

IRE Bond Issue 2015

May 2007



International Real Estate



CATELLA CORPORATE FINANCE

Bond Issue - Highlights

- International Real Estate Plc. (“IRE”) has, during the past two years, built up a portfolio of cash flow generating properties in Germany, via their Dutch subsidiary I.R.E. German Property Holding B.V. The properties are mainly located in the former East German cities of Berlin and Magdeburg, and consist primarily of apartment blocks;
- I.R.E. German Property Holding B.V. has in a private placement issued bonds, in the amount of EUR 32 million, with the purpose of refinancing shareholder loans from IRE and a bridge loan from a Bank. The bondholders are secured in the properties and do not have legal recourse against IRE;
- The bonds have been admitted for listing on the OMX Stockholmsbörsen AB, in Stockholm, Sweden under the Corporate Bond list with ISIN codes DK0030047246 for the Senior Bonds and DK0030047329 for the Junior Bonds. The first day of listing is 23 May 2007. IRE may in the future list the bonds on the OMX exchange in Copenhagen as well to increase the secondary liquidity;
- Through the bond issue IRE has released EUR 17.3 million – EUR 7.1 million for the repayment of a bridging facility (including interest), EUR 5.8 million for planned refurbishment projects on existing properties and the remaining EUR 1.8 million to pay the costs associated with the bond issue.
- Catella Corporate Finance in Denmark has acted as financial advisor to IRE in connection with the bond issue.

