

OPPORTUNITIES

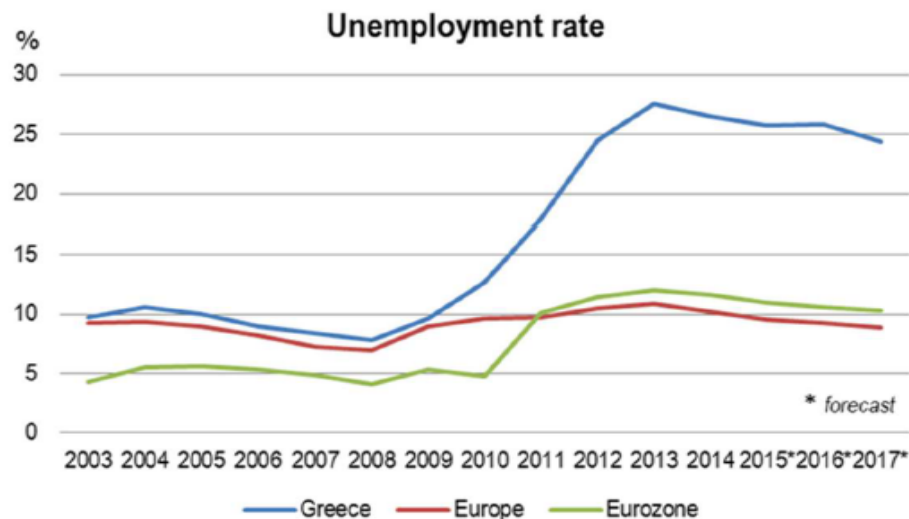
22 March, 2016

- 
- Economic Climate
 - Regional Turbulence
 - Economic Uncertainty
 - Sanctions

GREECE

ECONOMIC OVERVIEW & INDICES

- Political and economical uncertainty
- Constant reduction on available income
- Increase in taxes kills spending and economic growth
- Lack of Foreign Direct investments
- Privatisations stall
- Slow pace of reforms



GREECE	2012	2013	2014	2015
GDP evolution (in billions)	191,915	185,089	181,569	177,148
Per Capital GDP	18,134	17,426	16,425	16,243
Consumer Price Index	110.510	108.621	105.789	105.612
Inflation	1.51%	-0.92%	-1.31%	-1.73%
Unemployment	26.40%	27.50%	25.90%	24%
Public Debt (in billions)	305	319	317	321
GDP Growth	-6.60%	-3.30%	0.70%	0%
Source: European Commission				

INVEST IN GREECE

Why Greece?

- The Birthplace of Western Civilization
- The Strategic Location
- Beautiful Natural Environment
- The Mediterranean Climate
- Greek gastronomy
- Greece is a Member of the Schengen Area
- Access to Higher Education
- Low Cost Access to a European Golden-Visa
- Economy Rebound
- Unique Investment Opportunity
- 16,300km of coastline. (Turkey 7,200km, Spain 4,964km, France 8,082km)
- The Cyprus example?



THE CYPRUS EXAMPLE

MAIN ECONOMIC INDICATORS FOR CYPRUS

		March bail in ↓		April lifting of capital controls ↓			
	2012	2013	2014	2015	2016e	2017f	2018f
GDP at constant market price (% change)*	-2.4	-5.4	-2.3	1.4	1.5	2	2.2
Unemployment Rate, % of LF*	13.1	16.5	16.1	15.5	14.5	13.2	11.9
HICP Inflation, annual change (%)*	2	2	-1.4	-1.2	0.6	1.3	1.5
Nominal GDP, EUR bn*	17.8	17.2	17.39	17.42	17.795	18.3	18.96
Public Debt in % of GDP	86.6	111.7	108.2	106.7	98.7	94.6	90.0
**Number of property sales	6269	3767	4527	4952	+53% YTD		

*Sources: World Bank & Eurostat

** Land Resgistry Dept.

International Rankings

32nd

Open Markets Index 2015
International Chamber of Commerce
(out of 75 countries)

34th

Global Innovation Index 2015
INSEAD and the World Intellectual Property Organization
(out of 141 countries)

45th

Economic Freedom Index 2015
Heritage Foundation
(out of 177 countries)

4th

Higher education and training

28th

Goods market efficiency

34th

Labour market efficiency

45th

Technological readiness

65th

Competitiveness

World Economic Forum Report 2015-2016 (out of 144 countries)

Why Cyprus?

