

delivering
on our

VISION

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on our
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www.greenreitplc.com



ABOUT GREEN REIT PLC

Green REIT plc is an Irish Real Estate Investment Trust ("REIT") listed on the Irish and London Stock Exchanges. We were the first REIT established in Ireland, in July 2013, following the introduction of REIT legislation by the Irish Government.

The Company is the largest listed Irish property company by net assets and by market capitalisation, and owns a portfolio of commercial property assets located mainly in Dublin, most of which it acquired early in the Irish recovery cycle.

OUR VISION

Our strategy is to deliver further income and capital growth through active asset management, including development of our commercial property portfolio in Ireland, with prudent use of debt finance.

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HIGHLIGHTS OF THE YEAR

TO 30 JUNE 2016

ASSET MANAGEMENT FOCUS DELIVERS
STRENGTHENED LONG TERM INCOME
STREAM AND STRONG PERFORMANCE
ACROSS ALL METRICS

16.5%

NAV increase

€1.52

EPRA NAV per Share

Dividend up
188% *to* **4.6** *cents per share*

reflecting strong income performance in the period

The portfolio, which is dominated by high grade Dublin offices, is now valued at **€1.24 billion**, with the Company having recorded a strong performance across all key operational metrics during the period. The strategic focus will continue to be on driving risk adjusted returns for shareholders, through asset management, our development pipeline and increasing dividends.

➤ *KEY FINANCIALS HIGHLIGHTS*

14.9%

increase in EPRA NAV
to €1.52 per share
underpinning a

17.7%

TOTAL RETURN
in the period

Strong capital and
income growth,
with EPRA Earnings
now contributing

17%

of TOTAL PROFIT

10% increase in
**CONTRACTED
ANNUAL RENT**

TO

€61.3 from 21
MILLION properties

131%

EPRA EPS increase
to 3.7 cents per
share; Basic EPS of
21.5 cents per share

Strong
EPRA Earnings

€24.8
MILLION

➤ UP **137%**
on prior year

20.6%

Property LTV

NET PROFIT for the year:

€145.5
MILLION

➤ STRATEGIC & OPERATIONAL HIGHLIGHTS

ASSET MANAGEMENT: *delivering increased rental profit and more secure income over the longer term*

- Lease renegotiations completed/ agreed on €14 million, or 23% of total annual contracted rent, including leases with Vodafone Ireland and Pioneer Investments
- €9.5 million of new annual rent secured through new lettings, the largest of which is to Fidelity International in George's Quay
- 56% increase in total WAULT, from 5 years at 30 June 2015 to 7.8 years at 30 June 2016
- Continued low EPRA vacancy of 2% at 30 June 2016 (30 June 2015: 2%)



Vodafone Ireland at Central Park

DEVELOPMENT: substantial value-adding potential from pipeline

- Solid progress at our four office sites, all on target for completion on schedule
- Terms agreed for the single letting of 100% of 32 Molesworth Street on completion
- Two industrial units completed on schedule and on budget at Horizon Logistics Park
- Good momentum at Horizon Logistics Park, with speculative development of an additional unit commenced in October 2016
- 6.1 acres at Central Park and over 100 acres at Horizon Logistics Park available for potential future development



32 Molesworth Street (CGI)



Horizon Logistics Park

➤ **STRATEGIC & OPERATIONAL HIGHLIGHTS**

(cont.)

ACQUISITIONS AND DISPOSALS

supportive of investment strategy, strengthening the portfolio

- **Acquisitions:** Completed the acquisition of full control of Central Park in January 2016 and of One Albert Quay in Cork. Payments of €41 million made on One Albert Quay to 30 June 2016, with a further €10.4 million to be paid on or before March 2017
- **Disposals:** four properties sold in H2, at a combined sale price of €74.7 million, versus a combined purchase price of €42.6 million, generating a profit before disposal costs of €32.1 million, or 75% on cost



One Albert Quay



Classon House



Globe Retail Park



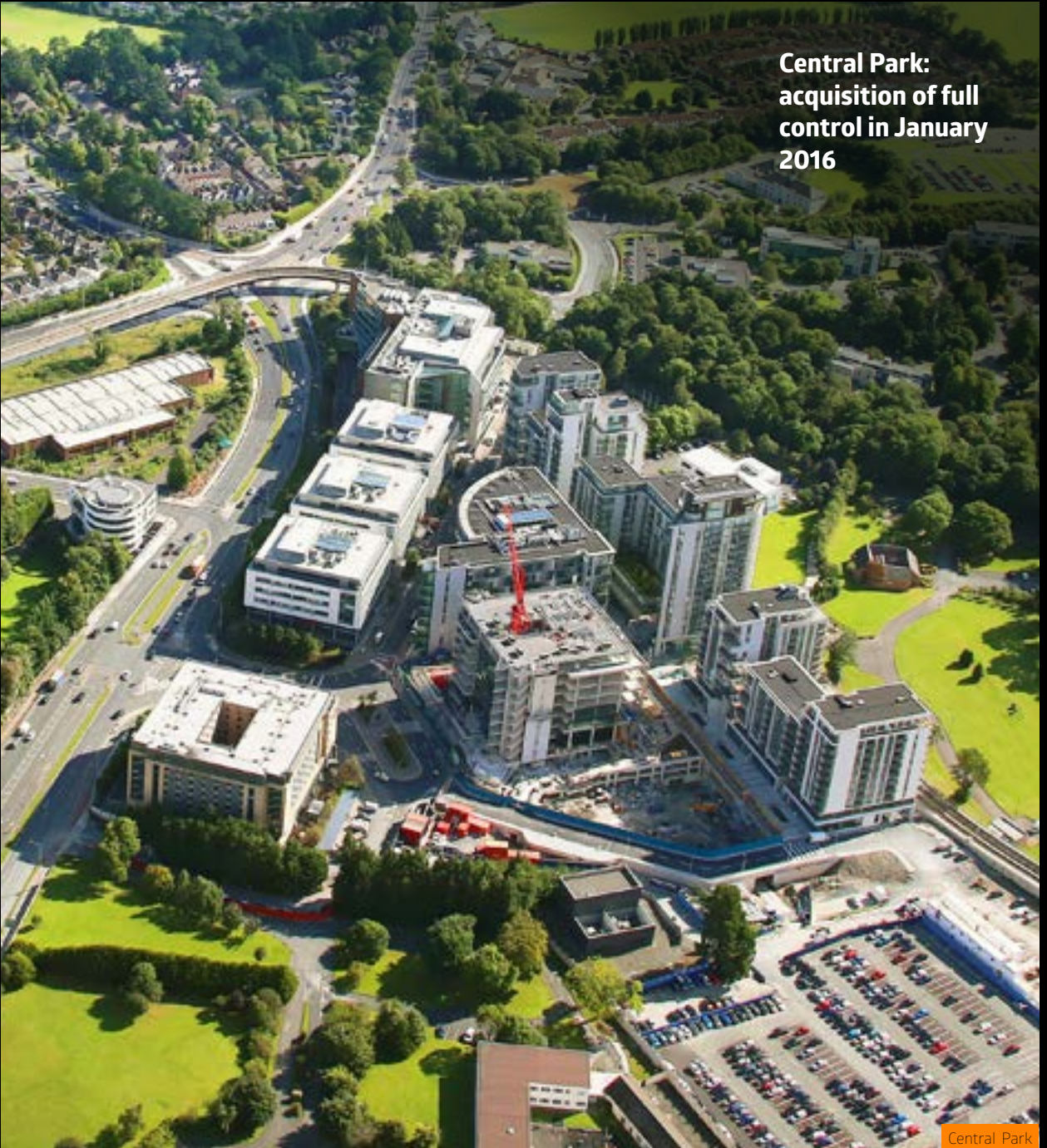
Parnell Car Park



Ormond Building

4 assets sold

75% profit on cost



**Central Park:
acquisition of full
control in January
2016**

Central Park

➤ OUR PORTFOLIO



1
INM Building,
Citywest Business
Campus, Co. Dublin



2
2 Burlington Road,
Dublin 4



3
Fitzwilliam Hall,
Dublin 2



4
1-2 College Green,
Dublin 2



5
4-5 College Green,
Dublin 2



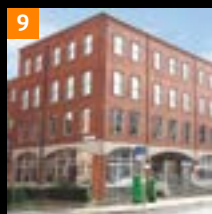
6
Parkway Retail Park,
Limerick



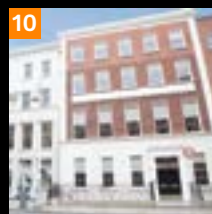
7
The Arena Centre,
Tallaght, Dublin 24



8
Horizon Logistics Park,
Swords, Co. Dublin



9
84-93 Mount Street
Lower, Dublin 2



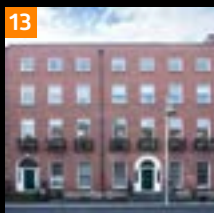
10
30-33 Molesworth
Street, Dublin 2



11
Central Park,
Leopardstown,
Dublin 18



12
4&5 Harcourt Road,
Dublin 2



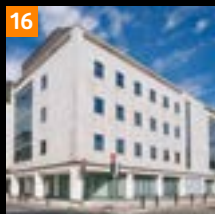
13
76-78 Harcourt Street,
Dublin 2



14
One Molesworth
Street, Dublin 2



15
George's Quay
Block A, Dublin 2



16
George's Quay
Blocks E&F,
Dublin 2



17
George's Court,
Dublin 2



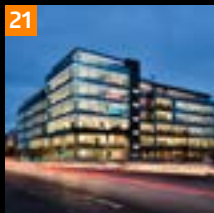
18
Westend Retail Park,
Blanchardstown,
Dublin 15



19
Westend Office Park,
Blanchardstown,
Dublin 15



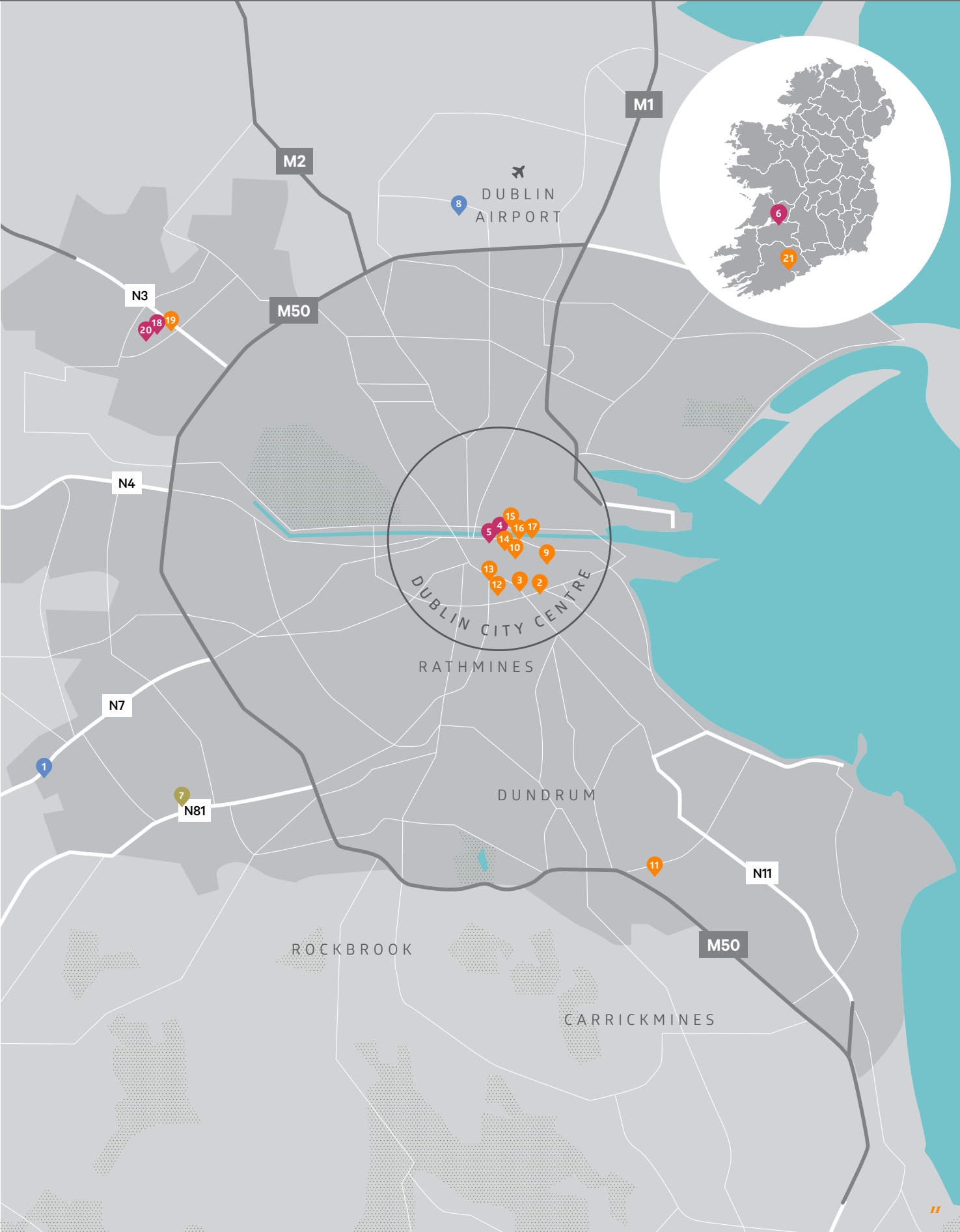
20
Westend
Commercial Village,
Blanchardstown,
Dublin 15



21
One Albert Quay,
Cork

TYPE OF PROPERTY:

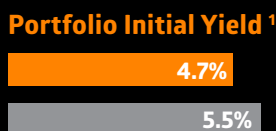
- Office
- Retail
- Industrial
- Other / Mixed-Use



PORTFOLIO OVERVIEW

As at 30 June 2016 the summary portfolio position was as follows:

21 assets valued at
€1.24 BILLION



TOTAL FLOOR AREA:

226,000 sq m (2.43 million sq ft)

30 June 2015: 208,600 square metres (2.24 million square feet)

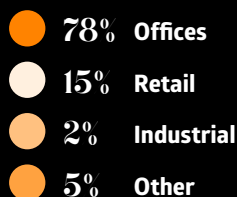
SIGNIFICANT DUBLIN FOCUS:

93% by portfolio value

73% Dublin office assets

Portfolio is **5% reversionary** at 30 June 2016 (€61.3 million annual contracted rent versus €64.7 million annual ERV)

98.3%
EPRA occupancy rate
(30 June 2015: 98.1%)



DIVERSIFIED TENANT BASE

% of contracted rent:

41% Financial Services
23% TMT
18% Retail

TOP 10 TENANTS

account for

51% of contracted rent

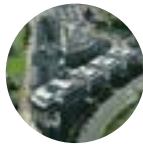
with our largest tenant accounting for 12% of the total



Map 2: Dublin City Centre (refer to page 10 for pin number correspondence)



Portfolio: The Cycle



Central Park



2 Burlington Rd.



30-33 Molesworth St.



INM Building



76-78 Harcourt St.



84-93 Mount St.



4-5 Harcourt Rd.

Portfolio Assembly

- › 7 deals / 18 properties
- › €353m invested¹
- › 6.8% net initial yield

PHASE 1 (2013/14)

2013 • 2014 • 2015 •

PHASE 2 (2014/15)

Development Projects Initiated

- › 420,000 sq. ft. gross area
- › Projected end value €244m
- › 39% return on cost

For further details please see pages 38 to 39



One Molesworth St.



4-5 Harcourt Rd.



32 Molesworth St.



Block H
Central Park



Horizon Business
Park

Acquisitions

- › 2 deals / 7 properties
- › €400m invested¹
- › 5.9% net initial yield



George's Quay



Westend



One Molesworth St.
(formerly known
as 13-17 Dawson St.)

Active Asset Management

- › Active asset management resulting in greater income security
- › WAULT up 56% from 5 year to 7.8 years and 98% occupancy by ERV across the portfolio at 30 June 2016



PHASE 3 (2015/16)

Acquisitions

- › 2 properties
- › €206.3m invested¹
- › 6.0% net initial yield



Central Park
(remaining 50%)



One Albert Quay

2016 · 2017

PHASE 4 (2016/17)

Development and Dividend Focus

Delivery on dividend and adding an estimated €13.3m to annual rent through the lease-up of development properties

NEXT PHASE

- › Decisions around further development once existing programme is de-risked
- › Being ready to take advantage of any market pricing or liquidity dislocation by maintaining prudent leverage and a disciplined approach to speculative development
- › Exploiting any opportunity arising from Brexit

(1) Actual acquisition price (net of costs). One Albert Quay – payments made of €41m (80%) with the balance €10.35m (20%) to be paid on or before March 2017



CHAPTER



Strategic Report

George's Quay

Dublin 2





Chairman's Report >

DELIVERING ON OUR VISION

I am happy to communicate another strong set of results for the Company for the year to 30 June 2016.

During the year we further strengthened our portfolio through two strategic acquisitions, firstly the acquisition of full control of Central Park, increasing the Company's ownership from 50 to 100 per cent, and secondly the acquisition of One Albert Quay, Cork's flagship office building. We also disposed of four non-core properties in the period, acquired early in the recovery cycle, generating a profit on purchase price of 75 per cent.

The successful implementation of asset management initiatives during the year has strengthened our income, making it more secure and resulting in longer income streams for the Company. Our development pipeline

will further enhance this income, with the Company completing two industrial units during the year and with the completion of two office buildings, at Central Park and 32 Molesworth Street, scheduled for December 2016. Construction of One Molesworth Street in Dublin's CBD is progressing well and on target, while construction of 4-5 Harcourt Road has recently commenced.

The total return delivered to shareholders in the year to 30 June 2016 was 17.7%. Our main focus now in the year ahead is on continuing to deliver risk adjusted shareholder returns through the completion and letting of our development projects and increasing dividends to shareholders, while at the same time monitoring acquisition opportunities that fit with our investment strategy.

IRELAND – POSITIVE MACROECONOMIC INDICATORS

The Irish economy continues to experience strong growth. Ireland was the fastest growing economy in the EU in 2014 and 2015, and growth is expected to continue through 2016 and 2017 at levels well above the EU average. While export growth was the main driver of recent economic growth, growth in the domestic economy is now a greater contributor. The country's unemployment rate of 7.9 per cent is now below the EU average, having peaked at 15.2 per cent in early 2012, while the country's debt to GDP ratio continues to fall and is now below the EU average, with a minor government deficit expected for 2016 and a small surplus forecast for 2017. Long term interest rates remain low, while the Irish government 10 year bond rate stood at 0.50% at 30 June 2016, both of which are supportive of commercial property yields.

ASSET MANAGEMENT

The year to 30 June 2016 was a busy one on the asset management front. The highlights of the period were the renegotiation of existing leases with Vodafone Ireland, our largest tenant, and Pioneer Investments, our fourth largest tenant, which along with other asset management initiatives have increased our rent weighted average

“The Board continues to focus on driving risk adjusted returns for shareholders through our clear and focused strategy. This has been another successful year for the Company, with dividend plans coming to fruition and our development projects on plan.”

unexpired lease term ('WAULT') by 2.8 years from 5 years at 30 June 2015 to 7.8 years at 30 June 2016. We also entered into new leases with Fidelity International with a term certain of 12 years. Our contracted annual rent at 30 June 2016 was €61.3 million, an increase of 10% on the €55.7 million of contracted annual rent at 30 June 2015.

DEVELOPMENT

One of the key tenets of our investment strategy is to create value for shareholders through a prudent level of property development. We acquired five properties with development potential at early points in the Dublin real estate development cycle, with a view to obtaining the necessary planning consents and

delivering new buildings at the right time and into what is a constrained Dublin office market with low vacancy rates and manageable future supply.

Our development programme has ramped up substantially in the period since 1 July 2015. Since then we started on site at 32 Molesworth Street, One Molesworth Street and 4-5 Harcourt Road, all office developments in Dublin City Centre. We started on site at Block H in Central Park in April 2015 and completion is on target for December 2016. We also completed our first two industrial units at Horizon Logistics Park during the period. We look forward to completing and letting these high quality buildings and expect that they will be a significant driver of shareholder returns.

Chairman's Report

DISCIPLINED BALANCE SHEET MANAGEMENT

Our intended total gearing level continues to be 25 per cent. Our total gearing level has increased from 9.5 per cent at 30 June 2015 to 19.2 per cent at 30 June 2016, due mainly to debt funding of the acquisition of full control of Central Park and payments made in respect of One Albert Quay in Cork, which were offset by debt reduction from the application of property sale proceeds. We have further capital to deploy to fund our development projects and the balance of the One Albert Quay payments, which are more than adequately covered between the Company's cash resources and our available debt facilities, while remaining within our intended gearing level.

DIVIDENDS

The Board declared a dividend on 28 September 2016 in respect of the year to 30 June 2016 of 4.6 cent per share, or a total dividend payout of €31.4 million, which will be paid on 7 November 2016. This represents an increase in the annual dividend per share by 188 per cent on the dividend paid for the year to 30 June 2015, delivering on our promise to pay increasing dividends to shareholders.

The dividend declared is analysed as follows:

Property Income Distribution ('PID')	€24.4M 3.6 cents per share
Non PID	€7.0M 1.0 cent per share
Total Dividend	€31.4M 4.6 cents per share

FINANCIAL RESULTS AND POSITION

Balance Sheet:	30-Jun-16	30-Jun-15	Change
Total Property Value	€1,241m	€968m ⁽ⁱ⁾	+28.20%
EPRA Net Assets	€1,048m	€899m	+16.50%
EPRA NAV Per Share	151.8 cents	132.1 cents	+14.90%
Total Gearing	19.2%	9.5%	+9.7%
Income Statement:			
Gross Rental Income (excluding service charge income and JV income)	€56.4m	€39.4m	+43%
Profit for the Period	€145.5m	€156.7m	-7.20%
EPRA Earnings	€24.8m	€10.5m	+137%
EPS – Basic	21.5 cents	23.5 cents	-8.50%
EPS – EPRA	3.7 cents	1.6 cents	+131%

(i) Includes the Company's 50% interest in Central Park property at 30 June 2015

NET ASSET VALUE ('NAV')

The key drivers of the increase in the Company's NAV by €148.7 million, or by 16.5 per cent, between 1 July 2015 and 30 June 2016, were EPRA Earnings for the period of €24.8 million (30 June 2015: €10.5 million) and a positive movement in fair values (including JV property) by €120.7 million (30 June 2015: €146.2 million).

THE INVESTMENT MANAGER

The Board continues to work well with the Investment Manager, Green Property REIT Ventures, led by Pat Gunne. The quality of the acquisitions, the asset management successes achieved and the substantial progress made with the Company's development projects in the period are testimony to the skills and experience of the management team.

The Board has approved the payment of a Performance Fee of €13.9 million (30 June 2015: €20.9 million) to the Investment Manager, in line both with the formula set out in the Investment Manager Agreement entered into in July 2013 and the total return threshold being exceeded in the year to 30 June 2016. The Performance Fee was settled on that date of 9,482,718 new ordinary shares to the Investment Manager by the Company. These shares are subject to the lock-in provisions set out in the Investment Manager Agreement, which prohibit the sale of these shares for up to 42 months from their issue date.

OUTLOOK

Our clear strategic focus has continued to deliver strong shareholder returns in the year to 30 June 2016.

We have continued to grow the business through opportunistic and disciplined property acquisitions, which along with the disposals made in the period have strengthened the portfolio. Our income is stronger and our income streams are longer, as a result of active asset management. We look forward to the completion of our office and industrial developments and the contribution to shareholder returns from their anticipated value uplift and additional rental income. We remain conservatively leveraged with a strong balance sheet and well positioned to take advantage of opportunities that may arise.

The Board recognises that a continuation of the current favourable macroeconomic backdrop is an important dynamic in the context of delivering on our objectives, and that there are external factors which may impact on the Company's performance, such as economic and political uncertainty in Ireland and internationally.

We are vigilant in our risk management focus and continue to monitor the impact of the result of the

17.7%

Total Return delivered to shareholders

in the year to 30 June 2016

UK's decision to leave the EU, both for opportunities for the Company and impacts on the wider Irish economy. We believe however that it is too early to tell what impact this may have on the Irish commercial real estate sector.

We remain confident in our business and our market and, having delivered above and beyond the targets set at IPO three years ago, we are confident that we have the right portfolio, business model, gearing profile, management expertise and financial capacity to continue to drive shareholder returns in the years ahead. ♦



Gary Kennedy

CHAIRMAN

27 October 2016

George's Quay - Plaza

Dublin 2

(LWG Tenant Event)





Investment Manager's Review >

ASSET MANAGEMENT SUCCESSES, CAPITAL RECYCLING AND GOOD PROGRESS WITH DEVELOPMENTS

The year to 30 June 2016 was a very active one for us as the Company's Investment Manager. Implementation of asset management initiatives in the period has been very successful, enhancing the quality and security of our income. 60 per cent of the contracted income in the portfolio is on an upwards only review basis, with an overall weighted average unexpired lease term (WAULT) of 7.8 years at 30 June 2016, up by 56 per cent on 5 years at 30 June 2015. We also added €9.5 million of new contracted annual rent through new leases during the year, taking our total contracted annual rent to €61.3 million at 30 June 2016.

In addition, our estate is now 98% occupied, which

highlights the security of income within the portfolio, and our active approach to managing any vacant space which becomes available. The quality of our assets is key to ensuring our void rates remain significantly below the wider market.

Our development projects are progressing in accordance with the plan we presented at the outset of our programme, and we are excited by the prospects that these buildings have for delivering strong returns to shareholders when completed and with tenancies secured. Our latest projections show a return on capital of 39% against the original underwrite target of 28%, so far exceeding our expectations, against a backdrop of very positive market conditions.

1

ACQUISITIONS, DISPOSALS & PORTFOLIO SUMMARY

Portfolio further strengthened through two value adding acquisitions and €75 million of disposals



Hostelworld offices at Central Park

CENTRAL PARK: ACQUISITION OF FULL CONTROL

In January 2016 the Company acquired full control of Central Park, widely acknowledged as Dublin's best office park, increasing the Company's ownership from 50 per cent to 100 per cent. This acquisition added €8.9 million to annual contracted rent, with a property price of €155 million reflecting a capital value of €4,600 per square meter (€428 per square foot) of built space and an equivalent yield of 5.6%. The Company also now has full control of the circa 46,500 square meters (500,000 square feet) of planning consents for future expansion of the office park. The value of 50 per cent of Central Park at 30 June 2016 was €172.9 million, reflecting an 11.5 per cent uplift on cost.

€8.9 MILLION

added to annual contracted rent

approx.

46,500 SQM

of planning consents for future expansion

Investment Manager's Review



One Albert Quay offices

ONE ALBERT QUAY, CORK: ACQUISITION COMPLETED

Awarded Commercial Project of the Year 2016 at the Annual Irish Construction Awards

In February 2016 we completed the acquisition of One Albert Quay in Cork, a newly built office block of 15,269 square meters (164,360 square feet). Up to 30 June 2016 we made payments to the vendor totalling €41 million, as occupational leases have become operative. The building was 81% let by area at 30 June 2016, with in-place annual contracted rent on the building of €3.2 million, compared to a total ERV of €4.4 million at 30 June 2016. The building houses the global headquarters of Tyco, together with other high quality tenants including Arup Engineering, PwC, Malwarebytes, Ardmore Shipping, Investec and Starbucks. We expect the remaining vacant space to be let over the coming months and will then make further estimated payments of €10.4 million on or before March 2017. The estimated total property price of €51.4 million compares to a valuation of €63.8 million at 30 June 2016, reflecting a 24 per cent uplift.

Along with JCD (the developer of the building) we are proud to report that One Albert Quay was awarded Commercial Project of the Year 2016 at the annual Irish Construction Awards, in recognition of its quality, environmental efficiency (accredited LEED Gold) and technological advancement.

81%

let by area

€3.2MILLION

in-place annual contracted rent

**DISPOSALS: 75% REALISED
PROFIT ON COST**

We outlined in February at our interim results our intention to raise €100 million from disposals. On 3 February 2016 we confirmed that we had appointed JLL to sell a portfolio of six of the Company's properties by private treaty on our behalf. In the period to 30 June 2016 four of these properties were sold, individually, for a combined value of €74.7 million. This compares to a combined cost of €42.6 million, reflecting a total profit on cost of €32.1 million or 75%. We are happy to have realised such a healthy profit from the completed sales, which we see as effective recycling of capital and a strengthening of our portfolio.

4
properties sold

in the period to 30 June 2016

**profit
on cost:**

**€32.1
MILLION**

OR

75%

2**PORTFOLIO VALUATION**

The valuation of the portfolio rose to €1.24 billion at 30 June 2016, which reflects a 13% increase on assets held throughout the period. Acquisitions in the period increased in value by €30 million between their acquisition dates and 30 June 2016, reflecting a combined 15% increase on property cost.

On a sectoral basis, the industrial assets saw a 44% increase in value, partly as a result of the completion of an industrial unit which had been under construction during the year and an increase in the value of the developable land. The city centre office portfolio saw a 13% increase in value, suburban offices saw a 14.5% increase and the retail assets held saw an 11% increase in value in the year.

In the period from June 2015 to June 2016 we saw the portfolio equivalent yield reduce by 50 basis points to 5%. This is partly as a result of extending the WAULT from 5 years to 7.8 years and also due to the various disposals and acquisitions in the period. The portfolio has gone from 72% prime to 93%.

Portfolio value

**€1.24
BILLION**

at 30 June 2016

13% *increase in the period**

Looking at the overall return from the portfolio, the movement in equivalent yield is contributing approximately 50% to returns with income and rental growth accounting for the remaining 50%. The rental growth component is pulled back somewhat by rent free periods granted on new lettings and lease renegotiations, which will flow through in the coming months.

* for assets held throughout the period

Investment Manager's Review

PORTFOLIO VALUATION ANALYSIS

	June 2015 Valuation €MM	Movement June 15 to Dec 15 €MM	December 2015 Valuation €MM	Movement Dec 2015 to June 2016 €MM	June 2016 Valuation €MM	Annual Movement to June 2016 €MM
Offices:						
Dublin City Centre	507.8	5.8%	537.0	6.9%	574.2	13.1%
Dublin Suburbs (including 50% interest in Central Park)	151.0	9.9%	165.9	4.2%	172.9	14.5%
Total Offices	658.8	6.7%	702.9	6.3%	747.1	13.4%
Mixed Use (Arena Centre, Dublin 24)	60.9	3.4%	63.0	-1.9%	61.8	1.4%
Industrial	26.2	10.8%	29.0	30.2%	37.8	44.3%
Retail	152.9	7.6%	164.4	2.9%	169.3	10.7%
Total - Assets Held Throughout the Period	898.8	6.7%	959.3	5.9%	1,015.9	13.0%
Investment and Disposals in H2 FY 2016:						
Assets Disposals	69.5	7.7%	74.9			N/A
Sale of 40% of 85-93 Mount Street					(11.5)	N/A
Acquisitions (see note below)					236.6	N/A
Per Statement of Financial Position	968.3		1,034.2		1,241.0	

NOTE: ACQUISITIONS IN THE PERIOD

Acquisitions	Property Price €MM	Movement to June 2016 €MM	June 2016 Valuation €MM
Other 50% of Central Park	155	11.50%	172.9
One Albert Quay, Cork	51.3	24.20%	63.7
Total - Acquisitions in the period	206.3	14.70%	236.6

3






ASSET MANAGEMENT

The year to 30 June 2016 was one of heightened activity on the asset management front and our busiest period to date. We continue to focus on growing our rental income and enhancing the security of that income through driving the portfolio WAULT higher.

Highlights in the period include the following:

LEASE RE-GEARS

We completed or agreed lease renegotiations on €14 million, or 23 per cent of our current contracted annual rent, significantly increasing the WAULT on this income by 7.4 years. This includes our single largest tenant, Vodafone, and our fourth largest tenant, Pioneer Investment Management.

Tenant	Building	Contracted Rent (€m p.a.)	% of Group Rent*	Term Increase	Unexpired Term (pre)	Unexpired Term (post)
 vodafone	Central Park (Block E), Leopardstown, Dublin 18	7.3	12%	+8 years	2.8 years	10.8 years
 PIONEER Investments	George's Quay, Block A, Dublin 2	3.4	6%	+10 years	1.3 years	11.3 years
 Bank of Ireland 	Arena Centre, Tallaght, Dublin 24	1.4	2%	+5 years	2.1 years	7 years
 OPW <small>Public Works Programme</small>	84-93 Mount Street, Dublin 2	1.7	3%	+5 years	0.1 years	5.1 years

* Total annual contracted rent at 30 June 2016

Investment Manager's Review

new lettings with

€9.5

MILLION

*per annum of additional
contracted rent*

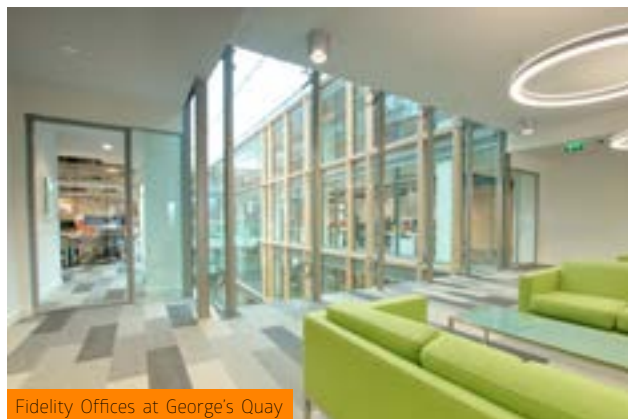
NEW LETTINGS

We secured new lettings with €9.5 million per annum of additional contracted rent over 25,111 square metres (270,300 square feet), which represents 15.5 per cent of the group's current contracted annual rent. The WAULT on these new leases is 10 years.

