

**Inside information pursuant to Appendix No 9
to Art. 28, para 2 and Art. 41, para 2, p. 2 of ORDINANCE No. 2 as of 17.09.2003 on the
prospectuses to be published when securities are offered to the public or admitted to trading
on a regulated market and on disclosure of information by the public companies and the other
issuers of securities**

for the period 01.01.2016 – 31.03.2016

“Intercapital Property Development” ADSIC

1. For the issuer

1.1. Change of the persons, exercising control over the company

Since the establishment of the company up to present there haven't been persons exercising control over it.

1.2. Change in the members of the management and the control bodies of the company and reasons for the change; changes in the way of representation; appointment or discharge of procurator.

In the first quarter of 2016 no such circumstance has occurred.

1.3. Amendments and/or supplements to the company's By-laws.

In the first quarter of 2016 no such circumstance has occurred.

1.4. Decision for transformation of the company and implementation of the transformation; structural changes in the company.

No decisions for transformation of the company and implementation of transformations have been taken; there have not been any structural changes in the company.

1.5. Initiation of a liquidation procedure and all main stages, related to such procedure.

No liquidation procedure has been initiated for the company.

1.6. Initiation of a bankruptcy procedure for the company or its subsidiary and all substantial stages, connected with the procedure.

No bankruptcy procedure has been initiated for the company or its subsidiary.

1.7. Acquisition, granting for use or disposition of assets of big value according Art. 114 para 1 item 1 of LPOS.

Such a circumstance has not occurred.

1.8. Decision for conclusion, termination and rescission of a contract for a joint enterprise.

There has not been taken any decision for conclusion, termination and rescission of a contract for a joint enterprise.

1.9. Decision of the Financial Supervision Commission for delisting the company of the registry for the public companies and the other issuers of securities under art. 30, para 1, point 3 of the Law on the Financial Supervision Commission

There has not been such a decision of the commission for delisting the company of the registry for the public companies and the other issuers of securities under art. 30, para 1, point 3 of the Law on the Financial Supervision Commission.

1.10. Change of the auditors of the company and reasons for the change.

In the first quarter of 2016 no such circumstance has occurred.

1.11. Announcement of the profit of the company.

As of 31.03.2016 the net financial result of the Company on consolidated basis is BGN is loss in the amount of BGN 141 thousand.

1.12. Material losses and the reasons thereof.

During the first quarter of 2016 the Company has not realized material losses due to extraordinary or unforeseeable circumstances.

1.13. Unforeseeable or unforeseen circumstance of extraordinary nature, as a result of which the company or its subsidiary has suffered damages, amounting to three or more percent of the company's equity.

During the first quarter of 2016 there have not been any circumstances of extraordinary nature that have caused such damages for the Company.

1.14. Public disclosure of a modified auditor's report.

Such a circumstance has not occurred.

1.15. Decision of the general meeting about the dividend's type and amount, as well as on the conditions and the order for its payment.

There has not been such a decision during the first quarter of 2016.

1.16. Occurrence of liability, which is essential for the company or for its subsidiary, including each non fulfillment or increase of the liability.

As of 31.03.2016 the most essential liabilities of the Company are the obligations toward financial institutions. Their total value (incl. accrued interest, principal and bank fees) is as follows:

31.03.2016	31.12.2015
BGN '000	BGN '000

Bank loans		
Long-term part	-	-
Short-term part	22 665	22 400
Total	22 665	22 400

In the table below the principal obligations of the received bank loans from financial institutions is presented with distribution of the obligations as of 31.03.2016 depending on the maturity date.

Creditor' name	Short-term obligation, EUR	Long-term obligation, EUR	Maturity date
Pireaus Bank Bulgaria AD	3 131 180,38	-	30.10.2015
Pireaus Bank Bulgaria AD	2 562 680,06	-	30.01.2014
Pireaus Bank Bulgaria AD	2 535 185,23	-	30.01.2014
Teximbank AD	90 000,00	-	20.12.2016

In the summer of 2015 "PIRAEUS BANK BULGARIA" AD has formed an enforcement case № 671/2015 on the inventory of PEA Stanimira Nikolova, reg. № 805 of the CPEA, for the area of the District Court - Bourgas. The claimed to the enforcement case principal amounts to BGN 1 099 020.63 due under a contract for an investment loan. Enforcement proceedings have been instituted on the basis of two pieces of a writ of execution issued pursuant to Art. 417 of the CPC.

After receiving a notice of voluntary compliance "Intercapital Property Development" ADSIC has filed objections to both executive lists. "PIRAEUS BANK BULGARIA" AD has filed a declaration under Art. 422 of the CPC to establish the due amount of the writ of execution. On 09.05.2016, the "Intercapital Property Development" ADSIC has also been notified for a filed by "PIRAEUS BANK BULGARIA" AD request for opening of insolvency proceedings under Art. 629, para 2 of the Commerce Act. Currently there has not been initiated insolvency proceedings in respect of "Intercapital Property Development" ADSIC. The Company' deadline to answer the request for opening of insolvency proceedings expires on 25.05.2016.

