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GREEN REIT PLC IS AN IRISH REAL ESTATE INVESTMENT TRUST ("REIT") AND IS LISTED ON THE IRISH AND LONDON STOCK EXCHANGES. THE COMPANY WAS THE FIRST REIT ESTABLISHED IN IRELAND FOLLOWING THE INTRODUCTION OF REIT LEGISLATION BY THE IRISH GOVERNMENT. GREEN REIT PLC’S STATED STRATEGY IS TO CREATE A PROPERTY PORTFOLIO CONSISTING PRIMARILY OF COMMERCIAL PROPERTY IN IRELAND TO DELIVER INCOME AND CAPITAL GROWTH THROUGH OPPORTUNISTIC INVESTMENTS, ACTIVE PROPERTY MANAGEMENT AND PRUDENT USE OF DEBT FINANCE.

KEY MILESTONES

JUNE 2013

Green REIT announces intention to float on the Irish Stock Exchange and the London Stock Exchange
- Objective: to assemble a portfolio of freehold and long leasehold properties consisting primarily of commercial property in Ireland, principally Dublin
- Intention: to focus on creating sustainable income and strong capital returns for shareholders

JULY 2013

Green REIT announces result of Issue
- Raised total gross proceeds of approx. €310 million
- Strong institutional investor interest

Launch of Listing on Irish & UK Stock Exchanges
- First REIT established in Ireland

Appointment of Chief Investment Officer
- Caroline McCarthy is appointed as Chief Investment Officer
Acquisition of €178.3 million commercial property portfolio including:
- Project Arc, with a yield in excess of 8.5%
- Project Arc portfolio includes Fitzwilliam Hall, Arena Centre, Classon House, Parway Retail Park
- Two off market deals including No.2 Burlington Road and INM Media Printing Works, Citywest

Appointment of Chief Operating Officer
- Niall O’Buachalla appointed as Chief Operating Officer

OCTOBER - DECEMBER 2013

Selected as preferred bidder for the Central Park commercial property portfolio

JANUARY 2014

Green REIT announce half year results and acquisition of 6 properties in off market transaction
- €214 million equity invested including the acquisition of 6 additional properties for €28.35 million
- Net asset value at 31 December 2013 of €299.7 million or 96.7 cent per share

FEBRUARY 2014

€310m
total capital raised in July 2013
(€299.6m net of expenses) and
successful listing on the Irish and
London Stock Exchanges

€214m
of equity invested to
31 December 2013

No.1
Company selected as preferred
bidder on Central Park in Dublin
in January 2014

96.7 cents
NAV per share of 96.7 cents

€299.7m
Net asset value at 31 December 2013

Green REIT announce half year results and acquisition of 6 properties
in off market transaction
- €214 million equity invested including the acquisition of 6 additional
properties for €28.35 million
- Net asset value at 31 December 2013 of €299.7 million
or 96.7 cent per share
PORTFOLIO OVERVIEW | AT 31 DECEMBER 2013

1. INM Media Printing Works, Citywest, Co. Dublin
2. No.2, Burlington Road, Dublin 4
3. 84 - 93 Mount Street, Dublin 2
4. 97 St Stephen’s Green, Dublin 2
5. 1-2 College Green, Dublin 2
6. 4-5 College Green, Dublin 2
7. Parnell Car Park, Dublin 1
8. Globe Retail Park, Naas, Co. Kildare
9. Fitzwilliam Hall, Dublin 2
10. Classtown House, Dundrum, Dublin 14
11. The Arena Centre, Tallaght, Dublin 24
12. Parkway Retail Park, Limerick City, Co. Limerick
13. Horizon Logistics Park, Harristown, Swords, Co. Dublin

No.2, Burlington Road, Dublin 4

INM Media Printing Works,
Citywest, Co. Dublin

Parkway Retail Park, Limerick

The Arena Centre, Tallaght, Dublin 24

1-2 College Green, Dublin 2
Fitzwilliam Hall, Dublin 2

Globe Retail Park, Naas, Co. Kildare

Horizon Logistics Park, Swords, Co. Dublin

Classon House, Dundrum, Dublin 14

97 St Stephen’s Green, Dublin 2
CHAIRMAN’S STATEMENT

Successfully having launched on the Dublin and London stock exchanges in July of 2013, and having raised €310m through the issue of new shares, the Company has invested €214m in the period to date. €191m had been invested by 31 December 2013, with a further €23m of acquisitions contracted at that date. The Company has executed its investment policy to date in a strategic and disciplined manner, basing decisions on property fundamentals.

The assets acquired to date have income yields in excess of targets and there is active asset management potential within the portfolio which will provide opportunities to enhance income and value. With businesses in Ireland now investing for growth our limited available space is attracting interest, and we expect to lease at rents at least at ERVs.

The Company’s Investment Manager, Green Property REIT Ventures Limited, headed by Stephen Vernon and Pat Gunne, has been key to the successful deployment of capital on the assets acquired to date. The Manager’s extensive relationships have facilitated the sourcing of acquisitions both on market through well managed competitive processes and off market through its network of contacts.

Having efficiently deployed €214m of equity in the relatively short period to date the Company still has the firepower to take advantage of further opportunities with the remaining IPO proceeds of €66m and the potential to raise up to €161m in debt financing in a low interest cost environment, thereby growing the REIT further and driving shareholder returns. Central Park is one such opportunity, where following a competitive process the Company was recently selected as preferred bidder by the National Asset Management Agency to acquire a portfolio of high quality real estate assets in south Dublin. This acquisition will be financed from existing Company resources alongside its funding partner PIMCO.

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Financial Results and Position

Summary Financial Information

<table>
<thead>
<tr>
<th>EPRA and Basic NAV</th>
<th>€299.7m</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPRA and Basic NAV Per Share</td>
<td>96.7 cent</td>
</tr>
<tr>
<td>Group LTV</td>
<td>0%</td>
</tr>
<tr>
<td>Rental Income</td>
<td>€1.7m</td>
</tr>
<tr>
<td>Net Rental Income</td>
<td>€1.44m</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>€121k</td>
</tr>
</tbody>
</table>

Having launched in July 2013 the Company acquired 13 properties in the period from 12 November to 31 December 2013, which are valued at €192 million at the 31 December balance sheet date, broadly in line with their total acquisition cost. These acquisitions were fully funded from cash and the Company had no borrowings at 31 December 2013. The Company’s net asset value at 31 December was €299.7 million (96.7 cent per share), with €107 million of the IPO proceeds remaining to be invested. As at 31 December 2013 the Company had contracted to acquire commercial real estate assets in Dublin city centre for €22 million (net of costs), on which it had paid a deposit of €2.2 million at 31 December 2013.

These transactions are expected to complete imminently. That portfolio consists of five properties with a total annual rent roll of €1.4m along with significant redevelopment potential. The Company’s total annual passing rent at 31 December 2013 was €17.3 million, which will increase to €18.7 million with the completion of these acquisitions.
The Company’s net profit for the period was €121k, with rents of €1.7 million earned in the short period from 12 November to 31 December following property acquisitions which took place in November and December.

OUTLOOK
The strengthening macroeconomic backdrop in Ireland, particularly in Dublin, and supportive property market conditions should lead to growth in rental and capital values in commercial property as we move through 2014. The Board has a confident outlook and the Company’s property portfolio holds many opportunities to be exploited. The Board expects continued success in deploying the Company’s capital to build the property portfolio with properties which satisfy the investment and financing criteria set out in the prospectus.

Gary Kennedy
CHAIRMAN
9 FEBRUARY 2014

“HAVING EFFICIENTLY DEPLOYED €214M OF EQUITY IN THE RELATIVELY SHORT PERIOD TO DATE THE COMPANY STILL HAS THE FIREPOWER TO TAKE ADVANTAGE OF FURTHER OPPORTUNITIES”
2013 will be seen as the year that the Irish property industry reignited following a period of unprecedented collapse.

Green REIT plc, as Ireland’s maiden REIT, was very much part of this new beginning.

The preceding period of 2008 to 2012 was marked by the property market implosion, followed by a slow and painful road to recovery. The Irish Government can be congratulated for taking the tough decisions fast, and in so doing garnering the support of the Troika in effecting a bailout which will be seen in history as the seeds of the current revival.

The Industrial Development Authority (‘IDA’) in Ireland must also be commended for their efforts which resulted in a very resilient FDI story throughout the crisis, compensating for the beleaguered local SME sector, not to mention consumer sentiment which was buffeted by a series of austerity budgets.

