

GRAPHISOFT PARK SE

Interim Management Report – First Quarter 2012

May 7, 2012



GRAPHISOFT PARK





Financial highlights

IFRS, consolidated, thousand EUR

	3 months ended	3 months ended
	March 31, 2011	March 31, 2012
Revenue	1,970	2,106
Operating expense	(176)	(152)
Other income (expense)	15	18
EBITDA	1,809	1,972
Depreciation and amortization	(901)	(911)
Operating profit	908	1,061
Net interest expense	(528)	(444)
Exchange rate difference	111	(16)
Profit before tax	491	601
Income tax expense	(153)	(95)
Profit for the period	338	506
EBITDA margin (%)	91.8	93.6
Operating profit margin (%)	46.1	50.4

	December 31, 2011	March 31, 2012
Assets total	72,979	73,267
Investment property at historical cost*	63,926	63,105
Bank loans	51,988	51,477
Net debt	44,648	43,072

* Investment properties are shown in the financial statements of the Company at historical cost. Estimates on property fair values are published annually. The latest valuation is disclosed in the Annual Report for 2011 (www.graphisoftpark.com).



Dear Shareholders,

In this business report, Graphisoft Park presents the progress made toward its goals in the following areas:

- Financial results for the first quarter of 2012,
- Utilization, occupancy,
- Development activities,
- Other key issues,
- Forecast for the year 2012.

Financial results for the first quarter of 2012

The Company closed the first quarter of 2012 with revenues of 2,106 thousand euros, EBITDA of 1,972 thousand euros, and a net profit of 506 thousand euros.

- **Revenue** increased by 7% compared to the previous year to 2,106 thousand euros. The growth is due to the increasing occupancy of the properties (see details in the “Utilization, occupancy” section below).
- **Operating expenses** decreased by 17% compared to the previous year to 134 thousand euros, partly because smaller vacant area mean lesser operating expenses and utility costs borne by the Group. More significant savings resulted from the significant weakening of the HUF exchange rate compared to the base period since the majority of operating expenses incur in HUF.
- **Depreciation** increased by 1% compared to the previous year to 911 thousand euros due to the constructions (development, remodeling and renovation of office space) completed on the buildings of the monument area and the core area in 2011.
- **EBITDA** increased by 9% to 1,972 thousand euros and **operating profit** increased by 17% to 1,061 thousand euros compared to the previous year.
- **Net interest expense** decreased by 16% compared to the previous year to 444 thousand euros due to decreasing interest expenses (by 60 thousand euros) and increasing interest income (by 24 thousand euros).
- The Company realized a **net profit** of 506 thousand euros in the first quarter of 2012, 50% (168 thousand euros) higher compared to the previous year.

Utilization, occupancy

Occupancy rate of Graphisoft Park’s 46,000 m2 office and laboratory space developed as follows:

2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1
77%	79%	80%	83%	84%	85%	85%	85%	87%

The improvement in occupancy is due to the success of our tenants’ businesses and the consequent expansion needs, also to a host of new tenants moving in generally small offices.

In the first quarter of 2012, a lease agreement has been renewed and extended with a tenant further increasing the occupancy rate of the Park to 90% from January, 2013.

