



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

**Interim Summary Financial Statements  
according to IAS 34  
for the 1 January to 30 September 2007 period**

**REDS REAL ESTATE DEVELOPMENT &  
SERVICES SA**

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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>	
		30-Sep-07	31-Dec-06	30-Sep-07	31-Dec-06
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible assets		208.185	217.995	62.267	99.319
Intangible assets		326.720	37.077	30.104	36.894
Investments in real property	5	102.378.877	107.451.874	13.320.293	35.268.810
Investments in subsidiaries		-	-	39.406.512	39.390.511
Investments in joint ventures		-	-	10.770	10.770
Long-term available-for-sale financial assets		35.000	-	35.000	-
Deferred tax receivables		2.237.263	2.393.294	1.915.904	2.035.989
Advances for long-term Operating Leases	8	-	9.432.146	-	9.432.146
Other non-current receivables		11.896	77.028	11.896	77.028
		<b>105.197.942</b>	<b>119.609.413</b>	<b>54.792.747</b>	<b>86.351.468</b>
<b>Current assets</b>					
Inventories	7	8.225.815	9.026.078	8.194.396	6.719.997
Trade debtors and other receivables	8	5.690.605	7.232.075	5.359.506	4.304.912
Available-for-sale investments, short-term		25	25	25	25
Cash and cash equivalents		49.187.696	23.353.827	18.308.677	2.435.689
		<b>63.104.140</b>	<b>39.612.004</b>	<b>31.862.603</b>	<b>13.460.623</b>
<b>Total Assets</b>		<b>168.302.083</b>	<b>159.221.417</b>	<b>86.655.350</b>	<b>99.812.090</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		8.924.221	6.391.107	814.742	814.742
Profit/(loss) carried forward		53.238.595	49.451.216	7.302.872	579.176
		<b>114.148.236</b>	<b>107.827.743</b>	<b>60.103.034</b>	<b>53.379.338</b>
<b>Total equity</b>		<b>114.148.236</b>	<b>107.827.743</b>	<b>60.103.034</b>	<b>53.379.338</b>
<b>CREDITORS</b>					
<b>Non-current liabilities</b>					
Long-term loans	10	22.363.084	-	-	-
Retirement benefit obligation		91.619	84.058	89.903	82.342
Other non-current liabilities	9	42.976	3.715.215	42.976	3.715.215
Other long-term provisions		18.326.836	18.326.836	18.326.836	18.326.836
		<b>40.824.515</b>	<b>22.126.109</b>	<b>18.459.715</b>	<b>22.124.393</b>
<b>Current Liabilities</b>					
Suppliers and other liabilities	9	10.636.624	17.356.366	5.415.512	12.418.481
Current tax obligations (Income tax)		2.690.767	1.161.198	2.675.148	1.139.878
Short-term loans	10	-	10.750.000	-	10.750.000
Dividend payable	14	1.941	-	1.941	-
		<b>13.329.332</b>	<b>29.267.564</b>	<b>8.092.601</b>	<b>24.308.359</b>
<b>Total liabilities</b>		<b>54.153.847</b>	<b>51.393.674</b>	<b>26.552.316</b>	<b>46.432.753</b>
<b>Total equity and liabilities</b>		<b>168.302.083</b>	<b>159.221.417</b>	<b>86.655.350</b>	<b>99.812.090</b>

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

## Income statement

All amounts in Euro.

### THE GROUP

	01/01-30/9/2007	01/01-30/9/2006	1/7-30/9/2007	1/7-30/9/2006
<b>Sales</b> (note No4)	26.773.586	8.675.531	155.238	2.690.877
Cost of sales	(13.834.896)	(5.835.977)	(102.646)	(1.801.900)
<b>Gross Profit</b>	<b>12.938.690</b>	<b>2.839.554</b>	<b>52.592</b>	<b>888.977</b>
Administration expenses	(2.454.012)	(2.186.248)	(487.507)	(631.742)
Other operating income / (expenses) (net) (note 11)	(748.642)	1.735.989	(42.782)	77.084
<b>Operating results</b>	<b>9.736.035</b>	<b>2.389.294</b>	<b>(477.697)</b>	<b>334.320</b>
Financial income (expenses) - net	(68.942)	12.447	(4.296)	34.497
<b>Profit before tax</b>	<b>9.667.093</b>	<b>2.401.742</b>	<b>(481.992)</b>	<b>368.816</b>
Income tax	(3.067.021)	(615.507)	(42.519)	(75.941)
<b>Net profit for the period</b>	<b>6.600.072</b>	<b>1.786.235</b>	<b>(524.511)</b>	<b>292.875</b>
<b>Profit / (loss) per share - basic (€)</b>	0,1666	0,0451	(0,0132)	0,0074