The establishment by the Irish government of the National Asset Management Agency (‘NAMA’), Ireland’s work out solution, and the recapitalisation of the Irish banking sector were both building blocks for the new foundations for growth.

Green REIT plc’s launch in July 2013 was very timely, and crucial to getting off to such a positive start. The investment strategy is to invest in primary and good secondary commercial real estate with a Dublin focus, and with a 70:30 weighting in favour of investment over non income producing assets. The fact that just over 70% of the initial equity raised has now been invested is testament to the scale of the opportunity and the Investment Manager’s deep roots in the market place.

The hiring of Caroline McCarthy as our Chief Investment Officer, and Niall O’Buachalla as our Chief Operations Officer, were clear messages to the marketplace and to our investment community of our strategy to build upon what we consider to be Ireland’s most formidable property team. This is complementary to the exceptional development and asset management talent already in place, together with the positive interaction with the Board of Green REIT plc, which insists upon the highest level of reporting and governance.

As the Investment Manager to Green REIT plc we have been able to execute our investment plan in an efficient and disciplined way, with capital deployed through ‘on market’ processes such as the Arc Portfolio purchased from Danske Bank for €127m, and a number of ‘off market’ transactions both on mini portfolios and on individual assets. The former EBS Headquarters in Dublin 4 was acquired in an ‘off market’ transaction for €46.5m and was of particular note given its pivotal position as a grade A building in Dublin’s prime Central Business District (‘CBD’).

The quality of Green REIT plc’s tenants, the active asset management initiatives underway for its properties and the potential for its development properties all augur well for the future. We are excited by the acquisitions currently being worked on and the future prospects in the year ahead.

Stephen Vernon
EXECUTIVE CHAIRMAN

Pat Gunne
CHIEF EXECUTIVE
9 FEBRUARY, 2014
The fact that just over 70% of the initial equity raised has now been invested is testament to the scale of the opportunity and the investment manager’s deep roots in the market place.
The key theme for 2013 was the increase in activity levels in both the capital and occupier markets. Investment spend more than trebled year on year with total volumes traded, reaching between €1.78 to €1.85 billion, compared to approximately €575m in 2012. In addition, there was €750m in loan sales, pushing the year-end total to over €2.5 billion.

Of this spend, 41% was invested in mixed use deals, 39% in offices, 9% in multi-family housing and 7% in retail. Larger deals and portfolio deals of over €50m accounted for over 50% of the spend, with a further 26% of deals in the €20-€50m range.

IRISH PROPERTY MARKET OVERVIEW

SECTOR COMMENTARY

1. Office

2013 recorded over 1.84m square feet of letting and sale activity in the Dublin office market, above the 10-year average (1.72m square feet) and 25% higher than the volume of transactions signed in the Dublin office sector in 2012. While the overall vacancy rate has dropped to 15.33%, in CBD Dublin 2 and 4 the vacancy rate is 11.4% and the grade A vacancy rate is 4.5%. It is no surprise therefore that prime office rents increased by 25% over 12 months and now stand at €35 per square foot per annum, with market commentary suggesting rental growth for the year ahead.

The impact of the financial crisis and the lack of bank funding resulted in no new development in the last 3 years, which explains why the grade A available space continues to fall. In late 2013 we saw the first speculative office scheme commence with approximately 80,000 square feet currently under construction on St. Stephen’s Green. In addition, a number of planning applications have been lodged, indicating the likelihood of greater development activity as we look ahead.

Major lettings in 2013 include 120,000 square feet to Facebook at 4 Grand Canal Square in Dublin’s south docklands, 100,000 square feet to law firm William Fry at 2 Grand Canal Square, 110,000 feet to Deutsche Bank at East Point Business Park, the acquisition of 100,000 by SIG in Dublin’s International Financial Services Centre and lettings to Airtricity, Fidelity, Salesforce and Google.

2. Retail

As the domestic economy shows signs of improvement, unemployment is down from 14% to 12.4% in the 12 months to December 2013 and GDP was up 1.7% between Q3 2012 and Q3 2013. In addition, the volume of retail sales in December 2013 increased by 0.6% when compared with November 2013 and there was an increase of 3% in the annual figure. These positive economic indicators are improving consumer sentiment and in prime locations we are seeing vacant units being let, including on Grafton Street where new entrants include Massimo Dutti, Cath Kidston and Vans. Similar to the office sector, there have been no new retail schemes/extensions for a number of years but recently NAMA lodged a planning application for a 215,000 square foot extension to The Square Town Centre in Tallaght.

Retail remains challenging but prime retail is improving. IPD is showing retail growth coming from strengthening investor attitudes, however within the IPD portfolio rental value growth remains negative.

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1 Irish Commercial Property Outlook 2014, CBRE
2 Irish Market Overview Investment January 2014, Savills
3 Ireland Property Investment Yields December 2013, CBRE.
4 IPD/SCSI Quarterly Briefing Q4, Ireland 28th January 2014
5 CSO 28th January 2014
6 Dublin Industrial Market Q4 2013, JLL
7 Review 2013 & Outlook 2014, Lisney
While we are seeing the impact of de-leveraging across the banking sector, with over 78% of sales coming from banks/NAMA², typically through receivers, it is more than being matched by demand from a diverse buyer group, looking to get exposure to the Irish property market. Of the total spend, CBRE registered 47% to Irish domiciled buyers, 37% to USA buyers and the remainder to a combination of UK, European, Canadian and Middle Eastern buyers.¹

At the prime end we saw yield compression in the key sectors. In the 12 months from December 2012 to 2013, prime CBD Dublin office yields have moved from 6.75% to 5.75%, prime high street retail yields from 6% to 5.50% and prime industrial yields from 9.25% to 8.25% and trending stronger.³

Investment Property Databank (‘IPD’) recorded total returns for 2013 of 12.7% year on year, above the 30-year long-term annual average increase of 10.2% and above the total returns for the UK which were 10.9%. Capital values grew 3.2% for the year and rents also saw a return to growth up 3.7% with the office sector recording rental growth of 7% year on year. The all-property equivalent yield is down by 5 percentage points from the end of 2012 and currently stands at 8.40%.⁴

3. Industrial

There was strong take up of space in the industrial sector in 2013, with total take-up of 2.87m square feet up 18% on totals for 2012.¹ With demand continuing to outstrip supply for well-located modern facilities, CBRE are anticipating we will see an increase in rents during 2014 and a reduction in inducements. Prime rents are currently at approximately €5.75-€6.25 per square foot⁶ which still makes new development unviable, however as the supply of better space is eroded over time and rental growth emerges, new development should begin to be considered as a viable option.

4. Land

CBRE, in their Irish Commercial Property Outlook 2014, recorded approximately €200m of nonagricultural land sales in 75 deals in 2013, up four fold on the spend for 2012. The increase in activity can partially be explained by the improving occupier markets as outlined above and an emerging imbalance between supply and demand in the Dublin housing market.

In 2013 there were 1,200 house completions in the Dublin area compared to a long term annual average of 8,200, which is the lowest recorded since records began in the 1970’s⁷. Based on the Central Statistics Office Forecasts for population growth, 8,000 units need to be completed per annum to satisfy demand. The Lisney residential index recorded an increase in values of 19.8% over the year and suggests that values are now 28.6% above the bottom of the market prices. That said, the index records that prices are still 54% below the peak of the market.⁷

### SECTORS BY VALUE

<table>
<thead>
<tr>
<th>Sector</th>
<th>Gross Value %</th>
<th>Gross Value¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>54.4%</td>
<td>€104.5m</td>
</tr>
<tr>
<td>Retail</td>
<td>27.0%</td>
<td>€51.9m</td>
</tr>
<tr>
<td>Industrial</td>
<td>9.9%</td>
<td>€19.0m</td>
</tr>
<tr>
<td>Other</td>
<td>8.7%</td>
<td>€16.8m</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>€192.1m</td>
</tr>
</tbody>
</table>

¹ Including purchaser’s costs
13 properties acquired by 31 December 2013, valued at €192m at that date, broadly in line with total cost

Mainly freehold title

Total floor area of 905,350 square feet (84,107 square metres)

