CONSOLIDATED INTERIM REPORT
OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP
FOR THE TREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2013

Place and date of publication: Warsaw, 13 November 2013

GLOBE TRADE CENTRE S.A.

MANAGEMENT BOARD'S REPORT ON ACTIVITIES OF CAPITAL GROUP
IN THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2013

Table of content

Item 1. Introduction

GTC Group is a leading real estate developer in CEE and SEE and currently operates in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria, Slovakia, the Czech Republic, Russia and Ukraine. The Group was established in 1994 and has been present in the real estate market since it establishment.

The Group's portfolio comprises: (i) completed office buildings and office parks as well as retail and entertainment centres (commercial real estate); (ii) residential projects; (iii) project under construction and (iv) undeveloped plots of land (including suspended projects) (landbank).

Since its establishment, the Group has developed approximately 950 thousand sq m of NRA of commercial space (office and retail) and approximately 300 thousand sq m of residential space. The Group has sold approximately 325 thousand sq m of NRA in completed commercial properties and approximately 243 thousand sq m of residential space.

As of 30 September 2013 the Group's portfolio in Poland Romania, Hungary, Croatia, Serbia, Bulgaria, Slovakia and Russia comprises the following properties:

- completed commercial properties with a combined NRA of approximately 603 thousand sq m of which the Group's proportional interest amounts to 549 thousand sq m of NRA (includes Galeria Kazimierz of 19 thousand sq m that is designated for sale);
- property under construction whit NRA of approximately 6 thousand sq m;
- inventory of residential units totaling 57 thousand sq m; and
- landbank designated for future development, with approximately 1.1 million sq m NRA designated for commercial use and approximately 614 thousand sq m NRA designated for residential use.

Additionally, the Group conducts operations in the Czech Republic, through its associates. The Group's proportional interest in assets in Czech amounts to approximately 24 thousand sq m of NRA in two office buildings and a shopping mall. The Group is also the co-owner of a 140 thousand sq m land plot located in Ukraine, of which the Group's proportional interest is 70 thousand sq m of NRA.

The Group's commercial properties comprise office and retail properties that account for approximately 74% of the total book value of the Group's portfolio as of 30 September 2013. The Group's completed properties in its three most significant markets, i.e. Poland, Romania and Croatia, constitute 38%, 16% and 14% of the total value of the Group's real estate portfolio, respectively.

The Company's shares have been listed on the WSE and included in the WIG20 index since 20 September 2004 and WIG30 index since 23 September 2013.

The Company's shares are also included in the international MSCI index, the Dow Jones STOXX Eastern Europe 300 average, the GPR250 index, which comprises the 250 largest and most liquid real estate companies in the world; and the FTSE EPRA/NAREIT Emerging Index.

The Group's headquarters are located in Warsaw, at ul. Wołoska 5.

In the consolidated interim report references to the Company are to Globe Trade Centre S.A. and all references to the Group or the Capital Group are references to Globe Trade Centre S.A. and its consolidated subsidiaries. Expressions such as: "Shares" relate to the shares in Globe Trade Centre S.A., which were introduced to public trading on the Warsaw Stock Exchange in May 2004 and are marked under the PLGTC0000037 code; "Bonds", "Existing Bonds" refers to the bonds issued by Globe Trade Centre S.A. in 2007, 2008 and bonds issued in 2012 and introduced to alternative trading market in December 2012 and January 2013 and marked with the ISIN codes PLGTC0000144 and PLGTC0000151; „the Report" refers to the consolidated quarterly report prepared pursuant to art 90 section 1 of the Decree of the Finance Minister of 19 February 2009 on current and periodical information published by issuers of securities and conditions of qualifying as equivalent the information required by the provisions of law of a country not being a member state; "CEE" refers to the group of countries that are within the region of Central and Eastern Europe (Czech Republic, Hungary, Poland and Slovakia); "SEE" refers to the group of countries that are within the region of South-eastern Europe (Bulgaria, Croatia, Romania and Serbia); "net rentable area", "NRA", or "net leasable area", "NLA" refer to the metric of the area of a given property as indicated by the real property appraisal experts for the purposes of the preparation of the relevant real property valuations. With respect to commercial properties, net leasable (rentable) area is all the leasable area of a property exclusive of non-leasable space, such as hallways, building foyers, and areas devoted to heating and air conditioning installations, elevators and other utility areas. The specific methods of calculation of NRA may vary among particular properties, which is due to different methodologies and standards applicable in the various geographic markets on which the Group operates; "Commercial properties" refer to properties with respect to which GTC Group derives revenue from rent and includes both office and retail properties; "EUR", "€" or "euro" refers to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time; "PLN" or "zloty" refers to the lawful currency of Poland.

Presentation of financial information

Unless indicated otherwise, the financial information presented in this Report was prepared pursuant to International Financial Reporting Standards ("IFRS") as approved for use in the European Union.

All the financial data in this Report is presented in euro and expressed in thousands unless indicated otherwise. Certain financial information in this Report was adjusted by rounding. As a result, certain numerical figures show as totals in this Report may not be exact arithmetic aggregations of the figures that precede them.

Item 2. Selected financial data

The following tables set forth the Group's selected historical financial data for the three and nine-month periods ended 30 September 2013 and 2012. The historical financial data should be read in conjunction with Item 5. "Operating and Financial Review" and the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013 (including the notes thereto). The Group has derived the financial data presented in accordance with IFRS from the interim condensed consolidated financial statements for the nine-month period ended 30 September 2013.

Selected financial data expressed in Polish zloty is derived from the interim condensed consolidated financial statements for the nine-month periods ended 30 September 2013 and 30 September 2012 prepared in the Polish language and based on the Polish zloty.

The reader is advised not to view such conversions as a representation that such zloty amounts actually represent such euro amounts, or could be or could have been converted into euro at the rates indicated or at any other rate.

	For the three-month period ended 30 September				For the nine-month period ended 30 September			
	2013		2012		2013		2012	
(in thousands)	EUR	PLN	EUR	PLN	EUR	PLN	EUR	PLN
Consolidated Income Statement								
Revenues from operations	32,566	138,338	39,654	164,256	98,236	412,748	113,638	478,314
Cost of operations	(10,515)	(44,717)	(15,726)	(65,241)	(33,899)	(142,430)	(42,264)	(177,893)
Gross margin from operations	22,051	93,621	23,928	99,015	64,337	270,318	71,374	300,421
Selling expenses	(791)	(3,362)	(1,181)	(4,861)	(2,480)	(10,420)	(4,239)	(17,842)
Administrative expenses	(1,974)	(8,395)	(3,627)	(14,933)	(6,357)	(26,710)	(12,918)	(54,373)
Profit/(loss) from revaluation/impairment of assets, and impairment of residential projects	(9,769)	(41,189)	(29,103)	(118,256)	(79,729)	(344,059)	(39,055)	(160,665)
Share of profit in associates	(498)	(2,157)	(610)	(2,382)	(3,304)	(13,882)	(5,781)	(24,333)
Financial income/(expense), net	(10,380)	(44,203)	(12,872)	(53,043)	(36,087)	(151,623)	(44,534)	(187,447)
Net profit /(loss)	(2,205)	(9,222)	(24,404)	(97,634)	(76,623)	(332,384)	(42,803)	(175,952)
Basic and diluted earnings per share (not in thousands)	(0.00)	(0.01)	(0.05)	(0.20)	(0.21)	(0.90)	(0.10)	(0.39)
Weighted average number of issued ordinary shares (not in thousands)	319,372,990	319,372,990	319,372,990	319,372,990	319,372,990	319,372,990	252,702,990	252,702,990
Consolidated Cash Flow Statement								
Cash flow from operating activities	-	-	-	-	54,087	227,251	56,495	237,720
Cash flow used in investing activities	-	-	-	-	(21,380)	(89,398)	(52,048)	(217,745)
Cash flow from financing activities	-	-	-	-	(185,229)	(776,420)	51,599	223,444
Cash and cash equivalents at the end of the period as per Interim Condensed Consolidated Statement of Financial Position	-	-	-	-	74,252	313,069	197,345	811,838

Consolidated balance sheet	As of 30 September 2013		As of 31 December 2012		As of 30 September 2012	
(in thousands)	EUR	PLN	EUR	PLN	EUR	PLN
Investment property	1,475,885	6,222,774	1,613,745	6,597,312	1,676,644	6,889,150
Inventory	50,940	214,778	81,916	334,889	92,413	380,169
Cash and cash equivalents	74,252	313,069	227,897	931,689	197,345	811,838
Total assets	1,897,631	8,000,982	2,152,864	8,801,337	2,350,422	9,669,166
Non-current liabilities	948,853	4,000,647	1,083,684	4,430,316	1,153,000	4,743,212
Current liabilities	274,707	1,158,247	328,449	1,342,768	405,329	1,667,445
Equity	674,071	2,842,088	740,731	3,028,253	792,093	3,258,509
Share capital	7,082	31,937	7,082	31,937	7,082	31,937

Item 3. Presentation of the Group

Item 3.1. Structure of the Group

The structure of Globe Trade Centre Capital Group as at 30 September 2013 is presented in the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013 in Note 5 *Investment in subsidiaries, associates and joint ventures*.

Item 3.2. Changes to the principal rules of the management of the Company and the Group

There were no changes to the principal rules of management of the Company and the Group.

Item 4. Main events

Following events took place during the nine-month period ended 30 September 2013:

- On 28 February 2013, the Group, (via Diego sp. z o.o.), signed final sale agreements with Calobra Investments Sp. z o.o. of the Allianz Real Estate Group, regarding the sale of Platinium Business Park V project at ul. Domaniewska in Warsaw.
- On 12 March 2013, the Romanian Chamber of Deputies has approved a decision, which provides that it will not be possible to designate for other use any lands that are currently classified as green areas. Current law does not allow the Group to develop land plot in Bucharest that was intended for shopping mall project (Galleria Bucharest) and is currently classified as green area. As a result, the Company recorded an impairment loss of €15,100 The green area land plot recoverable amount mainly represents the future excepted expropriation compensation, on the assumption that an average market participant is willing to pay this amount for the land plot based on the future expected expropriation compensation.
- On 29 May 2013, Alain Ickovics has submitted his resignation from the function of Chairman of the Supervisory Board which was effective as at 31 May 2013. Alain Ickovics became a President of the Management Board of GTC starting 1 June 2013.
- In May 2013, the Group repaid €77,700 of its bonds and its related hedge instrument €19,600.
- On 2 October 2013, Kardan N.V. announced that its wholly-owned subsidiary GTC Real Estate Holding B.V. currently holding 27.75% of the share capital of GTC, is in a process to possibly sell, directly or indirectly, its shares, in GTC to a strategic investor.
- In July 2013, subsidiary of GTC, signed a sale agreement for sale of Galleria Suceava located in Romania at a price of €800.
- On 4 October 2013, GTC Galeria Kazimierz Sp. z o.o., a subsidiary of GTC, signed a preliminary sale agreement with Nellia Sp. z o.o., part of Invesco Group, for sale of Galeria Kazimierz shopping mall located in Kraków at a price, attributable to GTC based on its 50% shareholding interest in GTC Galeria Kazimierz Sp. z o.o., of approx. €90,000.

Item 5. Operating and financial review

Item 5.1. General factors affecting operating and financial results

The key factors affecting the Group's financial and operating results are discussed below. The Management believes that these factors had an impact on the business, operating and financial results and financial condition of the Group.

The Group believes that the following factors and noteworthy market trends have significantly affected the Group's results of operations for the periods under review, and the Group expects that such factors and trends will continue to have a significant impact on the Group's results of operations in the future.

Economic conditions in CEE and SEE

The Group conducts all of its activities in CEE and SEE. Cyclical economic developments in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria, Slovakia and other jurisdictions in which the Group conducts business activities, which are beyond the Group's control, such as economic growth, unemployment rates, price trends and interest rate levels, have a material impact on rental income levels, the potential for property sales, opportunities for acquisitions, purchase prices and the valuation of real estate. In general, demand for real estate tends to increase when interest rates are low and debt financing is easily available, which can lead to higher valuations of the Group's existing portfolio investments. Adverse economic conditions or even a recession may, however, have a negative impact on the demand for real estate or certain parts thereof irrespective of a low interest rate environment. On the other hand, increasing interest rates can adversely affect the valuation of the Group's properties, which can result in the Group being required to recognize a valuation impairment charge, which would negatively affect its income. Increases in interest rates also increase the Group's refinancing costs.

The recent global financial crisis has had and continues to have an impact on the economies of CEE and SEE member countries and consequently impacts the Company's operations. More specifically, the global financial crisis has led to disruptions in the international and domestic capital markets, which has resulted in reduced liquidity and increased credit risk premiums for certain market participants causing a reduction of available financing or a "credit crunch" as well as the Eurozone sovereign debt crisis. Companies located in CEE and SEE countries have been particularly susceptible to these disruptions and reductions in the availability of credit or increases in financing costs. This has resulted in many companies in these countries experiencing financial difficulty. Similarly, in many cases, the public finances of such countries have been impacted from the resulting economic slowdown and decrease in demand for sovereign debt. The impact of the global economic and financial crisis on the Group's business in 2013 and in previous years highlights the Group's exposure to general economic trends.

Similarly, in many cases, the public finances of the countries affected by the turmoil in the financial markets have been impacted from the resulting economic slowdown and decrease in demand for sovereign debt. This has made it difficult (as, for example, was the case in Ireland, Italy, Portugal and Spain) or impossible (as was the case in Greece) for certain governments to refinance their debt without third-party assistance and has been referred to as the Eurozone sovereign debt crisis. In effect, certain countries in which the Group conducts its operations, including Romania and Bulgaria, have been adversely affected by decreased trade exchange with their traditional partners, including Italy and Greece. The impact of the global economic and financial crisis as well as the Eurozone sovereign debt crisis on the Group's business in the years ended 31 December 2009, 2010, 2011 and 2012 as well as in the first half of 2013 highlights the Group's exposure to general economic trends. The Group recorded a material loss from the revaluation of investment properties and the impairment of residential projects in the years ended 31 December 2009, 2011 and 2012 amounting to €582,882 and a loss from the revaluation of investment properties and the impairment of residential projects of €79,729 in the nine-month period ended 30 September 2013. The downward revaluations of investment properties resulted from decreases in actual and expected rent levels in certain countries in which the Group conducts its operations, notably Romania and Bulgaria, as well as expansion of yields in Romania, Hungary, Croatia and Bulgaria. The impairment of the residential land bank was the result of certain projects being suspended or postponed.