The largest of these is with Fidelity International at George's Quay. The Fidelity leases extend to 5,852 square metres (68,000 square

feet) in total, which Fidelity will fully occupy by late 2016 when Twitter and Invesco vacate the space they currently occupy. The annual contracted rent from Fidelity is €3.7 million, on 25 year leases at a rent of €527 per square metre (€49 per square foot), with a break clause in the tenant's favour on the twelfth anniversary of the leases.

These new lettings were 8 per cent ahead of 30 June 2015 rental values (excluding short term lettings).













WAULT

- In addition to the initiatives above, Allied Irish Banks did not exercise their lease break on 2 Burlington Road in the period, which added 10 years to the term certain of that €4.2 million of annual rent;
- The combined effect on WAULT of the asset management initiatives completed in the period is to increase our overall WAULT by 56 per cent from 5 years at 30 June 2015 to 7.8 years at 30 June 2016;
- As at 30 June 2015, 58 per cent of our contracted annual rent had a break option or lease expiry in the years 2016 to 2018. This has now been reduced to 17 per cent as at 30 June 2016;
- 83 per cent of our contracted annual rent is now subject to a break or expiry beyond 2019, which has increased from 42 per cent at 30 June 2015;

VACANCY

As at 30 June 2016 there was 1.7 per cent vacancy across the portfolio by ERV (30 June 2015: 1.9%). Of the €1.2 million of annual ERV across our vacant space, €0.9 million of this is currently under offer and in legals.

ASSET MANAGEMENT INITIATIVES 1 JULY 2015 TO 30 JUNE 2016⁽¹⁾

Property	Tenant	Term Certain (years) ²	Area	Contracted Rent €m pa	Contracted Rent ⁽²⁾ € psf	Jun '15 ERV €m pa	Jun '15 ERV ⁽²⁾ € psf	Variance
LEASE RE-GEARS:								
Central Park (100%)		+10	263,000	7.3	24.75	7.5	25.00	-1%
George's Quay		+10	62,782	3.4	50.77	3.2	47.50	+7%
Mount Street		+5	49,353	1.7	35.32	1.6	44.87	-21%
Arena Centre		+7 ⁽³⁾	63,586	1.4	20.34	0.9	12.00	+70%
College Green		+10	2,280	0.2	--	0.1	--	+69%
Total (Re-gears)		+7.4	441,001	14.0	29.29	13.3	28.67	-
NEW LETTINGS/ RENEWALS:								
One Albert Quay	7 tenants, including  and others	+11 (average)	133,295	3.2	23.35	3.2	23.35	--
George's Quay		+12	71,592	3.7	49.00	3.3	43.53	+12%
George's Quay		+10	16,651	0.9	49.88	0.8	46.73	+6%
George's Quay		+1.5	9,510	0.5	47.50	0.5	46.00	+3%
Various Leases	10 leases	+5.3 (average)	37,296	0.8	21.80	0.9	24.14	-9%
Various Licences	16 licences	Short Term	1,982	0.4	--	<0.1	--	+830%
Total (New lettings/ renewals)		+10⁽⁶⁾	270,326	9.5	32.48⁽⁶⁾	8.8	31.10⁽⁶⁾	+8%
BREAK OPTIONS NOT EXERCISED:								
2 Burlington Road	 (EBS Limited)	+10	85,266	4.2	--	--	--	--
Various	9 tenants	+3.2	88,042	1.4	--	--	--	--
Total (Break option not exercised)		+8.3	173,308	5.6	--	--	--	--

(1) Completed lettings but excludes deals in legal and deals completed for assets sold in the period. Residential element of Arena Centre excluded

(2) Car spaces excluded on rent psf calculations

(3) Bank of Ireland re-gear include term extension for five years with two year's rent equivalent break penalty on next break

(4) Fidelity second lease contracted with commencement date in November 2016

(5) Unexpired Term/ WAULT is the rent-weighted average remaining term on leases to lease expiry/ break date (whichever comes first). Excludes residential component in Arena Centre

(6) Calculations excludes licences

Investment Manager's Review

4 DEVELOPMENT PROJECTS

We continue to report good progress with our development projects, with two industrial units at Horizon Logistics Park completed in the period and with completion on target at Block H Central Park and 32 Molesworth Street for December of this year. One Molesworth Street is also progressing well and we recently commenced the demolition and redevelopment of 4-5 Harcourt Road.

DEVELOPMENT ACTIVITY SINCE 30 JUNE 2016:



32 Molesworth Street - construction progress

➤ 32 Molesworth Street, Dublin 2

Terms have been agreed and legal discussions are now underway with a potential occupier to take a lease on 32 Molesworth Street, which has a targeted completion date of December 2016. The proposed letting covers the entire building of 3,000 square meters (32,000 square feet) and the proposed annual rent compares favourably with the original underwrite assumptions. This letting is subject to leases being signed and completion of the building.

Property	Use	Lettable Area (Sq Ft)	Start Date	Estimated Completion Date
Block H, Central Park, Leopardstown, Dublin 18	Office	150,000	April 2015	December 2016
32 Molesworth Street, Dublin 2	Office	28,374	August 2015	December 2016
One Molesworth Street, Dublin 2	Office	90,000	November 2015	Q3 2017
4-5 Harcourt Road, Dublin 2	Office	48,243	September 2016	Early 2018
Horizon Logistics Park (unit B1) Dublin Airport	Industrial	44,000	August 2015	Completed May 2016
Total		360,617		



➤ 4-5 Harcourt Road, Dublin 2

We are now on site and have commenced demolition at 4-5 Harcourt Road in Dublin's CBD. The planning permission we secured represents an increase of close to 50% on the original floor area. In its place we will be developing a modern office building of 4,500 square meters (48,200 square feet), with completion due in early 2018.

Investment Manager's Review

➤ Horizon Logistics Park, Dublin Airport



PRE-LETTING TO KUEHNE+NAGEL

An agreement to lease has been signed with Kuehne+Nagel Limited for a new unit of 7,400 square meters (80,000 square feet) which we will build for them, with Kuehne+Nagel having options on two additional units of 3,700 square meters (40,000 square feet) each. Kuehne+Nagel are an existing tenant in the logistics park and will be vacating their unit as part of this transaction. The construction of the new units is subject to planning consent, with an application to the planning authority recently made in respect of the 7,400 square meter unit.

Kuehne+Nagel's expansion plans show their confidence in Horizon Logistics Park as their preferred location to conduct this very substantial corporate expansion. It also confirms the opportunity around logistics in the Dublin market, in addition to the wider prospects for the Irish economy. This, combined with a sale and lease on the two units which we developed, bodes well for our expansion strategy at Horizon Logistics Park.

LETTING OF UNIT B1

An agreement to lease for unit B1 has been signed with DHL Supply Chain (Ireland) Limited, part of the global logistics group DHL. The unit comprises 4,100 square meters (44,000 square feet) and was completed in May 2016.

COMMENCEMENT OF CONSTRUCTION OF UNIT B2

Construction recently commenced on this unit, which comprises 3,066 square meters (33,000 square feet) and will be built speculatively, with completion due in the second quarter of 2017. Given the momentum generated by the sale of unit D1, the pre-letting to Kuehne+Nagel and that an agreement to lease has been signed on unit B1, we feel that it is important to the success of the park to have new space available for prospective tenants, in a sector where there are strong levels of take-up and very limited supply of modern high bay warehousing.



Horizon Logistics Park - from left to right:
Left top - Unit B2, Left bottom - Unit B1 (DHL),
Right top - Unit D1 (sold)



Investment Manager's Review

Development Projects

Offices



**ONE
MOLESWORTH STREET
DUBLIN 2**



**4 & 5
HARCOURT ROAD
DUBLIN 2**

	SUB TOTAL OFFICE		Under Construction		Under Construction	
AREA	Existing NIA (sq. ft.)	86,800	42,400		32,400	
	New GIA (sq. ft.)	377,666	120,000		64,374	
	Lettable Area (sq. ft.)/ Net Ratio	316,617 84%	90,000 75%		48,243 75%	
COST	Site Cost	€48m €151 psf ⁵	€24m €267 psf ⁵		€16m €332 psf ⁵	
	All in Build Cost²	€124m €391 psf ⁵	€38m €422 psf ⁵		€25m €517 psf ⁵	
RENT	Rent Estimate³	€13.0m €42 psf ⁵ (ex cars)	€4.7m €55 psf ⁵ (€3,500 pcs)		€2.5m €50 psf ⁵ (€3,500 pcs)	
	Void	12 – 18 months	12 Months		12 Months	
	Income Producing	2017/18	2018/19		2019	
RETURN	Net Development Value (NDV)⁴	€239.1m €755 psf ⁵	€96m €1,063 psf ⁵		€47m €983 psf ⁵	
	Yield on Cost	7.5%	7.6%		6.0%	
	Yield on Value	5.0%	4.5%		4.75%	
VALUE V. COST		+39%	+54%		+16%	

(1) Financial appraisals subject to change.

(2) Estimated build cost plus development levies and fees. Excludes financing and tenant incentives

(3) Estimated rent on completion

Industrial



**32 & REAR OF
MOLESWORTH STREET
DUBLIN 2**



**BLOCK H,
CENTRAL PARK
DUBLIN 18**



**UNIT B1
HORIZON LOGISTICS PARK
DUBLIN AIRPORT**

<i>Under Construction & Letting Agreed</i>	<i>Under Construction</i>	<i>Complete & let</i>
12,000	0	0
43,292	150,000	44,000
28,374 66%	150,000 100%	44,000 100%
€4m €141 psf ⁵	€4m €27 psf ⁵	€0.3m €6.8 psf ⁵
€13m €458 psf ⁵	€48m €320 psf ⁵	€4.2m €95 psf ⁵
€1.45m €50 psf ⁵ (€3,500 pcs)	€4.35m €25 psf ⁵ (€2,000 pcs)	€0.35m €8.0 psf ⁵
12 Months	18 Months	12 Months
2017/18	2018	2017/18
€27m €952 psf ⁵	€69m €460 psf ⁵	€5.3m €120 psf ⁵
8.5%	8.4%	7.8%
4.75%	5.5%	6.0%
+59%	+33%	+18%

(4) Net present value to allow for void on NDV and notional purchaser's costs of 4.46%

(5) On lettable area

Investment Manager's Review

George's Quay



5

FINANCIAL REVIEW

3 YEAR SUMMARY

	2016	2015	2014
NAV per Share (cents) – Basic	153.9	134.8	109.1
NAV per Share (cents) – EPRA	151.8	132.1	109.1
Earnings per Share (cents) – Basic	21.5	23.5	12.4
EPRA Earnings per Share (cents)	3.7	1.6	2.1
Total Gearing	19.20%	9.50%	9.20%
Property Loan to Value	20.60%	9.90%	18.60%
Interest Cover	9.5 times	19.6 times	7.4 times
Cash and undrawn facilities	€121.4m	€166.9m	€369.7m
Weighted average interest rate	1.90%	2.80%	3.20%
Weighted average debt maturity	4 years	3.1 years	4 years

NAV GROWTH

NAV increased from €899.3 million at 30 June 2015 to €1,048.0 million at 30 June 2016, or from 134.8 cent per share to 153.9 cent per share (both basic), an increase in NAV of 16.5% year on year. The main drivers of the growth in basic NAV per share are analysed as follows, in cents per share:

NAV ANALYSIS

	Year to 30.06.2016	
	€'000	Cents per Share
Net Assets at 30 June 2015	899,317	132.1
Investment Properties Revaluation	109,367	16.1
JV Property Revaluation	11,306	1.7
Net Rental Profit - Investment Properties	21,635	3.2
Net Rental Profit - JV Property	2,740	0.4
Performance Fee Share Reserve	13,893	2
Dividends Paid	(10,671)	(1.6)
Others	454	0.1
Net Assets at 30 June 2016	1,048,041	153.9

Please see the table below for further EPRA Performance Measures.

Investment Manager's Review

GEARING

As at 30 June 2016 our total gearing was 19.2% (30 June 2015: 9.5%), with total bank debt increasing from €95.7m at 30 June 2015 to €255.4 million at 30 June 2016. This level of gearing is within the range guided to our shareholders over the previous reporting periods.

The increase in total bank debt by €159.7 million in the year was as a result of the debt financing of the Company's acquisition of PIMCO's 50% interest in Central Park, payments made in acquiring One Albert Quay in Cork and debt funding of development costs. This was offset by debt reductions from the application of property sales proceeds against the Barclays revolving credit facility.

DEBT PROFILE

The Company has two loan facilities in place, one with Bank of Ireland secured on the Central Park assets, and a revolving credit facility with Barclays Bank Ireland plc with floating security over the Company's other assets. During the year the Central Park facility was renegotiated with Bank of Ireland, the key changes being a reduction in the loan margin from 3% to 2% per annum, thereby saving the Company €1.5 million annually, and an extension of the maturity date from June 2018 to June 2021, with options to extend by two further years.

As a result of the renegotiation of the Central Park facility and a reduction in the 3 month Euribor

rate, the Company's all-in annual debt cost has reduced from 2.8% at 30 June 2015 to 1.9% at 30 June 2016, with an increase in total debt maturity from 3 to 4 years.

Post 30 June 2016, additional hedging was put in place in the form of forward starting interest rate swaps covering the period from October 2018 to October 2022, at a blended fixed rate of 0.074% per annum on €200 million. These swaps give the Company certainty around its maximum interest cost on €200 million of its debt for the period October 2018 to October 2022, at what we believe is a very keen fixed rate.

A summary profile of the Company's debt at 30 June 2016 is as follows:

	Balance at 30.06.2016 €MM	Interest Cost % per annum	Annual Interest €MM	Gearing: Property Only %	Interest Cover Times	Maturity: Date	Maturity: Years
Central Park Facility	150.0	2.00%	3.0	43.4%	5.2	Jun-21	5.0
Barclays Facility	105.4	1.72%	1.8	11.8%	30.4	Dec-18	2.5
Total	255.4	1.88%	4.8	20.6%	9.5		4.0

EARNINGS PER SHARE ('EPS')

EPRA EPS, which measures EPS on rental profit only, increased by 2.1 cents per share or by 131% from 1.6 cents to 3.7 cents. In the year to 30 June 2015 EPRA EPS accounted for 7 per cent of total EPS of 23.5 cents, while it accounted for 17 per cent of total EPS of 21.5 cents in the year to 30 June 2016.

This is a reflection firstly of our increased rental income in the current year, which is 43

per cent greater than in 2015, and secondly of the anticipated moderation in capital value growth as the Irish commercial real estate market moved from 'opportunistic' mode to a mode of more sustainable and moderate growth. This is illustrated by the total returns from Irish commercial real estate as measured by IPD/MSCI, which decreased from 25 per cent in calendar 2015 to 19.5 per cent in the year to 30 June 2016.

131%
*increase
in EPRA
Earnings
Per Share*

in the year to 30 June 2016

A reconciliation of total profit and EPS to EPRA Profit and EPRA EPS is as follows:

	30-Jun-16	30-Jun-16	30-Jun-15	30-Jun-15
	€'000	Cents per Share	€'000	Cents per Share
Profit for the Period	145,502	21.5	156,703	23.5
EPRA Adjustment – fair value movements	(120,673)	(17.8)	(146,239)	(21.9)
EPRA Earnings	24,829	3.7	10,464	1.6

RENTAL INCOME

Gross and net rental income is analysed as follows:

Gross rental income (excluding service charge income) of €56.4m in 2016 was 43% higher than 2015. It should be noted that the analysis above for 2016 includes rental income from Central Park from 8 January 2016 (the date the Company acquired full control) to 30 June 2016, whereas in 2015 there was no Central Park rental income included, as Central Park was separately accounted for on an equity basis during the period when the Company controlled only 50% of it.

GROSS AND NET RENTAL INCOME ANALYSIS

	2016	2015
	€'000	€'000
Gross Rental Income	66,821	45,864
Less: Service Charge Income	(10,389)	(6,432)
Gross Rent excl Service Charge Income	56,432	39,432
SPLIT AS TO:		
Billed Rental Income	47,298	38,920
Spreading of lease incentives	6,241	512
Surrender Premia	2,893	0
	56,432	39,432
Less: Property Outgoings	(3,883)	(1,613)
Net Rental Income	52,549	37,819

An analysis of total gross rental income (excluding service charge income) with the Company's 50% share of the Central Park rent shown proportionately for the year to 30 June 2015 and for the period 1 July 2015 to 8 January 2016 is as follows:

	2016	2015
	€'000	€'000
100% Owned Properties	56,432	39,432
Central Park 50% (1/7/15 to 8/1/16)	4,418	-
Central Park 50%	-	7,733
Gross Rent incl Central Park	60,850	47,165

Investment Manager's Review

The main drivers of the increase in rental income year-on-year were as follows:

- The acquisition of PIMCO's 50% interest in Central Park on 8 January 2016.
- The impact of the Sapphire Portfolio being owned throughout the year to 30 June 2016 but for only three quarters of the year to 30 June 2015 (George's Quay, George's Court and Westend Retail Park).
- Surrender premia paid by departing tenants of €2.9 million.
- The impact of the spreading of lease incentives granted to tenants, which were €6.2 million in 2016 versus €0.5m in 2015. These arise mainly from the granting of new leases and the renegotiation of existing leases where rent free periods were granted. Under accounting rules we are required to smooth the effect of these incentives over the term certain of the leases.
- There was a slight reduction in rents as a result of the redevelopment of One Molesworth Street and 4-5 Harcourt Road, totalling €1.1 million, as vacant possession of the buildings was required.

With regard to Property Outgoings, which increased from €1.6 million to €3.9 million in the year to 30 June 2016 as per the analysis above, the main driver of the increase was agents and legal fees on new lettings and on lease renegotiations, which totalled €1.4 million, with vacant building costs of €0.8 million, repairs of €0.4 million, valuation fees of €0.4 million and other costs of €0.9 million.

For the year ahead we would expect agents and legal fees on our built space to be lower given the significant level of lease events dealt with this year, as with vacant building costs on the basis of completing the transactions which are currently in legal. As our development properties complete and are leased we can expect to incur additional agents and legal fees.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by €0.6 million from €2.1 million in the year to 30 June 2015 to €2.7 million in the year to 30 June 2016. The main cost items within this caption are directors' fees, audit fees, tax compliance and advice fees, corporate insurances, depositary and other regulatory costs.

Within the €2.7 million total cost for the year to 30 June 2016 are €0.9 million of one-off business combination costs relating to the stamp duty, legal and other costs incurred in the acquisition of PIMCO's 50% interest in Central Park in January 2016. These costs are required to be expensed in the period in which they are incurred under accounting rules. Stripping out these one-off costs the total administrative costs for the year were €1.8 million compared to €2.1 million in the year to 30 June 2015.

INVESTMENT MANAGER FEES

The base fee charged in the year was €9.7 million (2015: €8.1 million), with the increase in the fee reflecting the increased NAV of the Company on which the base fee is calculated. In the year from 1 July 2015 to 30 June 2016 NAV increased from €899.3 million to €1,048.0 million. The base fee is calculated and paid calendar quarterly in cash on the NAV at quarter end, on the basis of one per cent per annum of NAV. The details of the performance fee provision for the year of €13.9 million (2015: €21 million) are set out in further detail in note 19 of these results.

EPRA PERFORMANCE MEASURES

Measure		Definition of Measure	Jun-16	Jun-15
EPRA earnings	€'000	Recurring earnings from core operational activities	24,894	10,464
EPRA earnings per share	Cents	EPRA earnings divided by the weighted average basic number of shares	3.7	1.6
Diluted EPRA earnings per share	Cents	EPRA earnings divided by the diluted weighted average number of shares	3.7	1.6
EPRA Cost Ratio	%	Administrative and operating costs divided by gross rental income	11.2%	8.6%
EPRA Net Asset Value	€'000	Net assets adjusted to exclude the fair value of financial instruments	1,048,023	899,261
EPRA Net Asset Value per share	Cents	EPRA net assets divided by the number of shares at the balance sheet date on a diluted basis	151.8	132.1
EPRA Triple Net Asset Value	€'000	EPRA net assets amended to include the fair value of financial instruments and debt	1,048,041	899,317
EPRA Triple Net Asset Value per share	Cents	EPRA triple net assets divided by the number of shares at the balance sheet date on a diluted basis	151.8	132.1
EPRA Net Initial Yield ('NIY')	%	Annual passing rents at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of income producing property, increased by (estimated) purchasers' costs.	3.5%	5.2%
EPRA Topped-up NIY	%	EPRA NIY adjusted for the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents.)	4.8%	5.6%
EPRA Vacancy Rate	%	ERV of non-development vacant space as a percentage of ERV of the whole portfolio of non-development space	1.7%	1.9%

6 INVESTOR RELATIONS

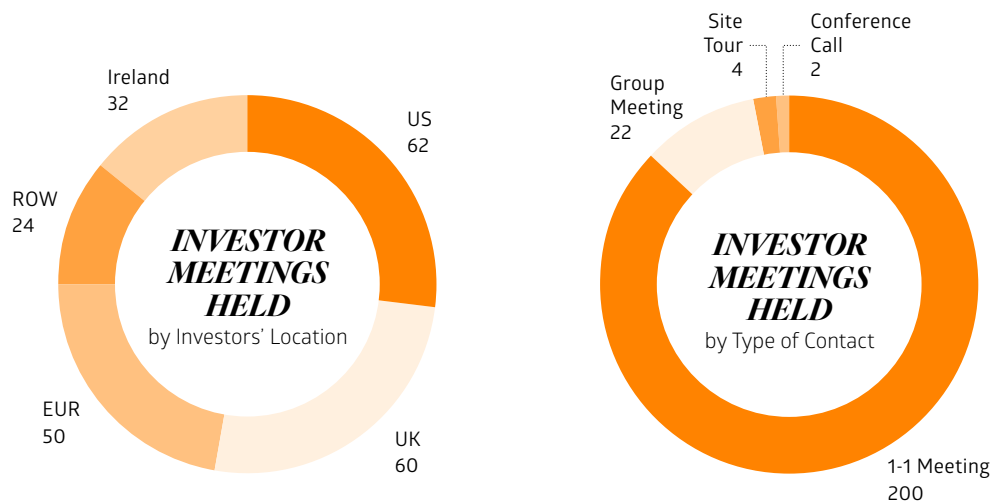
We recognise the importance of communication with shareholders. Our investor relations programme is designed to ensure that we communicate regularly with the Company's major shareholders and with potential investors. We also seek to maintain a dialogue with analysts and the sales teams within

our broker firms and other brokers. Communication is carried out through various means, including one-to-one meetings and calls, roadshow meetings following results, attending investor conferences and site tours to show investors our properties. The senior management team of the Investment Manager represent the Company in

meetings with investors and analysts, and the main geographies covered are the UK, the US, Europe and Ireland.

During the year to 30 June 2016 there were 228 meetings (2015: 163 meetings) with existing and potential shareholders, broken down geographically and by meeting type as follows:

Investment Manager's Review



The Company's AGM also provides an opportunity for shareholders to meet with and to put questions to the Chairman, the Directors, the Committee Chairmen and representatives of the Investment Manager.

We also communicate with shareholders through our semi-annual and annual results and announcements of our larger transactions, be they acquisitions, developments or leasing related transactions. All of these documents and all of the Company's announcements can be found on the Company's website www.greenreitplc.com.

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PRIORITIES FOR THE YEAR AHEAD

Our focus and priority for the year ahead is consistent with our previous messaging to shareholders which is all about maximising risk adjusted returns, and ensuring the portfolio is positioned to take advantage of the strong Irish economy and favourable real estate macro dynamics, particularly around falling interest rates and central bank policy.

Key for us is the completion and letting of our development projects in Dublin which will then allow us to reassess our risk positioning within the portfolio for the next phase, and

at that juncture decide whether or not we pursue further development opportunities within the market. This decision will largely be dependent upon the supply and demand dynamics of the occupational market at that juncture, as well as the Irish economy and where it fits within the international GDP environment.

We are very happy with the quality of our real estate, and the security of income from our very strong tenant base, a result of our very successful active management campaign over the past 18 months in particular.

We are also pleased with the strong dividend proposed, and this will remain a key focus for us by continuing to drive strong rental profits through the portfolio.

The Irish economy is performing well on all key economic indicators, with growth well ahead of the EU average in the last three years, driven by both domestic demand and by FDI. The unemployment rate has almost halved since its peak and the Irish workforce is in excess of two million people for the first time since 2008.

The impact of the result of the UK referendum on EU membership ('Brexit') on the Irish economy and its consequences on Irish commercial real estate, whether positive or negative, is still unclear. This is likely to be the case in our view until Article 50 is triggered and negotiations take their course. There is speculation that Brexit could adversely impact on Irish economic growth, given for example the proportion of our exports directed at the UK. Brexit could however have a positive effect on Irish real estate, with potential relocations by UK tenants to Dublin and Ireland and increased FDI into Ireland rather than the UK. We continue to monitor the implications of Brexit closely for opportunities, and believe that our development pipeline and the quality of our existing properties puts us in a strong position to capitalise on opportunities that may arise.

Equally we will continue to monitor the taxation debate around Apple and other FDI clients operating in the Irish marketplace. We expect that Ireland will continue to compete successfully in the international arena for existing and future overseas

“We remain confident that our clear and focused strategy will continue to drive returns for our shareholders”

corporates looking to use Ireland as their EU base for operations.

Demand in the occupational market has been resilient, with concerns about future Dublin office over-supply reducing, assuming no significant pull back in take up from FDI tenants in particular. This is an area that we devote a lot of time in understanding in order to ensure we can read the ever-changing dynamics of the occupational market. With

regard to the investment market, we are seeing an increase in core capital flow to Ireland for prime assets, and with the continued decline in the risk free rate Irish commercial property yields still look attractive on a relative basis despite being close to previous cycle peaks.

We remain confident that our clear and focused strategy will continue to drive returns for our shareholders. ♦



Stephen Vernon

EXECUTIVE CHAIRMAN

Green Property REIT Ventures DAC



Pat Gunne

CHIEF EXECUTIVE

Green Property REIT Ventures DAC

One Molesworth Street

Dublin 2

(GG)







OUR BUSINESS MODEL

Our Strategy and Business Model

Our strategy is to grow the business in a sustainable way, delivering income and capital growth through active asset management and development of our commercial property portfolio, with prudent use of debt finance.

Our Strategy and Business Model

Our strategic objectives are as follows:

1 ACQUISITIONS

To source new investment opportunities within the Irish commercial property market, in line with our investment policy

The Company has assembled a substantial portfolio of commercial property, predominantly in Dublin, starting at an early point in the Irish real estate recovery cycle. These acquisitions are delivering increases in capital values, as evidenced by the 13 per cent uplift in property values between 30 June 2015 and 30 June 2016 for properties held throughout the period, and an uplift of 15 per cent on the acquisitions completed during the year.

With regard to further acquisitions, these will be on a selective and opportunistic basis,

as was the case with the acquisition of the remaining 50 per cent of Central Park. We will continue to be disciplined in our approach to acquisitions, only acquiring properties that fit with our strategy.

The Irish property market is cyclical, and the Company's investment strategy was devised and is being implemented with that in mind. The Board believes that by investing in properties with some or all of the following characteristics, the impact on the Company's portfolio of a downward cycle will be mitigated:



Prime or good quality secondary assets and locations: we regard our portfolio at 30 June 2016 as being 93% prime



Dublin (capital city) focused: our portfolio is 93% by value in Dublin



Properties which have strong and secure income streams from a mix of tenants with financial strength, in a mix of business sectors: in the year to 30 June 2016 we increased the WAULT of our income to 7.8 years, from 5 years at 30 June 2015



Properties which are in locations that are expected to benefit from ongoing foreign direct investment in Ireland: 98% of our portfolio by value is in Dublin and Cork



Retail assets in city centres and suburban areas: all of our retail assets are in Dublin city centre, a populous Dublin suburb and in Limerick



Warehousing and distribution facilities located in close proximity to airport and motorway infrastructure: our logistics units and approximately 100 acres of land are located adjacent to the runway of Dublin Airport, where there are proposals afoot to build a second runway, which is in turn in close proximity to the M50 ring road and the M1 motorway



One Molesworth Street - construction progress

2

SHAREHOLDER RETURNS

To create sustainable income and capital returns with a target total return of 10% to 15% per annum

The Company continues to focus on creating sustainable income and capital returns, with a target total return of 10% to 15% per annum. The total return to shareholders in the year to 30 June 2016 was 17.7%, split as to 16.5% from growth in NAV and a 1.2% dividend return. As we have now moved from an opportunistic phase of the cycle to a more stable phase, the rate of increase in the value of our properties has moderated, as would be expected. The income return has increased, however, with the dividend declared for the year to 30 June 2016 equivalent to 3% of the NAV at that date.

Our Strategy and Business Model

3

ADDING VALUE

To add value to the portfolio through active asset management and exploiting development opportunities where appropriate

INCOME PRODUCING ASSETS:

The Company seeks to improve income profiles and add value to its property portfolio through asset management techniques which include:

- The renegotiation or surrender of leases;
- Improving lease lengths and tenant profile;
- Undertaking physical improvements where considered appropriate;
- Maintaining dialogue with tenants to assess their requirements;
- Taking advantage of planning opportunities where appropriate; and
- Refurbishing and upgrading assets.

The year to 30 June 2016 was a successful one on the asset management front, with considerable value added from the initiatives implemented during the year. These successes have primed the portfolio, increased the security and quality of our rental income and have ensured that we maintain a low vacancy rate, which stood at 2% at 30 June 2016. For further details please see page 33.

DEVELOPMENT ASSETS:

We continue to exploit the development opportunities within our portfolio, and are on site at five locations, four of which are Dublin office developments and the fifth being our logistics park at Dublin Airport. Our strategy for the office schemes is to deliver these new, high quality buildings into the market during the period late 2016 to early 2018. We are actively marketing these new buildings with a view to securing high quality tenants for them on favourable lease terms, and have terms agreed for the letting of 32 Molesworth Street.

With regard to Horizon Logistics Park, having added two new units during the year to the three existing units acquired with the lands in late 2013, our strategy is to build units to order for tenants looking for modern high bay logistics units, Kuehne+Nagel being an example, and to add further units to the park on a speculative basis, subject to demand in the market.

For further details please see pages 34 to 37.

4 **PRUDENT FINANCIAL MANAGEMENT**

To manage the Company's finances effectively and to ensure that total gearing is maintained at a prudent level

Another key tenet of the Company's strategy is the prudent use of flexible and cost effective financing. The Company's approach is to use gearing with a view to enhancing equity returns, whilst maintaining prudent levels of interest cover and protecting shareholders' funds, particularly bearing in mind the cyclical nature of the Irish property market.

As at 30 June 2016 our total gearing was 19.2 per cent on total assets (2015: 9.5 per cent), well within both the 35 per cent intended total gearing level in our prospectuses and the

50 per cent maximum gearing as set out in the Irish REIT rules. During the year we reduced our total debt cost from 2.8 per cent to 1.9 per cent and extended our debt maturity from 3.1 to 4 years. We will continue to use our flexible revolving credit facility to fund the balance of our development costs, which are in the order of €100 million, but expect total gearing not to exceed a level greater than 25 per cent. In the event that further acquisition opportunities arise the Company is well positioned to finance these through debt.

5 **DIVIDENDS**

To establish a dividend policy returning at least 85 per cent of the Property Income of our Property Rental Business to shareholders each year

The Company's dividend policy is driven by the Irish REIT rules, whereby a minimum of 85% of the Property Income of the Company's Property Rental Business is required to be distributed each year, subject to having distributable reserves to do so. The Board considers the level of payout each year, bearing in mind the Company's future cash requirements.

In September 2016, the Board declared

a dividend of 4.6 cent per share, to be paid on 7 November 2016 to all shareholders on the register on 7 October 2016. This dividend represents 100 per cent of the Company's Property Income for the year to 30 June 2016, of 3.6 cent per share, plus 1.0 cent per share by way of a non-PID dividend. The dividend of 4.6 cent per share represents an increase of 188 per cent on the 2015 dividend on a per share basis.

Block H

*Central Park, Leopardstown, Dublin 18
(under construction)*





collen

PHONES 60 621 9886

HI

235,000 SQ. FT. OF OFFICES
TO LET ACROSS TWO BUILDINGS

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WELCOME
TO THE
HI!

HI

HI!

Risk Report >

The Board is responsible for ensuring that the Company has an effective system of internal controls and risk management in place to identify, measure, mitigate and monitor significant risks to the achievement of the Company's strategic objectives. This includes setting the Company's risk appetite.

