

2013 Q1 REVIEW

● 2012 was a year of pronounced economic uncertainty for many countries across the globe, with the Eurozone crises, the weight of fiscal austerity and banking sector stress and several countries struggling to maintain bond market access. Global growth is however set to strengthen at a gradual level throughout 2013 according to the International Monetary Fund in an update to its World Economic Outlook, as the constraints on economic activity start to ease this year. 2013 is set to be the year businesses recognise that global growth and commodity prices are now to be driven by developments in the emerging markets with the advanced economies taking the back-seat of global growth. 2013 will be the first time since reliable records began when the emerging and developing economies will be bigger than the advanced economies in terms of GDP measured in PPP terms.

PwC analysis recently commented on 2013 M&A deal activity and described activity as looking promising and set to be stronger this year. J.P. Morgan has revised higher its forecast for U.S. economic growth following stronger-than-expected retail sales in February, now expecting annualised first-quarter U.S. gross domestic product to grow 2.3%, compared with an earlier forecast of 1.5%.

Acquisition International speaks to leading experts around the world to their experiences of the first quarter of 2013.



Eurobank Properties REIC (EUPRO) is the largest listed Greek Real Estate Investment Company and amongst the 20 strongest companies in the Athens Stock Exchange (ASE) with a market capitalization of approximately €350 million. It's an independently managed company operating under the Greek REIC legislation framework and monitored by the Capital Commissions Committee.

The main shareholders, are the following: a) Eurobank Group (55.6%), b) Fairfax Financial Holdings (19.1%), c) Fidelity Management and Research LLC (5.8%). Currently retail investors hold 7.0% of the outstanding shares, International Investors 6.8%, Greek Institutionals 3.9% and the Treasury Stock is 1.8%.

The Company's main activities include investments in commercial real estate projects, management of real estate portfolios, and maintenance of long-term lease agreements with corporate tenants. The recent amendment (to be enacted shortly) governing the REIC regulation, will have a positive impact on the growth of the company, as the scope of its activities will be widened, allowing investing in the residential and the hotel & leisure sector and participating in developing projects as well. Restrictions in participation in Joint Ventures and maximum leverage are also relaxed.

As at December 31, 2012 Eurobank Properties' portfolio consists of 56 properties. The majority of the properties are located in Greece and more specifically 38 are in Athens and the remaining 12 are located in other Greek major cities. The Company also owns two (2) commercial properties in Serbia, three (3) in Romania and one (1) in

Ukraine. The total size of the portfolio is 335,223 square meters and it is valued at approximately €547 million.

Major tenants are Eurobank Group, Praktiker (DYI), Marinopoulos Group, Marks & Spencer, Carrefour, Kuehne & Nagel, L'Oreal, Singular Logic, and H&M.

Additional information can be found at the company's website: www.eurobankproperties.gr



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Diener Advisory has been named "Swiss Accountancy Firm of the Year 2012" at the Acquisition International M&A Awards.

Mr. Diener has extensive experience in interim management and advisory of companies from a strategic, financial and organizational perspective. He gained his experience through his positions as Country Controller Switzerland and Head of Controlling and Reporting EMEA for one of the largest US public listed management and technology consulting companies, as Manager for one of the largest audit and business consulting companies, as co-founder of a start-up company and as the General Interim Manager of a small and medium-sized family-owned manufacturing company. Mr. Diener holds the equivalent of a Master's degree in business administration from the Munich School of Management and a banking degree from the Bavarian chamber of commerce. He has also published various business articles and is a Professional Member of the Institute of Management Consultants USA.

Macroeconomic situation and forecast for Switzerland

For 2013, official sources forecast moderate growth of the Swiss GDP by 1.3%. By end of the year the economy will accelerate and the GDP will increase to 2.1 % in 2014. Unemployment rate is expected to be 3.3% in 2013 and 2014. Consumer spending is a major supporter of the growth rate. Private spending is expected to be 1.9% in 2013 and 1.7% in 2014. Public spending will be 1.3% in 2013 and 1.5% in 2014. Import activities will rise from 3.0% to 4.3% and export activities from 2.6% in 2013 to 4.8% in 2014 (Sources: KOF, SECO).

The economic performance in 2012 was slightly weaker than initially forecasted. Confidence seems to come back to the market. The overall global economic stimulation and stabilization of international financial markets will support Switzerland. Switzerland will also benefit by the growth impulse from Germany. Its GDP growth is expected to be significant due to recent publications. Stable economic activities in the Swiss home market and increasing export activities will have a positive impact on the overall GDP growth rate. The external value of the Euro recently rose against Dollar and Swiss Franc. A weaker Swiss Franc has a

positive impact on all Swiss export (chemicals, machinery, equipment, watches) oriented companies.

Nevertheless the debt crisis in the euro zone, effective performance of structural reforms, the ongoing avoidance of a "fiscal cliff" in the USA, social coherence, political instability (i.e. Italy) and further regulation and supervision of the banking industry are major upcoming challenges with an inevitable impact on Switzerland.



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