

PRESS RELEASE



Date: 8 May 2015
Release: Before opening of Euronext Amsterdam

EUROCOMMERCIAL PROPERTIES N.V. NINE MONTHS RESULTS 2014/2015

Direct investment result per depositary receipt up 2.7%
12 month turnover growth +1.9%; 3 months +3.9%

Direct Investment Result

The direct investment result for the nine month period to 31 March 2015 rose 2.7% to €65.1 million from €63.4 million for the previous corresponding period ended 31 March 2014. The direct investment result is defined as net property income less net interest expenses and company expenses after taxation and, in the view of the Board, more accurately represents the underlying profitability of the Company than the IFRS "result after tax" which must include unrealised capital gains and losses. The direct investment result per depositary receipt for the nine month period to 31 March 2015 was €1.54, up from €1.50 in the previous corresponding period ended 31 March 2014.

Rental Growth

Net Property Income

Net property income for the nine months to 31 March 2015 was €107.9 million, compared with €110.7 million in the previous corresponding period. The fall in income was predominantly due to the sale of Passy Plaza (impact: €2.3 million) in October 2013 and the weakening of the Swedish krona against the euro (impact: €1.2 million).

Like for Like Rental Growth

Like for like (same floor area) rental growth in the Company's properties for the twelve months to 31 March 2015 was 0.7% overall, reflecting zero upward indexation of rents.

	Like for like rental growth	Number of relettings and renewals	Average rental uplift on relettings and renewals
Overall	0.7%	171	4%
France	0.9%	27	18%
Italy	0.2%	108	2%
Sweden	1.5%	36	2%

London

4 Carlton Gardens
London SW1Y 5AB
Tel: +44 (0)20 7925 7860
Fax: +44 (0)20 7925 7888

Milano

Via della Moscova, 3
20121 Milano
Tel: +39 02 760 759 1
Fax: +39 02 760 161 80

Paris

107 rue Saint Lazare
75009 Paris
Tel: +33 (0)1 48 78 06 66
Fax: +33 (0)1 48 78 79 22

Stockholm

Kungsgatan 48
111 35 Stockholm
Tel: +46 (0)8 678 53 60
Fax: +46 (0)8 678 53 70

Retail Sales Turnover

Like for like (same floor area) retail sales turnover growth in Eurocommercial's shopping centres for the three and twelve months to 31 March 2015 are set out in the tables below.

French turnovers have been particularly strong in the two centres located close to the Swiss border, while the Paris properties have suffered as a result of the January terrorist attacks. Italian and Swedish turnovers continue their positive progression.

Gallery Retail Sales Turnover by Country*

	Three months to 31 March 2015	Twelve months to 31 March 2015
Overall	+3.9%	+1.9%
France	+1.7%	+0.8%
Italy	+5.0%	+2.0%
Sweden	+5.1%	+3.4%

* Excluding hypermarkets and extensions

Gallery Retail Sales Turnover by Sector*

	Three months to 31 March 2015	Twelve months to 31 March 2015
Fashion	+0.9%	+0.2%
Shoes	+2.2%	+1.7%
Gifts and jewellery	+6.4%	+5.2%
Health and beauty	+5.1%	+3.4%
Sport	+5.9%	-1.4%
Restaurants	+1.6%	+0.9%
Home goods	+4.8%	+3.9%
Electricals	+7.0%	+3.6%

* Excluding extensions

Occupancy Cost Ratios

The total occupancy cost ratio (rent plus marketing contributions, service charges and tenant property taxes as a proportion of sales turnover) for Eurocommercial galleries excluding hypermarkets and Systembolaget at the end of the period was 8.1% overall when including VAT on the turnover and 9.8% when excluding VAT.

	Occupancy cost ratios*	
	Turnover including VAT	Turnover excluding VAT
Overall	8.1%	9.8%
France	8.2%	9.8%
Italy	8.1%	9.7%
Sweden	8.0%	10.1%

* Excluding hypermarkets and Systembolaget

Vacancy Levels and Rent Arrears

Total vacancies for the portfolio at 31 March 2015 represent 0.4% of rental income, one of the lowest levels in the Company's history.

