



**VIG FUND uzavřený investiční fond, a.s.**

**Auditor's report  
and consolidated interim financial statements  
30 June 2014**

**in accordance with International Financial Reporting Standards as  
adopted by the European Union**



KPMG Česká republika Audit, s.r.o.  
Pobřežní 648/1a  
186 00 Praha 8  
Česká republika

Telephone +420 222 123 111  
Fax +420 222 123 100  
Internet www.kpmg.cz

## Independent Auditors' Report on Review of Interim Financial Information to the Shareholders of VIG FUND uzavřený investiční fond, a.s.

We have reviewed the accompanying consolidated statement of financial position of VIG FUND uzavřený investiční fond, a.s. as at 30 June 2014, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with the 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 condensed consolidated interim financial information as at 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Prague  
21 October 2014

*KPMG Česká republika Audit*  
KPMG Česká republika Audit, s.r.o.  
Licence number 71

*Roger Gascoigne*  
Roger Gascoigne  
Partner

  
Pavel Závitkovský  
Partner  
Licence number 0069

***VIG FUND uzavřený investiční fond, a.s.***

Consolidated Interim Financial Statements

for the six months period ended 30 June 2014

**VIG FUND uzavřený investiční fond, a.s.**

Templová 747/5, Prague 1, 110 00

Identification number: 242 20 809

Legal form: joint-stock company

Subject of business: collective investment

Date of Consolidated Interim Financial Statements: June 30th, 2014

Date of preparation: October 7th, 2014

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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

## A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In thousands of euro</i>	Note	30th June 2014	31st December 2013
<b>Assets</b>			
<b>Non-current assets</b>		<b>214 300</b>	<b>189 400</b>
Investment properties	1.2	214 300	189 400
<b>Current assets</b>		<b>11 229</b>	<b>14 627</b>
Tax receivables		65	81
Trade receivables		1 650	935
Other receivables		45	0
Cash and cash equivalents		6 757	10 741
Accrued assets		2 711	2 768
Other assets		1	102
<b>Total assets</b>		<b>225 529</b>	<b>204 027</b>

**VIG FUND uzavřený investiční fond, a.s.**

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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

<i>In thousands of euro</i>	Note	30th June 2014	31st December 2013
<b>Shareholders' Equity</b>			
Share capital	2.1	-106	-97
Legal reserve	2.2	-21	-18
Capital reserve	2.2	-58 904	-47 858
Transaction reserve	2.2	-54 686	-54 686
Retained earnings	2.3	-6 548	-7 009
<b>Total equity</b>		<b>-120 265</b>	<b>-109 668</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans, non-current part	2.4	-77 869	-79 926
Other payables, non-current part		-544	-330
<b>Current liabilities</b>		<b>-26 851</b>	<b>-14 103</b>
Trade and other payables		-1 159	-1 561
Provisions		-133	-138
Accrued liabilities		-2 385	-2 154
Loans, current part	2.4	-17 171	-4 505
Interest from loans	2.4	0	-4
Tax payables		-5 862	-5 738
Other payables, current part		-141	-3
<b>Total liabilities</b>		<b>-105 264</b>	<b>-94 359</b>
<b>Total equity and liabilities</b>		<b>-225 529</b>	<b>-204 027</b>

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**B. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the six months ended 30th June*

<i>In thousands of euro</i>	Note	30th June 2014	30th June 2013
Rental income		7 249	6 589
Operating costs charged to tenants		590	543
Operating expenses		-1 020	-709
<b>Net operating income</b>		<b>6 819</b>	<b>6 423</b>
Other operating income		129	15
Indirect expenditures		-463	-445
Earnings before interest, taxes, depreciation, amortization and fair value unrealized gains/losses (EBITDA)		6 485	5 993
Revaluation of investment property		-1 405	0
<b>Operating result (EBIT)</b>		<b>5 080</b>	<b>5 993</b>
Interest income		4	4
Other financing revenues		274	13
Interest expenses		-1 693	-1 595
Foreign currency gain/loss		-7	-44
Other financing losses		0	0
<b>Financial result</b>		<b>-1 422</b>	<b>-1 622</b>
<b>Net result before taxes (EBT)</b>		<b>3 658</b>	<b>4 371</b>
Income tax		-195	-142
<b>Consolidated profit or loss after tax</b>		<b>3 463</b>	<b>4 229</b>