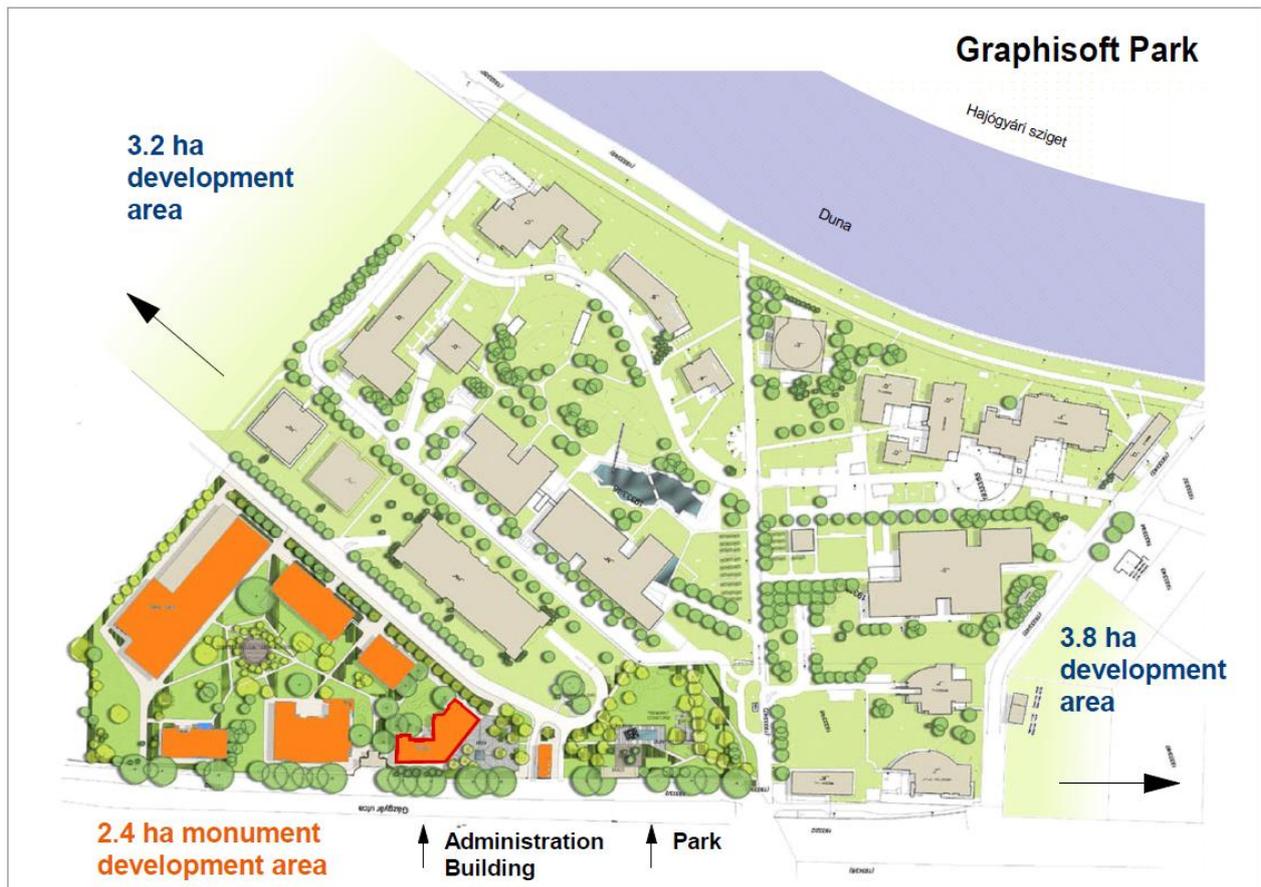


In January 2012, Microsoft whose contract was due to expire in July 2012 has extended its lease by 5 years. Nearly 4,000 m² of office space is affected in the lease extension. The remaking of this office space will require an approximate 450 thousand euro investment.

AMRI Hungary's American parent company released a press statement on January 9, 2012 where it announced the intent to reconsider continuing its operations in Hungary in line with the cost saving measures implemented across Europe. On March 21, 2012 a new press statement was released announcing the decision to cease operations in Budapest through voluntary winding up. AMRI leases 3,200 m² of office and laboratory space in Graphisoft Park. The cease of operations has no effect on AMRI's contractual obligations until March 31, 2019.

Development activities

The total area of Graphisoft Park is nearly 18 hectares. Over the past 15 years 45,000 m² of office and laboratory space covering 8.5 hectares have been developed and occupied. In the remaining area there is a potential for the development of an additional 65,000 m² office space. In addition to this, 14,000 m² of building space in the monument area can be utilized after renovation, of which 1,000 m² had been already renovated and in use since 2011.



Development of the **core area** of Graphisoft Park is completed. Investments such as development, remodeling and renovation of office space and infrastructure development continue there to meet the needs of existing and new tenants. The expenditures for these activities are estimated at 800 euro in 2012 (including the remaking of Microsoft's offices).