Rental arrears of more than 90 days at 31 March 2015 for the total Eurocommercial portfolio were less than 1% of rental income, with eight tenants in administration out of a total of 1,465. Six of these tenants in administration are continuing to meet their ongoing rent obligations in full.

Adjusted and IFRS Net Asset Values

Property valuations were not undertaken at the end of the nine month period in accordance with the Company's policy to only commission independent revaluations at the half year and year ends. The adjusted net asset value per depositary receipt therefore changed minimally since December 2014, reflecting only accrued income and currency movements. All properties will be externally valued at 30 June 2015.

The adjusted net asset value figure for 31 March 2015 was €36.80 per depositary receipt compared with €36.45 at 31 December 2014 and €35.85 at 31 March 2014. Adjusted net asset values do not take into account contingent capital gains tax liabilities nor do they take into account the fair value of financial derivatives (interest rate swaps) which are used to stabilise interest costs.

The IFRS net asset value at 31 March 2015, after allowing for contingent capital gains tax liabilities if all properties were to be sold simultaneously and the fair value of the interest rate swap contracts, was €31.84 per depositary receipt compared with €31.91 at 31 December 2014 and €32.22 at 31 March 2014. The reduction in the IFRS NAV figure is due to the continued fall in interest rates during the period which resulted in an unrealised negative fair value movement of €18.7 million associated with the interest rate swaps.

Funding

The Company is making significant progress with its banking partners to both extend the term of its loans and reduce overall interest costs. A loan for €150 million maturing in 2016 has been renegotiated and extended for a term of seven years and negotiations are already in hand to extend the terms of a large proportion of loans maturing in 2017. Two existing loans on Italian property maturing in 2015 have been refinanced by one new five year loan for an amount of €65 million, while a further €55 million of new loans was also recently concluded in Italy.

Two related 10 year loans totalling €59 million due to expire in five and six years' time with fixed interest coupons of 4.06% and 4.6% respectively have been converted into a new €70 million loan with a term of 15 years at a fixed interest coupon of 2.1%. Breakage costs of €8.7 million for the extinguishment of the debt were incurred but the revised terms will result in significant annual savings in interest expenses. Total interest expenses for the nine month period ended 31 March 2015 compared to the previous nine month period have fallen by 13.7% to €34.7 million.

The Company's average overall interest rate at 31 March 2015 was 3.4%, including margins averaging 89 bps. The net debt to adjusted net equity ratio at 31 March 2015 was 74% (2014: 71%) and the net loan to property value was 42% (2014: 41%).

In 2014 Eurocommercial bought back 1,305,098 depositary receipts to cover anticipated exercises of employee stock options. As at 31 March 2015, employees have exercised a total of 837,443 of these stock options, so the Company therefore has 42,872,921 depositary receipts outstanding at the end of the period (31 March 2014: 42,736,972), with a further 467,655 depositary receipts held in treasury.

Country Commentary

France

In January 2015 Eurocommercial entered into a joint venture partnership with AXA Real Estate, on behalf of AXA Insurance Companies, through the acquisition of a 50% stake in Centre Commercial Shopping Etrembières for a total cost of €43.3 million, representing a net initial yield of c.5.2%. The shopping centre occupies a prominent position at the junction of the A40 (Lyon – Chamonix) and A411 (Geneva highway) autoroutes, 2km from the Swiss border to the south of Geneva. As such it is highly complementary to Eurocommercial's existing shopping centre in Val Thoiry which is located to the north of Geneva. A small piece of land has subsequently been acquired alongside the centre to facilitate an eventual extension, subject to the usual planning requirements. For the three months to March 2015 Shopping Etrembières has performed extremely well, delivering turnover growth of almost 11% compared with the same period last year.

Major progress has been made on the internal refurbishment of Val Thoiry and work will commence during the summer holiday period on the exterior, new entrances and the central piazza. Plans for a major extension of the centre are progressing.

Building work has recently started on the 5,500m² extension of the retail park at Chasse-sur-Rhône. Leasing is already well advanced and the new units are due to open in approximately one year. The total cost is expected to be around €10 million which should yield a net return on cost of at least 7%.