Total passing rents of €17.3m per annum

88% portfolio occupancy rate

42 tenants

84% of assets by value located in Dublin

PASSING RENT BREAKDOWN BY TENANT BUSINESS SECTOR

<table>
<thead>
<tr>
<th>Business Sector</th>
<th>% of Group Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>34.8</td>
</tr>
<tr>
<td>Financial Services</td>
<td>33.7</td>
</tr>
<tr>
<td>Public Administration</td>
<td>11.4</td>
</tr>
<tr>
<td>Services</td>
<td>10.7</td>
</tr>
<tr>
<td>Transport</td>
<td>7.0</td>
</tr>
<tr>
<td>Other</td>
<td>2.2</td>
</tr>
<tr>
<td>IT/ Communications</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

1 Passing rent

PASSING RENT BY UNEXPIRED LEASE TERM

<table>
<thead>
<tr>
<th>Lease Term</th>
<th>% of Group Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 5 years</td>
<td>57.8</td>
</tr>
<tr>
<td>5-10 years</td>
<td>13.3</td>
</tr>
<tr>
<td>10-15 years</td>
<td>14.0</td>
</tr>
<tr>
<td>Over 15 years</td>
<td>14.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

1 Passing rent
Portfolio weighted average unexpired lease term of 7.3 years (to earlier of lease break and expiry)

Approx 112 acres of land at Dublin airport, and redevelopment opportunities on 2 Dublin city centre properties

Portfolio net initial yield of 9% at 31 December 2013

Portfolio equivalent yield of 8.2% at 31 December 2013

Portfolio of 5 properties contracted at 31 December 2013, with a contract price of €22m (‘Danske 2’). These properties increased total passing rent from €17.3m to €18.7m per annum and add 69,000 square feet (6,414 square metres) of floor area.

LEASE LENGTHS BY TENANT BUSINESS SECTORS

<table>
<thead>
<tr>
<th>Tenant Business Sector</th>
<th>Weighted Average Unexpired Lease Term (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>3.4</td>
</tr>
<tr>
<td>IT/ Communications</td>
<td>0.4</td>
</tr>
<tr>
<td>Public Administration</td>
<td>3.3</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>11.7</td>
</tr>
<tr>
<td>Services</td>
<td>10.3</td>
</tr>
<tr>
<td>Transport</td>
<td>8.8</td>
</tr>
<tr>
<td>Other</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7.3</strong></td>
</tr>
</tbody>
</table>

LEASE LENGTHS BY LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Weighted Average Unexpired Lease Term (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dublin City Centre</td>
<td>5.1</td>
</tr>
<tr>
<td>Dublin - Other</td>
<td>8.7</td>
</tr>
<tr>
<td>Limerick</td>
<td>7.0</td>
</tr>
<tr>
<td>Rest of Ireland</td>
<td>13.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7.3</strong></td>
</tr>
</tbody>
</table>
GREEN REIT ORGANISATIONAL CHART

BOARD

GREEN PROPERTY REIT VENTURES
Investment Manager

Investment Manager Agreement

GREEN REIT PLC

CAROLINE MCCARTHY
CHIEF INVESTMENT OFFICER
Former Director and Head of Capital Markets at CBRE Ireland

NIALL O’BUACHALLA
CHIEF OPERATING OFFICER
Former Group Finance Director of Treasury Holdings

MARK MUNRO
FINANCE DIRECTOR
Finance Director, Green Property Limited

PAUL CULHANE
DEVELOPMENT DIRECTOR
Former Development Director, Gunne Commercial

JIM MCKENNA
OPERATIONS DIRECTOR
Operations Director, Green Property Limited

RONAN WEBSTER
ASSET MGMT. DIRECTOR
Former Director, CBRE Ireland

STEPHEN VERNON
NON EXECUTIVE CHAIRMAN
• Chairman, Greencore Group
• Former Director, Elan Corporation

JEROME KENNEDY
NON EXECUTIVE DIRECTOR
• Chairman, Total Produce plc
• Former Managing Partner, KPMG

THOM WERNINK
SENIOR INDEPENDENT DIRECTOR
• Non-Executive Director, Segro plc
• Former CEO, Corio NV

STEPHEN VERNON
NON EXECUTIVE DIRECTOR
• Representative of the Investment Manager

ASSET

ASSET

ASSET
OUR BOARD

GARY KENNEDY
Non-Executive Chairman
Mr. Gary Kennedy is an experienced chairman and director, with a long executive career in technology, financial services and a non-executive portfolio spanning a variety of sectors, including financial services, foods, biotechnology and technology. Mr. Gary Kennedy is currently chairman of Greencore Group plc and a director of Friends First Assurance Company. He also serves as a board member to a number of private companies and was a director of Elan Corporation plc until December 2013 and was a government appointed director of Irish Bank Resolution Corporation Limited until February 2013. He was Group Director of Finance and Enterprise Technology at Allied Irish Bank and a member of its main board together with subsidiary boards in the US and Poland. Prior to that, he was Group Vice-President of Nortel Networks Europe. He served on the board of the Industrial Development Authority of Ireland for ten years until he retired in December 2005.

JEROME KENNEDY
Non-Executive Director
Mr. Jerome Kennedy is an experienced non-executive director, with a long executive career as a partner in KPMG and a non-executive directorship portfolio since 2004 in a number of sectors including financial services, foods and media. He is currently a director of Total Produce plc where he chairs the audit committee and a director of Independent News and Media plc where he is the senior independent director and chairs the audit committee. He is also the Chairman of Caulfield McCarthy Group Retail. He served on the board of New Ireland Assurance Company plc from 2004 to 2010 and on the Court of Bank of Ireland from 2007 until 2012. He spent 24 years (1980-2004) as a partner in KPMG providing audit and advisory services to a range of Irish companies and Irish subsidiaries of multinational groups. He held the position of managing partner of KPMG Ireland and was a board member of KPMG Europe from 1995-2004.

THOM WERNINK
Non-Executive Director & Senior Independent Director
Mr. Thom Wernink has held a number of senior positions over a long career focused on the Continental European real estate industry and brings valuable knowledge of these markets to the Board. He serves as a non-executive director of a number of European based property and investment companies, including stock exchange listed companies Atrium European Real Estate Ltd, SEGRO, and European Direct Real Estate Fund (SICAF). He is also a former Chairman of the European Public Real Estate Association and former chairman of the management board (CEO) of Corio NV.

STEPHEN VERNON
Non-Executive Director
Mr. Stephen Vernon is the chairman of Green Property and has held this role since 2002. Before then, he held the position of managing director of Green Property plc from 1993 to 2002. Up until 2002 Green Property plc was listed on the Irish Stock Exchange and the London Stock Exchange. Under Mr. Stephen Vernon’s stewardship, Green Property plc’s market capitalisation grew from approximately €24 million in 1993 to approximately €1 billion in 2002 when Mr. Stephen Vernon led a leveraged buyout of the company in an approximately €1.85 billion transaction. Mr. Stephen Vernon graduated from the College of Estate Management in 1972. After spending two years in general practice in the UK, he joined St. Quintin Chartered Surveyors, becoming an investment partner in 1981. He was appointed group managing partner in 1987. Mr. Stephen Vernon is a Fellow of the Royal Institution of Chartered Surveyors and has held numerous non-executive positions on the boards of regulated entities and listed companies.
OUR MANAGEMENT

STEPHEN VERNON
Chairman, Green Group
See page 15 for biography.

PAT GUNNE
Managing Director
Mr. Pat Gunne joined Green Property in January 2009 as managing director of the various Green Property businesses including the newly formed Green Property Ventures. Since joining Green Property, he has focused on developing a real estate workout business on behalf of banks and private equity firms. He was formerly European board director of CB Richard Ellis. Mr. Pat Gunne became managing director of the real estate agency Gunne Commercial in Ireland from 1997-2007 and during his tenure the company grew operating profits by a factor of 32, and Gunne Commercial was acquired by CB Richard Ellis in 2007 for an enterprise value approaching €32 million.

MARK MUNRO
Finance Director, Green Property
Mr. Mark Munro is the finance director of Green Property. In 2002 he was appointed finance director of Rodinheights plc, the entity owned by Mr. Stephen Vernon, Merrill Lynch and Bank of Scotland which acquired Green Property plc. He was subsequently appointed as finance director of Green Property Ltd, formerly Green Property plc, and of all of its subsidiary and associated companies when the leveraged takeover of Green Property plc by Rodinheights plc was completed. Prior to this Mr. Mark Munro held a number of senior finance roles with ESB International, a wholly owned subsidiary and the overseas division of the Electricity Supply Board in Ireland. He joined ESB International in 1994 after training and qualifying as a chartered accountant with KPMG in Dublin. Mr. Mark Munro is a business graduate of Trinity College, Dublin and a Fellow of Chartered Accountants Ireland.

