

GRAPHISOFT PARK SE

Interim Management Report – Fourth Quarter 2015

February 18, 2016



GRAPHISOFT PARK – START-UP AND SERVICE BUILDING – JUNE 2017

VISUALIZATION

GRAPHISOFTPARK





Dear Shareholders,

The most important development in 2015 is the renewal of the Parks' largest tenant's, SAP's lease contract, which warranted the continued expansion of the 53,000 m² existing office, laboratory and educational space with the current occupancy level standing at an effective 100%. To this end we have started the construction of additional 8,000 m² of office space and an underground parking facility for more than 300 vehicles, with the first phase to be delivered by the beginning of 2017. The primary aim of the new developments is to provide SAP after its significant expansion last year with the most optimal and economical home in the Park, instead of scattering its divisions in many buildings, while respecting its green and sustainable values equally important for SAP and Graphisoft Park. In order to minimize moving costs and to achieve optimal utilization for the SAP building delivered in 2006, most of the new developments will be taking place in the integrally connecting new wing of 5,500 m², of which SAP reserved 2,500 m². The remaining 3,000 m² will partly serve new tenants and partly remains available to satisfy SAP's requested potential future growth options.



Another building with a net 2,500 m² floor space optimized for the needs of smaller companies and start-ups will be erected by the main entrance of the Park, with a coffee shop and other services on its ground floor.



This in turn necessitated the demolition of the adjacent smaller buildings and storage facilities (roughly 2,000 m² altogether), which at the current occupancy levels of the Park may be deemed less economical uses of land. All of these will allow the creation of a much more imposing façade towards Ángel Sanz-Briz (former Jégtörő) Street, which has developed into a busy artery in the past years.



We have executed a loan agreement with Erste Bank at the end of 2015 for a 16.5 million euros credit facility with 10 years maturity to finance the new developments, partly within the National Bank of Hungary's Funding for Growth Scheme. The loan agreement is complemented by hedging agreements to cover exchange and interest rate risks.



Financial results have progressed as forecasted: compared to the respective figures of 2.4 million euros net profit over 8.5 million euros revenues in 2014, we have achieved 3 million euros net profit over 9.5 million euros revenues in 2015, which is then lowered by a one-time writing-off of 500 thousand euros for all the necessary demolition and refurbishment works. For 2016 we are expecting the same level of revenues as in 2015 at 9.5 million euros, and net profit at 3.1 million euros surpassing that of the previous year, with a writing-off of 100 thousand euros for the demolition of another building. Further growth in revenues and net profit is expected after the completion of the new developments in 2017.

These results were made possible by the continually improving occupancy rates and not changing the rent levels, cornerstones of the Park's quality and profitability; consciously not competing with the artificially low, therefore unsustainable rates on Budapest's overcrowded office market. All this proves that our concept for the "micro-silicon-valley" articulated some 18 years ago was right, targeting a well-defined market – Hungarian and international technology companies pursuing innovation in our case – and focusing real estate developments to their needs is working. The key to success in their fields is attracting talent. We are aiming to contribute to this with quality and environment conscious architecture, in a uniquely quiet setting on the green banks of the river Danube surrounded by the Park's state-of-the art renovated industrial monument buildings preserving the marvelous ambiance of the old Óbuda Gas Works. Our achievements prove that the leading companies in the technology field appreciate this; therefore we are continuing the development along the lines of the same concept.

Bojár Gábor
Chairman of Board of Directors

Kocsány János
Chief Executive Officer



Financial highlights

IFRS, consolidated, thousand EUR

Results*:

| | 3 months ended | | 12 months ended | |
|---|----------------|--------------|-----------------|--------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2014 | 2015 | 2014 | 2015 |
| A) Results from ordinary activities: | | | | |
| Revenue | 2,419 | 2,339 | 8,473 | 9,484 |
| Operating expense | (232) | (202) | (931) | (912) |
| Other income (expense) | 89 | 106 | 203 | 283 |
| EBITDA | 2,276 | 2,243 | 7,745 | 8,855 |
| Depreciation and amortization | (1,096) | (1,053) | (4,079) | (4,194) |
| Operating profit | 1,180 | 1,190 | 3,666 | 4,661 |
| Net interest expense | (343) | (319) | (1,286) | (1,306) |
| Exchange rate differences | 52 | 49 | 222 | 216 |
| Profit before tax | 889 | 920 | 2,602 | 3,571 |
| Income tax expense | (145) | (178) | (199) | (592) |
| Profit for the period | 744 | 742 | 2,403 | 2,979 |
| B) Other results (one-time write-off): | | | | |
| Other income (expense) | - | - | - | (535) |
| Income tax expense | - | - | - | 53 |
| Loss for the period | - | - | - | (482) |
| A+B) Profit for the period | 744 | 742 | 2,403 | 2,497 |

* New developments began in Graphisoft Park in 2015, which will result in the construction of 8,000 m2 new office space by 2017. The construction of the new buildings requires the demolition of older buildings (marked N, L and K). Demolition works started in the third quarter of 2015 and accordingly net book value of buildings demolished marked N and L has been written off. Building K will be demolished in the first quarter of 2016. On this page results of the Company are presented in "Results from ordinary activities" / "Other results" breakdown. The "Other results" section solely includes the result of one-time write-offs accounted for due to demolitions of buildings. Periodic comparative analyses in this business report are prepared using "Results from ordinary activities", which do not include the one-time items.



Financial highlights

IFRS, consolidated, thousand EUR

Asset value:

| | December 31, 2014 | December 31, 2015 |
|---|-------------------|-------------------|
| Investment property at book value | 63,151 | 60.254 |
| Investment property at fair value* | 156,920 | 149.920 |
| Net asset value at book value | 22,308 | 22,801 |
| Net asset value at fair value* | 116,176 | 112,467 |
| Number of ordinary shares outstanding (thousands)** | 10,083 | 10,083 |
| Net asset value at fair value per share (euro) | 11.5 | 11.2 |

* Investment properties are shown in the financial statements of the Company at historical cost. Investment property fair value estimates are published annually. The latest valuation is disclosed in the Annual Report for 2014. In determining net asset value at fair value for the actual period the results of the most recent property valuations are used with investment property, as adjusted by the effect of changes in rentable space (demolitions, remodeling). Book values as of the balance sheet date are used for other assets and liabilities.

