

NOTIFICATION

From
BULGARIAN REAL ESTATE FUND" REIT,
registered in the Commercial Register under
UIC 131350366, represented
by the Executive Director Nikolay Skarlatov

regarding: inside information under Art. 4 of
Law on Measures against Market Abuse
with Financial Instruments

DEAR LADIES AND GENTLEMEN,

On the basis of Art. 40, p. 3 with reference to Art. 27, p. 2 and Art. 28 from Ordinance №. 2 of September 17, 2003 on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information by the public companies and the other issuers of securities we inform you the following:

At its meeting held on 22.02.2016, the General Meeting of Shareholders of BULGARIAN REAL ESTATE FUND SPV adopted a resolution to increase the par value of the shares issued by the special purpose vehicle from BGN 1 (one) to BGN 3 (three) and the accordingly reduce the number of the shares from 60 450 000 (sixty million four hundred and fifty thousand) to 20 150 000 (twenty million one hundred and fifty thousand) shares, thus keeping the amount of the capital of the special purpose vehicle of BGN 60 450 000 (sixty million four hundred and fifty thousand); The increase of the par value of the shares and the corresponding reduction of the number of the shares will be accomplished in compliance with the Procedure accepted by the Board of Directors of the special purpose vehicle, enclosed to the materials on the agenda, and in compliance with the requirements of 110b and 110c of the Securities Public Offering Act (SPOA) on equality of the shareholders in the same position and for provision of all necessary conditions and information, so that the shareholders can exercise their rights and make a justified investor's resolution. The date as at which the number of the shares held by the shareholders in the special purpose vehicle, whose par value will be increased from BGN 1 (one) to BGN 3 (three) and whose number shall be reduced accordingly, thus keeping the total amount of the capital, shall be the date following the General

Meeting of the shareholders (23 February 2016). The General Meeting authorises the Board of Directors of the special purpose vehicle to determine all technical parameters of the procedure, to perform all necessary legal actions and actions of fact in connection with it, including to prepare and submit to the relevant state authorities and other institutions a list of the new allocation of the shares, as well as all other related and required documents for the registration of the amendment in the par value and the total number of the shares of the special purpose vehicle in the Companies Register, Central Depository AD, Financial Supervision Commission, Bulgarian Stock Exchange – Sofia AD.