The comprehensive renovation of the first building (“Administration building”) in the **monument development area** has been completed in April 2011 with guidance and recognition from the National Office of Cultural Heritage. This development included the restoration of the original secession-style façade into its historical state, as well as the replacement of the building machinery, insulation and other equipment to bring them up to 21st century standards. The entire development cost - including demolition and landscaping - stayed within the planned budget of 1.5 million euros.

Further steps were taken to enhance the infrastructure of this area through the second half of 2011: planning and preparation were carried out for the installation of gas pressure-reducer and a transformer station for energy self-sufficiency. For these installations the equipment and preparatory works have been ordered. The estimated total cost of the project is 200 thousand euro.

There is no larger scale development planned currently for this area, however we are going to proceed with the renovation of two smaller buildings. Because the buildings in this area are protected historical monuments, both the permitting process and the actual construction take longer than ordinary renovations. For this reason we hold it important to obtain the necessary permits in advance that the actual development may start without any delay in case of rising demand for further office capacity.

Reconstruction plans for buildings 57 and 58 in the monument area had been completed and submitted for permitting in the fourth quarter of 2011. The permits have been issued and the renovation works begun in April, 2012. The completed buildings will provide 1.400 m² of rentable office space. The planned total cost of renovation is 2.5 million euro including the ground works for public utilities and landscaping.

In the long term the monument development area will be used primarily for educational purposes and it will also house the Aquincum Institute of Technology (AIT).

In the **development areas**, we obtained permission for and carried out the demolition of those structures that are not protected landmarks. The planned archeological excavations have been completed. If new demand arises, construction of a new office building could begin in the excavated southern development area. No further preparatory work or development will take place in the northern development area until the clean-up projects planned by the Capital City Gas Works are finished. Total land development costs in these areas have been 3.2 million euros.

The main risk factors and limitations associated with these areas remain as follows:

- no valid zoning plan is in effect,
- significant risk of environmental pollution,
- regulations protecting landmark buildings limit the land’s usability.

Other key issues

Dividend

On April 26, 2012, the Annual General Meeting of Graphisoft Park SE approved dividend distribution of 35 forints per share (totaling 355,341 thousand forints, which is 1,237 thousand euros on the exchange rate of April 26, 2012). The starting date for dividend payments is June 4, 2012.

Realization of the educational function

In order to further strengthen Graphisoft Park’s “science park” features we have concluded an agreement with Aquincum Institute of Technology (AIT) to create and run international higher education functions in the Park. AIT does this in close cooperation with Budapest University of Technology and Economics (BME) operating as an independent, specialized program of that institution.



The Aquincum Institute of Technology (AIT) was launched with a successful inaugural summer session in June and July of 2010. The program hosted students from top U.S. universities (e.g. Princeton, Williams, Olin, RPI, Smith) at Graphisoft Park. International response to the summer session can be found at AIT's website: ait-budapest.com. The first regular semester started in February 2011, hosting students from many more excellent North-American universities (Skidmore, Swarthmore, Pomona). In the Fall semester of 2011 AIT received students from Carleton College and the University of Washington besides the schools mentioned above. Besides catering to international students, AIT provides high level education in small classes for selected students from BME as well. To them, the personal relations with the foreign students may prove to be invaluable assets for their careers further on. AIT's curriculum uniquely blends IT education in line with Graphisoft Park's professional orientation with business instructions. This is complemented by courses highlighting the riches of Hungarian culture (language, literature, film, music and architecture) tailored for the needs of the international students. At the time of writing this report the 2012 Spring semester is in progress, where AIT welcomed students from Harvard University, Dartmouth College and Grinnell College besides others. Up until now a total of 15 North-American universities have sent students to participate in the program and recognized the credits issued by AIT with BME's accreditation.

This new educational institution, whose presence further increases the attractiveness of Graphisoft Park, is leasing a total of 550 m2 of space for educational purposes.

Forecast for the year 2012

The following forecast is identical to the one published in the Annual Report on March 22, 2012. This is because any development since that date may affect results for 2013 only. Forecasts for 2013 will be published first in the third quarterly report.

Our forecast for the year 2012 is summarized in the following table. It is based exclusively on signed, valid lease agreements and the resulting occupancy rate of 87%. (The first column shows 2011 actual results.)

