

PRESS RELEASE

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2003 has been a turning point for REDS.

The Company proceeded to a revaluation of its real estate (Act 3229/2004) recording capital gain of € 64 million (€ 6.7 million for the parent company and € 57 million for its subsidiaries). Today, the overall value of the properties is estimated at € 107 million.

Today's General Meeting decided on a share capital increase through capitalisation of reserves from real-estate revaluation as well as from a share premium through the issue of shares above par to be distributed to the shareholders for free, at a rate of one new share for every four old ones. Distribution of the free shares will be carried out until the end of July.

In 2003, the parent Company's profit before tax amounted to € 1.5 million, whereas consolidated loss was limited to € 1.5 million, compared to € 2 million in 2002.

According to the estimates of the Company's management, the 2004 consolidated results shall also be positive.

REAL PROPERTIES

November 2003 saw the successful launch of the Escape entertainment park in Ilion, Attica, while house sales in "Lofos Edison" are progressing at a rapid pace.

As regards the 75-acre estate in Gialou, the administrative process of city planning is in progress and, according to the estimates, it will be possible to issue a building permit within 2005. Meanwhile, negotiations are in progress for selling part of the estate to a major international retailer, whereas completion of such an agreement will add to the commercial value of the remainder of the estate.

With respect to the estate in Kantza, the Company is expecting within the next few days a response from the Local Administration (Municipal, Prefecture and District Authorities) regarding its proposal for the development of a shopping centre. Alternatively, the Company may proceed with the development of office and exhibition areas in accordance with the applicable provisions on Urban Control Zones.

Maroussi, 24-06-2004