Real estate market in CEE and SEE

The Group derives the majority of its revenue from operations from rental activities, including rental and service revenue. For the years ended 31 December 2011 and 2012, respectively, the Group derived 65% and 67% of its revenues from operations as rental revenue, which greatly depends on the rental rates per sq m and occupancy rates. The amount the Group can charge for rent largely depends on the property's location and condition and is influenced by local market trends and the state of the local economies. The Group's revenue from rent is particularly affected by the delivery of new rent spaces, changes in vacancy rates and the Group's ability to implement rent increases. Rental income is also dependent upon the time of completion of the Group's development projects as well as on its ability to let such completed properties at favorable rent levels. Moreover, for the years ended 31 December 2011 and 2012, respectively, the Group derived 19% and 20% of its revenues from operations as service revenue, which reflects certain costs the Group passes on to its tenants. The vast majority of the Group's lease agreements are concluded in Euro and include a clause that provides for full indexation of the rent, linked to the EICP (European Index of Consumer Prices) when a lease is concluded in Euro. The vast majority of leases are concluded in Euro. When a lease is concluded in another currency, it is typically linked to the consumer price index of the relevant country of the currency.

Moreover, to a certain extent, the Group's operational results are influenced by its ability to sell residential units. The supply of new apartments in the different markets in which the Group operates and the demand on such markets affect apartment prices. The demand for apartments is further impacted by fluctuations in interest rates, the availability of credit and the mortgage market in general. For example, the Group's residential revenues decreased steadily over the years ended 31 December 2011 and 2012 due to the slowdown in the sale of residential properties coupled with an increase in discounts which had to be granted to purchasers of the Group's apartments in order to facilitate sales.

Real estate valuation

The Group's results depend heavily on the fluctuation of asset values on the property markets. The Group revalues its investment properties at least twice per year. Any change in the fair value of an investment property is thereafter recognized as a gain or loss in the income statement.

Two significant factors influence the valuation of the Group's properties. The first is the cash flow arising from operational performance and the second is the discount rates and capitalization rates that result from the interest rates in the market and the risk premiums applied to the Group's business. The cash flow arising from operational performance is primarily determined by current gross rental income per square meter, vacancy rate trends, total portfolio size, maintenance and administrative expenses, and operating expenses. Capitalization and discount rates are influenced by prevailing interest rates and risk premiums. When discount rates and capitalization rates increase, market value decreases and vice versa. Even small changes in one or some of these factors can have a considerable effect on the fair value of the Group's investment properties and on the results of its operations. Moreover, the valuation of the Group's land bank additionally depends on the building rights and the expected timing of the projects.

The Group recognized revaluation profit of €43,167 in the year ended 31 December 2010 while it incurred a revaluation loss of €295,969 in the year ended 31 December 2011, a loss of €114,661 in the year ended 31 December 2012 and a loss of €79,729 in the nine-month period ended 30 September 2013. The main factors influencing the valuation of the Group's properties between 2011 and 30 June 2013 were a decrease in rental rates and expected rental values and the expansion of yields mainly in Bulgaria, Romania, Croatia and Hungary which were mostly related to the Group's retail investment properties.

Substantially all of the loans of the Group, as well as the bonds issued by the Company, have a variable interest rate, mainly connected to Euribor (although the bonds are denominated in PLN and bear interest connected to WIBOR, swap transactions were concluded which effectively converted this indebtedness into EUR at fixed rates). Approximately 45% of the Group's loans are hedged or partially hedged. Increases in interest rates generally increase the Group's financing costs. In addition, demand for investment properties generally tends to increase when interest rates are low, which can lead to higher valuations of the Group's existing investment portfolio. Conversely, increased interest rates generally adversely affect the valuation of the Group's properties, which can result in recognition of a valuation impairment that negatively affects the Group's income. The derivative financial instruments used by the Group to hedge interest rate risk are recorded as independent transactions and not as hedge transactions.

Historically, Euribor rates have demonstrated significant volatility, changing from 2.859% as of 2 January 2009, through 0.7% as of 4 January 2010, 1.001% as of 3 January 2011, to 1.343% as of 2 January 2012 and 0.188% as of 2 January 2013.

Impact of foreign exchange rate movements

Though for the year ended 31 December 2012 and the nine-month period ended 30 September 2013 a vast majority of the Group's revenues and costs were incurred or derived in Euro and the Exchange rates against the euro of the local currencies of the countries in which the Group operates are an important factor as the credit facilities that are obtained may be denominated in either euros or local currencies. The Group reports its financial statements in euros, its operations are impacted by the movements in , however, are based locally in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria, Slovakia and other geographic markets. The Group receives the majority of its revenue from rent denominated in euro, however, it receives a certain portion of its income (including the proceeds from the sales of residential real estate) and incurs most of its costs (including the vast majority of its selling expenses and administrative expenses) in local currencies, including the Polish zloty, Bulgarian leva, Czech korunas, Croatian cunas, Hungarian forints, Romanian lei and Serbian dinars. The exchange rates between local currencies and the euro have historically fluctuated. The income tax expense (both actual and deferred) in the jurisdictions in which the Group conducts its operations is incurred in such local currencies. Consequently, such income tax expense was and may continue to be materially affected by foreign exchange rate movements.

The Group attempts to hedge its risk exposure by, inter alia, obtaining debt financing denominated in the currency in which the rent is denominated for a given property.

Availability of financing

On the CEE and SEE markets, real estate development and investment companies, including the companies of the Group, usually finance their real estate projects with proceeds from bank loans, loans extended by their holding companies or the issuance of debt securities. The availability and cost of procuring financing are of material importance to the implementation of the Group's projects and for the Group's development prospects as well as its ability to repay existing debt. Finally, the availability and cost of financing may impact the Group's sales dynamics and the Group's net profit.

In the past, the principal sources of financing for the Group's core business included bank loans and proceeds from bonds issued by the Company. The limited availability of financing in the years ended 31 December 2011 and 2012, which resulted from the financial crisis, did not have a material impact on the development of the Group's real estate projects as it successfully raised the debt financing required for the needs of the development stages of its projects in such period.

Item 5.2. Specific factors affecting financial and operating results

On 31 October 2012, the Group, (via its two subsidiaries: GTC Satellite sp. z o.o. and Diego sp. z o.o.), signed final sale agreements with Calobra Investments Sp. z o.o. of the Allianz Real Estate Group, regarding the sale of Platinium Business Park project at ul. Domaniewska in Warsaw, (buildings I - IV) and the plot of land where they are situated on.

On 28 February 2013, the Group, (via Diego sp. z o.o.), signed final sale agreements with Calobra Investments Sp. z o.o. of the Allianz Real Estate Group, regarding the sale of Platinium Business Park V project at ul. Domaniewska in Warsaw.

On 12 March 2013, the Romanian Chamber of Deputies has approved a decision, which provides that it will not be possible to designate for other use any lands that are currently classified as green areas. Current law does not allow the Group to develop land plot in Bucharest that was intended for shopping mall project (Galleria Bucharest) and is currently classified as green area. As a result, the Group recorded an impairment loss of €15,100. The green area land plot recoverable amount mainly represents the future excepted expropriation compensation, on the assumption that an average market participant is willing to pay this amount for the land plot based on the future expected expropriation compensation.

In May 2013, the Group repaid €77,700 of bonds and its related hedge instrument €19,600.

On 27 September 2013 the Company signed amendment to the project financing loan agreements signed between EBRD and the subsidiaries holding Stara Zagora, Galeria Burgas Osijek, NCC and Arad shopping centres.

According to the amendment, the Company undertakes to partially early repay some of the loan principals. The bank undertakes to provide a grace period of 2-3 years depending on loan facility on principal repayments and a reduced margin during the grace period.

On 4 October 2013, GTC Galeria Kazimierz Sp. z o.o., a subsidiary of GTC, signed a preliminary sale agreement with Nellia Sp. z o.o., part of Invesco Group, for sale of Galeria Kazimierz shopping mall located in Kraków at a price, attributable to GTC based on its 50% shareholding interest in GTC Galeria Kazimierz Sp. z o.o., of approx. €90,000. As of 30 September 2013, asset is presented as held for sale. The related bank loan, in amount of €41,340, is presented as loan to be repaid upon sale.

Item 5.3. Presentation of differences between achieved financial results and published forecasts

The Group did not present forecasts for the nine months/full year 2013.

Item 5. 4. Statement of financial position

Item 5.4.1. Key items of the statement of financial position

Investment property

Investment properties that are owned by the Group comprise office and commercial space, including property under construction. Investment property can be split up into: (i) completed investment property; (ii) investment property under construction presented at fair value; and (iii) investment property under construction presented at cost.

Residential land bank

The Group classifies its residential inventory as current or non-current assets based on their development stage within the business operating cycle. The normal operating cycle in most cases falls within a period of one to five years. The Group classifies residential inventory the development of which is planned to be commenced at least one year after the balance sheet date as residential land bank, which is part of its non-current assets.

Investment in associates

Investment in associates is accounted for pursuant to the equity method. Such investment is carried in the statement of financial position at cost plus post-acquisition changes in the Group’s share of the net assets of the associate.

Assets held for sale

Assets held for sale comprise office or retail space that is designated for sale.

Inventory

Inventory relates to residential projects under construction and is stated at the lower of cost and net realizable value. Expenditures relating to the construction of a project are included in inventory.

The Group classifies its residential inventory as current or non-current assets based on their development stage within the business operating cycle. The normal operating cycle in most cases falls within a period of one to five years. Residential projects which are active are classified as current inventory.

Short-term deposits

Short-term and long-term deposits can be used only for certain operating activities as determined by underlying contractual commitments.

Derivatives

Derivatives include instruments held by the Group that hedge the risk involved in the fluctuations of interest and currency rates. In relation to the instruments qualified as cash flow hedges, the portion of gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income and the ineffective portion is recognized in net profit or loss. The classification of hedges in the statement of financial position depends on their maturity. For derivatives that do not qualify for hedge accounting, any gain or losses arising from changes in fair value are recorded directly in net profit and loss for the year. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Item 5.4.2. Financial position as at 30 September 2013 compared to 31 December 2012

Total assets decreased by €255,233 to €1,897,631 as at 30 September 2013 from €2,152,864 as at 31 December 2012. The decrease was mainly due to sale of Platinium Business Park V, a decrease in cash used for deleveraging and asset devaluations. A decrease in current assets by €182,387 is attributed mostly to a decrease in cash and cash equivalents. A decrease in non-current assets by €118,893 is attributed partially to classification of Galeria Kaziemirz into assets held for sale in the amount of €88,500.

Assets

The value of investment property decreased by 9% (or €137,860) to €1,475,885 as at 30 September 2013 from €1,613,745 as at 31 December 2012. An amount of €80,665 (which was revalued to €88,500) was reclassified to assets held for sale, following conclusion of preliminary sale agreement for sale of Galeria Kazimierz, and an amount of €62,627 is attributable to a loss on the revaluation and impairment of investment properties, which comes mainly from a decrease in expected rental rates in retail sector in Romania, Bulgaria and Croatia as well as a decrease in rental rates on new leases in office segment in Poland and Hungary and a moderate shift in yields in Poland and an amount of €15,100 is attributable to a loss on the revaluation of Galleria Bucharest land due to a change of designation of this land following a change of regulatory environment in Bucharest. The decrease were partially offset by an increase of €20,669 which constitutes investment to improve some of the investment property assets and reclassification of Galleria Buzau and Galleria Pietra Neamt from asset held for sale to investment properties.

The value of residential land bank and inventory decreased by €10,166 to €144,975 as at 30 September 2013 from €155,141 as at 31 December 2012, mainly due to sale of apartments resulting in recognition of the cost of sold apartments in the income statement of € 9,073.

The value of assets held for sale increased by €46,047 to €88,500 as at 30 September 2013 from €42,453 as at 31 December 2012, mostly due to reclassification of Galeria Kazimierz to assets held for sale which was partially offset by reclassification of Galleria Buzau and Galleria Pietra Neamt back to investment property .

The value of cash and cash equivalents decreased by €153,645 to €74,252 as at 30 September 2013 from €227,897 as at 31 December 2012, mainly due to repayment of bonds matured in May 2013, repayment of loans, payment of VAT on sale of Platinium Business Park I-IV in late 2012 and investments in real estate properties, partially offset by net proceeds from sale of investment property (Platinum Business Park V).

Liabilities

The value of loans and bonds decreased by €128,019 to €1,010,030 as at 30 September 2013 from €1,138,049 as at 31 December 2012, mainly due to repayment of bonds matured in May 2013 and loan associated with Platinium Business Park V following its disposal as well as other loans repayment.

The value of VAT and others payables decreased by €33,091 to €1,441 as at 30 September 2013 from €34,532 as at 31 December 2012, mainly due to payment of VAT on sale of Platinium Business Park I-IV in late 2012.

The value of derivates (current and non-current) decreased by €27,559 to €39,669 as at 30 September 2013 from €67,228 as at 31 December 2012, mainly due to repayment of closure of the hedges following repayment of bonds and loans.

Equity

Equity decreased by €66,660 to €674,071 as at 30 September 2013 from €740,731 on 31 December 2012 primarily due to a net loss recognized in the nine-month period ended 30 September 2013.

Item 5.5. Consolidated income statement

Item 5.5.1. Key items of the consolidated income statement

Revenues from operations

Revenues from operations consist of:

- rental income, which consists of monthly rental payments paid by tenants of the Group's investment properties for the office or retail space rented by such tenants. Rental income is recognized as income over the lease term;
- service income, which comprises fees paid by the tenants of the Group's investment properties to cover the costs of the services provided by the Group in relation to their leases; and
- residential revenue, which comprises proceeds from the sales of houses or apartments, which is recognized when such houses or apartments have been substantially constructed, accepted by the customer and a significant amount resulting from the sale agreement has been paid by the purchaser.

Cost of operations

Costs of operations consist of:

- service costs, which consist of all the costs that are related to the management services provided to the individual tenants within the Group's properties — service costs should be covered by service income; and
- residential costs, which comprise the costs that are related to the development of residential properties sold. The costs related to the development of residential properties incurred during the construction period are capitalized in inventory. Once income is recognized, the costs in respect of sold units are expensed.

Gross margin from operations

Gross margin from operations is equal to the revenues from operations less the cost of operations.

Selling expenses

Selling expenses include:

- brokerage and similar fees incurred to originate the lease or sale of space;
- marketing and advertising costs; and
- payroll and related expenses directly related to leasing or sales personnel.

Administrative expenses

Administration expenses include:

- payroll, management fees and other expenses that include the salaries of all employees that are not directly involved in sales or rental activities;
- provisions made to account for the share-based incentive program that was granted to key personnel;
- costs related to the sale of investment properties;
- costs of audit, legal and other advisors;
- office expenses;
- depreciation and amortization expenses include depreciation and amortization of the Group's property, plant and equipment;
- exchange gains or losses; and
- others.

