



## **REDS Real Estate Development & Services SA**

Interim Summary Financial Statements  
according to IAS 34  
for the 1 January to 31 March 2008 period

**REDS REAL ESTATE DEVELOPMENT &  
SERVICES SA**

25 ERMOU STR., N. KIFISSIA - ATHENS 145 64  
VAT no.: 094007180 ATHENS FAEE: TAX OFFICE  
PUBLIC COMPANIES REG. NO. 13564/06/B/86/123 – File no 340340

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## Balance Sheet

All amounts in Euro.

	Note	<u>THE GROUP</u>		<u>THE COMPANY</u>	
		31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible assets		289.547	272.229	129.405	106.768
Intangible assets		33.542	38.190	23.598	26.851
Investments in real property	5	103.378.768	101.641.460	13.355.883	13.359.758
Investments in subsidiaries		-	-	39.406.512	39.406.512
Investments in joint ventures		-	-	10.770	10.770
Deferred tax receivables		2.603.735	2.483.408	1.793.184	1.810.531
Long- term available-for-sale financial assets	7	119.414	119.414	119.000	119.000
Other non-current receivables	9	1.840.305	1.842.390	1.840.305	1.842.390
		<b>108.265.311</b>	<b>106.397.091</b>	<b>56.678.659</b>	<b>56.682.581</b>
<b>Current assets</b>					
Inventories	8	7.004.843	6.214.480	6.993.536	6.203.172
Trade debtors and other receivables	9	3.419.694	3.684.877	3.927.907	3.638.521
Available-for-sale investments, short- term		25	25	25	25
Cash and cash equivalents		41.248.226	44.164.490	14.551.264	16.262.635
		<b>51.672.788</b>	<b>54.063.871</b>	<b>25.472.732</b>	<b>26.104.352</b>
<b>Total Assets</b>		<b>159.938.099</b>	<b>160.460.962</b>	<b>82.151.390</b>	<b>82.786.934</b>
<b>EQUITY CAPITAL</b>					
<b>Equity capital attributed to shareholders</b>					
Share capital		51.889.447	51.889.447	51.889.447	51.889.447
Share premium reserve		95.973	95.973	95.973	95.973
Other reserves		8.945.342	8.991.084	1.128.687	1.128.687
Profit/(loss) carried forward		49.417.975	50.653.298	5.757.133	6.148.030
		<b>110.348.737</b>	<b>111.629.802</b>	<b>58.871.240</b>	<b>59.262.137</b>
<b>Total equity</b>		<b>110.348.737</b>	<b>111.629.802</b>	<b>58.871.240</b>	<b>59.262.137</b>
<b>CREDITORS</b>					
<b>Non-current liabilities</b>					
Long-term loans	11	20.924.809	20.493.045	-	-
Retirement benefit obligation		50.128	44.401	50.128	44.401
Other non-current liabilities	10	42.976	42.976	42.976	42.976
Other long-term provisions		18.326.836	18.326.836	18.326.836	18.326.836
		<b>39.344.749</b>	<b>38.907.258</b>	<b>18.419.940</b>	<b>18.414.213</b>
<b>Current Liabilities</b>					
Suppliers and other liabilities	10	9.541.533	9.709.036	4.858.407	5.108.778
Current tax obligations (Income tax)	15	17.049	161.031	-	-
Short-term loans	11	534.227	52.030	-	-
Dividend payable		1.804	1.805	1.804	1.805
Other short-term provisions	15	150.000	-	-	-
		<b>10.244.613</b>	<b>9.923.903</b>	<b>4.860.210</b>	<b>5.110.583</b>
<b>Total liabilities</b>		<b>49.589.362</b>	<b>48.831.160</b>	<b>23.280.150</b>	<b>23.524.796</b>
<b>Total equity and liabilities</b>		<b>159.938.099</b>	<b>160.460.962</b>	<b>82.151.390</b>	<b>82.786.934</b>

The notes on pages 7 to 15 are an integral part of these financial statements.