### THE COMPANY

	01/01-30/9/2007	01/01-30/9/2006	1/7-30/9/2007	1/7-30/9/2006
<b>Sales</b>	24.020.524	4.484.253	195.697	1.330.002
Cost of sales	(11.801.553)	(2.994.707)	(79.601)	(909.057)
<b>Gross Profit</b>	<b>12.218.971</b>	<b>1.489.546</b>	<b>116.096</b>	<b>420.946</b>
Administration expenses	(1.463.031)	(1.195.510)	(237.047)	(342.736)
Other operating income / (expenses) (net) (note 11)	(737.235)	1.221.774	(12.391)	117.037
<b>Operating results</b>	<b>10.018.706</b>	<b>1.515.809</b>	<b>(133.342)</b>	<b>195.247</b>
Income from dividend	60.536	12.590	-	-
Financial income (expenses) - net	(97.610)	(217.933)	200.077	(82.841)
<b>Profit before tax</b>	<b>9.981.632</b>	<b>1.310.466</b>	<b>66.735</b>	<b>112.406</b>
Income tax	(2.861.833)	(402.844)	(41.555)	(82.654)
<b>Net profit for the period</b>	<b>7.119.799</b>	<b>907.622</b>	<b>25.180</b>	<b>29.752</b>
<b>Profit / (loss) per share - basic (€)</b>	0,1797	0,0229	0,0006	0,0008

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

## Statement of changes in equity

All amounts in Euro.

### THE GROUP

	Share capital	Share premium reserve	Other reserves	Results carried forward	Total
<b>01 January 2006</b>	<b>67.337.451</b>	<b>5.641.410</b>	<b>6.327.916</b>	<b>26.487.485</b>	<b>105.794.262</b>
Net profit for the period	-	-	-	1.786.235	1.786.235
Share capital issue / increase	5.545.437	(5.545.437)	-	-	-
Share capital issue / (Reduction)	(20.993.440)	-	-	20.993.440	-
<b>30 September 2006</b>	<b>51.889.447</b>	<b>95.973</b>	<b>6.327.916</b>	<b>49.267.161</b>	<b>107.580.497</b>
Net profit for the period	-	-	-	247.246	247.246
Transfer from / to Reserves	-	-	63.190	(63.190)	-
<b>31 December 2006</b>	<b>51.889.447</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	-	-	-	6.600.072	6.600.072
Dividend allocated	-	-	-	(396.103)	(396.103)
Transfer from / to Reserves	-	-	2.416.591	(2.416.591)	-
Foreign Exchange differences	-	-	116.523	-	116.523
<b>30 September 2007</b>	<b>51.889.447</b>	<b>95.973</b>	<b>8.924.221</b>	<b>53.238.595</b>	<b>114.148.236</b>