Profit/(loss) from the revaluation/impairment of assets

Net valuation gains (loss) on investment property and investment properties under development reflect the change in the fair value of investment properties and investment property under development.

Financial income/(expense), net

Financial income includes interest on loans granted to associate companies and interest on bank deposits.

Financial expenses include interest on borrowings and deferred debt rising expenses. Borrowing costs are expensed in the period in which they are incurred, except for those that are directly attributable to construction. In such a case, borrowing costs are capitalized as part of the cost of the asset. Borrowing costs include interest and foreign exchange differences.

Additionally, financial income or expenses include settlement of financial assets and gain or losses arising from changes in fair value of derivatives that do not qualify for hedge accounting.

Taxation

Income tax on profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted as at the balance sheet date and any adjustments to tax payable in respect of previous years. Generally, the Group disposes of property holding companies rather than the real estate itself, in part because in certain jurisdictions the sale and disposal of real estate is generally subject to real estate transfer tax and/or VAT.

Item 5.5.2. Comparison of financial results for the three-month period ended 30 September 2013 with the result for the corresponding period of 2012

<u>Revenues from operations</u>

Revenues from operations decreased by €7,088 to €32,566 in three-month period ended 30 September 2013. Residential revenues decreased by €3,108, which resulted from a decrease in sale of residential units. Rental and service revenues decreased by €3,980 as a result of loss of revenues (rental and service) following sale of

Platinium Business Park project as well as a decrease in rental rates especially in the office segment in Poland and Hungary.

Cost of operations

Cost of operations decreased by €5,211 to €10,515 in the three-month period ended 30 September 2013, due to a decrease in residential costs by €3,206 resulting from a decrease in sale of residential units. Cost of rental operation decreased by €2,005 as a result of the sale of Platinum Business Park project and a cost cutting exercise.

Gross margin from operations

Gross margin (profit) from operations decreased by €1,877 to €22,051 in the three-month period ended 30 September 2013. In particular, gross margin (profit) on residential activities was €85 in three-month period ended 30 September 2013 compared to a loss of €13 in the three-month period ended 30 September 2012. Gross margin (profit) on rental activities decreased by €1,975 to €21,966 for the three-month period ended 30 September 2013 from €23,941 for the three-month period ended 30 September 2012 following sale of Platinium Business Park. Gross margin on rental activities for the three-month period ended 30 September 2013 was 74% compared to 71% in three-month period ended 30 September 2012. Gross margin on residential activities for the three-month period ended 30 September 2013 was 3%.

Selling expenses

Selling expenses decreased by €390 to €791 in the three-month period ended 30 September 2013, mainly due to cost cutting and a decrease in selling and leasing activities, in line with an improvement in occupancy and slow down in sale of residential units.

Administrative expenses

Administrative expenses decreased by €1,653 to €1,974 in the three-month period ended 30 September 2013, mainly due to a decrease in provision for mark-to-market of phantom shares program. On a like-for-like basis, after eliminating the stock based program provision, administrative expenses decreased to €2,837 from €2,909.

Profit/(loss) from the revaluation/impairment of assets, net

Net loss from the revaluation of the Group's investment properties and impairment of residential projects amounted to €9,769 in the three-month period ended 30 September 2013, as compared to net loss of €29,103 in the three-month period ended 30 September 2012. Loss from the revaluation in the amount of €18,725 comes mainly from a decrease in expected rental rates in retail sector in Romania and Croatia as well as a decrease in rental rates on new leases in office segment in Poland and Hungary and a moderate shift in yields in Poland. The loss was partially offset by an increase in value of Galeria Kazimierz by €6,065 and Galleria Pietra Neamt by €1,645 and other assets by €1,246.

Financial income/(expense), net

Net financial expense decreased by €2,492 to €10,380 in the three-month period ended 30 September 2013 vs. €12,872 in the three-month period ended 30 September 2012.

Financial expenses decreased by €4,060 to €12,223, mainly due to a decrease in debt level following the repayment of bonds and loans.

Share of profit (loss) of associates

Share of loss of associates amounted to €498 for the three-month period ended 30 September 2013, as compared to a share of loss of €610 in the three-month period ended 30 September 2012. This is attributed mainly to devaluation of Galeria Harfa in Prague.

Taxation

Taxation benefit amounted to €63 in the three-month period ended 30 September 2013. The Group's primary tax liability is recognized in connection with the value of its assets expressed in local currency of each jurisdictions in which such assets are located.

Net loss

Net loss amounted to €2,205 in the three-month period ended 30 September 2013, as compared to a net loss of €24,404 in the three-month period ended 30 September 2012 and is attributable to loss on revaluation of investment properties, partially offset by profit on operating activities.

Item 5.5.3. Comparison of financial results for the nine-month period ended 30 September 2013 with the result for the corresponding period of 2012

Revenues from operations

Revenues from operations decreased by €15,402 to €98,236 in nine-month period ended 30 September 2013. Residential revenues decreased by €7,189, which resulted from a decrease in sale of residential units. Rental and service revenues decreased by €8,213 as a result of loss of revenues (rental and service) following sale of Platinium Business Park project as well as a decrease in rental rates especially in the office segment in Poland in Hungary.

Cost of operations

Cost of operations decreased by €8,365 to €33,899 in the nine-month period ended 30 September 2013, due to a decrease in residential costs by €6,409 resulting from a decrease in sale of residential units. Cost of rental operation decreased by €1,956 as a result of the sale of Platinum Business Park V project and a cost cutting exercise, which is fully recognized starting the third quarter of 2013.

Gross margin from operations

Gross margin (profit) from operations decreased by €7,037 to €64,337 in the nine-month period ended 30 September 2013. In particular, gross margin (loss) on residential activities was €336 in nine-month period ended 30 September 2013 compared to a profit in the amount of €444 in the nine-month period ended 30 September 2012. The gross margin (profit) on rental activities decreased by €6,257 to €64,673 for the nine-month period ended 30 September 2013 from €70,930 for the nine-month period ended 30 September 2012 following sale of Platinium Business Park. Gross margin on rental activities for the nine-month period ended 30 September 2013 was 72% compared to 73% in nine-month period ended 30 September 2012.

Selling expenses

Selling expenses decreased by €1,759 to €2,480 in the nine-month period ended 30 September 2013, mainly due to cost cutting and a decrease in selling and leasing activities, in line with an increase in occupancy and slow down in sale of residential units.

Administrative expenses

Administrative expenses decreased by €6,561 to €6,357 in the nine-month period ended 30 September 2013, mainly due to reversal of provision for mark-to-market of phantom shares program and cost cutting initiatives. On a like-for-like basis, after eliminating the stock based program provision, administrative expenses decreased by 15% to €8,725 from €10,322 due to cost cutting initiatives introduced by the Management.

Profit/(loss) from the revaluation/impairment of assets, net

Net loss from the revaluation of the Group's investment properties and impairment of residential projects amounted to €79,729 in the nine-month period ended 30 September 2013, as compared to a net loss of €39,055 in the nine-month period ended 30 September 2012. Loss from the revaluation in the amount of €91,657 comes mainly from change of designation of Galleria Bucharest land following a change of law in Romania and expansion of yield in office sector in Bucharest as well as a decrease in expected rental rates in retail sector in Romania and Croatia as well as a decrease in rental rates on new leases in office segment in Poland and Hungary and a moderate shift in yields in Poland. The loss was partially offset by an increase in value of Galeria Kazimierz by €6,062 and Galleria Pietra Neamt by €1,511 and other assets by €3,355.

Financial income/(expense), net

Net financial expense decreased by €8,447 to €36,087 in the nine-month period ended 30 September 2013 vs. €44,534 in the nine-month period ended 30 September 2012.

Financial expenses decreased by €13,143 to €37,041, mainly due to a decrease in debt level following the repayment of bonds.

Share of profit (loss) of associates

Share of loss of associates amounted to €3,304 for the nine-month period ended 30 September 2013, as compared to a share of loss of €5,781 in the nine-month period ended 30 September 2012. This is attributed mainly to devaluation of Galeria Harfa in Prague.

Taxation

Taxation expense amounted to €10,085 in the nine-month period ended 30 September 2013. The Group's primary tax liability is recognized in connection with the value of its assets expressed in local currency of each jurisdictions in which such assets are located. The major cause for the above expenses is that in most cases deferred tax asset on losses from revaluation was not created.

Net loss

Net loss amounted to €76,623 in the nine-month period ended 30 September 2013, as compared to a net loss of €42,803 in the nine-month period ended 30 September 2012 and is attributable to loss on revaluation of investment properties.

Item 5. 6. Consolidated cash flow statement

Item 5.6.1. Key items from consolidated cash flow statement

Net cash from (used in) operating activities

The operating cash flow is the cash that the Group generates through running its business and comprises cash inflows from rental activities and sale of residential projects.

Net cash used in investing activities

The investing cash flow is the aggregate change in the Group's cash position resulting from any gains (or losses) from investments in the financial markets, investment properties and operating subsidiaries, as well as changes resulting from amounts spent on investments in capital assets, such as property, plant and equipment.

Net cash from (used in) financing activities

The cash flow from (used in) financing activities accounts for, inter alia, the payment of cash dividends, receiving proceeds from loans or bond and issuing stock.

Cash and cash equivalents

Cash balance consists of cash in banks. Cash in banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. All cash is deposited in banks no matter the negligible amount. All cash and cash equivalents are available for use by the Group.

Item 5.6.2. Cash flow analysis

The table below presents an extract of the cash flow for the period of three months ended on 30 September 2013 and 2012:

Condensed report	Nine-month period ended 30 September 13	Nine-month period ended 30 September 12
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net cash from operating activities	54,087	56,495
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in non-current assets	21,951	(41,508)
Sale of asset or shares in subsidiaries	33,345	-
Acquisition of shares in associates or subsidiaries, net of cash acquired	-	(14,155)
Tax/VAT on sale of investment property	(35,719)	-
Other, interest and similar costs	2,945	3,615
Net cash used in investing activities	(21,380)	(52,048)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	-	104,191
Share issuance expenses	-	(3,109)
Proceeds from long-term borrowings	1,371	61,600
Repayment of long-term borrowings	(145,558)	(82,293)
Interest paid	(35,285)	(41,336)
Loans origination cost	(49)	(758)
Increase (decrease) in short term deposits	(5,708)	13,304
Net cash from (used in) financing activities	(185,229)	51,599
Effect of foreign currency translation	(1,410)	(213)
Net increase/(decrease) in cash and cash equivalents	(153,932)	55,833
Cash and cash equivalents, at the beginning of the year	228,184	141,720
Cash classified as part of assets held for sale	-	(208)
Cash and cash equivalents, at the end of the year	74,252	197,345

Cash flow from operating activities was €54,087 in the nine-month period ended 30 September 2013, as compared to €56,495 in the nine-month period ended 30 September 2012, due to sale of Platinium Business Park project, which was partially offset by higher occupancy and revenues in University Business Park (Łódż) and Francuska Office Centre (Katowice).

Investment in real-estate and real estate related amounted to €21,951 in the nine-month period ended 30 September 2013 and was related mainly to investment in Galeria Wilanow, Galeria Bialoleka, Ada Mall and improvement of existing assets.

Cash flow used in financing activities amounted to €185,229 in the nine-month period ended 30 September 2013, compared to €51,599 cash flow from financing activities for the nine-month period ended 30 September 2012, and is mostly composed of repayment of bond and loans of €145,558 and on-going interest payments of €35,285. During the nine-month period ended 30 September 2013, the Group repaid bonds that matured in May 2013 and some of the project loans.

Cash and cash equivalents as at 30 September 2013 amounted to €74,252, compared to €197,345 as at 30 September 2012. The Group keeps its cash in the form of bank deposits, mostly in Euro, with various international banks.

Item 5.7. Future liquidity and capital resources

The Group expects that its principal future cash needs will be used for: (i) the development of office investment properties; (ii) the development of retail investment properties; (iii) completion of development of certain residential properties; (iv) debt servicing; (v) operations and (vi) the purchase of plots for office and retail development purposes.

The Management Board is of the opinion that the Group's working capital may be sufficient to cover the Group's current liabilities for at least twelve months following the balance sheet date, if its business plan will be successfully realized.

As at 30 September 2013, the Group's non-current liabilities amounted to €948,853 compared to €1,153,000 as at 30 September 2012.

The Group's total debt from long and short-term loans and borrowings as at 30 September 2013 was €1,010,030, as compared to €1,292,529 as at 30 September 2012. The Group's loans and borrowings are denominated in Euro, except for the corporate bonds that are denominated in PLN, however, with respect to some of these notes, relevant swap transactions were concluded, thus effectively converting the notes that are due in 2013-2014 indebtedness into Euro. The loans extended to the Group are project loans, i.e. in each case granted to a specific subsidiary which holds the underlying investment properties and manages a given project.

The Group's loan-to-value ratio amounted to 55% as at 30 September 2013, as compared to 57% as at 30 September 2012. The Group's strategy is to keep its loan-to-value ratio at the level of between 40% and 60%.

Item 6. Information on granted and received guarantees with a particular emphasis on guarantees granted to related entities

During the nine-month period the Group did not grant guarantees of the value that exceeds 10% of its capital.

Item 7. Major investments, local and foreign (securities, financial instruments, intangible assets, real estate), including capital investments outside the Group and its financing method

The Group does not have any major local or foreign investments other than direct investments in real estate properties designated for development, or through companies that hold such real estate properties.

Item 8. Shareholders who, directly or indirectly, have substantial shareholding

The following table presents the Company's shareholders, who had substantial shareholding as of 30 September 2013. The table is prepared based on information received directly from the shareholders.

Shareholder	Number of shares held	% of share capital	Number of votes	% of votes
GTC Real Estate Holding B.V.[1]	88,635,914	27.75%	88,635,914	27.75%
ING OFE	39,377,015	12.33%	39,377,015	12.33%
AVIVA OFE	32,060,010	10.04%	32,060,010	10.04%
PZU OFE	25,522,031	7.99%	25,522,031	7.99%

On 2 October 2013, Kardan N.V. announced that its wholly-owned subsidiary GTC Real Estate Holding B.V. currently holding 27.75% of the share capital of GTC, is in a process to possibly sell, directly or indirectly, its shares, in GTC to a strategic investor.