## Income statement

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	01/01-31/03/2008	01/01-31/03/2007	01/01-31/03/2008	01/01-31/03/2007
<b>Sales</b>	52.755	3.477.794	197.273	1.460.158
Cost of sales	(92.070)	(2.442.361)	(128.819)	(838.969)
<b>Gross Profit</b>	<b>(39.315)</b>	<b>1.035.433</b>	<b>68.454</b>	<b>621.189</b>
Administration expenses	(775.887)	(799.248)	(535.653)	(449.664)
Other operating income / (expenses) (net) (note 12)	(472.547)	121.901	47.550	62.606
<b>Operating results</b>	<b>(1.287.749)</b>	<b>358.085</b>	<b>(419.649)</b>	<b>234.131</b>
Financial income (expenses) - net	(37.884)	7.537	46.097	(159.855)
<b>Profit before tax</b>	<b>(1.325.633)</b>	<b>365.622</b>	<b>(373.551)</b>	<b>74.275</b>
Income tax	90.311	(75.457)	(17.346)	21.854
<b>Net profit for the period</b>	<b>(1.235.322)</b>	<b>290.165</b>	<b>(390.897)</b>	<b>96.129</b>
<b>Profit / (loss) per share - basic (€)</b>	(0,0312)	0,0073	(0,0099)	0,0024

The notes on pages 7 to 15 are an integral part of these financial statements.

## Statement of changes in equity

All amounts in Euro.

	<u>THE GROUP</u>				Total
	Share capital	Share premium reserve	Other reserves	Results carried forward	
<b>01-Jan-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>6.391.107</b>	<b>49.451.216</b>	<b>107.827.743</b>
Net profit for the period	-	-	-	290.165	290.165
Foreign exchange differences	-	-	(1.242)	-	(1.242)
<b>31-Mar-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>6.389.865</b>	<b>49.741.381</b>	<b>108.116.666</b>
Net year profit	-	-	-	4.071.486	4.071.486
Dividend distributed	-	-	-	(396.103)	(396.103)
Transfer from / to Reserves	-	-	2.763.466	(2.763.466)	-
Foreign exchange differences	-	-	(162.247)	-	(162.248)
<b>31-Dec-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>8.991.084</b>	<b>50.653.298</b>	<b>111.629.802</b>
Net period profit /(loss)	-	-	-	(1.235.322)	(1.235.322)
Foreign exchange differences	-	-	(45.742)	-	(45.742)
<b>31-Mar-08</b>	<b>51.889.448</b>	<b>95.973</b>	<b>8.945.342</b>	<b>49.417.976</b>	<b>110.348.737</b>

	<u>THE COMPANY</u>				Total
	Share capital	Share premium reserve	Other reserves	Results carried forward	
<b>01-Jan-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>814.742</b>	<b>579.175</b>	<b>53.379.338</b>
Net profit for the period	-	-	-	96.129	96.129
<b>31-Mar-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>814.742</b>	<b>675.305</b>	<b>53.475.468</b>
Net year profit	-	-	-	6.182.773	6.182.773
Dividend distributed	-	-	-	(396.103)	(396.103)
Transfer from / to Reserves	-	-	313.945	(313.945)	-
<b>31-Dec-07</b>	<b>51.889.448</b>	<b>95.973</b>	<b>1.128.687</b>	<b>6.148.030</b>	<b>59.262.138</b>
Net period profit /(loss)	-	-	-	(390.897)	(390.897)
<b>31-Mar-08</b>	<b>51.889.448</b>	<b>95.973</b>	<b>1.128.687</b>	<b>5.757.133</b>	<b>58.871.241</b>

The notes on pages 7 to 15 are an integral part of these financial statements.