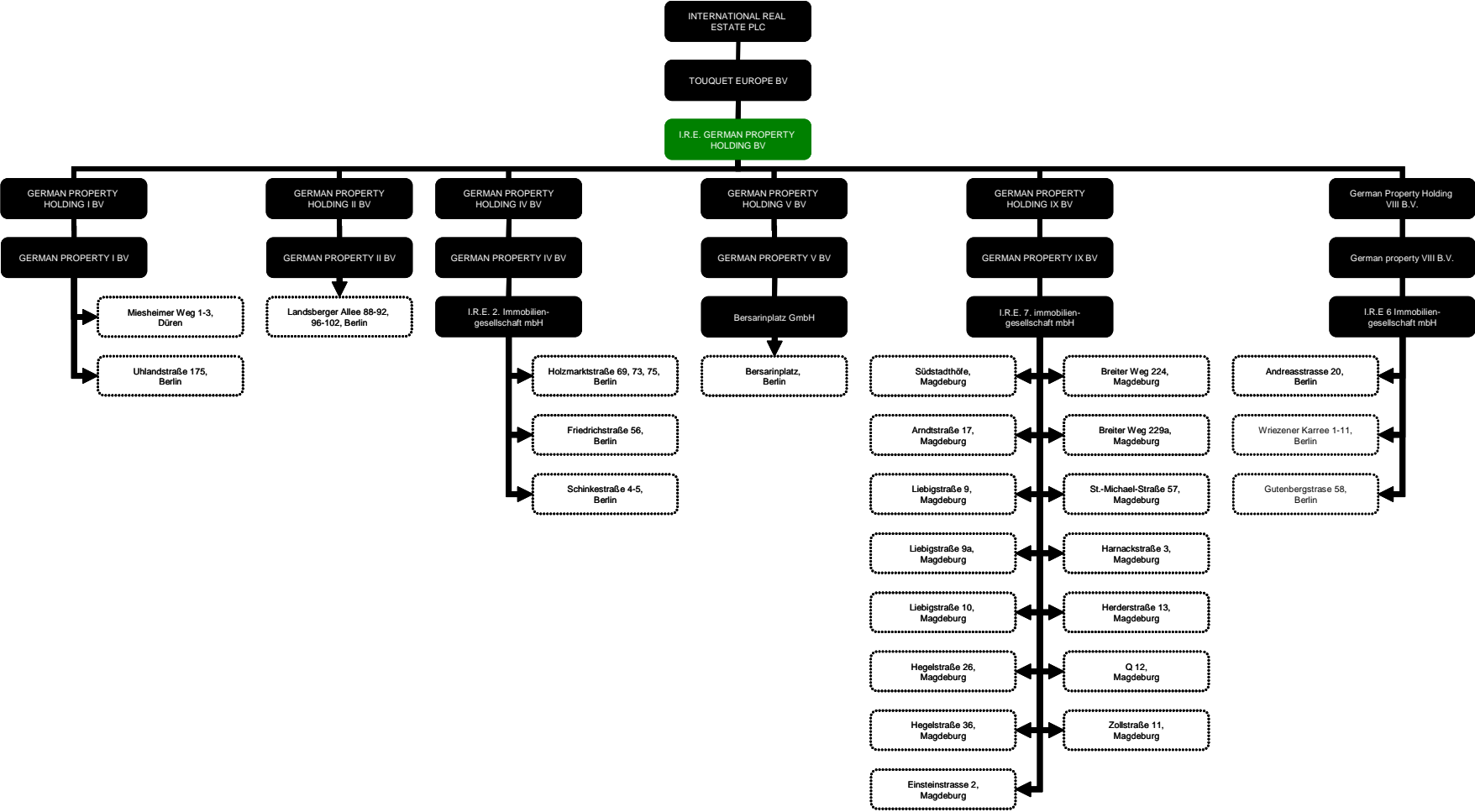
Bond Terms and Conditions

Issuer	I.R.E German Property Holding B.V
Amount	EUR 32 million in two tranches: (1) Senior Bonds in nominal value EUR 20,850,000 (2) Junior Bonds in nominal value EUR 11,150,000 The Senior Bonds ranks prior to the Junior Bonds
Denomination	EUR 50,000 for both Senior Bonds and Junior Bonds
Purpose	Refinancing (shareholder loans and bridge loan)
Interest	(1) Senior Bonds: 7.7326% fixed (2) Junior Bonds: 8.5000% fixed Interest on both tranches is payable annually in arrears (Actual/Actual)
Maturity	01 March 2015
Repayment	Repayment in full at maturity

Bond Terms and Conditions (continued)

Call option	Call price in year 1:110, in year 2: 108, in year 3: 106, in year 4: 104, in year 5: 102, thereafter: 100
Listing	OMX Stockholmsbörsen AB
Covenants	No dividends, negative pledge, restrictions on new debt
Security	Pledge of shares, assignment of Intercompany Loan.
Guarantee in	International Real Estate Plc. has provided a letting guarantee as well as a refurbishment guarantee in favour of I.R.E. German Property Holding B.V. relation to the refurbishment of seven properties in Magdeburg
Special Servicer	CorpNordic Denmark A/S
Payment Agent	Alm. Brand Bank A/S
Security Agent	Alm. Brand Bank A/S

Legal Structure



Appendix: List of Properties in the Bond Structure

City	Address	Sqm.				Total
		Residential	Office	Retail	Other	
German Property I B.V.						
Berlin	Uhlandstrasse 175	2,678	2,985	408	45	6,116
Düren	Miesheimer Weg 1-3	12,393				12,393
German Property II B.V.						
Berlin	Landsberger Allee 88-102	10,854				10,854
I.R.E. 2 Immobiliengesellschaft mbH						
Berlin	Friedrichstraße 56	1,777	92	360	15	2,244
Berlin	Holzmarktstrasse 69,73,75	7,923	31	148		8,102
Berlin	Schinkestraße 4-5	834		213		1,047
Bersarinplatz GmbH						
Berlin	Bersarinplatz 1-4ff	24,085	565	2,966		27,616
I.R.E. 6 Immobiliengesellschaft mbH						
Berlin	Andreasstraße 20	7,684		23		7,707
Berlin	Wriezener Karree 1-11	12,265	72	881		13,218
Berlin	Gutenbergstraße 58	1,323		182		1,505
I.R.E. 7 Immobiliengesellschaft mbH						
Magdeburg	Q 12	1,306	5,249	827	1,709	9,091
Magdeburg	Hegelstraße 36	455	1,231			1,686
Magdeburg	Hegelstraße 26	1,233	1,234			2,467
Magdeburg	Einsteinstraße 2	796	197	175		1,168
Magdeburg	Liebigstraße 9, Development project	1,437				1,437
Magdeburg	Liebigstraße 9a, Development project	956				956
Magdeburg	Liebigstraße 10, Development project	1,240				1,240
Magdeburg	Harnackstrasse 3	0	2,039			2,039
Magdeburg	Breiter Weg 224	1,564		425		1,989
Magdeburg	Breiter Weg 229a	630	204	176		1,010
Magdeburg	Zollstraße 11	1,297				1,297
Magdeburg	Arndtstraße 17	1,729	398	183		2,310
Magdeburg	Herderstrasse 13	1,110				1,110
Magdeburg	St-Michael Str 57	545		96		641
Magdeburg	Südstadthöfe (Partly development project)	11,822	121	351		12,294
Total		107,936	14,418	7,414	1,769	131,537