Item 9. Shares and rights to shares of GTC held by members of the Management Board and the Supervisory Board

Shares held by members of the Management Board

The following table presents shares owned directly or indirectly by members of the Company's Management Board as of 13 November 2013, the date of publication of this quarterly report, and changes in their holdings since the date of publication of Group's last financial report (interim report for the three and six-month period ended 30 September 2013) on 20 August 2013. The information included in the table is based on information received from members of our Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

	Balance as of 13 November 2013	Change since 20 August 2013
Alain Ickovics	0	No change
Piotr Kroenke	298,811	No change
Erez Boniel	128,000	No change
Yovav Carmi	0	No change
Mariusz Kozłowski	0	No change
Jacek Wachowicz	0	No change
Witold Zatoński	0	No change
Total	426,811	

1 GTC Real Estate Holding B.V. is a wholly owned subsidiary of Kardan N.V.

Phantom shares held by members of the Management Board

The following table presents phantom shares owned directly or indirectly by members of the Company's Management Board as of 30 September 2013 since 30 June 2013. The phantom shares granted to the members of the Management Board are subject to Supervisory Board decision on the equity settlement.

Management Board Member	Balance as of 30 September 2013	Change since 30 June 2013
Alain Ickovics	952,820	Increase of 150,444
Piotr Kroenke	648,156	Increase of 32,196
Erez Boniel	648,156	Increase of 32,196
Yovav Carmi	331,023	Increase of 30,093
Mariusz Kozłowski	450,156	Increase of 32,196
Jacek Wachowicz	161,738	Increase of 3,762
Witold Zatoński	344,226	Increase of 22,566
Total	3,536,275	

Shares of GTC held by members of the Supervisory Board

The following table presents shares owned directly or indirectly by members of the Company's Supervisory Board as of 13 November 2013, the date of publication of this quarterly report, and changes in their holdings since the date of publication of Group's last financial report (interim report for the three and six-month period ended 30 June 2013) on 20 August 2013. The information included in the table is based on information received from members of our Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

	Balance as of 13 November 2013	Change since 20 August 2013
Shouky Oren	0	No change
Guy Elias	0	No change
Einat Oz-Gabber	0	No change
Krzysztof Gerula	2,474	No change
Mariusz Grendowicz	7,000	No change
Yosef Grunfeld	0	No change
Ariel Hasson	0	No change
Tomasz Mazurczak	0	No change
Marcin Murawski	0	No change
Jarosław Karasiński	0	No change
Dariusz Stolarczyk	0	No change
Total	9,474	

Phantom shares of GTC held by members of the Supervisory Board

The following table presents phantom shares owned directly or indirectly by members of the Company's Supervisory Board as of 30 September 2013 since 30 June 2013.

	Balance as of 30 September 2013	Change since 30 June 2013
Shouky Oren	0	No change
Guy Elias	0	No change
Einat Oz-Gabber	0	No change
Krzysztof Gerula	0	No change
Mariusz Grendowicz	0	No change
Yosef Grunfeld	0	No change
Ariel Hasson	0	No change
Tomasz Mazurczak	0	No change
Marcin Murawski	0	No change
Jarosław Karasiński	0	No change
Dariusz Stolarczyk	0	No change
Total	0	

Item 10. Material transactions with related parties concluded on terms other than market terms

The Group did not conduct any material transactions the related parties that are not based on arms length basis.

Item 11. Proceedings before a court or public authority of Globe Trade Centre SA or its subsidiaries, with the total value of liabilities or claims of at least 10% of the Company's equity

There are no individual proceeding or group of proceedings before a court or public authority involving Globe Trade Centre S.A. or its subsidiaries, with the total value of liabilities or claims of 10% or more of the Company's equity

GLOBE TRADE CENTRE S.A.

IFRS INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED
30 SEPTEMBER 2013
TOGETHER WITH INDEPENDENT AUDITORS` REVIEW REPORT

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Financial Position
as of 30 September 2013
(in thousands of Euro)

	Note	30 September 2013 *(unaudited)*	30 September 2012 *(unaudited)*	31 December 2012
ASSETS				
Non current assets				
Investment property	11	1,475,885	1,674,644	1,613,745
Residential landbank	12	94,035	77,530	73,225
Investment in associates	10	38,370	49,337	42,074
Loans granted to joint venture and other receivables		22,273	21,692	21,932
Property, plant and equipment		1,632	1,729	1,781
Deferred tax asset		6,202	8,396	7,334
Long-term deposits		2,800	-	-
Other non-current assets		61	106	60
		1,641,258	**1,833,434**	**1,760,151**
Assets held for sale		**88,500**	**185,149**	**42,453**
Current Assets				
Inventory	12	50,940	92,413	81,916
Debtors		4,821	6,275	5,318
Accrued income		543	639	867
VAT and other tax recoverable		3,583	5,470	3,938
Income tax recoverable		614	1,559	1,439
Prepayments, deferred expenses		4,266	3,997	2,931
Short-term deposits		28,854	24,141	25,954
Cash and cash equivalents		74,252	197,345	227,897
		167,873	**331,839**	**350,260**
TOTAL ASSETS		**1,897,631**	**2,350,422**	**2,152,864**

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Financial Position
as of 30 September 2013
(in thousands of Euro)

	Note	30 September 2013 *(unaudited)*	30 September 2012 *(unaudited)*	31 December 2012
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital	14	7,082	7,082	7,082
Share premium		312,155	311,660	312,155
Capital reserve		16,224	22,261	16,008
Hedge reserve		(15,025)	(35,525)	(25,068)
Foreign currency translation		4,386	5,695	5,181
Accumulated profit		376,035	514,024	442,105
		700,857	**825,197**	**757,463**
Non-controlling interest		(26,786)	(33,104)	(16,732)
Total Equity		**674,071**	**792,093**	**740,731**
Non current Liabilities				
Long-term portion of long-term loans and bonds	13	799,543	973,685	916,961
Deposits from tenants		5,716	5,194	4,760
Long term payable		6,030	1,653	1,737
Provision for share based payment		3,215	3,143	5,583
Derivatives		6,405	42,457	34,866
Provision for deferred tax liability		127,944	126,868	119,777
		948,853	**1,153,000**	**1,083,684**
Current liabilities				
Liabilities to be repaid upon sale		41,340	27,850	27,468
Trade and other payables		25,392	37,453	33,688
Current portion of long-term loans and bonds	13	169,147	290,994	193,620
Deposits from tenants		-	-	410
VAT and other taxes payable		1,441	1,974	34,532
Income tax payable		938	2,569	2,380
Derivatives		33,264	40,210	32,362
Advances received		3,185	4,279	3,989
		274,707	**405,329**	**328,449**
TOTAL EQUITY AND LIABILITIES		**1,897,631**	**2,350,422**	**2,152,864**

The accompanying notes are an integral part of this Interim Condensed Consolidated Statement of Financial Position

Globe Trade Centre S.A.
Interim Condensed Consolidated Income Statement
for the nine-month period ended 30 September 2013
(in thousands of Euro)

	Note	Nine-month period ended 30 September *(unaudited)*		Three-month period ended 30 September *(unaudited*		Year ended 31 December
		2013	2012	2013	2012	2012
Revenues from operations	7	98,236	113,638	32,566	39,654	147,591
Cost of operations	8	(33,899)	(42,264)	(10,515)	(15,726)	(57,174)
Gross margin from operations		**64,337**	**71,374**	**22,051**	**23,928**	**90,417**
Selling expenses		(2,480)	(4,239)	(791)	(1,181)	(3,946)
Administration expenses		(6,357)	(12,918)	(1,974)	(3,627)	(18,881)
Profit (loss) from revaluation/ impairment of assets	11	(77,727)	(37,405)	(9,673)	(28,117)	(101,227)
Impairment of residential projects		(2,002)	(1,650)	(96)	(986)	(13,434)
Other income		135	373	11	130	381
Other expenses		(3,053)	(3,074)	(918)	(524)	(4,595)
Profit (loss) from continuing operations before tax and finance income / (expense)		**(27,147)**	**12,461**	**8,610**	**(10,377)**	**(51,285)**
Foreign exchange differences		(1,603)	1,836	1,169	2,124	2,886
Interest income		2,557	3,814	674	1,287	5,133
Financial expense		(37,041)	(50,184)	(12,223)	(16,283)	(71,950)
Share of profit (loss) of associates		(3,304)	(5,781)	(498)	(610)	(9,992)
Profit (loss) before tax		**(66,538)**	**(37,854)**	**(2,268)**	**(23,859)**	**(125,208)**
Taxation		(10,085)	(4,949)	63	(545)	(6,986)
Profit (loss) for the period		**(76,623)**	**(42,803)**	**(2,205)**	**(24,404)**	**(132,194)**
Attributable to:						
Equity holders of the parent		(66,070)	(24,115)	(992)	(15,951)	(96,034)
Non-controlling interest		(10,553)	(18,688)	(1,213)	(8,453)	(36,160)
Basic earnings per share (Euro)	15	(0.21)	(0.10)	(0.00)	(0.05)	(0.36)
Diluted earnings per share (Euro)	15	(0.21)	(0.10)	(0.00)	(0.05)	(0.36)

The accompanying notes are an integral part of this Interim Condensed Consolidated Income Statement

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Comprehensive Income
for the nine-month period ended 30 September 2013
(in thousands of Euro)

	Nine-month period ended 30 September		Three-month period ended 30 September		Year ended 31 December
	2013 (unaudited)	*2012 (unaudited)*	*2013 (unaudited)*	*2012 (unaudited)*	2012
Profit (loss) for the period/year	**(76,623)**	**(42,803)**	**(2,205)**	**(24,404)**	**(132,194)**
Gain/(loss) on hedge transactions	12,945	690	4,203	760	13,664
Income tax	(2,418)	(241)	(797)	(178)	(2,697)
Net gain/loss on hedge transactions	**10,527**	**449**	**3,406**	**582**	**10,967**
Exchange differences on translation of foreign operations	(780)	228	(64)	(318)	(295)
Total comprehensive income for the period/year, net of tax	**(66,876)**	**(42,126)**	**1,137**	**(24,140)**	**(121,522)**
Attributable to:					
Equity holders of the parent	(56,822)	(22,041)	2,334	(15,260)	(84,017)
Non-controlling interest	(10,054)	(20,085)	(1,197)	(8,880)	(37,505)

All items from other comprehensive income will be reclassified subsequently to profit or loss, when specific conditions are met.

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Changes in Equity
for the nine-month period ended 30 September 2013
(in thousands of Euro)

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Non-controlling interest	Total
Balance as of 1 January 2012	**4,741**	**214,280**	**18,993**	**(37,265)**	**5,361**	**538,139**	**744,249**	**(20,599)**	**723,650**
Other comprehensive income	-	-	-	1,740	334	-	2,074	(1,397)	677
Profit (loss) for the period ended 30 September 2012 (unaudited)	-	-	-	-	-	(24,115)	(24,115)	(18,688)	(42,803)
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**1,740**	**334**	**(24,115)**	**(22,041)**	**(20,085)**	**(42,126)**
Other transactions	-	-	372	-	-	-	372	-	372
Purchase of shares from non controlling interest	-	-	2,758	-	-	-	2,758	7,580	10,338
Issuance of shares, net of issuance expenses	2,341	97,380	-	-	-	-	99,721	-	99,721
Purchase of shares from non controlling interest	-	-	-	-	-	-	-	-	-
Share based payment	-	-	138	-	-	-	138	-	138
Balance as of 30 September 2012	**7,082**	**311,660**	**22,261**	**(35,525)**	**5,695**	**514,024**	**825,197**	**(33,104)**	**792,093**

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Non-controlling interest	Total
Balance as of 1 January 2012	**4,741**	**214,280**	**18,993**	**(37,265)**	**5,361**	**538,139**	**744,249**	**(20,599)**	**723,650**
Other comprehensive income	-	-	-	12,197	(180)	-	12,017	(1,345)	10,672
Profit (loss) for the period ended 31 December 2012	-	-	-	-	-	(96,034)	(96,034)	(36,160)	(132,194)
Total comprehensive income / (loss) for the year	**-**	**-**	**-**	**12,197**	**(180)**	**(96,034)**	**(84,017)**	**(37,505)**	**(121,522)**
Other transactions	-	-	470	-	-	-	470	-	470
Issuance of shares	2,341	97,875	-	-	-	-	100,216	-	100,216
Purchase of non controlling interest	-	-	(3,593)	-	-	-	(3,593)	41,372	37,779
Share based payment	-	-	138	-	-	-	138	-	138
Balance as of 31 December 2012	**7,082**	**312,155**	**16,008**	**(25,068)**	**5,181**	**442,105**	**757,463**	**(16,732)**	**740,731**
Other comprehensive income	-	-	-	10,043	(795)	-	9,248	499	9,747
Profit (loss) for the period ended 30 September 2013	-	-	-	-	-	(66,070)	(66,070)	(10,553)	(76,623)
Total comprehensive income / (loss) for the year	**-**	**-**	**-**	**10,043**	**(795)**	**(66,070)**	**(56,822)**	**(10,054)**	**(66,876)**
Other transactions	-	-	216	-	-	-	216	-	216
Balance as of 30 September 2013	**7,082**	**312,155**	**16,224**	**(15,025)**	**4,386**	**376,035**	**700,857**	**(26,786)**	**674,071**

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Cash Flows
for the nine-month period ended 30 September 2013
(in thousands of Euro)

		Nine-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2012 (unaudited)	Year ended 31 December 2012
CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit (loss) before tax		(66,538)	(37,854)	(125,208)
Adjustments for:				
Revaluation/Impairment of assets		79,729	39,055	114,661
Share of (profit) loss of associates		3,304	5,781	9,992
Loss from sale of fixed assets and other		204		216
Foreign exchange differences loss, net		1,145	(2,536)	(3,197)
Finance income		(2,557)	(3,814)	(5,133)
Finance expenses		37,041	50,184	71,950
Share based payment		(2,368)	2,596	5,036
Depreciation and amortization		374	491	491
Operating cash before working capital changes		**50,334**	**53,903**	**68,808**
Decrease/(increase) in debtors and prepayments and other current assets		1,822	(1,279)	1,496
Decrease in inventory		7,671	13,398	15,897
Increase/(decrease) in advances received		(835)	(1,245)	(1,306)
Increase (decrease) in deposits from tenants		161	-	707
Increase/(decrease) in trade and other payables		(3,730)	(6,494)	(6,065)
Cash generated from/ (used in) operations		**55,423**	**58,283**	**79,537**
Tax paid in the period		(1,336)	(1,788)	(2,467)
Net cash from (used) in operating activities		**54,087**	**56,495**	**77,070**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of non current assets		(21,951)	(41,508)	(47,294)
Sale of investment property		33,345	-	142,043
Acquisition of shares in associates		-	(198)	(198)
Acquisition of subsidiaries, net of cash acquired	(a)	-	(13,957)	(13,957)
Tax / VAT on sale of investment property		(35,719)	-	22,888
Interest received		1,422	3,549	3,973
Lease origination expenses		(148)	(838)	(999)
Loans granted		(703)	-	(563)
Loans repayments		2,374	904	4,571
Net cash used in investing activities		**(21,380)**	**(52,048)**	**110,464**
CASH FLOWS FROM FINANCING ACTIVITIES				
Issue of shares		-	104,191	104,191
Share issuance expenses		-	(3,109)	(3,975)
Proceeds from long-term borrowings		1,371	61,600	133,002
Repayment of long-term borrowings		(145,558)	(82,293)	(276,828)
Interest paid		(35,285)	(41,336)	(68,467)
Loans origination cost		(49)	(758)	(1,414)
Increase (decrease) in short term deposits		(5,708)	13,304	11,408
Net cash from (used in) financing activities		**(185,229)**	**51,599**	**(102,083)**
Effect of foreign currency translation		**(1,410)**	**(213)**	**1,013**
Net increase / (decrease) in cash and cash equivalents		**(153,932)**	**55,833**	**86,464**
Cash and cash equivalents, at the beginning of the period/year		**228,184**	**141,720**	**141,720**
Cash and cash equivalents, at the end of the period/year		**74,252**	**197,553**	**228,184**
Cash classified as part of assets held for sale		**-**	**(208)**	**(287)**
Cash and cash equivalents, at the end of the period/year as per Interim Condensed Consolidated Statement of Financial Position		**74,252**	**197,345**	**227,897**

The accompanying notes are an integral part of this Interim Condensed Consolidated Statement of Cash Flow

(in thousand of Euro)

(a) Purchase of shares in subsidiaries and joint venture, net of cash acquired

	Nine-month period ended 30 September 2013 *(unaudited)*	Nine-month period ended 30 September 2012 *(unaudited)*	Year ended 31 December 2012
Investment property	-	(14,541)	(14,541)
Working capital (net of cash acquired)	-	584	584
Purchase of shares in subsidiaries, net of cash acquired*	-	**(13,957)**	**(13,957)**

*All purchases were asset deal.