The Board has delegated the monitoring of the internal controls and risk management systems to the Audit Committee. The Company, on the Audit Committee's recommendation, has engaged Deloitte to assist it with the design of the Company's risk management framework, setting and monitoring its risk appetite statement, monitoring its risk register and reviewing the effectiveness of internal controls.

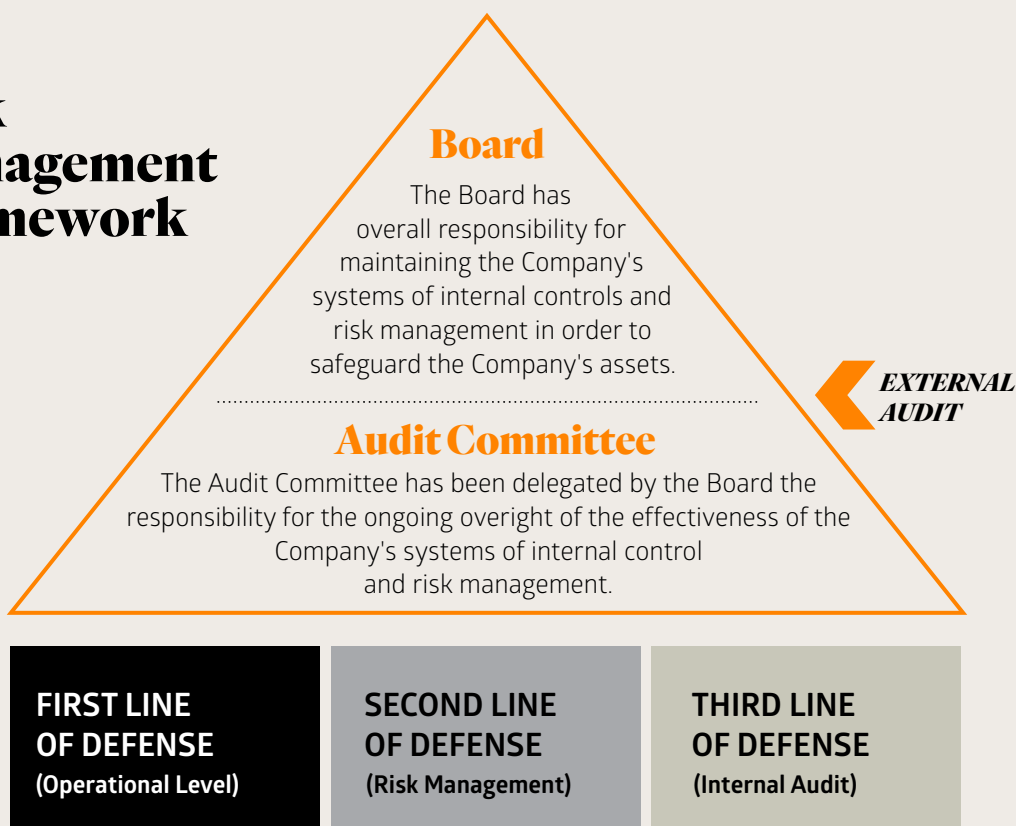
The Board considers the principal risks facing the Company at Board meetings, as set out in the Company's risk register. The Board also considers the annual review of the effectiveness of the Company's internal controls and risk management systems, which is carried out by Deloitte, assisted by the Investment Manager, and reviewed by the Audit Committee, which makes recommendations to the Board where appropriate.

RISK MANAGEMENT

The Board has approved a risk management framework which includes a risk appetite statement which sets out the type and level of risks that the Company is prepared to accept in achieving its strategic objectives. This risk appetite statement informs the risk management and internal controls systems maintained by the Company. The risk management framework and risk appetite statement are reviewed annually by the Board to ensure they remain current.

The risk management framework, including the roles and responsibilities within the framework are as follows:

Risk Management Framework



- Risk owners are assigned with operational responsibility to identify, assess and manage risks.
- This includes the Company's Investment Manager
- Implement action plans as necessary to enhance controls to mitigate significant risks to the Company.
- Reporting and managing incidents/breaches.
- The Second Line is responsible for overseeing the execution of the risk management process.
- Provide independent review and challenge of the First Line's management of risk.
- Report to the Board and Audit Committee on risk.
- Independent service providers are appointed to provide support to the Second Line of defence.
- Internal Audit will provide independent and objective assurance on the effectiveness of the risk management framework and process

The framework has been designed using the 'three lines of defence' model. The first line comprises the staff of the Investment Manager, who have day-to-day responsibility for designing, implementing and maintaining effective internal controls within the Company. The second line comprises the oversight function provided by the compliance officer of the Investment Manager and the role played by Deloitte as the Company's risk adviser, while the third line comprises Deloitte in their role as the Company's internal auditor.

INTERNAL AUDIT

As set out in the Report of the Audit Committee below on page 109, the Committee does not believe that it is necessary to establish an internal audit function, considering the nature, scale, complexity and range of operations of the Company.

Instead, during the year Deloitte carried out a review of certain key processes within the business, reporting their findings and recommending action plans to the Committee.

Risk Report

The expectation is that internal audit reviews of this nature will be carried out at least twice annually, in line with a rolling programme approved by the Committee. Internal audit reports are presented to the Committee by Deloitte, with the Committee in turn reporting the outcomes of internal audits to the Board.

GOING CONCERN AND THE VIABILITY STATEMENT

In accordance with the relevant provisions of the Code, the Board has taken account of the principal risks and uncertainties, as set out below, in considering the statements to be made regarding the going concern basis of accounting and the viability statement. These statements are as follows:

Going Concern

The Company has a strong portfolio of mainly prime properties which are Dublin focused, with almost full occupancy across the portfolio and a low level of total gearing of 19.2 per cent. The Company has good visibility of its future cash inflows from rental income from high quality tenants on long leases, and of its cash outflows. Having assessed the relevant business risks the Directors believe that the Company is well placed to manage its business risks successfully.

The directors believe that Green REIT plc has adequate resources to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Assessment of Viability

The period over which the Directors consider it feasible and appropriate to report on the Company's viability is the three year period to 30 June 2019. This period has been selected because it is the period that is used for the Company's medium term business plans.

The assumptions underpinning these forecast cash flows and covenant compliance forecasts were sensitised to assess the resilience of the Company to the potential impact of the Company's principal risks. The principal risks table which follows on pages 61 to 63 summarises those matters that could in the Board's view prevent the Company from delivering on its strategy.

The Directors paid particular attention to the risk

of a deterioration in economic outlook, which would impact property fundamentals, including investor and occupier demand, which would have a negative impact on valuations, and the impact that this would have on our banking covenants. This would also impact on our leasing programme for our development projects, in that it may take longer to lease them, potentially at lower rent levels than forecast, thereby delaying and reducing anticipated cashflows. The remaining principal risks, whilst having an impact on the Company's business model, are not considered by the Directors to have a reasonable likelihood of impacting the Company's viability over the three year period to 30 June 2019.

Viability Statement

Having considered the forecast cash flows and covenant compliance and the impact of the sensitivities assessed, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period ending 30 June 2019.

PRINCIPAL RISKS:

The Board takes the view that adequately identifying and managing the risks to achieving our strategic objectives is key to the successful delivery of shareholder returns. The Board has divided the principal risks into External Risks, over which we have no influence, and Internal Risks, which we can influence, which are set out below.

LEGEND:

- No change
- ▼ Downward
- ▲ Upward

EXTERNAL RISKS




Risks	Potential Impact	Mitigation Measures	Direction of Risk
Cyclical Market: the property market is cyclical and as such values and market conditions can be volatile.	Potential adverse impact on property values and rental levels, impacting shareholder returns.	<ul style="list-style-type: none"> 93% concentration of our assets in Dublin, the capital city, which experiences less volatility in a downturn than regional centres in Ireland Our assets are in prime and good secondary locations, which are more resilient in a downturn 73% of our portfolio by value is Dublin offices, which proved to be the most resilient asset class in the last downturn Our retail assets are in city centres and well-populated suburban areas Our warehousing and distribution facilities are located in close proximity to airport and motorway infrastructure Our vacancy rate by ERV is low at 2%, thereby reducing the leasing risk in the event of a downturn We continue to focus on capturing the longest lease terms possible from well capitalised and stable tenants so that the security of income and cash inflow is optimised The WAULT of our income is 7.8 years The Investment Manager is experienced in managing property portfolios through cycles 	➤ Both rents and yields for Dublin offices are relatively stable, having improved rapidly in landlords' favour since 2013 as economic recovery took hold. Rent and yields for retail and industrial continue to improve for landlords, while the spread between Irish property yields and the risk free rate are at historical highs, which is supportive of property yields.
Slowdown in economic growth: as a very open economy, the Irish economy is highly dependent on the wider European market and indeed the world economy.	Any slowdown or reversal in current trajectory of economic recovery could reduce the demand for space in our buildings and impact on rental values and property values, while increasing the level of tenant default.	<ul style="list-style-type: none"> The Company's acquisition strategy focused on city locations, primarily Dublin, as the large centres of population are more resilient economically, particularly for retail The Company also targets well capitalised tenants with strong covenants and maintains a policy of keeping a large and diversified multi sectoral customer base to avoid the Company being over exposed to any one tenant or industry sector The Investment Manager's asset management team is highly experienced 	➤ Ireland's economic recovery is now firmly established, although there are increased concerns surrounding global economic growth prospects, which have been heightened by the result of the UK referendum on EU membership.
Speculative Development Risk: occupiers don't take space in our new developments.	Adverse impact on revenue, cashflow, value and void costs.	<ul style="list-style-type: none"> We are early movers in the development of new space in Dublin in order to benefit from lower construction costs and to deliver completed properties when the demand for space outstrips supply and rental values remain strong While a property may not be let when a development or refurbishment commences, the marketing of the building commences well before the scheduled completion date. We could choose to start the letting process earlier if deemed appropriate to mitigate risk further The Investment Manager and the Board monitor changing market conditions carefully 	▲ As the Company has now commenced 5 developments, one of which has completed, the risk level here has increased. Letting terms have been agreed for one of the buildings under development, and take-up in the occupational market remains robust.

Risk Report

EXTERNAL RISKS (continued)

Risks	Potential Impact	Mitigation Measures	Direction of Risk
Political Risk: potential adverse impact from 'Brexit'	The UK referendum result in June 2016 to leave the EU could have an adverse impact on the Irish economy. We currently export a high proportion of our manufactured goods and our services to the UK. Given the potential barriers that could arise if Britain becomes a non-EU territory, the impact on the Irish economy could be significant, thereby adversely impacting the real economy and the prospects for our tenants with a reliance on exports to the UK.	<ul style="list-style-type: none"> • The Board of the REIT is monitoring this closely. It is too early to tell what the impact will be and whether it will be a positive or negative one for Ireland and for the Company. 	➤ This risk has increased since our interim results now that the result of the referendum is known.
Regulatory Risk – AIFMD: The Investment Manager is the authorised AIFM of the Company, under recently adopted EU regulations.	Should the Investment Manager cease to be authorised as an AIFM then the Company would be required to appoint a replacement AIFM and may suffer losses arising from the transition from its current Investment Manager to another.	<ul style="list-style-type: none"> • The Board and the Audit Committee regularly discuss regulatory aspects and receive reports from the Investment Manager in respect of AIFMD compliance matters concerning both the Company and the Investment Manager. The Investment Manager in turn consults with its legal adviser and the Company's sponsor, Davy, who attend meetings with the regulator on behalf of the Investment Manager and the Company respectively • The Company obtains independent legal advice in relation to AIFMD matters in order to keep abreast of developments and to ensure compliance by the Company with its obligations under AIFMD • The Company has appointed a Depositary, Northern Trust, as required of it under AIFMD 	➤ The regulatory framework is continually evolving.
Interest Rate Risk: global interest rates are currently at record low levels but may increase in the short to medium term.	An increase in interest rates could have an adverse impact on the Company's property values, as the risk premium applied to property yields would increase.	<ul style="list-style-type: none"> • The Investment Manager is experienced in monitoring the property market through cycles • Our assets are well located and focused on Dublin offices, with quality tenants and with a focus on security of rental income, which should make them more resilient in the event of yield increases caused by increases in interest rates • In the event that some of our assets were to be sold, their quality, location and the quality of the tenant and income stream should make them desirable to purchasers 	➤ With US interest rates expected to rise in the short term, this risk has marginally increased, but Euro and UK rates are expected to stay lower for longer.

INTERNAL RISKS

Risks	Potential Impact	Mitigation Measures	Direction of Risk
Development – Completion Risk: engineering, construction and other risks that could delay completion and/or increase costs.	Potential adverse impact on shareholder returns as a result of higher costs and/or delays in delivering new product into a supply constrained market.	<ul style="list-style-type: none"> • The Company only employs blue chip contractors with a strong and proven track record and with requisite financial strength • The Company engages what it considers to be the best design team for each project, working closely with them to identify any cost overruns or delays as early as possible • The Investment Manager closely monitors each project and works closely with the contractor, attending on site regularly • The Investment Manager's development team is highly experienced in developing new buildings 	 The Company is on site at 4 locations and therefore the risk level here has increased.
Development - Health and Safety: with increased development activity there is an increased risk of an accident which could result in the death or injury.	Reputational risk, potential completion delay and potential financial loss arising from a claim being made.	<ul style="list-style-type: none"> • The Investment Manager ensures that all contractors engaged employ high standards of health and safety and carry the appropriate levels of insurance to mitigate any issues which could arise. • The Investment Manager is an experienced developer with formalised health and safety procedures. • The primary responsibility for health and safety passes from the Company to the main contractor, with sub-contractors engaged by the contractor having no privity with the Company. • There is adequate insurance cover in place to deal with any claims which might arise out of claims being made due to incidents. 	 This risk has increased as the Company has now embarked on a development program which involves a significant amount of construction activity.
Development - Main Contractor or Subcontractor failure	Delayed delivery of a development or refurbishment with resulting additional costs, and potential failure to pass the completed space to a tenant who has entered into a pre-letting agreement, thereby delaying rental income receipts.	<ul style="list-style-type: none"> • The Company only selects financially robust contractors to carry out works • The principal contractor is responsible for monitoring the viability of sub-contractors appointed by them • The Company allows for timing contingencies as well as possible cost contingencies at the project planning phase 	 As the general economy has improved the risk of a sub-contractor or main contractor failing is reducing.

Horizon Logistics Park

Swords, Co. Dublin









Our > Market

The Irish economy continues to show strong and sustained growth, as it did in 2014 and 2015. And despite the uncertainty created by the 'Brexit' referendum, Ireland may well continue to outperform its European peers.



ECONOMIC OVERVIEW

STRONG ECONOMIC GROWTH

The Irish economy continues to show strong and sustained growth, as it did in 2014 and 2015. The forecast is for 4.4% growth in 2016 and 3.1% in 2017, which means at this point, despite the uncertainty created by the “Brexit” referendum result in the UK, Ireland may well continue to out-perform relative to its European peers in the coming years. The composite PMI for August 2016 was 56.9, the strongest across developed economies surveyed.

EMPLOYMENT

The unemployment rate stood at 7.9% at the end of September 2016, down from 8.6% in January 2016 or 9.5% at the end of July 2015. This compares to 4.9% in the US and the UK and 10.1% in the Euro area. The total number of people employed in Ireland is now above 2 million, compared to a high of 2.2 million in Q1 of 2008 and a low of 1.8 million in Q3 2012. There has been a shift from net emigration during the financial crisis to net immigration currently.



Stephen Vernon and Pat Gunne on site

FOREIGN DIRECT INVESTMENT ('FDI')

In the period 2009 to 2014 Ireland was ranked 5th highest for FDI inflows in Europe and there is no doubt the level of investment in FDI in recent years has been vital to economic growth, employment levels, tax receipts and demand for office space. The level of FDI flows remains strong, with 2015 being a record year for FDI, and the Industrial Development Authority (IDA), which is charged with attracting and managing FDI in Ireland, sees a healthy pipeline of further

investment in the near term (they do not comment beyond the near term). Multinational enterprises today comprise over 10% of private sector employment in Ireland. So far in 2016 the IDA's job announcements have outpaced previous years. The leading FDI investments in 2016 were in the IT sector (Oracle, First Data, Facebook, Hubspot and Amazon) and the pharma and medical devices sector (Shire, Search Optics, OPKO, Eurofins and Lancaster).

***Multinational
enterprises today
comprise over
10%
of private sector
employment
in Ireland***

Our Market

PUBLIC FINANCES CONTINUE TO IMPROVE

Overall tax receipts were up 9.2% year on year for the first half of 2016. We have seen a continued approach by the Irish Government to be disciplined in spending, so while national budgets are now marginally expansionary, public finances continue to improve. In Q1 2016 there was a current account surplus of €9 billion. The government deficit at the end of 2015 was 1.5%, which is forecast to reduce to 0.3% by the end of 2016.

In addition, the national debt to GDP ratio for 2015 was 93.8% and has reduced further with debt reduction and with growth in GDP. Reduction in our national debt has had a positive impact on the rating of the country and our ability to borrow on the international markets. Bond yields continue to decline, with the 10 year rate currently standing at 0.5% at 30 June 2016.

STRONG CONTRIBUTION FROM THE DOMESTIC ECONOMY

With improving employment numbers and confidence re-emerging, domestic demand continues to improve, currently growing at 6% (quarter 1 2016). Consumer spending growth was 3.5% in 2015 and the forecast for 2016 is 3.7%. There is limited evidence of price inflation, which was +0.4% per annum as at June 2016.

The 2016 census in the Republic of Ireland confirmed that the population in Ireland grew by 3.7% in the period 2011 to 2016 and now stands at 4.67 million. Not surprisingly, the main increases have been in the main urban centres and

counties adjacent to Dublin. The population of Dublin increased by 5.7% to 1.35 million and greater Dublin increased by 5.6% to 1.9 million in the five year period.

UK REFERENDUM RESULT

The decision of voters in the UK to leave the European Union has created uncertainty across markets globally. It is too early to tell the extent of the impact of this decision in either the short or longer term, but it is clear that it will have an impact on the Irish economy.

On the positive side, there may be further FDI growth and relocation of business from the UK to Ireland, particularly because Ireland will be the only English speaking member of the EU post the UK's departure. This may result in job creation and increased demand for office and residential accommodation. In addition, there may be further demand from international capital for Irish real estate.

On the negative side, Ireland and the UK are strong trading partners and we are not likely to have clarity on trading arrangements between both countries for some time. At present 18% of our total exports are to the UK. The food, manufacturing, tourism and transport sectors are likely to be affected most, depending on trade arrangements agreed between the UK and the EU. A weak sterling will put pressure on the retail sector, particularly in towns close to the border with Northern Ireland, and more importantly as price takers Irish exporters price in sterling and therefore their profitability will be affected unless they can adjust profit margins to compensate for the currency effect.

The level of Foreign
Direct Investment
flows remains strong,
with 2015 being a
record year and with
a healthy pipeline of
further investment in
the near term

CAPITAL MARKETS

Over recent years bank de-leveraging has resulted in strong volumes of investment activity including asset sales of €4.6 billion in 2014 and €3.5 billion in 2015. As the banks and NAMA clear their inventory, volumes of loan books and asset sales from this source have declined. The first half of 2016 has seen a number of large property transactions (over €100 million) that have boosted transaction levels. Total spend in the period has reached €2.95 billion, which compares to €1.7 billion in the same period of 2015.

The top 10 deals in the first half of 2016 accounted for 63% of the total activity in the period and are summarised below:

TOP 10 DEALS (FIRST HALF OF 2016)

Property	Sector	Price (in €M)	Purchaser
Blanchardstown Town Centre	Retail	950	Blackstone Core Fund
One Spencer Dock	Office	242	AGC Equity Partners
Whitewater Shopping Centre	Retail	180	DEKA
The Oval, Ballsbridge	Mixed	140	Patrizia
Project Kells	Mixed	93	Meyer Bergman/BCP
LXV, St. Stephen's Green	Office	85	CNP Assurance
Central Quay, Dublin	Office	51	Hibernia REIT
Golden Island Shopping Centre, Athlone	Retail	44	Credit Suisse
Royal Hibernian Way, Dawson St, Dublin	Mixed	32	Friends First
8 Hanover Quay, Dublin	Office	32	BNP Paribas
Others		1,101	
Total		2,950	

Due to two large shopping centre deals, the retail sector has dominated demand, accounting for 49% of transactions, followed by offices at 36%, mixed use at 9% and the remaining 6% divided split between residential, industrial, hotel and other. The USA continue to be the largest buyer group accounting for 34.3% of transactions, followed by domestic buyers (including Irish REITS) at 30%, European investors at 18.6%, UK buyers at 12.5%, and the remainder accounting for 4.6%. The profile of the buyer group has very much transitioned from private equity to long term core buyers, which is typical when the cycle moves from opportunistic to stable.

PROPERTY RETURNS

The MSCI index recorded total returns for H1 2016 for Ireland of 6.3% across all property sectors, which compares to 2.2% in the UK. On an annualised basis to June 2016 this reflects 19.5% compared to 25% in the calendar year 2015 and 40% in 2014. These moderating returns reflect where we are in the current cycle and demonstrate that we have now moved from an opportunistic phase (post the financial crisis) to a stabilised phase.

Over the longer term, average annual total returns per IPD/MSCI have been as follows:

3 YEAR	26.40%
5 YEAR	16.80%
10 YEAR	2.40%
DEC 1994-JUNE 2016	11.30%

Of the total return in H1 2016, capital growth accounts for 3.9% and income return for 2.3%. By sector the top performer with total returns of 10.8% was industrial, followed by offices at 6.1% and retail at 6.2%. The MSCI all-property equivalent yield remains stable at 5.8% (it was also 5.8% at the end of 2015).

Over the last six months, prime yields have remained stable; prime offices remain at 4.50-4.65% (depending on property commentator), prime high street at 3.25% and prime retail warehousing at 5%. Prime industrial is currently 5.75%, and this is the only sector where property commentators are anticipating further yield compression.

OCCUPIER MARKETS

DUBLIN OFFICES

Total take-up in H1 2016 in Greater Dublin reached 90,000 square meters (965,000 square feet). On an annualised basis this would equate to 177,000 square meters (1.9 million square feet) in gross terms. In the period 2006 to 2016 the overall annual take-up averaged 167,000 square meters (1.8 million square feet), so while current take-up levels are down on the same period in 2015 of 111,500 square meters (1.2 million square feet), they are still running ahead of the long-run average. In addition, we understand that there are a number of potential lettings in due diligence so the anticipation is for a strong second half of the year.

The city centre, as expected, accounted for the bulk of activity with 84% of the take-up in the period, with 58% of this in the Dublin 2/4 postcode. Outside the CBD, the south suburbs accounted for 69% of take-up.

There has been a steady decline in the greater Dublin vacancy rate which now stands at 8.3%, down from 8.7% in December 2015 and 9% at June 2015. The Dublin 2/4 vacancy rate currently stands at 6.1% (June 2015: 7.1%) and the grade A vacancy rate is 2.4% (June 2015: 1.8%). The vacancy rate in the south suburbs is at 10.4%, compared to 12% in Q2 2015. Grade A vacancy rates in the south suburbs are now being measured, and as at Q2 2015 they stand at 6.8%.

There is currently 409,000 square meters (4.4 million square feet) of office development under construction in the city centre in 30 schemes, of which 66% are speculative. Eleven of these developments are due to

complete during the course of 2016, providing approximately 121,000 square meters (1.3 million square feet) of new build/refurbishment. In addition, 16,000 square meters (170,000 square feet) has already been completed to date in 2016. The majority of the remainder will complete between 2017 and 2018.

Looking beyond 2018, there are a number of sites with planning permission in place, particularly in the docklands area, which would suggest that further development could be mobilised should demand necessitate, however many developers appear to be either waiting for pre-lettings or to secure funding, which is delaying commencement. NAMA continues to hold a number of key sites in the docklands and it is not clear when these sites will be sold and subsequently built out by the purchasers.

There is still limited speculative development in the Dublin suburbs. As at June 2016 there is a total of 49,000 square meters (528,000 square feet) under construction in the Dublin suburbs, in two projects, namely Microsoft's new headquarters which extends to 35,000 square meters (378,000 square feet) and which they are building for their own occupation, and our scheme at Central Park where we have 13,935 square meters (150,000 square feet) under construction. Recently completed schemes added 20,400 square meters (220,000 square feet) of new space.

Prime headline rents in Dublin city centre have grown 4.5% in the six months to June 2016 and currently

stand at €618 per square meter (€57.50 per square foot) and in the south suburbs rents have remained stable at €296 per square meter (€27.50 per square foot). While leasing activity is down on the same period last year, tenant demand appears to remain robust and market commentators are still suggesting rents will get to €645 per square meter (€60 per square foot) by year end and to €700 per square meter (€65 per square foot) by the end of 2017.

CORK OFFICE MARKET

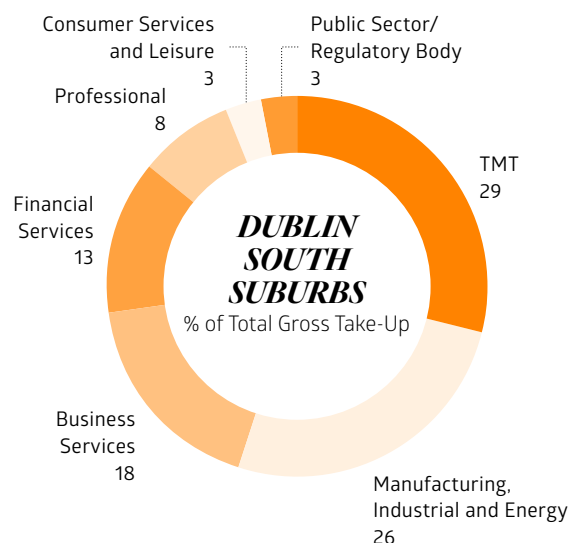
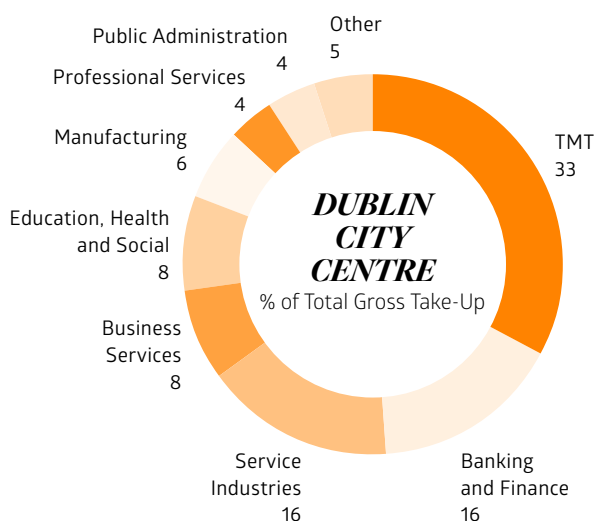
The lack of new development continues to hamper take-up levels in Cork. In H1 2016, take up reached 6,100 square meters (65,650 square feet) (which if annualised would be 12,200 square meters (131,300 square feet)) compared to 22,100 square meters (237,800 square feet) in calendar year 2015. Tenant demand remains strong, albeit much of the FDI demand is for smaller suites. The issue facing the Cork market is a lack of modern space. While the office vacancy rate is 18.6%, much of the space is obsolete or requires a total refurbishment in order to let it. At present there is only one new building under construction, the Capital Cinema site which will provide approximately 1,860 square meters (20,000 square feet) of retail and 4,650 square meters (50,000 square

feet) of offices. This is scheduled for completion in Q1 2017.

There are a number of sites for office development in the city centre and suburbs of Cork, however most developers are seeking pre-lettings in order to commence development and these are rare in the Cork market.

Rents for buildings in the city centre completed post 2000 are in the order of €215 per square meter (€20 per square foot). One Albert Quay, our only building in Cork, which is considered the best office building in the city by some margin, is now commanding rents of €296 per square meter (€27.50 per square foot) and the Capital Cinema scheme is likely to be marketed at a quoting rent of €323 per square meter (€30 per square foot).

GROSS TAKE UP BY SECTOR:



Our Market

RETAIL

Consumer confidence has continued to grow, reflected in Government tax receipts which were up 10.5% in the year to the end of 2015. The Central Statistics Office in Ireland has confirmed that retail sales have seen 31 successive months of expansion, with retail sales up 8.1% in the year to May 2016. Car sales have been one of the strongest performers, up 24% year on year as at end June. When the motor trade is excluded, retail sales are up 6.5% in the same period. While retail sale volumes are now only 3.3% off peak levels, the value of retail sales is still 17.6% off peak, which would suggest the consumer is benefitting from some imported deflation and discounting.

In addition, tourism figures are positive, up 10.3% in the year to May 2016, with the North American market up 19.3%, the UK market up 9.3% and the European market up 9.2%. While these numbers look strong a weak Sterling is likely to

impact on travellers from the UK and over the medium term there are concerns that BREXIT may have a negative impact on tourism.

The retail real estate sector continues to improve. Prime retail is performing strongest, hampered only by limited vacancy on the prime high streets and shopping centres. There are some retailers looking to expand in multiple locations, typically in the café/restaurant and value sectors, but with limited demand from fashion occupiers. In addition, there is reasonable tenant demand for retail parks, albeit by a small pool of

tenants. Rental growth is becoming more evident and not just for prime Dublin retail. Partly as a result of rents coming off such a low base and partly due to limited vacancy, the agents are reporting rental growth of 10-15% in provincial locations, depending on the location.

Some of the notable announcements in the period include John Lewis opening their first store in Ireland, taking space in the Arnotts department store on Henry street, and IKEA are rolling out a new click and collect concept with a 1,400 square meter (15,000 square feet) unit in Carrickmines Retail Park.

Development in the retail sector is limited. The only new scheme currently under construction is the western end expansion of Liffey Valley shopping centre in the western suburbs of Dublin, which is nearing completion. Lettings have been agreed there with Penneys, Cosmo, TGI Friday and Prezzo.

The retail real estate sector continues to improve



Westend Retail Park

INDUSTRIAL

Take-up in H1 2016 was 1.29 million square feet, down 35% on levels achieved in the same period of 2015. Demand remains at similar levels and property agents are suggesting there is currently in the order of 121,000 square meters (1.3 million square feet) of live demand. However, a shortage of supply of modern premises is restricting options and many occupiers are having to choose the design and build route in order to satisfy the requirements.

As was anticipated, rental growth has now emerged in this sector. In the six months to June, prime industrial rents rose by 12.9% and currently stand at €85 per square meter (€7.90 per square foot). By year-end the forecasts are for rents to increase to €94 per square meter (€8.70 per square foot) which could mean rental growth for the calendar year of up to 24.3%.

At present we are the only developer building speculatively in the market, having just completed 4,100 square meters (44,000 square feet) at Horizon Logistics Park. With rents now starting to rise and the shortage of modern space clearly evident, it is likely that others will follow over the latter half of 2016 and into 2017.

The data centre market continues to see ongoing activity. Microsoft has obtained planning permission to develop four new data centres in Dublin and planning has also been granted for a new data centre in Cork.

Finally, while investment into the industrial sector is popular, particularly with Irish pension funds, the availability of product to buy is limited. In H1 2016, only 1% of transactions were accounted for by industrial property.



Horizon Logistics Park



INM Building

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- Goodbody Irish Economy research reports 2016
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4-5 Harcourt Road

Dublin 2

(CGI)

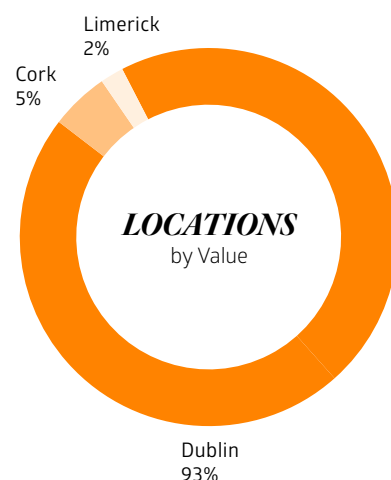




Portfolio Overview

1 LOCATION

As at 30 June 2016, 93% of the portfolio is located in Dublin city centre and greater Dublin, with the remaining 7% located in Cork (One Albert Quay, 5%) and Limerick (Parkway Retail Park, 2%). This is in line with the Company's investment strategy to build a portfolio which would be predominantly Dublin and selectively Cork, Limerick and Galway.



LOCATIONS BY VALUE ⁽¹⁾

	Net Value €m	% of Group Total
Dublin 2/4	567.6	46%
Greater Dublin	584.6	47%
Dublin Total	1,152.2	93%
Cork (100%)	63.8	5%
Limerick	24.7	2%
Total Portfolio	1,240.7	100%

(1) Net of costs. Valuation as at 30 June 2016. Includes 100% of One Albert Quay, Cork

Our portfolio has a diversified income base with a high quality tenant mix and strong Dublin focus. Our expectation that the Dublin offices sector would outperform other sectors is proving to be the case.

