targets, that are well valued , that have stable income producing ability, good locations, both in the office , or city logistics segment. In the future, we want to focus primarily on office buildings that are over 3000 square meters, for the reason those can be operated more efficiently and more flexible – says Gábor Székely.

The Company

The Appeninn Asset Management Holding Plc. was founded at the end of the year 2009 and by now one of the most dynamically developing real estate investment company of Hungary. The company focusing on the niche segments, where they can acquire low priced but high-yield producing assets which are medium and long-term sustainable with investment use. The target fields are the A and B category business centers and the industrial and logistic properties. The Appeninn's asset management competencies are useful in other market segments, like in the heavy vehicles field. The company is distinguished from the competitors by flexible attitude and the fast and effective decision-making, despite the size of the company. In addition, the capital market oriented model, which has practical value in the operation and financing also distinguish the Appeninn from the other rivals. The size of the aggregate area of real estate owned by the company in the capital and in the country of more than 63 thousand square meters.

The group's 2013 financial year with a turnover of EUR 5.4 million, EBITDA profit of EUR 3 million, EUR 1.5 million after-tax profit and total assets of EUR 75.5 million attributable to shareholders was closed.

The Company's shares are available on the Budapest Stock Exchange and on the Frankfurt Stock Exchange Premium class rotating floor of the members of the BUX basket BUMIX and regional CECE index.

www.appeninn.hu