**C. CONSOLIDATED CASH FLOW STATEMENT**

*For the six months ended 30th June*

*In thousands of euro*

	Note	30th June 2014	30th June 2013
<b>Cash flows from operating activities</b>			
Profit before tax		3 658	4 371
Adjustments to reconcile profit before tax to net cash flows:			
Valuation gains/loss on investment property		1 405	0
Change in provisions		-5	-27
Dividend income		0	0
Interest income		-4	-4
Interest expense		1 693	1 595
Working capital adjustments			
Decrease/increase in trade and other receivables and accruals		-531	520
Decrease/increase in trade, other payables and accruals		132	-1 430
Income tax paid		-250	-142
<b>Net cash flow from/(used in) operating activities</b>		<b>6 098</b>	<b>4 883</b>
<b>Cash flows from investment activities</b>			
Acquisition of investment property, net of cash acquired		-26 132	0
Proceeds from borrowings - loans provided to group companies		0	0
Payment of equity of subsidiaries		0	0
Dividends received		0	0
Interest received		4	4
<b>Net cash from/(used in) investment activities</b>		<b>-26 128</b>	<b>4</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		13 000	0
Redemption of borrowings - repayment of bank loan		-1 193	-1 032
Redemption of borrowings - repayment of other loans from group companies		-1 198	-1 060
Proceeds from issue of share capital		11 055	0
Dividend paid		-3 921	-3 723
Interest paid		-1 697	-1 619
<b>Net cash (used in)/from financing activities</b>		<b>16 046</b>	<b>-7 434</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>-3 984</b>	<b>-2 547</b>
Cash and cash equivalents at 31 December 2013/31 December 2012		10 741	10 636
<b>Cash and cash equivalents at 30 June</b>		<b>6 757</b>	<b>8 089</b>



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**D. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY**

<i>For the six months ended 30th June</i>	Note	Share capital	Legal reserve	Capital reserve	Transaction reserve	Retained earnings	Total equity
<b>Opening balance as of 31st December 2012</b>		<b>91</b>	<b>16</b>	<b>40 831</b>	<b>54 686</b>	<b>4 455</b>	<b>100 079</b>
Consolidated profit or loss after tax		0	0	0	0	4 229	4 229
Other comprehensive income		0	0	0	0	0	0
Transfer to legal reserve	2.2	0	2	0	0	-2	0
Shares issued	2.1	0	0	0	0	0	0
Dividend distribution		0	0	0	0	-3 723	-3 723
<b>Closing balance as of 30th June 2013</b>		<b>91</b>	<b>18</b>	<b>40 831</b>	<b>54 686</b>	<b>4 959</b>	<b>100 585</b>
<b>Opening balance as of 31st December 2013</b>		<b>97</b>	<b>18</b>	<b>47 858</b>	<b>54 686</b>	<b>7 009</b>	<b>109 668</b>
Consolidated profit or loss after tax		0	0	0	0	3 463	3 463
Other comprehensive income		0	0	0	0	0	0
Transfer to legal reserve	2.2	0	3	0	0	-3	0
Shares issued	2.1	9	0	11 046	0	0	11 055
Dividend distribution		0	0	0	0	-3 921	-3 921
<b>Closing balance as of 30th June 2014</b>		<b>106</b>	<b>21</b>	<b>58 904</b>	<b>54 686</b>	<b>6 548</b>	<b>120 265</b>