2

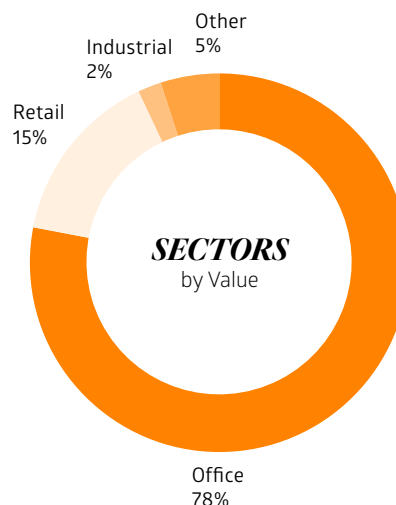
SECTOR SPLIT

The portfolio is split 78% offices, 15% retail, 2% industrial and 5% other (including residential and a hotel) by value. This is broadly in line with our original investment strategy of building a portfolio comprising predominantly offices (60%-70%), up to 25% retail and up to 15% industrial. Being ahead of the suggested office weighting is intentional, in that we believed that Dublin offices would perform best as a sector, which is proving to be the case. With regard to the weighting of industrial property, we have now completed two new units at Horizon Logistics Park,

where the land is zoned for logistics warehousing and has capacity for up to 93,000 square meters (1 million square feet) of future development. We recently commenced the construction of another unit of 33,000 square feet and have agreed terms with Kuehne+Nagel to build them a new 7,400 square meter (80,000 square feet) unit with options to build two further units of 3,700 square meters (40,000 square feet) each. The allocation to industrial is therefore likely to increase as we build out the park.

SECTORS BY VALUE ⁽¹⁾

		Net Value €m	% of Group Total
Office	Dublin CBD (2/4)	562.3	45%
	Greater Dublin	348.6	28%
	Cork (100%)	63.8	5%
Office Total		974.7	78%
Retail		181.5	15%
Industrial		23.6	2%
Other		60.9	5%
Total Portfolio		1,240.7	100%



(1) Net of costs. Valuation as at 30 June 2016. Includes Green REIT's 60% in Mount Street property and 100% of One Albert Quay (Cork) (contracted to purchase)

Portfolio Overview

3 RENT & ERV

The portfolio was 5% reversionary at 30 June 2015, with annual portfolio contracted rent of €61.3 million compared to an annual ERV of €64.7 million. Total annual passing rent of €45.9 million change to €61.3 million on the expiry of rent free periods granted on new and renegotiated leases and other abatements granted to tenants.

Total annual contracted rent of
€61.3 MILLION

RENTAL INCOME ⁽¹⁾

		Passing Rent €m pa	Contracted Rent €m pa	ERV ⁽²⁾ €m pa	Variance v ERV	Vacant ERV €m pa
Office	Dublin CBD (2/4)	16.3	24.4	27.7	-12%	<0.1
	Greater Dublin	16.8	20.8	22.3	-7%	-
	Cork	0.0	3.2	3.5	-8%	-
Office Total		33.1	48.4	53.5	-10%	-
Retail		10.5	10.7	8.8	+23%	0.8
Industrial ⁽³⁾		1.3	1.3	1.3	-2%	0.3
Other		1.0	0.9	1.1	-18%	-
Total (Let Properties Only)		45.9	61.3	64.7	-5%	1.2

(1) Includes Green REIT's 60% in Mount Street property and One Albert Quay (Cork) acquired portion only

(2) Excludes ERV of development assets which are 1 & 32 Molesworth Street, Harcourt Road and Block H Central Park

(3) Unit B1 (new build) completed but vacant. ERV reflected in the above

CONTRACTED RENT VERSUS ESTIMATED MARKET RENT (ERVs) ⁽¹⁾

		Average Contracted Rent (€psf)	Average ERV (€psf)	Variance (v ERV)
Office	Dublin CBD (2/4)	42.27	48.21	-12%
	Greater Dublin	21.69	23.68	-8%
	Cork	23.35	25.19	-7%
Office Total		29.36	32.78	-10%
Retail		23.29	18.97	+23%
Industrial		7.12	7.29	-2%
Total (Let Properties Only)		26.27	27.78	-5%

(1) Let properties only. Excludes car space rent (where applicable)

On a sectoral basis, within the retail portfolio there remains an amount of over renting (23% at 30 June 2016 versus 28% at 30 June 2015), as this sector has only started to turn the corner and rental growth is yet to emerge. The contracted rent from the retail element is €10.7 million per annum (average €23.29 per sq. ft.) compared to an ERV of €8.8 million per annum (average €19 per sq. ft.). Helpfully the WAULT on our retail income is 8 years.

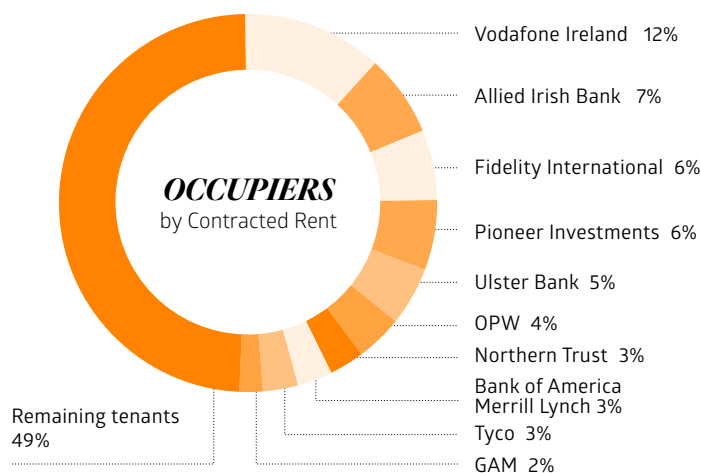
On the office side the Dublin CBD portfolio currently has a contracted rent of €24.3 million per annum (average €42.27 per sq. ft.) compared to an ERV of €27.6 million (average €48.21 per sq. ft.), and there is also further reversionary potential from the Greater Dublin office and Cork (One Albert Quay) elements of the portfolio.











4

TOP 10 OCCUPIERS BY CONTRACTED RENT ⁽¹⁾

The top ten tenants include Vodafone, Allied Irish Banks, Fidelity International and Pioneer Investments.

The table below shows that our top 10 tenants account for 51% of the annual contracted rent.



Tenant	Business Sector	Contracted Rent €m pa	% of Group Rent	Unexpired Term (years) ⁽³⁾
 Vodafone	TMT	7.3	12%	10.3
 AIB	Financial Services	4.5	7%	10.7
 Fidelity	Financial Services	3.7	6%	11.4
 PIONEER Investments	Financial Services	3.4	6%	10.7
 Ulster Bank	Financial Services	2.8	5%	4.2
 OPW	Public Administration	2.7	4%	4.2
 NORTHERN TRUST	Financial Services	1.9	3%	2.2
 Bank of America Merrill Lynch	Financial Services	1.7	3%	1.7
 tyco	TMT	1.7	3%	11.6
 GAM	Financial Services	1.4	2%	5.9
Top 10 Tenants		31.1	51%	8.3
Remaining tenants		30.2	49%	4.2
Total Portfolio		61.3	100%	7.8

(1) Includes Green REIT's 60% in Mount Street property and One Albert Quay (Cork) acquired portion only

(2) Includes Fidelity second lease contracted at €2.3m pa commencing in November 2016

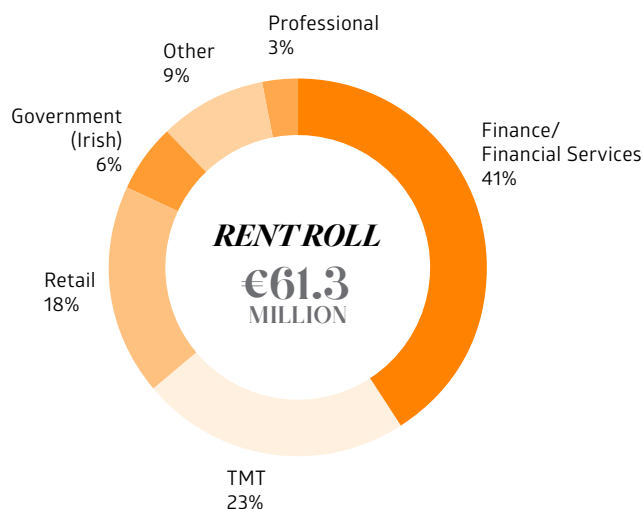
(3) Unexpired Term/ WAULT is the rent-weighted average remaining term on leases to lease expiry/ break date (whichever comes first). Excludes residential component in Arena Centre

Portfolio Overview

5 TENANT BUSINESS SECTORS

*High concentration of
INTERNATIONAL
OCCUPIERS*

€45 **> 73%**
MILLION OF GROUP RENT



Finance / Financial Services

7.4

WAULT
(years)

76%

**International
occupiers**



Technology, Media & Telecommunications

8.7

WAULT
(years)

97%

**International
occupiers**



Retail Trade

8.4

WAULT
(years)

61%

**International
occupiers**



Government (Irish)

6.8

WAULT
(years)

-

**International
occupiers**



Professional Services

7.1

WAULT
(years)

94%

**International
occupiers**



Others

7.2

WAULT
(years)

72%

**International
occupiers**



6

WAULT & VACANCY

The weighted average unexpired lease term (WAULT) from the portfolio is 7.8 years, up 56% from 5 years at 30 June 2015. This increase in WAULT was brought about by the renegotiation of some of our key leases (e.g. Vodafone and Pioneer Investments) and the granting of new leases to the likes of Fidelity International in George's Quay.

LEASE LENGTHS & VACANCY

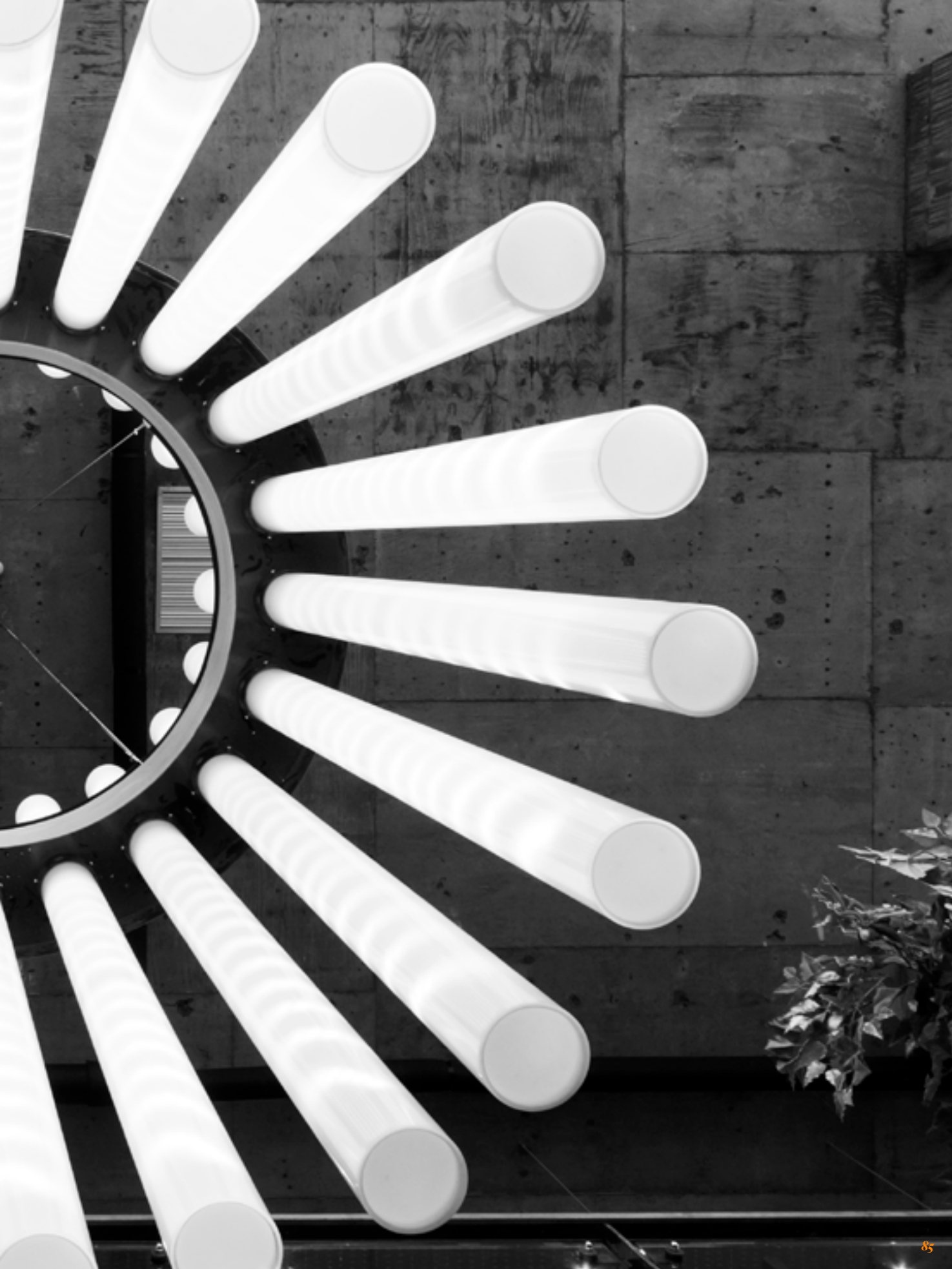
		WAULT (years) ⁽¹⁾	Vacancy (by floor area)	Vacancy (by ERV)
Office	Dublin CBD (2/4)	7.8	-	<1%
	Greater Dublin	7.5	-	-
	Cork	10.8	-	-
Office Total		7.9	-	-
Retail		8.0	2%	1%
Industrial		5.0	2%	<1%
Other		5.6	-	-
Total Portfolio		7.8	4%	2%

(1) Unexpired Term/ WAULT is the rent-weighted average remaining term on leases to lease expiry/ break date (whichever comes first). Excludes residential component in Arena Centre

Wetherspoon's at Westend Shopping Park

Blanchardstown, Dublin 15





Sustainability Review >

2016 has been the first year of the implementation of our sustainability strategy; we see this as the backbone of how we do things and who we engage with.

SUSTAINABILITY SUMMARY

The Board recognises the importance of sustainability in the built environment and introduced a sustainability policy in 2015 with five key areas of priority. Over a five year timescale we have set ourselves short (one year), medium (two to three years) and long term (five years plus) actions.

The portfolio is now stabilised and comprises 21 properties with 105 tenants. Within the portfolio, 10 buildings are multi-let and managed by us and the remainder are single let, where the occupiers are responsible for the repair, maintenance and running of services in those buildings. Our sustainability strategy is currently concentrated on our multi-let properties and over the medium term we would hope to seek engagement from single let occupiers to widen the reach of our strategy.

The intention is that the sustainability strategy will be reviewed annually and signed off by the Board. The objective within the strategy is to identify key areas of focus and thereafter the sustainability implementation team have a monthly meeting to review progress against stated targets for the year. Going forward we will report on progress to all stakeholders as part of the interim and full year reporting.

In the calendar year 2016 our intention is to meet our short term actions. In addition, we also recently completed a Global Real Estate Sustainability Benchmark (GRESB) dry run. The results ratified our approach and confirmed that we are moving in the right direction towards sustainability. We will be looking to achieve formal ranking in 2017. In 2017, we will also be positioning the Company against the EPRA Sustainability Best Practice Recommendations.

From collating the data obtained from the GRESB dry run, working with our property managers, we will be analysing the data to look at appropriate efficiency routes.

We have been engaged with our tenants across our portfolio.

OUR PROGRESS

2016 saw the roll out of our short term targets which were established within our sustainability strategy. Our sustainability strategy also has objectives that will be achieved over the medium to longer term. We will be monitoring progress over a regular period to ensure that we are on track and where required we will review and update the objective originally set. We have achieved 19 per cent of our targets, with the remainder to be achieved by the end of the 2016 calendar year.

In tandem with our GRESB dry run, we have collated our resource data from our managed assets. This data will be analysed this year, with the aim to set efficiency targets for 2017.






New build certification

For all of our new build properties we target a minimum of LEED Gold Core and Shell certification and where feasible, we will target Platinum certification.

Incoming tenants are encouraged to buy into our design philosophy and incorporate LEED certification into their fit out.

LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognizes best-in-class building strategies and practices. To receive LEED certification, building projects satisfy prerequisites and earn points to achieve different levels of certification.

***For all of our new
build properties we
target a minimum of
LEED Gold Core and
Shell certification***

Property	LEED Core and Shell status	
One Albert Quay		Awarded Gold
Block H Central Park		On target for Gold
32 Molesworth Street		On target for Gold
One Molesworth Street		On target for Platinum
4-5 Harcourt Road		On target for Gold

Sustainability Review

Summary Progress against our 5 objectives:

1 To ensure compliance with all applicable statutory requirements relevant to our business activity and to look for opportunities to go beyond.

- (a) Review of Irish and European legislation to ensure compliance, manage risk and capital expenditure programming. This document is a working document to respond to any future changes.
- (b) Removal of R22 gas systems identified in Cape House and Commercial House in technical due diligence reports.
- (c) GRESB dry run completed.



'Live Work Grow' Tenant Event

2 To ensure responsible design and delivery of new and refurbished buildings.

By creating well designed, sustainable and environmentally friendly buildings, which offer high quality efficient space and lower running costs, we believe we will make our buildings more attractive to prospective tenants and thereby maximise long term returns.

- (a) Targeting LEED Gold Core and Shell certification for all new builds, and where possible LEED Platinum certification. One Albert Quay was completed in February 2016, see case study below.
- (b) Development of a sustainable refurbishment catalogue, to monitor the works undertaken and measure the sustainable performance. We carried out key improvement works at Georges Quay, see case study.
- (c) BER review of all assets of a rating of D1 and below.
- (d) Smart metering review of managed assets.
- (e) Assess occupant wellbeing in our managed assets.

We have collated the building energy ratings (BER) for each building in our portfolio and we have set out some short and medium term objectives as follows:

Objective	Timeframe
1. Undertake a review of all buildings with a BER of D1 or lower	1 year
2. Put an action plan in place to improve BER rating on poorer performing buildings	1-2 years
3. Investigating LEED Certification on existing portfolio	3-5 years
4. Undertake a smart metering strategy for Georges Quay and Central Park with the aim of rolling out to wider portfolio thereafter	1 year

3 Managing our existing assets in an environmentally-friendly way.

By adopting a thorough and sustainability-led approach to asset management in conjunction with our service providers, in particular property managers, we seek to provide high performance accommodation and enhanced running cost efficiencies for tenants. In doing this, we believe we will achieve enhanced returns from our built space. We encourage tenants to buy into our building design philosophy and incorporate this into their fit out design.

- (a) Development of property management template that includes; consumption reporting, tendering, sustainable improvement and health & safety and stakeholder policies.
- (b) Review of consumption data collated in all multi-let buildings. Our objective over the next 12 months is to monitor and benchmark this data and to set a target for improvement over a 3-5 year period.

This year we intend to establish a working group to ensure responsible supply chain management within the portfolio. The group will comprise our Building Managers, Property Managers and Sustainability team. Over the next 12 months we will review all supplier services and identify where we can seek improvement or additional information which can be captured to assist us in collating and benchmarking key data. Our aim is to ensure all service providers are tendered on a 3-yearly basis to ensure competition in terms of pricing and also to ensure best practice can be incorporated at all times. As we look forward, areas of focus will include reviewing employee conditions, policies on diversity and waste management.

4 We are mindful that the public space in our properties should offer a positive environment for our stakeholders and our neighbours.

- (a) Improvement of biophilia in public areas.
- (b) Encouragement of community share in public spaces.

In Georges Quay we upgraded the plaza seating at the coffee pod and the communal seating, added planting and landscaping to provide an outdoor breakout area for tenants. We have just received planning permission for a shower/drying facility in the railway arches in the plaza and over the next 12 months our aim is to complete this facility which will benefit those walking/cycling to work.

In conjunction with the completion of Block H at Central Park, we will be completing a plaza area, which will benefit the whole estate. Once complete it will include public seating and planting and will include an interactive sculpture which is currently under construction.

5 Working with stakeholders, we have identified the need for enhanced engagement with occupiers, suppliers and the broader community to improve environmental, social and ultimately economic outcomes.

- (a) **Tenants** - Our Live Work Grow principle has gone from strength to strength in Central Park, a suburban office estate.
- (b) **Supply Chain** - With our property managers we are undertaking a review of our supply chain, health and safety, wage conditions and procurement policies.
- (c) **Investors** - report sustainable performance on a regular basis to investors, including GRESB and EPRA benchmarks.

We have had great success with our Live Work Grow initiative at Central Park (see www.liveworkgrow.ie). This initiative includes an interactive event calendar on an intranet site which can be accessed by all tenants. The management company have employed staff to develop events, coordinate and market. In addition the management company have rented a retail unit at Central Park which has been fitted out for bespoke events, gym sessions, lectures etc. Feedback from tenants has been very positive, and has helped create a sense of community for tenants who work in Central Park.

Sustainability Review

CASE STUDIES:

GEORGES QUAY, DUBLIN 2

Over the course of the year to 30 June 2016, we carried out upgrade works at Georges Quay. Our objective was to refresh the common areas and improve the common area environment for our tenants. Block A and Blocks E&F have both had upgrades to their receptions. This included, replacing the ceiling and upgrading the air-conditioning, replacing the lighting with new energy efficient LED lights and changing the internal planting and furniture. In addition, in Blocks E&F we changed the doors to motorised revolving doors and added security barriers. These works should reduce energy costs and aid security in the building.

As highlighted above, we upgraded the external plaza, including seating areas, planting and landscaping, and will install a shower/drying facility over the next 12 months, which will benefit those walking/cycling to work.

CONSTRUCTION PROGRESS



AFTER



ACCESSIBILITY & TRANSPORT

With respect to sustainable travel and accessibility, we addressed the poor traffic management and improved disability, mother and child access to the West End retail park. Our new city centre developments are all positioned close to a Luas (light rail system) stop and in Central Park, our new development is beside a dedicated Luas stop for Central Park and we also run a dedicated Central Park bus from Dublin city centre and the Dart north/south railway line to the Park.

WESTEND RETAIL PARK

BEFORE



AFTER



AFTER



AFTER



One Albert Quay

Cork





2016 COMMERCIAL PROJECT OF THE YEAR

at the Annual
Irish Construction
Awards

In February 2016, we completed our most recent acquisition, One Albert Quay in Cork. This is our first acquisition in Cork and comprises a newly constructed 15,269 square meter office building (164,360 square feet). This building has received LEED Gold Core & Shell certification and the design includes highly efficient façade technology including solar controlled blinds, advanced VRF AC installation controlled by the latest Tyco control technology, destination controlled lifts, rain water harvesting and an array of energy saving equipment including, PV collectors on the roof and low flow sanitary ware.

In addition, along with JCD (the developer of the building) we are proud to report that the building was awarded Commercial Project of the Year 2016 at the Irish Construction Awards. This award recognises excellence in a construction project within the office blocks/business space category.

The Management Team >

The Company's properties are managed by our Investment Manager, Green Property REIT Ventures DAC. A brief biography of the members of the Management Team is set out across.



Stephen Vernon
CHAIRMAN



Pat Gunne
CHIEF EXECUTIVE

See page 101 for biographical details.



Caroline McCarthy

CHIEF INVESTMENT OFFICER

Caroline joined Green Property REIT Ventures in September 2013 as Chief Investment Officer. She is responsible for Investment Management, looking at both sales and acquisitions, sourcing new acquisitions and maximising opportunities that match the investment objectives of the Company. Prior to joining she was an Executive Director and Head of the Capital Markets team of CBRE in Ireland during the period March 2005 to February 2012. Prior to joining CBRE in 2003, Caroline established the property investment team within Bank of Ireland Private Banking. She also previously served in a variety of roles in property investment in the UK including King Sturge (now Jones Lang La Salle) and Hill Samuel Asset Management (now Scottish Widows). Caroline is an Associate of the Royal Institution of Chartered Surveyors and a Member of the Society of Chartered Surveyors.



Niall O'Buachalla

CHIEF OPERATIONS OFFICER

Niall joined Green Property REIT Ventures in January 2014 as Chief Operations Officer. His role is to co-ordinate the operations of Green REIT plc, including financial reporting and investor relations. He was co-founder and Finance Director of Burlington Real Estate Limited in late 2012 and prior to that Niall joined Treasury Holdings in June 2003 in the project finance area and was involved in raising capital for its large-scale developments and acquisitions in Ireland, the UK and in China. He became Group Finance Director of Treasury Holdings and was responsible for the group finance function until late 2012. Niall is a Fellow of Chartered Accountants Ireland, having qualified with Arthur Andersen in Dublin in 2000.



Ronan Webster

ASSET MANAGEMENT DIRECTOR

Ronan joined Green Property Ventures in October 2011 as a director, working on the reorganisation, management and disposal of several Bank and Private Equity loan portfolios. Ronan is responsible for leasing and implementation of our asset management strategy. Prior to joining Green he was a Board Director of CBRE in Ireland from 1998 to 2011, where he served a variety of clients including public companies, pension funds, banks and large office occupiers in acquiring and disposing of property in Ireland and the UK. Prior to joining CBRE in 1998, Ronan held roles with Equis Corporate Realty Advisors in Menlo Park, California and DTZ Sherry Fitz Gerald (now Cushman and Wakefield). Ronan is a Fellow of the Royal Institution of Chartered Surveyors.

The Management Team



Paul Culhane

DEVELOPMENT DIRECTOR

Paul is Development Director of Green Property having joined in early 2000. He has delivered numerous office, retail, industrial and leisure projects since joining and is directly responsible for the implementation of Green REIT plc's development programme, where we are on site at five locations. Prior to joining Green Property, he held the position of development director with CBRE Ireland from early 1997 where he was responsible for identifying, structuring and disposing of a number of the largest development projects undertaken in Ireland at that time.



Mark Munro

FINANCE DIRECTOR

Mark is the finance director of Green Property. In 2002 he was appointed finance director of Rodinheights plc, the entity owned by Stephen Vernon, Merrill Lynch and Bank of Scotland which acquired Green Property plc. He was subsequently appointed as finance director of Green Property Ltd, formerly Green Property plc, and of all of its subsidiary and associated companies when the leveraged takeover of Green Property plc by Rodinheights plc was completed. Prior to this Mark held a number of senior finance roles with ESB International, the overseas division of the Electricity Supply Board in Ireland. He joined ESB International in 1994 after training and qualifying as a chartered accountant with KPMG in Dublin. Mark is a Fellow of Chartered Accountants Ireland.



Jim McKenna

DIRECTOR OF IRISH OPERATIONS

Jim joined Green Property in 1980 as Financial Controller/Company Secretary. He was appointed to the main board of directors of Green Property plc in 1983 as Operations Director and for the past 30 years he has had responsibility for the management and expansion of the Green Property investment portfolio in Ireland. He was one of the directors of Green Property plc who was instrumental in the site assembly, design and letting of the Blanchardstown Centre from 1989 to its opening in 1996.

Jim is a member of the Society of Chartered Surveyors and is a member of the Institute of Certified Public Accountants in Ireland.

The Management Team has a long and successful track record of investing in, developing and managing properties in a wide range of real estate asset classes in Ireland and the UK. The members of the Management Team have been well-known within the Irish and UK real estate markets for many years, and have established relationships in these markets, including with commercial real estate lenders, property funds, planning authorities, tenants and private investors. These relationships have enabled members of the Management Team to access both off-market and more widely marketed real estate transactions and to access debt financing packages in the various phases of the economic cycle during the past 20 years.



SECTION

2

Corporate Governance

Board of Directors



Gary Kennedy

INDEPENDENT NON-EXECUTIVE
DIRECTOR AND CHAIRMAN

Age: 58

Appointment to the Board:

Gary joined Green REIT plc as Non-Executive Chairman on 25 June 2013

Committee membership: Chairman of the Nomination Committee and member of the Remuneration Committee



Jerome Kennedy

INDEPENDENT
NON-EXECUTIVE DIRECTOR

Age: 68

Appointment to the Board:

Jerome joined Green REIT plc as Non-Executive Director on 25 June 2013

Committee membership: Chairman of the Audit Committee, member of the Nomination Committee, the Remuneration Committee and the Investment Committee



Thom Wernink

INDEPENDENT NON-EXECUTIVE
DIRECTOR AND SENIOR
INDEPENDENT DIRECTOR

Age: 70

Appointment to the Board:

Thom joined Green REIT plc as Non-Executive Director on 25 June 2013 and was appointed Senior Independent Director

Committee membership: Chairman of the Remuneration Committee and the Investment Committee. Member of the Nomination Committee and the Audit Committee.

Experience: Gary is an experienced chairman and director, with a long executive career in technology, financial services and a non-executive portfolio spanning a variety of sectors, including financial services, foods, biotechnology, technology and logistics. Gary is currently chairman of Greencore Group plc and Connect Group plc (UK). He also serves as a board member to a number of private companies and was a government appointed director of Irish Bank Resolution Corporation Limited until February 2013. He was Group Director of Finance and Enterprise Technology at Allied Irish Bank and a member of its main board together with subsidiary boards in the US and Poland. Prior to that, he was Group Vice-President of Nortel Networks Europe. He served on the board of the Industrial Development Authority of Ireland for ten years to December 2005.

Experience: Jerome is an experienced non-executive director, with a long executive career as a partner in KPMG and a non-executive directorship portfolio since 2004 in a number of sectors including property, food, media and financial services. He is currently a director of Total Produce plc, where he chairs the audit committee, and a director of Independent News and Media plc, where he is the senior independent director and chairs the audit committee. He is also the Chairman of Caulfield McCarthy Group Retail. He served on the board of New Ireland Assurance Company plc from 2004 to 2010 and on the Court of Bank of Ireland from 2007 until 2012. He spent 24 years (1980-2004) as a partner in KPMG providing audit and advisory services to a range of Irish companies and Irish subsidiaries of multinational groups. He held the position of managing partner of KPMG Ireland and was a board member of KPMG Europe from 1995-2004.

Experience: Thom has held a number of senior positions over a long career focused on the Continental European real estate industry and brings valuable knowledge of these markets to the Board. He serves as a non-executive director of the stock exchange listed company Atrium European Real Estate Ltd. He is also a former Chairman of the European Public Real Estate Association and former chairman of the management board (CEO) of Corio NV.



Gary McGann

INDEPENDENT NON-EXECUTIVE
DIRECTOR

Age: 66

Appointment to the Board:

Gary was appointed Non-Executive Director of the Company on 3 June 2014

Committee membership: Investment Committee and Audit Committee

Experience: Gary is the Chairman of Paddy Power Betfair plc. He is the former Group Chief Executive Officer of the Smurfit Kappa Group plc, one of the leading providers of paper-based packaging solutions in the world, where he remains a non-executive board director. Gary is a Director of Multi-Packaging Solutions Limited (MPS), a Director and former President of IBEC (Irish Business and Employers' Confederation). In the "not for profit sector" Gary is a director of Barnardos.



Stephen Vernon

NON-EXECUTIVE
DIRECTOR

Age: 66

Appointment to the Board:

Stephen was appointed Non-Executive Director of the Company on 24 June 2013

Committee membership: Nomination Committee and Investment Committee

Experience: Stephen is the chairman of Green Property and has held this role since 2002. Before then, he held the position of managing director of Green Property plc from 1993 to 2002. Under Stephen's stewardship, Green Property plc's market capitalisation grew from approximately €24 million in 1993 to approximately €1 billion in 2002 when Stephen led a leveraged buyout of the company in a transaction worth approximately €1.85 billion. Stephen graduated from the College of Estate Management in 1972. After spending two years in general practice in the UK, he joined St. Quintin Chartered Surveyors, becoming an investment partner in 1981. He was appointed group managing partner in 1987. Stephen is a Fellow of the Royal Institution of Chartered Surveyors and has held numerous non-executive positions on the boards of regulated entities and listed companies.



Pat Gunne

NON-EXECUTIVE
DIRECTOR

Age: 44

Appointment to the Board:

Pat was appointed Non-Executive Director of the Company on 3 June 2014

Committee membership: Investment Committee

Experience: Pat joined Green Property in January 2009 as managing director of the various Green Property businesses, leading the development of a multi-billion (in assets under management) real estate workout business on behalf of banks and private equity firms. He was formerly European board director of CB Richard Ellis. Pat was managing director of the real estate agency Gunne Commercial (now CBRE) in Ireland from 1997-2007 and during his tenure the company grew operating profits by a factor of 32. In 2007 he sold Gunne Commercial to CB Richard Ellis for an enterprise value approaching €32 million. Pat was appointed to the Advisory Board of the European Public Real Estate Association ('EPRA') in September 2016.

Corporate Governance Framework

The Board

The Board has overall responsibility for strategic direction, investment policy and corporate governance.