### THE COMPANY

	Share capital	Share premium reserve	Other reserves	Results carried forward	Total
<b>01 January 2006</b>	<b>67.337.451</b>	<b>5.641.410</b>	<b>784.259</b>	<b>(21.184.620)</b>	<b>52.578.500</b>
Net profit for the period	-	-	-	907.622	907.622
Share capital issue / increase	5.545.437	(5.545.437)	-	-	-
Share capital issue / (Reduction)	(20.993.440)	-	-	20.993.440	-
<b>30 September 2006</b>	<b>51.889.447</b>	<b>95.973</b>	<b>784.259</b>	<b>716.442</b>	<b>53.486.122</b>
Net profit for the period	-	-	-	(106.784)	(106.784)
Transfer from / to Reserves	-	-	30.483	(30.483)	-
<b>31 December 2006</b>	<b>51.889.447</b>	<b>95.973</b>	<b>814.742</b>	<b>579.175</b>	<b>53.379.338</b>
Net profit for the period	-	-	-	7.119.799	7.119.799
Dividend distributed	-	-	-	(396.103)	(396.103)
<b>30 September 2007</b>	<b>51.889.447</b>	<b>95.973</b>	<b>814.742</b>	<b>7.302.872</b>	<b>60.103.034</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>	
	30-Sep-07	30-Sep-06	30-Sep-07	30-Sep-06
<b><u>Operating Activities</u></b>				
Profit before tax	9.667.093	2.401.742	9.981.632	1.310.466
<i>Plus/less adjustments for:</i>				
Depreciation	416.301	514.681	285.294	407.944
Provisions	7.561	1.457	7.561	5.683
Foreign Exchange differences	113.981	-	-	-
Results (income, expenses, profits and loss) from investing activity	1.705.817	(258.557)	2.272.768	(28.170)
Debit interests and related expenses	954.298	246.110	355.479	233.513
<i>Plus/less adjustments for differences in working capital balances or in balances related to operating activities:</i>				
Decrease / (increase) in inventories	800.263	2.676.099	(1.474.399)	(55.429)
Decrease / (increase) in receivables	12.721.037	4.700.269	10.221.086	126.319
(Decrease) / increase in liabilities (except banks)	(10.745.060)	2.919.079	(10.675.208)	(809.721)
<i>Less:</i>				
Debit interest and similar paid charges	(616.528)	(246.110)	(355.479)	(233.513)
Taxes paid	(3.067.313)	(615.976)	(2.984.881)	(463.711)
<b>Total inflows / (outflows) from operating activities (a)</b>	<b>11.957.451</b>	<b>12.338.792</b>	<b>7.633.853</b>	<b>493.382</b>
<b><u>Investing Activities</u></b>				
Acquisition /disposal of subsidiaries, affiliates, joint ventures and other investments	-	-	(16.001)	(1.500.000)
Purchase of tangible and intangible fixed assets	(17.737.764)	(390.294)	(427.602)	(15.895)
Collections from the sale of tangible and intangible fixed assets	19.543.945	2.940	19.543.494	2.940
Available for sale investments purchased	(35.000)	-	(35.000)	-
Interests received	885.356	258.557	257.869	15.580
Dividend received	-	-	60.536	12.590
<b>Total inflows / (outflows) from investing activities (b)</b>	<b>2.656.537</b>	<b>(128.796)</b>	<b>19.383.296</b>	<b>(1.484.785)</b>
<b><u>Financing Activities</u></b>				
Proceeds from loans (Note 10)	25.363.084	-	3.000.000	-
Repayment of loans	(13.750.000)	(100.000)	(13.750.000)	-
Dividend paid	(394.162)	-	(394.162)	-
<b>Total financing activities inflow / (outflow) (c)</b>	<b>11.218.923</b>	<b>(100.000)</b>	<b>(11.144.162)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)</b>	<b>25.832.910</b>	<b>12.109.996</b>	<b>15.872.988</b>	<b>(991.403)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>23.354.786</b>	<b>9.526.034</b>	<b>2.435.689</b>	<b>1.777.114</b>
<b>Cash and cash equivalents at end of period</b>	<b>49.187.696</b>	<b>21.636.029</b>	<b>18.308.677</b>	<b>785.711</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 39 Akakion str., & Monemvassias str., Maroussi, 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 A.E." which holds 50.83% of its share capital, and is registered in Greece.

These interim summary financial statements, were approved by the Board of Directors on 28 November 2007, and are available at the Company’s website on [www.reds.gr](http://www.reds.gr).

### 2 Summary of significant accounting policies

#### 2.1 Basis of preparation

These interim summary financial statements cover the period from 1 January 2007 until 30 September 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 (November 2007), 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 2006.

**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 2006, 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.

Costs 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 30 September 2007, 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 sector for 3<sup>rd</sup> quarter until 30 September 2007, follow:

<b>Consolidated segment information for 01/01-30/09/2007</b>	<b>Sales of property &amp; lease rights</b>	<b>Real property operation</b>	<b>Services</b>	<b>Total</b>
Sales (gross & net)	23.961.967	2.354.887	456.732	26.773.586
Gross profit/(loss) per sector	12.054.246	753.115	131.329	12.938.690
Administration expenses				(2.454.012)
Other operating income / (expenses) - net				(748.642)
Operating profit				9.736.035
Financial income (expenses) - net				(68.942)
<b>Profit before tax</b>				9.667.093
Income tax				(3.067.021)
<b>Net Profit</b>				<b>6.600.072</b>