(million euros)	2011 actual	2012 forecast
Rental revenue	8.04	8.3
Operating expenses	- 0.69	-0.7
EBITDA	7.35	7.6
Depreciation and amortization	- 3.70	-3.8
Operating profit	3.65	3.8
Net interest expense	- 2.00	-1.7
Exchange rate difference	-0.06	-
Income tax expense	- 0.15	-0.4
Net profit	1.44	1.7

The expected increase in net profit in 2012 is based on increasing occupancy rates on one hand and the expected decrease in interest and operating expenses on the other.

Forecasts published here are based solely on the valid lease contracts in effect at the time of writing this report. At previous times actual revenues were repeatedly higher than forecasted, due to new leases concluded after the publication of reports. Despite this past pattern, it is not in our intention to change the forecasting methods. We will not try to predict the number or value of new lease contract on one hand, nor will we account for the scenario of current tenants not prolonging their leases after expiration on the other.

It is our intention to maintain the price structure designed to match the high value services provided by Graphisoft Park in order to be able to preserve the level of service provided in the long run. As the current office rental market in Budapest is in the state of oversupply, very low prices can be observed at some places, with which Graphisoft Park has no intention to compete. Losing tenants for this reason is not unthinkable, even though this has not happened until now. Occupancy rates - which are the primary factor in determining revenue forecasts - may significantly differ, favorably or unfavorably from the forecasted values.



As mentioned earlier in the “Utilization, occupancy” section, one large tenant of Graphisoft Park, AMRI informed the management, that it will cease its operations in Hungary in line with the cost-saving reorganizations across Europe. This information is not reflected in the forecast for 2012 (above) because the cease of operations has no effect on AMRI’s contractual obligations until March 31, 2019.

Other factors affecting results are changes in the EUR/HUF exchange rate, the EURIBOR interest rate and the regulatory, especially the tax, environment.

Forward-looking statements - *The forward-looking statements contained in this Interim Management Report involve inherent risks and uncertainties, may be determined by additional factors, other than the ones mentioned above, therefore the actual results may differ materially from those contained in any forecast.*

Statement of responsibility - *We declare that the Quarterly Report which has been prepared in accordance with the applicable accounting standards and to the best of our knowledge, give a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its undertakings included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its undertakings included in the consolidation, together with a description of the principal risks and uncertainties of its business.*

Budapest, May 7, 2012

Hajba Róbert
Chief Financial Officer

Kocsány János
Chief Executive Officer



GRAPHISOFT PARK SE

QUARTERLY REPORT

for the quarter ended March 31, 2012

in accordance with International Financial Reporting Standards (IFRS)

(unaudited)

Budapest, May 7, 2012

Handwritten signature of Hajba Róbert in purple ink, written over a horizontal line.

Hajba Róbert
Chief Financial Officer

Handwritten signature of Kocsány János in purple ink, written over a horizontal line.

Kocsány János
Chief Executive Officer

GRAPHISOFT PARK SE
QUARTERLY REPORT
MARCH 31, 2012

CONTENTS:

	Page(s)
Consolidated Balance Sheet	3
Consolidated Statement of Income	4
Consolidated Statement of Comprehensive Income	5
Consolidated Statement of Changes in Shareholders' Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Quarterly Report	8-19

GRAPHISOFT PARK SE
CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2012

(all amounts in thousands EUR unless otherwise stated)

	Notes	December 31, 2011	March 31, 2012
Cash and cash equivalents	3	3,777	4,427
Securities	4	3,798	4,132
Trade receivables	5	381	393
Current tax receivable	6	169	183
Other current assets	7	450	636
Current assets		8,575	9,771
Investment property	8	63,926	63,105
Other tangible assets	8	221	203
Investments	9	100	100
Deferred tax asset	10	157	88
Non-current assets		64,404	63,496
TOTAL ASSETS		72,979	73,267
Short-term loans	11	2,064	2,121
Trade payables	12	426	408
Current tax liability	6	159	144
Other short-term liabilities	13	807	902
Current liabilities		3,456	3,575
Long-term loans	11	49,924	49,356
Non-current liabilities		49,924	49,356
TOTAL LIABILITIES		53,380	52,931
Share capital		213	213
Retained earnings		23,332	23,838
Valuation reserve	4, 10	(339)	(114)
Treasury shares	21	(669)	(669)
Accumulated translation difference		(2,938)	(2,932)
Shareholders' equity		19,599	20,336
TOTAL LIABILITIES & EQUITY		72,979	73,267