## Cash flow statement

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
<b><u>Operating Activities</u></b>				
Profit before tax	(1.325.633)	365.622	(373.551)	74.275
<i>Plus/less adjustments for:</i>				
Depreciation	65.725	174.460	13.904	139.425
Provisions	5.727	2.824	5.727	2.520
Foreign exchange differences	240.384	-	-	-
Results (income, expenses, profits and loss) from investing activity	(325.913)	(177.649)	(97.584)	(4.817)
Debit interests and related expenses	363.797	170.112	51.487	164.673
<i>Plus/less adjustments for differences in working capital balances or in balances related to operating activities:</i>				
Decrease / (increase) in inventories	(790.364)	1.452.096	(790.364)	(265.282)
Decrease / (increase) in receivables	254.803	1.475.225	(280.050)	684.200
Decrease / (increase) in liabilities (except banks)	(167.503)	92.658	(250.372)	169.953
<i>Less:</i>				
Debit interest and similar paid charges	(363.797)	(170.112)	(51.487)	(164.673)
Taxes paid	11.535	(699.814)	(7.251)	(412.172)
<b>Total inflows / (outflows) from operating activities (a)</b>	<b>(2.031.239)</b>	<b>2.685.422</b>	<b>(1.779.541)</b>	<b>388.103</b>
<b><u>Investing Activities</u></b>				
Acquisition /disposal of subsidiaries, affiliates, joint ventures and other investments	-	-	-	(15.000)
Purchase of tangible and intangible fixed assets	(2.124.898)	(4.923.999)	(29.413)	(70.995)
Interests received	325.913	177.649	97.584	4.817
<b>Total inflows / (outflows) from investing activities (b)</b>	<b>(1.798.985)</b>	<b>(4.746.350)</b>	<b>68.172</b>	<b>(81.177)</b>
<b><u>Financing Activities</u></b>				
Proceeds from loans (Note 11)	913.961	5.328.257	-	-
Dividend paid	(2)	-	(2)	-
<b>Total financing activities inflow / (outflow) (c)</b>	<b>913.959</b>	<b>5.328.257</b>	<b>(2)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)</b>	<b>(2.916.264)</b>	<b>3.267.329</b>	<b>(1.711.370)</b>	<b>306.925</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>44.164.490</b>	<b>23.353.827</b>	<b>16.262.635</b>	<b>2.435.689</b>
<b>Cash and cash equivalents at end of period</b>	<b>41.248.226</b>	<b>26.621.155</b>	<b>14.551.264</b>	<b>2.742.614</b>

The notes on pages 7 to 15 are an integral part of these financial statements.

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## Notes to the financial statements

### 1 General information

Company and Group operate in “Real estate management”. The core activity is property development, sale or lease through operating leases. The Group operates in Greece and Romania.

The Company has been organised and is established in Greece, headquartered at 25 Ermou str., Kifissia, Attica.

The company’s shares are listed in the Athens Stock Exchange, in the “Real estate holding & Development” category.

REDS SA is fully consolidated in the financial statements of "ELLINIKI TECHNODOMIKI TEB S.A." which holds 51,15% of its share capital, and is registered in Greece.

These interim summary financial statements were approved by the Board of Directors on 28 May 2008 and are available at the Company’s website on [www.regs.gr](http://www.regs.gr)

### 2 Summary of significant accounting policies

#### 2.1 Basis of preparation

These interim summary financial statements cover the period from 1 January 2008 until 31 March 2008 and have been prepared according to International Accounting Standard (IAS) 34 “Interim Financial Statements”. Interim financial statements have been prepared according to those IFRS that had either been issued and were in force during preparation of these financial statements (May 2008), or had been issued and applied early.

The accounting principles used in the preparation of the interim summary financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2007.

**In order to better and fully understand the interim summary financial statements, one needs to study them along with the annual financial statements for the year ended 31 December 2007, posted on the company’s website ([www.reds.gr](http://www.reds.gr)).**

These financial statements have been prepared under the historical cost principle, except that financial assets are carried at fair value, through profit and loss or available-for-sale, according to IFRS 39. Unrealised profit or loss resulting from changes in the fair value of investment property appear as fair value inventories in equity, until such assets are sold or designated as impaired. When sold or impaired, profit or loss shall be carried to the results. Impairment losses appearing in profit and loss are not reversible.

Cost that incur unevenly during the financial year are anticipated or deferred in the interim financial statements only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

### 3 Note on future events

Interim income statements, as well as the notes and reports that accompany them may include certain assumptions and calculations referring to future events with regard to operations, growth and financial performance of the Group. Despite the fact that such assumptions and calculations are based on the best possible knowledge of the Company’s and Group’s management, with regard to current conditions and activities, the actual results may eventually differ from those calculations and assumptions taken into consideration in the preparation of the Group’s interim financial statements.

## 4 Segment reporting

On 31 March 2008, the Group is operating in 3 business sectors:

- Real estate development and sale
- Real property operation
- Real estate management and technical consultancy services

All amounts in Euro.