Gary Kennedy

Independent Non-Executive Director & Chairman

Jerome Kennedy

Independent Non-Executive Director

Thom Wernink

Independent Non-Executive Director & Senior Independent Director

Gary McGann

Independent Non-Executive Director

Stephen Vernon

Non-Executive Director

Pat Gunne

Non-Executive Director

Board Committees

AUDIT COMMITTEE

Chairman

Jerome Kennedy

Members

Thom Wernink
Gary McGann

NOMINATION COMMITTEE

Gary Kennedy

Thom Wernink,
Jerome Kennedy
and Stephen Vernon

INVESTMENT COMMITTEE

Thom Wernink

Jerome Kennedy,
Stephen Vernon,
Pat Gunne and
Gary McGann

REMUNERATION COMMITTEE

Thom Wernink

Gary Kennedy and
Jerome Kennedy

Investment Manager

Stephen Vernon

Chairman

Pat Gunne

Chief Executive

Caroline McCarthy

Chief Investment Officer

Niall O'Buachalla

Chief Operations Officer

Ronan Webster

Asset Management Director

Paul Culhane

Development Director

Mark Munro

Finance Director

Jim McKenna

Chief Operations Director

Corporate Governance Statement >

GOVERNANCE FRAMEWORK

For the financial year ended 30 June 2016 the Company's corporate governance practices were subject to the UK Corporate Governance Code issued by the FRC in September 2014 and the Irish Corporate Governance Annex (together "the Code"), and the Association of Investment Companies Code of Corporate Governance ('the AIC Code').

The text of the UK Code and the AIC Code are publicly available at www.frc.org.uk and at www.theaic.co.uk respectively.

The Company is assessing the impact of the changes being introduced by the updated Code (April 2016), which will be reflected in its annual report for the year to 30 June 2017.

STATEMENT OF COMPLIANCE

The Board confirms that the Company has complied with the Code and the AIC Code during the year to 30 June 2016. The Board considers that the provisions of the Code regarding executive directors' remuneration are not relevant to the Company, as it has no executive directors. The Company has, therefore, not reported further in respect of this provision.

We have set out below how the Company has been operating and performing against the applicable provisions of the Code as they relate to the Company.

Corporate Governance Statement



The Board of Directors

From left to right: Jerome Kennedy, Gary McGann, Pat Gunne, Thom Wernink (standing); Gary Kennedy and Stephen Vernon (sitting).

THE ROLE OF THE BOARD OF DIRECTORS

The Board of the Company comprises six non-executive directors, four of whom are independent of the Investment Manager and two of whom (Pat Gunne and Stephen Vernon) are nominees of the Investment Manager.

The role of the Board is to lead the Company, to set its strategic objectives and to monitor those objectives on an ongoing basis. These strategic objectives are set out on page 52. The Board also assesses the effectiveness of the Company's system of internal controls and risk management, and sets the Company's appetite for risks it is prepared to take in pursuing its strategic objectives. The Board is responsible for ensuring the accuracy of financial and business information provided to shareholders, and that it presents a fair, balanced and understandable assessment of the Company's position and prospects.

As set out above, the Company engages the Investment Manager to manage the day-to-day affairs of the Company, through an Investment Manager Agreement entered into in June 2013. The Board has reserved key decisions including the following for its own consideration:

- Company strategy
- The Company's risk management and internal controls system
- Management of the Company
- Board appointments
- Dividend policy and dividends
- Interim and annual financial statements
- Reserved matters under the Investment Manager Agreement ('IMA') (see below)
- Review of the performance of and contractual arrangements with the Investment Manager

The reserved matters set out in the Investment Manager Agreement include decisions such as the acquisition and disposal of properties, and significant capital expenditure and leasing transactions, where there are predetermined thresholds above which Board consent is required. The Board must also approve any entry into joint ventures or other arrangements and all hedging and derivatives contracts. Under the Company's corporate governance framework any matter which requires the consent of the Board of the Company is considered at a board meeting attended by an appropriate number of directors, a majority of whom have to be independent of the Investment Manager.

The Board ensures that there is clear division of responsibility between the Board and the Investment Manager, the basis for which is set out in the Investment Manager Agreement, which sets out the services to be provided by the Investment Manager to the Company and the reserved matters requiring the consent of the Board of the Company.

The Board has delegated certain of its responsibilities to Committees of the Board, namely the Audit Committee, Remuneration Committee, Nomination Committee and the Investment Committee. The duties and responsibilities of each of these committees are set out clearly in written terms of reference, which have been approved by the Board. A report from each committee is set out below.

Membership and chairmanship of each committee is reviewed by the Board at least every three years.

The Board fulfils the responsibilities typically undertaken by a management engagement committee. These duties and responsibilities include the regular review of the performance and contractual arrangements with the Investment Manager. Only those directors who are independent of the Investment Manager ('the Independent Directors') are involved in undertaking such reviews.

The Independent Directors evaluate the Investment Manager's performance against the requirements of the Investment Manager Agreement on an annual basis and are satisfied with the performance in the year to 30 June 2016.

BOARD MEETINGS

A schedule of Board and Audit Committee meetings is circulated to the Board for the following two calendar years, which includes the key agenda items for each meeting. Board and Audit Committee papers are circulated at least one week ahead of each meeting. For the other committees meetings are arranged as and when required, with appropriate notice given and papers circulated in advance.

The Board held seven meetings during the year. This included an annual strategy review session to which the executive team from the Investment Manager were invited. As required by the Code all non-executive directors are involved in developing proposals on strategy.

INFORMATION AND SUPPORT

There is a process in place whereby the Independent Directors can seek independent professional advice on a matter, at the Company's expense, where they judge it necessary to discharge their responsibilities as directors. The directors have access to the services of the Company Secretary, who is responsible for ensuring that Board procedures are followed.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

during the year ended 30 June 2016

	Board	Audit Committee	Nomination Committee	Remuneration Committee	Investment Committee
TOTAL MEETINGS	7	9	1	1	1
Gary Kennedy	7/7	-	1/1	1/1	-
Jerome Kennedy	7/7	9/9	1/1	1/1	1/1
Thom Wernink	7/7	9/9	0/1	1/1	1/1
Gary McGann	7/7	9/9	-	-	1/1
Stephen Vernon	6/6*	-	0/1	-	1/1
Pat Gunne	6/6*	-	-	-	1/1

* Pat Gunne and Stephen Vernon were not required to attend one board meeting, which was attended by independent non-executive directors only.

Corporate Governance Statement

THE CHAIRMAN

The Chairman's primary responsibility is to lead the Board and to ensure its effectiveness both collectively and individually. The Chairman is also the link between the Company and the Investment Manager.

The Chairman meets shareholders from time to time, at the Company's annual general meeting and as part of results presentations, in order to understand their views. He also makes himself aware of shareholder views through feedback reports provided by the Company's brokers, Davy and JP Morgan Cazenove.

Before the beginning of each calendar year and following consultation with the Company Secretary and other directors, the Chairman sets a schedule of Board and Audit Committee meetings, with key agenda items, for the following two years. The Chairman also leads the Company's annual strategy session, in conjunction with the chief executive of the Investment Manager, Pat Gunne.

The Board believes that the Chairman meets all of the criteria in the Code and is demonstrably independent in character and judgement in his role. There were no changes to the other significant commitments of the Chairman during the year.

APPOINTMENTS TO THE BOARD

The Board members were selected to bring a range and depth of knowledge, skills and business experience to the Company. The Nomination Committee leads the process for Board appointments. The criteria that it applies include experience and knowledge of the commercial

real estate sector, general business experience, professional background, level of involvement with other listed entities and likely availability, and a need for balance and diversity, including gender, on the Board. As prescribed by the Code, a majority of the Nomination Committee are independent non-executive directors.

Subject to continued satisfactory performance all directors are submitted for re-election at the Company's Annual General Meeting, in accordance with the Company's Articles of Association and the provisions of the Code. The terms and conditions of appointment of all directors are set out in letters of appointment.

Details of the tenure of each director on the Board is set out in the Report of the Nomination Committee on pages 114 to 115.

INDUCTION AND DEVELOPMENT OF DIRECTORS

All Independent Directors receive an induction on joining the Board. All members of the Board are members of professional bodies, which ensures they are kept abreast of the latest developments in their respective areas of expertise. The independent directors also serve and have served on the boards of other listed companies both in Ireland and abroad, and chair the boards and committees of listed entities, which provides them with substantial experience and knowledge of corporate governance.

The Chairman considers the training needs of Directors, in conjunction with individual directors, and has concluded that those needs are adequately met.

***The Chairman's
primary
responsibility is
to lead the Board***

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the effectiveness of the Company's system of internal control and risk management. The Board has delegated responsibility for the monitoring of the effectiveness of this system to the Audit Committee. The work done by the Audit Committee in this area is set out in the Report of the Audit Committee on page 109 to 113.

The Board and the Audit Committee have developed, documented and maintain a robust risk identification, management and internal control framework and periodically review and consider if the systems are operating effectively. This is performed in conjunction with external consultants Deloitte, who have been engaged by the Board to assess the effectiveness of the Company's system of internal controls and risk management.

The Board receives reports at Board meetings from the Chairman of the Audit Committee on its activities and has also received and considered a report from Deloitte on their annual review of effectiveness of the Company's internal controls, including recommended actions.

In accordance with the "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" issued by the Financial Reporting Council in September 2014, the Board confirms that there is an ongoing process for identifying, measuring and managing the significant risks faced by the Company in achieving its strategic objectives, that this process has been in place for the year to 30 June 2016 and up to the date of approval of the Annual Report and Accounts, and that this process is regularly reviewed by the Board.

REMUNERATION

The Board has a Remuneration Committee as required under the Code. As the Company does not have any executive directors or employees, the committee is only tasked with dealing with the levels of remuneration for the Company's independent non-executive directors.

The Remuneration Committee's report for the year is set out on pages 117 to 118.

RELATIONS WITH SHAREHOLDERS

The Company recognises the importance of communications with shareholders.

The Board is responsible for ensuring that a satisfactory dialogue with shareholders takes place and that the Company maintains open two way lines of communications with shareholders. It is important to the Board that shareholders understand the Company's strategy and objectives, which the Board works to ensure are clearly explained and articulated.

The Board welcomes feedback from shareholders and the Company actively engages with shareholders and with brokers and analysts to hear their views. The Chairman meets shareholders during the year at the Company's annual general meeting and as part of results presentations.

Presentations are made by the Investment Manager to both existing and prospective institutional shareholders, principally after the release of the interim and annual results but also as part of investor days organised by brokerage firms in Ireland, the UK, Europe and the US. During the year the Company was invited to visit four major Asian

cities as part of an investor initiative organised by the European Public Real Estate Association ('EPRA').

Major acquisitions are notified to the market and the Company's website (www.greenreitplc.com) provides the full text of all press releases. The website also contains annual and interim reports and incorporates audio and slide show investor presentations.

The Company engages annually with proxy advisers in advance of the AGM.

For the purposes of the European Communities (Directive 2006/46/EC) Regulations 2009, details of substantial shareholdings in the Company are set out in the Report of the Directors on page 119 to 123.

SHARE DEALINGS

Details of each director's interests in the Company's shares are set out in the Report of the Directors on pages 119 to 123.

Prior to 3 July 2016, the Board was responsible for taking all proper and reasonable steps to ensure compliance with the Model Code for share dealings as contained in the Listing Rules by the Directors and others to whom the Model Code was applicable. Following the abolition of the Model Code, the Board put in place securities dealing rules which apply to the Directors, the Company Secretary, the directors of the Investment Manager and relevant employees of the Investment Manager and any of its affiliates (and certain persons connected with such persons). The securities dealing rules set out the pre-clearance approval procedures to be adhered to when dealing in the shares of the Company and also set out periods in which share dealings are prohibited.

Corporate Governance Statement

INDEPENDENCE

In accordance with the principals of the Code, the Company maintains a majority of independent non-executive directors on the Board. The independence of each non-executive director is reviewed annually by the Board. The Board is satisfied that each of its designated independent non-executive directors, namely Gary Kennedy, Jerome Kennedy, Thom Wernink and Gary McGann, fulfil the independence requirements of the Code. The Board is also satisfied that the other directorships held by its directors do not interfere with the discharge of their duties to the Company.

BOARD EVALUATION

The effectiveness and performance of the Board and its directors, and of its committees, is evaluated annually by the Board, along with the Board process. The Code, under provision B.6.2, provides that an independent review by an outside expert should be conducted at least every three years, which the Board undertook this year with the assistance of an external facilitator provided by the Institute of Directors in Ireland ('IoD'), George Bartlett. The facilitator has no connection with the Company, and

the IoD undertakes no other business for the Company. The scope of the evaluation review was an evaluation of the performance of the Board, its Committees and of individual directors, the objective of which was to enable the directors understand how well each is operating.

This performance evaluation was carried out through a questionnaire completed by each director, the areas of focus and questions for which were agreed as between the facilitator and the Chairman, using the IoD template. The rationale for employing a questionnaire approach was to ensure that all key areas as recommended by the IoD were covered off and it also allowed for other areas more particular to the Company to be covered. The facilitator then collated the responses to the questionnaires and prepared a report for the Board, which he presented at a Board Meeting. The committees of the Board considered the report as part of the annual review of its own performance and terms of reference. The outcome of this review was very positive and confirmed that the Board and its Committees operate to a high standard. A number of actions were agreed, which are being implemented by the Chairman in the current year.

Gary Kennedy, Jerome Kennedy

DIRECTORS

27 October 2016

Report of the Audit Committee >

The responsibilities of the Audit Committee are summarised below, and are set out in full in its Terms of Reference, which are available on the Company's website at www.greenreitplc.com.

MEMBERSHIP AND ATTENDANCE AT MEETINGS

The Company complies with the Association of Investment Companies Code of Corporate Governance ("AIC Code") regarding the composition of the Audit Committee and having regard to a company of its size. A quorum of the Audit Committee consists of two Independent Director members.

The Audit Committee members are appointed by the Board from amongst the Independent Directors of the Company. The Audit Committee comprises Jerome Kennedy (Chairman), Gary McGann and Thom Wernink. The Company Secretary is the secretary of the Audit Committee.

The Audit Committee members' length of service on the Audit Committee as at 30 June 2016 was as follows:

Member	Tenure
Jerome Kennedy	3 years
Thom Wernink	3 years
Gary McGann	2 years

The Board is satisfied that the Audit Committee members are appropriately qualified and experienced to fulfil their roles, and that they have a broad mix of skills

and experience arising from senior roles they hold or have held in the past in other organisations. The Board considered the composition and chairmanship of the Committee and has extended the term of Jerome Kennedy by a further three years and that of Thom Wernink by a further year.

For the purposes of the AIC Code each of the members of the Committee is considered as having recent, significant and relevant financial experience. The biographies of each of the Audit Committee members is set out on pages 100 to 101.

The Committee met nine times during the year to 30 June 2016 and there was full attendance by all members of the Committee.

In addition to the Committee members, executives of the Investment Manager attend Committee meetings, depending on the meeting agenda. This would include the Finance Director, Chief Operations Officer and Chief Investment Officer of the Investment Manager. The Committee also invites the external auditor to attend Committee meetings as appropriate. When the Committee is considering the annual and semi-annual valuations of the Company's properties the external valuers will attend the related Committee meetings.

Report of the Audit Committee

KEY RESPONSIBILITIES OF THE AUDIT COMMITTEE

Area	Responsibility
REPORTING AND EXTERNAL AUDIT	<ul style="list-style-type: none"> ▶ Monitoring the integrity of the financial statements of the Company and reviewing significant financial reporting issues and judgments contained therein. ▶ Overseeing the relationship with the external auditor, including approval of remuneration and terms of engagement. ▶ Assessing whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. ▶ Monitoring and reviewing the external auditor's independence, objectivity and effectiveness. ▶ Developing and implementing policy on the engagement of the external auditor to supply non-audit services, taking into account relevant guidance. ▶ Making recommendations to the Board regarding the appointment of the external auditor and approving the external auditor's remuneration and terms of engagement.
VALUATIONS	<ul style="list-style-type: none"> ▶ Monitoring and reviewing the valuation process. ▶ Reviewing valuation reports, assumptions and methodology. ▶ Assessing external valuers' competence and effectiveness.
RISK AND INTERNAL CONTROL	<ul style="list-style-type: none"> ▶ Assisting the Board in assessing the principal risks facing the Company and monitoring the effectiveness of the Company's internal control and risk management systems. ▶ Reviewing the risk management disclosures in the Annual Reports. ▶ Oversight of the risk management activities during the year.
INTERNAL AUDIT	<ul style="list-style-type: none"> ▶ Overseeing the relationship with the firm to whom internal audit is outsourced. ▶ Monitoring and reviewing the effectiveness of internal audit in the context of the Company's systems of risk management and control. ▶ Reviewing internal audit reports, recommendations and progress in implementation of those recommendations.
OTHER	<ul style="list-style-type: none"> ▶ Reviewing the Committee's Terms of Reference and monitoring its execution. ▶ Considering compliance with legal requirements, accounting standards and the Listing Rules.

FAIR, BALANCED AND UNDERSTANDABLE

In accordance with the Code, the Board should present a fair, balanced and understandable assessment of the Company's position and prospects and specifically that they consider that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Committee, at the Board's request, considered whether the Annual Report for the year ended 30 June 2016 met these requirements. In doing so the Committee took account of the following:

- ▶ Reviews were carried out by members of the Investment Manager's senior management team to ensure factual accuracy, consistency and overall balance;

- ▶ The use of 'plain English' throughout the Annual Report to ensure it is understandable, minimising the use of industry specific jargon. To the extent that an industry specific term is used in the Annual Report it is defined in the Glossary;
- ▶ When views regarding the outlook for the Company and for the sector and economy in which the Company operates are given within the Annual Report, the Committee was conscious at all times of the need for balance, and the need for risks to the achievement of the Company's strategic goals to be set out;
- ▶ The Committee reviewed the clarity and completeness of disclosure within the Annual Report;
- ▶ The Committee considered and challenged the methods used to account for significant transactions and their presentation and disclosure; and

- › The Committee reviewed whether the Company had applied appropriate estimates and judgements, taking into account the views of the external auditor, KPMG.

The Committee has confirmed to the Board that it believes that the Annual Report for the year to 30 June 2016 is fair, balanced and understandable.

AREAS OF FOCUS

1. Financial Statements Integrity -key areas of judgement

The Committee considers proposed accounting treatments for material and complex transactions, significant reporting judgements and the key assumptions related to those judgements as and when such matters arise and again in conjunction with the preparation of the interim and annual financial statements. The Committee also considers the suitability of accounting policies to be adopted and their consistent application as between each financial period, which is key to ensuring the integrity of the financial statements.

(i) Valuation of Property Portfolio

A significant focus for the Committee is the valuation of the Company's property portfolio, as this is a key determinant of the Group's NAV, its profit or loss for the year and the Investment Manager's remuneration.

The Board has engaged JLL, CBRE and Savills to value the Company's properties, on foot of recommendations from the Investment Manager. In recommending each valuation firm the Investment Manager considered each firm's independence, objectivity, cost competitiveness and professional

competence to value the properties assigned to each of them.

The Committee assesses the performance and independence of the valuers on an annual basis and is satisfied with their performance and that they are independent. The Investment Manager has confirmed to the Committee that it is satisfied that the valuers conducted their work in accordance with the Royal Institution of Chartered Surveyors Valuation Standards.

The Committee meets with each of the valuers to discuss the process adopted by them and the valuation assumptions used in their valuation reports on each property. The Committee also discusses the market dynamics with each valuer, focusing on the sectors in which the Company's properties are concentrated, being Dublin offices, retail and industrial. As the valuers rely as part of their work on comparable evidence from recent market transactions to benchmark and to support their valuations of the Company's properties, the Committee assesses the relevance and appropriateness of these transactions, in conjunction with the Investment Manager.

A key part of the valuation process is the provision of accurate information on the Company's properties by the Investment Manager to the valuers. The Committee discusses this process with the valuers, seeking confirmation from each of them that they are satisfied with the quality and accuracy of the property information provided to them. In addition, during the year to 30 June 2016 the Company engaged Deloitte to carry out the Company's internal audit function, on foot of recommendations from the

Committee. The Committee requested that Deloitte carry out an internal audit of the property valuation process, as part of its internal audit work. Deloitte then reported to the Committee on their findings.

The external auditors also review the valuers' reports, perform test work on the information provided by the Company to the valuers and meet with the valuers as part of their audit procedures, communicating to the Committee any comments or observations they may have.

(ii) Performance Fee

The performance fee provisions in the IMA are designed to incentivise and reward the Investment Manager for generating returns to shareholders, and to align the Investment Manager's interests with those of the Company's shareholders. The total return to shareholders is measured annually at 30 June from the audited financial statements and in years where the total return to shareholders is greater than a 10% hurdle rate, a performance fee will be payable to the Investment Manager. The performance fee is paid to the Investment Manager in the form of ordinary shares in the Company, which are subject to certain lock-up provisions as set out in the IMA.

The Committee examined the calculations behind the performance fee and the number of shares to be issued to the Investment Manager, and is satisfied that it was properly calculated.

Report of the Audit Committee

(iii) Business Combinations - Central Park

During the year the Company acquired the remaining 50 per cent of Central Park, thereby giving it full control. This acquisition was required under accounting rules to be treated as a business combination. The Audit Committee considered the detailed accounting analysis prepared by the Investment Manager which addressed the significant accounting judgments including the assessment of when control passed to the Company and the manner in which the fair value of the net assets acquired and the purchase consideration paid were arrived at.

(iv) Going concern

The Committee has reviewed a presentation from the Investment Manager in support of the Board's Statement of Going Concern as set out on page 60.

(v) Viability Statement

The Committee has reviewed a presentation from the Investment Manager and is satisfied that assessment adequately addresses the principal risks disclosed in the Risk Report on pages 58 to 63 and that a three year time horizon is appropriate to the Company's business.

(vi) Disposal of Properties

The Committee reviewed the accounting treatment proposed by the Investment Manager regarding the sale of four of the Company's properties during the year and is satisfied with the treatment applied.

(vii) Completion of One Albert Quay Acquisition

The Committee considered a paper put to it by the Investment Manager regarding the acquisition of One Albert Quay in Cork, which was contracted in May 2015 and where stage payments totalling €41 million were made in the year to 30 June 2016, with estimated further payments of €10.35 million required in the financial year ending 30 June 2017. The Committee is satisfied with the accounting treatment applied.

REIT STATUS

The Committee reviewed a presentation from the Investment Manager setting out the Company's compliance with the REIT requirements at 30 June 2016. The Committee has confirmed to the Board that the Company is in compliance with the REIT rules.

THE EXTERNAL AUDITOR

The Audit Committee oversees the relationship with the external auditor, including approval of their fee proposals, their appointment and their removal.

The Committee reviews and approves the external audit plan ahead of the external audit taking place. Following the completion of the audit the Committee meets with the external auditor to review their report on their findings from the audit of the financial statements.

The Committee meets with KPMG at least twice a year without the Investment Manager present.

The Audit Committee is responsible for the assessing the effectiveness of the external audit process and for communicating the results of this assessment to the Board. In doing so the Audit Committee considers the quality of service, the quality of the reports produced by the external auditor, feedback from the Investment Manager's finance team and meetings held with the external auditor. Based on the procedures followed the Committee was satisfied with the effectiveness of the external audit process.

INDEPENDENCE AND NON-AUDIT SERVICES

The Committee is responsible for ensuring that the independence of the external audit is not compromised. This includes monitoring the nature, extent and cost of fees paid to the external audit firm for their audit work and for non-audit work. The Committee also seeks confirmation from the external auditor of its compliance with relevant ethical

The Chairman of the Committee reports to the Board during the year on its activities regarding risk management and internal control

and professional guidance and that, in their professional judgement, they are independent from the Company.

The Committee has a policy on the engagement of the external auditor to provide non-audit services, which provides that only non-audit services that are not, or are not perceived to be, a conflict of independence are permitted to be provided. Further, the fees payable for non-audit services in any financial year shall not exceed audit fees for that year.

An analysis of the total fees paid to KPMG are set out in Note 6 of the accounts. The Company employed KPMG during the year on certain assignments additional to their statutory audit duties, principally routine tax, compliance and transaction matters in relation to assets being disposed and acquired. The Committee believes that this level of non-audit related fees did not compromise the independence of the external audit. KPMG were appointed in June 2013.

INTERNAL AUDIT

Considering the nature, scale, complexity and range of operations of the Company, the Committee does not believe that it is necessary to establish an in-house internal audit function. During the year the Committee recommended to the Board that it engage an external firm to perform an internal audit role, with Deloitte subsequently engaged to do this. During the year Deloitte carried out a review of certain key processes within the business, reporting their findings and recommending action plans to the Committee. The expectation is that internal audit reviews of this nature will be carried out at least twice annually, in line with a rolling programme approved by the Committee. Internal audit reports are presented to the Committee by Deloitte, with the Committee in turn reporting the outcomes of internal audits to the Board.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has delegated responsibility to the Audit Committee for monitoring the effectiveness of the Company's system of internal control and risk management, as required under the Code.

The Chairman of the Committee reports to the Board during the year on its activities regarding risk management and internal control, including work carried

out by the Company's external risk consultant on behalf of the Committee. This includes the implementation of the Company's risk management framework, setting and monitoring the Company's risk appetite and reviewing the Company's risk register. The Committee carried out an annual assessment of the Company's risk management and internal controls system, based on a review carried out by Deloitte. This review was performed using the Company's risk register and identifying the principal risks facing the Company, assessing the controls in place to mitigate those risks and the procedures in place to monitor them. Action plans were devised for areas identified for improvement, and these are being worked on.

For a more detailed discussion on the internal control and risk management systems see the Corporate Governance Statement.

PERFORMANCE EVALUATION

As required by the Code, the Board conducts an annual evaluation of the performance of the Committees and their chairmen. For the year to 30 June 2016 this evaluation was carried out by an external facilitator. This process concluded that the Committee and its chairman are performing satisfactorily.



Jerome Kennedy

CHAIRMAN OF THE
AUDIT COMMITTEE

Report of the Nomination Committee >

COMPOSITION AND TERMS OF REFERENCE

The Committee leads the process for considering appointments to the Board. The Committee comprises Gary Kennedy (Chairman), Thom Wernink, Jerome Kennedy and Stephen Vernon. Thom Wernink, Jerome Kennedy and Gary Kennedy are each considered independent for the purposes of the Listing Rules. Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three years. The Committee is constituted in compliance with the Code, the AIC Code and the Articles of the Company.

The Committee's terms of reference are available on the Company's website at www.greenreitplc.com.

Tenure of Nomination Committee members on the Nomination Committee as at 30 June 2016:

Member	Tenure
Gary Kennedy	3 years
Jerome Kennedy	3 years
Thom Wernink	3 years
Stephen Vernon	3 years

All of the directors above are non-executives. All are Independent Directors other than Stephen Vernon, who is deemed not to be independent as he is a nominee of the Investment Manager.

The Board considered the composition and chairmanship of the Committee and has extended the term of each of its members by a further three years, other than Thom Wernink, whose term was extended by a further year.

WORK OF THE COMMITTEE IN THE PERIOD

As the Committee considers that the size of the Board is appropriate for the Company's size and needs, no further appointments were recommended to the Board in the period. The Board continues to comprise four independent directors and two non-independent directors. During the year the Committee considered the renewal of the contracts of the original four directors, namely Gary Kennedy, Jerome Kennedy, Thom Wernink and Stephen Vernon, whose contracts expired in June 2016. The Committee recommended the extension of the contracts of each of these directors to the Board, on the same terms, which the Board subsequently approved.

No board or committee vacancies arose in the period. The Nomination Committee considers the size and composition of the Board committees to be appropriate.

COMPOSITION OF THE BOARD

The Committee considers that the Board consists of directors with an appropriate range of skills, knowledge and experience to lead the Company. The length of tenure of each of the Board members at 30 June 2016 is as follows:

Member	Tenure
Gary Kennedy	3 years
Jerome Kennedy	3 years
Thom Wernink	3 years
Stephen Vernon	3 years
Pat Gunne	2.1 years
Gary McGann	2.1 years

There are no executive directors of the Company. The Company's day-to-day activities are managed by the Investment Manager, and three of the Board's six non-executive directors, including senior independent non-executive director Thom Wernink, have significant real estate experience. Brief biographical details of the directors can be found on pages 100 to 101.

The directors were re-elected to the Board by the Shareholders at the annual general meeting of the Company on 4 December 2015. Under the Articles of the Company, all directors must retire by rotation and seek re-election by the Shareholders at every annual general meeting of the Company.

PERFORMANCE EVALUATION

As required by the Code, the Board conducts an annual evaluation of the Committees of the Board and their chairmen. For the year to 30 June 2016 this evaluation was carried out by an external facilitator. This process concluded that the Committee and its chairman are performing satisfactorily.



Gary Kennedy

CHAIRMAN OF THE
NOMINATION COMMITTEE

Report of the Investment Committee >

COMPOSITION AND TERMS OF REFERENCE

The Investment Committee comprises a minimum of two directors of the Company who are not Investment Manager nominees, along with members of the Investment Manager's management team. The current membership of the Investment Committee is as follows:

Thom Wernink	Director Chairman of the Investment Committee)
Jerome Kennedy	Director
Gary McGann	Director
Stephen Vernon	Director (Investment Manager nominee)
Pat Gunne	Director (Investment Manager nominee)
Niall O'Buachalla	COO of the Investment Manager
Caroline McCarthy	CIO of the Investment Manager
Paul Culhane	Development Director of the Investment Manager

Thom Wernink, Jerome Kennedy and Gary McGann are each considered independent for the purposes of the Listing Rules. A quorum consists of two directors of the Company who are not Investment Manager nominees plus three others from the list above.

The objectives of the Investment Committee are as follows:

- i. To oversee the implementation by the Company of its investment policy, compliance by the Company with that policy and to consider its adequacy and appropriateness on a periodic basis;
- ii. To oversee compliance by the Company with the requirements of the REIT Regime as set out in law; and
- iii. To consider and approve if appropriate certain property investments and disposals to be made by the Company as recommended by the Company's Investment Manager.

The tenure of each of the Investment Committee members on the Investment Committee as at 30 June 2016 is two years.

WORK OF THE COMMITTEE IN THE YEAR

During the year to 30 June 2016 the Committee considered proposals from the Investment Manager relating to the acquisition of the remaining 50 per cent of Central Park, the disposal of certain properties of the Company and capital expenditure on the Company's development projects, each of which it recommended to the Board for approval. The Committee considered whether each proposed transaction was in line with the Company's investment policy and the overall strategy, and also considered the risks and opportunities relating to each proposal.

The balance of the responsibilities of the Committee were carried out by the Board during the year.

PERFORMANCE EVALUATION

As required by the Code, the Board conducts an annual evaluation of the performance of the Committees and their chairmen. For the year to 30 June 2016 this evaluation was carried out by an external facilitator. This process concluded that the Committee and its chairman are performing satisfactorily.



Thom Wernink

CHAIRMAN OF THE
INVESTMENT COMMITTEE

Report of the Remuneration Committee >

COMPOSITION AND TERMS OF REFERENCE

The Remuneration Committee comprises Thom Wernink (Chairman), Gary Kennedy and Jerome Kennedy, each of whom is considered independent for the purposes of the Listing Rules. Appointments to the Remuneration Committee are made by the Board and are for a period of up to three years, which may be extended for further periods of up to three years. The Remuneration Committee is constituted in compliance with the Code, the AIC Code and the Articles of the Company.

The Remuneration Committee's principal duties in relation to the Directors' remuneration include the following:

- a. determining and agreeing with the Board the framework or broad policy for the remuneration of the Chairman and each of the non-executive Directors;
- b. in determining such policy, taking into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Code and the AIC Code;
- c. within the terms of the agreed policy, determining the total individual remuneration package of the Chairman; and
- d. within the terms of the agreed policy, making recommendations to the Chairman of the Board in respect of the amount of the total individual remuneration package of each of the Independent Directors.

No director is involved in any decisions in respect of their own remuneration.

The Committee's terms of reference are available on the Company's website at www.greenreitplc.com.

The tenure of each of the Committee members on the Remuneration Committee as at 30 June 2016 is three years. The Board considered the composition and chairmanship of the Committee and has extended the term of Gary Kennedy and Jerome Kennedy by a further three years, and that of Thom Wernink by a further year.

The Board comprises six non-executive directors, four of whom are independent and two of whom are deemed not to be independent. The Company does not employ any executives, as it is externally managed by the Investment Manager, Green Property REIT Ventures DAC.

Stephen Vernon and Pat Gunne, as directors who are nominees of the Investment Manager, are not entitled to any remuneration for their services as Board members, under the terms of the Investment Manager Agreement. The four Independent Directors are paid annual directors' fees as follows, which is the only remuneration payable to them:

Director	Remuneration
Gary Kennedy	€100,000
Jerome Kennedy	€70,000
Thom Wernink	€50,000
Stephen Vernon	€50,000
Total	€270,000

Report of the Remuneration Committee

In line with the Code, the level of remuneration of the Independent Directors was set when the Company was formed in June 2013 in line with the time commitment and responsibilities of the directors' respective roles. These remuneration levels, as set out above, remain unchanged.

In line with the Code, the remuneration of the Independent Directors does not include any share options or other performance related elements and there are no plans to deviate from this or to increase the existing level of remuneration set for the Independent Directors when the company was established.

WORK OF THE COMMITTEE IN THE YEAR

During the year to 30 June 2016 the Committee considered the remuneration levels of the Independent Directors compared to market levels for roles with similar levels of commitment and responsibility.

The Committee considers the remuneration paid to each director and total remuneration to be appropriate.

PERFORMANCE EVALUATION

As required by the Code, the Board conducts an annual evaluation the performance of the Committees of the Board and their chairmen. For the year to 30 June 2016 this evaluation was carried out by an external facilitator. This process concluded that the Committee and its chairman are performing satisfactorily.