The accompanying notes form an integral part of the quarterly report.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF INCOME
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

	Notes	3 months ended March 31, 2011	3 months ended March 31, 2012
Property rental revenue	14	1,970	2,106
Revenue		1,970	2,106
Property related expense	15	(29)	(11)
Employee related expense	15	(94)	(84)
Other operating expense	15	(53)	(57)
Depreciation and amortization	15, 8	(901)	(911)
Operating expense		(1,077)	(1,063)
Other income (expense)	16	15	18
OPERATING PROFIT		908	1,061
Interest income	17	93	117
Interest expense	17	(621)	(561)
Exchange rate difference	18	111	(16)
Financial expense		(417)	(460)
PROFIT BEFORE TAX		491	601
Income tax expense	19	(153)	(95)
PROFIT FOR THE PERIOD		338	506
Attributable to equity holders of the parent		338	506
Basic earnings per share (EUR)	20	0.03	0.05
Diluted earnings per share (EUR)	20	0.03	0.05

The accompanying notes form an integral part of the quarterly report.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

	Notes	3 months ended March 31, 2011	3 months ended March 31, 2012
Profit for the period		338	506
Valuation reserve	4, 10	-	225
Translation difference		705	6
Other comprehensive income		705	231
COMPREHENSIVE INCOME		1,043	737
Attributable to equity holders of the parent		1,043	737

The accompanying notes form an integral part of the quarterly report.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

	Share capital	Retained earnings	Valuation reserve	Treasury shares	Accum. translation difference	Total equity
December 31, 2010	<u>213</u>	<u>22,856</u>	<u>-</u>	<u>-</u>	<u>(1,075)</u>	<u>21,994</u>
Profit for the period	-	338	-	-	-	338
Translation difference	-	-	-	-	705	705
March 31, 2011	<u>213</u>	<u>23,194</u>	<u>-</u>	<u>-</u>	<u>(370)</u>	<u>23,037</u>
December 31, 2011	<u>213</u>	<u>23,332</u>	<u>(339)</u>	<u>(669)</u>	<u>(2,938)</u>	<u>19,599</u>
Profit for the period	-	506	-	-	-	506
Valuation reserve	-	-	225	-	-	225
Translation difference	-	-	-	-	6	6
March 31, 2012	<u>213</u>	<u>23,838</u>	<u>(114)</u>	<u>(669)</u>	<u>(2,932)</u>	<u>20,336</u>

The accompanying notes form an integral part of the quarterly report.

GRAPHISOFT PARK SE
CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

	3 months ended	3 months ended
	March 31, 2011	March 31, 2012
OPERATING ACTIVITIES		
Income before tax	491	601
Depreciation and amortization	901	911
Interest expense	621	561
Interest income	(93)	(117)
Unrealized foreign exchange (gains) / losses	(85)	35
Changes in working capital:		
Increase in receivables and other current assets	(115)	(61)
Increase / (decrease) in payables and accruals	214	(118)
Corporate income tax paid	(87)	(88)
Net cash from operating activities	1,847	1,724
INVESTING ACTIVITIES		
Purchase of investment property, other tangible assets and intangibles	(767)	(27)
Interest paid (capitalized)	(13)	-
Interest received	9	28
Net cash from / (used in) investing activities	(771)	1
FINANCING ACTIVITIES		
Loan repayments	(433)	(511)
Interest paid	(637)	(557)
Net cash used in financing activities	(1,070)	(1,068)
Increase in cash and cash equivalents	6	657
Cash and cash equivalents at beginning of period	723	3,777
Exchange rate gains / (losses) on cash and cash equivalents	6	(7)
Cash and cash equivalents at end of period	735	4,427

The accompanying notes form an integral part of the quarterly report.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

1. General information

1.1. Business activities

Graphisoft Park SE was established through a demerger from Graphisoft SE on August 21, 2006. The purpose of the restructuring was to spin off a new company, dedicated to real estate development and management. Graphisoft Park SE operates as a holding and provides management, financial and administrative services to its subsidiaries. The real estate development is performed by Graphisoft Park SE's subsidiary, Graphisoft Park Kft. Graphisoft Park Kft's subsidiary, Graphisoft Park Services Kft. is responsible for property operation tasks.