** Treasury shares possessed by the Company and employee shares are excluded when net asset value at fair value per share is determined.



Management Report

In this business report, Graphisoft Park presents the progress made toward its goals in the following areas:

- Financial results for the year 2015,
- Utilization, occupancy,
- Development activities,
- Development potential,
- Financing,
- Other key issues,
- Forecast for the year 2016.

Financial results for the year 2015

Changes in the results for 2015 (“Results from ordinary activities”, see details in “Financial highlights” on previous pages) compared to the 2014 bases occurred by the effects of the following main factors:

- **Revenue** (2015: 9,484 thousand euros; 2014: 8,473 thousand euros) rose by 1,011 thousand euros, or 12%. The growth in occupancy rate increased revenue by 7% and rental income coming from developments completed in the monument and the southern development areas in 2014 increased it by a further 5% (see details in the „Utilization, occupancy” and „Development activities” sections below).
- **Operating expense** (2015: 912 thousand euros; 2014: 931 thousand euros) did not change substantially compared to the previous year. Slight increase in employee related expense was offset by the decrease in property related expense and other operating expense.
- **Other income** (2015: 283 thousand euros; 2014: 203 thousand euros) net amount is 80 thousand euros higher than the base last year.
- **Depreciation** (2015: 4,194 thousand euros; 2014: 4,079 thousand euros) increased by 115 thousand euros, or 3% due to developments capitalized during the previous year (see details in the “Development activities” section).
- **EBITDA** (2015: 8,855 thousand euros; 2014: 7,745 thousand euros) grew by 1,110 thousand euros, or 14%, while **operating profit** (2015: 4,661 thousand euros; 2014: 3,666 thousand euros) rose by 995 thousand euros, or 27% compared to the previous year due to the factors mentioned above.
- **Net interest expense** (2015: 1,306 thousand euros; 2014: 1,286 thousand euros) increased by 20 thousand euros, or 2% due to the following factors. Even though the actual interest expense incurred fell by 110 thousand euros as a result of lower loan interest rates and loan liability, the interest payment of 94 thousand euros capitalized on construction in progress in the base period made interest payment accounted as expense decrease by 16 thousand euros. Interest income dropped by 36 thousand euros due to the lower interest rates on deposits and because of the depleting effect of last year’s large developments on the cash reserves.
- **Exchange rate gain** (2015: 216 thousand euros; 2014: 222 thousand euros) worked out similarly favorably in both years. These gains are attributable mostly to cash reserves held partly in US dollars strengthening significantly against the euro in 2014 and 2015 (nearly 2 million USD; 135 thousand euros in 2015, 185 thousand euros in 2014 exchange rate gain not realized).
- **Income tax expense** (2015: 592 thousand euros; 2014: 199 thousand euros) is 393 thousand euros higher than in the previous year. The growth in revenue and profit before tax increased calculated corporate and local business tax by 130 thousand euros, while corporate income tax was lowered by a tax base decreasing item related to monument renovation by 263 thousand euros in 2014.



- **Net profit** (2015: 2,979 thousand euros; 2014: 2,403 thousand euros) rose by 576 thousand euros, that is 24% in 2015 compared to 2014 because of the following factors: (1) operating profit rose by 995 thousand euros, or 27% because of the growth in rentable area and occupancy rate, (2) financial results fell by 26 thousand euros, or 2% due to the increase in net interest expense, and finally (3) income tax expense was higher by 393 thousand euros than the base last year due to the higher tax base and the drop of a tax-base decreasing item.

Utilization, occupancy

Occupancy rate of Graphisoft Park’s rentable office, laboratory and educational space developed as follows (at the end of the quarter):

| Period: | 2014 Q1 | 2014 Q2 | 2014 Q3 | 2014 Q4 | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Occupancy (%): | 80% | 81% | 90% | 95% | 96% | 96% | 97% | 98% |
| Area (m2): | 46,800 | 46,800 | 55,000 | 55,000 | 55,000 | 55,000 | 53,000 | 53,000 |

As demonstrated in the table above, rentable space in the Park grew by 8,200 m2 (5,200 m2 renovated and repurposed for education historical buildings and 3,000 m2 dormitory), while occupancy rose from 80% to 95% in 2014.

Occupancy of Graphisoft Park’s 53,000 m2 rentable office, laboratory and educational space reached 98% by the end of 2015 and stays at an effective 100% from the beginning of 2016 due to leases concluded for remaining vacant spaces. This means that until the delivery of the first phase of the new developments in the first quarter of 2017 (see details in the “Development activities” section below) there will be free rentable area only if any of current tenants decides not to extend their lease after expiration.

Development activities

The total area of Graphisoft Park is nearly 18 hectares covering the office park located in the core area, the campus formed in the monument area, and development areas north and south of these as well. Over the past 18 years 45,000 m2 of office and laboratory space have been developed and occupied on the core 8.5 hectares of Graphisoft Park. In the 2.4 hectares monument area directly adjacent to the core area from the west we have completed the renovation and repurposing of 7,000 m2 historical buildings into a state-of-the-art university campus since 2010. The 3,000 m2 dormitory building with 76 rooms constructed on the northeastern corner of the southern development area connects to and serves the same higher education function of the Park.

Until the end of 2014 altogether 55,000 m2 office, laboratory and educational space and underground parking for 1,250 cars were constructed on 11 hectares.

Graphisoft Park’s largest tenant renting over 10,000 m2 office space currently, SAP Hungary Kft. renewed its lease in April 2015, which was to expire in the end of 2016 originally. In relation to the extension of the lease period new developments began in 2015, which will result in the construction of 8,000 m2 new office space and underground parking for 300 cars until 2017 in several phases. Construction of a new wing of 5,500 m2 directly adjacent to SAP’s main building (marked S on the map below) has begun, out of which SAP will occupy 2,500 m2, which will allow a much more efficient placement of the company than the current operation in multiple buildings. The remaining 3,000 m2 will partly serve the needs of new tenants and partly remains available to satisfy SAP’s requested potential future growth options. In addition to this another building with 2,500 m2 floor space is under construction optimized for the needs of smaller companies and start-ups. With the new constructions as well as with the refurbishment of older sections we are committing to even more environmentally conscious and sustainable architectural solutions.

