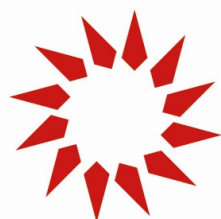


9%APR (GROSS) BOND

BACKED BY SECURE GERMAN ASSETS



AUGUSTA

Summary

Participation is invited to acquire convertible bonds, yielding a coupon of 9% (Gross) per annum for 5 years, from issuer Augusta Promitor GmbH. Bonds of a minimum €100,000 value are issued, to be combined with company equity and bank finance to purchase a carefully selected group of secure, high-yielding German property assets.

The Directors believe the proposition to be of interest for the following reasons:

1. The underlying solidity of the contracted income from which the coupon is financed
2. The considerable track record of the Directors in sourcing, negotiating for and managing assets of this type
3. The attractive returns in the current market as compared to deposit rates and/or the rates of return of many other asset classes

The features of the bond are as follows:

- 9% coupon per annum for five years, payable in two phases
- €45,000 in total coupons paid over the 5-year term on €100,000 bond
- Defined exit at the maturity point, when the principal is repayable to the bondholder
- Secured out of sustainable, contracted income
- Bondholders are prioritised over company shareholders
- Convertibility of the bond to equity

Risks

This bond is not risk-free. If the intended participant has any doubts about the risks involved, he/she should consult a qualified financial advisor. The Directors highlight below some of the main risks:

Tenancy Risk

Should a tenant or tenants be unable to pay rent, the ability of the Company to pay the bond coupons will be impaired. Should this occur, the bondholder has the right to convert the bond to equity in the Company. The Director's believe they have vetted tenants carefully, but this does not prevent the possibility of rental default.

Refinancing Risk

The Directors aim to refinance the Company in year 5. Part of the purpose of refinancing is to provide necessary funds, when combined with the accumulated income in the Company, to return the principal to each bondholder. There is a risk that the refinancing will not happen in the manner or the timeframe as to allow the principal to be returned as projected.

Proposal

Augusta Promitor GmbH, managed by the Directors of the successful investment firm Augusta, is a German limited company mandated to purchase an asset bank of carefully-selected German commercial property. These assets will be characterised by high initial yields, financially secure tenants with low default risk, contracted on leases with no fewer than 6 years remaining and paying rental streams that comfortably exceed the company's financing requirements. Participation is by way of non-transferable, convertible bonds which entitle the bondholder to coupon payments on the principal as follows:

- **6% (Gross) per annum, to be paid quarterly in arrears for the loan term of five years.**
- **3% (Gross) per annum, to be paid as a lump-sum bonus, together with the principal amount, upon maturation at the end of the fifth year.**

These bonds will be subordinate in priority to the senior finance but will have priority over any payments, dividends or distributions to the shareholders. They are issued on the basis that the company will only acquire assets that yield sufficient annual income, of acceptable security, to exceed by a pre-determined margin the assets' total financing costs (Debt Service Coverage Ratio or DSCR).

The bonds, save in the specific events of death of a bearer or of redemption of a pension plan which holds the bonds, are non-transferable to third parties. The bond is refundable if a property transaction is not made within 60 days of issue.

The bonds shall be convertible, at the sole option of the bondholder, to equity in the company in the unlikely event that company funding cannot support repayment of coupons or principal within 45 days of the due date. Appropriate equity conversion rates will be set and detailed in the Bond Agreement.

Company Structure and Taxation

The Company is a German limited company (GmbH). Bondholders will have a contract by way of a Bond Agreement with the Company under Irish Law. Any additional finance sought by the company will be on a non-recourse basis to both bondholders and shareholders.

German Tax Implications

German corporate income tax, currently 15.825%, will be payable by the Company on any net income. Net income for tax purposes is calculated after deducting bank interest, bond coupons, other financing costs, fees and German tax depreciation. Tax depreciation is applied at 3% for commercial property. Coupons paid by the company to bondholders will be a tax-deductible expense.

Irish Tax Implications

Bondholders will receive quarterly coupon payments. These payments are not distributions for Irish tax purposes. They will be made without the deduction of Deposit Interest Retention Tax (DIRT) and are treatable as income. This income will not be taxable within a pension trust, but will be taxable if paid to an individual or company bondholder. If bondholders choose to defer these payments to the end, when they would be paid together with the bonus payment and principal, they may be considered for Capital Gains rather than Income Tax.

Equity Participation

In the event of the Bond converting to shareholder equity, and in the event of distributions being made, German withholding tax may apply. The German/Ireland Double Taxation Agreement limits the withholding tax to 10%. Irish resident investors should receive a tax credit for this withholding tax upon submission of their tax returns.

