

Marousi, 04 November 2011

Press Release

Eurobank Properties: Net profit of €16.65m for the nine month period of 2011. Trading discount at 65% of NAV.

Eurobank Properties' net profit for the nine month period 2011 was €16.65m compared to €8.15m of the previous period (increase 103%). If the impact for fair value adjustments of investment properties is excluded the increase is 5%.

The significant increase in net profit is mainly due to the following reasons:

- a) Reduced losses from fair value adjustments of investment properties (€1.83m vs. €18.83m) mainly due to the stabilization of the values of investment properties abroad.
- b) Reduced income tax expense to €1.51m vs. €5.50m. It should be noted that during the previous period an additional income tax of €4.38m was recognized from the imposition of extraordinary tax on profits. If the Greek State imposes a similar extraordinary tax on profits, the amount will be approximately €1.79m.
- c) Reduced operating expenses to €4.21m vs. €4.81m (reduction 12%), as a result of management continuous efforts to reduce costs.
- d) Increased interest income to €5.81m vs. €4.89m (increase 19%), due to the higher interest rates obtained compared to the previous period.

To the contrary

- Rental income slightly decreased to €33.35m vs. €33.75m., despite the investment in Tavros due to the current economic downturn.
- Interest expense increased to €3.10m vs. €1.96m due to the investment in Tavros and higher interest rates mainly to our entities in Southeastern Europe.
- Other property relating expenses includes a provision amounting to €1.95m that relates to the extraordinary property tax imposed, through electricity bills according law 4021/11.

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

- Current ratio: 4.1x vs. 3.5x
- Debt to total Assets: 12% vs. 14%
- Loans to Value (LTV): 14% vs. 15%
- Funds from Operations (FFOs): €28,39m vs. €26,95m

Cash and short term deposits as at September 30, 2011 amounted to €149m while outstanding loans amounted to €86m.

NAV as at September 30th, 2011 slightly decreased to €93m or €1.37 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 65% discount of its NAV.