The new developments require the demolition of the N, L and K buildings with less economical uses of space under the current conditions. Buildings N and L were demolished through 2015 and building K will be demolished in 2016. Demolition and refurbishment works temporarily reduce rentable space by 2,000 m2 in the office park, therefore the net expansion is 6,000 m2.



In the summary of all the above, at the end of the new developments expected in 2017, Graphisoft Park will have 61,000 m² office, laboratory and educational space as well as underground parking for 1,550 cars available for its tenants coupled with 4 restaurants and 6 snack and coffee shops in the Park.



The planned total cost of development activities - including the construction of about 8,000 m² new office space and a three level underground parking facility for 300 vehicles, the upgrading of the existing S building, with the necessary works for public utilities and landscaping - is approximately 18 million euros, out of which 1.1 million euros occurred in 2015.

Further investments in Graphisoft Park are focused on meeting the needs of tenants by remodeling and renovation of office space and by infrastructure development. These activities cost nearly 500 thousand euros in 2015, and are expected to cost 1 million euros in 2016.

Development potential

The 7 hectares of free development areas in Graphisoft Park (the southern development area, the northern development area and parts of the monument area) allow for the development of a combined total of 70,000 m² leasable office space.

In the southern and northern development areas we carried out the demolition of those structures that are not protected landmarks and the planned archeological excavations have been completed on roughly half of the southern development area. Land development costs amounted to 3.2 million euros to date.

No further preparatory work or development will take place in the northern development area until the clean-up projects planned by the Capital City Gas Works are finished.

The main risk factors and limitations associated with these areas remain as follows:

- residual environmental hazard from the prior gasification activity,
- regulations protecting landmark buildings limit the land's usability,
- potential flood risk due to the location on the Danube waterfront, which is to be reckoned with for the increasing water level fluctuation, despite the old Gasworks rampart protecting the area even during the historical high floods in 2013.



Financing

We have executed a loan agreement with Erste Bank Hungary Zrt. in December, 2015 for a 16.5 million EUR credit facility with 10 years maturity to finance the ongoing development in the core area (see the “Development activities” section for details). In accordance with the loan agreement Erste Bank shall make available a 4 billion HUF credit facility within Pillar I of the second phase of the National Bank of Hungary’s Funding for Growth Scheme and another 5 million EUR market rate credit facility to Graphisoft Park (16.5 million EUR maximum altogether). The loan agreement is complemented by hedging agreements to cover exchange and interest rate risks (cross currency interest rate swap (CCRIS) for the HUF based loan and interest rate swap (IRS) for the EUR based loan).

Other key issues

Realization of the educational function

In order to further strengthen Graphisoft Park’s “science park” features we have concluded an agreement with the Aquincum Institute of Technology (AIT) to create and run international higher education functions in the Park. AIT does this in close cooperation with the Faculty of Electrical Engineering and Informatics of the Budapest University of Technology and Economics (BME) operating as an independent contractor, running a specialized program of that institution.



The constituents of AIT’s student body come from the most excellent Universities of the United States on their study abroad semester. AIT provides high-level education in small classes for selected students from BME as well, for whom tuition is waived. The personal relations developing with the North American students may prove to be invaluable assets for their later careers. AIT’s curriculum uniquely blends IT education in line with Graphisoft Park’s professional orientation with business studies. This is complemented by courses highlighting the riches of Hungarian culture (language, literature, film, music and architecture) tailored for the needs of the international students.

AIT was launched with a summer pilot program in 2010 concluding three years of preparation. The curriculum was finalized after gathering the feedbacks from students and faculty and drawing the conclusions from the pilot program. 10 semesters have been concluded since the pilot program, with 140 students in 2015. To this date a total of 50 North American universities and colleges have sent students to participate in AIT’s program and recognized its BME accredited credits. The most well-known universities among these are Harvard, Yale, MIT, Princeton, Brown, Cornell, Columbia, Dartmouth, UPenn, Rochester and Tufts (including all the prestigious schools of the Ivy League), and some of the famous colleges, such as Williams, Carleton, Harvey Mudd and Pomona. A significant proportion of the students remain in Hungary after the spring semesters for a 1 or 2 months internship with the best Hungarian IT companies (Graphisoft, Prezi, LogMeIn, Ustream, etc). These students return home with great impressions and spread the news of the Hungarian IT industry in the world. Some of them are coming back to Hungary after obtaining their diplomas to gain permanent employment with these companies.



Since 2013 fall, AIT is operating in its permanent location, in one of the former industrial buildings renovated and repurposed exemplarily to suit educational functions.

With the renovation of another three buildings in the monument area in July, 2014, and with the International Business School's (IBS) moved in, the university campus in the former Gasworks with over 1,000 students is complete. The inauguration ceremony of the new educational facilities named "Aquincum Campus" took place on September 5, 2014, with the participation of István Tarlós, mayor of Budapest and Balázs Bús, mayor of the third district.





AIT-Budapest reached the income level needed for long term operation in 2014 from the tuition collected from North American students, and in 2015 it achieved a profit over 100 million forints after taxes. This supports the long term sustainability of the educational venture (of which Graphisoft Park owns a 10% share), making the Park an even more attractive destination.

Creating the Startup ecosystem

The demand for floor space generated by lively evolving Startup companies has already been a driving force behind Graphisoft Park's expansion. Graphisoft Park supports the startup companies by leasing office and laboratory space, and by providing pro bono business development advice from Gábor Bojár, founder of Graphisoft, Graphisoft Park and AIT-Budapest.

Dividend

On April 23, 2015, the Annual General Meeting of Graphisoft Park SE approved dividend distribution of 60 forints per ordinary share and 20 forints per employee share (totaling 642,479 thousand forints, which is 2,128 thousand euros on the exchange rate of April 23, 2015). Starting date for dividend payments was May 28, 2015. The Company paid out the dividends to the shareholders identified by shareholder's registration.



Forecast for the year 2016

2015 actual net profit (from ordinary activities) came out nearly 300 thousand euros higher than forecasted in our previous quarterly report at 2.7 million euros. That is due to the 200 thousand euros gain in exchange rate difference (for the expected amount of which we did not make any estimation in our forecast) and to the nearly 100 thousand euros rise in other income. Due to the effect of the demolition of older buildings in relation to the developments began in 2015 (see “Utilization, occupancy” section) a one-time 500 thousand euros write-off had to be accounted for, therefore besides our profit from ordinary activities at 3 million euros the total net profit is 2.5 million euros including this one-off item.

