PIRAEUS REAL ESTATE INVESTMENT COMPANY S.A.

Full Year Results 2007

March 2007

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Company Overview

Company Description

- Founded in 1999, Piraeus Real Estate Investment Company (Piraeus REIC) is a special purpose company established in order to invest in and manage real estate property
- The company focuses on commercial real estate assets and generates revenues from commercial leases and the sale of portfolio assets
- First REIC to be floated in the Athens Stock Exchange in 2005

Shareholding Structure

- Majority-owned by Piraeus Bank, one of Greece's leading financial services groups
 - Solution Piraeus Bank Group contributes approximately 73% of rental income
 - and also offers operational, administrative and technical support
- Property portfolio consists of 27 real estates with an appraised value of €99.7 million (December 31, 2007)

Financial Highlights

- ◆ Cash in hand at €13.6 million (December 31, 2007)
- ◆ Rental income at €8.0 million in 2007, up 2.6% y-o-y with an annualized yield of approximately 8%
- ◆ EPS growth of 13% in 2007 to €0.17

Investment Proposition

PRIME PORTFOLIO

- Solution 4: So
- Sental income at €8 million in 2007 implies an annualized yield of 8%
- Solution Annual indexation at Consumer Price Index plus 1%
- TOP QUALITY TENANTS
 - ♥ Piraeus Bank accounts for 73% of rental income (2007)

◆ STRATEGIC PARTNERSHIP WITH PIRAEUS BANK GROUP

🤟 Piraeus Bank Group offers operational, administrative and technical support

FAVORABLE TAX STRUCTURE

- Corporate income tax is determined at 10% of the "ECB reference rate + 1%" applied to the average fair value of investment properties plus cash & cash equivalents. The tax rate rose by 0.1% with the new law regarding real estate assets effective from 2008
- EXPERIENCED MANAGEMENT
- LIMITED EARNINGS VOLATILITY
- HIGH DIVIDEND PAYOUT & DIVIDEND YIELD
 - ♦ Average dividend yield of 6.6% in 2006-2007
- ♦ ATTRACTIVE VALUATION
 - ♥ Trading on a 2008 estimated P/E of 11.2x and a P/BV of 0.9x (FY 2007)

Piraeus REIC...

...as an alternative investment choice

...offering a high dividend yield

Piraeus Real Estate Investment Company S.A.

Greek Real Estate Sector

- Investments in infrastructure projects (motorways, public transportation systems, ports etc.) are expected to have a positive impact on this market
- Smoothly adjustment of rents
- Change of the geographical distribution of demand in Greater Athens Area
- Central shopping centers, which represent low risk of no further leasing
- Gradual development of shopping centers all over Greece
- Enhancement of the presence of multinational companies in retail property sector (IKEA, Media Markt, FNAC, Lidl, Dixons, Practiker, Starbucks, Zara, Intersport, Media Markt e.t.c.)

Despite the yield compression in Greek real estate market, rental domestic yields are still above the European average ones, specifically for offices and logistics

Offices

Stores

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Comparison with other European REITs

	Country	Capital. (€ mil.)	Dividend yield '07	P/BV '07
Corio Nv	Netherlands	3.776	4,63%	1,0x
GECINA SA	France	5.828	5,37%	0,7x
Groupe Promeo	France	120	0,82%	2,6x
Icade Sa	France	4.592	3,51%	3,1x
Mpc (Munchmeyer Petersen Ca)	Germany	466	7,97%	3,9x
Wereldhave	Netherlands	1.704	5,67%	0,9x
Befimmo	Belgium	1.021	5,77%	1,1x
Fonciere des Regions	France	3.963	5,18%	0,9x
Med.		2.740	5,27%	1,1x
Piraeus R.E.I.C.	Greece	103	6, 95%	0,9x

Source: FactSet 11/03/2008

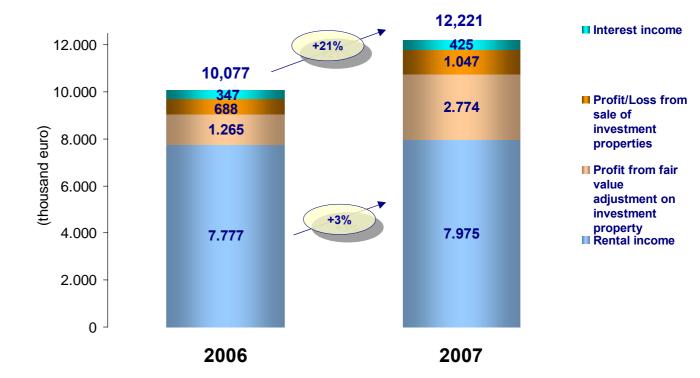
Income Statement

('000 €)	2007	2006	Δ%
Rental income	7,975	7,777	2.6%
of which Piraeus Bank S.A.	69%	73%	
Profit/Loss from sale of investment properties	1,047	688	52.2%
Property related expenses	607	443	37.0%
Total Operating Income	8,415	8,022	4.9%
Profit from fair value adjustment on investment property	2,774	1,265	119.3%
Interest income	426	347	22.8%
Administrative expenses	1,865	1,073	73.8%
Profit Before Income Tax	9,749	8,561	13.9%
Income tax	550	337	63.5%
Net Profit for the Period	9,199	8,224	11.9%
Basic EPS	€0.17	€0.15	
Dividend per share	€0.13	€0.123	
Fair value of investment property (December 31 st , 2007)	99,717	99.929	
Cash & cash equivalents (December 31 st , 2007)	13,644	10.654	