PAUL CULHANE
Development Director, Green Property
Mr. Paul Culhane is development director of Green Property having joined in early 2000. He is directly responsible for the sourcing and implementation of Green Property’s development programme which has included the delivery of numerous office, retail, industrial and leisure projects. Prior to joining Green Property, he held the position of development director with Gunne Commercial (subsequently known as Insignia Richard Ellis Gunne and now known as CBRE) from early 1997 where he was responsible for identifying, structuring and disposing of a number of the largest development projects undertaken in Ireland at that time.
JIM MCKENNA  
Director of Irish Operations, Green Property  
Mr. Jim McKenna joined Green Property in 1980 as financial controller/company secretary. He was appointed to the main board of directors of Green Property plc in 1983 as operations director and for the past 30 years he has had responsibility for the management and expansion of the Green Property investment portfolio in Ireland. He was one of the directors of Green Property plc who was instrumental in the site assembly, design and letting of the Blanchardstown Centre from 1989 to its opening in 1996. Mr. Jim McKenna is a member of the Society of Chartered Surveyors and is a member of the Institute of Certified Public Accountants in Ireland.

CAROLINE MCCARTHY  
Chief Investment Officer  
Ms. Caroline McCarthy joined Green Property REIT Ventures in September 2013 as Chief Investment Officer. Her role is to identify and acquire assets which match the investment objectives of the Company. She was most recently an Executive Director and Head of the Capital Markets team of CBRE in Ireland during the period March 2005 to February 2012, where she served a variety of clients including pension funds, banks and high net worth investors in acquiring and disposing investment property in Ireland, the UK and Continental Europe. Prior to joining CBRE in 2003, Ms. Caroline McCarthy established the property investment team within Bank of Ireland Private Banking. She also previously served in a variety of roles in property investment in the UK including King Sturge (now Jones Lang LaSalle) and Hill Samuel Asset Management (now Scottish Widows).

NIALL O’BUACHALLA  
Chief Operations Officer  
Mr. Niall O’Buachalla joined Green Property REIT Ventures in January 2014 as Chief Operations Officer. His role is to co-ordinate the operations of Green Property. He was most recently a co-founder and finance director of Burlington Real Estate Limited during the period late 2012 to December 2013. Prior to establishing Burlington Real Estate Limited, in June 2003 Mr. Niall O’Buachalla joined Treasury Holdings in the project finance area and was involved in raising capital for its large scale developments and acquisitions in Ireland, the UK and in China. He became Group Finance Director of Treasury Holdings and was responsible for the group finance function until late 2012. Before joining Treasury Holdings, Mr. Niall O’Buachalla worked for Tesco Ireland as a property analyst. He is a Fellow of Chartered Accountants Ireland, having qualified with Arthur Andersen in Dublin in 2000.

RONAN WEBSTER  
Asset Management Director, Green Property  
Mr. Ronan Webster joined Green Property Ventures Limited in October 2011 as a director, working on the reorganisation, management and disposal of the Lloyds Bank loan portfolio. Prior to that he was an Executive Director of CBRE in Ireland from 1998 to 2011, where he served a variety of clients including public companies, pension funds, banks and large office occupiers in acquiring and disposing of property in Ireland and the UK. Prior to joining CBRE in 1998, Mr. Ronan Webster was a Senior Vice President of Equis Corporate Realty Advisors in Menlo Park, California.
The Directors have considered the principal risks and uncertainties that the Company is exposed to and which may impact performance in the remaining 6 months of its first financial year, which are summarised as follows:

**Occupier demand:** there is unoccupied space within the Company’s portfolio which the Investment Manager is tasked with leasing. There is a risk that due to a lack of occupier demand this space may take longer than expected to lease.

**Tenant default:** with continued uncertainty in certain sectors of the economy, particularly the retail sector, there is a risk that tenants may fail, thereby impacting the Company’s income and capital performance.

**Availability of bank finance:** following the failure of the Irish banking system in recent years there is a limited number of banks providing financing against property in Ireland.

**General economic conditions:** the Company’s investments are concentrated in Ireland. Although there are clear signs of a general economic recovery in Ireland, this recovery is nascent and there can be no assurances that forecasts of GDP growth of in excess of 2% by the Central Bank of Ireland for 2014 will be realised.

**Ability to deploy the remaining IPO proceeds:** there is strong competition for desirable properties and tenants in Ireland at present, which may constrain the Company in its deployment of its remaining IPO proceeds of €87m. To date the Company has been successful in deploying capital through on and off market transactions.

**Interest Rate Volatility:** if the Company incurs floating rate debt it may be exposed to risks associated with movements in interest rates.

**Regulatory Risk:** there is a risk that the Company may be required to be authorised as a regulated AIF by the Central Bank, and that the Investment Manager may therefore be required to be authorised as an AIFM. This would require the Investment Manager to comply with various policies and procedures addressing areas such as, inter alia, risk management, liquidity management, conflicts of interest, valuations, compliance, internal audit and remuneration, and comply with ongoing capital, reporting and transparency obligations. The Investment Manager continues to seek clarification from the Central Bank of Ireland on this matter.
STATEMENT OF DIRECTORS’ RESPONSIBILITIES

The Directors confirm to the best of their knowledge that the interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. In accordance with that standard, the Directors have prepared a complete set of interim consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union which are effective for financial periods beginning after 24 June 2013 and that the interim management report herein includes a fair review of the information required by Disclosure and Transparency Rules of the Central Bank of Ireland, namely:

• Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007, being an indication of important events that have occurred during the period from incorporation on 24 June 2013 to 31 December 2013 and their impact on the interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

• Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007, being related party transactions that have taken place during the period from incorporation on 24 June 2013 to 31 December 2013 and that have materially affected the financial position or performance of the entity during the period.

Signed on behalf of the Board

Gary Kennedy
DIRECTOR

Jerome Kennedy
DIRECTOR
We have been engaged by the Company to review the interim consolidated financial statements in the financial report for the period from incorporation on 24 June 2013 to 31 December 2013, which comprises the Group statement of comprehensive income, the Group statement of financial position, the Group statement of changes in equity, Group statement of cash flows and the related explanatory notes ("the Financial Statements"). We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Financial Statements.

Our responsibility is to express to the Company a conclusion on the set of consolidated interim financial statements in the Interim Report based on our review.

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. A review of interim financial information consists of making enquiries, 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 (UK and Ireland) 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.

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements in the Interim Report for the period from incorporation on 24 July 2013 to 31 December 2013 is not prepared, in all material respects, in accordance with IAS 34 and consequently IFRSs as adopted by the EU and the TD Regulations and the Transparency Rules of the Central Bank of Ireland.
## UNAUDITED GROUP STATEMENT OF COMPREHENSIVE INCOME

for the period from incorporation on 24 June 2013 to 31 December 2013

<table>
<thead>
<tr>
<th>Notes</th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue – rental income</td>
<td>7</td>
</tr>
<tr>
<td>Property outgoings</td>
<td></td>
</tr>
<tr>
<td><strong>Net rental income</strong></td>
<td></td>
</tr>
<tr>
<td>Net deficit on revaluation of investment properties</td>
<td>10</td>
</tr>
<tr>
<td>Investment manager fee</td>
<td>20</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
</tr>
<tr>
<td>Finance income</td>
<td>8</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
</tr>
<tr>
<td>Tax expense</td>
<td>9</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Basic and diluted earnings per share (cents)</strong></td>
<td>15</td>
</tr>
</tbody>
</table>
UNAUDITED GROUP STATEMENT OF FINANCIAL POSITION
as at 31 December 2013