Our forecast for 2016 results (from ordinary activities) is summarized in the following table, based on signed and valid lease agreements with the current occupancy rate of nearly 100% (see details in section “Utilization, occupancy”; the first two columns show 2014 and 2015 actual results):

| (million euros) | 2014 actual | 2015 actual | 2016 forecast |
|--------------------------|-------------|-------------|---------------|
| Rental revenue | 8.47 | 9.48 | 9.5 |
| Operating expense | -0.93 | -0.91 | -1.0 |
| Other income, net | 0.21 | 0.28 | 0.3 |
| EBITDA | 7.75 | 8.85 | 8.8 |
| Depreciation | -4.08 | -4.19 | -4.2 |
| Operating profit | 3.67 | 4.66 | 4.6 |
| Net interest expense | -1.29 | -1.31 | -0.9 |
| Exchange rate difference | 0.22 | 0.22 | - |
| Profit before tax | 2.60 | 3.57 | 3.7 |
| Income tax expense | -0.20 | -0.59 | -0.6 |
| Net profit | 2.40 | 2.98 | 3.1 |

Change in results for 2016 compared to 2015 bases is the impact of the following main factors:

- Revenue is expected to stay at the 2015 level in 2016. Drop in revenue due to temporary decrease in rentable area (due to demolitions and refurbishments) will be offset by additional revenues coming from the rise in occupancy rate (see “Utilization, occupancy” and “Development activities” sections for details).
- Combined total cost of operation is expected to increase by 100 thousand euros in 2016 compared to 2015. Employee related expense will grow by 100 thousand euros (the development program started in 2015 required expanding the engineering staff). Property related expense, other expense as well as depreciation and amortization are expected to stay at last year’s level.
- Due to the significant fall of interest rates for the existing loan obligations, as well as to the decreasing principal amount, the net interest expense is expected to decrease by 400 thousand euros. We are not making estimates for exchange rate differences for 2016, therefore our overall financial results forecast for the year 2016 is 200 thousand euros higher than the base, which contained the actual exchange rate gain of 200 thousand euros.
- Income tax expense is expected to remain at the 2015 level in 2016, considering that revenues and net profits are expected to come out nearly the same in these two years.

Due to all the above, for 2016 we are expecting 3.1 million euros net profit, 100 euros higher compared to 2015.

Due to the effect of the demolition of building K in relation to the developments that began in 2015 (see “Development activities” section) a one-time 100 thousand euros write-off have to be accounted for in 2016, therefore besides our forecast for net profit from ordinary activities at 3.1 million euros the total net profit is expected at 3 million euros including this one-off item.



Forecasts published here are based on the valid lease contracts in effect at the time of writing this report. At previous times actual revenues were repeatedly higher than forecasted, due to new leases concluded after the publication of reports. Despite this past pattern, it is not in our intention to change the forecasting methods. We will not try to predict the number or value of new lease contracts on one hand, as we will not account for the scenario of current tenants not prolonging their leases after expiration on the other, only in case they have given notice by the closing date of our business report.

It is our intention to maintain the price structure designed to match the high value services provided by Graphisoft Park in order to be able to preserve the level of service provided in the long run. As the current office rental market in Budapest is in the state of oversupply, very low prices can be observed at some places, with which Graphisoft Park has no intention to compete, losing some tenants for this is a probable but not likely factor to be reckoned with.

Other factors significantly affecting results are changes in the EUR/HUF exchange rate, the EURIBOR interest rate and the regulatory environment with special regards to the tax regulations. In this forecast we calculate with a 310 HUF/EUR exchange rate, EURIBOR of 0% and an inflation rate of 0% and unchanged legal and taxation environment.

Forward-looking statements - *The forward-looking statements contained in this Interim Management Report involve inherent risks and uncertainties, may be determined by additional factors, other than the ones mentioned above, therefore the actual results may differ materially from those contained in any forecast.*

Statement of responsibility - *We declare that the Quarterly Report which has been prepared in accordance with the applicable accounting standards and to the best of our knowledge, give a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its undertakings included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its undertakings included in the consolidation, together with a description of the principal risks and uncertainties of its business.*

Budapest, February 18, 2016

Hajba Róbert
Chief Financial Officer

Kocsány János
Chief Executive Officer



GRAPHISOFT PARK SE

QUARTERLY REPORT

for the quarter ended December 31, 2015

in accordance with International Financial Reporting Standards (IFRS)

(consolidated, unaudited)

Budapest, February 18, 2016

Handwritten signature of Hajba Róbert in blue ink.

Hajba Róbert
Chief Financial Officer

Handwritten signature of Kocsány János in blue ink.

Kocsány János
Chief Executive Officer

GRAPHISOFT PARK SE
QUARTERLY REPORT
DECEMBER 31, 2015

CONTENTS:

| | Page(s) |
|--|----------------|
| Consolidated Balance Sheet | 3 |
| Consolidated Statement of Income | 4 |
| Consolidated Statement of Comprehensive Income | 5 |
| Consolidated Statement of Changes in Shareholders' Equity | 6 |
| Consolidated Statement of Cash Flows | 7 |
| Notes to the Quarterly Report | 8-20 |

GRAPHISOFT PARK SE
CONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

| | Notes | December 31, 2014 | December 31, 2015 |
|---------------------------------------|-------|-------------------|-------------------|
| Cash and cash equivalents | 3 | 4,822 | 4,794 |
| Trade receivables | 4 | 275 | 178 |
| Current tax receivable | 5 | 107 | 131 |
| Other current assets | 6 | 154 | 125 |
| Current assets | | 5,358 | 5,228 |
| Investment property | 7 | 63,151 | 60,254 |
| Other tangible assets | 7 | 276 | 273 |
| Investments | 8 | 100 | 100 |
| Deferred tax asset | 9 | 23 | 19 |
| Non-current assets | | 63,550 | 60,646 |
| TOTAL ASSETS | | 68,908 | 65,874 |
| Short-term loans | 10 | 2,935 | 3,243 |
| Trade payables | 11 | 534 | 961 |
| Current tax liability | 5 | 191 | 123 |
| Other short-term liabilities | 12 | 1,361 | 1,601 |
| Current liabilities | | 5,021 | 5,928 |
| Long-term loans | 10 | 41,377 | 36,737 |
| Deferred tax liability | 9 | 202 | 408 |
| Non-current liabilities | | 41,579 | 37,145 |
| TOTAL LIABILITIES | | 46,600 | 43,073 |
| Share capital | 1.3 | 250 | 250 |
| Retained earnings | | 25,953 | 26,446 |
| Treasury shares | 20 | (962) | (962) |
| Accumulated translation difference | | (2,933) | (2,933) |
| Shareholders' equity | | 22,308 | 22,801 |
| TOTAL LIABILITIES & EQUITY | | 68,908 | 65,874 |