1. Principal activities

Globe Trade Centre S.A. (the "Company", "GTC") was registered in Warsaw on December 19, 1996. The Company's registered office is in Warsaw at Wołoska 5 Street. The Company owns through subsidiaries, joint ventures and associates commercial and residential real estate companies in Poland, Hungary, Romania, Serbia, Croatia, Ukraine, Slovakia, Bulgaria, Russia and Czech Republic. The Company is developing and leasing or selling space to commercial and individual tenants, through its directly and indirectly owned subsidiaries.

Globe Trade Centre S.A. is the parent company of the capital group Globe Trade Centre (the "Group").

The Group's business activities are:
a) Development and rental of office and retail space and
b) Development and sale of residential units.

There is no seasonality in the business of the Group companies.

GTC is listed on the Warsaw Stock exchange.

The major shareholder of the Company as of 30 September 2013 is GTC Real Estate Holding N.V., which holds 88,635,914 shares (27.75% of total shares). See note 14.

2. Functional and reporting currencies

The currency of Polish economy is the Polish Zloty.

The functional currency of GTC is Euro. The functional currency of some of GTC's subsidiaries is a currency different from Euro.
The financial statements of those companies prepared in their functional currencies are included in the interim condensed consolidated financial statements by translation into Euro using the closing rate method outlined in IAS 21. Assets and liabilities are translated at the period end exchange rate, while income and expenses are translated at average exchange rates for the period. All resulting exchange differences are recognized in other comprehensive income and classified in equity as "foreign currency translation" without affecting profit and loss for the period.

3. Basis of preparation

The Company maintains its books of account in accordance with accounting principles and practices employed by enterprises in Poland as required by Polish accounting regulations. These interim condensed consolidated financial statements reflect certain adjustments not reflected in the Company's books to present these statements in accordance with standards issued by the International Accounting Standards Board, and the International Financial Reporting Interpretations Committee ("IFRIC") and adopted by EU.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties, derivative financial instruments that have been measured at fair value.

Certain information and footnote disclosures which in accordance with International Financial Reporting Standards adopted by European Union (EU) are normally included in annual financial statements, have been condensed or omitted pursuant to International Accounting Standard No. 34, "Interim Financial Reporting" (IAS 34).

This interim condensed consolidated statement of financial position, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated cash flow statement and interim condensed consolidated statement of changes in equity are unaudited. The interim condensed consolidated income statement and interim condensed consolidated statement of comprehensive income and respective notes cover also the 3-month period ended 30 September 2013 and contain comparative data for the 3-month period ended 30 September 2012 – these data were not subject to review or audit by an independent auditor. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended 31 December 2012. The interim financial results are not necessarily indicative of the full year results.

The interim condensed consolidated financial statements of the Group describe it's business activities as well as financial position, cash flow, liquidity position and borrowing facilities. The Group's objectives, policies and processes are aimed at managing its capital and financial and liquidity risks on a sound basis. The Group meets its day to day working capital requirements through the generation of cash inflow from rental income and sale activity.

The Group's financial operations are based on centralized treasury process implemented in the whole capital group. GTC S.A., the parent company manages the capital inflows (other than working capital) from the subsidiaries and makes capital available to the subsidiaries. The management after review of the group's policy and consultations with directors of the subsidiaries, believes that the centralized policy allows for the most effective and elastic management of group's cash flow and shall continue. Support to the subsidiaries, shall be made on the basis of the financing and capital requirements of the subsidiaries taking into account the subsidiaries particular working capital needs.

3. Basis of preparation (continued)

The current macroeconomic conditions create uncertainty about market conditions and in particular over the level of demand for Group's commercial space and residential units, that may influence the operating costs and the availability of bank finance in the foreseeable future.

As of 30 September 2013 the Group's entities are not in breach of loan covenants.

The management has analyzed the timing, nature and scale of potential financing needs of particular subsidiaries.

The consolidated financial statements have been prepared on the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least 12 months.

To support the above assumption, the Management runs a cash flow forecast, which is updated from time to time. As the forecast relates to future events, inherently it is subject to uncertainties and therefore, the Management cannot guarantee that all such assumptions will materialize, however it believes that as of the date of the financial statements these assumptions are reasonably achievable.

Impairment of assets

The carrying value of assets is periodically reviewed by Management to determine whether impairment may exist. Based upon its most recent analysis, management believes that no additional material impairment of assets exists as of 30 September 2013.

Hedges

The Company has currency and interest rate swaps. Valuation inputs are taken from available market information about interest rates and foreign exchange rates for this type of instruments. These instruments are classified in level 2 of fair value hierarchy.

Level 2- Inputs are based on observable transactions, either directly or indirectly.

4. Significant accounting policies, estimates and judgments

Significant accounting policies

The Polish law requires the Group to prepare its interim condensed consolidated financial statements in accordance with IFRS applicable to interim financial reporting as adopted by European Union ("EU") (IAS 34).). At the date of authorisation of these condensed consolidated financial statements, in light of the current process of IFRS endorsement in the European Union and the nature of the Group's activities, there is a difference between International Financial Reporting Standards and International Financial Reporting Standards endorsed by the European Union. The Group applied the possibility existing for the companies applying International Financial Reporting Standards endorsed by the EU, to apply IFRS 10, IFRS 11, restated IAS 27 and IAS 28 for the reporting periods beginning on 1 January 2014.

The interim condensed consolidated financial statements have been prepared in accordance with IFRS applicable to the interim financial reporting (IAS 34) and all applicable IFRS that have been adopted by EU.

These interim condensed consolidated financial statements are prepared based on the same accounting policies as for the consolidated financial statements of the Company for the year ended 31 December 2012, except for the following amendments to existing standards and new regulations that are effective for financial years beginning on or after 1 January 2013:

Amendments to IAS 19 Employee Benefits - effective for financial years beginning on or after 1 January 2013,
Amendments to IAS 1 Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income - effective for financial years beginning on or after 1 July 2012,
Amendments to IAS 12 Income Taxes: Deferred Tax: Recovery of Underlying Assets – effective for financial years beginning on or after 1 January 2012 – in EU effective at the latest for financial years beginning on or after 1 January 2013,
Amendments to IFRS 1 First–time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First–time Adopters – effective for financial years beginning on or after 1 July 2011 – in EU effective at the latest for financial years beginning on or after 1 January 2013,
IFRS 13 Fair Value Measurement - effective for financial years beginning on or after 1 January 2013,
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine - effective for financial years beginning on or after 1 January 2013,
Amendments to IFRS 7 Financial Instruments – Disclosures: Offsetting Financial Assets and Financial Liabilities - effective for financial years beginning on or after 1 January 2013,
Amendments to IFRS 1 First–time Adoption of International Financial Reporting Standards: Government Loans – effective for financial years beginning on or after 1 January 2013,

4. Significant accounting policies, estimates and judgments (continued)

Improvements to IFRSs (issued in May 2012) – effective for financial years beginning on or after 1 January 2013.

The following new standards, amendments to standards and interpretations have been issued but are not effective for 2013.

The first phase of IFRS 9 Financial Instruments: Classification and Measurement – effective for financial years beginning on or after 1 January 2015 – not endorsed by EU till the date of approval of these financial statements. In subsequent phases, the IASB will address hedge accounting and impairment. The application of the first phase of IFRS 9 will have impact on classification and measurement of the financial assets of the Group. The Group will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

IFRS 10 Consolidated Financial Statements- effective for financial years beginning on or after 1 January 2013, – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014.

IFRS 11 Joint Arrangements – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014.

IFRS 12 Disclosure of Interests in Other Entities – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. Entity decided to apply IFRS for the periods beginning on 1 January 2014.

Amendments to IFRS 10, IFRS 11 and IFRS 12 Transition Guidance - effective for financial years beginning on or after 1 January 2013 - in EU effective at the latest for financial years beginning on or after 1 January 2014.

IAS 27 Separate Financial Statements – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. . Entity decided to apply IAS for the periods beginning on 1 January 2014.

IAS 28 Investments in Associates and Joint Ventures – effective for financial years beginning on or after 1 January 2013 – in EU effective at the latest for financial years beginning on or after 1 January 2014. . Entity decided to apply IAS for the periods beginning on 1 January 2014.

Amendments to IAS 32 Financial Instruments – Presentation: Offsetting Financial Assets and Financial Liabilities- effective for financial years beginning on or after 1 January 2014.

Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities (issued on 31 October 2012) – effective for financial years beginning on or after 1 January 2014 – not endorsed by EU till the date of approval of these financial statements.

IFRIC 21 Levies – effective for financial years beginning on or after 1 January 2014 – not endorsed by EU till the date of approval of these financial statements.

Amendments to IAS 36 Recoverable Amounts Disclosures for Non-Financial Assets (issued on 29 May 2013) – effective for financial years beginning on or after

1 January 2014 - not endorsed by EU till the date of approval of these financial statements.

4. Significant accounting policies, estimates and judgments (continued)

Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting (issued on 27 June 2013) – effective for financial years beginning on or after 1 January 2014 – not yet endorsed by EU till the date of approval of these financial statements.

The Company has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

The management is in process of analyzing the impact of the above new standards and amendments on the consolidated financial statements in the period of their initial application.

Classification as inventory and residential landbank

The Company classifies its residential inventory to current or non-current assets, based on their development stage within the business operating cycle. The normal operating cycle most cases falls within period of 1-5 years. Residential projects, which are active, are classified as current inventory. Residential projects which are planned to be completed in a period longer than the operating cycle are classified as residential landbank under non-current assets.

(in thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures

The interim condensed consolidated financial statements include the financial statements of the company, its subsidiaries and jointly controlled entities listed below together with direct and indirect ownership of these entities as at the end of each period (the table presents the effective stake):

Name	Holding Company	Country of incorporation	30 September 2013	30 September 2012	31 December 2012
GTC Konstancja Sp. z o.o. (“GTC Konstancja”)	GTC S.A.	Poland	100%	100%	100%
GTC Korona S.A. (“GTC Korona”)	GTC S.A.	Poland	100%	100%	100%
Globis Poznań Sp. z o.o (“Globis Poznan”)	GTC S.A.	Poland	100%	100%	100%
GTC Aeropark Sp. z o.o. (“GTC Aeropark”)	GTC S.A.	Poland	100%	100%	100%
GTC Topaz Office Sp. z o.o. (“GTC Topaz Office ”) (liquidated)	GTC S.A.	Poland	-	100%	100%
Globis Wrocław Sp. z o.o (“Globis Wrocław”)	GTC S.A.	Poland	100%	100%	100%
GTC Galeria Kazimierz Sp. z o.o (“GTC Galeria Kazimierz”) (*)	GTC S.A.	Poland	50%	50%	50%
GTC Nefryt Sp. z o.o. (“GTC Nefryt ”) (liquidated)	GTC S.A.	Poland	-	100%	100%
GTC Satellite Sp. z o.o. (“GTC Satellite”)	GTC S.A.	Poland	100%	100%	100%
GTC Ogrody Galileo Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC GK Office Sp. z o.o. (“GTC GK Office ”)	GTC S.A.	Poland	100%	100%	100%
GTC Com 1 Sp. z o.o. (“GTC Com 1”)	GTC S.A.	Poland	100%	100%	100%
GTC Karkonoska Sp. z o.o. (previously GTC Wroclaw Office)	GTC S.A.	Poland	100%	100%	100%
GTC Ortal Sp. z o.o. (previously Byrant)	GTC S.A.	Poland	100%	100%	100%
Diego Sp. z o.o. (“Diego”)	GTC S.A.	Poland	100%	100%	100%
GTC Francuska Sp. z o.o (previously GTC Cyril)	GTC S.A.	Poland	100%	100%	100%
GTC UBP Sp. z o.o. (previously GTC Com 3)	GTC S.A.	Poland	100%	100%	100%
GTC Wilson Park Sp. z o.o (previously GTC Com 4)	GTC S.A.	Poland	100%	100%	100%
GTC Moderna Sp. z o.o. (previously GTC Com 5)	GTC S.A.	Poland	100%	100%	100%
CH Wilanow Sp. z o.o. („CH Wilanow”)	GTC S.A.	Poland	100%	100%	100%
Alfa Development Inwestycje sp. z o.o	GTC S.A.	Poland	100%	100%	100%
GTC Corius sp. z o.o (previously Sigma development)	GTC S.A.	Poland	100%	100%	100%
Centrum Światowida sp. z o.o. („Centrum Światowida”)	GTC S.A.	Poland	100%	100%	100%
Mieszkania Światowida sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Omega Development Inwestycje Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
Epsilon Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	-	100%
Delta Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
Havern Investments sp. z o.o. s.k.a.	GTC S.A.	Poland	50%	-	-
Havern Investments sp. z o.o.	GTC S.A.	Poland	50%	-	-
Omikron Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	100%	100%
GTC Galeria CTWA Sp. z o.o. (“Galeria CTWA”)	GTC S.A.	Poland	100%	100%	100%

* Proportionate consolidation.