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### E. GENERAL INFORMATION

#### 1. INFORMATION CONCERNING THE GROUP

##### 1.1 Description of the Company

The Company:	VIG FUND uzavřený investiční fond, a.s.
Identification number:	242 20 809
Date of Establishment:	The Company was set up by the Articles of association on 27th November 2011. The Company was registered into the Commercial Register on 1st March 2012.
Registered Office:	Prague 1, Templová 747/5, postcode 110 00
Legal form:	joint-stock company („akciová společnost“)
Subject of business:	collective investment
Trade Register File Nr:	Section B, entry 17896 of the Commercial Register kept by the Municipal court in Prague
Country of incorporation:	Czech Republic
Accounting period:	1st January 2014 – 30th June 2014

The Company is a special fund of qualified investors pursuant to Article 56 et seq. of the Act No 189/2004 Coll., on collective investments („Act“).

The Company has been established for an indefinite period of time.

The Company has entrusted the management of its assets to investment company VIG Asset Management a.s., ID no. 24838233, having its registered office at Prague 1, Templová 747, post code 110 01, registered in the Commercial Register administered by the Municipal court in Prague, section B, insert 17131.

##### 1.2 Shareholders

The Company is part of a VIG consolidation group with ultimate parent company being VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna, Austria, the ultimate shareholder.

The shareholders as of 30th June 2014 are as follows:

Shareholder	Share on registered capital		Relationship to the Company
	2014	2013	
VIG-CZ Real Estate GmbH, Vienna	72,37%	72,619%	Parent company
VIG RE zajišťovna, a.s., Prague	4,32%	4,771%	Entity with joint control
Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague	16,55%	16,327%	Entity with joint control
InterRisk Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Ins. Group, Warsaw	0,66%	0,617%	Entity with joint control
Compensa Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Ins. Group, Warsaw	0,66%	0,617%	Entity with joint control
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	0,55%	0,510%	Entity with joint control
InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden	0,89%	0,823%	Entity with joint control
Poist'ovna Slovenskej sporitel'ne, a.s. Vienna Insurance Group, Bratislava	0,66%	0,617%	Entity with joint control
Komunálna poisťovna, a.s. Vienna Insurance Group, Bratislava	0,89%	0,823%	Entity with joint control
KOOPERATIVA poisťovna a.s. Vienna Insurance Group, Bratislava	1,33%	1,242%	Entity with joint control
Wiener Osiguranje Vienna Insurance Group d.d., Zagreb	1,12%	1,036%	Entity with joint control
<b>Total</b>	<b>100,00%</b>	<b>100,00%</b>	



## 2. ACCOUNTING PRINCIPLES

The consolidated interim financial statements for the six months ended 30th June 2014 have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU. They do not include all the information required for a complete set of IFRS (the International Financial Reporting Standards) financial statements.

The Group decided for this presentation in accordance with the §19a sec. 7 of the Accounting Act as stated in the Articles of Association. The consolidated interim financial statements are presented in thousands of Euro (rounded according to the commercial rounding method).

## 3. BASIS OF CONSOLIDATION

The consolidated interim financial statements comprise the financial statements of the Company and its subsidiaries (all together „the Group“) as at 30th June. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

## 4. ACCOUNTING POLICIES

In preparing the consolidated interim financial statements for the six months ended 30th June 2014, the accounting and valuation policies applied in the consolidated financial statements for the year ended 31st December 2013 have been applied unchanged.

The accounting policies of all companies included in consolidation are based on the uniform accounting regulations of VIG FUND uzavřený investiční fond, a.s. There has been one change in the companies included in consolidation as compared with the consolidated financial statements for the year ended 31st December 2013.

On 15th May 2014, the Group acquired the building Burzovní Palác.

The Group determined Euro as its functional currency in accordance with IAS 21. Even though the Euro is not the currency of the primary economic environment in which the Group operates, the rental prices and service prices are set in Euro. Rental agreements are commonly agreed in Euro in this economic environment. Furthermore, the financing funds are set in Euro, and the receipts from operating activities are also mainly in Euro. As a result the functional currency is Euro.

The consolidated interim financial statements are presented rounded to the nearest 1,000 Euro.

### **Judgments and estimates**

When preparing the interim consolidated financial statements, the Group's management uses judgments and estimates. These judgments and estimates affect the recognition and value of assets, liabilities, income, expenses and the information given in the notes.