Italy

The external works at Cremona Po to improve the road access, add 250 car parking spaces and build a children's playground are almost complete. These developments are expected to further support the strong performance of the centre which has delivered turnover growth of 6% over the past 12 months.

In February 2015 Eurocommercial announced that it will complete the purchase of the hypermarket and parts of the gallery it does not already own at I Gigli, Firenze in April 2016 for €82 million. Additional costs to convert part of the hypermarket into gallery shops and refurbish the entire shopping centre are expected to total approximately €18 million. The leasing of the new gallery space is advanced, including negotiations with two major international retailers for large units which will ensure I Gigli retains its position as the most popular shopping centre in Italy with 18.7 million annual visitors.

Sweden

Following planning approval, work has commenced on the €75 million extension of Eurostop in Halmstad. The petrol station is being relocated to allow for an enlargement of both the centre and the car park and will provide much better access to the north side of the centre. An additional lettable area of 16,000m² will be built over the next two years and the pre-leasing programme is progressing well. A net yield on cost of 7% is expected from the extension.

The €5 million refurbishment at Bergvik outside Karlstad will commence in May with completion due in October. The refurbishment will include a new external façade and entrances, new floors, ceilings and lighting. Several new tenants will be introduced including Clas Ohlson who will take a new unit of 1,500m² on a seven year lease. The adjoining (not owned) Coop hypermarket and gallery is also being refurbished, and together this will ensure that Bergvik remains Värmland's dominant regional shopping centre serving a catchment approaching 300,000 people. In March 2015, Eurocommercial completed the sale of Hälla Shopping in Västerås for SEK 118.4 million (c. €13 million).

Market Commentary

Low interest rates continue to attract buyers to property markets where yields are falling and prices rising in response to demand. Prime yields for good suburban shopping centres in some western European countries are now heading below 5%, with yields for the best capital city centre properties approaching 3%. We continue to believe that Northern Italy represents the best value at the moment but negotiations are ongoing for investments in all three of our markets.

For additional information please contact:

Jeremy Lewis	Chief Executive	+44 20 7925 7860
Evert Jan van Garderen	Finance Director	+31 20 530 6030
Peter Mills	Director	+46 8 678 53 60
Tom Newton	Director	+33 1 48 78 06 66
Tim Santini	Director	+39 02 760 759 1
Kate Goode	Director Investor Relations	+44 20 7925 7860

STATEMENT OF CONSOLIDATED DIRECT, INDIRECT AND TOTAL INVESTMENT RESULTS*

(€ '000)	Nine months ended 31-03-2015	Nine months ended 31-03-2014	Third quarter ended 31-03-2015	Third quarter ended 31-03-2014
Rental income	128,879	130,940	43,065	43,125
Service charges income	20,329	20,557	6,125	5,539
Service charges expenses	(22,255)	(22,566)	(6,627)	(6,091)
Property expenses	(19,005)	(18,216)	(6,586)	(6,089)
Interest income	334	989	76	356
Interest expenses	(34,661)	(40,155)	(11,007)	(13,367)
Company expenses	(8,570)	(7,990)	(3,165)	(2,462)
Current tax	(519)	(202)	(203)	(94)
Direct investment result 100% ownership	64,532	63,357	21,678	20,917
Direct investment result joint ventures	528	0	528	0
Total direct investment result	65,060	63,357	22,206	20,917
Disposal of investment properties	(2,110)	174	(2,110)	0
Investment revaluation	39,546	2,572	318	224
Fair value movement derivative financial instruments	(45,053)	439	(18,721)	(13,144)
Debt extinguishment	(8,721)	0	(8,721)	0
Investment expenses	(374)	(423)	(71)	(45)
Deferred tax	(1,635)	(595)	(425)	146
Indirect investment result 100% ownership	(18,347)	2,167	(29,730)	(12,819)
Indirect investment result joint ventures	62	0	62	0
Total indirect investment result	(18,285)	2,167	(29,668)	(12,819)
Total investment result	46,775	65,524	(7,462)	8,098
Per depositary receipt (€)**				
Direct investment result	1.54	1.50	0.52	0.49
Indirect investment result	(0.43)	0.06	(0.70)	(0.30)
Total investment result	1.11	1.56	(0.18)	0.19