Results for each segment for 1<sup>st</sup> quarter until 31 March 2008, follow:

<b>Consolidated segment information for 01/01-31/03/2008</b>	<b>Sale of property</b>	<b>Real property operation</b>	<b>Services</b>	<b>Total</b>
Sales (gross & net)	-	-	52.755	52.755
Gross profit/(loss) per sector	-	-	(39.315)	(39.315)
Administration expenses				(775.887)
Other operating income / (expenses) - net				(472.547)
Operating profit				(1.287.749)
Financial income (expenses) - net				(37.884)
<b>Profit/(loss) before taxes</b>				(1.325.633)
Income tax				90.311
<b>Net profit /(loss)</b>				<b>(1.235.322)</b>

Results for each segment for 1<sup>st</sup> quarter until 31 March 2007, follow:

<b>Consolidated segment information for 01/01-31/03/2007</b>	<b>Sale of property</b>	<b>Real property operation</b>	<b>Services</b>	<b>Total</b>
Sales (gross & net)	2.091.300	1.023.034	363.460	3.477.794
Gross profit/(loss) per sector	369.914	528.696	136.823	1.035.433
Administration expenses				(799.248)
Other operating income / (expenses) - net				121.901
Operating profit				358.085
Financial income (expenses) - net				7.537
<b>Profit/(loss) before taxes</b>				365.622
Income tax				(75.457)
<b>Net profit /(loss)</b>				<b>290.165</b>



## 5 Investments in real property

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
<b>Cost</b>				
<b>Start of period</b>	<b>102.309.140</b>	<b>109.270.978</b>	<b>13.426.127</b>	<b>36.681.396</b>
Foreign exchange differences	(333.354)	(325.873)	-	-
Subsidiary acquisition / absorption	1.789.669	4.546.117	-	-
Additions	335.229	12.532.250	-	459.064
Sales / write-offs	-	(23.714.332)	-	(23.714.332)
<b>End of period</b>	<b>104.100.683</b>	<b>102.309.140</b>	<b>13.426.127</b>	<b>13.426.127</b>
<b>Accumulated depreciation</b>				
<b>Start of period</b>	<b>(667.681)</b>	<b>(1.819.104)</b>	<b>(66.369)</b>	<b>(1.412.585)</b>
Foreign exchange differences	(2.806)	-	-	-
Period depreciation	(51.428)	(446.736)	(3.875)	(251.943)
Sales / write-offs	-	1.598.159	-	1.598.159
<b>End of period</b>	<b>(721.915)</b>	<b>(667.681)</b>	<b>(70.244)</b>	<b>(66.369)</b>
<b>Net book value</b>	<b>103.378.768</b>	<b>101.641.460</b>	<b>13.355.883</b>	<b>13.359.758</b>

- There are no encumbrances on the company's real property.
- Acquisition of 100% of "Dambovita Real Estate Srl", through the associate "Profit Construct Srl" was concluded in February 2008. The associate "Profit Construct Srl" now owns a real property of 8,016 sq.m. at the Splaiul Unirii location in Bucharest centre, which will be the site of a future mixed use building complex.

## 6 Group Participations

All Company participations are included in the consolidated financial statements.

Group Companies consolidated with the full consolidation method are the following:

COMPANY	Reg. Office	particip. %
KANTZA COMMERCIAL S.A.	GREECE	100%
YIALOU COMMERCIAL & TOURIST S.A.	GREECE	100%
PMS. PARKING SYSTEMS S.A.	GREECE	100%
LOFOS PALLINI S.A.	GREECE	67%
KARTEREDA HOLDINGS LIMITED	CYPRUS	100%
CLH ESTATE S.R.L.	ROMANIA	100% indirectly
CORREA HOLDINGS LIMITED	CYPRUS	100%
PROFIT CONSTRUCT SRL	ROMANIA	100% indirectly
DAMBOVITA REAL ESTATE SRL	ROMANIA	100% indirectly

The Company has recognised a provision to cover the obligation to acquire from OTE, 33% of shares held in "LOFOS PALLINI SA", against a minimum consideration, as set forth in the relevant Contract dated 28/02/2002. The amount of the provision rises to €18.3 million and has increased REDS's investment cost in said subsidiary, and as a result, same subsidiary is consolidated at 100%.