- ▶ A can-do business environment
- ▶ Pro-business government
- ▶ Easy access to decision makers
- ▶ Highly skilled workforce
- ▶ A safe and cosmopolitan lifestyle
- ▶ Excellent infrastructure
- ▶ Advantageous tax regime



GDP PER CAPITA
€20,400
(2015)

GDP GROWTH
1.2%
(2015)
Estimate 2% in 2017

INFLATION
-1.6%
(2015)
Estimate 1.3% in 2017

UNEMPLOYMENT

15.6%
(2015 - estimate 13.3% in 2017)

CRIME

0.92
per 100 persons

CORPORATE TAX RATE

12.5%
(2015)

Main Media: Cyprus Mail, Politis, Phileleftheros

Time to start up a business: 1-3 days

Main Trading Partners:

UK, Greece, Germany, Italy, Israel, France, China

SOVEREIGN RATING (December 2015)

BB-
Standard & Poor's

B+
Fitch

B1
Moody's

1st

1st among smaller Countries
5th worldwide
ValuePenguin Safest Countries in the World Study 2015

5th

5th best relocation destination
Knight Frank Global Lifestyle Review (2013)
(out of 23 countries)

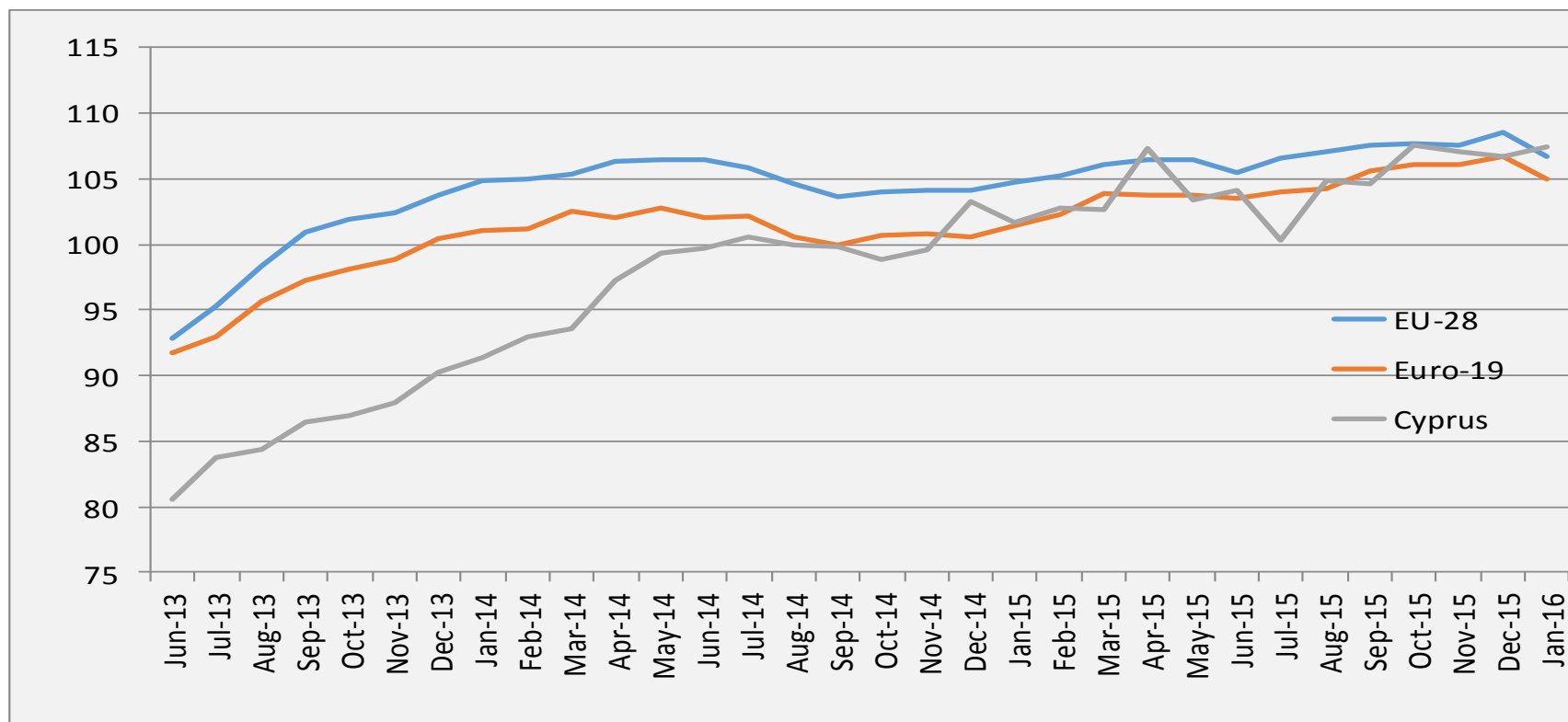
+13

Cyprus has moved up 13 places in the World Bank's 2016 Doing Business Report to rank 47th out of 189 economies



TOTAL GDP
(at current market prices)
€17.4 billion
(2014)

ECONOMIC SENTIMENT INDICATOR (ESI)



Source: Eurostat update: 10/02/2016

CYPRUS 10- YEAR GOVERNMENT BOND YIELD



Source: *Ministry of Finance*; updated: 22/01/2016

THE TURN AROUND

- Return to growth in **1Q 2015 (0.2%)** and **2Q 2015 (1.2%)**
- Nine assessments by Troika confirmed that the program is “**on track**”
- Resilient economy: GDP contraction: **2013** 5.4% vs. 8.7%
2014 2.3% vs. 4.8%
- Cyprus returned to international financial markets in record time
- Banks have been recapitalized through foreign investors and EBRD
- International credit rating agencies revised the Cyprus economy's outlook from stable to positive (BB- positive)
- As of April 2015 all domestic capital controls have been lifted
- Banking sector highly strengthened and better credit conditions
- Cyprus participates in ECB Quantitative Easing (QE) programme