The judgments and estimates on fair value of investment properties carry a risk that they may lead to a material adjustment in their value. The fair value of investment properties is determined based on appraisals prepared by independent property experts. The appraisals are based on discounted cash flow models. The preparation of these appraisals involves the use of assumptions, such as applied yield and expected cash flow from rentals. A change in these assumptions may lead to an increase or decrease in the value of the investment properties.

## 5. PRINCIPLES OF MANAGING OF GROUP'S ASSETS

The Group's consolidated interim financial statements are subject to approval of the General Meeting, in accordance with the Group's Articles of Association. The Group's consolidated interim financial statements must be reviewed by an auditor.

**F. NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****1.1 New investment property acquisitions**

In May 2014 the Company acquired the building Burzovní Palác. Acquisition of this group of assets and liabilities does not constitute a business; therefore, the costs of the group was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

The fair value of the identifiable assets and liabilities as at the date of acquisition was as follows:

Fair value recognised on acquisition	Burzovní Palác
Investment property	26 300
Trade receivables	46
Cash and cash equivalents	340
	<b>26 686</b>
Trade payables	214
	<b>214</b>
<b>Total identifiable net assets at fair value</b>	<b>26 472</b>
<b>Total consideration</b>	<b>26 472</b>

The following table shows the effect on consolidated statement of comprehensive income arising from the new acquisition for the period from 15 May 2014 to 30 June 2014:

Effect on interim consolidated statement of comprehensive income since the day of acquisition	Burzovní Palác
Rental income	204
Operating costs charged to tenants	53
Operating expenses	-99
<b>Impact on net profit</b>	<b>158</b>



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**1.2 Investment properties**

The development of the fair value of investment properties is shown below:

Investment properties	Total
<b>Balance as of 1st January 2013</b>	<b>174 100</b>
New investments 2013	17 600
Other changes in investment properties	-91
Revaluation	-2 209
<b>Balance as of 31st December 2013</b>	<b>189 400</b>
New investments 2014	26 300
Other changes in investment properties	5
Revaluation	-1 405
<b>Balance as of 30th June 2014</b>	<b>214 300</b>

The market value of the properties assigned as collateral for external financings totals to TEUR 189,400 as of 31st December 2013 and TEUR 214,300 as of 30th June 2014.

**2.1 Share capital**

Type of shares	Number as of		Nominal value	Unpaid
	30th June 2014	31st December 2013		
registered	13 428 pcs.	12 158 pcs.	200 CZK	0 CZK

As of 31st December 2013 the share capital of the Group recorded in the Commercial Register totaled TCZK 2,432 and consisted of 12,158 shares with a nominal value of CZK 200 per share. All shares are fully paid in and authorised.

During the reported period 1,270 new shares with a nominal value of CZK 200 were issued. The issue rate consists of two amounts – CZK 200 per share which increased the share capital to the amount of TCZK 2,686 (i.e. TEUR 106) and TEUR 9 per share which constituted share premium amounting to TEUR 11,046 (shown under capital reserve).

All shares are voting shares.

**2.2 Other reserves**

Other reserves	30th June 2014	31st December 2013	Distribution possibility
Legal reserve	21	18	No
Capital reserve	58 904	47 858	Yes
Transaction reserve	54 686	54 686	No
<b>Total</b>	<b>113 611</b>	<b>102 562</b>	

The legal reserve is made up of mandatory reserves in the amount of TEUR 21. It has been increased by TEUR 3 within the distribution of profit of 2013.

The capital reserve has been increased by the amount of 11,046 TEUR which represents the share premium connected with the new shares issued.

The transaction reserve was created on incorporation of the company.

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### 2.3 Retained earnings

The retained earnings include the profit of the reported period after tax amounting to TEUR 3,463 and the profit of the previous periods amounting to TEUR 3,085.

