



REDS Real Estate Development & Services SA

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

**REDS REAL ESTATE DEVELOPMENT &
SERVICES SA**

39 AKAKION STR. & MONEMVASSIAS STR., MAROUSSI 15125
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PUBLIC COMPANIES REG. NO. 13564/06/B/86/123 – File no 340340

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Report on review of interim financial information

To the Shareholders of

“REDS Real Estate Development & Services S.A.”

Introduction

We have reviewed the accompanying company and consolidated condensed balance sheet of REDS REAL ESTATE DEVELOPMENT & SERVICES S.A. (the “Company”) as of 30 June 2007, the related company and consolidated condensed statements of income, changes in equity and cash flows for the six-month period then ended, and selected explanatory notes. The Company’s Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and as applicable to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” to which Greek Auditing Standards refer to. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Review Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying company and consolidated condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our opinion, we draw your attention to note 12 of the interim financial information, which refers to the uncertainty regarding the un-audited tax years of the Group companies and to the outstanding dispute between the subsidiary LOFOS PALLINI S.A. and Municipal Authority.



PriceWaterhouseCoopers

Auditors S.A.

Certified Auditors Accountants

268 Kifissias ave

152 32 Halandri

S.O.E.L. R.N. 113

Athens, 29 August 2007

THE CERTIFIED AUDITOR

Marios Psaltis

S.O.E.L. Reg.No 38081

Balance Sheet

All amounts in Euro.

| | | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|--|------|--------------------|--------------------|--------------------|-------------------|
| | Note | 30-Jun-07 | 31-Dec-06 | 30-Jun-07 | 31-Dec-06 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Tangible assets | | 189.171 | 217.995 | 64.871 | 99.319 |
| Intangible assets | | 337.734 | 37.077 | 33.358 | 36.894 |
| Investments in real property | 5 | 103.286.532 | 107.451.874 | 13.224.684 | 35.268.810 |
| Investments in subsidiaries | | - | - | 39.406.512 | 39.390.511 |
| Investments in joint ventures | | - | - | 10.770 | 10.770 |
| Deferred tax assets | | 2.252.535 | 2.393.294 | 1.957.955 | 2.035.989 |
| Advances for long-term Operating Leases | 8 | - | 9.432.146 | - | 9.432.146 |
| Other non-current receivables | | 80.372 | 77.028 | 80.372 | 77.028 |
| | | 106.146.344 | 119.609.413 | 54.778.522 | 86.351.468 |
| Current assets | | | | | |
| Inventories | 7 | 7.342.553 | 9.026.078 | 7.297.077 | 6.719.997 |
| Trade debtors and other receivables | 8 | 8.000.775 | 7.232.075 | 5.947.915 | 4.304.912 |
| Available-for-sale investments, short-term | | 25 | 25 | 25 | 25 |
| Cash and cash equivalents | | 53.494.019 | 23.353.827 | 23.739.816 | 2.435.689 |
| | | 68.837.372 | 39.612.004 | 36.984.834 | 13.460.623 |
| Total Assets | | 174.983.716 | 159.221.417 | 91.763.355 | 99.812.090 |
| EQUITY CAPITAL | | | | | |
| Equity capital attributed to shareholders | | | | | |
| 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 | | 9.719.005 | 6.391.107 | 814.742 | 814.742 |
| Profit/(loss) carried forward | | 53.763.105 | 49.451.216 | 7.277.692 | 579.176 |
| | | 115.467.531 | 107.827.743 | 60.077.855 | 53.379.338 |
| Total equity | | 115.467.531 | 107.827.743 | 60.077.855 | 53.379.338 |
| CREDITORS | | | | | |
| Non-current liabilities | | | | | |
| Long-term loans | 10 | 19.377.561 | - | - | - |
| Retirement benefit obligation | | 89.436 | 84.058 | 87.383 | 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 |
| | | 37.836.808 | 22.126.109 | 18.457.195 | 22.124.393 |
| Current Liabilities | | | | | |
| Suppliers and other liabilities | 9 | 14.707.774 | 17.356.366 | 9.779.876 | 12.418.481 |
| Current tax obligations (Income tax) | | 3.075.500 | 1.161.198 | 3.052.327 | 1.139.878 |
| Short-term loans | 10 | 3.500.000 | 10.750.000 | - | 10.750.000 |
| Dividend payable | 14 | 396.103 | - | 396.103 | - |
| | | 21.679.377 | 29.267.564 | 13.228.306 | 24.308.359 |
| Total liabilities | | 59.516.185 | 51.393.674 | 31.685.501 | 46.432.753 |
| Total equity and liabilities | | 174.983.716 | 159.221.417 | 91.763.355 | 99.812.090 |

The notes on pages 8 to 16 are an integral part of these financial statements.

Income statement

All amounts in Euro.

