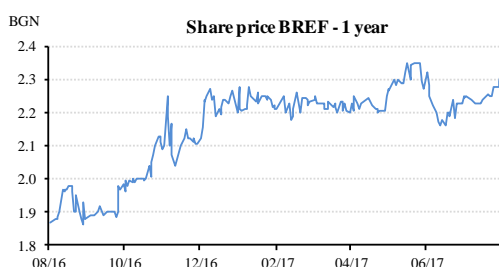


Shares Information

Price (BGN)	2.319
52 weeks Price Change	24.34%
52 weeks Price Range	1.861 – 2.35
Market Cap (BGN)	46 727 850
Market Cap (EUR)	23 891 570
Shares Outstanding	20 150 000
Free Float	86.88%
P/E	8.98
P/S	8.75
P/BV	0.65
EV/EBITDA	15.88
Net Profit Margin (ttm)	66.85%
ROA	6.4%
ROE	7.5%

Source: BSE, SIS calculations



Source: BSE

Shareholder structure

NN Universal Pension Fund	6.76%
DSK Rodina UPF	6.36%
Free float	86.88%

Source: Company report Q2 2017

Income statement (BGN '000)	HI '15	HI '16	HI '17
Sales	2 248	4 118	3 036
Other revenues	17	32	16
Operating expenses	1 426	3 391	1 167
Depreciation	2	2	1
EBIT	837	757	1 884
Financial income	73	36	1
Financial expenses	99	91	177
EBT	811	702	1 708
Taxes	0	0	0
Net income	811	702	1 708

Ratios	HI '15	HI '16	HI '17
Current ratio	3.76	1.01	2.75
Debt to Assets	0.06	0.11	0.18
Debt to Equity	0.06	0.12	0.22
Interest coverage	9.20	9.12	10.77
Operating margin	36.95%	18.24%	61.73%
Net margin	35.81%	16.92%	55.96%

With latest investments paying off, BREF eyes new office project in 2018

➔ With the operational start of the Fund's latest office project in Sofia, BREF reported 48.6% YoY jump in its rental revenues for the first half of 2017 as these reached BGN 3.04m. However, given no income from disposal of assets this year, company's total revenue slipped by 27.07% to BGN 3.05m.

➔ Last year's sale of land plots in Sofia and Veliko Tarnovo also had an impact on cost structure. With BGN 2.27m in cost associated to book value of assets sold reported in H1 2016 and absent such expenses in the current period, BREF's total operating expenses fell by 65.6% on annual basis to BGN 1.17m.

➔ Direct property-related operating costs jumped by 5.88% to BGN 0.5m and remuneration paid to the management company went up by 3.75% to BGN 0.53m. With the investment loan now being fully utilized, interest expenses doubled over the last year to BGN 0.18m.

➔ BREF reported net profit for the first half of 2017 in the amount of BGN 1.7m or BGN 0.028 per share, marking nearly 2.5-fold increase over last year's results.

➔ Fund's total assets were little changed in the second quarter of 2017. Cash and cash equivalents continued to grow on stronger cash flows from clients and loan utilization. The company's cash position reached BGN 9.47m as of 30 June, or 10.8% of total assets.

➔ In May BREF won the tender organized by Sofia Tech Park for the construction rights on a land plot in the park for a total consideration of BGN 9.65m. As a result, the company will acquire the right to build a multifunctional office building with total build-up area of up to 35 000 sq. m. and 16 000 sq. m of underground parking area.

Balance sheet (BGN '000)	HI '15	HI '16	HI '17
Cash	7 592	2 562	9 466
Inventory	1 577	1 468	8 078
Receivables	85	741	285
Prepaid expenses	24	40	16
Current assets	9 278	4 811	17 845
PP&E	1 092	11 081	864
Investment properties	60 594	59 436	68 966
Other	707	1	0
Non-current assets	62 393	70 518	69 830
Total assets	71 671	75 329	87 675
Short term liabilities to banks	1 838	1 479	1 126
Payables to suppliers	422	519	439
Provisions	0	1 608	1 487
Other	206	1 179	3 429
Current liabilities	2 466	4 785	6 481
Bank loans	953	3 350	9 578
Other non-current liabilities	646	0	0
Non-current liabilities	1 599	3 350	9 578
Share capital	60 450	60 450	60 450
Total equity	67 606	67 898	71 616

Source: Company report Q2 2017

ANNUAL RESULTS

Balance sheet (BGN '000)	2014	2015	2016
Cash	8 272	3 510	7 634
Inventory	1 618	1 521	8 074
Receivables	93	217	139
Prepaid expenses	22	20	21
Current assets	10 005	5 268	15 868
PP&E	1	0	4
Investment properties	61 026	66 635	68 965
Blocked cash	704	704	-
Intangible assets	4	2	-
Non-current assets	61 735	67 341	68 969
Total assets	71 740	72 609	84 837
Short term liabilities to banks	1 790	1 886	1 056
Payables to suppliers	566	1 874	3 315
Provisions	-	1 608	1 487
Other	-	45	-
Current liabilities	2 356	5 413	5 858
Bank loans	1 877	-	8 917
Other non-current liabilities	712	-	154
Non-current liabilities	2 589	0	9 071
Share capital	60 450	60 450	60 450
Total equity	66 795	67 196	69 908

Income statement (BGN '000)	2014	2015	2016
Sales	3 113	4 243	6 262
Other revenues	90	508	2 636
COGS	7 152	2 664	4 542
Depreciation	2	3	2
EBIT	-3 951	2 084	4 354
Financial income	532	127	53
Financial expenses	283	202	208
EBT	-3 702	2 009	4 199
Taxes	0	0	0
Net income	-3 702	2 009	4 199

Source: BREF audited annual financial statements

DIVIDEND HISTORY

Dividend payment	2011	2012	2013	2014	2015	2016
Gross dividend per share (BGN)	0.212917	0.06481	0.02396	0.00	0.0798	0.0738
Yield	29.21%	10.75%	4.36%	0.00%	4.48%	3.25%

Disclaimers and Required Disclosures

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