STATEMENT OF ADJUSTED NET EQUITY*

(€ '000)	31-03-2015	30-06-2014	31-03-2014
IFRS net equity per balance sheet	1,365,287	1,386,632	1,376,842
Derivative financial instruments	175,182	132,379	119,694
Deferred tax liabilities	38,322	36,795	36,424
Deferred tax assets	(1,129)	(800)	(632)
Adjusted net equity	1,577,662	1,555,006	1,532,328
Number of depositary receipts representing shares in issue after deduction of depositary receipts bought back	42,872,921	42,319,567	42,736,972
Net asset value - € per depositary receipt (IFRS)	31.84	32.77	32.22
Adjusted net asset value - € per depositary receipt	36.80	36.74	35.85
Stock market prices - € per depositary receipt	42.66	36.02	31.90

* This statement contains additional information which is not part of the IFRS condensed financial statements.

** The average number of depositary receipts on issue during the period was 42,197,575 compared with 42,187,575 for the nine months to 31/03/14, an increase of 0.02%.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(€ '000)	Nine months ended 31-03-2015	Nine months ended 31-03-2014	Third quarter ended 31-03-2015	Third quarter ended 31-03-2014
Rental income	128,879	130,940	43,065	43,125
Service charges income	20,329	20,557	6,125	5,539
Service charges expenses	(22,255)	(22,566)	(6,627)	(6,091)
Property expenses	(19,005)	(18,216)	(6,586)	(6,089)
Net property income	107,948	110,715	35,977	36,484
Result joint ventures	590	0	590	0
Disposal of investment properties	(2,110)	174	(2,110)	0
Investment revaluation	39,546	2,572	318	224
Interest income	334	989	76	356
Interest expenses	(34,661)	(40,155)	(11,007)	(13,367)
Fair value movement derivative financial instruments	(45,053)	439	(18,721)	(13,144)
Debt extinguishment	(8,721)	0	(8,721)	0
Net financing cost	(88,101)	(38,727)	(38,373)	(26,155)
Company expenses	(8,534)	(7,990)	(3,093)	(2,462)
Investment expenses	(410)	(423)	(143)	(45)
Result before taxation	48,929	66,321	(6,834)	8,046
Current tax	(519)	(202)	(203)	(94)
Deferred tax	(1,635)	(595)	(425)	146
Total tax	(2,154)	(797)	(628)	52
Result after taxation	46,775	65,524	(7,462)	8,098
Per depositary receipt (€)*				
Result after taxation	1.11	1.56	(0.18)	0.19
Diluted result after taxation	1.08	1.50	(0.18)	0.18

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ '000)	Nine months ended 31-03-2015	Nine months ended 31-03-2014	Third quarter ended 31-03-2015	Third quarter ended 31-03-2014
Result after taxation	46,775	65,524	(7,462)	8,098
Foreign currency translation differences (to be recycled through profit and loss account)	(4,227)	(6,282)	3,192	(3,286)
Actuarial result on pension scheme (not recycled through profit and loss account)	(1,159)	0	0	0
Total other comprehensive income	(5,386)	(6,282)	3,192	(3,286)
Total comprehensive income	41,389	59,242	(4,270)	4,812
Per depositary receipt (€)				
Total comprehensive income	0.98	1.41	(0.10)	0.11
Diluted total comprehensive income	0.96	1.37	(0.10)	0.11

* The Company's shares are listed in the form of bearer depositary receipts on Euronext Amsterdam. One bearer depositary receipt represents ten ordinary registered shares.