- Rental yield of 7% based on the total value of investments, remaining at the same level of 2006
- Or 8% based on commercial portfolio versus 7.8% in 2006

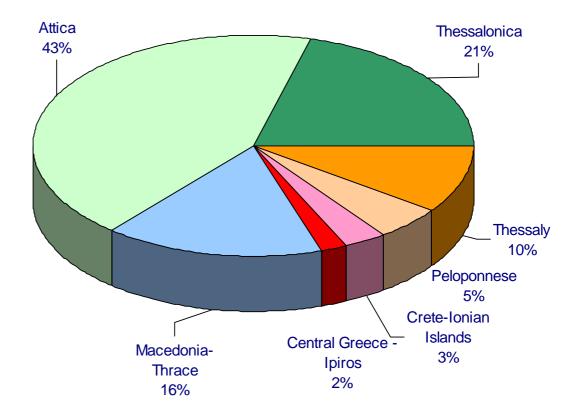
2007 Revenues Breakdown

- 65% of operating income stems from rents
- 23% of operating income stems from the fair value adjustment on investment property
- 9% of operating income stems from profit from sale of investment property
- 3% of operating income stems from interest income



Geographical Breakdown of Rental Income in 2007

 Properties outside the Attica basin account for 57% of rental income, pointing to a well diversified portfolio



Business Real Estates

- The major leases have a term of 9-12 years
- Annual Indexation: Consumer Price Index plus 1%
- Rental income is insured for a 12month period against income losses from vacancies
- Target: maintenance expenses to be carried by the tenants
- The company is insured against cases of tenants breaking lease contracts prior to the expiry date

TENANT	31.12.2007			
	Valuation Price (in mn €)	% of the Total Investment Portfolio	Yield to the Valuation Price	
	62.3	55.0%	9.38%	
	12.3	10.9%	6.05%	
Kosmopolis PARK	17.7	15.6%	6.93%	
OTHER	7.4	6.5%	2.09%	
TOTAL PROPERTY	99.7	88,0%	8.0%	
CASH & CASH EQUIVALENTS 31.12.06	13.6	12.1%		
TOTAL INVESTMENT PORTFOLIO	113.3	100.0%		

Balance Sheet

(€ thousands)	31.12.07	31.12.06
Tangible assets	2	2
Investment property	99,717	99,929
Other long-term receivables	36	36
Non – Current Assets	99,755	99,967
Trade receivables	190	243
Other receivables	86	199
Cash & cash equivalents	13,644	10,654
Current Assets	13,920	11,096
TOTAL ASSETS	113,675	111,063
Income tax	283	164
Suppliers & other liabilities	608	566
Total Current Liabilities	891	730
Other long-term liabilities	96	92
Total Long-term Liabilities	96	92
Total Equity	112,688	110,241
TOTAL LIABILITIES & EQUITY	113,675	111,063

Greek Investment Framework

- Immediate use of property for commercial or industrial purpose
- Greek Real Estate Investment Companies (REICs) are prohibited from developing real estates but are allowed to do so in the case of assets under completion when the total expenditures required do not exceed 25% of the property's value after completion
- REITs can invest funds raised in companies active solely in real estate investment and management (90% minimum stake)
- The value of each real estate may not exceed 25% of the total value of the real estate portfolio
- Bank debt can not exceed 50% of assets and can be obtained for the development of unfinished properties as well as acquisitions
- For each investment property in the portfolio and for every real estate to be acquired, an appraisal must take place by SOE (Greek Body of Swarn-in Evaluators)
- Investment property may not be sold below the SOE appraised-value (+/- 5%), nor can the company acquire properties at values in excess of the appraised ones by swarn-in auditors (+/- 5%)
- Each property must be in the possession of the company for at least 12 months before being disposed
- Corporate income tax is determined at 10% of the "ECB reference rate + 1%" applied to the average fair value of investment properties plus cash & cash equivalents. The tax rate rose by 0.1% with the new law regarding real estate assets effective from 2008
- Exemption from the amortization-depreciation procedure
- Evaluation of property by the SOE twice per year (defined dates 30/6 and 31/12)

Investment Policy

- Acquisition of new properties are targeted to increase the trading value of the total portfolio and improve its structure. Essential parameters for such decisions are:
 - Annual rental yield of the property
 - Credibility of tenants
 - Geographical location of the property combined with market trend
 - Capital gain prospects
 - Construction and maintenance quality of properties
- The sale of properties aim at the maximization of returns for the company and the release of funds to be used for investments in higher yielding properties

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Advantages of the Underling Investment Portfolio

Modern and refurbished buildings in privileged spots

tradable spots

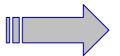
 Administrative **Expenses** -controlled •Income tax expensestable

Investment with

relatively predictable

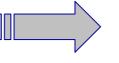
returns

 Defensive investment with higher liquidity than the direct investments in property

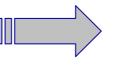


Relatively low risks of no further leasing

- Shops in high advertised and commercial areas in the most
- Sporadic horizontal properties in offices buildings in central spots and main traffic arteries
- Sporadic and of special character buildings (i.e malls) in central traffic arteries, which are of high quality in terms of long leases



- **Relatively low risks and** good prospects of capital gains
- High rental returns and satisfactory capital gains



Relatively high and fixed rental returns

Contact information

5, Korai St., PC: 105 64, Athens

Tel: (+30) 210 3335402, 3335404, 3335405

Fax. (+30) 210 3335406

http://www.piraeusaeeap.gr/

Bloomberg: REI GA

Reuters: PREr.AT