(in thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	30 September 2013	30 September 2012	31 December 2012
GTC Hungary Real Estate Development Company Ltd. ("GTC Hungary")	GTC S.A.	Hungary	100%	100%	100%
Budapest Investments B.V.	GTC Hungary	Netherland	100%	100%	100%
Budapest Offices B.V.	GTC Hungary	Netherland	100%	100%	100%
Vaci Ut 81-85 Kft.	GTC Hungary	Hungary	100%	100%	100%
Riverside Apartments Kft. ("Riverside")	GTC Hungary	Hungary	100%	100%	100%
Centre Point I. Kft. ("Centre Point I")	GTC Hungary	Hungary	100%	100%	100%
Centre Point II. Kft. ("Centre Point II")	GTC Hungary	Hungary	100%	100%	100%
Spiral Holding Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral I.Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral II. Kft.	GTC Hungary	Hungary	100%	100%	100%
River Loft Ltd.	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Kft.	GTC Hungary	Hungary	100%	100%	100%
Albertfalva Kft. ("Szeremi Gate")	GTC Hungary	Hungary	100%	100%	100%
GTC Metro Kft (formerly "Jazmin Ingatlan Kft.")	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Offices Kft	GTC Hungary	Hungary	100%	100%	100%
Toborzó Széplak Kft.	GTC Hungary	Hungary	100%	100%	100%
Mastix Champion Kft.	GTC Hungary	Hungary	100%	100%	100%
GTC Renaissance Plaza Kft.	GTC Hungary	Hungary	100%	100%	100%
SASAD II Kft.	GTC Hungary	Hungary	100%	100%	100%
Amarantan Ltd.	GTC Hungary	Hungary	100%	100%	100%
Abritus Kft.	GTC Hungary	Hungary	100%	100%	100%
Immo Buda Kft.	GTC Hungary	Hungary	100%	100%	100%
Szemi Ingatlan Ltd.	GTC Hungary	Hungary	100%	100%	100%
Preston Park Kft.	GTC Hungary	Hungary	100%	100%	100%
GTC Real Estate Investments Ukraine B.V. ("GTC Ukraine")	GTC S.A.	Netherlands	90%	90%	90%
Emerging Investments III B.V.	GTC S.A.	Netherlands	100%	100%	100%
GTC Real Estate Management Services Ukraine LLC	GTC Ukraine	Ukraine	90%	90%	90%
GTC Real Estate Investments Russia B.V. ("GTC Russia", formerly GTC Moldova)	GTC S.A.	Netherlands	100%	100%	100%
Yatelsis Viborgskaya Limited of Nicosia ("YVL") (*)	GTC Russia	Cyprus	50%	50%	50%
GT Development service SPB	GTC Russia	Russia	-	100%	-
OOO Okkerville (*)	YVL	Russia	50%	50%	50%
ZAO Krasny Mayak (*)	YVL	Russia	50%	50%	50%
GTC Real Estate Investments Slovakia B.V. ("GTC Slovakia")	GTC S.A.	Netherlands	100%	100%	100%
GTC Real Estate Developments Bratislava B.V. ("GTC Bratislava")	GTC Slovakia	Netherlands	70%	70%	70%
GTC Real Estate Management s.r.o.	GTC Slovakia	Slovakia	100%	100%	100%
GTC Real Estate Park s.r.o.	GTC Bratislava	Slovakia	70%	70%	70%
GTC Vinohradis Piazza S.R.O	GTC Bratislava	Slovakia	70%	70%	70%
GTC Jarossova S.R.O	GTC Bratislava	Slovakia	70%	70%	70%
GTC Hill S.R.O	GTC Bratislava	Slovakia	70%	70%	70%
GTC Vinohradis Villas S.R.O	GTC Slovakia	Slovakia	70%	70%	70%
GTC Real Estate Vinohrady s.r.o. ("GTC Vinohrady")	GTC Bratislava	Slovakia	70%	70%	70%
GTC Real Estate Vinohrady 2 s.r.o. ("GTC Vinohrady 2")	GTC Bratislava	Slovakia	70%	70%	70%

* Proportionate consolidation.

(in thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	30 September 2013	30 September 2012	31 December 2012
GTC Real Estate Investments Croatia B.V. (“GTC Croatia”)	GTC S.A.	Netherlands	100%	100%	100%
GTC Nekretnine Zagreb d.o.o.(“GTC Zagreb”)	GTC Croatia	Croatia	100%	100%	100%
Euro Structor d.o.o.	GTC Croatia	Croatia	70%	70%	70%
Marlera Golf LD d.o.o	GTC Croatia	Croatia	80%	80%	80%
Nova Istra Idaeus d.o.o.	Marlera Golf LD d.o.o	Croatia	80%	80%	80%
GTC Nekretnine Istok d.o.o	GTC Croatia	Croatia	80%	80%	80%
GTC Nekretnine Jug. d.o.o	GTC Croatia	Croatia	100%	100%	100%
GTC Sredisnja tocka d.o.o.	GTC Croatia	Croatia	100%	100%	100%
GTC Nekretnine Zapad d.o.o	GTC Croatia	Croatia	100%	100%	100%
GTC Real Estate Investments Romania B.V. (“GTC Romania”)	GTC S.A.	Netherlands	100%	100%	100%
Towers International Property S.R.L	GTC Romania	Romania	100%	100%	100%
Galleria Shopping Center S.R.L. (formerly “International Hotel and Tourism S.R.L”)	GTC Romania	Romania	100%	100%	100%
Bucharest Properties B.V	GTC Romania	Netherlands	100%	100%	100%
Green Dream S.R.L	GTC Romania	Romania	100%	100%	100%
Titulescu Investments B.V. (“Titulescu”)	GTC Romania	Netherlands	100%	100%	100%
Aurora Business Complex S.R.L	GTC Romania	Romania	71.5%	71.5%	71.5%
Yasmine Residential Complex S.R.L	GTC Romania	Romania	100%	100%	100%
Bucharest City Gate B.V. ("BCG”)	GTC Romania	Netherlands	58.9%	58.9%	58.9%
Bucharest City Gate S.R.L	BCG	Romania	58.9%	58.9%	58.9%
Mablethompe Investitii S.R.L.	GTC Romania	Romania	100%	100%	100%
National Commercial Centers B.V.	GTC Romania	Netherlands	100%	52%	100%
Mercury Commercial Center S.R.L.	GTC Romania	Romania	100%	100%	100%
Venus Commercial Center S.R.L.	National Commercial Centers B.V.	Romania	100%	84.9%	100%
Mars Commercial Center S.R.L.	National Commercial Centers B.V.	Romania	100%	70%	100%
Beaufort Commercial Center S.R.L.	National Commercial Centers B.V.	Romania	100%	70%	100%
Fajos S.R.L.	National Commercial Centers B.V.	Romania	100%	70%	100%
City Gate S.R.L	Bucharest City Gate B.V.	Romania	58.9%	58.9%	58.9%
Brightpoint Investments Limited	GTC Romania	Romania	50.1%	50.1%	50.1%
Complexul Residential Colentina S.R.L .	GTC Romania	Romania	50.1%	50.1%	50.1%
Cefin Galati Real Estate S.R.L	GTC Romania	Romania	100%	100%	100%
Operetico Enterprises Ltd.	GTC Romania	Cyprus	66.7%	66.7%	66.7%
Bucharest Tower Investments B.V.	GTC Romania	Netherlands	100%	100%	100%
Ana Tower Offices S.R.L (*)	Bucharest Tower Investments B.V.	Romania	50%	50%	50%
Deco Intermed S.R.L	Operetico Enterprises Ltd.	Romania	66.7%	66.7%	66.7%
GML American Regency Pipera S.R.L	GTC Romania	Romania	66.7%	66.7%	66.7%

* Proportionate consolidation.

(in thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	30 September 2013	30 September 2012	31 December 2012
GTC Real Estate Investments Bulgaria BV („GTC Bulgaria")	GTC S.A.	Netherlands	100%	100%	100%
Galeria Stara Zagora AD	GTC Bulgaria	Bulgaria	75%	75%	75%
Galeria Burgas JSC	GTC Bulgaria	Bulgaria	80%	80%	80%
Galeria Varna JSC	Galeria Ikonomov GmbH	Bulgaria	65%	65%	65%
GTC Business Park EAD	GTC Bulgaria	Bulgaria	100%	100%	100%
NRL EAD	GTC Bulgaria	Bulgaria	100%	100%	100%
Galeria Ikonomov GmbH	GTC Bulgaria	Austria	65%	65%	65%
GTC Yuzhen Park EAD ("GTC Yuzhen")	GTC Bulgaria	Bulgaria	100%	100%	100%
GTC Real Estate Investments Serbia B.V. ("GTC Serbia")	GTC S.A.	Netherlands	100%	100%	100%
City Properties Serbia B.V.	GTC Serbia	Netherlands	100%	100%	100%
GTC Medj Razvoj Nekretnina d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Business Park d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Commercial and Residential Ventures d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Real Estate Developments d.o.o.	GTC Commercial Development d.o.o.	Serbia	95%	95%	95%
Demo Invest d.o.o	City Properties Serbia B.V.	Serbia	100%	100%	100%
Atlas Centar d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Commercial Development d.o.o.	GTC Serbia	Serbia	100%	100%	100%

Investment in Associates

Name	Holding Company	Country of incorporation	30 September 2013	30 September 2012	31 December 2012
Lighthouse Holdings Limited S.A. ("Lighthouse")	GTC S.A.	Luxemburg	35%	35%	35%
Vokovice BCP Holding S.A. ("Vokovice")	GTC S.A.	Luxemburg	35%	35%	35%
Holesovice Residential Holdings S.A. ("Holesovice")	GTC S.A.	Luxemburg	35%	35%	35%
CID Holding S.A. ("CID")	GTC S.A.	Luxemburg	35%	35%	35%
Europort Investment (Cyprus) 1 Limited	GTC Ukraine	Cyprus	49,9%	49,9%	49,9%
Europort LTD	Emerging investment	Israel	9.9%	9.9%	9.9%

6. Events in the period

On 28 February 2013, the Company signed final agreement for sale of Platinum V in the amount of Euro 32.5 million. On the same day, the company fully repaid the loan in amount of Euro 10.1 million related to this asset.

On 12 March 2013, the Romanian Chamber of Deputies has approved a decision, which provides that it will not be possible to designate for other use any lands that are currently classified as green areas. Current law does not allow GTC Group to develop land plot in Bucharest that was intended for shopping mall project (Galleria Bucharest) and is currently classified as green area. As a result, the Company recorded an impairment loss of Euro 15.1 million. The green area land plot recoverable amount mainly represents the future expected expropriation compensation, on the assumption that an average market participant is willing to pay this amount for the land plot based on the future expected expropriation compensation.

In May 2013, the Company repaid Euro 77.7 million of bonds and Euro 19.6 million of its related hedge instrument.

On September 27, 2013 the Company signed amendment to the project financing loan agreements signed between EBRD and the subsidiaries holding Stara Zagora, Galeria Burgas Osijek, NCC and Arad shopping centres.
According to the amendment, the Company undertakes to partially early repay some of the loan principals. The bank undertakes to provide a grace period of 2-3 years depending on loan facility on principal repayments and a reduced margin during the grace period.

On 4 October 2013, GTC Galeria Kazimierz, a subsidiary of GTC, signed a preliminary sale agreement for sale of Galeria Kazimierz shopping mall at a price, of approx. 180 million euro. GTC holds 50% share in the subsidiary. Finalization of the transaction is subject to certain conditions.

As of 30 September 2013, asset is presented as held for sale. The related bank loan, in the amount of Euro 41.3 million, is presented as liabilities to be repaid upon sale.

(in thousands of Euro)

7 Revenue from operations

Revenue from operations comprises the following:

	Nine-month period ended 30 September 2013 *(unaudited)*	Nine-month period ended 30 September 2012 *(unaudited)*	Three-month period ended 30 September 2013 *(unaudited)*	Three-month period ended 30 September 2012 *(unaudited)*	Year ended 31 December 2012
Rental revenue	68,948	75,023	22,847	25,867	98,690
Service revenue	20,551	22,689	6,676	7,636	29,872
Residential revenue	8,737	15,926	3,043	6,151	19,029
	98,236	**113,638**	**32,566**	**39,654**	**147,591**

The majority of revenue from operations is earned predominantly on the basis of amounts denominated in, directly linked to or indexed by reference to the euro.

8 Cost of operations

Costs of operations comprise the following:

	Nine-month period ended 30 September 2013 *(unaudited)*	Nine-month period ended 30 September 2012 *(unaudited)*	Three-month period ended 30 September 2013 *(unaudited)*	Three-month period ended 30 September 2012 *(unaudited)*	Year ended 31 December 2012
Service costs	24,826	26,782	7,557	9,562	38,138
Residential costs	9,073	15,482	2,958	6,164	19,036
	33,899	**42,264**	**10,515**	**15,726**	**57,174**

9. Segmental analysis

The Group’s operating segments are carried out through subsidiaries that develop real estate projects.
The operating segments are aggregated into reportable segments, taking into consideration the nature of the business, operating markets and other factors. Reportable segments are divided into two main segments:

1. Development and rental of office space and shopping malls (“rental activity”) and
2. Development and sale of houses and apartment units (“residential activity”).

The activities carried out in the above mentioned operating segments are conducted in the following geographical zones, which have common characteristics:

a. CE3 countries (Poland and Hungary)

(in thousands of Euro)

b. Romania and Bulgaria
c. Other CEE countries (Serbia, Croatia, Ukraine, Slovakia, and Russia)

Management monitors the gross margin on operations of its business units for the purposes of making performance assessment and decision making. Operating segment performance is evaluated based on gross margin from operations.
The resource allocation decisions made by the management are based on analysis of the same segments as for financial reporting purposes.