<table>
<thead>
<tr>
<th>Notes</th>
<th>€'000</th>
</tr>
</thead>
</table>

**Assets**

**Non-current assets**
- Investment properties 10
  - 192,140

**Total non-current assets**
- 192,140

**Current assets**
- Trade and other receivables 11
  - 3,738
- Cash and cash equivalents 12
  - 109,835

**Total current assets**
- 113,573

**Total assets**
- 305,713

**Equity**
- Share capital 13
  - 31,000
- Share premium 13
  - 268,618
- Retained earnings
  - 121

**Equity attributable to owners of the Company**
- 299,739

**Liabilities**

**Current liabilities**
- Amounts due to investment manager 20
  - 480
- Trade and other payables 18
  - 5,494

**Total current liabilities**
- 5,974

**Total liabilities**
- 5,974

**Total equity and liabilities**
- 305,713

**Net assets value per share (cents)**
- 16
  - 96.69

**EPRA net assets per share (cents)**
- 17
  - 96.69
## UNAUDITED GROUP STATEMENT OF CHANGES IN EQUITY

for the period from incorporation on 24 June 2013 to 31 December 2013

<table>
<thead>
<tr>
<th></th>
<th>Share capital €’000</th>
<th>Share premium €’000</th>
<th>Retained earnings €’000</th>
<th>Total €’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>-</td>
<td>-</td>
<td>121</td>
<td>121</td>
</tr>
<tr>
<td>Total other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Transactions with owners of the Company, recognised directly in equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issue of ordinary shares for cash</td>
<td>31,000</td>
<td>279,000</td>
<td>-</td>
<td>310,000</td>
</tr>
<tr>
<td>Share issue costs</td>
<td>-</td>
<td>(10,382)</td>
<td>-</td>
<td>(10,382)</td>
</tr>
<tr>
<td><strong>31 December 2013</strong></td>
<td>31,000</td>
<td>268,618</td>
<td>121</td>
<td>299,739</td>
</tr>
</tbody>
</table>
UNAUDITED GROUP STATEMENT OF CASH FLOWS
for the period from incorporation on 24 June 2013 to 31 December 2013

<table>
<thead>
<tr>
<th>Notes</th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>121</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
</tr>
<tr>
<td>– Net deficit on revaluation of investment properties</td>
<td>10</td>
</tr>
<tr>
<td>– Finance income</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
</tr>
<tr>
<td>– trade and other receivables</td>
<td></td>
</tr>
<tr>
<td>– current liabilities</td>
<td></td>
</tr>
<tr>
<td><strong>Cash inflow from operating activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>8</td>
</tr>
<tr>
<td>Acquisition of investment properties</td>
<td>10</td>
</tr>
<tr>
<td>Deposits paid</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
</tr>
<tr>
<td>Net proceeds from issue of share capital</td>
<td>13</td>
</tr>
<tr>
<td><strong>Net cash inflows from financing activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at incorporation</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 December</td>
<td>12</td>
</tr>
</tbody>
</table>
NOTES
forming part of the unaudited Group interim financial statements

1. REPORTING ENTITY
Green REIT plc [the ‘Company’] is a Company domiciled in Ireland. The address of the Company’s registered office is Styne House, Hatch Street Upper, Dublin 2. The Company was incorporated on 24 June 2013.

The Company’s Ordinary Shares were listed on the main markets for listed securities on the Irish Stock Exchange and the London Stock Exchange on Thursday 18 July 2013.

These unaudited interim financial statements and the information set out in this report cover the period from incorporation, being 24 June 2013, to 31 December 2013 and do not constitute statutory accounts. The statutory financial statements will be prepared for the period ended 30 June 2014.

These unaudited interim financial statements as at and for the period ended 31 December 2013 comprise the Company and its subsidiaries (together referred to as the ‘Group’ and individually as ‘Group entities’).

2. BASIS OF PREPARATION
(a) Statement of compliance
These consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. As permitted by that standard, the Company has prepared a full set of financial statements. Therefore these consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union which are effective for accounting periods beginning after 24 June 2013.

The Company has not early adopted any forthcoming IASB standards. Note 4 sets out details of such upcoming standards.

These consolidated interim financial statements were authorised for issue by the Board of Directors on 9 February 2014.

(b) Basis of measurement
The consolidated interim financial statements have been prepared on the historical cost basis except for investment properties and derivatives, which are measured at fair value.

(c) Functional and presentation currency
The consolidated interim financial statements are presented in Euro, which is the Company’s functional currency. All financial information presented in Euro has been rounded to the nearest thousand except when otherwise indicated.

(d) Use of estimates and judgements
The preparation of the consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on amounts recognised in the financial statements in the period ending 31 December 2013 is included note 5(a) valuation of investment properties and note 10 investment property.

3. SIGNIFICANT ACCOUNTING POLICIES
The accounting policies set out below have been applied in these consolidated financial statements.

[a] Basis of consolidation
Subsidiaries
Subsidiaries are entities controlled by the Group. Control is the power to govern the financial and operating activities of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.
3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investment property
Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss (see note 5(a) in relation to the determination of fair value).

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(c) Rental income
Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(d) Finance income
Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

(e) Tax
Green REIT plc elected for Group REIT status with effect from July 2013. As a result, the Group does not pay Irish corporation tax on the profits and gains from qualifying rental business in Ireland provided it meets certain conditions. Corporation tax is still payable in the normal way in respect of income and gains from a Group’s residual business (generally including any property trading business) not included in the property rental business. The Group would also be liable to pay other taxes such as VAT, stamp duty land tax, stamp duty, local property tax and payroll taxes in the normal way.

Tax expense comprises current and deferred tax. Current tax and deferred tax will if applicable be recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse using tax rates enacted or substantively enacted at the reporting date.

(f) Provisions
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(g) Financial instruments
(i) Non-derivative financial assets
The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.
3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(i) Non-derivative financial assets (continued)

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets. At 31 December 2013 the Group had the following non-derivative financial assets, which are classified as loans and receivables:

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Trade and other receivables
Trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method less provision made for impairment, if applicable.

(ii) Non-derivative financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value less initial direct costs and subsequently measured at amortised cost.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

(iii) Share capital

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from the share premium account included in equity.

(h) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

4. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for future annual periods and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below and are under review. The Group does not plan to adopt these standards early.

New/Revised International Financial Reporting Standards

<table>
<thead>
<tr>
<th>Standard</th>
<th>Effective date¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>IAS 27 – Separate Financial Statements</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>IAS 28 – Investments in Associates and Joint Ventures</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>IFRS 10 – Consolidation Financial Statements</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>IFRS 11 – Joint Arrangements</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>IFRS 12 – Disclosure of Interests in Other Entities</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>Amendments to IFRS 10, IFRS 11 and IAS 27 – Investment Entities</td>
<td>1 January 2014</td>
</tr>
<tr>
<td>IFRS 9 – Financial Instruments</td>
<td>1 January 2015*</td>
</tr>
</tbody>
</table>

¹ The effective dates are those applying to EU endorsed IFRS if later than the IASB effective dates and relate to periods beginning on or after those dates detailed above.

* Not EU endorsed at the time of approval of the interim financial statements.
5. DETERMINATION OF FAIR VALUES

A number of the Group’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is defined, in IFRS 13 Fair Value Measurement, as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Investment property

External, independent valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group’s investment property portfolio at each reporting date, in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably and without compulsion.

The primary source of evidence for property valuations should be robust comparable market transactions on an arms-length basis. However, the valuation of the Group’s properties is inherently subjective as it is made on the basis of assumptions made that may not prove to be accurate.

(b) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, where appropriate for disclosure purposes.

(c) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and, where appropriate for disclosure purposes. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

6. OPERATING SEGMENTS

The Group is organised in to four business segments, against which the Group reports its segmental information, being Retail Assets, Office Assets, Industrial Assets and Other Assets (properties that do not fall into the preceding classifications). All of the Group’s operations are in the Republic of Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who has been identified as the Board of Directors of the Company.

Unallocated income and expenses are items incurred centrally which are neither directly attributable nor reasonably allocable to individual segments. Unallocated assets are cash and cash equivalents, and certain other assets.