In addition during the first quarter the Company was informed by the Arbitration Court for commercial claims in Burgas that a ruling against it has been made in relation to Arbitration case No: 10/2015 to pay the amount of 525 075 to the plaintiff Midia AD which includes a principal of 100 000 BGN, interest, indemnity for delay and arbitrary tax and expenses.

1.17. Arising of receivable, which is essential for the company, with indication of its due date.

During the first quarter of the year 2016 no essential receivable has arisen for the company.

During the first quarter of 2016 the Company has realized extraordinary revenues in the amount of BGN 550 thousand due to write-off of liabilities to one of the Company's creditor – i.e. Grand Borovets 2013 EOOD.

1.18. Liquidity problems and measures for financial support.

Due to the fact that ICPD did not manage till 10.02.2016 to make the interest and principal payment owed as of 14.02.2016 on its bond loan pursuant to the repayment scheme, adopted by the General Meeting of the bondholders, held on 11.02.2015 and in compliance with the decisions of that General Meeting, the interest rate that was applied over the outstanding bond loan for the next three-month period started on 15.02.2016, remained in the amount of 5.75% annually.

On 11.03.2016 "Intercapital Property Development" ADSIC paid interest in the amount of EUR 39 747 and principal in the amount of EUR 62 500 that were due on 14.02.2016. Due to the

delay in making the amortization payment the Company paid to its bondholders an interest for the delay for the period 15.02.2016-11.03.2016 in the amount of BGN 499,31 (or BGN 0,0998624 per bond).

Due to the fact that ICPD did not manage till 12.05.2016 to make the interest and principal payment owed as of 14.05.2016 on its bond loan pursuant to the repayment scheme, adopted by the General Meeting of the bondholders, held on 11.02.2015 and in compliance with the decisions of that General Meeting, the interest rate that has been applied over the outstanding bond loan for the next three-month period started on 15.02.2016, has remained in the amount of 5.75% annually.

1.19. Increase or reduction of the share capital

There have not been such circumstances during the first quarter of 2016.

1.20. Confirmation of negotiations for acquisition of the company.

There hasn't been such a circumstance during the first quarter of 2016.

1.21. Conclusion or fulfillment of significant contracts, which are not related to the company's usual activity.

During the first quarter of 2016 no significant contracts which are not related to the company's usual activity have been concluded or fulfilled.

1.22. Position of the management body in connection with the tender offer made.

During the first quarter of 2016 no tender offer has been made to the Company's shareholders, respectively there has not been any position of the Board of Directors of the company related to that.

1.23. Termination or substantial reduction of the relations with clients, who form at least 10 percent of the revenues of the company for the last three years.

During the first quarter of 2016 there has not been any termination or substantial reduction of the relations with clients, who form at least 10 percent of the revenues of the company for the last three years.

1.24. Introduction of new products and developments on the market

No new products and developments have been introduced on the market during the first quarter of 2016.

1.25. Big orders (amounting to over 10 percent of the average revenues of the company for the last three years).

During the first quarter of 2016 there have not been orders amounting to over 10 percent of the average revenues of the company.

1.26. Development and/or change in the amount of the orders and the use of the production capacity.

There hasn't been such a circumstance.

1.27. Termination of the sales of a given product, forming significant part of the revenues of the company.

There hasn't been such a circumstance.

1.28. Purchase of patent

There hasn't been such a circumstance.

1.29. Obtaining, suspension of the use, withdrawal of authorization to pursue business (license).

There has not been obtaining, suspension of the use, withdrawal of authorization to pursue business (license) during the first quarter of 2016.

1.30. Initiation or termination of legal or arbitration proceedings, relating to liabilities or receivables of the company or its subsidiary, with price of the claim at least 10 percent of the company's equity.

There hasn't been such a circumstance.

1.31. Other circumstances, which the company considers could be of importance for the investors at taking a decision to acquire, to sell or continue to own publicly offered securities.

On 01.02.2016 the Company signed an Annex to the Contract with VEI Project AD dated 30.12.2011, according to which the parties have agreed that the term within which ICPD shall pay to VEI Project AD the remainder of the sale price of the properties, subject to the Contract, which as of 01.02.2016 amounts to EUR 841 989.39 incl. VAT, shall be extended till 30.09.2021 and the parameters of the deferred payment change as follows:

- Interest: 6.5% annually for the extended term of the contract, which shall be accrued as of 01.02.2016 onwards.
- Term: 30.09.2021
- Interest payments: monthly on the last day of each month.

Payment of the remainder of the sale price: in 9 equal monthly installments from 30 January 2021 to 30 September 2021.

On 19.05.2016 there was a Meeting of the Board of Directors of ICPD on which the members took a decision to convene the annual General Meeting of the Company's shareholders on 30.06.2016. The invitation was entered in the electronic file of the Company in the Commercial Register on 27.05.2016 under number 20160527140626.

30.05.2016
Sofia

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/Velichko Klingov – Executive Director/

