

**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 01.01.2014 – 31.03.2014

“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 2014 no such circumstance has occurred.

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

During the fourth quarter of the year 2013 there hasn't been such a circumstance.

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.

Such a circumstance has not occurred during the first quarter of the year 2014.

1.11. Announcement of the profit of the company.

As of the end of the first quarter of the year 2014 the net financial result of the Company on non-consolidated basis is loss in the amount of BGN 1 119 thousand.

1.12. Material losses and the reasons thereof.

During the first quarter of the year 2014 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 the year 2014 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 the year 2014.

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

On 09.12.2013, a loan contract has been concluded between ICPD ADSIC and Teximbank AD, according to which the Company has received working capital loan in the amount of EUR 130 000 at annual rate 7.75% and maturity date 20.12.2014. As collateral for the liability pursuant to this contract, on 05.02.2014 a mortgage has been established with notary deed № 53,, volume I, reg. № 358, file № 51/2014 by notary Gergana Nedina on property owned by the company ID number

00833.5.409, located in vacation complex Marina Cape, Aheloy town, Pomorie, Bourgas, region Prechistvatelna.

On 31.01.2014, BGI IMO EAD became a third party joint debtor under the lease contract since 17.12.2013, between the Bulgaria Leasing EAD and "Intercapital Property Development" ADSIC and availed a promissory notes issued by ICPD in favor of Bulgaria Leasing EAD for EUR 1 698 900, which represents the current debt under a lease contract on the date of the promissory note.

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

During the first quarter of 2014 no essential receivable has arisen for the company.

1.18. Liquidity problems and measures for financial support.

During the first quarter of 2014 the Company has not had any new liquidity problems.

With regard to a corporate bond issue of the Company issued in August 2007, on 3rd January 2013, with entry № 20130103135306 in the electronic file of the Company in the Commercial Register an invitation was announced for convocation of General Meeting of the bondholders of the corporate bond issue. Based on Art. 214, para 1 of the Commercial Act, the General Meeting of bondholders was convened by the representative of the bondholders Commercial Bank "INVESTBANK" AD and should be held on 16th January 2013 at 11:00 h on address: Sofia, 27 Vasil Levski Blvd., hotel Downtown, the conference hall.

The proposed agenda was as follows:

Item One

Giving consent on rescheduled repayment of the liabilities under the bond issue having ISIN code BG2100019079 through a partial re-negotiation of the terms, as follows:

1. Extension of the term of the issue by 60 months (as from 14 August 2013 until 14 August 2018);
2. The principal repayment schedule is amended as follows:
 - 2.1. Principal (amortisation) payments:

2013		2014		2015		2016		2017		2018	
Date	Amount (EUR)	Date	Amount (EUR)	Date	Amount (EUR)	Date	Amount (EUR)	Date	Amount (EUR)	Date	Amount (EUR)
14.02.	62 500	14.02.	62 500	14.02.	125 000	14.02.	187 500	14.02.	250 000	14.02.	250 000
14.05.	62 500	14.05.	62 500	14.05.	125 000	14.05.	187 500	14.05.	250 000	14.05.	250 000
14.08.	62 500	14.08.	62 500	14.08.	125 000	14.08.	187 500	14.08.	250 000	14.08.	250 000
14.11.	62 500	14.11.	62 500	14.11.	125 000	14.11.	187 500	14.11.	250 000		

2.2. Interest (coupon) payments within the extended term:

- The interest rate following 14 Feb 2013 until the maturity date shall be decreased to 7.25% per annum, payable at 3-month period on the dates as per the Table enclosed in the invitation;

- The interest payments due following 14 February 2013 until the maturity date shall be calculated by gradual decrease of the interest rate by 0.25%. The exact amount of the interest payments as well as the terms for applying the new gradual decrease of the interest rate are specified in the invitation and in the table enclosed;
- 2.3. The Issuer shall be still entitled to make a total or partial early repayment of the outstanding principal of the debenture loan. That repayment might be effected only on a date of an interest payment. The minimum amount that might be early repaid must equal at least one amortisation payment due for the respective period;
 3. All due principal and interest payments under the bond issue shall be effected in Bulgarian leva as per the official rate of exchange of the BNB as of the date of performance of the GMB /EUR 1 = BGN 1.95583/. In case that BNB's central exchange rate is changed, all payments shall be effected in Euro;
 4. The Issuer shall be obligated to open a special current account at UniCredit Bulbank AD to service the payments under the debenture loan;
 5. Security of the issue: Except for the insurance provided by Insurance Company Euro Ins and the second-tier mortgage, the Issuer shall be obligated to provide new additional collaterals such as: to sign a supplement to the insurance policy provided by Euro Ins and to create a first-tier mortgage on an own real property as described in the invitation;
 6. Other terms and ratios:
 - 6.1 Ratio between Equity and Secured Debt: The Company undertakes to maintain a ratio between equity and secured debt, calculated by dividing the balance sheet equity capital of the Company to the sum of all collateralized obligations, not lower than 0.10 (zero point ten) until the full payment of the bonds of this issue.
 - 6.2. Maximum ratio of Liabilities to Assets according to their book value: The Company undertakes to maintain a maximum ratio of the book value of its Liabilities to the book value of its Assets at the amount of not more than 0.95 (zero point ninety five) until the full payment of the bonds of this issue

Item two

Adoption of a decision, the GMB to assign and respectively authorise Intercapital Property Development ADSIC to undertake all necessary decisions and actions in pursuance with the voted amendments to the terms and conditions of the bond issue having ISIN code BG2100019079.