The Government is continuously taking effective measures to:

- Reduce public debt
- Implement structural changes
- Enhance and protect future growth prospects
 - Promote economic development projects
 - Introduce investment-friendly policies and incentives
- Promote Inward Foreign Direct Investment

Cyprus: Competitive Advantages

Strategic Location

EU and Eurozone

Robust Legal & Regulatory
Framework

Tax System

Human Talent

Ease of Doing Business

Incentives

Value for Money Services

Infrastructure

Quality of Life



CYPRUS' STRATEGIC GEOGRAPHIC LOCATION



Cyprus: Legal System

- Based on the English Common Law Principles
 - Transparent
- Fully harmonized with international standards
 - High quality legal services
- Collaboration with international law firms
 - Application of EU Directives



Cyprus: Attractive Tax System

I. Exempt from tax:

Dividend income

Profits from overseas

Profits from the sale of securities

Inheritance tax

II. No withholding tax on:

Dividends

Interest

Royalties paid from Cyprus

- Most international transactions are exempt from VAT
- Intellectual Property Taxation
- Double Tax Treaties with 59 countries

Double Treaties with 59 countries

- ensuring that the same income is not taxed in more than one country.

Austria	Kuwait	Montenegro	Estonia
Bulgaria	Malta	Slovakia	Finland
Belarus	Mauritius	Czech Republic	Portugal
Belgium	Norway	Azerbaijan	Bosnia
Canada	Poland	Armenia	Lithuania
China	Romania	Kyrgyzstan	Spain
Denmark	Russia	Moldova	The States of
Egypt	South Africa	Tajikistan	Guernsey
France	Sweden	Uzbekistan	Swiss
Germany	Syria	Ukraine	Confederation
Greece	Singapore	Lebanon	Iceland
Hungary	Thailand	Seychelles	Kingdom of Bahrain
India	UK	San Marino	Georgia
Ireland	USA	Quatar	Iran
Italy	Serbia	UAE	Ethiopia

Cyprus: Attractive Tax System

III. Cyprus Corporation Tax

- Low Flat rate of Corporation Tax at 12.5%
- Favorable tax treatment of tax losses