### 2.4 Interest bearing liabilities

The structure of the interest bearing liabilities is as follows:

Loans	30th June 2014			31st December 2013		
	Principal amount	Interest	Total	Principal amount	Interest	Total
Bank loans	37 294	0	37 294	38 488	4	38 492
Other loans	57 746	0	57 746	45 943	0	45 943
<b>Total</b>	<b>95 040</b>	<b>0</b>	<b>95 040</b>	<b>84 431</b>	<b>4</b>	<b>84 435</b>
thereof: short-term	17 171	0	17 171	4 505	4	4 509
thereof: long-term	77 869	0	77 869	79 926	0	79 926

As of 30th June 2014 the terms of interest-bearing liabilities are as follows:

Loan	Signed on	Principal amount	Already paid	Due date
Investment Loan 1	29.11.2011	48 081	6 059	31.12.2026
Investment Loan 2	12.12.2012	18 000	933	31.12.2024
Investment Loan 3	19.12.2013	9 000	149	31.12.2025
Investment Loan 4	29.11.2011	12 526	2 088	31.12.2026
Investment Loan 5	29.11.2011	4 394	732	31.12.2026

The agreed interest rate for all Investment Loans is fixed except for the part of bank creditor with whom a variable interest rate was agreed on. For this purpose an interest rate swap was entered into to fix the variable interest rate. The interest is calculated quarterly on the basis of actual/360 method. The principal amount repayments are to be made quarterly started on 31st December 2012 (Loan 1, 4, 5), on 30th June 2013 (Loan 2) and on 30th June 2014 (Loan 3).

As security for the loans the Group provides the following collaterals:

- Mortgage on the land or the land and building
- Pledge of receivables (from rental agreements, insurance contracts etc.)
- Pledge of bank accounts (accounts for rental payments)

The following table summarizes the carrying amounts of financial assets pledged as collateral:

Financial assets pledged as collateral	30th June 2014	31st December 2013
Investment properties	214 300	189 400
Trade receivables from rental incomes	1 467	573
Cash and cash equivalents	6 757	10 741

In connection with the acquisition of the building Burzovní Palác the Group registers the new short-term loan from the company in the amount of TEUR 13,000 as of 30th June 2014.

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**2.5 Financial instruments**

The values of financial assets and liabilities are as follows:

Financial instruments	30th June 2014		31st December 2013	
	carrying amount	fair value	carrying amount	fair value
<b>Financial assets:</b>				
Tax receivables	65	65	81	81
Trade receivables	1 650	1 650	935	935
Other receivables	45	45	0	0
Cash and cash equivalents	6 757	6 757	10 741	10 741
<b>Total</b>	<b>8 517</b>	<b>8 517</b>	<b>11 757</b>	<b>11 757</b>
<b>Financial liabilities:</b>				
Loans, non-current part	-77 869	-77 869	-79 926	-79 926
Loans, current part	-17 171	-17 171	-4 505	-4 505
Interest from loans	0	0	-4	-4
Trade and other payables	-1 159	-1 159	-1 561	-1 561
Other payables, non-current part	-544	-544	-330	-330
Other payables, current part	-141	-141	-3	-3
<b>Total</b>	<b>-96 884</b>	<b>-96 884</b>	<b>-86 329</b>	<b>-86 329</b>

Tax, trade and other receivables are generally considered to be current or are carried net of any necessary valuation adjustments and, for this reason, fair value reflects the carrying amount. The same applies to cash and cash equivalents.

Carrying amount of the loans is shown as fair market value as there is no significant difference between fair market value and carrying amount as contractual conditions in principle reflects present market conditions.

Interest, trade and other payables approximates the carrying amount.



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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

**3.1 Operating segments**

Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker.

The Group has a single group of related services being the rental of investment properties in retail stores and offices exclusively. Segment information is provided on the basis of geographic areas, being the basis on which the Group manages its interests. Revenue is attributed to a country or region based on the location of the Group company reporting the revenue.