The Group’s key measures of underlying performance of a segment is net rental income, as this measure illustrates and emphasises that segment’s contribution to the reported profits of the Group and the input of that segment to earnings per share. By focusing the prime performance measurement on net rental income, other key statistical data such as capital expenditure, valuation movements and once off exceptional items are separately highlighted for analysis and attention. Information related to each reportable segment is set out below:
6. OPERATING SEGMENTS (CONTINUED)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€’000</td>
<td>€’000</td>
<td>€’000</td>
<td>€’000</td>
<td>€’000</td>
<td>€’000</td>
</tr>
<tr>
<td>External revenues – rent</td>
<td>1,032</td>
<td>451</td>
<td>75</td>
<td>150</td>
<td>–</td>
<td>1,708</td>
</tr>
<tr>
<td>Property outgoings</td>
<td>(15)</td>
<td>(84)</td>
<td>(6)</td>
<td>(161)</td>
<td>–</td>
<td>(266)</td>
</tr>
<tr>
<td><strong>Net rental income</strong></td>
<td><strong>1,017</strong></td>
<td><strong>367</strong></td>
<td><strong>69</strong></td>
<td><strong>(11)</strong></td>
<td><strong>–</strong></td>
<td><strong>1,442</strong></td>
</tr>
<tr>
<td>Net income/(deficit) on revaluation of investment properties</td>
<td>1,176</td>
<td>(1,559)</td>
<td>(1,134)</td>
<td>1,473</td>
<td>–</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Segment profit before tax</strong></td>
<td><strong>2,193</strong></td>
<td><strong>(1,192)</strong></td>
<td><strong>(1,065)</strong></td>
<td><strong>1,462</strong></td>
<td><strong>–</strong></td>
<td><strong>1,398</strong></td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(1,321)</td>
<td>(1,321)</td>
</tr>
<tr>
<td>Interest income</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td><strong>2,193</strong></td>
<td><strong>(1,192)</strong></td>
<td><strong>(1,065)</strong></td>
<td><strong>1,462</strong></td>
<td><strong>(1,277)</strong></td>
<td><strong>121</strong></td>
</tr>
<tr>
<td><strong>Total segment assets</strong></td>
<td><strong>108,144</strong></td>
<td><strong>52,727</strong></td>
<td><strong>19,257</strong></td>
<td><strong>17,006</strong></td>
<td><strong>108,579</strong></td>
<td><strong>305,713</strong></td>
</tr>
<tr>
<td>Investment properties</td>
<td>104,511</td>
<td>51,877</td>
<td>19,000</td>
<td>16,752</td>
<td>–</td>
<td>192,140</td>
</tr>
</tbody>
</table>

7. REVENUE

Investment property rental income 1,708

8. FINANCE INCOME

Interest income on short term deposits 44

9. TAXATION

Tax recognised in profit or loss

Current tax expense –

Green REIT plc elected for group REIT status with effect from July 2013. As a result, the Group does not pay Irish corporation tax on the profits and gains from qualifying rental business in Ireland provided it meets certain conditions.

Instead, distributions to shareholders in respect of the property rental business are treated for Irish tax purposes as income in the hands of shareholders. Corporation tax is still payable in the normal way in respect of income and gains from a Group’s residual business (generally including any property trading business) not included in the property rental business. The Group is also liable to pay other taxes such as VAT, stamp duty land tax, stamp duty, local property tax and payroll taxes in the normal way.
9. TAXATION (CONTINUED)

Within the Irish REIT regime, for corporation tax purposes the property rental business is treated as a separate business to the residual business. A loss incurred by the property rental business cannot be set off against profits of the residual business.

An Irish REIT is required to distribute to its shareholders (by way of dividend), on or before the filing date for its tax return for the accounting period in question, at least 85% of the property income of the property rental business arising in each accounting period. Failure to meet this requirement will result in a tax charge calculated by reference to the extent of the shortfall in the dividend paid. A dividend paid by an Irish REIT from its property rental business is referred to as a property income distribution or PID. Any normal dividend paid from the residual business by the Irish REIT is referred to as a Non-PID dividend.

The Directors confirm that the Company has remained in compliance with the Irish REIT rules and regulations up to and including the date of this report.

10. INVESTMENT PROPERTY

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>At incorporation</td>
<td>-</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>192,184</td>
</tr>
<tr>
<td>Change in fair value</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td><strong>192,140</strong></td>
</tr>
</tbody>
</table>

All of the Group’s investment properties were acquired in the fourth quarter of calendar year 2013. The total consideration before acquisition expenses of the properties acquired up the balance sheet date was €184.7 million and the total costs of acquisition which comprised of stamp duty payable at an average rate of 2%, legal services and other directly attributable costs arising from the transactions amounted to €7.5 million, resulting in total capitalised costs of €192.2 million to the Group on acquisition.

The fair value of the Group’s investment property at 31 December 2013 has been arrived at on the basis of a valuation carried out at that date by external valuers, CBRE Ireland and Jones Lang LaSalle Ireland. The valuations performed by CBRE and Jones Lang LaSalle, which conform to the Valuation Standards of the Royal Institution of Chartered Surveyors and with IVA 1 of the International Valuations Standards, were arrived at by reference to market evidence of transaction prices for similar properties.

Valuation process
The Board of Directors determines the Group’s valuation policies and procedures for property valuation. The Board decides which external valuer to appoint to be responsible for the external valuations of the Group’s properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The Group utilises the internal valuation department of its Investment Manager, whom hold relevant internationally recognised professional qualifications and are experienced in valuing the types of properties in the applicable locations.

The Board decide, after discussions with the Group’s external valuers and the Investment Manager:

- Whether a property’s fair value can be reliably determined;
- Which valuation method should be applied for each property – at 31 December 2013, the methods that are applied for fair value measurements categorised within Level 3 of the fair value hierarchy is the yield methodology using market rental values capitalised with a market capitalisation rate or yield;
- The assumptions made for unobservable inputs that are used in valuation methods (the major unobservable inputs are estimated rental value, long term vacancy rate and yield).

Valuations are performed on a bi-annual basis at each interim reporting date.
10. INVESTMENT PROPERTY (CONTINUED)

In consideration of the fair value of investment properties, the current use of the properties is their highest and best use.

Quantitative information about fair value measurements using unobservable inputs (level 3), per property class are as follows:

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Input</th>
<th>Low</th>
<th>Range</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Assets</td>
<td>Annual rent per sq ft</td>
<td>13.26</td>
<td>63.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ERV per sq ft</td>
<td>7.83</td>
<td>44.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equivalent yield %</td>
<td>5.28</td>
<td>12.53</td>
<td></td>
</tr>
<tr>
<td></td>
<td>long term vacancy rate</td>
<td>11%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Office Assets</td>
<td>Annual rent per sq ft</td>
<td>6.2</td>
<td>50.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ERV per sq ft</td>
<td>4.75</td>
<td>32.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equivalent yield %</td>
<td>5.66</td>
<td>8.27</td>
<td></td>
</tr>
<tr>
<td></td>
<td>long term vacancy rate</td>
<td>0%</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>Industrial Assets</td>
<td>Annual rent per sq ft</td>
<td>7</td>
<td>7.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ERV per sq ft</td>
<td>5.71</td>
<td>5.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equivalent yield %</td>
<td>6.99</td>
<td>6.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td>long term vacancy rate</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td>Equivalent yield %</td>
<td>6.14</td>
<td>8.25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>long term vacancy rate</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

Sensitivity of measurement to variance of significant unobservable inputs

A decrease in the estimated annual rent will decrease the fair value. Similarly, an increase in the discount rates and the capitalisation rates will decrease the fair value. There are interrelationships between these rates as they are partially determined by market rate conditions.

Across the entire portfolio of investment properties, a 1% increase in yield would have the impact of a €22.3 million reduction in fair value whilst a decrease in yield would result in a fair value increase of €29.5 million. This is further analysed by property class, as follows:

<table>
<thead>
<tr>
<th>Property class</th>
<th>Value +1% Yield €'000</th>
<th>Value -1% Yield €'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>(14,391)</td>
<td>19,683</td>
</tr>
<tr>
<td>Retail</td>
<td>(5,084)</td>
<td>6,355</td>
</tr>
<tr>
<td>Industrial</td>
<td>(1,251)</td>
<td>1,249</td>
</tr>
<tr>
<td>Other</td>
<td>(1,594)</td>
<td>2,170</td>
</tr>
</tbody>
</table>
NOTES
forming part of the unaudited Group interim financial statements (continued)

11. TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th>Current</th>
<th>2013</th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td></td>
<td>511</td>
</tr>
<tr>
<td>VAT receivable</td>
<td></td>
<td>600</td>
</tr>
<tr>
<td>Deposits paid</td>
<td></td>
<td>2,200</td>
</tr>
<tr>
<td>Other receivables</td>
<td></td>
<td>427</td>
</tr>
<tr>
<td><strong>Total current</strong></td>
<td>3,738</td>
<td></td>
</tr>
</tbody>
</table>

The Group’s exposure to credit and market risks, and impairment losses related to trade and other receivables are disclosed in Note 19. The carrying value of all trade and other receivables approximates to their fair value.

**Deposits paid**
Deposits paid represent amounts paid on purchase agreements for the purchase of two properties in December 2013. As at 31 December 2013, these acquisitions had not closed, due to a number of material conditions precedent that the vendor must satisfy. See note 22 for further details.

12. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank balances</td>
<td>109,835</td>
<td></td>
</tr>
</tbody>
</table>

**Cash and cash equivalents**

109,835

The carrying value of cash and cash equivalents is approximate to its fair value.