IV. Cyprus Dividend Policy

- No dividend for foreigners
- Dividends in Cyprus are tax under Special Defence Contribution – 17%
- Only persons who are Cyprus tax residents and domiciled in Cyprus are taxed under special defense contribution
- Cyprus tax residents: 183 day rule
Domicile: Domicile of origin or domicile of choice

HIGH NETWORTH INDIVIDUAL INCENTIVES

- Introduction of term domicile as of July 2015

The introduction of the term domicile that was voted into effect during July 2015 aimed at the exemption of High net-worth non-domiciled individuals moving to Cyprus from Special Defence Contribution – As a result no tax on dividends, interests and rents

Income	Doms	Non-doms
Dividends	17%	Exempt
Interest	30%	Exempt
Rents	3% on 75%	Exempt

- Cyprus does not only exhibit the lowest corporate tax rate, but also one of the lowest top statutory personal income tax rate at 35%

Income	Tax
First €19.500	Nil
From €19.500 to €28.000	20% - total of €1.700
From €28.001 to €36.300	25% - total of €3.775
From €36.301 to €60.000	30% - total of €10.885
Over €60.000	35%

Cyprus: Human Talent

- Highest tertiary education percentage within the EU
- International business experience
 - Highly qualified
- Specialized service offering
 - Multilingual workforce

BUSINESS

Since Cyprus' accession to the European Union, Capitalizing on its strategic location, its role as a business bridge between Europe, Asia and Africa is further being enhanced.

GLOBAL COMPETITIVENESS	POSITION
BATHING WATER QUALITY ACCORDING TO THE EU ENVIRONMENT AGENCY	1 / EU28
BEST COUNTRY FOR BUSINESS ACCORDING TO BLOOMBERG RANKINGS	32 / 161
TRAVEL AND TOURISM ACCORDING TO THE WORLD ECONOMIC FORUM	29 / 140
BEST COUNTRIES FOR BUSINESS ACCORDING TO FORBES	27 / 145
GLOBAL INNOVATION INDEX ACCORDING TO INSTEAD BUSINESS SCHOOL	27 / 142
ENVIRONMENT & INFRASTRUCTURE ACCORDING TO THE WORLD ECONOMIC FORUM	21 / 140

