

ADVANCE TERRAFUND REIT

MONTHLY NEWSLETTER – May 2014

Investment activity

As of the end of May 2014 Advance Terrafund REIT owns 21 990 ha of farmland and 13.9 ha of urban land. During May were acquired 157.6 ha of farmland at average price EUR/ha 4070 and were sold 510.1 ha.

Date	Land in ha	Average monthly price EUR/ha	Average portfolio price EUR/ha
May-14	21 990	4070	1928
Apr-14	22 343	3712	1928
Mar-14	22 748	3911	1928
Feb-14	22 501	-	1892
Jan-14	22 512	3610	1892
Dec-13	22 538	3339	1892
Nov-13	22 300	3957	1774
Oct-13	23 313	3559	1774
Sep-13	24 518	3553	1774
Aug-13	24 819	-	1692
Jul-13	24 819	3722	1692
Jun-13	24 748	3329	1692
May-13	24 563	3359	1657

Sale of agricultural land

In May 2014 were sold 510.1 ha and from the beginning of the year totally were sold 1220.3 ha at average price 1145 BGN/da (5852 EUR/ha).

Year	Sold ha	Average sale price in €/ha	Sales revenue in €
2014	1220.3	5 852	7 140 914
2013	4606.9	5 481	25 248 681
2012	7929.6	4 464	35 401 411
2011	6284.1	3 058	19 216 803
2010	462.7	2 741	1 268 041
2009	79.7	2 783	221 902
Total	20583.3	4299	88 497 751

Leased agricultural land

The average level of the rents only in the lease contracts for this year is 230 EUR/ha. The expected rental revenues for 2013-2014 are EUR 2 952 779, out of which in advance are collected rents for EUR 819 560 or 27.8%. For the agricultural 2012-2013 the due rents are EUR 2 886 368, out of which are collected rents for EUR 2 397 354 or 83.1%.

Agricultural year	Leased land in ha	Leased land as a % of the total land	Average rent in €/ha	Annual change in %	Revenues from lease contracts in €	Annual change in %	Collected receivables from rents in €	Collected receivables in %
2013-2014	15 844	72.0%	186.37	21.3%	2 952 779	2%	819 560	27.8%
2012-2013	18 794	80.6%	153.58	11.9%	2 886 368	-6%	2 397 354	83.1%
2011-2012	22 384	90.5%	137.26	12.9%	3 072 455	2%	2 993 466	97.4%
2010-2011	24 859	87.1%	121.56	15.9%	3 021 900	14%	2 998 715	99.2%

Market statistics for May 2014

	Price in BGN	Date
Start price	2.820	07.05.2014
Last price	2.430	30.05.2014
Highest (max) price	2.850	14.05.2014
Lowest (min) price	2.397	27.05.2014
Average for the month	2.797	
Value change	-0.375	
Change in %	-13.37%	

Number of trade sessions	19
Monthly volume in EUR	3 422084
Average daily volume in EUR	180 110
Market capitalization as of month-end in EUR	105 744 119

The Board of Directors of Advance Terrafund REIT has set the following terms for payment of dividends for 2013:

1. Gross dividend per share – BGN 0.3979;
2. Net dividend per share for shareholders – natural persons – BGN 0.378;
3. Selected commercial bank for payment of the dividends – UBB AD;
4. Date as of which the shareholder composition is determined as per the requirements of the Law on the Public Offering of Securities – 28.05.2014;
5. Manner of dividend payment:

- 5.1. To shareholders whose securities accounts are located in register A of the Central Depository AD (personal accounts), the dividends will be paid through the branches of UBB AD;
- 5.2. To shareholders whose securities accounts are located in register B of Central Depository AD (client sub-accounts with an investment intermediary), the dividend will be paid through the respective investment intermediary with the cooperation of Central Depository AD;
6. Start date for dividend payment – June 23, 2014;
7. End date for dividend payment – September 23, 2014;
8. After the expiry of the deadline for dividend payment, within the five-year lapse period each shareholder who has not received the dividend for 2013 will be able to receive it by the Company in cash or through bank transfer after an expressed request thereof at the management address of the Company - 1 Zlatovruh Str., Lozenets, Sofia or at fax – 02/4008331. Any not received and not requested dividends after the expiry of the five-year lapse period shall be transferred to the Reserve Fund of the Company.

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