The following participation is included in the consolidated financial statements, with the Proportional Consolidation method.

COMPANY	REG. OFFICE	particip. %
3G S.A.	GREECE	50%

## 7 Available-for-sale investments

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
<b>Listed securities:</b>				
Shares-Greece	-	-	-	-
<b>Non-listed securities:</b>				
Shares-Greece	119.414	119.414	119.000	119.000
	<b>119.414</b>	<b>119.414</b>	<b>119.000</b>	<b>119.000</b>

During the previous year, the Company participated in the setting up and share capital increase of "ATHENS METROPOLITAN EXPO S.A.", holding an 11,67% stake for a consideration of €119 thousand. As the company is at its early business stage, management feels that the cost approaches the fair value of its holding.

The newly established company is registered in Greece. "ATHENS METROPOLITAN EXPO S.A." was awarded the concession contract for the development and operation of a new Exhibition and Conference Centre at the Athens International Airport.

## 8 Inventories

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
Finished products	11.308	11.308	-	-
Semi-finished products	6.993.536	6.203.172	6.993.536	6.203.172
<b>Total net realisable value</b>	<b>7.004.843</b>	<b>6.214.480</b>	<b>6.993.536</b>	<b>6.203.172</b>

Inventories concern houses under construction.

## 9 Receivables

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
Trade debtors	2.075.275	2.313.408	2.032.222	2.134.299
	<b>2.075.275</b>	<b>2.313.408</b>	<b>2.032.222</b>	<b>2.134.299</b>
Income Tax advance payment	267.557	294.339	267.557	260.307
Other receivables	2.381.547	2.457.631	1.543.471	1.442.888
Receivables from associates	535.619	461.889	1.924.962	1.643.417
<b>Total</b>	<b>5.259.999</b>	<b>5.527.267</b>	<b>5.768.212</b>	<b>5.480.911</b>
Other non-current receivables	1.840.305	1.842.390	1.840.305	1.842.390
Total non-current assets	1.840.305	1.842.390	1.840.305	1.842.390
Total Current Assets	3.419.694	3.684.877	3.927.907	3.638.521
<b>Total</b>	<b>5.259.999</b>	<b>5.527.267</b>	<b>5.768.212</b>	<b>5.480.911</b>

Breakdown of client balances majority on 31 March 2008 and 31 December 2007:

Client balances majority breakdown:	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
0 - 3 months	15.214	2.040.201	15.214	2.021.824
3 - 6 months	1.915.307	11.850	1.915.307	10.850
6 months - 1 year	74.613	120.500	74.613	-
1 - 2 years	13.756	67.447	13.756	64.005
2 - 3 years	45.526	62.910	2.473	27.121
Over 3 years	10.859	10.500	10.859	10.500
<b>Total</b>	<b>2.075.275</b>	<b>2.313.408</b>	<b>2.032.222</b>	<b>2.134.299</b>

## 10 Suppliers

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
Suppliers	407.119	311.970	224.347	295.227
Interest accrued	149.180	141.842	-	-
Accrued expenses	2.301	74.843	-	74.843
Insurance organisations and other taxes/ duties	147.186	303.356	104.292	284.257
Other liabilities	8.770.760	8.839.862	4.483.674	4.419.385
Liabilities to associates	107.963	80.140	89.070	78.043
<b>Total</b>	<b>9.584.509</b>	<b>9.752.012</b>	<b>4.901.382</b>	<b>5.151.754</b>
Non-current	42.976	42.976	42.976	42.976
Current	9.541.533	9.709.036	4.858.407	5.108.778
<b>Total</b>	<b>9.584.509</b>	<b>9.752.012</b>	<b>4.901.382</b>	<b>5.151.754</b>

## 11 Loans

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
<b><u>Long-term loans</u></b>				
<b>Start of period</b>	<b>20.493.045</b>	-	-	-
Bank loans	431.764	20.493.045	-	-
Repayment of loans	-	-	-	-
<b>Total long-term loans</b>	<b>20.924.809</b>	<b>20.493.045</b>	-	-
<b><u>Short-term loans</u></b>				
<b>Start of period</b>	<b>52.030</b>	<b>10.750.000</b>	-	<b>10.750.000</b>
Bank loans	482.197	3.052.030	-	3.000.000
Repayment of loans	-	(13.750.000)	-	(13.750.000)
<b>Total short-term loans</b>	<b>534.227</b>	<b>52.030</b>	-	-
<b>Total period loans</b>	<b>21.459.036</b>	<b>20.545.075</b>	-	-

Of the total long-term debt, approx. €15.5 million concerns the associates “CLH ESTATE SRL” & “PROFIT CONSTRUCT SRL” registered in Romania, and €5 million concerns 100% subsidiary “CORREA HOLDINGS LTD”, registered in Cyprus. The average weighted lending interest rate on 31 March 2008 was 5.19%.