Segment analysis for the nine-month periods ended 30 September 2013 (unaudited) and 30 September 2012 (unaudited) is presented below:

	Poland and Hungary		Romania and Bulgaria		Other countries		Consolidated	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012
Rental and service income	51,379	59,129	18,155	17,356	19,965	21,227	89,499	97,712
Residential income	1,917	8,514	5,243	3,695	1,577	3,717	8,737	15,926
Total income	**53,296**	**67,643**	**23,398**	**21,051**	**21,542**	**24,944**	**98,236**	**113,638**
Rental and service costs	10,616	11,542	7,783	8,539	6,427	6,701	24,826	26,782
Residential costs	1,412	6,423	6,030	4,328	1,631	4,731	9,073	15,482
Total costs	**12,028**	**17,965**	**13,813**	**12,867**	**8,058**	**11,432**	**33,899**	**42,264**
Rental and service result	40,763	47,587	10,372	8,817	13,538	14,526	64,673	70,930
Residential result	505	2,091	(787)	(633)	(54)	(1,014)	(336)	444
Total result	**41,268**	**49,678**	**9,585**	**8,184**	**13,484**	**13,512**	**64,337**	**71,374**

(in thousands of Euro)

9. Segmental analysis (continued)

Segment analysis for the three-month periods ended 30 September 2013 (unaudited) and 30 September 2012 (unaudited) is presented below:

	Poland and Hungary		Romania and Bulgaria		Other countries		Consolidated	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012
Rental and service income	16,805	20,618	5,963	5,881	6,755	7,004	29,523	33,503
Residential income	1,271	2,521	1,112	2,034	660	1,596	3,043	6,151
Total income	**18,076**	**23,139**	**7,075**	**7,915**	**7,415**	**8,600**	**32,566**	**39,654**
Rental and service costs	3,030	4,116	2,391	2,932	2,136	2,514	7,557	9,562
Residential costs	814	2,059	1,451	2,330	693	1,775	2,958	6,164
Total costs	**3,844**	**6,175**	**3,842**	**5,262**	**2,829**	**4,289**	**10,515**	**15,726**
Rental and service result	13,775	16,502	3,572	2,949	4,619	4,490	21,966	23,941
Residential result	457	462	(339)	(296)	(33)	(179)	85	(13)
Total result	**14,232**	**16,964**	**3,233**	**2,653**	**4,586**	**4,311**	**22,051**	**23,928**

Segment analysis for the nine-month period ended 30 September 2013 (unaudited) and year ended 31 December 2012 is presented below:

	Poland and Hungary		Romania and Bulgaria		Other countries		Consolidated	
	30 September 2013	31 December 2012	30 September 2013	31 December 2012	30 September 2013	31 December 2012	30 September 2013	31 December 2012
Rental and service income	51,379	77,084	18,155	23,634	19,965	27,844	89,499	128,562
Residential income	1,917	8,815	5,243	6,108	1,577	4,106	8,737	19,029
Total income	**53,296**	**85,899**	**23,398**	**29,742**	**21,542**	**31,950**	**98,236**	**147,591**
Rental and service costs	10,616	15,840	7,783	12,923	6,427	9,375	24,826	38,138
Residential costs	1,412	6,687	6,030	7,202	1,631	5,147	9,073	19,036
Total costs	**12,028**	**22,527**	**13,813**	**20,125**	**8,058**	**14,522**	**33,899**	**57,174**
Rental and service result	40,763	61,244	10,372	10,711	13,538	18,469	64,673	90,424
Residential result	505	2,128	(787)	(1,094)	(54)	(1,041)	(336)	(7)
Total result	**41,268**	**63,372**	**9,585**	**9,617**	**13,484**	**17,428**	**64,337**	**90,417**

(in thousands of Euro)

10 Investment in associates

The investment in associates refers to operation holdings in Czech Republic and Ukraine and comprises the following:

	30 September 2013 *(unaudited)*	30 September 2012 *(unaudited)*	31 December 2012
Shares	5,846	5,846	5,846
Translation differences reserve	1,047	420	674
Equity profit, net of dividend	(11,298)	(3,783)	(7,994)
Loans granted	42,775	46,854	43,548
Investment in associates	**38,370**	**49,337**	**42,074**

As of 30 September 2013, a Czech associated entity of the Company that holds Harfa's shopping center in Prague ("CID") has a bank loan outstanding in the amount of Euro 107.2 million which finance the asset that is valued at Euro 165 million, and which is due to mature on 31 October 2013; however CID currently does not have sufficient funds available to repay the loan in full, nor it secured the loan prolongation.

After the date of the financial statements, the company has received a binding approval from the lender for prolongation of the loan, until 31 December 2015. The company will early repay Euro 7.1 million in 2013.

The loan repayment prolongation is subject to signing the relevant documentation, which is expected until the year end.

(in thousands of Euro)

11 Investment Property

The investment properties that are owned by the Group are office and commercial space, including property under construction:

Investment property can be split up as follows:

	30 September 2013 *(unaudited)*	30 September 2012 *(unaudited)*	31 December 2012
Completed investment Property	1,183,435	1,355,961	1,308,398
Undeveloped land and Investment Property under construction	292,450	318,683	305,347
Total	**1,475,885**	**1,674,644**	**1,613,745**

The movement in investment property for the periods ended 30 September 2013 and 2012 and 31 December 2012 was as follows:

	Nine-month period ended 30 September 2013 *(unaudited)*	Nine-month period ended 30 September 2012 *(unaudited)*	Three-month period ended 30 September 2013 *(unaudited)*	Three-month period ended 30 September 2012 *(unaudited)*	Year ended 31 December 2012
Carrying amount at beginning of the year	**1,613,745**	**1,703,889**	**1,565,702**	**1,690,482**	**1,703,889**
Additions , including:					
Capitalised subsequent expenditure	20,669	42,166	8,242	4,020	46,394
Purchase of shares in subsidiaries and Joint venture (see note 5)	-	14,541	-	14,541	14,541
Adjustment to fair value/impairment	(77,727)	(41,502)	(9,673)	(26,661)	(105,693)
Reclassified to inventory	-	-	-	-	(397)
Disposals	-	-	-	-	(40,899)
Reclassified from (to) assets held for sale (*)	(80,665)	(44,759)	(88,500)	(7,895)	(4,079)
Translation differences	(137)	309	114	157	(11)
Carrying amount at the end of the year	**1,475,885**	**1,674,644**	**1,475,885**	**1,674,644**	**1,613,745**

(*) The company reclassified Galeria Kazimierz to assets held for sale. The company reclassified Buzau, Piatra (2 shopping malls in Romania), and part of Konstancin land (Poland) from assets held for sale back to investment property.

(in thousands of Euro)

11. Investment Property (continued)

Fair value and impairment adjustments consists of the following:

	Nine-month period ended 30 September 2013 *(unaudited)*	Nine-month period ended 30 September 2012 *(unaudited)*	Three-month period ended 30 September 2013 *(unaudited)*	Three-month period ended 30 September 2012 *(unaudited)*	Year ended 31 December 2012
Fair value of properties completed in prior years	(52,048)	(47,830)	(8,803)	(26,817)	(85,320)
Fair value of newly completed properties	-	8,006	-	227	(4,083)
Fair value of property under construction	(428)	4,570	(428)	-	4,570
Impairment adjustment	(25,251)	(6,248)	(442)	(1,527)	(20,860)
Fair value of assets held for sale	-	4,097	-	-	4,466
	(77,727)	(37,405)	(9,673)	(28,117)	(101,227)

Assumptions used in the valuations of completed assets as of 30 September 2013 are presented below:

Country	Class of asset	Book value	NRA Thousand sqm	Average Ocupancy %	Average yield %	Average actual rent Euro/sqm	Average ERV (*) Euro/sqm	Average duration Years	Number of assets Level 2	Number of assets Level 3
Poland	Retail	156,000	49	89%	7.5%	21.7	19.5	4.4	1	
Poland	Office	295,135	144	92%	7.9%	15.1	13.8	3.6	11	
Serbia	Office	111,700	53	92%	8.6%	16.8	14.6	3.6		3
Croatia	Retail	166,000	65	93%	9.0%	15.2	19.6	6.0		2
Hungary	Office	164,900	91	96%	8.1%	12.5	12.3	3.0	3	
Slovakia	Office	15,600	13	57%	8.8%	9.5	9.6	2.7		1
Romania	Retail	35,100	59	88%	9.9%	4.1	8.1	6.9		3
Romania	Office	159,000	48	96%	8.0%	21.5	22.0	4.4	1	
Bulgaria	Retail	80,000	62	87%	9.1%	5.6	11.6	7.9		2
Total/ Average		1,183,435	584	91%	8.4%	13.7	14.5	4.7	16	11

Information regarding undeveloped land and investment property under construction as of 30 September 2013 is presented below:

	Book value	Estimated building rights Thousand sqm	Average book value Euro/sqm	Number of assets Level 2	Number of assets Level 3
Poland	117,111	436	269		13
Serbia	35,700	93	384		3
Croatia	8,475	21	404		1
Hungary	46,900	315	149		5
Romania	23,181	82	283		4
Bulgaria	33,449	130	257		3
Russia	27,634	55	502		1
Total/Average	292,450	1,132	258		30

(*) ERV- Estimated Rent Value applicable upon renewals

(in thousands of Euro)

11. Investment Property (continued)

The Company uses independent reputable international valuers to assess and determine the market value of its assets. In determining the values, valuers use market inputs that can be classified in accordance with IFRS13, into two main types, based on their relevance to market values and transactions:
Level 2- Inputs are based on observable transactions, either directly or indirectly. Level 3- Unobservable inputs

Assumptions used in the valuations of completed assets as of 31 December 2012 are presented below:

Country	Book value	NRA Thousand sqm	Average Ocupancy %	Average yield %	Average actual rent Euro/sqm	Average ERV (*) Euro/sqm	Average duration Years
Poland	544,316	212	89%	7.5%	17.8	16.6	3.8
Serbia	116,500	53	89%	8.6%	17.1	14.5	3.6
Croatia	172,500	64	95%	10.2%	15.8	22.2	5.2
Hungary	172,500	91	95%	8.1%	12.5	12.9	2.7
Slovakia	15,400	14	47%	8.8%	9.2	9.3	2.8
Romania	199,782	80	96%	8.1%	14.6	18.2	6.0
Bulgaria	87,400	62	89%	9.1%	7.3	13.1	5.2
Total/Average	1,308,398	576	91%	8.3%	14.9	15.4	4.2

Information regarding undeveloped land and investment property under construction as of 31 December 2012 is presented below:

	Book value	Estimated building rights Thousand sqm	Average book value Euro/sqm
Poland	114,280	436	262
Serbia	31,300	93	337
Croatia	8,475	42	200
Hungary	47,200	315	150
Romania	39,561	120	329
Bulgaria	36,849	126	292
Russia	27,683	55	503
Total/Average	305,348	1,187	257

(in thousands of Euro)

12 Inventory and residential landbank

Completed inventory as of 30 September 2013 consists of the following:

	Book value	Thousand sqm	Average book value Euro/sqm
Poland	6,381	4	1,475
Hungary	465	1	845
Serbia	252	<1	741
Slovakia	1,380	1	1,624
Romania	40,554	50	813
Total/Average	49,032	57	877

Residential Landbank and uncompleted inventory as of 30 September 2013 consists of the following:

	Book value	Estimated building rights Thousand sqm	Average book value Euro/sqm
Poland	9,065	37	244
Croatia	15,199	48	317
Hungary	20,892	138	151
Slovakia(*)	21,500	82	261
Romania	29,287	309	95
Total/Average	95,943	614	156

Completed inventory as of 31 December 2012 consists of the following:

	Book value	Thousand sqm	Average book value Euro/sqm
Poland	7,342	4	1,661
Hungary	988	1	823
Slovakia	3,054	2	1,636
Romania	45,496	56	818
Total/Average	56,880	63	901

Residential Landbank and uncompleted inventory as of 31 December 2012 consists of the following:

	Book value	Estimated building rights Thousand sqm	Average book value Euro/sqm
Poland	9,348	37	252
Croatia	15,164	48	316
Hungary	21,362	138	155
Slovakia	23,100	86	269
Romania	29,287	309	95
Total/Average	98,261	618	159

(*) During Q2 2013, a land in Slovakia in amount of Euro 21,500 thousand, was reclassified from Inventory into Residential landbank .

(in thousands of Euro)

13 Long-term loans and bonds

Long-term loans and bonds comprise the following:

	30 September 2013	30 September 2012	31 December 2012
Bonds seria 0414	83,843	179,711	85,101
Bonds seria 2017-2018	71,845	-	72,633
Bonds seria 0513	-	87,363	80,163
Loan from Pekao (GTC Galeria Kazimierz)	-	42,190	41,984
Loan from WBK (Globis Poznan)	15,547	16,054	15,927
Loan from WBK 1 (Galileo)	4,940	5,624	5,403
Loan from WBK 2 (Newton)	9,977	10,832	10,526
Loan from WBK 3 (Edison)	11,157	11,551	11,453
Loan from Pekao (Globis Wroclaw)	26,261	26,894	26,739
Loan from ING (Nothus)	16,272	16,686	16,596
Loan from ING (Zefirus)	16,272	16,686	16,596
Loan from Berlin Hyp (Corius)	12,800	13,000	13,000
Loan from ING (Platinium 1)	-	19,451	-
Loan from ING (Platinium 2)	-	19,451	-
Loan from Berlin Hyp (Platinium 3)	-	19,200	-
Loan from ING (Platinium 4)	-	20,916	-
Loan from Berlin Hyp (Platinium 5)	-	10,065	10,146
Loan from WBK (Kazimierz office)	28,071	28,579	28,458
Loan from Pekao (Galeria Jurajska)	104,177	106,463	105,904
Loan from Berlin Hyp (UBP)	19,531	27,289	19,828
Loan from ING (Francuska)	16,951	17,491	17,356
Loan from MKB (Centre Point I)	21,927	23,414	23,051
Loan from MKB (Centre Point II)	25,857	27,483	27,077
Loan from CIB (Metro)	20,701	21,565	21,352
Loan from MKB (Spiral)	17,005	18,730	17,482
Loan from Erste (Reinesance)	5,109	6,109	6,109
Loan from MKB (Sasad Resort)	8,727	8,727	8,727
Loan from EBRD and Raiffeisen Bank (GTC House)	13,075	14,539	14,200
Loan from Erste (19 Avenue)	25,873	26,807	26,586
Loan from EBRD and Raiffeisen Bank (Block 41)	17,918	19,574	19,171
Loan from Unicredit (Felicity)	26,013	27,203	27,203
Loan from RZBR (Rose Garden)	11,942	17,779	15,182
Loan from Erste (Citygate)	94,930	97,552	96,926
Loan from EBRD and Raiffeisen Bank (NCC)	18,266	-	-
Loan from EBRD and Raiffeisen Bank (Arad)	27,836	29,652	29,203
Loan from MKB and Zagrabecka Banka (Avenue Mall Zagreb)	31,241	35,695	34,582
Loan from EBRD and Raiffeisen Bank Austria (Avenue Mall Osijek)	15,750	17,550	17,100
Loan from MKB and OTP (Galeria Varna)	23,932	24,572	24,417
Loan from EBRD and Unicredit (Stara Zagora)	27,798	28,422	28,282
Loan from EBRD (Galeria Burgas)	24,006	25,689	25,073
Loan from VUB Bank (Jarosova)	3,312	2,679	2,542
Loans from minorities in subsidiaries	76,905	102,889	76,437
Deferred issuance debt expenses	(7,077)	(7,447)	(7,934)
	968,690	**1,264,679**	**1,110,581**