The tables below present segment information:

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>In thousands of euro</i>	<b>As at 30 June 2014</b>					
	<b>CZ</b>	<b>HUN</b>	<b>SK</b>	<b>Total segments</b>	<b>Consolidation</b>	<b>Total</b>
<b>Assets</b>					0	
<b>Non-current assets</b>	<b>200 246</b>	<b>9 020</b>	<b>26 750</b>	<b>236 016</b>	-21 716	<b>214 300</b>
Investment properties	178 530	9 020	26 750	214 300	0	214 300
Shares	21 716	0	0	21 716	-21 716	0
<b>Current assets</b>	<b>29 652</b>	<b>495</b>	<b>1 159</b>	<b>31 306</b>	<b>-20 077</b>	<b>11 229</b>
Loans to group entities	20 040	0	0	20 040	-20 040	0
Tax receivables	45	0	20	65	0	65
Trade receivables	1 650	0	0	1 650	0	1 650
Other receivables	45	0	0	45	0	45
Cash and cash equivalents	5 209	474	1 074	6 757	0	6 757
Accrued assets	2 662	21	65	2 748	-37	2 710
Other assets	1	0	0	1	0	1
<b>Total assets</b>	<b>229 898</b>	<b>9 515</b>	<b>27 909</b>	<b>267 322</b>	<b>-41 793</b>	<b>225 529</b>

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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)****For the six months  
ended 30th June****As at 30 June 2014**

<i>In thousands of euro</i>	<b>CZ</b>	<b>HUN</b>	<b>SK</b>	<b>Total segments</b>	<b>Consolidation</b>	<b>Total</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>	<b>-84 923</b>	<b>-3 299</b>	<b>-10 229</b>	<b>-98 451</b>	<b>20 038</b>	<b>-78 413</b>
Loans, non-current part	-84 379	-3 299	-10 229	-97 907	20 038	-77 869
Other payables, non-current part	-544	0	0	-544	0	-544
<b>Current liabilities</b>	<b>-20 797</b>	<b>-1 249</b>	<b>-4 844</b>	<b>-26 890</b>	<b>39</b>	<b>-26 851</b>
Trade and other payables	-1 156	-3	0	-1 159	0	-1 159
Provisions	-133	0	0	-133	0	-133
Accrued liabilities	-2 355	-68	0	-2 423	38	-2 385
Loans, current part	-16 598	-364	-209	-17 171	0	-17 171
Interest from loans	0	0	0	0	0	0
Tax payables	-413	-814	-4 635	-5 862	0	-5 862
Other payables, current part	-142	0	0	-142	1	-141
<b>Total liabilities</b>	<b>-105 720</b>	<b>-4 548</b>	<b>-15 073</b>	<b>-125 341</b>	<b>20 077</b>	<b>-105 264</b>

**VIG FUND uzavřený investiční fond, a.s.**

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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For the six months  
ended 30 June****For the six months period ended 30 June 2014**

<i>In thousands of euro</i>	<b>CZ</b>	<b>HUN</b>	<b>SK</b>	<b>Total segments</b>	<b>Consolidation</b>	<b>Total</b>
Rental income	5 762	392	1 095	7 249	0	7 249
Operating costs charged to tenants	557	0	33	590	0	590
Operating expenses	-1 019	-1	0	-1 020	0	-1 020
<b>Net operating income</b>	<b>5 300</b>	<b>391</b>	<b>1 128</b>	<b>6 819</b>	<b>0</b>	<b>6 819</b>
Other operating income	140	16	0	156	-27	129
Indirect expenditures	-381	-36	-73	-490	27	-463
<b>Earnings before interest, taxes, depreciation, amortization and fair value unrealized gains/losses (EBITDA)</b>	<b>5 059</b>	<b>371</b>	<b>1 055</b>	<b>6 485</b>	<b>0</b>	<b>6 485</b>
Revaluation of investment property	-1 405	0	0	-1 405	0	-1 405
<b>Operating result (EBIT)</b>	<b>3 654</b>	<b>371</b>	<b>1 055</b>	<b>5 080</b>	<b>0</b>	<b>5 080</b>
Interest income	3	0	1	4	0	4
Dividend income	60	-60	0	0	0	0
Other financing revenues	312	0	0	312	-38	274
Interest expenses	-1 397	-77	-219	-1 693	0	-1 693
Foreign currency gain/loss	-5	-2	0	-7	0	-7
Other financing expenses	0	-10	-28	-38	38	0
<b>Financial result</b>	<b>-1 027</b>	<b>-149</b>	<b>-246</b>	<b>-1 422</b>	<b>0</b>	<b>-1 422</b>
<b>Net result before taxes (EBT)</b>	<b>2 627</b>	<b>222</b>	<b>809</b>	<b>3 658</b>	<b>0</b>	<b>3 658</b>
Income tax	-34	-26	-135	-195	0	-195
<b>Profit or loss after tax</b>	<b>2 593</b>	<b>196</b>	<b>674</b>	<b>3 463</b>	<b>0</b>	<b>3 463</b>