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF INCOME
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

| | Notes | 3 months ended | | 12 months ended | |
|--|-------|------------------|------------------|------------------|------------------|
| | | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Property rental revenue | 13 | 2,419 | 2,339 | 8,473 | 9,484 |
| Revenue | | 2,419 | 2,339 | 8,473 | 9,484 |
| Property related expense | 14 | (27) | (1) | (57) | (49) |
| Employee related expense | 14 | (145) | (145) | (579) | (594) |
| Other operating expense | 14 | (60) | (56) | (295) | (269) |
| Depreciation and amortization | 14, 7 | (1,096) | (1,053) | (4,079) | (4,194) |
| Operating expense | | (1,328) | (1,255) | (5,010) | (5,106) |
| Other income | 15 | 89 | 106 | 203 | (252) |
| OPERATING PROFIT | | 1,180 | 1,190 | 3,666 | 4,126 |
| Interest income | 16 | 8 | 3 | 57 | 21 |
| Interest expense | 16 | (351) | (322) | (1,343) | (1,327) |
| Exchange rate difference | 17 | 52 | 49 | 222 | 216 |
| Financial expense | | (291) | (270) | (1,064) | (1,090) |
| PROFIT BEFORE TAX | | 889 | 920 | 2,602 | 3,036 |
| Income tax expense | 18 | (145) | (178) | (199) | (539) |
| PROFIT FOR THE PERIOD | | 744 | 742 | 2,403 | 2,497 |
| Attributable to equity holders of the parent | | 744 | 742 | 2,403 | 2,497 |
| Basic earnings per share (EUR) | 19 | 0.07 | 0.07 | 0.24 | 0.25 |
| Diluted earnings per share (EUR) | 19 | 0.07 | 0.07 | 0.24 | 0.25 |

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

| | Notes | 3 months ended | | 12 months ended | |
|-------------------------------------|-------|------------------|------------------|------------------|------------------|
| | | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Profit for the period | | 744 | 742 | 2,403 | 2,497 |
| Translation difference* | | - | - | (2) | - |
| Other comprehensive income** | | - | - | (2) | - |
| COMPREHENSIVE INCOME | | 744 | 742 | 2,401 | 2,497 |

Attributable to equity holders of the parent

* Translation difference of subsidiaries with functional currency other than euro.

** Net other comprehensive income to be reclassified to profit or loss in subsequent periods.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

| | Share capital | Retained earnings | Treasury shares* | Accum. translation difference | Total equity |
|-----------------------------|------------------|----------------------|---------------------|-------------------------------------|-----------------|
| December 31, 2013 | 213 | 26,552 | (784) | (2,931) | 23,050 |
| Profit for the period | - | 2,403 | - | - | 2,403 |
| Translation difference | - | - | - | (2) | (2) |
| Purchase of treasury shares | - | - | (178) | - | (178) |
| Dividend | - | (2,965) | - | - | (2,965) |
| Share capital increase | 37 | (37) | - | - | - |
| December 31, 2014 | 250 | 25,953 | (962) | (2,933) | 22,308 |
| Profit for the period | - | 2,497 | - | - | 2,497 |
| Dividend | - | (2,004) | - | - | (2,004) |
| December 31, 2015 | 250 | 26,446 | (962) | (2,933) | 22,801 |

* Treasury share details are disclosed in Note 20.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

| | 3 months ended | | 12 months ended | |
|--|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| OPERATING ACTIVITIES | | | | |
| Income before tax | 889 | 920 | 2,602 | 3,036 |
| Depreciation and amortization | 1,096 | 1,053 | 4,079 | 4,194 |
| Gain on sale of tangible assets | - | (11) | - | (16) |
| Disposal of tangible assets | - | - | - | 535 |
| Interest expense | 351 | 322 | 1,343 | 1,327 |
| Interest income | (8) | (3) | (57) | (21) |
| Provision for bad debts | - | 12 | - | 12 |
| Unrealized foreign exchange (gains) / losses | (7) | (8) | (28) | 29 |
| Changes in working capital: | | | | |
| Decrease in receivables and other current assets | 403 | 282 | 266 | 85 |
| Decrease in inventory | 8 | - | 6 | - |
| Increase / (decrease) in liabilities | (312) | (483) | 270 | (157) |
| Corporate income tax paid | (42) | (91) | (290) | (339) |
| Net cash from operating activities | 2,378 | 1,993 | 8,191 | 8,685 |
| INVESTING ACTIVITIES | | | | |
| Purchase of tangible assets and intangibles | (1,582) | (482) | (6,281) | (1,239) |
| Sale of tangible assets | - | 10 | - | 29 |
| Interest paid - capitalized | - | - | (94) | - |
| Sale of investment | - | - | 7 | - |
| Interest received | 3 | 3 | 45 | 36 |
| Net cash used in investing activities | (1,579) | (469) | (6,323) | (1,174) |
| FINANCING ACTIVITIES | | | | |
| Loan repayments | (720) | (2,134) | (2,837) | (4,332) |
| Interest paid | (357) | (357) | (1,373) | (1,335) |
| Purchase of treasury shares | - | - | (178) | - |
| Dividend paid | - | - | (2,994) | (2,002) |
| Net cash used in financing activities | (1,077) | (2,491) | (7,382) | (7,669) |
| Decrease in cash and cash equivalents | (278) | (967) | (5,514) | (158) |
| Cash and cash equivalents at beginning of period | 5,057 | 5,763 | 10,160 | 4,822 |
| Exchange rate gain / (loss) on cash and cash equivalents | 43 | (2) | 176 | 130 |
| Cash and cash equivalents at end of period | 4,822 | 4,794 | 4,822 | 4,794 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

1. General information

1.1. Business activities

Graphisoft Park SE was established through a demerger from Graphisoft SE on August 21, 2006. The purpose of the restructuring was to spin off a new company, dedicated to real estate development and management. Graphisoft Park SE operates as a holding and provides management, financial and administrative services to its subsidiaries. The real estate development is performed by Graphisoft Park SE's subsidiary, Graphisoft Park Kft. Graphisoft Park Kft's subsidiary, Graphisoft Park Services Kft. is responsible for property operation tasks.