Thom Wernink

CHAIRMAN OF
THE REMUNERATION
COMMITTEE

Report of the Directors >

The Directors of Green REIT plc present their report and the audited financial statements for the year to 30 June 2016.

PRINCIPAL ACTIVITIES

Green REIT plc is an Irish real estate investment trust, or REIT, established in mid-2013. The Company's main activities are commercial property investment and development, in the Republic of Ireland. The Company's day-to-day activities are managed by an external manager, Green Property REIT Ventures DAC, and its shares are listed on the Irish Stock Exchange and London Stock Exchange.

RESULTS AND REVIEW OF ACTIVITIES

The profit for the year amounted to €145.5 million (2015: €156.7 million). Net rental income for the period amounted to €52.6 million (2015: €37.8 million). Basic and diluted IFRS earnings per share amounted to 21.5 cent and 21.4 cent respectively (2015: 23.5 cent and 23.4 cent). EPRA Earnings were 3.7 cent per share (2015: 1.6 cent per share), and EPRA NAV per share was 151.8 cent (2015: 132.1 cent). Further details of the results for the year are set out in the Consolidated Statement of Comprehensive Income on page 130.

The Chairman's Report on page 20, the Investment Manager's Review on page 26, and the Portfolio Overview on pages 78 to 83 contain a review of the development and performance of the Company's business during the year, of the state of affairs of the business at 30 June 2016, of recent events and of likely future developments, and form part of the report of the Directors. The Corporate Governance Statement on page 103 also forms part of this report.

Information in respect of events since the period end as required by the Companies Act 2014 is included in Note 22 of the financial statements.

DIVIDENDS

The Board declared a dividend of 4.6 cent per ordinary share, or a total dividend of €31.4 million, on 28 September 2016, which will be paid on 7 November 2016 to all ordinary shareholders on the share register at the close of business on 7 October 2016. This dividend was made up of a Property Income Distribution ('PID'), as defined in Irish REIT legislation, of 3.6 cent per share and a non-PID of 1.0 cent per share. This represents an increase of 188% on the prior year's dividend per share.

SHARE CAPITAL

The information required by Regulation 21 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 with regard to the structure of the Company's share capital as at 30 June 2016 is as follows:

At 30 June 2016, the Company's total authorised share capital comprised 1,000,000,000 ordinary shares of €0.10 each ("Ordinary Shares") and the Company's total issued share capital comprised 680,864,987 Ordinary Shares, none of which the Company held in treasury. All of these shares are of the same class and carry equal voting rights and rank equally for dividends. The Company has no securities in issue conferring special rights with regard to control of the Company.

Subsequent to 30 June 2016 the Company issued 9,482,718 Ordinary Shares to the Investment Manager pursuant to the terms of the Investment Manager Agreement entered into in July 2013, in full settlement of the performance fee payable to the Investment Manager in respect of the year ended 30 June 2016. As a result of

Report of the Directors

this new issuance the Company's total issued share capital today comprises 690,347,705 Ordinary Shares.

At the Annual General Meeting ('AGM') of the Company held on 4 December 2015, the Directors were granted authority for an annual issue of ordinary shares in respect of 5% of the nominal value of the enlarged issued share capital of the Company, generally at their discretion and without the application of pre-emption rights for other shareholders. This authority has not been exercised and will expire on 8 December 2016, the date of the next AGM of the Company. A resolution will be put to the next AGM on 8 December 2016 to grant the Directors the same authorisation.

In addition, in return for the services it provides to the Company under the Investment Manager Agreement, the Investment Manager is entitled, subject to satisfying certain performance criteria, to receive ordinary shares from the Company and pre-emption rights have been disapplied for the issue of those ordinary shares.

Details of the share capital of the Company are set out in Note 12 of the financial statements and are deemed to form part of this Report.

INTERESTS OF THE DIRECTORS IN SHARE CAPITAL

(i) Independent Directors

At 30 June 2016:

- A personal retirement plan for Gary McGann has a legal and beneficial interest in 200,000 Ordinary Shares, representing 0.03% of the issued share capital. These shares were acquired some time before he was considered as a candidate and subsequently appointed to the Board.

- Thom Wernink held 40,000 Ordinary Shares, representing 0.006% of the issued share capital
- Gary Kennedy held 30,000 Ordinary Shares, representing 0.004% of the issued share capital, through an Approved Retirement Fund
- Jerome Kennedy held 10,000 Ordinary Shares, representing 0.001% of the issued share capital

Subsequent to 30 June 2016 Jerome Kennedy acquired a further 144,000 Ordinary Shares through a personal retirement fund, thereby increasing the total Ordinary Shares held by him to 154,000, or 0.023% of the issued share capital.

The total holding by the Company's Independent Directors is currently 0.06% of the issued share capital.

(ii) Non-Independent Directors

Green Property REIT Ventures DAC, the Investment Manager, held 13,895,291 Ordinary Shares at 30 June 2016, representing 2.04% of the issued share capital. Stephen Vernon and Pat Gunne, have a legal and beneficial interest in 68% of the share capital of Green Property REIT Ventures DAC. This holding increased to 23,378,009 Ordinary Shares on 10 October 2016, on the allotment of 9,482,718 Ordinary Shares to settle the Performance Fee payable for the year to 30 June 2016 of €13.9 million. The total holding of Green Property REIT Ventures DAC is currently 3.39% of the Company's issued share capital.

At 30 June 2016, Green Property Holdings Limited holds 9,000,000 Ordinary Shares, representing 1.3% of the issued share capital in the Company at that date. Stephen Vernon, a director of the Company, has a legal and beneficial interest in

62.2% of the share capital of Green Property Holdings Limited.

Pat Gunne holds 1,000,000 Ordinary Shares jointly with his wife, representing 0.14% of the issued share capital in the Company.

The total holding by the Company's non-independent nonexecutive directors and entities related to them is currently 4.83% of the issued share capital in the Company.

LOCK-UP ARRANGEMENTS

The Company, Green Property Holdings Limited and the Investment Manager have agreed that, subject to certain customary exceptions, Green Property Holdings Limited and the Investment Manager shall not sell any of their shares in the Company prior to the expiry of certain lock-up periods. These are further detailed in Note 19 to the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

Under Section 327(1)(b) of the Companies Act 2014 and Regulation 5(4)(c)(ii) of the Transparency (Directive 2004/109/EC) Regulations 2007, the Company is required to give a description of the principal risks and uncertainties facing the Company. These are addressed on pages 61 to 63.

DIRECTORS

The names of the Directors and a short biographical note on each Director appear on pages 100 to 101.

All Directors were given a letter of appointment with the Company of three years in duration from the date of their appointment. The terms and conditions of appointment of

the non-executive directors are set out in their letters of appointment, which are available for inspection at the Company's registered office. The Board extended the term of Gary Kennedy, Stephen Vernon and Jerome Kennedy by a further three years to June 2019, and that of Thom Wernink by a further year to June 2017.

In accordance with the UK Corporate Governance Code, all Directors submit to re-election at each Annual General Meeting.

For the purposes of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, details concerning the appointment and the re-election of Directors and the amendment of the Company's Articles of Association are set out in the Corporate Governance Statement.

GENERAL MEETINGS

The Company's Annual General Meeting ('AGM') affords shareholders the opportunity to question the Chairman and the Board. The chairmen of the Audit, Nomination, Investment and Remuneration Committees are also available to answer questions at the AGM. The Chief Executive of the Investment Manager presents at the AGM on the Company's business and its performance during the prior year and answers questions from shareholders.

Notice of the AGM, the Form of Proxy and the Annual Report and Financial Statements are made available to or sent to shareholders at least 20 working days before the AGM, depending on the shareholder's preference regarding electronic communication. At the AGM, resolutions are voted on by a show of hands of those shareholders

attending, in person or by proxy. After each resolution has been dealt with, details are given of the level of proxy votes cast on each resolution and the numbers for, against and withheld.

If validly requested, resolutions can be voted by way of a poll. In a poll, the votes of shareholders present and voting at the AGM are added to the proxy votes received in advance of the AGM and the total number of votes for, against and withheld for each resolution are announced.

All other general meetings are called Extraordinary General Meetings ('EGM'). An EGM called for the passing of a special resolution must be called by at least twenty one clear days' notice. Provided shareholders have passed a special resolution to that effect at the immediately preceding AGM and the Company continues to allow shareholders to vote by electronic means, an EGM to consider an ordinary resolution may be called at fourteen clear days' notice.

A quorum for an AGM or an EGM of the Company is constituted by three shareholders, present in person, by proxy or by a duly authorised representative in the case of a corporate member.

The passing of resolutions at a general meeting, other than special resolutions, requires a simple majority. To be passed, a special resolution requires a majority of at least 75% of the votes cast.

Shareholders have the right to attend, speak, ask questions and vote at general meetings. In accordance with Irish company law, the Company specifies record dates for general meetings, by which date shareholders must be registered in the Register of Members of the Company to be entitled to attend. Record dates are

specified in the notes to the notice convening the meeting. Shareholders may exercise their right to vote by appointing a proxy/proxies, by electronic means or in writing, to vote some or all of their shares. The requirements for the receipt of valid proxy forms are set out in the notes to the Notice convening the meeting. A shareholder or a group of shareholders, holding at least 5% of the issued share capital of the Company, has the right to requisition a general meeting. A shareholder or a group of shareholders, holding at least 3% of the issued share capital, has the right to put an item on the agenda of an AGM or to table a draft resolution for an item on the agenda of a general meeting.

The 2016 AGM will be held at 11.00 a.m. on 8 December 2016 at The Merrion Hotel, Merrion Street, Dublin 2, Ireland.

MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company's Memorandum and Articles of Association sets out the objects and powers of the Company. The Articles of Association detail the rights attaching to shares, the method by which the Company's shares can be purchased or re-issued, the provisions which apply to the holding of and voting at general meetings and the rules relating to the Directors, including their appointment, retirement, re-election, duties and powers.

The Company's Articles of Association may be amended by a special resolution passed by the shareholders at an AGM or EGM of the Company.

A copy of the Memorandum and Articles of Association can be obtained from the Company's website

Report of the Directors

www.greenreitplc.com. A resolution was approved by shareholders at the 2015 AGM with respect to changes to the Memorandum and Articles of Association of the Company to align them with the requirements of the new Irish Companies Act 2014.

TRANSPARENCY RULES

As required by the Transparency Rules published by the Central Bank of Ireland under section 1373 of the Companies Act 2014, the following sections of the Annual Report and Financial Statements shall be treated as forming part of this report: the Chairman's Report on page 20, the Investment Manager's Review on page 26, the Portfolio Overview on pages 78 to 83, the Corporate Governance Statement on page 103, the earnings per ordinary share note (Note 14) and the financial instruments note (Note 17) of the financial statements.

SUBSTANTIAL SHAREHOLDINGS

The Company has been notified of the following shareholdings of 3% or more in the issued share capital of the Company as at 30 June 2016 and 27 October 2016:

PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

Details of the Company's principal operating subsidiaries are set out in Note 20 of the financial statements. The Company had no interests in joint ventures at 30 June 2016.

POLITICAL CONTRIBUTIONS

There were no political contributions which require to be disclosed under the Electoral Act, 1997.

ENVIRONMENTAL SUSTAINABILITY

The Investment Manager has a sustainability sub-committee that reports to the management committee of the Investment Manager and ultimately to the Board of the Company. A sustainability policy has been developed and is being implemented. Progress against set targets is being monitored and progress will be reported annually to shareholders. For further details please see the Sustainability Review on pages 86 to 93.

	At 30 Jun 16	% Held	At 27 Oct 16	% Held
Franklin Templeton Companies	67,233,832	9.87%	67,233,832	9.74%
Blackrock, Inc.	39,283,077	5.77%	39,283,077	5.69%
Threadneedle Asset Management	33,726,945	4.95%	33,726,945	4.89%
LVS II / PIMCO Bravo Fund II, L.P.	30,969,000	4.55%	30,969,000	4.49%
Zurich Life Assurance plc	26,571,280	3.90%	26,571,280	3.85%
GP Holdings / GP REIT Ventures	23,895,291	3.51%	32,378,009	4.69%
Morgan Stanley IM	21,884,575	3.21%	27,836,352	4.03%
Adelphi Capital	21,477,720	3.15%	21,477,720	3.11%
Invesco Limited	20,429,367	3.00%		Less than 3%

ACCOUNTING RECORDS

The Directors are responsible for ensuring that adequate accounting records, as outlined in Section 281 to 285 of the Companies Act 2014, are kept by the Company. The Directors believe that they have complied with this requirement by providing adequate resources to maintain adequate accounting records throughout the Company including the appointment of personnel with appropriate qualifications, experience and expertise. The accounting records of the Company are maintained at the Company's registered office, Styne House, Hatch Street Upper, Dublin 2, Ireland.

SUBSEQUENT EVENTS

On 10 October 2016 the Company issued 9,482,718 new Ordinary Shares to the Investment Manager. These shares were issued as full settlement of the agreed performance fee of €13.9 million for the year to 30 June 2016, as set out further in Note 19 to the financial statements.

CHANGE OF CONTROL

The Company has certain banking facilities which may require repayment in the event that a change in control occurs with respect to the Company.

RELEVANT AUDIT INFORMATION

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

DIRECTORS' COMPLIANCE STATEMENT

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014, and where applicable, the Market Abuse (Directive 2003/6/EC) Regulations 2005, the Prospectus (Directive 2003/71/EC) Regulations 2005, the Transparency (Directive 2004/109EC) Regulations 2007, and Tax laws ('relevant obligations').

The directors confirm that:

- › A compliance policy statement has been drawn up setting out the company's policies with regard to such compliance;
- › Appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the company's relevant obligations, have been put in place; and
- › A review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the company's compliance with its relevant obligations.

AUDITORS

The auditors, KPMG, will continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

Gary Kennedy, Jerome Kennedy

DIRECTORS

27 October 2016



SECTION

3

Financial Information

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company financial statements each year. Under that law, the directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and have elected to prepare the Company financial statements in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group and Company's profit or loss for that year. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and the apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS as adopted by the European Union, and as regards the Company, as applied in accordance with the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Central Bank of Ireland to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and

profit or loss of the Company and which enable them to ensure that the financial statements of the Company comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provision of the Companies Act 2014. They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website www.greenreitplc.com. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT AS REQUIRED BY THE TRANSPARENCY DIRECTIVE AND UK CORPORATE GOVERNANCE CODE

Each of the Directors, whose names and functions are listed on pages 100 to 101 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the European Union and the Company financial statements prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of Companies Act 2014, give a true and fair view of the assets, liabilities, financial position of the Group and Company 30 June 2016 and of the profit of the Group for the year then ended;
- The Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risk and uncertainties that they face; and
- The Annual Report and financial statements, taken as a whole, provides the information necessary for shareholders to assess the Group's performance, business model and strategy and is fair, balanced and understandable.

On behalf of the board:

Gary Kennedy **Jerome Kennedy**
CHAIRMAN DIRECTOR

27 October 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREEN REIT PLC

OPINIONS AND CONCLUSIONS ARISING FROM OUR AUDIT

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Green REIT plc (the “Company”) and its subsidiaries (together the “Group”) for the year ended 30 June 2016, which comprise the Consolidated statement of comprehensive income, the Consolidated and Company statements of financial position, the Consolidated and Company statements of changes in equity, the Consolidated and Company statements of cashflows and the Consolidated and Company accounting policies and related notes, set out on pages 130 to 161. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union, and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

In our opinion:

- › the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 30 June 2016 and of its profit for the year then ended;
- › the Company statement of financial position gives a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2016;
- › the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- › the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- › the Company financial statements and Group financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

2. Our assessment of risks of material misstatement

The risks of material misstatement detailed in this section of this report are those risks that we have deemed, in our professional judgement, to have had the greatest effect on: the overall audit strategy; the allocation of resources in our audit; and directing the efforts of the engagement team. Our audit procedures relating to these risks were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of these risks, and we do not express an opinion on these individual risks.

In arriving at our audit opinion above on the Group financial statements the risk of material misstatement that had the greatest effect on our Group audit was as follows:

The valuation of investment properties

Refer to the Report of the Audit Committee, and note 1 (Accounting policies) and note 8 to the financial statements.

The risk

The Groups' investment property portfolio (including development properties) comprises a portfolio of commercial property assets mainly located in Dublin.

The investment property portfolio is valued at €1,241 million at 30 June 2016 and represents 93% of the Group's total assets.

The valuation of the Group's investment property portfolio is inherently subjective, as it requires, amongst other factors, consideration of the specific characteristics of each property, the location and nature of each property, assessing the ability of tenants to meet their rental obligations, estimation of future rentals beyond the current lease terms, and consideration of prevailing market conditions. In respect of properties under development, further factors include estimated costs to completion and the expected completion date of each development.

The Directors engage external valuers to value the Group's investment property

portfolio in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuation experts used by the Group have considerable experience of the markets in which the Group operates. In determining the valuation of the Group's investment properties, the valuers take into account the above considerations and rely on the accuracy of the underlying lease and financial information provided to the valuers by the Group.

The Audit Committee meet with each valuer to discuss, understand and, where appropriate, challenge each property valuation. Based on the advice of the external valuers and the Audit Committee, the Board adopted the valuations at the reporting date.

Due to the significance of the estimates and judgements involved in the valuation of the Group's investment property portfolio, this is considered a key audit risk.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREEN REIT PLC

Our response

In this area our audit procedures included, among others, the following:

- › We tested the key controls implemented by the Directors to review and challenge the work of the external valuers.
- › We performed testing upon the accuracy and completeness of lease data provided by the Group to the external valuers for income generating properties. For properties under development, we confirmed that the construction budgets and contracted costs provided to the external valuers agreed to the records of the Group.
- › We inspected the valuation reports and confirmed that the valuation approach was in accordance with RICS standards and suitable for the purposes of the Group's financial statements.
- › We assessed the competence, independence and integrity of the external valuers.
- › We met with the external valuers to understand the fair value movement of the portfolio in the financial year and the critical assumptions of the valuations. Where appropriate to do so, we challenged certain of the assumptions and judgements applied in the valuations, based on our knowledge of the property portfolio and experience of the local markets.
- › We considered the yield assumptions used by the external valuers in performing their valuations to assess their reasonableness and compared them to relevant market evidence, benchmarking the yields against specific property sales, comparables and other external data.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the Group financial statements as a whole was set at €10.5 million (2015: €8.9 million). This has been calculated with reference to a benchmark of Group net assets, (of which it represents 1%), which we consider to be one of the principal financial benchmarks relevant to members of the Company in assessing financial performance of the Group. The increase over 2015 reflects the increase in the value of the investment property portfolio and the Group acquisition of the remaining 50% interest in the Central Park joint venture.

We report to the Audit Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of €0.1 million, in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

The structure of the Group's finance function is such that transactions and balances are accounted for by a central group finance team. We performed audit procedures, including those in relation to the risks set out above, on those transactions and balances accounted for at group level. The scope of our audit covered 100% of total consolidated revenue, 100% of consolidated profit before tax and 100% of consolidated total assets.

4. We have nothing to report on the disclosures of principal risks

Based on the knowledge we acquired during our audit, we have nothing material to add or draw attention to in relation to:

- › the Directors' Corporate Governance statement on pages 103 to 108, concerning the principal risks, their management, and, based on that, the directors' assessment and expectations of the Group's continuing in operation over the 3 years to 2019; or
- › the disclosures in note 1 of the financial statements concerning the use of the going concern basis of accounting.

5. We have nothing to report in respect of the matters on which we are required to report by exception

ISAs (UK and Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading. In particular, we are required to report to you if:

- › we have identified any inconsistencies between the knowledge we acquired during our audit and the Directors' statement that they consider the annual report is fair, balanced and understandable and provides information necessary for shareholders to assess the entity's performance, business model and strategy; or
- › the Report of the Audit Committee does not appropriately disclose those matters that we communicated to the Audit Committee.

The Listing Rules of the Irish Stock Exchange and UK Listing Authority require us to review:

- › the Directors' statement, set out on page 60, in relation to going concern;
- › the parts of the Governance Review relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- › certain elements of disclosures in the report to shareholders by the Board of directors' remuneration committee.

In addition, the Companies Act require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

6. Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Report of the Directors is consistent with the financial statements and the description in the Governance Review of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements is consistent with the Group financial statements.

In addition we report, in relation to information given in the Corporate Governance Statement on pages 103 to 108, that:

- › based on knowledge and understanding of the Company and its environment obtained in the course of our audit, no material misstatements in the information identified above have come to our attention;
- › based on the work undertaken in the course of our audit, in our opinion:
- › the description of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements, and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 and specified by the Companies Act 2014 for our consideration, are consistent with the financial statements and have been prepared in accordance with the Companies Act 2014; and
- › the Corporate Governance Statement contains the information required by the Companies Act 2014.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 126, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Group and Company financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK and Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances

and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK and Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of

uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ruaidrí Gibbons

for and on behalf of KPMG,
Chartered Accountants, Statutory Audit Firm
1 Stokes Place, St Stephen's Green, Dublin, Ireland

27 October 2016

Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year Ended 30 June 2016			Year Ended 30 June 2015		
		Underlying pre-tax €'000 ¹	Capital and other €'000	Total €'000	Underlying pre-tax €'000 ¹	Capital and other €'000	Total €'000
Gross rental and related income	3	66,821	-	66,821	45,864	-	45,864
Net rental and related income	3	52,549	-	52,549	37,819	-	37,819
Net movement on fair value of investment properties	4	-	109,367	109,367	-	113,803	113,803
Profit on development services		519	-	519	-	-	-
Investment Manager							
- base fee	19	(9,669)	-	(9,669)	(8,104)	-	(8,104)
- performance fee	19	(13,893)	-	(13,893)	(20,982)	-	(20,982)
Administrative expenses		(2,708)	-	(2,708)	(2,137)	-	(2,137)
Operating profit		26,798	109,367	136,165	6,596	113,803	120,399
Finance income	5	-	-	-	95	-	95
Finance expense	5	(4,644)	-	(4,644)	(1,245)	-	(1,245)
Share of joint venture profit	9	2,740	11,306	14,046	5,018	32,436	37,454
Profit on ordinary activities before taxation		24,894	120,673	145,567	10,464	146,239	156,703
Income tax	7	(65)	-	(65)	-	-	-
Profit for the year after taxation		24,829	120,673	145,502	10,464	146,239	156,703
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year attributable to the shareholders of the Company		24,829	120,673	145,502	10,464	146,239	156,703
Basic earnings per share (cents)	14			21.5			23.5
Diluted earnings per share (cents)				21.4			23.4

¹ As outlined in note 1.

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 June

Assets	Notes	2016 €'000 ¹	2015 €'000
Non-current assets			
Investment properties	8	1,240,712	817,326
Investment in joint venture	9	-	77,874
Total non-current assets		1,240,712	895,200
Current assets			
Trade and other receivables	11	14,271	2,631
Cash and cash equivalents		76,839	37,611
Total current assets		91,110	40,242
Total assets		1,331,822	935,442
Equity			
Share capital	12	68,087	66,697
Share premium		637,533	617,941
Performance fee share reserve	19	13,893	20,982
Retained earnings		328,528	193,697
Equity attributable to shareholders of the Company		1,048,041	899,317
Liabilities			
Current liabilities			
Amounts due to investment manager – base fee		2,613	2,248
Trade and other payables	16	28,220	14,454
Total current liabilities		30,833	16,702
Non-current liabilities			
Borrowings	18	252,948	19,423
Total non-current liabilities		252,948	19,423
Total liabilities		283,781	36,125
Total equity and liabilities		1,331,822	935,442
Net asset value per share (cents)	15	153.9	134.8
Diluted and EPRA net asset value per share (cents)	15	151.8	132.1

The accompanying notes are an integral part of these financial statements.

On behalf of the board:

Gary Kennedy **Jerome Kennedy**
CHAIRMAN DIRECTOR

27 October 2016

The Financial Statements on pages 130 to 161 were approved by the Board of Directors on 27 October 2016.

Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital €'000	Share Premium €'000	Performance fee share reserve €'000	Retained Earnings €'000	Total €'000
At 30 June 2014	66,697	617,941	-	43,129	727,767
Total comprehensive income for the year					
Profit for the year to 30 June 2015	-	-	-	156,703	156,703
Transactions with owners, recognised directly in equity					
Investment Manager – performance fee share reserve	-	-	20,982	-	20,982
Dividends paid	-	-	-	(6,135)	(6,135)
At 30 June 2015	66,697	617,941	20,982	193,697	899,317
Total comprehensive income for the year					
Profit for the year to 30 June 2016	-	-	-	145,502	145,502
Transactions with owners, recognised directly in equity					
Investment Manager – performance fee shares issued	1,390	19,592	(20,982)	-	-
Investment Manager – performance fee share reserve	-	-	13,893	-	13,893
Dividends paid	-	-	-	(10,671)	(10,671)
At 30 June 2016	68,087	637,533	13,893	328,528	1,048,041

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 30 June

	Notes	2016 €'000	2015 €'000
Cash flows from operating activities			
Profit for the year		145,502	156,703
Adjustments for:			
- Net movement on revaluation of investment properties	4	(109,367)	(113,803)
- Finance income	5	-	(95)
- Finance expense	5	4,644	1,245
- Profit from joint venture	9	(14,046)	(37,454)
- Investment Manager – performance fee	19	13,893	20,982
		40,626	27,578
Changes in:			
- Trade and other receivables	11	(6,840)	(711)
- Current liabilities and base fee due	16	8,318	2,258
Cash generated from operating activities		42,104	29,125
Interest received	5	-	95
Interest paid		(3,997)	(1,032)
Cash inflow from operating activities		38,107	28,188
Cash flows from investing activities			
Acquisition of investment properties		(43,384)	(372,639)
Acquisition of subsidiary, net of cash acquired	10	(77,726)	-
Investment in joint venture	9	(3,061)	(2,344)
Distribution from joint venture	9	630	3,808
Withdrawals from money market funds		-	351,649
Capital expenditure		(22,638)	(2,182)
Proceeds from sale of investment properties	8	73,583	-
Net cash used in investing activities		(72,596)	(21,708)
Cash flows from financing activities			
Dividends paid		(10,671)	(6,135)
Drawdown of overdraft facility		-	18,010
Repayment of overdraft facility		-	(18,010)
Costs associated with Bank of Ireland refinancing		(665)	-
Drawdown of revolving credit facility		116,203	20,746
Costs associated with Barclays facility		-	(1,536)
Repayment of revolving credit facility		(31,150)	-
Net cash inflows from financing activities		73,717	13,075
Net increase in cash and cash equivalents		39,228	19,555
Cash and cash equivalents at beginning of year		37,611	18,056
Cash and cash equivalents at end of year		76,839	37,611

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (EU IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and the Companies Act 2014.

The individual financial statements of the Company have been prepared in accordance with EU IFRS and in accordance with the Companies Act 2014. A separate Company statement of comprehensive income is not presented in these financial statements as the Company has availed of the exemption provided by section 304 of the Companies Act 2014.

The following new standards and amendments were adopted by the Group for the first time in the current financial reporting period with no significant impact on the Group's result for the period or financial position at the period end:

- Annual Improvements to IFRSs 2010-2012 cycle (effective date 1 February 2015)

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 30 June 2016, and have not been applied in preparing these consolidated financial statements. The items that may have relevance to the Group are as follows:

- Annual Improvements to IFRSs 2012-2014 cycle effective date 1 January 2016)
- IAS 1 (amended) – Presentation of financial statements (effective date 1 January 2016)
- IAS 27 (amended) – Separate financial statements (effective date 1 January 2016)
- IFRS 10 (amended) – Consolidated financial statements (effective date 1 January 2016)
- IFRS 11 (amended) – Joint arrangements (effective date 1 January 2016)
- IFRS 15 – Revenue from contracts with customers (effective date 1 January 2018)*
- IFRS 9 – Financial Instruments (effective date 1 January 2018)*
- IAS 7 (amended) – Statement of Cash Flow (effective date 1 January 2017)*
- IAS 12 (amended) – Income taxes (effective date 1 January 2017)*
- IFRS 2 (amended) – Classification and measurement of share-based payment transactions (effective 1 January 2018)*
- IFRS 16 – Leases (13 January 2016) (effective 1 January 2019)*

The Group is in the process of assessing the impact of the new standards and interpretation on its financial reporting and currently intends to apply the new requirements from their EU effective dates.

The accounting policies set out below have been applied to the Consolidated and Company financial statements.

Going concern

The Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for investment properties, short term investments and derivatives, which are measured at fair value.

Functional and presentation currency

The financial information is presented in Euro, which is the Company's functional currency. All financial information presented in Euro has been rounded to the nearest thousand except when otherwise indicated.

Underlying pre-tax earnings

The European Public Real Estate Association (EPRA) has issued Best Practices Recommendations, the latest update of which was issued in December 2014, which give guidelines for performance measures. EPRA Earnings is the profit after tax excluding investment and development property revaluations and gains or losses on disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation. EPRA Earnings will also include earnings from non-property operating activity should a real estate company be involved in such an activity. Underlying earnings consists of the EPRA Earnings measure.

Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects

*Not endorsed at the time of approval of these financial statements

only that period or in the period of revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on amounts recognised in the consolidated financial statements is included in the accounting policies and the notes to the financial statements.

The key accounting estimate in these financial statements is the valuation of the property portfolio. This is discussed in further detail under the accounting policy for property valuation and in note 8.

Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

A number of the Group's accounting policies and disclosures require the measurement of fair values. When measuring the fair value of an asset or liability the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Basis of consolidation

The Group's financial statements consolidate the financial statements of the Parent and of all subsidiary undertakings together with the Group's share of the results and net assets and joint ventures made up to 30 June 2016. The results of subsidiary undertakings acquired or disposed of in the year are included in the Group income statement from the date of acquisition or up to the date of disposal.

Control

The IFRS 10 control model focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to

affect those returns. In particular, IFRS 10 requires the Group to consolidate investees that it controls on the basis of de facto control. In accordance with IFRS 10, the Group's assessment of control is performed on a continuous basis and the Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of the control model.

Subsidiaries

Subsidiaries are entities controlled by the Group (control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity). The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

In the parent financial statements, investments in subsidiaries are carried at cost less any impairment charges.

Joint Arrangements

Under IFRS 11, Joint Arrangements, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. When the Group has rights to the assets and obligations to the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation. When the Group has rights only to the net assets of an arrangement, it accounts for its interest using the equity method. Investments in joint ventures are accounted for using the equity method and are recognised initially at cost. The cost of such investments includes transaction costs.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business Combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured

at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Investment properties

Investment property is property held either to earn rental income, or for capital appreciation (including future re-development) or for both, but not for sale in the ordinary course of business. The Group does not have any properties held for resale or trading purposes.

Investment property is initially measured at cost including related acquisition costs and subsequently valued by professional external valuers at their respective fair values at each reporting date. The difference between the fair value of an investment property at the reporting date and its carrying value prior to the external valuation is recognised in profit or loss as a fair value gain or loss.

Properties leased out to tenants under operating leases are included in investment property in the statement of financial position.

Investment properties are treated as acquired at the point where the Group assumes the significant risks and returns of ownership which normally occurs when the conveyancing contract has been performed by both buyer and seller and the contract has been deemed to have become unconditional and completed. Investment properties are deemed to have been sold when the buyer has assumed the risks and rewards of ownership and the contract has been completed.

Additions to investment properties consist of construction and other directly attributable costs such as professional fees and expenses and in the case of investment properties under development capitalised interest where applicable. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Where the Group begins to redevelop an existing investment property the property continues to be held as an investment property.

Properties that are currently being developed or that are to be developed in the near future are held as development properties. These properties are initially valued at cost. Any direct expenditure on development properties is capitalised and the properties are then valued by external valuers at their respective fair value at each reporting date.

The cost of properties in the course of development includes attributable interest and other associated outgoings. Interest is calculated on the development expenditure by reference to

specific borrowings, where relevant, and otherwise on the average rate applicable to short-term loans. Interest is only capitalised where development activity is taking place. A property ceases to be treated as a development property on practical completion.

External, independent valuers, having appropriate recognised and relevant professional qualifications and recent experience in the location and category of property being valued, value the Group's property portfolio at each reporting date, in accordance with the Royal Institution of Chartered Surveyors Valuation Standards (RICS).

Key estimations of inherent uncertainty in investment property valuations

The fair values derived are based on anticipated market values for the properties, being the estimated amount that would be received from a sale of the assets in an orderly transaction between market participants.

The valuation of the Group's investment property portfolio is inherently subjective as it requires among other factors, assumptions to be made regarding the ability of existing tenants to meet their rental obligations over the entire life of their leases, the estimation of the expected rental income in the future, an assessment of a property's ability to remain as an attractive technical configuration to existing and prospective tenants in a changing market and a judgement to be reached on the attractiveness of a building, its location and the surrounding environment. While these and other similar matters are market standard considerations in determining the fair value of a property in accordance with the RICS methodology they are all subjective assessments of future outturns and macro-economic factors which are outside of the Group's control or influence and therefore may prove to be inaccurate long term forecasts.

As a result of all of these factors the ultimate valuation the Group places on its investment properties is subject to some uncertainty which may not turn out to be accurate, particularly in times of macro-economic volatility.