Results for each sector for 3<sup>rd</sup> quarter until 30 September 2006, follow:

<b>Consolidated segment information for 01/01-30/09/2006</b>	<b>Sales of property</b>	<b>Real property operation</b>	<b>Services</b>	<b>Total</b>
Sales (gross & net)	4.580.403	3.093.953	1.001.175	8.675.531
Gross profit/(loss) per sector	1.282.614	1.452.063	104.876	2.839.554
Administration expenses				(2.186.248)
Other operating income / (expenses) - net				1.735.989
Operating profit				2.389.294
Financial income (expenses) - net				12.447
<b>Profit before tax</b>				2.401.742
Income tax				(615.507)
<b>Net Profit</b>				<b>1.786.235</b>

## 5 Investment Property

All amounts in Euro.

Cost	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>31-Dec-06</u>	<u>30-Sep-07</u>	<u>31-Dec-06</u>
<b>Start of period</b>	<b>109.270.978</b>	<b>97.888.539</b>	<b>36.681.396</b>	<b>25.763.344</b>
Foreign exchange differences	4.886	-	-	-
Subsidiary acquisition / absorption	4.285.948	-	-	-
Additions	13.126.431	11.382.439	415.724	10.918.052
Sales / write-offs	(23.714.332)	-	(23.714.332)	-
<b>End of period</b>	<b>102.973.912</b>	<b>109.270.978</b>	<b>13.382.787</b>	<b>36.681.396</b>
<b>Accumulated depreciation</b>				
<b>Start of period</b>	<b>(1.819.104)</b>	<b>(1.197.548)</b>	<b>(1.412.585)</b>	<b>(926.536)</b>
Period depreciation	(374.089)	(621.555)	(248.068)	(486.049)
Sales / write-offs	1.598.159	-	1.598.159	-
<b>End of period</b>	<b>(595.034)</b>	<b>(1.819.104)</b>	<b>(62.494)</b>	<b>(1.412.586)</b>
<b>Net book value</b>	<b>102.378.878</b>	<b>107.451.874</b>	<b>13.320.293</b>	<b>35.268.810</b>

- There are no encumbrances on the company's real property.
- The value of the property belonging to subsidiary "YIALOU COMMERCIAL & TOURIST S.A." was reassessed due to the introduction into the town plan of approx. 133,000 sq.m., by virtue of Government Gazette (FEK) issue 319/D/2005, approving the town planning design of the "Yialou Business Park – Spata". The above subsidiary company's total property of approx. 173,000 sq.m. appears in these Consolidated Financial Statements under "Investment assets", based on IAS 40, to the amount of €32.9 mil., and in April 2007 was reassessed at €41.9 mil.
- In February 2007, "CLH ESTATE S.R.L." purchased a plot of approx. 8,500 sq.m. in Baneassa location, Bucharest, Romania, where it intends to build a deluxe residential complex, with a total budget of approx €15 mil. After a purchase performed in April 2007, through its associate "Profit Construct SRL", the Company now owns a plot of 6,000 sq.m. at the Spaiul Unirii location, in downtown Bucharest. The plot will be used for the construction of a residential and business complex, with a total budget of approx €45 mil.
- The decrease of the balance of the parent company's investment assets is the result of a sale realised on 12.06.2007, to a company managed by investment house HENDERSON, with which the Company signed a sale agreement for the Veso Mare Shopping Centre in Patras (also see Note 16). Said real property appeared in the Company's Financial Statements, in the "Investment Assets", according to IAS 40.

## 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

- In April 2007, the Company acquired 100% of the Share Capital in "CORREA HOLDINGS LTD", registered in Cyprus. Then, "CORREA HOLDINGS LTD", acquired all the shares in "PROFIT CONSTRUCT SRL", registered in Romania. The above participations were included for the first time in the Parent Company's Consolidated Financial Statements on 30/06/2007 with the Full Consolidation method.
- 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 ANAPTIXEOS KATASKEVASTIKON POLEODOMIKON & TOURISTIKON ERGON S.A.	GREECE	50%

## 7 Inventories

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>31-Dec-06</u>	<u>30-Sep-07</u>	<u>31-Dec-06</u>
Finished products	2.808.933	5.083.595	2.777.514	2.777.514
Semi-finished products	5.416.881	3.942.483	5.416.881	3.942.483
<b>Total net realisable value</b>	<b>8.225.815</b>	<b>9.026.078</b>	<b>8.194.396</b>	<b>6.719.997</b>

Inventories concern plots for sale and houses completed and under construction.