Due to lack of a quorum, the General Meeting of the Bondholders of Intercapital Property Development ADSIC has failed to take place on January 16, 2013. Thereby, the GMB was held on January 31, 2013 under the same agenda. However the Company's bondholders did not approve the proposals written in the invitation.

In the meantime on 25th January 2013, with entry № 20130125162118 in the electronic file of the Company in the Commercial Register an invitation was announced for convocation of General Meeting of bondholders of corporate bond issue with ISIN code BG2100019079, issued by ICPD. Based on Art. 214, para 1 of the Commercial Act, the General Meeting of bondholders was convened by the representative of the bondholders Commercial Bank "INVESTBANK" AD and would be held on 6th February 2013 at 11:00 h on address: Sofia, 27 Vasil Levski Blvd., hotel Downtown, the conference hall.

The agenda of the meeting, convened for 06.02.2013 was essentially analogous to the agenda of the meeting that was convened for 16.01.2013, the main difference being some technical corrections made in the draft of the supplement to the insurance policy provided by Euro Ins AD

(which is part of the written materials for the meeting) which aimed to provide better protection of the bondholders' rights.

The General meeting of the bondholders of "Intercapital Property Development" ADSIC held on 06.02.2013 approved the proposal and respectively all the suggested terms for renegotiation of the Company's bond loan.

In compliance with the decisions of the General Meeting of the Company's bondholders, held on 06.02.2013, on 14.02.2014 "Intercapital Property Development" ADSIC paid out the owed interest in the amount of EUR 59 390 and its principal the amount of EUR 62 500 on its corporate bond issue.

Due to the fact that Intercapital Property Development ADSIC has satisfied the condition regarding the payment due on 14.02.2014, the interest rate that will be applied to the remainder of the bond issue for the next quarter starting on 15.10.2014, is at 7.00% per annum.

1.19. Increase or reduction of the share capital

There have not been such circumstances during the first quarter of 2014.

1.20. Confirmation of negotiations for acquisition of the company.

There hasn't been such a circumstance during the first quarter of 2014.

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

During the first quarter of 2014 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 2014 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 2014 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 2014.

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 2014 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 2014.

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 30.01.2013 the Company signed a new Annex to the Contract with VEI Project AD dated 30.12.2011, according to which the parties have agreed that ICPD shall pay to VEI Project AD the remainder of the sale price of the properties, subject to the Contract, which as of 30.01.2013 amounts to EUR 841 989.39 incl. VAT, under the terms of a deferred payment as follows:

- Interest: 9% annually, which shall be accrued as of 01.02.2013 onwards.
- Term: 30.09.2016
- Interest payments: monthly
- Payment of the remainder of the sale price: in 9 equal monthly installments from January 2016 to September 2016.

On 19th August 2013, the Company has transferred by notary the ownership of property (an apartment in vacation complex "Marina Cape") to "VEI Project" AD with regard to Contract for giving instead of implementation dated 16.08.2013, concluded with "VEI Project" AD. The Contract from 16.08.2013 was signed between the parties in connection with Contract dated 30.12.2011, under which "VEI Project" AD has undertaken to transfer to "Intercapital Property Development" ADSIC the ownership of properties, located in vacation complex "Marina Cape", the town of Aheloy. Due to the fact that "Intercapital Property Development" ADSIC has not paid the negotiated purchase price for the real estates, subject of the Contract from 30.12.2011, by 30.01.2013, and has exercised its right to acquire the properties under deferred payment terms,

agreed with Annex dated 30.01.2013, "Intercapital Property Development" ADSIC owes a penalty to "VEI Project" AD in the amount of EUR 80 000 pursuant to the clauses of point 5.3 from the Contract dated 30.12.2011.

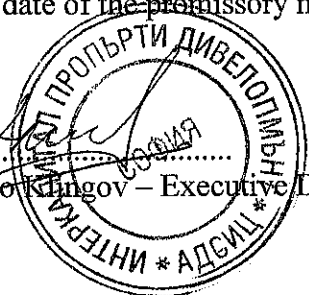
By transferring the above-described property at the amount of EUR 80 000 excl. VAT, "Intercapital Property Development" ADSIC repays its obligation to "VEI Project" AD, which represents the due and payable penalty, stipulated in point 5.3 in the Contract from 30.12.2011.

Subsequently, a preliminary contract for the sale of real estate dated 30 August 2013 was signed between "ICPD" ADSIC and "VEI Project" AD, pursuant to which "ICPD" ADSIC undertakes to repurchase the property from the preceding paragraph, under the conditions deferred payment.

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30.04.2014
Sofia


/Velichko Klingov – Executive Director/