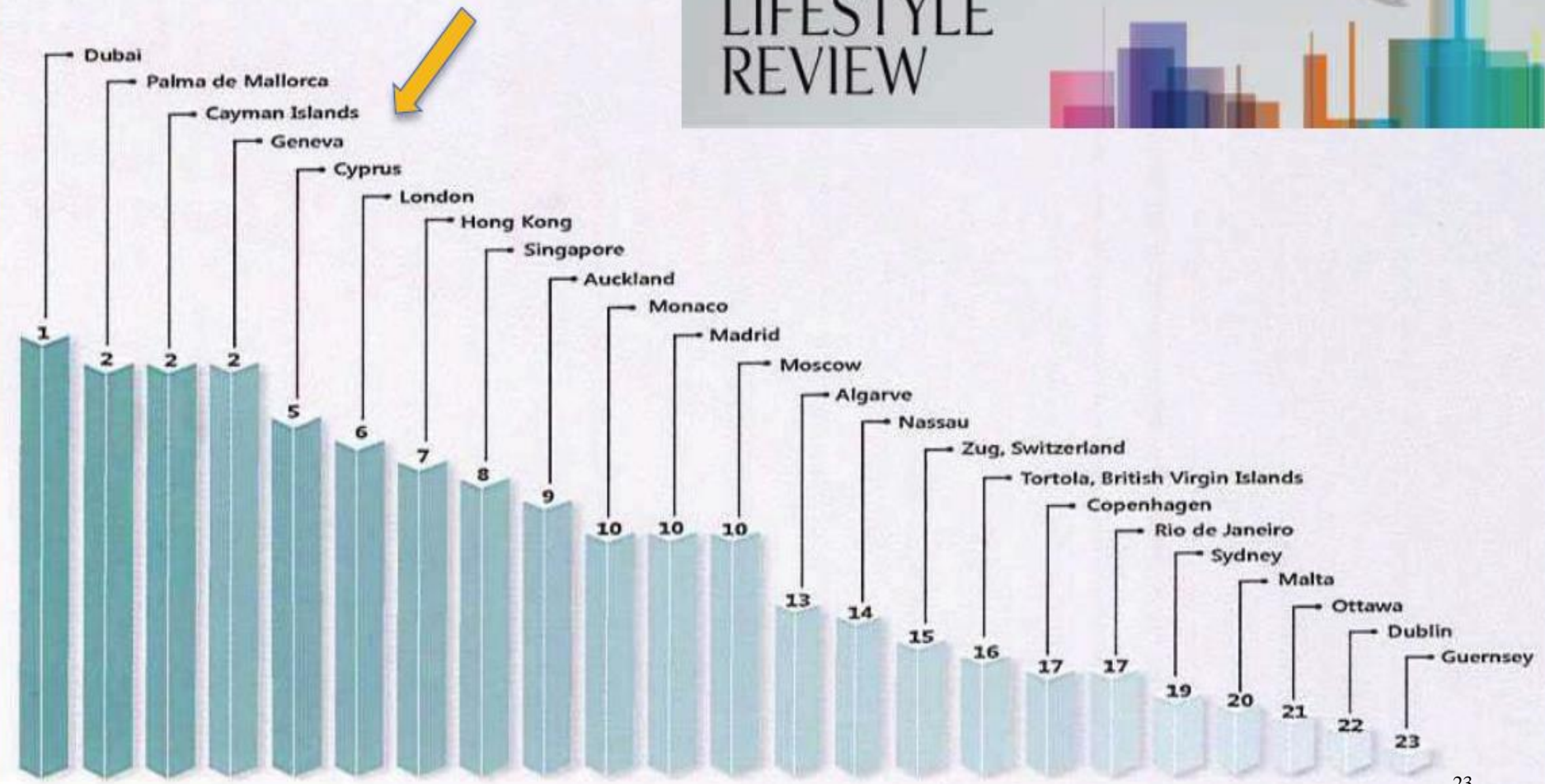
LIFESTYLE

**The beautiful island of Cyprus plays host to a wealth of contrasts,
Always offering something new to discover,
And life moves at a relaxed and gentle pace.**



Cyprus: 5th best country to relocate

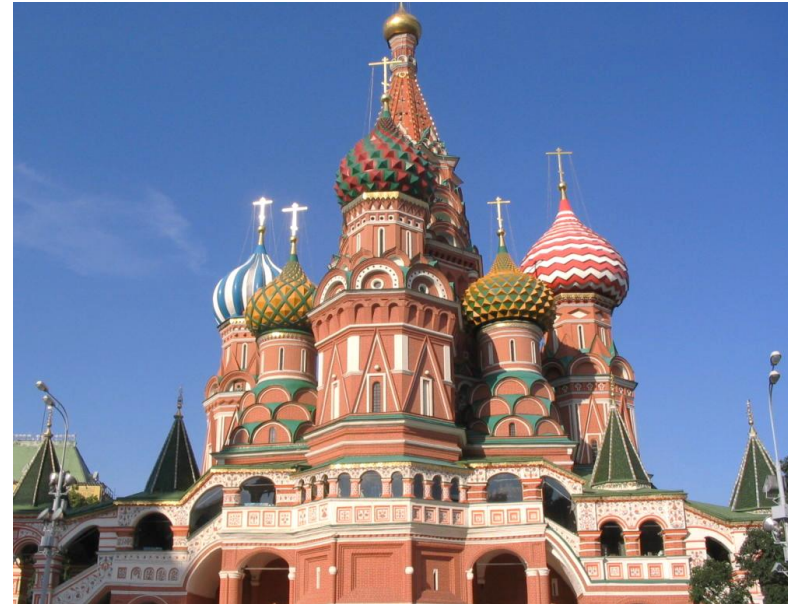
LIFESTYLE RANKINGS



CYPRUS RELATIONS WITH RUSSIA

- Historical, religious and cultural bonds for centuries.
- Diplomatic relations with the then USSR since 1960.
- The trade and economic ties between Cyprus and Russia are on constant increase.