Graphisoft Park SE and subsidiaries are incorporated under the laws of Hungary. Court registration number of Graphisoft Park SE is CG 01-20-000002. Registered address of the Group is H-1031 Budapest, Záhony utca 7., Hungary. Headcount was 12 on March 31, 2012.

1.2. Properties

The total area of Graphisoft Park is nearly 18 hectares. Over the past 15 years, 45,000 m² of office and laboratory space, covering 8.5 hectares, have been developed and occupied. The remaining area provides the opportunity to develop an additional 65,000 m² of office space and utilize 14,000 m² of building space comprising the monument area, after its renovation.

The real estate is categorized as follows:

Area	Property
Core area	modern business park spreading over 8.5 hectares of land, comprising 9 office buildings with over 45,000 m ² office and laboratory space, 1 storage warehouse with supporting office space, 2 restaurants and 1 service building
Monument development area	2.4 hectares of development land comprising 14.000 m ² of monument buildings, out of which 1,000 m ² has been renovated in 2011
Development areas	7.0 hectares of free development land

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

1.3. Governance

The governing body of Graphisoft Park SE, Board of Directors (single-tier system) is composed of the following:

Name	Position	From	Until
Bojár Gábor	Chairman	August 21, 2006	May 31, 2013
Hornung Péter	Member	August 21, 2006	May 31, 2013
Gáthy Tibor	Member	April 26, 2012	May 31, 2013
Dr. Kálmán János	Member	August 21, 2006	May 31, 2013
Kocsány János	Member	April 28, 2011	May 31, 2013

The Audit Committee comprises of 3 independent members of the Board: Dr. Kálmán János (chairman), Hornung Péter and Gáthy Tibor. The Chief Executive Officer of Graphisoft Park SE is Kocsány János.

1.4. Stock information

Graphisoft Park SE shares are publicly traded at Budapest Stock Exchange from August 28, 2006. The share capital (authorized and fully paid) of the Company is 212,633 EUR, comprising 10,631,674 Series "A" stocks of 0.02 EUR face value each. The ownership structure is the following:

Name	Title	December 31, 2011		March 31, 2012	
		Shares (pcs)	Share (%)	Shares (pcs)	Share (%)
Directors and management		3,914,464	36.83	3,915,664	36.84
Bojár Gábor	BD Chairman	3,185,125	29.96	3,185,125	29.96
Hornung Péter	BD Member	530,426	5.00	530,426	5.00
Dr. Kálmán János	BD Member	13,500	0.13	13,500	0.13
Kocsány János	CEO	180,913	1.70	180,913	1.70
Hajba Róbert	CFO	3,000	0.03	4,200	0.04
Szűcs Tibor	MD*	1,500	0.01	1,500	0.01
Shareholders over 5% share		2,265,744	21.31	2,241,089	21.07
Tari István Gábor		1,074,329	10.10	1,074,329	10.10
Concorde Alapkezelő Zrt.		1,191,415	11.21	1,166,760	10.97
Other shareholders		3,972,390	37.35	3,995,845	37.58
Treasury shares**		479,076	4.51	479,076	4.51
Total		10,631,674	100.00	10,631,674	100.00

* Graphisoft Park Services Kft.

** Treasury share details are disclosed in Note 21.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

2. Accounting policies

The accounting policies adopted are consistent with those of the previous financial year (see in Notes to the Consolidated Financial Statements 2011), with the following differences:

The Company's business activities are neither seasonal nor cyclical; revenues and expenses generally accrue at a constant rate during the course of the financial year. Certain one-off transactions may affect the results from one quarter to the next.