(in thousands of Euro)

13 Long-term loans and bonds (continued)

Long-term loans and bonds have been separated into the current portion and the long-term portion as disclosed below:

	30 September 2013	30 September 2012	31 December 2012
Current portion of long term loans:			
Bonds seria 0414	83,843	4,690	907
Bonds seria 2017-2018	2,068	-	670
Bonds seria 0513	-	87,363	80,163
Loan from Pekao (GTC Galeria Kazimierz)	-	850	860
Loan from WBK (Globis Poznan)	507	507	507
Loan from WBK 1 (Galileo)	452	471	462
Loan from WBK 2 (Newton)	423	425	417
Loan from WBK 3 (Edison)	395	394	395
Loan from Berlin Hyp (UBP)	397	788	400
Loan from Pekao (Galeria Jurajska)	2,372	2,365	2,307
Loan from Pekao (Globis Wroclaw)	672	614	642
Loan from ING (Nothus)	432	420	426
Loan from ING (Zefirus)	432	420	426
Loan from Berlin Hyp (Corius)	404	100	300
Loan from ING (Platinium 1)	-	19,451	-
Loan from ING (Platinium 2)	-	19,451	-
Loan from Berlin Hyp (Platinium 3)	-	19,200	-
Loan from ING (Platinium 4)	-	20,916	-
Loan from Berlin Hyp (Platinium 5)	-	10,065	10,146
Loan from WBK (Kazimierz office)	559	420	395
Loan from ING (Francuska)	540	540	540
Loan from MKB (Centre Point I)	1,538	1,488	1,500
Loan from MKB (Centre Point II)	1,626	1,626	1,626
Loan from Erste (Reinesance)	1,000	6,109	1,250
Loan from MKB (Sasad Resort)	-	-	-
Loan from CIB (Metro)	898	864	872
Loan from MKB (Spiral)	1,783	1,742	1,764
Loan from EBRD and Raiffeisen Bank (GTC House)	1,575	1,463	1,500
Loan from Erste (19 Avenue)	766	725	732
Loan from EBRD and Raiffeisen Bank (Block 41)	1,772	1,656	1,684
Loan from EBRD and Unicredit (Stara Zagora)	5,703	28,422	28,282
Loan from MKB and OTP (Galeria Varna)	808	640	654
Loan from EBRD (Galeria Burgas)	809	1,693	1,253
Loan from MKB and Zagrabecka Banka (Avenue Mall Zagreb)	4,454	4,454	4,454
Loan from EBRD and Raiffeisen Bank Austria (Avenue Mall Osijek)	-	1,800	1,800
Loan from EBRD and Raiffeisen Bank (NCC)	12,488	-	-
Loan from EBRD and Raiffeisen Bank (Arad)	-	1,815	1,836
Loan from Erste (Citygate)	2,658	2,510	2,550
Loan from RZBR (Rose Garden)	11,942	17,779	15,182
Loan from Unicredit (Felicity)	26,013	27,203	27,203
Loan from VUB Bank (Jarosova)	521	350	288
Deferred issuance debt expenses	(703)	(795)	(773)
	169,147	**290,994**	**193,620**

(in thousands of Euro)

13 Long-term loans and bonds (continued)

	30 September 2013	30 September 2012	31 December 2012
Long term portion of long term loans:			
Bonds seria 0414	-	175,021	84,194
Bonds seria 2017-2018	69,777	-	71,963
Loan from Pekao (GTC Galeria Kazimierz)	-	41,340	41,124
Loan from WBK (Globis Poznan)	15,040	15,547	15,420
Loan from WBK 1 (Galileo)	4,488	5,153	4,941
Loan from WBK 2 (Newton)	9,554	10,407	10,109
Loan from WBK 3 (Edison)	10,762	11,157	11,058
Loan from Pekao (Globis Wroclaw)	25,589	26,280	26,097
Loan from ING (Nothus)	15,840	16,266	16,170
Loan from ING (Zefirus)	15,840	16,266	16,170
Loan from Berlin Hyp (Corius)	12,396	12,900	12,700
Loan from WBK (Kazimierz office)	27,512	28,159	28,063
Loan from Pekao (Galeria Jurajska)	101,805	104,098	103,597
Loan from Berlin Hyp (UBP)	19,134	26,501	19,428
Loan from ING (Francuska)	16,411	16,951	16,816
Loan from MKB (Centre Point I)	20,389	21,926	21,551
Loan from MKB (Centre Point II)	24,231	25,857	25,451
Loan from CIB (Metro)	19,803	20,701	20,480
Loan from MKB (Sasad Resort)	8,727	8,727	8,727
Loan from MKB (Spiral)	15,222	16,988	15,718
Loan from Erste (Reinesance)	4,109	-	4,859
Loan from EBRD and Raiffeisen Bank (GTC House)	11,500	13,076	12,700
Loan from Erste (19 Avenue)	25,107	26,082	25,854
Loan from EBRD and Raiffeisen Bank (Block 41)	16,146	17,918	17,487
Loan from Erste (Citygate)	92,272	95,042	94,376
Loan from EBRD and Raiffeisen Bank (NCC)	5,778	-	-
Loan from EBRD and Raiffeisen Bank (Arad)	27,836	27,837	27,367
Loan from MKB and Zagrabecka Banka (Avenue Mall Zagreb)	26,787	31,241	30,128
Loan from EBRD and Raiffeisen Bank Austria (Avenue Mall Osijek)	15,750	15,750	15,300
Loan from MKB and OTP (Galeria Varna)	23,124	23,932	23,763
Loan from EBRD (Galeria Burgas)	23,197	23,996	23,820
Loan from EBRD and Unicredit (Stara Zagora)	22,095	-	-
Loan from VUB Bank (Jarosova)	2,791	2,329	2,254
Loans from minorities in subsidiaries	76,905	102,889	76,437
Deferred issuance debt expenses	(6,374)	(6,652)	(7,161)
	799,543	**973,685**	**916,961**

(in thousands of Euro)

14. Capital and Reserves

As at 30 September 2013, the shares structure was as follows:

Number of Shares	Total value in PLN	Total value in euro
139,286,210	13,928,621	3,153,995
1,152,240	115,224	20,253
235,440	23,544	4,443
8,356,540	835,654	139,648
9,961,620	996,162	187,998
39,689,150	3,968,915	749,022
3,571,790	357,179	86,949
17,120,000	1,712,000	398,742
100,000,000	10,000,000	2,341,372
319,372,990	**31,937,299**	**7,082,422**

All shares are entitled to the same rights.

GTC RE holds stake of 27.75%. Kardan/GTC RE announced, it is in process to sell its stake to a strategic investor. The Company estimates that the process could lead to a possible sale before the year-end. The decision to possibly sell its 27.75% stake in GTC S.A is predominantly due to the liquidity needs of Kardan.

Other shareholders who as at 30 September 2013 held above 5% of the Company shares were as follows:

- ING OFE
- AVIVA OFE BZ WBK
- OFE PZU

The statutory financial statements of GTC S.A are prepared in accordance with Polish Accounting Standards. Dividends may be distributed based on the net profit reported in the standalone annual financial statements prepared for statutory purposes.

On 24 April 2013, the Company held an ordinary shareholders meeting. The ordinary shareholders meeting decided that the loss for the year 2012 presented in the financial statements of Globe Trade Centre S.A. prepared in accordance with the Polish Accounting Standards shall be presented under Retained earnings.

Reserves are created based on provisions of the Polish Code of Commercial Companies.

(in thousands of Euro)

14. Capital and Reserves (continued)

Phantom shares

Certain key management personnel are entitled to the Company Phantom Shares.

The Phantom Shares grant the entitled persons a right for a settlement from the Company in the amount equal to the difference between the average closing price for the Company's shares on the Warsaw Stock Exchange during the 30–day period prior to the date of delivery to the Company of the exercise notice, and settlement price ("strike") amount per share (adjustable for dividend).

The provision recognized during the period is shown below:

	Nine-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2012 (unaudited)	Three-month period ended 30 September 2013 (unaudited	Three-month period ended 30 September 2012 (unaudited)	Year ended 31 December 2012
Expenses arising from equity settled share based payments (provision) (*)	-	138	-	-	138
Expenses / (income) arising from cash settled share based payments (provision)	(2,368)	2,458	(863)	718	4,898
Total	(2,368)	2,596	(863)	718	5,036

(*) Modified to cash settled. For details of previous program please refer to annual financial statements

As at 30 September 2013, phantom shares issued were as follows:

Last exercise date	Amount of phantom shares
31/12/2014	556,008
31/12/2015	5,441,469
29/02/2016	1,805,355
31/12/2016	361,068
Total	8,163,900

The Phantom shares (as presented in above mentioned table) have been provided for assuming cash payments will be effected, as the Company assesses that it is more likely to be settled in cash.

(in thousands of Euro)

15. Earnings per share

	Nine-month period ended 30 September		Three-month period ended 30 September		Year ended 31 December
	2013 *(unaudited)*	2012 *(unaudited)*	2013 *(unaudited)*	2012 *(unaudited)*	2012
Profit for the period attributable to equity holders(Euro)	(66,070,000)	(24,115,000)	(992,000)	(15,951,000)	(96,034,000)
Weighted average number of shares for calculating basic earnings per share	319,372,990	252,702,990	319,372,990	319,372,990	269,372,990
Basic earnings per share (Euro)	(0.21)	(0.10)	(0.00)	(0.05)	(0.36)
Weighted average number of shares for calculating diluted earnings per share	319,372,990	252,702,990	319,372,990	319,372,990	269,372,990
Diluted earnings per share (Euro)	(0.21)	(0.10)	(0.00)	(0.05)	(0.36)

	Nine-month period ended 30 September		Three-month period ended 30 September		Year ended 31 December
	2013 *(unaudited)*	2012 *(unaudited)*	2013 *(unaudited)*	2012 *(unaudited)*	2012
Weighted average number of shares for calculating basic earnings per share	319,372,990	252,702,990	319,372,990	319,372,990	269,372,990
Adjustment for phantom shares	-	-	-	-	-
Weighted average number of shares for calculating diluted earnings per share	319,372,990	252,702,990	319,372,990	319,372,990	269,372,990

(in thousands of Euro)

16. Proportionate consolidation

The Company proportionally consolidated assets and liabilities where it has joint control (see note 5).

The Company's interest in the companies comprises the following:

	30 September 2013 *(unaudited)*	30 September 2012 *(unaudited)*	31 December 2012
Cash	3,726	2,818	3,117
Non current assets and assets held for sale	142,346	135,004	135,443
Current assets (other than cash)	2,186	1,662	1,687
Long term liabilities	(71,877)	(111,518)	(111,368)
Current liabilities	(41,991)	(1,537)	(1,608)
Net assets	**34,390**	**26,429**	**27,271**
Income (1)	12,697	6,795	9,063
Expenses (1)	(6,516)	(9,678)	(7,110)
Profit for the year/period	**6,181**	**(2,883)**	**1,953**

(1) Includes profit (loss) from revaluation

17. Contingent liabilities

Following the completion of Avenue 19 and GTC Square in Serbia, two Serbian subsidiaries and the general contractor raised mutual claims. The general contractor initiated arbitration proceedings before the commercial court against the subsidiaries claiming additional payment of € 15.8 millions for both projects. The above subsidiaries refused this payment and filled a counterclaim of € 18.6 millions in respect of amounts overpaid, contractual penalties and additional damages for delay of the construction. The independent supervisory engineer that has been appointed in accordance with the original agreement between the parties supports the position taken by the subsidiaries. As the independent supervisory engineer is supporting the subsidiaries claim and based on the assumption that the supervisory engineer is best placed to assess the positions of the parties, we and our legal advisers believe that the subsidiaries are more likely to prevail in arbitration proceedings. Therefore no provision was recognised in the financial statements.

In relation to Marlera Golf project (Croatia) the land acquisition agreement provided as condition for the sale, a certain deadline for the completion a golf course component in the project. The company's view, as supported by its legal advisers, is that the completion deadline for the development of the golf course shall due on 14 September 2014. The Company believes that this date is feasible to be met however taking into account macroeconomic situation it has taken steps to achieve extension of the period for completing the project. On 3 January 2013, the Company received a letter from the Ministry of Tourism of Croatia (the former land owner) expressing its good faith and intentions to prolong the abovementioned timeline. Negotiations in this respect are on-going.

GTC gave guarantees to third parties in order to secure construction cost-overrun and loans of its subsidiaries. As of 30 September 2013 and 31 December 2012, the guarantees granted amounted to Euro 305 million and Euro 260 million, respectively. Additionally, in connection with the sale of its assets (amongst them, Platinium buildings) the Company gave typical warranties under the sale agreements, which are limited in time and amount.

As of 30 September 2013 (31 December 2012), the Group had commitments contracted for in relation to future building construction without specified date, amounting to Euro 27 million (Euro 18 million). These commitments are expected to be financed from available cash and current financing facilities, other external financing or future instalments under already contracted sale agreements and yet to be contracted sale agreements.

18 Subsequent events

On 4 October 2013, GTC Galeria Kazimierz, a subsidiary of GTC, signed a Preliminary Sale agreement for sale of Galeria Kazimierz shopping mall at a price, of approx. 180 million euro. GTC holds 50% share in the subsidiary.
Potential finalization of the transaction is subject to certain conditions.
As of 30 September 2013, asset is presented as held for sale.

19 Other

The interim condensed consolidated financial statements were authorised for the issue by the Management Board on 12 November 2013.

Building a better
working world

Ernst & Young Audyt Polska
spółka z ograniczoną odpowiedzialnością sp. k.
Rondo ONZ 1
00-124 Warszawa
Tel. +48 22 557 70 00
Faks +48 22 557 70 01
warszawa@pl.ey.com
www.ey.com/pl

Report on review of interim condensed consolidated financial statements to the Supervisory Board of Globe Trade Centre S.A.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Globe Trade Centre S.A. ('the Company') as at 30 September 2013 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, interim condensed consolidated statement of cash flows for the nine-month period then ended and other explanatory notes ('the interim condensed consolidated financial statements').

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting' as adopted by the European Union ('IAS 34'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

We also reported on 12 November 2013 separately on the interim condensed consolidated financial statements of Globe Trade Centre S.A. for the same period, prepared in accordance with IAS 34 using PLN as the presentation currency.

Ernst & Young Audyt Polska spółka z o.o. sp. k.

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.
(formerly: Ernst & Young Audit sp. z o.o.)

Warsaw, 12 November 2013