FDI FLOW	€million
Cyprus to Russia	-2044
Russia to Cyprus	-1582



FDI STOCK	€million
Cyprus to Russia	25416
Russia to Cyprus	29741

FDI STOCK on Real Estate	€million
2013	2900
2014	3000



CYPRUS RELATIONS WITH RUSSIA

Cyprus 2014

Trade in Services - Credit (exports)	Russia
- Total Services	1.405.692.057
Main sectors:	
- - Transport	489.110.870
- - Travel	634.804.082
- - Financial Services	234.328.566
- - Legal, Accounting, management and public relations services	15.873.739
- - Technical, trade-related and other business services	1.327.610

Trade in Services - Debit (imports)	Russia
- Total Services	304.977.259
Main sectors:	
- - Transport	73.612.183
- - Travel	52.977.685
- - Financial Services	140.747.619
- - Legal, Accounting, management and public relations services	15.484.374
- - Technical, trade-related and other business services	6.103.088

- A significant number of Russian tourists also visit Cyprus every year (2014: 636,000 & 2015: more than 650,000).
- Cyprus and Russia have concluded a large number of bilateral agreements which cover different areas (political, economic, commercial, cultural, legal, etc).

Focus Sectors

Investment in Real Estate

Large Scale Development Projects

Investment Funds

Shipping

Hydrocarbons

Renewable Energy

Professional Services

Banking & Financial Services

Medical & Wellness Tourism

Research, Development & Innovation



GOVERNMENT INCENTIVES FOR REAL ESTATE INVESTMENTS

- Zero Capital Gains Tax
- VAT 19% now 5%
- Transfer fees from 8% now 0%
- Introduction of notional interest deduction as of 2015





Large Scale Development Projects

Potential Opportunities:

Luxury Real Estate Developments

Marinas

Leisure & Theme Parks

Luxury Resorts & Golf Courses

Health & Wellness Tourism Projects

Education & Universities



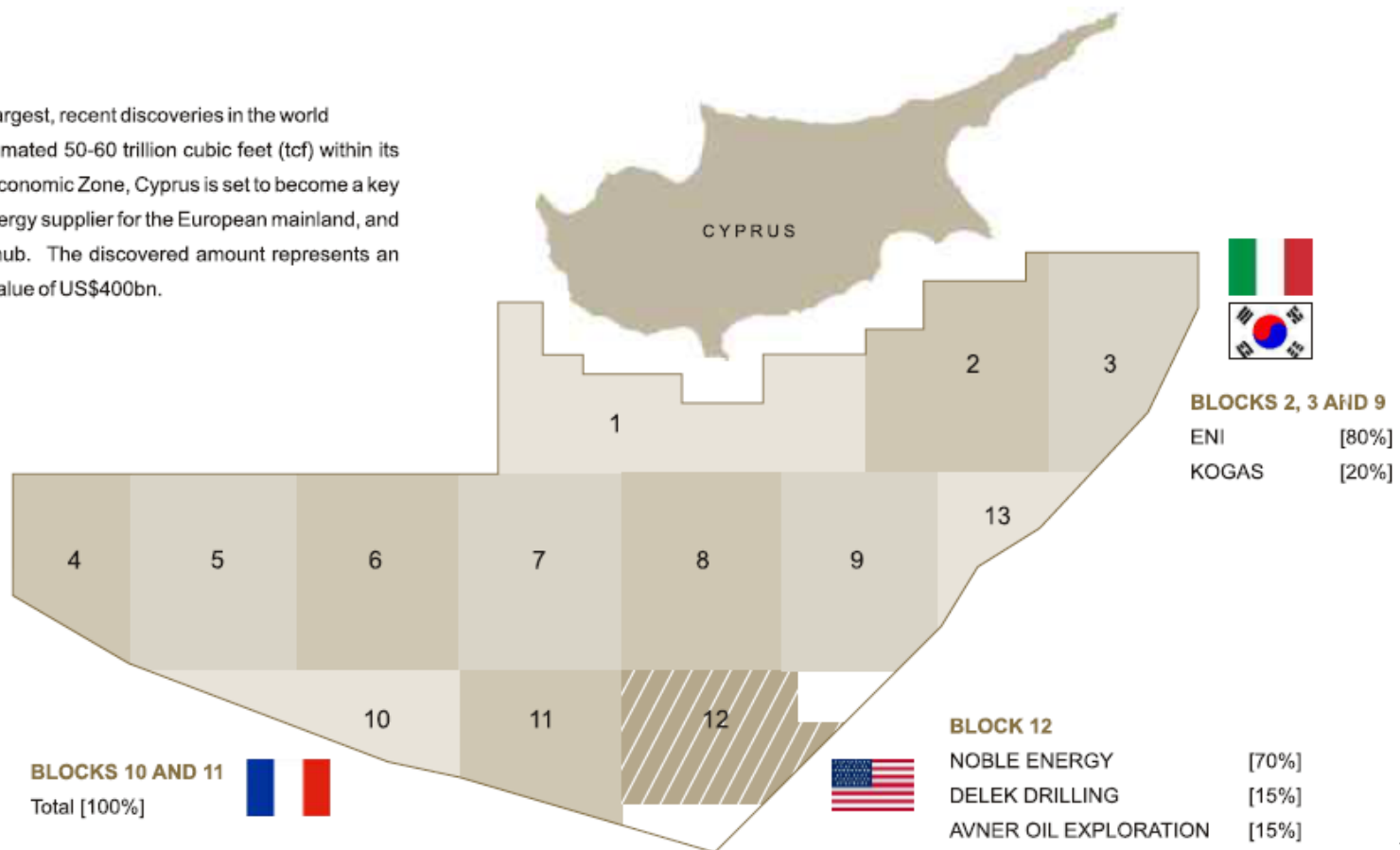
International Shipping Center

- The **ONLY** EU approved tonnage tax regime with benefits for ship-owning, ship-management and crew management
- **Largest** Ship Management Centre in EU
- **2nd** largest Ship Management Centre globally
- **3rd** largest merchant fleet in EU
- **10th** largest fleet worldwide
- More than 1,022 registered vessels with 21 million gross tonnage are registered under the Cyprus flag
- More than 140 ship owning and ship management related companies are operating from Cyprus

CYPRUS: NATURAL GAS

The recent natural gas discovery in the exclusive economic zone of Cyprus, will have a substantial impact on all aspects of the Cypriot economy, and especially in the real estate industry.

- One of the largest, recent discoveries in the world
- With an estimated 50-60 trillion cubic feet (tcf) within its Exclusive Economic Zone, Cyprus is set to become a key strategic energy supplier for the European mainland, and an energy hub. The discovered amount represents an estimated value of US\$400bn.



Hydrocarbons

LNG Plant

Oil Storage Terminals

Upstream

Downstream

Oil & Gas Auxiliary Services



CITIZENSHIP & PERMANENT RESIDENCE PERMIT

CYPRUS CITIZENSHIP VIA INVESTMENT

Main advantages & benefits

- Obtain European Citizenship and Passport in **three months**
- **Open to all nationalities**
- **Dual citizenship is allowed**
- No requirement to physically reside in Cyprus
- Attractive tax system
- Protection of family wealth
- Freedom of movement - visa Free travel within the EU
- Excellent travel document.
- Main applicants, wife and dependent children up to 28 years old **with no further investment**

CYPRUS CITIZENSHIP VIA INVESTMENT – terms & conditions

- Clean Criminal Record issued at the country of origin or the country of residence if it differs (to be obtained by the applicant).
- Confirmation that the applicant's name is not included in the list of persons whose property is ordered to be frozen within the boundaries of the European Union (the responsibility to obtain this is with the Ministry of Interior).
- Invest €2.5 million into real estate (must be kept for 3 years).
- Own a permanent private residence in the Republic of Cyprus, the purchase cost of which must exceed the amount of €500.000 plus VAT and must be fully paid. The residence must be kept for life.

PERMANENT RESIDENCE PERMIT

Fast procedure (approximately 2 months):

- Properties with a total cost of at least EUR300,000.00 +VAT must be purchased. At least EUR200,000.00 of the purchase cost must be settled.
- A minimum annual personal income, sourced from overseas must be at least EUR30,000.00 and EUR5,000.00 for each of the applicant's dependents.
- Deposit of EUR 30,000.00 for a fix period of three years in a Cyprus Bank, transferred from abroad.
- Covers applicants family, his parents and in-laws.

THE OPPORTUNITIES ARE ENDLESS

- Diversification of investments and assets are paramount to the economic growth.
- Returns from such investments can boost the Russian economy.
- Use Cyprus as:
 - Your business hub
 - Your family base
 - Your European gateway

Ευχαριστώ!

Efxaristo!

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