Graphisoft Park SE and subsidiaries are incorporated under the laws of Hungary. Court registration number of Graphisoft Park SE is CG 01-20-000002. Registered address of the Group is H-1031 Budapest, Záhony utca 7., Hungary. Headcount was 18 on December 31, 2015.

1.2. Properties

The total area of Graphisoft Park is nearly 18 hectares. Over the past 18 years, 53,000 m² of office, laboratory and educational space have been developed and occupied by tenants. The remaining area provides the opportunity to develop an additional 70,000 m² of office space.

The real estate is categorized as follows:

| Area | Property |
|-------------------|---|
| Core area | modern office park spreading over 8.5 hectares of land, comprising 43,000 m ² office and laboratory space |
| Monument area | 2.4 hectares of land comprising 10,000 m ² of total rentable net internal area of the monument buildings, out of which 7,000 m ² has been renovated |
| Development areas | 6.8 hectares of development land, on which a 3,000 m ² floor area dormitory has been constructed |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

1.3. Stock information

Graphisoft Park SE's share capital consists of 10,631,674 class "A" ordinary shares of 0.02 euro face value, each representing equal and identical rights, and 1,876,167 class "B" employee shares of 0.02 euro face value.

Ordinary shares of the Company are publicly traded at Budapest Stock Exchange from August 28, 2006. The share ownership structure is the following according to the Company's shareholder records:

| Shareholder | December 31, 2014 | | December 31, 2015 | |
|--|-------------------|---------------|-------------------|---------------|
| | Shares (pcs) | Share (%) | Shares (pcs) | Share (%) |
| ORDINARY SHARES: | 10,631,674 | 85.00 | 10,631,674 | 85,00 |
| Directors and management | 3,511,538 | 28.09 | 3,514,538 | 28,11 |
| Bojár Gábor - Chairman of the BoD | 3,185,125 | 25.47 | 3,185,125 | 25,47 |
| Dr. Kálmán János - Member of the BoD | 13,500 | 0.11 | 13,500 | 0,11 |
| Szigeti András - Member of the BoD | 126,000 | 1.01 | 126,000 | 1,01 |
| Kocsány János - Member of the BoD, CEO*** | 180,913 | 1.45 | 180,913 | 1,45 |
| Hajba Róbert - CFO**** | 6,000 | 0.05 | 9,000 | 0,07 |
| Shareholders over 5% share | 2,802,189 | 22.40 | 1,643,881 | 13,14 |
| Tari István Gábor***** | 1,074,329 | 8.59 | - | - |
| Concorde Alapkezelő Zrt. | 1,727,860 | 13.81 | 1,643,881 | 13,14 |
| Other shareholders | 3,768,871 | 30.12 | 4,924,179 | 39,36 |
| Treasury shares* | 549,076 | 4.39 | 549,076 | 4,39 |
| EMPLOYEE SHARES**: | 1,876,167 | 15.00 | 1,876,167 | 15,00 |
| Kocsány János - Member of the BoD, CEO | 1,250,778 | 10.00 | 1,250,778 | 10,00 |
| Hajba Róbert - CFO | 625,389 | 5.00 | 625,389 | 5,00 |
| SHARES TOTAL: | 12,507,841 | 100.00 | 12,507,841 | 100,00 |

* Treasury shares possessed by the Company do not pay dividend and bear no voting rights. For details, see Note 20.

** Class „B” employee shares bear different (reduced) rights to dividend at the proportion of one third of their face value, and are governed by the provisions of the Articles of Association and the Management Share Ownership Plan.

*** Held in common by Kocsány János and a close family member.

**** CFO of the Company, Hajba Róbert, purchased 1,500 ordinary shares on July 1, 2015 at a price of 2,255 HUF per share and further 1,500 ones on September 29, 2015 at a price of 2,318 HUF per share in market transactions at Budapest Stock Exchange.

***** Shareholder holding more than 5% of total shares, Tari István Gábor passed away on March 16, 2015. The probate proceeding ended in the third quarter of 2015, Tari István Gábor's name was deleted from the register of shares and the new shareholders were registered in the register of shares.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

1.4. Governance

The governing body of Graphisoft Park SE, Board of Directors (single-tier system) is composed of the following:

| Name | Position | From | Until |
|-------------------------|-----------------|-----------------|--------------|
| Bojár Gábor | Chairman | August 21, 2006 | May 31, 2018 |
| Dr. Kálmán János | Member | August 21, 2006 | May 31, 2018 |
| Kocsány János | Member | April 28, 2011 | May 31, 2018 |
| Dr. Martin-Hajdu György | Member | July 21, 2014 | May 31, 2018 |
| Szigeti András | Member | July 21, 2014 | May 31, 2018 |

The Audit Committee comprises of 3 independent members of the Board: Dr. Kálmán János (chairman), Dr. Martin-Hajdu György and Szigeti András. The Chief Executive Officer of Graphisoft Park SE is Kocsány János.

2. Accounting policies

The accounting policies adopted are consistent with those of the previous financial year (see in Notes to the Consolidated Financial Statements 2014), with the following differences.

The Company's business activities are neither seasonal nor cyclical; revenues and expenses generally accrue at a constant rate during the course of the financial year. Certain one-off transactions may affect the results from one quarter to the next.