Exchange rates used were as follows:

	3 months ended	3 months ended
	March 31, 2011	March 31, 2012
EUR/HUF opening:	278.75	311.13
EUR/HUF closing:	265.78	295.60
EUR/HUF average:	272.48	296.97

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

3. Cash and cash equivalents

	December 31, 2011	March 31, 2012
Cash in hand	1	1
Cash at banks	3,776	4,426
Cash and bank	3,777	4,427

4. Securities (available-for-sale financial assets)

	December 31, 2011	March 31, 2012
Bonds	3,798	4,132
Securities (available-for-sale financial assets)	3,798	4,132

The bonds were issued by the Hungarian State Holding Company, are guaranteed by the Hungarian State and are exchangeable to ordinary shares of Gedeon Richter Plc. The bonds are denominated in EUR and are of fixed interest rate (4.40% p.a.). The issue date is September 25, 2009; the maturity date is September 25, 2014. Face value total is 4,500 thousand EUR.

Valuation of the bonds is disclosed in the following table:

	December 31, 2011	March 31, 2012
Net purchase price (31.08.2011)	4,075	4,075
Accrued interest	99	183
Valuation difference	(376)	(126)
Bonds (at fair value)	3,798	4,132

Accrued interest is stated in the Income statement (Interest income), while valuation difference is stated in the Equity (Valuation reserve). Valuation reserve comprises solely of the valuation difference of securities and the related deferred tax effect.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

5. Trade receivables

	December 31, 2011	March 31, 2012
Trade receivables	381	393
Provision for doubtful debts	-	-
Trade receivables	381	393

Trade receivables are on 8-30 day payment terms.

6. Current tax receivables and liabilities

	December 31, 2011	March 31, 2012
Current tax receivables	169	183
Current tax liabilities	(159)	(144)
Current tax receivable (net)	10	39

7. Other current assets

	December 31, 2011	March 31, 2012
Accrued income	441	541
Prepaid expense	8	94
Other receivables	1	1
Other current assets	450	636

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

8. Tangible assets – book values

	December 31, 2011	March 31, 2012
Investment property	63,926	63,105
Other tangible assets	221	203
Tangible assets (net)	64,147	63,308

The table shows movements of investment property during the period:

	Land and buildings	Construction in progress	Investment property
Net value:			
December 31, 2011	61,587	2,339	63,926
Gross value:			
December 31, 2011	81,914	2,339	84,253
Additions	-	81	81
Capitalizations	22	(22)	-
Translation difference	-	-	-
March 31, 2012	81,936	2,398	84,334
Depreciation:			
December 31, 2011	20,327	-	20,327
Additions	902	-	902
Translation difference	-	-	-
March 31, 2012	21,229	-	21,229
Net value:			
March 31, 2012	60,707	2,398	63,105

The growth in investment property of 81 thousand EUR comprises development activities in the Core area.

Construction in progress, totaling 2.398 thousand EUR, comprise the following:

- the cost of the Monument development area's buildings standing before renovation (2,335 thousand EUR);
- development activities in progress involving the Core area's office buildings (63 thousand EUR).

Estimates on investment property **fair values** are disclosed annually, in the Annual Report.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

9. Investments

	December 31, 2011	March 31, 2012
AIT-Budapest Kft.	100	100
Investments	100	100

The Company acquired a 10 % ownership share in AIT-Budapest Aquincum Institute of Technology Kft in 2009.

10. Deferred tax

	December 31, 2011	March 31, 2012
Development reserve	(163)	(200)
Depreciation	22	22
Securities*	37	12
Loss carried forward	261	254
Deferred tax asset	157	88

* Securities' deferred tax asset was directly stated in the statement of comprehensive income.

11. Loans

	December 31, 2011	March 31, 2012
Short-term	2,064	2,121
Long-term	49,924	49,356
Loans	51,988	51,477

The total original capital amount of these loans is 58 million EUR. Loans are denominated and due in EUR. Part of the loans is subject to fixed interest rates (3-5 years fixed period from start of term) and part to a floating rate. Collaterals provided for the bank are: mortgage on real estate, revenue assignment and bank account pledge. The Company had no undrawn borrowing facilities as of the balance sheet date.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

12. Trade payables

	December 31, 2011	March 31, 2012
Trade payables - domestic	426	408
Trade payables	426	408

13. Other short-term liabilities

	December 31, 2011	March 31, 2012
Amounts due to employees	24	28
Deposits from tenants	434	469
Other payables and accruals	349	405
Other short-term liabilities	807	902