About the Company

Augusta Promitor GmbH shares common directors with investment firm Augusta. Augusta specialises in investments into the UK and German commercial property markets. Founded in late 2003 by Declan Kennedy, Augusta has successfully launched a total of nine commercial property syndicates, as well as managing a number of transactions on behalf of private clients. To date, Augusta has over €100m of property under management. In a year when property asset values fell in Germany, Augusta's German portfolio rose in value during 2008 by over 3%. With an office in Germany, a staff of Irish and German professionals and a network of real estate, development and asset management advisors, Augusta is well-placed for the identification, purchase and management of suitable assets for the mid- and post-Credit Crunch environments.

Directors of Augusta Promitor GmbH

Declan Kennedy FCCA

Declan (45) began his career with Deloitte. Since 1996, however, he has spent his career bringing innovative investment products to the market, beginning with the award-winning Irish Forestry Funds, which Declan grew to the State's largest private landowner, managing 19 plc's on behalf of 16,000 clients. Since 2003, Declan has applied his investment fund experience to the property market via Augusta. Declan is responsible for product structuring and financial control of Augusta.

Philipp Graf von Matuschka B.Sc.

Philipp (47) was born in Ireland of German parentage and speaks fluent German. Philipp's prior career was in project management, joining insurance multi-national Prudential in 2001 to launch a pension product into Germany, which has since become Prudential's most successful European venture. Philipp joined Augusta in 2006, bringing with him an expansive knowledge of Germany and German property. He spearheads the acquisition strategy, with a team of German-native staff and contractors.

Jerry Purcell B.B.S.

Jerry's career began in Tokyo with Riso Kagaku Corp. – a Japanese Fortune 500 firm – with whom he moved to the UK to direct marketing strategy for Northern Europe from 1998 to 2001. Upon return to Ireland, Jerry (37) held a senior commercial role with MBNA Bank before becoming Head of motoring organisation RAC Ireland in 2004. Jerry joined Augusta in early 2007 and manages the commercial and marketing strategy, raising over €1.5m in private investor equity to date.

Advisors

P. Ryan & Co. (Irish Tax), **O'Donnell Sweeney Eversheds** (Irish Legal), **Bulwien Gesa AG** (Market research and valuations)

Model of Returns

	Entry Date	Year 1	Year 2	Year 3	Year 4	Year 5
Principal Invested	-€ 100,000					
6% Coupon		€ 6,000	€ 6,000	€ 6,000	€ 6,000	€ 6,000
Lump-sum bonus*						€ 15,000
Principal Returned						€ 100,000
Totals	-€ 100,000	€ 6,000	€ 6,000	€ 6,000	€ 6,000	€ 121,000
*equivalent to 3% x5 years						

Asset Example

Augusta Promitor has acquired a modern office building in the city of Kassel. The purchase price of the property was €4.24m, with a further €385,000 in purchase costs. The initial gross yield on the property was 10.5%. The final property in a portfolio under exit, it was acquired from Deutsche Bank, who paid in excess of €6m for it less than two years prior.

The rental income from this property is capable of servicing combined bank debt and bond coupons, while still generating a significant positive cashflow for the return of principal in Year 5. The lease is with Fiducia IT AG, the largest provider of IT services to the German banking system, managing electronic banking systems for over 800 German banks. Fiducia has 2,800 employees and a 2008 turnover of €682 million. The German Creditreform credit scoring system ranks companies from a perfect 100 down to a highly uncreditworthy 600 score. As at April 2009, Fiducia IT AG holds a perfect 100 score with Creditreform.



Augusta is under negotiation on several high-yielding assets



Expression of Interest

Interested parties should complete the below expression of interest form and return it to:

Augusta Promitor GmbH
c/o APS Augusta Property Services Limited
Longford House, 8 Longford Place,
Monkstown, Co. Dublin, Ireland

Augusta Promitor GmbH
Company No.: HRB 113115 B
Unternehmensberater für die Immobilienwirtschaft
Pistoriusstraße 29
13086, Berlin
Germany

I hereby express my intention to participate in the acquisition of bonds issued by the above company to the amount of: _____ (*Minimum investment is €100,000 per participant*)

PLEASE USE IN BLOCK CAPITALS

Please tick: Mr. ☐ Mrs. ☐ Ms. ☐ Mr. & Mrs. ☐ Other _____

Name: _____

Address: _____

Phone: _____

Email: _____

Signature: _____