## 8 Receivables

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>31-Dec-06</u>	<u>30-Sep-07</u>	<u>31-Dec-06</u>
Trade debtors	512.857	4.544.542	206.568	1.308.417
	<b>512.857</b>	<b>4.544.542</b>	<b>206.568</b>	<b>1.308.417</b>
Income Tax advance payment	2.102.977	432.706	2.055.952	277.550
Prepayments for operating leases	-	9.822.447	-	9.822.447
Other receivables	2.679.553	1.565.925	1.621.841	944.506
Receivables from associates	407.114	375.629	1.487.042	1.461.166
<b>Total</b>	<b>5.702.502</b>	<b>16.741.249</b>	<b>5.371.402</b>	<b>13.814.086</b>
Receivables from long-term Operating Leases	-	9.432.146	-	9.432.146
Other non-current receivables	11.896	77.028	11.896	77.028
Total non-current assets	11.896	9.509.174	11.896	9.509.174
Total Current Assets	5.690.605	7.232.075	5.359.506	4.304.912
<b>Total</b>	<b>5.702.502</b>	<b>16.741.249</b>	<b>5.371.402</b>	<b>13.814.086</b>

The decrease in the parent company's prepayment for operating leases is the result of a sale realised on 12.06.2007, to a company managed by investment house HENDERSON, with which the Company signed a sale agreement for the Veso Mare Shopping Centre in Patras (also see Note 16).

## 9 Suppliers

All amounts in Euro.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>31-Dec-06</u>	<u>30-Sep-07</u>	<u>31-Dec-06</u>
Suppliers	218.068	269.438	201.697	253.381
Accrued expenses	-	59.764	-	59.764
Interest accrued	337.770	-	-	-
Insurance organisations and other taxes/ duties	548.052	344.308	542.077	322.670
Advances for operating leases	-	3.741.931	-	3.741.931
Other liabilities	9.428.863	9.990.408	4.585.829	5.095.767
Liabilities from associates	146.846	6.665.733	128.885	6.660.184
<b>Total</b>	<b>10.679.600</b>	<b>21.071.581</b>	<b>5.458.488</b>	<b>16.133.697</b>
Non-current	42.976	3.715.215	42.976	3.715.215
Current	10.636.624	17.356.366	5.415.512	12.418.481
<b>Total</b>	<b>10.679.600</b>	<b>21.071.581</b>	<b>5.458.488</b>	<b>16.133.697</b>

- Decrease in liabilities from prepayments on operating leases is the result of the sale of Veso Mare and Escape Centre shopping centres, performed on 12.06.2007 (see Note. 16).
- Decrease liabilities from associates is the result of the payment of a liability of €6 mil, of the associate AKTOR SA.

## 10 Loans

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>31-Dec-06</u>	<u>30-Sep-07</u>	<u>31-Dec-06</u>
<b><u>Long-term loans</u></b>				
<b>Start of period</b>	-	-	-	-
Bank loans	22.363.084	-	-	-
<b>Total long-term loans</b>	<b>22.363.084</b>	-	-	-
<b><u>Short-term loans</u></b>				
<b>Start of period</b>	<b>10.750.000</b>	-	<b>10.750.000</b>	-
Bank loans	3.000.000	10.750.000	3.000.000	10.750.000
Loan full payment	(13.750.000)	-	(13.750.000)	-
<b>Total short-term loans</b>	-	<b>10.750.000</b>	-	<b>10.750.000</b>
<b>Total period loans</b>	<b>22.363.084</b>	<b>10.750.000</b>	-	<b>10.750.000</b>

The largest part of non-current loans concerns the associates registered in Romania; such loans mature in 2009 and the average lending rate on 30.09.2007 was 5,20%.

The Parent Company has no loans.

## 11 Other operating income / (expenses)

The "Other operating income / (expenses)" account of the Parent Company's period Financial Statement, shows a loss of €737 thousand. This amount mainly derives from the disposal of investment assets, also taking into account the de-recognition of a €1,681 thousand prepayment for operating leases received in relation with the investment property.

