

Marousi, 03 February 2011

Press Release

Eurobank Properties: Net profit of €5.65m for 2011. Trading discount at 66% of NAV.

Eurobank Properties' net profit for 2011 was €5.65m compared to €8.00m, a decrease of 29% compared to the previous period.

The decrease in profit is mainly due to the increase in net loss from fair value adjustments from €27.26 to €32.60 and is reasonable considering the macroeconomic problems in the real economy and the real estate sector.

A summary of the Company's operational results are as follows:

- a) Reduced operating expenses by 15% from €5.26m to €4.47m as a result of management successful efforts to reduce costs, for the third consecutive year.
- b) Increased interest income by 21% from €6.90m to €8.35m due to the higher interest rates during the period.
- c) Reduced income tax expense by 34% from €7.61m to €5.04m, due to the additional income tax imposed in 2010, and not realized in 2011. This extraordinary income tax was significantly higher than extraordinary property tax imposed according to law 4021/11.

To the contrary

- Rental income slightly decreased (-0.25%) to €43.53m vs. €43.64m., despite the new investment in Othonos and the maturing of the investment in Tavros.
- Interest expense increased by 37% from €2.89m to. €3.96m, due to the investment in Tavros and increased interest rates.

The basic ratios of the Company have improved compared to the previous period and are formulated as following:

- Current ratio: 9.4x vs. 3.5x
- Debt to total Assets: 13% vs. 14%
- Loans to Value (LTV): 14% vs. 15%
- Funds from Operations (FFOs): €38.27m vs. €35.23m

As at December 31, 2011 cash and short term deposit amounted €157m vs. €166m while outstanding loans amounted to €88m vs €97m.

NAV as at December 31, 2011 slightly decreased to €682m or €1.18 per share compared to €1.49 as at December 31st, 2010. The decrease is due to the final dividend 2010 paid out in April and the decrease in the fair value of investment property. Based on current share price the Company is trading at approximately 66% discount of its NAV.