The RICS property valuation methodology is considered by the Board to be the valuation technique most suited to the measurement of the fair value of property investments. It is also the primary measurement of fair value that all major and reputable property market participants use when valuing a property investment.

Rental income

Rental income from investment property is recognised on an accruals basis as revenue on a straight-line basis over the term of the lease. The Group considers this is the most representative systematic time pattern in which the benefits of ownership of the assets will accrue to the business. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Where a rent free period is included as an incentive in a lease the rental income foregone is allocated evenly over the period from the date of the lease to the earliest termination date of the lease. Where a

lease incentive takes the form of an incentive payment to a tenant the resultant cost is amortised evenly over the remaining life of the lease to its earliest termination date.

Contingent rents, such as turnover rents, and indexation adjustments are recorded as income in the periods in which they are earned. Rental concessions are recorded as adjustments to income in the rental periods to which the concession relates.

A rent adjustment or review due under a lease which has not yet been settled at the reporting date is included in the results based upon a reasonable estimate of the amount the review will be settled at and then adjusted to actual outcome when the outstanding review is finally established.

Where the Group receives a surrender premium from a tenant for the early termination of a lease, the profit net of any direct costs associated with dilapidation and legal costs relating to that lease, is reflected in the accounting period in which the surrender took place.

Details on all rental incentives are provided to the external valuers for their consideration during their review of the investment property valuation at each reporting date.

Service charge income is recognised in the period in which it is earned.

Finance income and finance costs

The Group's finance income and finance costs comprise interest income, interest expense and related charges. Interest income or expense is recognised using the effective interest method.

Tax

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Green REIT plc elected for group REIT status with effect from July 2013. As a result, the Group does not pay Irish corporation tax on the profits and gains from qualifying rental business in Ireland provided it meets certain conditions.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse using tax rates enacted or substantively enacted at the reporting date.

Financial instruments

Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets. At 30 June 2016 the Group had the following non-derivative financial assets, which are classified as loans and receivables:

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Trade and other receivables

Trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method less provision made for impairment, if applicable.

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, where appropriate for disclosure purposes.

Notes (continued)

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-derivative financial liabilities

All financial liabilities are recognised initially on the origination date, which is the date that the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value less initial direct costs and subsequently measured at amortised cost.

Fair value is calculated, for period end disclosure purposes, based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Derivative financial instruments

Derivatives are recognised initially at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are charged to the retained earnings reserve.

Share based payments – performance fee

The performance fee arrangement between the Company and the Investment Manager is accounted for as an equity settled share based payment arrangement. The grant date is 1 July each year and on that date, the Company estimates the grant date fair value of each equity instrument and the number of equity instruments for which the service and non-market performance conditions are expected to be satisfied, resulting in the initial estimate of the total share based payment cost which is expensed over the vesting period.

Subsequent to initial recognition and measurement, the estimate of the number of equity instruments for which the service and non-market performance conditions are expected to be satisfied is revised during the vesting period, that is, the period from 1 July to 30 June. Ultimately, the share based payment cost is based on the fair value of the number of equity instruments issued upon satisfaction of these conditions (See Note 19 to the financial statements for further details).

2. OPERATING SEGMENTS

The Group is organised into four business segments, against which the Group reports its segmental information, being Retail Assets, Office Assets, Industrial Assets and Other Assets (properties that do not fall into the preceding classifications). All of the Group's operations are in the Republic of Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who has been identified as the Board of Directors of the Company. For the period from 1 July 2015 to 8 January 2016, the date of acquisition, Central Park is presented on a proportional consolidation basis, with the period for which it was held as a joint venture then eliminated to reconcile total numbers back to the statement of comprehensive income.

Unallocated income and expenses are items incurred centrally which are neither directly attributable nor reasonably allocable to individual segments. Unallocated assets are cash and cash equivalents, and certain other assets.

The Group's key measures of underlying performance of a segment are net rental income and the movement in fair value of properties, as these measures illustrate and emphasise that segment's contribution to the reported profits of the Group and the input of that segment to earnings per share. By focusing on these prime performance measures, other key statistical data such as capital expenditure and once off exceptional items are separately highlighted for analysis and attention.

Information related to each reportable segment is set out below:

2. OPERATING SEGMENTS (continued)

	Office Assets 2016 €'000	Retail Assets 2016 €'000	Industrial Assets 2016 €'000	Other Assets (i) 2016 €'000	Total 2016 €'000	Joint Venture** 2016 €'000	Unallocated Expenses and Assets 2016 €'000	Group Consolidated Position 2016 €'000
Year ended 30 June 2016								
Gross rental and related income	54,792	14,145	1,244	1,801	71,982	(5,161)	-	66,821
Property outgoings	(11,403)	(3,155)	(414)	(408)	(15,380)	1,108	-	(14,272)
Net rental and related income	43,389	10,990	830	1,393	56,602	(4,053)	-	52,549
Net movement on fair value of investment properties	95,534	15,476	7,675	1,988	120,673	(11,306)	-	109,367
Profit on Residual Business	-	-	-	-	-	-	519	519
Investment Manager - base fee	(7,783)	(1,615)	(240)	(31)	(9,669)	-	-	(9,669)
Investment Manager - performance fee	-	-	-	-	-	-	(13,893)	(13,893)
Administration expenses	-	-	-	-	-	-	(2,708)	(2,708)
Segment profit before tax	131,140	24,851	8,265	3,350	167,606	(15,359)	(16,082)	136,165
Finance costs	(3,707)	-	-	-	(3,707)	1,313	(2,250)	(4,644)
Share of profit in joint venture	-	-	-	-	-	14,046	-	14,046
Profit before tax	127,433	24,851	8,265	3,350	163,899	-	(18,332)	145,567
As at 30 June 2016								
Total segment assets*	1,030,418	201,312	21,921	20,853	1,274,504	-	57,318	1,331,822
Investment properties and development property	1,014,599	170,751	17,060	38,302	1,240,712	-	-	1,240,712

(i) Includes hotel and car park assets

* Total cash and cash equivalents and short term deposits at 30 June 2016 is €76.8 million (2015 €37.6 million) of which €55.6 million (2015: €28.2 million) is unallocated to operating segments.

** Reconciliation of the Group's segmental reporting analysis to the consolidated financial statements. For the purposes of our segmental reporting the Central Park Joint Venture is included on a proportional consolidation basis for the period to 8 January 2016. The statutory reporting presents the Joint Venture using the equity method

Notes (continued)

2. OPERATING SEGMENTS (continued)

	Office Assets 2015 €'000	Retail Assets 2015 €'000	Industrial Assets 2015 €'000	Other Assets (i) 2015 €'000	Total 2015 €'000	Joint Venture** 2015 €'000	Unallocated Expenses and Assets 2015 €'000	Group Consolidated Position 2015 €'000
Year ended 30 June 2015								
Gross rental and related income	40,889	11,258	1,160	1,733	55,040	(9,176)	-	45,864
Property outgoings	(7,043)	(1,893)	(366)	(314)	(9,616)	1,571	-	(8,045)
Net rental and related income	33,846	9,365	794	1,419	45,424	(7,605)	-	37,819
Net movement on fair value of investment properties	102,869	40,219	246	2,905	146,239	(32,436)	-	113,803
Investment Manager - base fee	(4,813)	(1,896)	(198)	(210)	(7,117)	-	(987)	(8,104)
Investment Manager - performance fee	-	-	-	-	-	-	(20,982)	(20,982)
Administration expenses	-	-	-	-	-	-	(2,137)	(2,137)
Segment profit before tax	131,902	47,688	842	4,114	184,546	(40,041)	(24,106)	120,399
Finance income	-	-	-	-	-	-	95	95
Finance costs	(2,587)	-	-	-	(2,587)	2,587	(1,245)	(1,245)
Share of profit in joint venture	-	-	-	-	-	37,454	-	37,454
Profit before tax	129,315	47,688	842	4,114	181,959	-	(25,256)	156,703
As at 30 June 2015								
Total segment assets*	746,657	187,243	10,696	39,070	983,666	(76,423)	28,199	935,442
Investment properties and development property	735,507	183,870	10,460	38,469	968,306	(150,980)	-	817,326

(i) Includes hotel and car park assets

* Total cash and cash equivalents and short term deposits at 30 June 2016 is €76.8 million (2015: €37.6 million) of which €55.6 million (2015: €28.2 million) is unallocated to operating segments.

** Reconciliation of the Group's segmental reporting analysis to the consolidated financial statements. For the purposes of our segmental reporting the Central Park Joint Venture is included on a proportional consolidation basis. The statutory reporting presents the Joint Venture using the equity method

3. GROSS AND NET RENTAL AND RELATED INCOME

	2016 €'000	2015 €'000
Gross rental and related income		
Gross rental income	47,298	38,920
Spreading of tenant lease incentives/rent free periods	6,241	512
Surrender Premia	2,893	-
Service charge income	10,389	6,432
Gross rental and related income	66,821	45,864
Service charge expenses	(10,389)	(6,432)
Property operating expenses	(3,883)	(1,613)
Net rental and related income	52,549	37,819

4. NET MOVEMENT ON FAIR VALUE OF INVESTMENT PROPERTIES

	2016 €'000	2015 €'000
Fair value gain on investment properties (note 8)	98,601	119,000
Fair value gain on acquisition of interest in The Central Park Limited Partnership (note 10)	12,554	-
Fair value movement on property option (note 16)	(1,788)	(5,197)
Net movement on fair value of investment properties	109,367	113,803

5. NET FINANCE EXPENSE

	2016 €'000	2015 €'000
Finance income		
Interest income on short term deposits	-	95
Finance costs		
Loan interest	(4,024)	(501)
Commitment fee	(612)	(582)
Bank fees and other costs	(8)	(9)
Overdraft arrangement fee	-	(153)
Finance costs	(4,644)	(1,245)
Net finance expense	(4,644)	(1,150)

Notes (continued)

6. PROFIT FOR THE PERIOD

The profit for the period has been arrived at after charging:

(i) Auditor's remuneration	2016 €'000	2015 €'000
Audit fees		
Parent and consolidated financial statements	140	105
Audit of subsidiary undertakings	25	25
Total audit fees	165	130
Audit related assurance services	40	40
Total audit and audit related assurance services	205	170
Other fees		
Tax compliance	75	22
Tax advisory services	120	145
Other	-	70
Total other fees	195	237

The auditor recharged €Nil in out of pocket expenses (2015: €Nil)

(ii) Directors' remuneration	2016 €'000	2015 €'000
Fees	270	270
Taxes	21	10
Expenses	24	3
	315	283

7. TAXATION

	2016 €'000	2015 €'000
Tax recognised in profit or loss		
Current and deferred tax expense	65	-

Green REIT plc elected for group REIT status with effect from July 2013. As a result, the Group does not pay Irish corporation tax on the profits and gains from qualifying rental business in Ireland provided it meets certain conditions.

Instead, distributions to shareholders in respect of the property rental business are treated for Irish tax purposes as income in the hands of shareholders. Corporation tax is still payable in the normal way in respect of income and gains from a Group's residual business (generally including any property trading business) not included in the property rental business. The Group is also liable to pay other taxes such as VAT, stamp duty land tax, stamp duty, local property tax and payroll taxes in the normal way.

Within the Irish REIT regime, for corporation tax purposes the property rental business is treated as a separate business to the residual business. A loss incurred by the property rental business cannot be set off against profits of the residual business.

An Irish REIT is required, subject to having sufficient distributable reserves, to distribute to its shareholders (by way of dividend), on or before the filing date for its tax return for the accounting period in question, at least 85% of the Property Income of the Property Rental Business arising in each accounting period. Failure to meet this requirement will result in a tax charge calculated by reference to the extent of the shortfall in the dividend paid. A dividend paid by an Irish REIT from its property rental business is referred to as a property income distribution or PID. Any normal dividend paid from the residual business by the Irish REIT is referred to as a Non-PID dividend.

In 2016 the Group earned a profit of €0.52 million from its residual business, resulting in a tax charge of €65,000 for the financial year.

The Directors confirm that the Company has remained in compliance with the Irish REIT rules and regulations up to and including the date of this report.

8. INVESTMENT PROPERTIES

	2016 Investment Property €'000	2016 Development Property €'000	2016 Total €'000	2015 Investment Property €'000	2015 Development Property €'000	Total €'000
At beginning of year	787,571	29,755	817,326	286,005	-	286,005
Additions						
- Central Park Limited Partnership Properties	320,458	11,252	331,710	-	-	-
- Contract price other	52,231	-	52,231	377,719	23,000	400,719
- Related acquisition costs	1,502	-	1,502	8,204	1,216	9,420
- Capital additions	4,809	17,829	22,638	1,764	418	2,182
Reclassification	(500)	500	-	(4,700)	4,700	-
Disposals	(83,296)	-	(83,296)	-	-	-
Change in fair value	87,387	11,214	98,601	118,579	421	119,000
Balance at 30 June	1,170,162	70,550	1,240,712	787,571	29,755	817,326

Acquisitions

The initial cost before acquisition expenses of the properties acquired in the year to 30 June 2016 was €372.7 million (2015: €377.7 million) on investment properties and €11.2 million (2015: €23.0 million) on development properties and the total costs of acquisition which comprised of stamp duty payable at an average rate of 2%, legal services and other directly attributable costs arising from the transactions amounted to €1.5 million (2015: €9.4 million), resulting in total capitalised costs of €385.4 million (2015: €410.1 million) on acquisition.

Of the total acquisitions during the year €331.7 million was acquired through the acquisition of the Central Park Limited Partnership which is detailed more fully in note 10 Business Combinations.

The Group agreed to acquire Albert Quay in Cork in May 2015 subject to practical completion of the building, which was achieved in February 2016. The agreement allowed for stage payments as tenants occupied the buildings. As at 30 June 2016 €41.1 million had been paid with a further €10.35 million in payments expected to be paid post year end.

Included in capital additions is interest of €145,000 (2015: €nil) capitalised in respect of assets under development.

Disposal of Investment Properties

The Group disposed of four investment properties during Q2 2016 at their then fair value of €72.5 million.

In February 2016, the Group disposed of 40% of its interest in the Mount Street Investment pursuant to the terms of the related option agreement. The carrying value of the Group's 40% interest in the property at that date was €10.7 million. See note 16 for further detail.

During 2016, the Group reclassified a small parcel of land in Horizon Business Park from Investment Property to Development Property. This was done to reflect the planning permission that had been obtained for a building on the site and the Group's intention to develop the property.

Fair Value of Properties

The fair value of the Group's investment property at 30 June 2016 has been arrived at on the basis of valuations carried out at that date by external valuers appointed by the Group, namely CBRE Ireland (CBRE), Savills Ireland (Savills) and Jones Lang LaSalle Ireland (JLL).

JLL performed valuations on 50.5% of the investment property portfolio (by value), while CBRE performed valuations on 44.4% of the portfolio and Savills performed valuations on the remaining 5.1%. The fees earned by JLL, CBRE and Savills from the Group are less than 5% of their total Irish revenues.

The information provided to the valuers, and the assumptions and valuation methodologies and models used by the valuers, are reviewed by senior members of the Investment Manager. The valuers meet with the external auditors and also present the results of their valuations at 31 December and 30 June directly to the Audit Committee.

The valuations performed by CBRE, Savills and JLL, which conform to the Valuation Standards of the Royal Institution of Chartered Surveyors and with IVA 1 of the International Valuations Standards, were arrived at by reference to market evidence of transaction prices for similar properties.

Notes (continued)

8. INVESTMENT PROPERTIES (continued)

For investment property, the income approach/yield methodology involves applying market-derived capitalisation yields to current and market-derived future income streams, with appropriate adjustments for income voids arising from vacancies or rent-free periods. These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are considered to be the key inputs in the valuation. Other factors that are taken into account include the tenure of the property, tenancy details, planning, building and environmental factors that might affect the property.

There is a positive relationship between rental values and the property valuation, such that an increase in rental values will increase the valuation of a property and vice versa. However, the relationship between equivalent yields and the property valuation is inverse, therefore an increase in equivalent yield will reduce the valuation of a property and vice versa. There are interrelationships between these inputs as they are determined by market conditions

and the valuation movement in any one period depends on the balance between them. If these inputs move in opposite directions (e.g. rental value increases and yields decrease) valuation movements can be amplified whereas if they move in the same direction, they may offset reducing the overall net valuation movement.

In the case of investment property under development, the approach applied is the “residual method” of valuation, which is the investment method as described above with a deduction for the costs necessary to complete the development together with an allowance for the remaining risk.

At 30 June 2016, the Group considers that all of its investment properties fall within Level 3 fair value as defined by IFRS 13 and believe that the income approach / yield methodology using market rental values capitalised with a market capitalisation rate or yield used by the valuers is the best method to determine the fair value of the investment properties. As further outlined in

Quantitative information about fair value measurements using unobservable inputs (level 3) at 30 June 2016, per property class are as follows:

Asset Class	Input	2016 Range		2015 Range	
		Low	High	Low	High
Retail Assets	Annual rent per sq ft	15.32	81.14	15.12	81.14
	ERV per sq ft	11.20	53.60	9.53	48.13
	Equivalent yield %	4.16	6.88	4.26	6.76
	Long term vacancy rate	0.00%	20.59%	0.00%	16.27%
Office Assets (i)	Annual rent per sq ft	10.62	49.65	11.24	48.93
	ERV per sq ft	12.50	54.26	12.00	50.04
	Equivalent yield %	4.48	7.76	4.98	7.93
	Long term vacancy rate	0.00%	20.55%	0.00%	12.13%
Industrial Assets(ii)	Annual rent per sq ft	6.99	7.81	6.99	7.77
	ERV per sq ft	7.48	7.48	6.50	6.50
	Equivalent yield %	6.37	6.37	6.66	6.66
	Long term vacancy rate	0.00%	0.00%	0.00%	0.00%
Other Assets (iii)	Equivalent yield %	6.50	6.50	6.94	6.94
	Long term vacancy rate	0.00%	0.00%	0.00%	0.00%
Development Assets	Net Initial yield %	5.20%	6.25%	5.20%	5.25%
	Build per sq ft	132.94	198.58	160.00	220.00
	Rental value per sq ft (iv)	28.00	52.45	50.00	55.00

(i) Includes the Central Park office portfolio.

(ii) There is only one asset in this asset class and therefore there is no range information provided on ERV, equivalent yield or vacancy rate.

(iii) Includes hotel and car park assets.

(iv) Rental value on development assets is the expected rental value that will be achieved upon completion of the development.

8. INVESTMENT PROPERTIES (continued)

IFRS 13, a Level 3 fair value recognises that not all of the inputs and considerations made in determining the fair value of property investments can be derived from publicly available data, as the valuation methodology in respect of a property has also to rely on other factors including technical engineering reports, legal data and analysis, and proprietary data bases maintained by the valuers in respect of similar properties to the assets being valued.

The Group external valuation experts have noted that “following the EU referendum held on 23 June 2016 concerning the UK’s membership of the EU, a decision was taken to exit. We are now in a period of uncertainty in relation to many factors that impact the property investment and letting markets. Since the Referendum date it has not been possible to gauge the effect of

this decision by reference to transactions in the market place. The probability of our opinion of value exactly coinciding with the price achieved, were there to be a sale, has reduced”.

Valuations are performed on a bi-annual basis at each reporting date, being 30 June and 31 December each year. In consideration of the fair value of investment properties, the current use of the properties is their highest and best use.

The Board of Directors determines the Group’s valuation policies and procedures for property valuation. The Board decides which independent external valuer to appoint for the external valuations of the Group’s properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Sensitivity of measurement to variance of significant unobservable inputs

A decrease in the estimated annual rent will decrease the fair value. Similarly, an increase in equivalent yield will decrease the fair value. There are interrelationships between these rates as they are partially determined by market rate conditions.

Across the entire portfolio of investment properties, a 1% increase in equivalent yield would have the impact of a €193.1 million reduction in fair value whilst a 1% decrease in yield would result in a fair value increase of €285.9 million. A 1% increase in the yield of development properties would have a €22.0 million reduction in fair value whilst a 1% decrease in yield would result in a fair value increase of €31.8 million. This is further analysed by property class, as follows:

Property Class	2016		2015	
	Value +1% Equivalent Yield €'000	Value -1% Equivalent Yield €'000	Value +1% Equivalent Yield €'000	Value -1% Equivalent Yield €'000
Office	(164,454)	237,600	(116,884)	172,187
Retail	(25,511)	44,019	(26,452)	37,814
Industrial	(2,450)	3,370	(1,451)	1,990
Other	(680)	920	(2,786)	3,736
Investment Properties	(193,095)	285,909	(147,573)	215,727
Development Properties	(21,990)	31,822	(11,010)	16,407
Total Properties	(215,085)	317,731	(158,583)	232,134

Notes (continued)

9. INVESTMENT IN JOINT VENTURE

	2016 €'000	2015 €'000
At the beginning of the period	77,874	41,884
Investments made	3,061	2,344
Distributions received	(630)	(3,808)
Share of profit	14,046	37,454
Disposal of joint venture	(94,351)	-
Total investment	-	77,874

The Group, through its wholly owned subsidiary Green REIT (Central Park) Limited was a 50% partner in the Central Park Limited Partnership, a joint arrangement formed on 28 March 2014 with LVS II CP Investor Ltd.

On the 8 January 2016, the Group purchased the remaining 50% of Central Park from LVS II CP Investor Ltd the details of which are outlined in note 10 to these financial statements.

During the period, the Group provided €3.1 million (2015: €2.3 million) further funding to the Partnership and received a distribution of €0.6 million (2015: €3.8 million).

(i) Summarised income statement

	Period from 1 July 2015 to 8 January 2016			
	Underlying pre-tax €'000	Capital and other €'000	50% Central Park Joint Venture €'000	100% Central Park Joint Venture €'000
Gross rental income	3,632	-	3,632	7,264
Spreading of tenant incentives/ rent free periods	632	-	632	1,264
Service charge income	816	-	816	1,632
Gross rental and related income	5,080	-	5,080	10,160
Net rental and related income	4,053	-	4,053	8,106
Fair value movement on investment properties	-	11,344	11,344	22,688
Fair value movement on derivatives	-	(38)	(38)	(76)
Operating profit	4,053	11,306	15,359	30,718
Finance expense	(1,313)	-	(1,313)	(2,626)
Profit on ordinary activities before tax	2,740	11,306	14,046	28,092
Income tax	-	-	-	-
Profit for the period after tax	2,740	11,306	14,046	28,092

9. INVESTMENT IN JOINT VENTURE (continued)

	Financial year ended 30 June 2015			
	Underlying pre-tax €'000	Capital and other €'000	50% Central Park Joint Venture €'000	100% Central Park Joint Venture €'000
Gross rental income	7,364	-	7,364	14,728
Spreading of tenant incentives/rent free periods	369	-	369	738
Service charge income	1,443	-	1,443	2,886
Gross rental and related income	9,176	-	9,176	18,352
Net rental and related income	4,053	-	4,053	8,106
Fair value movement on investment properties	-	11,344	11,344	22,688
Fair value movement on derivatives	-	(38)	(38)	(76)
Operating profit	7,605	32,436	40,041	80,082
Finance expense	(2,587)	-	(2,587)	(5,174)
Profit on ordinary activities before tax	5,018	32,436	37,454	74,908
Income tax	-	-	-	-
Profit for the period after tax	5,018	32,436	37,454	74,908

10. BUSINESS COMBINATIONS

On 8 January 2016, the Group, through its subsidiary Green REIT (Central Park) DAC, completed the purchase of the remaining 50% of the Central Park Limited Partnership, the joint venture it held with LVS II CP Investor Ltd and the remaining 50% of Central Park GP Co Ltd (the General Partner of the Central Park Limited Partnership).

The total cash consideration for acquiring the remaining 50% of the joint venture was €81.8 million. A gain of €12.6 million has been included in the net movement on fair value of investment properties in the income statement (note 4), principally representing the fair value uplift in the Central Park investment properties from the contract valuation reference date of 30 June 2015 to the date of acquisition.

	€'000	€'000
Consideration transferred		
Cash consideration	81,797	
Fair value of previously held interest	94,351	
Fair values of assets acquired and liabilities assumed		176,148
Investment property	331,710	
Trade and other receivables	4,800	
Cash and cash equivalents	4,421	
Trade and other payables	(3,353)	
Borrowings	(148,876)	
Total net assets acquired		188,702
Fair value gain on acquisition		12,554

Cost of €0.9 million in respect of stamp duty and legal fees were incurred on the acquisition and have been included in administrative expenses.

For the period from 8 January 2016 to 30 June 2016, the Central Park Limited Partnership contributed revenue of €9.6 million and profit, including investment property fair value gains of €10.4 million to the Group's results. If the acquisition had occurred on 1 July 2015, management estimates that the consolidated revenue would have been €77.0 million and the consolidated profit for the year, including investment property fair value gains, would have been €159.5 million.

Notes (continued)

11. TRADE AND OTHER RECEIVABLES

	2016 €'000	2015 €'000
Current		
Tenant lease incentives	11,297	607
Trade receivables	530	562
Other receivables	2,444	1,462
	<u> </u>	<u> </u>
Total trade and other receivables	14,271	2,631
	<u> </u>	<u> </u>

The Group's exposure to credit and market risks, and related impairment losses are disclosed in Note 17. The carrying value of all trade and other receivables approximates to their fair value.

12. SHARE CAPITAL

Authorised and issued share capital

	2016 Number	2015 Number
<i>Ordinary shares of €0.10 each</i>		
Authorised	1,000,000,000	1,000,000,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
Issued for cash	666,969,696	666,969,696
Issued to settle 2015 Performance Fee	13,895,291	-
	<u> </u>	<u> </u>
In issue at 30 June	680,864,987	666,969,696
	<u> </u>	<u> </u>

The Company has one class of shares referred to as Ordinary shares. All shares rank equally. The holders of Ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

On 28 September 2015, the Company issued 13,895,291 shares at an issue price of €1.51 to the Investment Manager. These shares were issued to meet the Company's obligation with respect to the performance fee earned in the year ended 30 June 2015.

13. DIVIDENDS

In accordance with the Irish REIT regime, the Group is required, subject to having sufficient distributable reserves, to distribute to its shareholders (by way of dividend), at least 85% of the Property Income of the Property Rental Business arising in each accounting period.

For the year ended 30 June 2016 the Property Income of the Property Rental Business of the Group is calculated as follows:

	2016		2015	
	€'000	€'000	€'000	€'000
Profit for the period after taxation		145,502		156,703
Less net movement on fair value of investment properties				
- Group	109,367		113,803	
- Central Park joint venture	11,306	(120,673)	32,555	(146,358)
	<u> </u>		<u> </u>	
Add back Group share of fair value loss on derivative held in Central Park joint venture		-		119
Less profit on residual business		(519)		-
Add back tax on residual business		65		-
		<u> </u>		<u> </u>
Property income of the Property Rental Business		24,375		10,464
		<u> </u>		<u> </u>
85% thereof		20,719		8,894
		<u> </u>		<u> </u>

On 28 September 2016 the Company declared a dividend of 4.6 cents per share, or a total dividend of €31.4 million. This dividend will be paid in November 2016.

On the 23 October 2015 the Company paid a dividend of €10.7 million (1.6 cent per share) in respect of the year to 30 June 2015.

14. EARNINGS PER SHARE

Basic and diluted earnings per share Profit attributable to ordinary shareholders	2016 €'000	2015 €'000
Profit for the period, attributable to the owners of the Company	145,502	156,703
EPRA adjustment – deduction in fair value movement of investment properties	(120,673)	(146,358)
EPRA adjustment – add back Group share of fair value loss on derivative held in Central Park joint venture	-	119
EPRA Earnings for year	24,829	10,464
Weighted average number of ordinary shares	2016 Number	2015 Number
Shares in issue during the year ended 30 June 2015	-	666,969,696
Effect of shares in issue on 1 July 2015	666,969,696	-
Effect of shares issued on 28 September 2015	10,507,124	-
Weighted average number of ordinary shares - basic	677,476,820	666,969,696
Performance fee shares payable 31 December – dilutive effect	1,979,455	1,655,629
Performance fee shares payable 30 June – dilutive effect	-	-
Weighted average number of ordinary shares - diluted	679,456,275	668,625,325
Basic earnings per share (cents)	21.5	23.5
Diluted earnings per share (cents)	21.4	23.4
EPRA earnings per share (cents)	3.7	1.6

The performance fee shares payable in respect of the year to 30 June 2016 are calculated based on a share price €1.465 which reflects the average share price calculation in the IMA. For the purposes of the diluted earnings calculation in 2016 €5.8 million of the performance fee shares are deemed as issued on the 31 December 2015 (in line with interim accounts accruals) (2015: €5.0 million) and therefore is included in weighted average shares calculation for half the year. The remaining performance fee shares are deemed as issued as at the year end.

Notes (continued)

15. NET ASSET VALUE PER SHARE

	2016	2015
Net assets as at 30 June ('000)	€1,048,041	€899,317
EPRA Adjustment – Remove Group share of derivative held as part of Central Park joint venture ('000)	-	(€56)
EPRA Net Assets as at 30 June ('000)	€1,048,041	€899,261
Ordinary shares in issue at 30 June	680,864,987	666,969,696
Performance fee shares issuable	9,482,718	13,895,291
Ordinary shares including Performance Fee shares issuable	690,347,705	680,864,987
Basic NAV per share (cents)	153.9	134.8
Diluted NAV per share (cents)	151.8	132.1
EPRA NAV per share (cents)	151.8	132.1

The European Public Real Estate Association (EPRA) issued Best Practices Recommendations most recently in August 2011 and additional guidance in December 2014, which gives guidelines for performance measures.

The EPRA NAV per share excludes the net mark to market adjustment to the value of financial instruments which are used for hedging purposes and where the Company has the intention of keeping the hedge position until the end of the contractual duration and this EPRA NAV per share is calculated on a fully diluted basis. The dilutive effect of the Investment Manager performance fee at 30 June 2016 represents the number of shares that are issuable.

16. TRADE AND OTHER PAYABLES

	2016 €'000	2015 €'000
Accrued expenditure	6,947	2,876
Deferred income and income received in advance	6,369	3,191
Option liability	-	7,890
Deferred consideration	10,350	-
Other creditors	4,554	497
Total trade and other payables	28,220	14,454

In May 2015, the Group through its subsidiary Green REIT (ROI) DAC agreed to purchase Albert Quay in Cork. The Deferred Consideration represents the estimated final liability in relation to the purchase of Albert Quay which is expected to be payable no later than March 2017.

In connection with the purchase of the Mount Street Investment Property, the Group granted the original vendor an option to acquire a 40% interest in the property. On 8 February 2016, the vendor exercised this option at an exercise price of €1 million cash consideration. The fair value of the option liability at the date of exercise was a liability of €9.7 million (note 4).

The carrying value of all other trade and other payables is approximate to their fair value.

17. FINANCIAL INSTRUMENTS – RISK MANAGEMENT AND FAIR VALUE

Financial risk management**Overview**

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group Audit Committee keeps under review the adequacy and effectiveness of the Group's internal financial controls and the internal control and risk management systems.

Fair value

No differences arose between the determined fair values of the financial assets and liabilities of the Group and their carrying amounts.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure.

Exposure to credit risk

Carrying amount	2016 €'000	2015 €'000
Trade and other receivables	2,974	2,631
Cash and cash equivalents	76,839	37,611
	79,813	40,242

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group is not exposed to any concentration of revenue with any one customer.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry, aging profile, maturity and existence of previous financial difficulties.

Trade and other receivables relate mainly to the Group's property tenants. The day to day management of the Group's customers is managed by appointed property agents.

All receivables were deemed current at 30 June 2016 and no impairment allowance was considered necessary.

Cash and cash equivalents are held with Bank of Ireland.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables and capital commitments. All trade and other payables at 30 June 2016 are considered current with the expected cash outflow equivalent to their carrying value.

Notes (continued)

17. FINANCIAL INSTRUMENTS – RISK MANAGEMENT AND FAIR VALUE (continued)

Detailed below are the contractual maturities of the Group's financial liabilities:

Group	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	1 - 2 years €'000	2 - 5 years €'000
<i>At 30 June 2016</i>						
Non derivatives						
Borrowings	252,948	271,940	2,554	2,554	5,108	261,724
Accrued expenditure	6,947	6,947	6,947	-	-	-
Deferred consideration	10,350	10,350	-	10,350	-	-
Investment manager base fee	2,613	2,613	2,613	-	-	-
Other creditors	4,554	4,554	4,554	-	-	-
Total	277,412	296,404	16,668	12,904	5,108	261,724

Group	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	1 - 2 years €'000	2 - 5 years €'000
<i>At 30 June 2015</i>						
Non derivatives						
Borrowings	19,423	22,271	218	218	436	21,399
Accruals	2,822	2,822	2,822	-	-	-
Service charge payables	234	234	234	-	-	-
Investment manager base fee	2,248	2,248	2,248	-	-	-
Total	24,727	27,575	5,522	218	436	21,399

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest Rate Risk

At 30 June 2016 the Group had a revolving credit facility ("RCF") with Barclays bank that had a principal drawn balance of €105.4 million and an overall interest rate of Euribor + 2.0%, and a loan of €150.0 million with Bank of Ireland that had an interest rate of Euribor + 2.0%. The Group's interest on the RCF was €1.3 million on an Effective Interest Rate basis for the period and the Group's share of the interest expense on the Bank of Ireland loan was €1.3 million for the period held as a joint venture and €2.1 million for the period when the loan was held solely by the Group.