## 12 Other operating income / (expenses)

The “Other operating income / (expenses)” account of the period’s Consolidated Income Statement, includes the amount of €473 thousand. This loss is mostly attributed to bills of exchange of the Romanian companies consolidated by the Full Consolidation method.

## 13 Existing obligations

All amounts in Euro.

The following amounts concern parent Company commitments for operating leases. The other Group companies have no obligations.

	<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>
Up to 1 year	162.936	162.936
1 to -5 years	864.063	885.456
Over 5 years	602.948	620.878
	<b>1.629.947</b>	<b>1.669.270</b>

## 14 Dividend per share

The Board of Directors has proposed, for year 2007, a total dividend of € 2,376,615.90, namely €0.06 per share; in 2006, the respective amount was € 396,102.65, namely € 0.01 per share.

The above year 2007 dividend amount is subject to ratification by the Annual General Shareholders Meeting, to be held on 30 May 2008. These financial statements do not include the proposed 2007 dividend.

## 15 Contingent liabilities

The Group's contingent liabilities pertain to bank and other guarantees and other matters arising in the ordinary course of business. Contingent liabilities are not expected to generate material charges

The Group's companies have no disputes under litigation or arbitration, nor are there any court or arbitration decisions that are likely to have a significant impact on the Group's companies' financial condition, except the pending court dispute between the "LOFOS PALLINI S.A." subsidiary and the City of Pallini before the State Council and the Athens Administrative Court of First Instance, regarding the amount payable as special contribution under Law 2947/2001, which, according to the City, rises to approx. €750,000. No provision has been made for this eventual obligation, as the Company's Management feels that the final outcome will be positive for the Company.

The competent Tax Authorities have not audited the tax returns for the years detailed below, and as a consequence, additional taxes and charges may be imposed after the audit and finalisation thereof. For this reason a provision for unaudited years was created in the previous year, amounting to €150 thousand. In this consolidated financial statement, this amount appears in the "Other Short-term Provisions" account, while in the respective 31.12.2007 statements, the amount appeared in the "Current tax obligations – income tax" account.

Company		
REDS S.A.	2 years	(2006-2007)
PMS. PARKING SYSTEMS S.A.	5 years	(2003-2007)
LOFOS PALLINI S.A.	6 years	(2002-2007)
KANTZA COMMERCIAL S.A.	9 years	(1999-2007)
YIALOU COMMERCIAL & TOURIST S.A.	6 years	(2002-2007)
3G S.A.	5 years	(2003-2007)
CORREA HOLDINGS LIMITED	1 year	(2007)
PROFIT CONSTRUCT SRL	1 year	(2007)
KARTEREDA HOLDINGS LIMITED	1 year	(2007)
CLH ESTATE S.R.L.	1 year	(2007)

## 16 Profit per share

Basic earnings per share are calculated by dividing the net profit attributable to the parent company's shareholders by the weighted average number of ordinary shares outstanding during the period, excluding own common shares held by subsidiaries (own shares). In case the number of shares has increased due to the issue of free shares, the new number shall apply to comparatives as well.