13. SHARE CAPITAL AND SHARE PREMIUM

<table>
<thead>
<tr>
<th>Shares issued during the period</th>
<th>Share capital 2013 €’000</th>
<th>Share premium 2013 €’000</th>
<th>Total 2013 €’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31,000</td>
<td>279,000</td>
<td>310,000</td>
</tr>
<tr>
<td>Costs associated with issue</td>
<td>-</td>
<td>[10,382]</td>
<td>(10,382)</td>
</tr>
</tbody>
</table>

**At 31 December**

31,000                  268,618                  299,618

**Authorised and issued share capital**

*Ordinary shares of €0.10 each*

<table>
<thead>
<tr>
<th>Authorised</th>
<th>2013 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**Allotted, called up and fully paid**

<table>
<thead>
<tr>
<th>Issued for cash</th>
<th>310,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>In issue at 31 December</td>
<td>310,000,000</td>
</tr>
</tbody>
</table>
13. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)
The Company has one class of shares referred to as Ordinary shares. All shares rank equally. The holders of Ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

On incorporation the issued share capital of the Company was €40,000 divided into 400,000 ordinary shares of €0.10 each. On 24 June 2013, the Company increased its authorised share capital to €100,000,000 divided into 1,000,000,000 ordinary shares of €0.10 each.

The Company subsequently issued 309,600,000 ordinary shares for €0.10 on 17 July 2013, raising total proceeds of €309.96 million before commission, other fees and expenses of €10.4 million. These costs have been netted against the share premium account.

14. DIVIDENDS
There were no dividends declared and paid by the Company during the reporting period and there were no dividends proposed by the Directors in respect of the reporting period up to the date of these interim financial statements.

15. EARNINGS PER SHARE
Basic earnings per share
The calculation of basic earnings per share at 31 December 2013 is based on the profit attributable to ordinary shareholders of €121,000 and a weighted average number of ordinary shares outstanding for the period of 272,522,105, calculated as follows:

<table>
<thead>
<tr>
<th>Profit attributable to ordinary shareholders (basic)</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the period, attributable to the owners of the Company</td>
<td>€121,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weighted average number of ordinary shares (basic)</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued ordinary at incorporation, 24 June 2013</td>
<td>400,000</td>
</tr>
<tr>
<td>Effect of shares issued on 17 July 2013</td>
<td>272,122,105</td>
</tr>
</tbody>
</table>

| Weighted average number of ordinary shares for period | 272,522,105 |

| Basic earnings per share (cents) | 0.04 |

Diluted earnings per share
As there were no share options or any other similar equity instruments in addition to the shares detailed above there are no adjustments required for dilutive or for potentially dilutive earnings per share.
### 16. NET ASSETS VALUE PER SHARE

<table>
<thead>
<tr>
<th></th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets as at 31 December 2013</td>
<td>€299,739</td>
</tr>
<tr>
<td>Ordinary shares in issue at 31 December 2013</td>
<td>310,000</td>
</tr>
<tr>
<td><strong>Net Asset Value (NAV) per share (cents)</strong></td>
<td>96.69</td>
</tr>
</tbody>
</table>

### 17. EPRA NET ASSET VALUE PER SHARE

<table>
<thead>
<tr>
<th></th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets as at 31 December 2013</td>
<td>€299,739</td>
</tr>
<tr>
<td><strong>EPRA net assets</strong></td>
<td>€299,739</td>
</tr>
<tr>
<td>Ordinary shares in issue at 31 December 2013</td>
<td>310,000</td>
</tr>
<tr>
<td><strong>EPRA NAV per share (cents)</strong></td>
<td>96.69</td>
</tr>
</tbody>
</table>

The European Public Real Estate Association (EPRA) issued Best Practices Recommendations most recently in August 2011 and additional guidance in January 2013, which gives guidelines for performance measures.

The EPRA NAV per share excludes the net mark to market adjustment to the value of financial instruments which are used for hedging purposes and where the company has the intention of keeping the hedge position until the end of the contractual duration, deferred taxation on revaluations and is calculated on a fully diluted basis. At the 31st December 2013, the Group had no financial derivatives, there were no deferred tax applicable to the business and no dilutive or potentially dilutive equity arrangements in existence.

### 18. TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals and deferred income</td>
<td>361</td>
</tr>
<tr>
<td>Amounts due to related parties</td>
<td>94</td>
</tr>
<tr>
<td>Rent and service charges paid in advance</td>
<td>1,277</td>
</tr>
<tr>
<td>Service charge creditors</td>
<td>707</td>
</tr>
<tr>
<td>Other creditors</td>
<td>1,365</td>
</tr>
<tr>
<td>Option liability</td>
<td>1,690</td>
</tr>
<tr>
<td><strong>Total trade and other payables</strong></td>
<td>5,494</td>
</tr>
</tbody>
</table>

In connection with the purchase of an investment property the Group has granted the vendor an option to acquire a 40% interest in the property. The estimated fair value of the option has been recorded as an option liability above.

The carrying value of all other trade other payables is approximate to their fair value.
19. FINANCIAL INSTRUMENTS – RISK MANAGEMENT AND FAIR VALUE

Financial risk management

Overview
The Group has exposure to the following risks arising from financial instruments:
• credit risk
• liquidity risk
• market risk

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital.

Risk management framework
The Company’s Board of Directors has overall responsibility for the establishment and oversight of the Group’s risk management framework.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee keeps under review the adequacy and effectiveness of the Company’s internal financial controls and the internal control and risk management systems.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s trade and other receivables and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure.

Exposure to credit risk

<table>
<thead>
<tr>
<th>Carrying amount</th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other receivables – current</td>
<td>1,538</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>109,835</td>
</tr>
<tr>
<td></td>
<td>111,373</td>
</tr>
</tbody>
</table>

Trade and other receivables
The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group’s customer base, including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk. The Group is not exposed to any concentration of revenue with any one customer.

The Board has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group’s standard payment terms and conditions are offered. The Group’s review includes external ratings, when available, and in some cases bank references. Limits are established for each customer, which represents the maximum open amount without requiring approval from the Board; these limits are reviewed quarterly. Customers that fail to meet the Group’s benchmark creditworthiness may transact with the Group only on a prepayment basis.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry, aging profile, maturity and existence of previous financial difficulties.

Trade and other receivables relate mainly to the Group’s property tenants. The day to day management of the Group’s customers is managed by appointed property agents.

If necessary, the Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance, where applicable, is determined based on historical data of payment statistics. All receivables were deemed current at 31 December 2013 and no impairment allowance was deemed necessary.
19. FINANCIAL INSTRUMENTS – RISK MANAGEMENT AND FAIR VALUE (CONTINUED)

Cash and cash equivalents
The Group held cash and cash equivalents of €109.8 million at 31 December 2013, which represents its maximum credit exposure on these assets.

The Group has appointed BNP Paribas Partners UK Limited as its cash manager, providing the cash manager full discretionary authority to invest in various types of financial instruments including cash deposits and money market funds with the stated aim of preserving the capital values of such assets.

At 31 December, the Group had €75m held in BNP Paribas Insticash EUR fund, a money market fund with an AAA rating, which is readily convertible to cash. The remaining cash and cash equivalents are held in current and short term bank accounts.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

The Group monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables and capital commitments. All trade and other payables at 31 December 2013 are considered current with the expected cash outflow equivalent to their carrying value.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

At 31 December 2013, the Group held no derivative or non-derivative financial instruments to manage such risks.

Currency risk
The Group is not exposed to currency risk. The Company operates only in the Republic of Ireland.

Capital management
The Board’s policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. At 31 December 2013, capital consists entirely of equity. The Board monitors the return on capital as well as the level of dividends to ordinary shareholders.

20. RELATED PARTIES

(a) Subsidiaries
The Company’s subsidiaries are detailed in Note 21.

The Company transacts with its 100% owned and controlled subsidiaries and has provided them with the necessary funding to facilitate the acquisition of the assets now part of the Group.

The Company has provided its subsidiaries with €190.5 million in cash to fund their activities.

(b) Investment Manager - Green Property REIT Ventures Limited
The Company, pursuant to the Investment Manager Agreement entered into on 12 July 2013, is managed by Green Property REIT Ventures Limited. Through the Investment Manager, the Company will have access to the asset management operation of Green Property Management Limited.

