

PRESS RELEASE

Appeninn – Significant increase in profitability in H1

EUR 2.24 million of revenue and EUR 1.5 million of EBITDA at the end of the first half of 2015

Budapest, 26 August 2015 – Appeninn Holding, the real estate group listed among the premium equities of BSE, which primarily owns office buildings in Budapest and focusing on real estate operation and leasing, has stabilized its profitproducing-ability due to its income-generating real estates portfolio; its EBIDTA amounted to EUR 1.5 million. The company's profit before tax was EUR 717,5 thousand, and profit after tax reached EUR 551 thousand.

The gross revenue of Appeninn Holding, the real estate group listed on the Budapest Stock Exchange, amounted to EUR 2.24 million in the first half of 2015. Costs related to real estate leasing increased by almost 3 percent compared to the same period of last year, adding up to nearly EUR 740 thousands, resulting in a net rental income of EUR 1.5 million. The company's EBITDA reached EUR 1.5 million, improving last years ratio by 3 percent. The operating profit of Appeninn reached EUR 1.366 million at Q2, exceeding last year's base level by 27 percent. Profit before tax of the holding increased significantly, resulting in EUR 717 thousand. In the upcoming period, the company will focus on the acquisition of bigger office buildings, that are over 5000 square meter, as those can be operated more efficiently.

„The results of the group's first half year were very prosperous, since we could increase the company's profit producing ability. Leasing and operating offices has a solid potential for income generation, and among the current yield environment, it offers a competitive alternative to investors. We noticed a high demand for leasing among Hungarian small and medium-size companies, which offers us stability to maintain the utilization of properties on a high level” – said Gábor Székely, CEO of Appeninn Plc, commenting the results of H1.

Some single items influenced the company's profit before tax significantly. The expenditures and incomes of financial operations brought EUR 416 thousand profit. The profit have been reduced by a loss of a property sale in H1, EUR 222 thousand, and by a EUR 218 thousand due to the loss from the revaluation of investment properties.

The company's revenues after tax amounted to EUR 551 thousand profit in H1 of 2015, which equals to the profit attributable to the company's owners. From the Q2 of 2015, after completing the sale of the company's subsidiary company, which was specialized in renting special vehicles, the company's revenues are coming solely from rental income. The real estate portfolio operated by Appeninn is still over a 95 percent occupancy rate, well over the market average of 85.8 percent.

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 for investment use. Such target fields are B category business centers and the industrial and logistic properties. The objective of the Appeninn is to become a holding with a traditional, conservative business policy and readily definable asset-based values through the continuous expansion of the company's property portfolio. The size of the aggregate area of real estate owned by the company in the capital and in the country of more than 55 thousand square meters.

The Company ended the 2014 financial year with a turnover of EUR 4.62 million and EBITDA profit of EUR 2.26 million.



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