CONSOLIDATED BALANCE SHEET

(€ '000)	31-03-2015	30-06-2014
Property investments	2,739,503	2,688,603
Investment in joint ventures	43,875	0
Tangible fixed assets	1,771	1,906
Receivables	241	234
Derivative financial instruments	29	0
Deferred tax assets	1,129	800
Total non-current assets	2,786,548	2,691,543
Receivables	33,321	30,168
Cash and deposits	23,586	85,372
Total current assets	56,907	115,540
Total assets	2,843,455	2,807,083
Creditors	63,405	65,464
Borrowings	169,828	131,935
Total current liabilities	233,233	197,399
Creditors	10,344	10,733
Borrowings	1,017,823	1,041,301
Derivative financial instruments	175,211	132,379
Deferred tax liabilities	38,322	36,795
Provision for pensions	3,235	1,844
Total non-current liabilities	1,244,935	1,223,052
Total liabilities	1,478,168	1,420,451
Net assets	1,365,287	1,386,632
Equity Eurocommercial Properties shareholders		
Issued share capital	216,703	213,875
Share premium reserve	383,323	385,838
Other reserves	718,486	687,129
Undistributed income	46,775	99,790
Net assets	1,365,287	1,386,632

CONSOLIDATED CASH FLOW STATEMENT

For the nine months ended (€ '000)	31-03-2015	31-03-2014
Cash flow from operating activities		
Profit after taxation	46,775	65,524
Adjustments:		
Increase in receivables	(3,201)	(3,692)
Increase in creditors	433	4,389
Interest income	(334)	(989)
Interest expenses	34,661	40,155
Movement stock options and performance shares granted	317	156
Investment revaluation	(39,426)	(2,727)
Property sale result	2,110	(174)
Derivative financial instruments	53,774	(439)
Deferred tax	1,635	595
Current tax	519	202
Other movements	832	1,181
Distributions and other receivables from joint ventures	(590)	0
	97,505	104,181
Cash flow from operations		
Current tax paid	(439)	(390)
Derivative financial instruments	(2,035)	0
Debt extinguishment	(8,721)	0
Borrowing costs	(683)	(326)
Interest paid	(35,237)	(39,224)
Interest received	410	910
	50,800	65,151
Cash flow from investing activities		
Capital expenditure	(34,496)	(19,857)
Property sale	12,902	141,000
Investment in joint ventures	(43,285)	0
Additions to tangible fixed assets	(426)	(464)
	(65,305)	120,679
Cash flow from financing activities		
Borrowings added	129,047	54,242
Repayment of borrowings	(112,030)	(146,959)
Stock options exercised	23,742	0
Depository receipts bought back	(26,766)	0
Dividends paid	(60,414)	(48,620)
Decrease in non-current creditors	(461)	(760)
	(46,882)	(142,097)
Net cash flow	(61,387)	43,733
Currency differences on cash and deposits	(399)	(228)
Decrease/ increase in cash and deposits	(61,786)	43,505
Cash and deposits at beginning of period	85,372	51,422
Cash and deposits at the end of period	23,586	94,927

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

The movements in shareholders' equity in the nine month period ended on 31 March 2015 were:

(€ '000)	Issued share capital	Share premium reserve	Other reserves	Undis-tributed income	Total
30-06-2014	213,875	385,838	687,129	99,790	1,386,632
Profit after taxation				46,775	46,775
Foreign currency translation differences (to be recycled through profit and loss)			(4,227)		(4,227)
Actuarial result on pension scheme (not to be recycled through profit and loss)			(1,159)		(1,159)
Total comprehensive income			(5,386)	46,775	41,389
Issued shares	2,828	(2,828)			0
Profit previous financial year			39,380	(39,380)	0
Depository receipts bought back			(26,766)		(26,766)
Dividends paid		(4)		(60,410)	(60,414)
Performance shares granted		317			317
Stock options exercised			24,129		24,129
31-03-2015	216,703	383,323	718,486	46,775	1,365,287

The movements in shareholders' equity in the previous nine months ended 31 March 2014 were:

(€ '000)	Issued share capital	Share premium reserve	Other reserves	Undis-tributed income	Total
30-06-2013	208,890	393,547	640,708	122,919	1,366,064
Profit after taxation				65,524	65,524
Foreign currency translation differences (to be recycled through profit and loss)			(6,282)		(6,282)
Total comprehensive income			(6,282)	65,524	59,242
Issued shares	4,985	(4,985)			0
Profit previous financial year			74,360	(74,360)	0
Dividends paid		(61)		(48,559)	(48,620)
Stock options and performance shares granted		156			156
Stock options not vested		(2,585)	2,585		0
31-03-2014	213,875	386,072	711,371	65,524	1,376,842