**VIG FUND uzavřený investiční fond, a.s.**

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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION – COMPARATIVE INFORMATION****For the year ended  
31st December 2013**

<i>In thousands of euro</i>	2013					
	CZ	HUN	SK	Total segments	Consolidation	Total
<b>Assets</b>						
<b>Non-current assets</b>	<b>175 346</b>	<b>9 020</b>	<b>26 750</b>	<b>211 116</b>	<b>-21 716</b>	<b>189 400</b>
Investment properties	153 630	9 020	26 750	189 400	0	189 400
Shares	21 716	0	0	21 716	-21 716	0
<b>Current assets</b>	<b>13 210</b>	<b>474</b>	<b>943</b>	<b>14 627</b>	<b>0</b>	<b>14 627</b>
Tax receivables	79	2	0	81	0	81
Trade receivables	933	1	1	935	0	935
Cash and cash equivalents	9 338	461	942	10 741	0	10 741
Accrued assets	2 758	10	0	2 768	0	2 768
Other assets	102	0	0	102	0	102
<b>Total assets</b>	<b>188 556</b>	<b>9 494</b>	<b>27 693</b>	<b>225 743</b>	<b>-21 716</b>	<b>204 027</b>

<i>In thousands of euro</i>	2013					
	CZ	HUN	SK	Total segments	Consolidation	Total
<b>Liabilities</b>						
<b>Non-current liabilities</b>	<b>-66 509</b>	<b>-3 518</b>	<b>-10 229</b>	<b>-80 256</b>	<b>0</b>	<b>-80 256</b>
Loans, non-current part	-66 179	-3 518	-10 229	-79 926	0	-79 926
Other payables, non-current part	-330	0	0	-330	0	-330
<b>Current liabilities</b>	<b>-7 597</b>	<b>-1 204</b>	<b>-5 302</b>	<b>-14 103</b>	<b>0</b>	<b>-14 103</b>
Trade and other payables	-1 560	-1	0	-1 561	0	-1 561
Provisions	-133	0	-5	-138	0	-138
Accrued liabilities	-2 101	-53	0	-2 154	0	-2 154
Loans, current part	-3 516	-363	-626	-4 505	0	-4 505
Interest from loans	-4	0	0	-4	0	-4
Tax payables	-280	-787	-4 671	-5 738	0	-5 738
Other payables, current part	-3	0	0	-3	0	-3
<b>Total liabilities</b>	<b>-74 106</b>	<b>-4 722</b>	<b>-15 531</b>	<b>-94 359</b>	<b>0</b>	<b>-94 359</b>



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Consolidated Interim Financial Statements for the six months period ended 30 June 2014

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – COMPARATIVE INFORMATION****For the six months ended  
30th June****For the six months period ended 30th June 2013**