In the same account, the period's Consolidated Income Statement shows a loss of €748 thousand.

## 12 Contingent liabilities

The Group's contingent liabilities in relation to bank and other guarantees and other issues 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. It is currently not possible to foresee the outcome of said Tax Audit, and therefore the financial statements do not include any relevant provisions.

<b>COMPANY</b>	<b>Closing years up to</b>	<b>Closing Manner</b>	<b>Unaudited years</b>
REDS S.A.	2005	Ordinary Tax Audit	1
PMS. PARKING SYSTEMS S.A.	2002	Pursuant to Law 3259/2004	4
LOFOS PALLINI S.A.	-	-	5
KANTZA COMMERCIAL S.A.	1998	Pursuant to Law 3148/2003	8
YIALOU COMMERCIAL & TOURIST S.A.	-	-	5
3G S.A.	2002	Pursuant to Law 3259/2004	4

### 13 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 does not hold any shares convertible to common shares which are deductive of the profits. For this reason the readjusted earnings per share are equal to the basic earnings per share.

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Sep-07</u>	<u>30-Sep-06</u>	<u>30-Sep-07</u>	<u>30-Sep-06</u>
Profit corresponding to shareholders (in €)	6.600.072	1.786.235	7.119.799	907.622
Weighted average number of common shares	39.610.265	39.610.265	39.610.265	39.610.265
Profit/(loss) after tax per share - basic (in €)	<b>0,1666</b>	<b>0,0451</b>	<b>0,1797</b>	<b>0,0229</b>

### 14 Dividend per share

The Annual Ordinary General Shareholders Meeting, held on 22.06.2007 approved the 2006 dividend to the total amount of € 396,102.65, namely €0.01 €/share. The obligation to pay dividend appears in these interim financial statements.

## 15 Related-party transactions

Related-party transactions are:

### Sales / Purchases of goods and services

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>01/01-30/9/2007</u>	<u>01/01-30/9/2006</u>	<u>01/01-30/9/2007</u>	<u>01/01-30/9/2006</u>
Sales of goods & services to the parent company	-	-	-	-
Sales of goods & services to subsidiaries	-	-	463.859	498.300
Sales of goods & services to other associates	99.962	198.381	99.962	22.539
Purchases of goods & services from the parent company	161.189	148.465	150.758	84.113
Purchases of goods & services from subsidiaries	-	-	451	-
Purchases of goods & services from other associates	533.076	70.913	533.076	20.409

### Receivables / Liabilities of Associates

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>30-Σεπ-07</u>	<u>31-Δεκ-06</u>	<u>30-Σεπ-07</u>	<u>31-Δεκ-06</u>
Receivables from the parent company	-	-	-	-
Receivables from subsidiaries	-	-	1.128.101	1.134.109
Receivables from other associates	358.941	327.057	358.941	327.057
Liabilities to the parent company	103.498	19.544	85.537	19.544
Liabilities to subsidiaries	-	-	-	-
Liabilities to other associates	40.933	6.638.948	40.933	6.638.948

### Officers' & Directors' transactions

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>01/01-30/9/2007</u>	<u>01/01-30/9/2006</u>	<u>01/01-30/9/2007</u>	<u>01/01-30/9/2006</u>
Officers' & Directors' transactions & fees	438.942	497.712	436.289	441.286
Receivables from officers and directors	37.289	426.289	-	-
Liabilities to officers and directors	4.627	-	-	-

## 16 Other notes

- On 30.09.2007 Group employed 27 staff and Company 27, whereas on 30.09.2006, Group employed 26 staff and Company 24.
- 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. The transaction is expected to be completed at around the end of 2009 and is subject to the acquisition of the neighbouring property from "KANTZA PROPERTY 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 (Note 5) and Escape Centre (Note 8), 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 price of €70 mil. The deal is expected to become final in the second half of 2009, 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. The company will not recognise any income until the transaction is finalised.

- 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 9,100 sq.m., including an underground car park; the total budget for the project amounts to €15 million.
- In September 2007, the Company was a co-founder of “ATHENS METROPOLITAN EXPO S.A”, by contributing €35 thousand to the new company’s share capital, namely an interest of 11.66%; the new 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.

## 17 Post balance sheet events

There are no events after the Financial Statements date that concern either the Group or the Company, that need to be mentioned according to the IFRS.

Athens, 28 November 2007

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