SEGMENT INFORMATION

(€ '000)	France		Italy		Sweden		The Netherlands*		Total	
For the nine months ended 31/03	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Rental income	45,337	46,934	56,186	55,547	27,356	28,459	0	0	128,879	130,940
Service charge income	6,432	6,335	5,932	5,908	7,965	8,314	0	0	20,329	20,557
Service charge expenses	(7,440)	(7,180)	(5,862)	(5,908)	(8,953)	(9,478)	0	0	(22,255)	(22,566)
Property expenses	(5,416)	(5,121)	(9,715)	(9,107)	(3,874)	(3,988)	0	0	(19,005)	(18,216)
Net property income	38,913	40,968	46,541	46,440	22,494	23,307	0	0	107,948	110,715
Result joint ventures	590	0	0	0	0	0	0	0	590	0
Disposal of investment properties	0	0	0	0	(2,110)	174	0	0	(2,110)	174
Investment revaluation	22,204	(201)	11,356	1,696	6,300	1,132	(314)	(55)	39,546	2,572
Segment result	61,707	40,767	57,897	48,136	26,684	24,613	(314)	(55)	145,974	113,461
Net financing cost									(88,101)	(38,727)
Company expenses									(8,534)	(7,990)
Investment expenses									(410)	(423)
Profit before taxation									48,929	66,321
Current tax									(519)	(202)
Deferred tax									(1,635)	(595)
Profit after taxation									46,775	65,524

(€ '000)	France		Italy		Sweden		The Netherlands*		Total	
As per	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14
Property investments	1,088,132	1,043,500	1,060,041	1,040,700	591,330	604,403	0	0	2,739,503	2,688,603
Investment in joint ventures	43,875	0	0	0	0	0	0	0	43,875	0
Tangible fixed assets	385	351	1,118	1,278	106	141	162	136	1,771	1,906
Receivables	23,561	20,993	6,055	6,007	2,847	2,414	1,099	988	33,562	30,402
Derivative financial instruments	0	0	29	0	0	0	0	0	29	0
Deferred tax assets	0	0	1,129	800	0	0	0	0	1,129	800
Cash and deposits	7,344	2,288	802	746	13,945	15,704	1,495	66,634	23,586	85,372
Total assets	1,163,297	1,067,132	1,069,174	1,049,531	608,228	622,662	2,756	67,758	2,843,455	2,807,083

Creditors	29,194	26,912	15,514	16,211	16,455	15,127	2,242	7,214	63,405	65,464
Non-current creditors	8,635	8,641	1,684	2,081	25	11	0	0	10,344	10,733
Borrowings	399,820	371,328	539,872	548,142	217,959	233,766	30,000	20,000	1,187,651	1,173,236
Derivative financial instruments	15,515	17,960	140,013	98,354	19,683	16,065	0	0	175,211	132,379
Deferred tax liabilities	0	0	0	0	38,322	36,795	0	0	38,322	36,795
Provision for pensions	0	0	0	0	0	0	3,235	1,844	3,235	1,844
Total liabilities	453,164	424,841	697,083	664,788	292,444	301,764	35,477	29,058	1,478,168	1,420,451

(€ '000)	France		Italy		Sweden		The Netherlands*		Total	
For the nine months ended 31-03-15 (12 months ended 30-06-14)	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14	31-03-15	30-06-14
Property investments acquisitions, divestments and capital expenditure (including capitalised interest)	22,075	(134,695)	7,797	6,398	(14,321)	4,813	0	0	15,551	(123,484)

* The Netherlands represents assets and liabilities of Eurocommercial Properties N.V. and its offices in Amsterdam and London.

COUNTRY SPREAD

%	31-03-2015	31-03-2014
France	41	38
Italy	38	39
Sweden	21	23
	100	100

The figures in this press release have not been audited by an external auditor.