<i>In thousands of euro</i>	<b>CZ</b>	<b>HUN</b>	<b>SK</b>	<b>Total segments</b>	<b>Consolidation</b>	<b>Total</b>
Rental income	5 127	378	1 084	6 589	0	6 589
Operating costs charged to tenants	543	0	0	543	0	543
Operating expenses	-708	-1	0	-709	0	-709
<b>Net operating income</b>	<b>4 962</b>	<b>377</b>	<b>1084</b>	<b>6 423</b>	<b>0</b>	<b>6 423</b>
Other operating income	42	16	0	58	-43	15
Indirect expenditures	-366	-54	-68	-488	43	-445
<b>Earnings before interest, taxes, depreciation, amortization and fair value unrealized gains/losses (EBITDA)</b>	<b>4 638</b>	<b>339</b>	<b>1 016</b>	<b>5 993</b>	<b>0</b>	<b>5 993</b>
Revaluation of investment property	0	0	0	0	0	0
<b>Operating result (EBIT)</b>	<b>4 638</b>	<b>339</b>	<b>1 016</b>	<b>5 993</b>	<b>0</b>	<b>5 993</b>
Interest income	1	2	1	4	0	4
Dividend income	0	0	0	0	0	0
Other financing revenues	51	0	0	51	-38	13
Interest expenses	-1 277	-82	-236	-1 595	0	-1 595
Foreign currency gain/loss	-43	-1	0	-44	0	-44
Other financing expenses	0	-10	-28	-38	38	0
<b>Financial result</b>	<b>-1 268</b>	<b>-91</b>	<b>-263</b>	<b>-1 622</b>	<b>0</b>	<b>-1 622</b>
<b>Net result before taxes (EBT)</b>	<b>3 370</b>	<b>248</b>	<b>753</b>	<b>4 371</b>	<b>0</b>	<b>4 371</b>
Income tax	-9	-22	-111	-142	0	-142
<b>Profit or loss after tax</b>	<b>3 361</b>	<b>226</b>	<b>642</b>	<b>4 229</b>	<b>0</b>	<b>4 229</b>

**3.2 Related party information**

Transactions with related parties are carried out at arm's length. The Parent Company is defined in part E 1.2 Shareholders.

Transactions with the parent company	30th June 2014	31st December 2013
<b>STATEMENT OF FINANCIAL POSITION</b>		
Accrued liabilities	18	18
Interest bearing liabilities	57 746	45 943
Interests from loans	0	0

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Transactions with the parent company	30th June 2014	30th June 2013
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
Interest expenses	-924	-884
Insurance paid	-26	-18

Transactions with entities with common or significant influence	30th June 2014	31st December 2013
<b>STATEMENT OF FINANCIAL POSITION</b>		
Accrued liabilities	0	35

Transactions with entities with common or significant influence	30th June 2014	30th June 2013
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
Indirect expenditures	-229	-245

**G. DATA ON SECURITIES ISSUED BY THE COMPANY**

The Group issues ordinary shares which are not quoted, registered in the European official market, or accepted for trading in a market which is not a regulated market pursuant to the Act on Capital Market Business.

The Group's shares are registered shares. Shares may be transferred only subject to the conditions stipulated by the applicable legal regulations, the Articles of Association, and by the Statute.

The Group's shares are securities in certificated form.

The nominal value of one share is CZK 200 (in words: two hundred Czech crowns). The nominal value of all shares issued by the Company is the same.

The Group's shares may not be publicly offered or promoted.

**H. SUBSEQUENT EVENTS**

The Group is currently in the process of issuing bonds that are to be listed on the regulated market of the Prague Stock Exchange. The total nominal amount of the bonds is expected to amount to around EUR 45 mln. and the bond issue is expected to be completed by the 4th quarter 2014.

It is the Group's strategy to further expand in Central and Eastern Europe, which will lead to further diversification. It is planned that by the end of 2014 approximately 20 - 25 % of the Group's total investment properties will be allocated to countries in which it is not present at the moment.

In connection with the planned new investment property acquisition in Poland 3,699 new shares with a nominal value of CZK 200 were issued. The issue rate consists of two amounts – CZK 200 per share which increased the share capital to the amount of TCZK 740 (i.e. TEUR 27) and TEUR 9 per share which constituted share premium amounting to TEUR 32,145 (shown under capital reserve).

October 21th, 2014

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