Exchange rates used are as follows:

| | 3 months ended | | 12 months ended | |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| EUR/HUF opening: | 310.36 | 313.32 | 296.91 | 314.89 |
| EUR/HUF closing: | 314.89 | 313.12 | 314.89 | 313.12 |
| EUR/HUF average: | 308.36 | 312.56 | 308.66 | 309.90 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

3. Cash and cash equivalents

| | December 31, 2014 | December 31, 2015 |
|----------------------|-------------------|-------------------|
| Cash in hand | 1 | 1 |
| Cash at banks | 4,821 | 4,793 |
| Cash and bank | 4,822 | 4,794 |

4. Trade receivables

| | December 31, 2014 | December 31, 2015 |
|------------------------------|-------------------|-------------------|
| Trade receivables | 275 | 190 |
| Provision for doubtful debts | - | (12) |
| Trade receivables | 275 | 178 |

Trade receivables are on 8-30 day payment terms.

5. Current tax receivables and liabilities

| | December 31, 2014 | December 31, 2015 |
|--|-------------------|-------------------|
| Current tax receivables | 107 | 131 |
| Current tax liabilities | (191) | (123) |
| Current tax receivable (liability), net | (84) | 8 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

6. Other current assets

| | December 31, 2014 | December 31, 2015 |
|-----------------------------|-------------------|-------------------|
| Accrued income | 105 | 103 |
| Prepaid expense | 44 | 21 |
| Other receivables | 5 | 1 |
| Other current assets | 154 | 125 |

7. Tangible and intangible assets – book values

| | December 31, 2014 | December 31, 2015 |
|---|-------------------|-------------------|
| Investment property | 63,151 | 60,254 |
| Other tangible assets | 276 | 273 |
| Tangible and intangible assets (net) | 63,427 | 60,527 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

The table shows movements of **investment property** during the period:

| | Land and buildings | Construction in progress | Investment property |
|--------------------------|-----------------------|-----------------------------|------------------------|
| Net value: | | | |
| December 31, 2014 | 61,997 | 1,154 | 63,151 |
| Gross value: | | | |
| December 31, 2014 | 93,612 | 1,154 | 94,766 |
| Additions | - | 1,753 | 1,753 |
| Capitalizations | 662 | (662) | - |
| Disposals | (1,363) | - | (1,363) |
| December 31, 2015 | 92,911 | 2,245 | 95,156 |
| Depreciation: | | | |
| December 31, 2014 | 31,615 | - | 31,615 |
| Additions | 4,115 | - | 4,115 |
| Disposals | (828) | - | (828) |
| December 31, 2015 | 34,902 | - | 34,902 |
| Net value: | | | |
| December 31, 2015 | 58,009 | 2,245 | 60,254 |

Additions in construction in progress of 1,753 thousand EUR comprise the following:

- developments in the monument area and in the southern development area (81 thousand EUR),
- new developments (1.070 thousand euros) and other developments (602 thousand euros) in the core area.

Capitalizations in the value of 662 thousand EUR comprise the following:

- developments completed in the monument area and the southern development area (77 thousand EUR),
- other developments completed in the core area (585 thousand EUR).

Construction in progress totaling 2,245 thousand EUR comprises the cost of the monument area's buildings to be renovated (1,145 thousand EUR), the cost of new developments (1,083 thousand EUR) and renovation and remodeling activities (17 thousand euros) taking place in the core area.

The Company capitalized no interest expense on construction in progress in 2015 (94 thousand EUR in 2014).

New developments began in Graphisoft Park in 2015, which will result in the construction of 8,000 m2 new office space by 2017. The construction of the new buildings required the demolition of older building. Demolition works started in the third quarter of 2015 and accordingly net book value of buildings demolished marked N and L (535 thousand euros) has been written off.

Investment property **fair value** estimates are disclosed annually, in the Annual Report.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED DECEMBER 31, 2015
 (all amounts in thousands of euros unless otherwise stated)

8. Investments

| | December 31, 2014 | December 31, 2015 |
|--|-------------------|-------------------|
| AIT-Budapest Aquincum Institute of Technology Kft. | 100 | 100 |
| Investments | 100 | 100 |

The Group acquired a 10 % ownership share (100 thousand EUR) in AIT-Budapest Aquincum Institute of Technology Kft. in 2009.

9. Deferred taxes

| | December 31, 2014 | December 31, 2015 |
|------------------------------------|-------------------|-------------------|
| Development reserve | (537) | (675) |
| Depreciation | 22 | 22 |
| Loss carried forward | 336 | 264 |
| Deferred tax liability, net | (179) | (389) |

10. Loans

| | December 31, 2014 | December 31, 2015 |
|---------------|-------------------|-------------------|
| Short-term | 2,935 | 3,243 |
| Long-term | 41,377 | 36,737 |
| Loans* | 44,312 | 39,980 |

* The total original capital amount of the loans provided by Westdeutsche ImmobilienBank AG from 2007 is 58 million EUR. Loans are denominated and due in EUR. Part of the loans is subject to a fixed interest rate (3-5 years fixed period from start of term) and part to a floating rate. Main collaterals provided for the bank are: mortgage on real estate, revenue assignment and bank account pledge. The Company had no undrawn borrowing facilities as of the balance sheet date.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

The Company executed a loan agreement with Erste Bank Hungary Zrt. on December 28, 2015 for a 16.5 million EUR credit facility with 10 years maturity to finance the ongoing development in the core area. In accordance with the loan agreement Erste Bank shall make available a 4 billion HUF credit facility within Pillar I of the second phase of the National Bank of Hungary's Funding for Growth Scheme and another 5 million EUR market rate credit facility to Graphisoft Park (16.5 million EUR maximum altogether). The loan agreement is complemented by hedging agreements to cover exchange and interest rate risks (cross currency interest rate swap (CCRIS) for the HUF based loan and interest rate swap (IRS) for the EUR based loan). Main collaterals provided for the bank are: mortgage on real estate, revenue assignment and bank account pledge. No amounts were drawn from the credit facility in 2015.

11. Trade payables

| | December 31, 2014 | December 31, 2015 |
|---------------------------|-------------------|-------------------|
| Trade payables - domestic | 534 | 961 |
| Trade payables | 534 | 961 |

12. Other short-term liabilities

| | December 31, 2014 | December 31, 2015 |
|-------------------------------------|-------------------|-------------------|
| Amounts due to employees | 38 | 41 |
| Deposits from tenants | 600 | 608 |
| Other payables and accruals | 723 | 952 |
| Other short-term liabilities | 1,361 | 1,601 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

13. Revenue

| | 3 months ended | | 12 months ended | |
|-----------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Property rental | 2,419 | 2,339 | 8,473 | 9,484 |
| Revenue | 2,419 | 2,339 | 8,473 | 9,484 |

Revenue consists solely of rental fees coming from the lease of investment property of Graphisoft Park.