14. Revenue

	March 31, 2011	March 31, 2012
Property rental	1,970	2,106
Revenue	1,970	2,106

Revenue solely consist of rental fees coming from the lease of investment properties.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

15. Operating expense

	March 31, 2011	March 31, 2012
Property related expense	29	11
Employee related expense	94	84
Other operating expense	53	57
Depreciation and amortization	901	911
Operating expense	1,077	1,063

Other operating expense consists of the following items:

	March 31, 2011	March 31, 2012
Office and telecommunication	2	4
Legal and administration	23	29
Marketing	5	12
Other	23	12
Other operating expense	53	57

16. Other income (expense)

	March 31, 2011	March 31, 2012
Income from recharged construction expenses	38	19
Recharged construction expenses	(38)	(18)
Income from recharged operation expenses	761	835
Recharged operation expenses	(747)	(819)
Others	1	1
Other income (expense)	15	18

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2012
(all amounts in thousands EUR unless otherwise stated)

17. Interest

	March 31, 2011	March 31, 2012
Interest received	93	117
Interest income	93	117
Interest paid on loans	(631)	(556)
Other interest paid	(3)	(5)
Borrowing cost capitalized	13	-
Interest expense	(621)	(561)
Net interest expense	(528)	(444)

18. Exchange rate difference

	March 31, 2011	March 31, 2012
Exchange rate gain realized	20	26
Exchange rate gain (loss) not realized	91	(42)
Exchange rate gain (loss)	111	(16)

19. Income tax

	March 31, 2011	March 31, 2012
Current income tax	(47)	(51)
Deferred income tax	(106)	(44)
Income tax expense	(153)	(95)

Applicable tax rates are: corporate income tax 10%, local business tax 2%.

GRAPHISOFT PARK SE
NOTES TO THE QUARTERLY REPORT
 FOR THE QUARTER ENDED MARCH 31, 2012
 (all amounts in thousands EUR unless otherwise stated)

20. Earnings per share

Basic and diluted earnings per share amounts are calculated as follows:

	March 31, 2011	March 31, 2012
Net profit attributable to equity holders of the parent	338	506
Weighted average number of ordinary shares	10.405.160	10.152.598
Basic earnings per share (EUR)	0,03	0,05
Weighted average number of ordinary shares	10.405.160	10.152.598
Diluted earnings per share (EUR)	0,03	0,05

The weighted average number of ordinary shares does not take into account treasury shares. There are no share option schemes in place.

21. Treasury shares

Graphisoft Park SE treasury share details are as follows:

	December 31, 2011	March 31, 2012
Number of shares	479,076	479,076
Face value per share (EUR)	0.02	0.02
Total face value (EUR)	9,582	9,582
Treasury shares (at historical cost)	669	669

22. Commitments, contingencies

The Company has a contractual commitment to development for education purposes, which shall result in the set-up of an educational campus on a portion of the area purchased in 2008 (the Monument development area) and the start-up of a program of higher education within 5 years from the final approval of the zoning plan for the area. The zoning plan is not yet approved, but the education program started already in the core area of Graphisoft Park.

In accordance with the project to develop a part of the property for educational purposes, the Company signed a cooperation agreement with AIT-Budapest Aquincum Institute of Technology Kft. According to this agreement, development of the educational infrastructure is the responsibility of Graphisoft Park, while organizing the educational program and operating the institute are the responsibility of AIT. AIT pays a market-rate rent for its use of the real estate. The cooperation also covers the issue of the parties' coordinated appearance on the market and joint marketing activities.

23. Events after the balance sheet date

Following the recommendation of the Board of Directors, the Annual General Meeting on April 26, 2012, approved the 2011 consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS) showing a balance sheet total of 72,979 thousand EUR and a profit for the year of 1,441 thousand EUR. Together with the approval of the consolidated financial statements for issue, the Annual General Meeting approved dividend distribution of 35 HUF per share, 355,341 thousand HUF in total (1,237 thousand EUR on the exchange rate of April 26, 2012).

24. Declaration

Statement of responsibility - *We declare that the Quarterly Report which has been prepared in accordance with the applicable accounting standards and to the best of our knowledge, gives a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its undertakings included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its undertakings included in the consolidation, together with a description of the principal risks and uncertainties of its business.*