The Company has no dilutive potential ordinary shares. Therefore the diluted earnings per share is the same as the basic earnings per share.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
Profit corresponding to shareholders (in €)	(1.235.322)	290.165	(390.897)	96.129
Weighted average number of common shares	39.610.265	39.610.265	39.610.265	39.610.265
<b>Profit/(loss) after tax per share - basic (in €)</b>	<b>(0,0312)</b>	<b>0,0073</b>	<b>(0,0099)</b>	<b>0,0024</b>

## 17 Related-party transactions

Related-party transactions are:

### Sales / Purchases of goods and services

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>01/01- 31/3/2008</u>	<u>01/01- 31/3/2007</u>	<u>01/01- 31/3/2008</u>	<u>01/01- 31/3/2007</u>
Sales of goods & services to the parent company	-	-	-	-
Sales of goods & services to subsidiaries	-	-	220.000	157.739
Sales of goods & services to other associates	23.235	27.789	18.735	27.789
Purchases of goods & services from the parent company	62.272	44.738	48.474	44.738
Purchases of goods & services from subsidiaries	-	-	-	-
Purchases of goods & services from other associates	9.920	242.420	7.820	242.420

### Receivables / Liabilities of Associates

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31-Mar-08</u>	<u>31-Dec-07</u>	<u>31-Mar-08</u>	<u>31-Dec-07</u>
Receivables from the parent company	-	-	-	-
Receivables from subsidiaries	-	-	1.517.519	1.321.818
Receivables from other associates	535.619	354.245	407.443	354.245
Liabilities to the parent company	62.328	67.651	45.678	67.651
Liabilities to subsidiaries	-	-	-	-
Liabilities to other associates	45.828	6.196.123	43.392	6.196.123

### Officers' & Directors' transactions

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>01/01- 31/3/2008</u>	<u>01/01- 31/3/2007</u>	<u>01/01- 31/3/2008</u>	<u>01/01- 31/3/2007</u>
Officers' & Directors' transactions & fees	148.181	157.837	135.636	139.028
Receivables from officers and directors	42.553	1.277.289	-	-
Liabilities to officers and directors	2.776	4.627	-	-

## 18 Other notes

- On 31.03.2008 Group employed 81 staff (28 administrative staff and 53 day labourers), and Company 81 employed 28 staff (25 administrative staff and 3 day labourers).
- On 28/07/2005, "REDS SA" signed an agreement with "LA SOCIETE GENERALE IMMOBILIERE ESPAGNE (LSGIE)", to sell 100% of the shares in subsidiary "KANTZA COMMERCIAL SA", at a total price of € 70 million. Completion of the transaction is subject to the acquisition of the neighbouring property from "KANTZA PROPERTY

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DEVELOPMENT, MANAGEMENT & OPERATION S.A”, and to obtaining all building licenses and approvals for the entire property in Kantza, Pallini.

- On 20/6/2006 a draft contract was signed for the sale of part of the property belonging to "YIALOU EMPORIKI & TOURISTIKI S.A." at the Yialou Spata location, for a consideration of €13.4 mil. with MACARTHURGLEN HELLAS Ltd. The final sale contract is conditional upon the issuing of the building license. The company will not recognise any income until the transaction is finalised.
- On 12.06.2007 the Company concluded with companies managed by the HENDERSON investment house the following:  
a) sale agreements of its two shopping centres, Veso Mare and Escape Centre, for a total consideration of €40.5 million &  
b) a preliminary sale agreement regarding 100% of the shares in subsidiary “YIALOU COMMERCIAL & TOURIST S.A.”, for an estimated consideration of €70 mil. The deal is expected to become final following completion of construction and start of operations of the “Business Park”, that the company will develop on part of its property in the Yialou, Spata location, and consequently, the Company will not recognise any income until finalisation of the transaction.
- In June 2007, the Company signed a preliminary purchase agreement for a 6,500 sq.m. plot at a central location in the Municipality of Elefsina. The company intends to develop the site by constructing a commercial use building, with a total rental space surface of 9,400 sq.m., including an underground car park..

## 19 Post balance sheet events

In April 2008,, the associate CLH ESTATE SRL, concluded the licensing procedure for the residential complex of 73 houses at the Baneasa Lake location in Bucharest, Romania.

In May 2008, a building license was issued for the construction of office buildings over a total built-up area of approx. 19,000 sq.m. (superstructure), on the company’s plot in Akadimia Platonos.

Athens, 28 May 2008

CHAIRMAN OF THE BOARD	MANAGING DIRECTOR	GENERAL MANAGER & MEMBER OF THE BOARD	FINANCIAL MANAGER
DIMITRIOS KOUTRAS	ANASTASSIOS KALLITSANTIS	IOANNIS MORAITIS	GEORGE ILIOPOULOS