14. Operating expense

| | 3 months ended | | 12 months ended | |
|-------------------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Property related expense | 27 | 1 | 57 | 49 |
| Employee related expense | 145 | 145 | 579 | 594 |
| Other operating expense | 60 | 56 | 295 | 269 |
| Depreciation and amortization | 1,096 | 1,053 | 4,079 | 4,194 |
| Operating expense | 1,328 | 1,255 | 5,010 | 5,106 |

Other operating expense consists of the following items:

| | 3 months ended | | 12 months ended | |
|--------------------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Office and telecommunication | 2 | 4 | 12 | 14 |
| Legal and administration | 29 | 18 | 134 | 127 |
| Marketing | 8 | 9 | 33 | 33 |
| Other | 21 | 25 | 116 | 95 |
| Other operating expense | 60 | 56 | 295 | 269 |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

15. Other income (expense)

| | 3 months ended | | 12 months ended | |
|---|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Income from recharged construction expenses | 51 | 67 | 267 | 192 |
| Recharged construction expenses | (47) | (60) | (235) | (161) |
| Income from recharged operation expenses | 908 | 975 | 2,929 | 3,514 |
| Recharged operation expenses | (831) | (842) | (2,758) | (3,233) |
| Disposal of tangible assets* | - | - | - | (535) |
| Others | 8 | (34) | - | (29) |
| Other income (expense) | 89 | 106 | 203 | (252) |

* New developments began in Graphisoft Park in 2015, which will result in the construction of 8,000 m2 new office space by 2017. The construction of the new buildings required the demolition of older building. Demolition works started in the third quarter of 2015 and accordingly net book value of buildings demolished marked N and L was written off.

16. Interest

| | 3 months ended | | 12 months ended | |
|-----------------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Interest received | 8 | 3 | 57 | 21 |
| Interest income | 8 | 3 | 57 | 21 |
| Interest paid on loans | (350) | (320) | (1,429) | (1,321) |
| Other interest paid | (1) | (2) | (8) | (6) |
| Borrowing cost capitalized | - | - | 94 | - |
| Interest expense | (351) | (322) | (1,343) | (1,327) |
| Net interest expense | (343) | (319) | (1,286) | (1,306) |

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

17. Exchange rate difference

| | 3 months ended | | 12 months ended | |
|---------------------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Exchange rate gain realized | 2 | 43 | 18 | 115 |
| Exchange rate gain not realized | 50 | 6 | 204 | 101 |
| Exchange rate gain | 52 | 49 | 222 | 216 |

18. Income taxes

| | 3 months ended | | 12 months ended | |
|---------------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Current income tax | (68) | (119) | (249) | (329) |
| Deferred income tax | (77) | (59) | 50 | (210) |
| Income tax expense | (145) | (178) | (199) | (539) |

Applicable tax rates are: income tax 10%, local business tax 2%.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2015
(all amounts in thousands of euros unless otherwise stated)

19. Earnings per share

Basic and diluted earnings per share amounts are calculated as follows:

| | 3 months ended | | 12 months ended | |
|--|------------------|------------------|------------------|------------------|
| | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2015 |
| Net profit attributable to equity holders | 744 | 742 | 2,403 | 2,497 |
| Weighted average number of ordinary shares | 10,082,598 | 10,082,598 | 10,097,064 | 10,082,598 |
| Basic earnings per share (EUR) | 0.07 | 0.07 | 0.24 | 0.25 |
| Weighted average number of ordinary shares | 10,082,598 | 10,082,598 | 10,097,064 | 10,082,598 |
| Diluted earnings per share (EUR) | 0.07 | 0.07 | 0.24 | 0.25 |

Treasury shares possessed by the Company and employee shares are excluded when earnings per share is determined.

Share ownerships details are disclosed in Note 1.3.

20. Treasury shares

Graphisoft Park SE treasury share details are as follows:

| | December 31, 2014 | December 31, 2015 |
|---|-------------------|-------------------|
| Number of shares | 549,076 | 549,076 |
| Face value per share (EUR) | 0.02 | 0.02 |
| Total face value (EUR) | 10,982 | 10,982 |
| Treasury shares (at historical cost) | 962 | 962 |

21. Commitments, contingencies

Development for education purposes

The Group has a contractual commitment to develop for education purposes, which shall result in the set-up of an educational campus on a portion of the area purchased in 2008 (the Monument development area) and the start-up of a program of higher education within 5 years from the approval of the zoning plan for the area and the execution of the plot division. The zoning plan has been approved, the plot division may take several years to be carried out. The university campus was completed and handed over in September 2014. The educational program started in 2010 extended further with the International Business School (IBS) moving in.

In accordance with the project to develop a part of the property for educational purposes, the Company signed a cooperation agreement with AIT-Budapest Aquincum Institute of Technology Kft. in 2009. According to this agreement, development of the educational infrastructure is the responsibility of Graphisoft Park, while organizing the educational program and operating the institute are the responsibilities of AIT. AIT pays a market-rate rent for its use of the real estate. The cooperation also covers the issue of the parties' coordinated appearance on the market and joint marketing activities.

22. Approval of financial statements

Following the recommendation of the Board of Directors, the Annual General Meeting on April 23, 2015 approved the 2014 consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS) showing a balance sheet total of 68,908 thousand EUR and a profit for the year of 2,403 thousand EUR. Together with the approval of the consolidated financial statements for issue, the Annual General Meeting approved dividend distribution of 60 HUF per ordinary share, 20 HUF per employee share, 642,479 thousand HUF in total (2,128 thousand EUR on the exchange rate of April 23, 2015). The starting date for dividend payments was May 28, 2015. The Company paid out the dividends to the shareholders identified by shareholder's registration.

23. Declaration

Statement of responsibility - *We declare that the Quarterly Report which has been prepared in accordance with the applicable accounting standards and to the best of our knowledge, gives a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its undertakings included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its undertakings included in the consolidation, together with a description of the principal risks and uncertainties of its business.*