An increase or decrease in the interest rate by 10 basis points will result in an increase/decrease of interest payable of €0.3 million on debt of €255 million, on an annualised basis.

The Group is also exposed to interest rate risk on its cash and cash equivalents. These balances attract low interest rates and therefore a relative increase or decrease in their interest rates would not have a material effect on profit or loss.

Subsequent to 30 June 2016, additional hedging was put in place in the form of forward starting interest rate swaps covering the period from October 2018 to October 2022, at a blended fixed rate of 0.074% per annum on a notional amount of €200 million.

Currency risk

The Group is not exposed to currency risk. The Company operates only in the Republic of Ireland.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. At 30 June 2016, capital consists entirely of equity. The Board monitors the return on capital as well as the level of dividends to ordinary shareholders. Subject to distributable reserves, it is the policy of the Company to distribute at least 85% of the Property Income of its Property Rental business for each accounting period.

18. BORROWINGS

	30 June 2016 €'000	30 June 2015 €'000
Revolving credit facility	104,476	19,423
Bank of Ireland Central Park facility	148,472	-
Total Borrowings	252,948	19,423

During the previous year the Company entered into a revolving credit facility with Barclays for an initial commitment of €150 million at an interest rate of Euribor + 2.0%. There were a number of drawdowns during the year and excess proceeds from the sale of certain investment properties were used to partially pay down the loan prior to the year end. The amount presented in the financial statements is net of initial arrangement fees and associated costs of €1.6 million. The facility is repayable by December 2018 and is secured by way of a floating charge over the assets of the Company and its subsidiaries, excluding those assets secured to Bank of Ireland under the Central Park financing.

On 8 January 2016, the Group through its subsidiary Green REIT Central Park took full control of the Central Park Limited Partnership (See Note 10) and assumed full liability for the €150.0 million Bank of Ireland loan that had been used by the joint venture as part of the initial acquisition of the property in 2014. On acquisition, the facility had an interest rate of Euribor + 3.0%. The terms of the facility were renegotiated in May 2016 and the margin of interest was reduced to Euribor + 2.0% with the term being elongated from June 2018 to June 2021. The loan is secured on the assets owned by the Group at Central Park, Sandyford, Co. Dublin along with the relevant rents from those properties.

19. RELATED PARTIES

(a) Subsidiaries

The Company's subsidiaries are detailed in Note 20.

The Company transacts with its 100% owned and controlled subsidiaries and has provided them with the necessary funding to facilitate the acquisition of the assets that now form part of the Group's overall assets.

The Company has provided its subsidiaries with €808.6 million (2015: €704.0 million) in cash to fund their activities.

(b) Investment Manager - Green Property REIT Ventures DAC

The Company, pursuant to the Investment Manager Agreement entered into on 12 July 2013, is managed by Green Property REIT Ventures DAC. Through the Investment Manager, the Company will have access to the asset management operation of Green Property Management Limited.

Investment Manager role and responsibilities

The Investment Manager identifies possible property acquisitions for, and opportunities with a view to investment by, the Company by reference to the Company's investment policy and strategy and will be entitled to consult with professional advisors to assist it.

The Investment Manager has discretionary authority to enter into transactions for and on behalf of the Company subject to

certain reserved matters which require the consent of the board of directors of the Company. Such reserved matters include the acquisition or disposal of property investment where the aggregate acquisition cost/gross proceeds in respect of such property investment is/are in excess of €30 million (in the case of income producing property) or €15 million (in the case of property not producing income at the time of acquisition) and entry into leases where the rent referable to the relevant lease is greater than 7.5% of the aggregate rental income of the Company.

The Board has specified certain reserved matters which require the consent of the Board of the Company and should be approved at a board meeting attended by an appropriate number of directors, a majority of whom must be independent of the Investment Manager.

The Investment Manager Agreement has an initial term of five years and thereafter shall continue for consecutive three year periods, unless terminated by either party.

Base fee

The base fee is paid to the Investment Manager in cash quarterly in arrears. The base fee in respect of each quarter is calculated by reference to 1% per annum of the EPRA NAV for that quarter.

The total base fee earned by the Investment Manager in the period amounted to €9.7 million (2015: €8.1 million) (excluding VAT). The Company paid Green Property REIT Ventures €9.4 million (2015: €7.7 million) during the period and owed Green Property

Notes (continued)

19. RELATED PARTIES (continued)

REIT Ventures €2.6 million (2015: €2.3 million) in respect to the base fee.

Performance fee

The performance fee is designed to incentivise and reward the Investment Manager for generating returns to shareholders.

The return to shareholders in an annual accounting period is the increase in the EPRA NAV plus the total dividends that are declared in the accounting period (adjusted to exclude the effects of any issuance of ordinary shares during that accounting period) ("Shareholder Return"). The performance fee is calculated annually based on 20% of the lesser of out-performance above two key hurdles, as follows (both hurdles have to be achieved for the performance fee to become payable):

- (a) the excess of Shareholder Return over a 10% annual return hurdle. The annual return hurdle resets annually to 10% of the sum of the previous Accounting Period's closing EPRA NAV; and
- (b) the excess of the year-end EPRA NAV (which is adjusted to include total dividends declared in the Accounting Period and adjusted to exclude the effects of any issuance of Ordinary Shares during that Accounting Period) over the relevant high watermark.

The relevant high watermark in each Accounting Period is the closing EPRA NAV (adjusted for total dividends declared during that Accounting Period and adjusted to exclude the effects of any issuance of Ordinary Shares during that Accounting Period) achieved in the most recent Accounting Period in which a performance fee was payable or, if greater, the gross proceeds of the Initial Issue plus further cash and non-cash issues of Ordinary Shares (excluding any issues of performance fee shares but including the capital raise), as at the end of the Accounting Period in respect of which the performance fee is calculated.

The performance fee is calculated annually based on the number of Ordinary Shares in issue at the year-end (but excluding, for that Accounting Period only, any Ordinary Shares issued during that Accounting Period).

The performance fee is accounted for as a share based payment arrangement, as described in the accounting policies. It is accounted for as a charge against income but as it is settled in shares will have no impact on the net assets of the Group.

The performance fee payable to the Investment Manager for the year ended 30 June 2016 is €13.9 million (2015: €20.9 million). The fee was settled by way of an issue of 9,482,718 number of Ordinary Shares to the Investment Manager based on the average share

price of €1.465 for the 20 business days following the end of the accounting period. These shares were issued on 10 October 2016.

The Ordinary Shares issued pursuant to performance fee arrangement are subject to a lock up period as follows:

- (a) One third shall be subject to a lockup period of 18 months from date of issue
- (b) One third shall be subject to a lock up period of 30 months from date of issue, and
- (c) One third shall be subject to a lock up period of 42 months from date of issue.

The provisions permitting releases from the lock up arrangements will be suspended if EPRA NAV falls below the gross proceeds on the issue of ordinary shares, of €710 million.

Green Property REIT Ventures holds 23,378,009 Ordinary shares in the Company. These shares were issued in full settlement of the performance fees for the years to 30 June 2015 and 2016.

(c) Green Property Holdings Limited

Green Property Holdings Limited ("GP Holdings") is a related party by virtue of it being a shareholder in Green REIT plc. At 30 June 2016, GP Holdings Ltd held 10,000,000 Ordinary shares of the Company. GP Holdings also shares common directors with Green REIT Plc.

(d) Green Property Management Ltd (Subsidiary of GP Holdings Ltd)

Green Property Management Ltd ("GPM") is a related party by virtue of common directors with Green REIT plc. GPM operates central payroll services for the Irish directors of Green REIT plc. During the period to 30 June 2016, GPM processed Directors fees of €0.3 million on behalf of the Company. GPM did not charge any fees or apply any commission for this service.

(e) Directors and key management personnel

The key management personnel of the Company are the directors. During the year to 30 June 2016, the Company incurred directors' fees, including taxes and expenses of €0.3 million (2015: €0.3 million). There is no other director or key management compensation paid by the Company.

20. GROUP ENTITIES

The Company's principal subsidiaries as at 30 June 2016 are set out below. All of the Company's subsidiaries are resident in Ireland, with their registered address at Styne House, Upper Hatch Street Dublin 2. All group entities trade and operate in Ireland only.

Group company	Company's direct holding	Nature of business	Properties held
Green REIT (ROI) DAC	100%	Property Investment	INM Building Albert Quay Fitzwilliam Hall Parkway Retail Park 1-2 College Green 4-5 College Green 76-78 Harcourt Street
Green REIT (BR) DAC	100%	Property Investment	2 Burlington Road
Green REIT Mount Street DAC	100%	Property Investment	84-93 Lower Mount Street
Green REIT Horizon DAC	100%	Property Investment	Horizon Logistic Park and Lands
Green REIT Arena DAC	100%	Property Investment	The Arena Centre
Green REIT (Molesworth Street) DAC	100%	Property Investment	30-33 Molesworth Street
Green REIT (Central Park) DAC	100%	Property Investment	100% investment in structure that holds commercial properties at Central Park, Sandyford.
Green REIT (HR) DAC	100%	Property Investment	4-5 Harcourt Road
Green REIT (George's Quay and Court) DAC	100%	Property Investment	Block A, E and F George's Quay and George's Court
Green REIT (Westend) DAC	100%	Property Investment	Westend Retail Park, Office Park and Commercial Village
Green REIT (Dawson St) DAC	100%	Property Investment	13-17 Dawson St

In addition, some of the Group companies acquired service charge management companies or interests in service charge entities when they acquired the properties they now hold. These interests are not considered material to the Group's operations.

The Company has guaranteed the liabilities of its subsidiary undertakings for the purpose of Section 357 of the Companies Act 2014, and as a result such subsidiaries have been exempted from the filing provisions of Sections 347 and 348 of the Companies Act 2014.

Notes (continued)

21. OPERATING LEASE ARRANGEMENTS

The Group earns rental income by leasing its investment properties to tenants under non-cancellable operating leases. At the reporting date, the Group had contracted with tenants to receive the following future minimum lease payments:

	2016 €'000	2015 €'000
Not later than a year	59,249	50,712
Later than one year but not more than five years	200,785	121,755
More than five years	221,698	111,427
	<u>481,732</u>	<u>283,894</u>

22. SUBSEQUENT EVENTS

On 28 September 2016, the Company declared a dividend of 4.6 cents per share, or a total dividend of €31.4 million. This dividend will be paid in November 2016.

On 10 October 2016, the Company issued 9,482,718 new shares to the Investment Manager. These shares were issued as full settlement of the agreed performance fee of €13.9 million as discussed in Note 19(b).

23. CAPITAL COMMITMENTS

The Group has entered into a number of development contracts to develop buildings at various locations. The total capital commitment over the next 12-24 months with respect to these developments is expected to be in the order of €99 million.

24. CONTINGENT LIABILITIES

The Group is not aware of any contingent liabilities that should be disclosed in these financial statements.



Company Financial Statements

COMPANY STATEMENT OF FINANCIAL POSITION as at 30 June

	Notes	2016 €'000	2015 €'000
Assets			
Non-current assets			
Investments in subsidiaries	(A)	2	2
		<hr/>	<hr/>
		2	2
Current assets			
Other receivables	(B)	146	727
Amounts due from group undertakings	(D)	808,590	703,991
Cash and cash equivalents		55,611	27,472
		<hr/>	<hr/>
Total current assets		864,347	732,190
		<hr/>	<hr/>
Total assets		864,349	732,192
		<hr/>	<hr/>
Equity			
Share capital	(F)	68,087	66,697
Share premium		637,533	617,941
Performance fee share reserve	(D)	13,893	20,982
Retained earnings		36,808	4,300
		<hr/>	<hr/>
Equity attributable to shareholders of the Company		756,321	709,920
		<hr/>	<hr/>
Liabilities			
Current liabilities			
Amounts due to investment manager – base fee	(D)	2,613	2,248
Trade and other payables		934	601
		<hr/>	<hr/>
Total current liabilities		3,547	2,849
		<hr/>	<hr/>
Non-current liabilities			
Borrowings	(G)	104,481	19,423
		<hr/>	<hr/>
Total non-current liabilities		104,481	19,423
		<hr/>	<hr/>
Total liabilities		108,028	22,272
		<hr/>	<hr/>
Total equity and liabilities		864,349	732,192
		<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

On behalf of the board:

Gary Kennedy **Jerome Kennedy**
CHAIRMAN DIRECTOR

27 October 2016

The Financial Statements on pages 130 to 161 were approved by the Board of Directors on 27 October 2016.

Company Financial Statements (continued)

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital €'000	Share premium €'000	Performance fee share reserve €'000	Retained earnings €'000	Total €'000
At 30 June 2014	66,697	617,941	-	4,772	689,410
Total comprehensive income for the year					
Profit for the year to 30 June 2015	-	-	-	5,663	5,663
Transactions with owners, recognised directly in equity					
Investment Manager – performance fee share reserve	-	-	20,982	-	20,982
Dividends paid	-	-	-	(6,135)	(6,135)
At 30 June 2015	66,697	617,941	20,982	4,300	709,920
Total comprehensive income for the year					
Profit for the year to 30 June 2016	-	-	-	43,179	43,179
Transactions with owners, recognised directly in equity					
Investment Manager – performance fee share reserve	-	-	13,893	-	13,893
Investment Manager – performance fee shares issued	1,390	19,592	(20,982)	-	-
Dividends paid	-	-	-	(10,671)	(10,671)
At 30 June 2016	68,087	637,533	13,893	36,808	756,321

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS for the year ended 30 June

	Notes	2016 €'000	2015 €'000
Cash flows from operating activities			
Profit for the period		43,179	5,663
Adjustments for:			
- Finance income	(E)	-	(95)
- Finance expense		2,246	1,244
- Investment manager – performance fee		13,893	20,982
		<u>59,318</u>	<u>27,794</u>
Changes in:			
- Trade and other receivables	(B)	581	151
- Current liabilities and Investment Manager base fee due		692	854
- Intercompany receivable	(D)	(104,972)	(378,341)
		<u>(44,381)</u>	<u>(349,542)</u>
Cash outflow from operating activities before interest		(44,381)	(349,542)
Interest received		-	95
Interest paid		(1,862)	(1,031)
		<u>(46,243)</u>	<u>(350,478)</u>
Cash outflow from operating activities		(46,243)	(350,478)
Cash flows from investing activities			
Withdrawals/(investment) in money market fund		-	351,649
		<u>-</u>	<u>351,649</u>
Net cash inflows/(outflows) from investing activities		-	351,649
Cash flows from financing activities			
Dividends paid		(10,671)	(6,135)
Drawdown of overdraft facility		-	18,010
Repayment of overdraft facility		-	(18,010)
Drawdown of revolving credit facility, net of costs		116,203	19,210
Repayment of revolving credit facility		(31,150)	
		<u>74,382</u>	<u>13,075</u>
Net cash inflows from financing activities		74,382	13,075
Net increase in cash and cash equivalents		28,139	14,246
Cash and cash equivalents at beginning of year		27,472	13,226
Cash and cash equivalents at end of year		<u>55,611</u>	<u>27,472</u>

The accompanying notes are an integral part of these financial statements.

Notes to the Company Financial Statements

(A) FINANCIAL ASSETS

	2016 €'000	2015 €'000
At 30 June	2	2

Financial assets consist of the Company's investment in its subsidiaries. The principal subsidiaries of the Company are disclosed in note 19.

(B) OTHER RECEIVABLES

	2016 €'000	2015 €'000
VAT receivable	-	436
Prepayments	146	291
	146	727

(C) STATEMENT OF COMPREHENSIVE INCOME

Of the Group's profit for the financial year, a profit in the amount of €20.4 million (2015: €4.0m) is dealt with in the financial statements of the Company.

(D) RELATED PARTIES

Intercompany loans

The Company advanced loans to its subsidiaries during the period to finance the purchase of the investment property portfolio. The loans are non-interest bearing and repayable on demand. The amount receivable as at 30 June 2016 was €808.6 million (2015: 704.0 million). As these loans are repayable on demand, their carrying value is considered to be materially in line with their fair value.

Dividends

The Company received dividends totalling €43.8 million (2015: €22.2 million) in aggregate from its subsidiaries during the period.

Management charges

The Company recharges certain expenses to its subsidiaries. The total amount recharged for the year was €27.1 million (2015: €10.0 million). Of this total only €1.1 million (2015: €0.6 million) still remains payable to the PLC as at 30 June 2016.

Investment Manager

Base fee

The base fee is paid to the Investment Manager in cash quarterly in arrears. The base fee in respect of each quarter is calculated by reference to 1% per annum of the EPRA NAV for that quarter.

The total base fee earned by the Investment Manager in the period amounted to €9.7 million (2015: €8.1 million) (excluding VAT). The Company paid Green Property REIT Ventures €9.4 million (2015: €7.7 million) during the period and owed Green Property REIT Ventures €2.6 million (2015: €2.3 million) in respect to the base fee.

Performance fee

The performance fee is designed to incentivise and reward the Investment Manager for generating returns to shareholders.

The performance fee calculation is set out in Note 19 of the consolidated financial statements.

The performance fee payable to the Investment Manager for the year ended 30 June 2016 is €13.9 million (2015: €20.9 million). The fee was settled by way of an issue of 9,482,718 number of Ordinary Shares to the Investment Manager based on the average share price of €1.465 for the 20 business days following the end of the accounting period. These shares were issued on 10 October 2016.

Green Property REIT Ventures holds 23,378,009 Ordinary shares in the Company. These shares were issued in full settlement of the performance fees for the years to 30 June 2015 and 2016.

(E) NET FINANCE EXPENSE

	2016 €'000	2015 €'000
Finance income		
Interest income on short term deposits	-	95
Finance costs		
Loan interest	(1,630)	(661)
Commitment fee	(612)	(582)
Bank fees and other costs	(4)	(1)
Finance costs	(2,246)	(1,244)
Net finance expense	(2,246)	(1,149)

(F) SHARE CAPITAL

Authorised and issued share capital

	2016 Number	2015 Number
<i>Ordinary shares of €0.10 each</i>		
Authorised	1,000,000,000	1,000,000,000
Allotted, called up and fully paid		
Issued for cash	666,969,696	666,969,696
Issued to settle 2015 Performance Fee	13,895,291	-
In issue at 30 June	680,864,987	666,969,696

The Company has one class of shares referred to as Ordinary shares. All shares rank equally. The holders of Ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

On 28 September 2015, the Company issued 13,895,291 shares at an issue price of €1.51 to the Investment Manager. These shares were issued to meet the Company's obligation with respect to the performance fee earned in the year ended 30 June 2015.

(G) BORROWINGS

	30 June 2016 €'000	30 June 2015 €'000
Revolving credit facility	104,476	19,423

During the previous year the Company entered into a revolving credit facility with Barclays for an initial commitment of €150 million at an interest rate of Euribor + 2.0%. There were a number of drawdowns during the year and excess proceeds from the sale of certain investment properties were used to partially pay down the loan prior to the year end. The amount presented in the financial statements is net of initial arrangement fees and associated costs of €1.6 million. The facility is repayable by December 2018 and is secured by way of a floating charge over the assets of the Company and its subsidiaries, excluding those assets secured to Bank of Ireland under the Central Park financing.



SECTION

4

Supplementary Information

EPRA Performance Measures (Unaudited)

Number of Shares	Earnings per share		Net Asset Value	
	2016 Number	2015 Number	2016 Number	2015 Number
For use in basic measures	677,476,820	666,969,696	680,864,987	666,969,696
For use in basic measures	677,476,820	666,969,696	680,864,987	666,969,696
For use in diluted measures	679,456,275	668,625,325	690,347,702	680,864,987

EPRA EARNINGS

	2016 €'000	2015 €'000
Profit for the period, attributable to the owners of the Company	145,502	156,703
EPRA adjustment – deduction of fair value movement on investment properties	(120,673)	(146,358)
EPRA adjustment – add back Group share of fair value loss on derivative held in Central Park joint venture	-	119
EPRA Earnings for year	24,829	10,464
Basic earnings per share (cents)	21.5	23.5
Diluted earnings per share (cents)	21.4	23.4
EPRA earnings per share (cents)	3.7	1.6

NET ASSET VALUE ('NAV')

	2016	2015
Net assets as at 30 June (€'000)	1,048,041	899,317
EPRA Adjustment – Remove Group share of derivative held as part of Central Park joint venture (€'000)	-	(56)
EPRA Net Assets as at 30 June (€'000)	1,048,041	899,261
Basic NAV per share (cents)	153.9	134.8
Diluted NAV per share (cents)	151.8	132.1
EPRA NAV per share (cents)	151.8	132.1

EPRA COST RATIO

	2016 €'000	2015 €'000
Administrative costs	2,708	2,137
Property Operating costs	3,883	1,613
Share of Joint Venture costs	211	315
Total Costs	6,802	4,065
Revenue – Group	56,432	39,432
Share of Joint Venture revenue	4,418	7,733
Total Revenue	60,850	47,165
EPRA Cost Ratio	11.2%	8.6%

EPRA NET INITIAL YIELD ('NIY')

	2016 €'000	2015 €'000
Annual Passing Rent at Balance Sheet Date	45,900	52,400
Non recoverable operating expenses	(4,094)	(1,900)
	41,806	50,500
Market Value of Property (Income Producing Only)	1,142,692	922,651
Add: Purchasers' Costs	50,964	41,150
	1,193,656	963,801
EPRA NIY	3.5%	5.2%

EPRA TOPPED-UP NIY

	2016 €'000	2015 €'000
Annual Passing Rent at Balance Sheet Date	61,300	55,700
Non recoverable operating expenses	(4,094)	(1,900)
	57,206	53,800
Market Value of Property (Income Producing Only)	1,142,692	922,651
Add: Purchasers' Costs	50,964	41,150
	1,193,656	963,801
EPRA Topped-up NIY	4.8%	5.6%

EPRA VACANCY RATE

	2016 €'000	2015 €'000
Total Portfolio ERV	65,727	55,131
Vacant ERV	1,120	1,052
EPRA Vacancy	1.7%	1.9%

Other KPIs (Unaudited)

GEARING AND INTEREST COVER

Facility	Balance at 30 June €000	Interest Cost %	Annual Interest €000	Security Value €000	Gearing – Property Only %	Passing Rent €000	Interest Cover Times
Bank of Ireland	150,000	2.00%	3,000	345,740	43.4%	15,500	5.2
Barclays	105,400	1.72%	1,813	895,252	11.8%	30,400	16.8
Total	255,400	1.88%	4,813	1,240,992	20.6%	45,900	9.5

TOTAL RETURN CALCULATION

	€'000
Net Assets at 30 June 2016	1,048,041
Add: Dividends Paid in October 2015	10,672
Adjusted Net Assets	1,058,713
Net Assets at 30 June 2015	899,317
Increase in Adjusted Net Assets	159,396
Total Return	17.7%

ALTERNATIVE INVESTMENT FUND MANAGEMENT DIRECTIVE ('AIFMD')

The information provided below relates to Green Property REIT Ventures DAC, the alternative investment fund manager ("AIFM"), and not to Green REIT plc. The disclosure is required under AIFMD for annual reports of Alternative Investment Funds ('AIFs'). Green REIT plc is deemed to be an AIF and is the only AIF managed by the AIFM. Remuneration paid by the AIFM to its staff and to staff supplied to the AIFM from elsewhere within the Green Property group of companies (collectively, the "AIFM Affected Staff") is not specifically tied to performance of Green REIT plc.

The AIFM's remuneration policy (the "Policy") is intended to:

- (1) attract and retain qualified employees who will perform in a manner that will assist the AIFM in meeting its objectives;
- (2) ensure that remuneration practices are fiscally prudent and risk-focused in an effort to promote effective risk management;
- (3) ensure that remuneration decisions are in compliance with relevant laws and regulations; and (4) ensure that remuneration

decisions are internally consistent. The AIFM's policy is to provide total remuneration that is competitive in the relevant market considering all appropriate factors, including but not limited to: the annual and long-term performance of the AIFM and the AIF; the fiscal resources available to the AIFM; the performance of the relevant employee, taking into account the scope of his or her responsibilities and whether he or she achieved his or her annual objectives; and the remuneration provided by peer institutions or groups. The AIFM shall ensure that the ratio between employee salaries and bonuses, if any, is appropriately balanced. The Policy aims to establish a strong link between each individual's level of reward and the annual and long-term performance of the AIFM. Remuneration is not specifically tied to the performance of any investment product or groups of investment products. The total remuneration paid to the AIFM Affected Staff was €2,258,936 of which €200,000 comprised variable remuneration and €2,058,936 comprised fixed remuneration. There were 13 AIFM Affected Staff during the year.

3 YEAR REVIEW

GROUP INCOME STATEMENT Year ended 30 June	2014 €'000	2015 €'000	2016 €'000
Gross rental and related income	12,173	45,864	66,821
Net rental and related income	10,424	37,819	52,549
Net movement on fair value of investment properties	36,836	113,803	109,367
Profit on disposal of investment property	644	-	-
Profit on development services	-	-	519
Investment Manager base fee	(3,421)	(8,104)	(9,669)
Investment Manager performance fee	-	(20,982)	(13,893)
Administrative expenses	(933)	(2,137)	(2,708)
Operating profit	43,550	120,399	136,165
Finance expense (net)	152	(1,150)	(4,644)
Share of joint venture profit	(573)	37,454	14,046
Profit on ordinary activities before taxation	43,129	156,703	145,567
Income tax	-	-	(65)
Profit for the year after taxation	43,129	156,703	145,502
Basic earnings per share (cents)	12.4	23.5	21.5
Diluted earnings per share (cents)	12.4	23.4	21.4
Dividend per share (cents)	0.9	1.6	4.6
GROUP BALANCE SHEET As at 30 June	2014 €'000	2015 €'000	2016 €'000
Non-current and current assets			
Investment properties	286,005	817,326	1,240,712
Investment in joint venture	41,884	77,874	-
Trade and other receivables	1,920	2,631	14,271
Deposits paid	37,500	-	-
Short term Investments	351,649	-	-
Cash and cash equivalents	18,056	37,611	76,839
Total non-current and current assets	737,014	935,442	1,331,822
Equity	727,767	899,317	1,048,041
Non-current and current liabilities			
Amounts due to investment manager – base fee	1,818	2,248	2,613
Trade and other payables	7,429	14,454	28,220
Borrowings	-	19,423	252,948
Total equity and liabilities	737,014	935,442	1,331,822
Basic net asset value per share (cents)	109.1	134.8	153.9
Diluted net asset value per share (cents)	109.1	132.1	151.8
EPRA net asset value per share (cents)	109.1	132.1	151.8
GROUP CASH FLOW Year ended 30 June	2014 €'000	2015 €'000	2016 €'000
Operating cash flow	9,270	28,188	38,107
Cash flow from investing activities	(675,852)	(21,708)	(72,596)
Cash flow from financing activities	684,638	13,075	73,717

Company Information

Directors (all non-executives)	Gary Kennedy (Chairman) Pat Gunne Jerome Kennedy Gary McGann Stephen Vernon (British) Thom Wernink (Dutch)
Secretary	Mark Munro
Registered office	Styne House Hatch Street Upper Dublin 2
Investment Manager	Green Property REIT Ventures DAC Styne House Hatch Street Upper Dublin 2
Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Solicitors	Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2
Principal bankers	Bank of Ireland 39 St. Stephen's Green Dublin 2 Barclays Bank Ireland Plc Two Park Place Hatch Street Upper Dublin 2
Valuers	CBRE Connaught House 1 Burlington Road Dublin 2 JLL Styne House Hatch Street Upper Dublin 2 Savills 11 South Mall Cork

OUR WEBSITE

Our corporate website gives you access to company information and includes a copy of our latest annual report and financial statements and copies of all regulatory and other releases issued by the Company.

The website address is www.greenreitplc.com

REGISTRAR

All general enquiries concerning holdings of shares in Green REIT plc, including notification of change of address, queries regarding dividend/ interest payments or the loss of a certificate, should be addressed to the Company's registrar:

Computershare Investor Services (Ireland) Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
Ireland

Glossary of Terms

The following explanations are not intended as technical definitions, but rather are intended to assist the reader in understanding terms used in this report.

"AIFMD"

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.

"AIFM"

an alternative investment fund manager within the meaning of AIFMD.

"Average Passing Rent"

passing rent divided by occupied net internal area

"Basic NAV per Share"

IFRS net assets divided by the number of shares in issue at the balance sheet date

"CBD"

Central Business District

"economic cycle"

the upward and downward movements of levels of gross domestic product and refers to the period of expansions and contractions in the level of economic activities around a long-term trend

"equivalent yield"

The internal rate of return from an investment property reflecting reversions to current market rent and such items as voids and non-recoverable expenditure but ignoring future changes in capital value.

"EPRA"

European Public Real Estate Association.

"Earnings per share (EPS)"

Profit after taxation attributable to owners of the Parent divided by the weighted average number of ordinary shares in issue during the period.

"EPRA NAV per Share"

EPRA net assets divided by the number of shares at the balance sheet date on a diluted basis.

"ERV"

Estimated rental value (ERV) is the open market rent that a property can be reasonably expected to attain given its characteristics, condition, location and local market conditions.

"FRI Lease"

Full Repair and Insurance Lease

"GDP" or "Gross Domestic Product"

the market value of all officially recognised final goods and services produced within a country in a given period of time

"gearing"

calculated as the borrowings secured on an individual asset as a percentage of the market value of that asset, or the aggregate borrowings of a company as a percentage of the market value of the total assets of the company (also referred to as loan to value or LTV ratio). In an investment strategy context,

gearing refers to the use of various financial instruments or borrowed capital to increase the potential return of an investment

"GNP" or "Gross National Profit"

is the sum of GDP and Net Factor Income from the rest of the world

"good quality secondary assets"

a real estate asset that would be considered secondary to a prime asset due to, amongst other things, its location or quality of construction. An example of a good quality secondary real estate asset would be a retail unit close to but not location on a high street

"IMA"

the Investment Manager Agreement entered into by the Company and the Investment Manager (Green Property REIT Ventures DAC) on 12 July 2013

"industrial and logistics"

an industrial type real estate asset which may, for example, be used for manufacturing and distribution operations

"investment income yield"

The current annualised rent produced by investment properties, net of costs, expressed as a percentage of capital value, after allowing for notional purchaser's costs

"investment running yield"

The annualised contracted rent produced by investment properties expressed as a percentage of capital value, after allowing for notional purchaser's costs

"Irish REIT Regime"

Part 25A Taxes Consolidation Act 1997 (as inserted by section 41 of the Finance Act 2013)

"JV"

Joint venture arrangement

"LTV"

Loan to Value, calculated as the borrowings secured on an individual asset as a percentage of the market value of that asset.

"m2"

square meters

"mixed use"

a building or complex of buildings that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated

"multifamily"

a classification of housing where multiple separate housing units for residential inhabitants are contained within one building or several buildings within one complex

"Net Asset Value" or "NAV"

The measure shown in a company's balance sheet of all assets less all liabilities, and is equal to the equity attributable to shareholders in any company or group.

The net asset value of the Company will be measured consistently with IFRS as adopted in the EU, and in particular will include the Company's property assets at their most recent independently assessed market values and also the Company's debt and hedging instruments at their most recent independent valuations.

"Net Internal Area"

the usable area within a building measured to the internal face of the perimeter walls at each floor level

"occupier market"

the office, industrial and retail market

"Over-rented"

Space where the passing rent is above the ERV

"passing rent"

the annualised cash rental income being received as at a certain date, excluding the net effects of straight-lining for lease incentives;

"prime assets"

a highly regarded real estate asset due to, amongst other things, its location or quality of construction. An example of prime real estate asset would be a modern office building in the central business district of a major city

"Property Income"

in relation to a company or group, means the Property Profits of the company or group, as the case may be, calculated using accounting principles, as reduced by revaluation surpluses on the Company's assets or increased by the revaluation deficits on the Company's assets.

"Property Income Distribution" or "PID"

a dividend paid by a REIT or the principal company of a Group REIT, as the case may be, from its Property Income;

"reversionary"

the gap by which the passing rent of a property or portfolio is below that of its ERV.

"sq ft"

square feet

"sq m"

square metres

"Total Return"

the movement in EPRA net asset value between the beginning and the end of each financial year plus the dividend paid during the year, expressed as a percentage of the EPRA net asset value at the beginning of the financial year.

"yield"

A measure of return on an asset calculated as the income arising on an asset expressed as a percentage of the total cost of the asset, including costs

"WAULT"

the weighted average period of unexpired lease term or if earlier period to the next lease break.

Forward Looking Statements

This Annual Report and Financial Statements may contain certain forward-looking statements, which are subject to risks and uncertainties because they relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or the industry in which it operates, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements referred to in this paragraph speak only as at the date of this announcement. The Company will not undertake any obligation to release publicly any revision or updates to these forward-looking statements to reflect future events, circumstances, unanticipated events, new information or otherwise except as required by law or by any appropriate regulatory authority.

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