Investment Manager role and responsibilities
The Investment Manager identifies possible property acquisitions for, and opportunities with a view to investment by, the Company by reference to the Company’s investment policy and strategy and will be entitled to consult with professional advisors to assist it.
20. RELATED PARTIES (CONTINUED)

(b) Investment Manager - Green Property REIT Ventures Limited (continued)

Investment Manager role and responsibilities (continued)

The Investment Manager has full discretionary authority to enter into transactions for and on behalf of the Company subject to certain reserved matters which require the consent of the board of directors of the Company. Such reserved matters include the acquisition or disposal of property investment where the aggregate acquisition cost/gross proceeds in respect of such property investment is/are in excess of €30 million (in the case of income producing property) or €15 million (in the case of property not producing income at the time of acquisition) and entry into leases where the rent referable to the relevant lease is greater than 7.5% of the aggregate rental income of the Company.

The Board has specified certain reserved matters which require the consent of the Board of the Company and should be approved at a board meeting attended by an appropriate number of directors, a majority of whom must be independent of the Investment Manager.

The Investment Manager Agreement has an initial term of five years and thereafter shall continue for consecutive three year periods, unless terminated by either party.

Base fee

Under the terms of the Investment Manager Agreement the Investment Manager is paid a base fee each quarter calculated by reference to 1% per annum of the EPRA NAV for that Quarter. In addition the Investment Manager Agreement provides that until such time as 50% of the net proceeds of the share issue in July 2013 had been invested the Base Fee would be calculated by reference to 0.5% per annum of the EPRA NAV.

The total base fee earned by the IM in the period amounted to €854,000. The Company paid Green Property REIT Ventures €374,000 during the period in relation to the base fee and at 31 December 2013 the Company owed Green Property REIT Ventures €480,000 in respect to the Base Fee.

Performance fee

In addition to the base fee payable to the Investment Manager the Agreement provides that the Investment Manager can earn a performance fee. This fee is calculated annually and by reference to the performance achieved at the end of the financial year, being 30 June each year. As the equity raised in July 2013 had not been fully deployed at the period end, no performance fee was incurred in the period to 31 December 2013.

(c) Green Property Holdings Limited

Green Property Holdings Limited ("GP Holdings") is a related party by virtue of Mr. Stephen Vernon’s shareholding in GP Holdings. At 31 December 2013, GP Holdings held 10,000,000 Ordinary shares of the Company.

GP Holdings incurred incorporation and set up costs, travel and subsistence costs in connection with the establishment of the Company totalling €81,000. These costs were third party costs and were charged at cost by GP Holdings to the Company.

(d) Green Property Management Ltd

Green Property Management Ltd ("GPM") a sister company of the Investment Manager operates a central payroll services for the Irish directors of Green REIT plc. During the period to 31 December 2013, GPM processed Directors fees of €94,000 on behalf of the Company. GPM did not charge any fees or apply any commission for this service and this amount remains payable by the Company to GPM as at 31 December 2013.

(e) Directors and key management personnel

During the period to 31 December 2013, the Company incurred Directors fees, including taxes and expenses of €120,000. There is no other key management compensation paid by the Company.
### 21. GROUP ENTITIES

The Company’s principal subsidiaries are set out below. All of the Company’s subsidiaries are resident in Ireland, with their registered address at Styne House, Upper Hatch Street Dublin 2. All group entities trade and operate in Ireland only.

<table>
<thead>
<tr>
<th>Group company</th>
<th>Company’s direct holding</th>
<th>Nature of business</th>
<th>Properties held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green REIT (ROI) Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>INM Building</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Classon House</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Fitzwilliam Hall</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Parkway Retail Park</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Globe Retail Park</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Parnell Car Park</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1-2 College Green</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4-5 College Green</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>97 St Stephens Green</td>
</tr>
<tr>
<td>Green REIT (BR) Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>2 Burlington Road</td>
</tr>
<tr>
<td>Green REIT Mount Street Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>85-93 Lower Mount Street</td>
</tr>
<tr>
<td>Green REIT Horizon Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>Horizon Logistic Park &amp; Lands</td>
</tr>
<tr>
<td>Green REIT Arena Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>The Arena Centre, Tallaght</td>
</tr>
<tr>
<td>Green REIT (Molesworth Street) Ltd</td>
<td>100%</td>
<td>Property Investment</td>
<td>Established to purchase property</td>
</tr>
</tbody>
</table>

In addition, some of the Group companies acquired service charge management companies or interests in service charge entities when they acquired the properties they now hold. These interests are not considered material to the Group’s operations.
22. SUBSEQUENT EVENTS
On 23 December 2013, Green REIT (Molesworth Street) Limited, a wholly owned subsidiary of the Company, entered into an agreement to buy 30-33 Molesworth Street, Dublin 2, and paid a deposit of €1.3 million.

In addition, on 23 December 2013, Green REIT (ROI) Limited, also a wholly owned entity of the Company, entered into an agreement to purchase Ormond Building, Ormond Quay, Dublin 2, and paid a deposit of €0.9 million.

Each contract contained a number of material conditions precedent to closing which were not satisfied at the period end. In the event that the outstanding conditions are satisfied Green REIT (Molesworth Street) Limited has committed to pay a total purchase price of €13 million to the vendor on closing of the acquisition of the Molesworth Street property and Green REIT ROI Limited has agreed to pay a total purchase price of €9 million to the vendor in relation to the Ormond Building.

Central Park – Preferred Bidder
On 31 January 2014, the Company confirmed that it had been selected by the National Asset Management Agency (“NAMA”) as the preferred bidder regarding the potential acquisition of a portfolio of commercial real estate assets known as Central Park in Dublin. As at the date of this report, negotiations relating to the purchase of Central Park remain ongoing.

23. OPERATING LEASE ARRANGEMENTS
The Group earns rental income by leasing its investment and operating properties to tenants under noncancellable operating leases. At the balance sheet date, the Group had contracted with tenants to receive the following future minimum lease payments:

<table>
<thead>
<tr>
<th></th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than a year</td>
<td>15,557</td>
</tr>
<tr>
<td>Later than one year but not more than five years</td>
<td>48,826</td>
</tr>
<tr>
<td>More than five years</td>
<td>60,416</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>124,799</strong></td>
</tr>
</tbody>
</table>

24. APPROVAL OF FINANCIAL STATEMENTS
These financial statements were approved by the Board on 9 February 2014.
“economic cycle”
the upward and downward movements of levels of gross domestic product and refers to the period of expansions and contractions in the level of economic activities around a long-term trend;

“equivalent yield”
the internal rate of return from an investment property reflecting reversions to current market rent and such items as voids and non-recoverable expenditure but ignoring future changes in capital value;

“GDP” or “Gross Domestic Product”
the market value of all officially recognised final goods and services produced within a country in a given period of time;

“gearing”
calculated as the borrowings secured on an individual asset as a percentage of the market value of that asset, or the aggregate borrowings of a company as a percentage of the market value of the total assets of the company (also referred to as loan to value or LTV ratio). In an investment strategy context, gearing refers to the use of various financial instruments or borrowed capital to increase the potential return of an investment;

“GNP” or “Gross National Profit”
is the sum of GDP and Net factor income from the rest of the world (“NFI”). NFI is the difference between investment income and labour income earned abroad by Irish resident persons and companies (inflows) and similar incomes earned in Ireland by non-residents (outflows);

“good secondary assets”
a real estate asset that would be considered secondary to a prime asset due to, amongst other things, its location or quality of construction. An example of a good secondary real estate asset would be a retail unit close to but not location on a high street;

“industrial and logistics”
an industrial type real estate asset which may, for example, be used for manufacturing and distribution operations;

“m2”
square meters;

“mixed use”
a building or complex of buildings that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated;

“multi-family”
a classification of housing where multiple separate housing units for residential inhabitants are contained within one building or several buildings within one complex;

“occupier market”
the office, industrial and retail market;

“prime assets”
a highly regarded real estate asset due to, amongst other things, its location or quality of construction. An example of prime real estate asset would be a modern office building in the central business district of a major city;

“Total Shareholder Return”
the internal rate of return of all cash flows to an investor during the holding period of an investment (including capital gain and dividends and other distributions);

“syndicated real estate investments”
real estate investments held by a group of investors who jointly invest in one or more real estate assets normally arranged by a financial institution; and

“yield”
a measure of return on an asset calculated as the income arising on an asset expressed as a percentage of the total cost of the asset, including costs.
COMPANY INFORMATION

DIRECTORS AND OTHER INFORMATION

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