THE GROUP

| | 30-Jun-07 | 30-Jun-06 | 1/4-30/6/2007 | 1/4-30/6/2006 |
|---|-------------------|------------------|----------------------|----------------------|
| Sales (note 4) | 26.618.348 | 5.984.654 | 23.140.554 | 3.570.426 |
| Cost of sales | (13.732.250) | (4.034.077) | (11.289.889) | (2.223.335) |
| Gross Profit | 12.886.098 | 1.950.576 | 11.850.665 | 1.347.092 |
| Administration expenses | (1.966.506) | (1.554.507) | (1.167.257) | (970.009) |
| Other operating income / (expenses) (net) (note 11) | (705.860) | 1.658.905 | (827.761) | 131.296 |
| Operating results | 10.213.732 | 2.054.975 | 9.855.647 | 508.379 |
| Financial income (expenses) - net | (64.647) | (22.050) | (72.184) | 17.054 |
| Profit before tax | 10.149.085 | 2.032.925 | 9.783.463 | 525.433 |
| Income tax | (3.024.502) | (539.565) | (2.949.045) | (206.659) |
| Net profit for the period | 7.124.583 | 1.493.360 | 6.834.418 | 318.774 |
| Profit / (loss) per share - basic (€) | 0,1799 | 0,0377 | 0,1725 | 0,0080 |

THE COMPANY

| | 30-Jun-07 | 30-Jun-06 | 1/4-30/6/2007 | 1/4-30/6/2006 |
|---|-------------------|------------------|----------------------|----------------------|
| Sales | 23.824.828 | 3.154.251 | 22.364.670 | 1.440.508 |
| Cost of sales | (11.721.952) | (2.085.651) | (10.882.983) | (899.655) |
| Gross Profit | 12.102.876 | 1.068.600 | 11.481.687 | 540.853 |
| Administration expenses | (1.225.983) | (852.774) | (776.320) | (522.703) |
| Other operating income / (expenses) (net) (note 11) | (724.844) | 1.104.736 | (787.450) | 206.825 |
| Operating results | 10.152.048 | 1.320.562 | 9.917.917 | 224.974 |
| Income from dividend | 60.536 | 12.590 | 60.536 | 12.590 |
| Financial income (expenses) - net | (297.687) | (135.092) | (137.832) | (52.175) |
| Profit before tax | 9.914.897 | 1.198.061 | 9.840.622 | 185.390 |
| Income tax | (2.820.278) | (320.190) | (2.842.132) | (107.434) |
| Net profit for the period | 7.094.620 | 877.871 | 6.998.490 | 77.956 |
| Profit / (loss) per share - basic (€) | 0,1791 | 0,0222 | 0,1767 | 0,0020 |

The notes on pages 8 to 16 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 | |
| 01 January 2006 | 67.337.451 | 5.641.410 | 6.327.916 | 26.487.485 | 105.794.262 |
| Net profit for the period | - | - | - | 1.493.360 | 1.493.360 |
| 30 June 2006 | 67.337.451 | 5.641.410 | 6.327.916 | 27.980.845 | 107.287.622 |
| Share capital issue / increase | 5.545.437 | (5.545.437) | - | - | - |
| Share capital issue / (Reduction) | (20.993.440) | - | - | 20.993.440 | - |
| Net profit for the period | - | - | - | 540.121 | 540.121 |
| Transfer from / to Reserves | - | - | 63.190 | (63.190) | - |
| 31 December 2006 | 51.889.448 | 95.973 | 6.391.107 | 49.451.216 | 107.827.743 |
| Net profit for the period | - | - | - | 7.124.583 | 7.124.583 |
| Dividends | - | - | - | (396.103) | (396.103) |
| Transfer from / to Reserves | - | - | 2.416.591 | (2.416.591) | - |
| Foreign exchange differences | - | - | 911.308 | - | 911.308 |
| 30 June 2007 | 51.889.448 | 95.973 | 9.719.005 | 53.763.105 | 115.467.531 |

| | <u>THE COMPANY</u> | | | | Total |
|-----------------------------------|--------------------|--------------------------|----------------|----------------------------|-------------------|
| | Share capital | Share premium reserve | Other reserves | Results carried forward | |
| 01 January 2006 | 67.337.451 | 5.641.410 | 784.259 | (21.184.620) | 52.578.500 |
| Net profit for the period | - | - | - | 877.871 | 877.871 |
| 30 June 2006 | 67.337.451 | 5.641.410 | 784.259 | (20.306.750) | 53.456.371 |
| Share capital issue / increase | 5.545.437 | (5.545.437) | - | - | - |
| Share capital issue / (Reduction) | (20.993.440) | - | - | 20.993.440 | - |
| Net profit for the period | - | - | - | (77.032) | (77.032) |
| Transfer from / to Reserves | - | - | 30.483 | (30.483) | - |
| 31 December 2006 | 51.889.448 | 95.973 | 814.742 | 579.175 | 53.379.338 |
| Net profit for the period | - | - | - | 7.094.620 | 7.094.620 |
| Dividends | - | - | - | (396.103) | (396.103) |
| 30 June 2007 | 51.889.448 | 95.973 | 814.742 | 7.277.692 | 60.077.855 |

The notes on pages 8 to 16 are an integral part of these financial statements.

Cash flow statement

All amounts in Euro.

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|--|-------------------|-------------------|---------------------|--------------------|
| | 30-Jun-07 | 30-Jun-06 | 30-Jun-07 | 30-Jun-06 |
| <u>Operating Activities</u> | | | | |
| Profit before tax | 10.149.085 | 2.032.925 | 9.914.897 | 1.198.061 |
| <i>Plus/less adjustments for:</i> | | | | |
| Depreciation | 345.555 | 339.508 | 275.562 | 267.806 |
| Provisions | 5.378 | 971 | 5.041 | 3.789 |
| Foreign exchange differences | 619.312 | - | - | - |
| Results (income, expenses, profits and loss) from investing activity | 2.145.188 | (134.737) | 2.482.519 | (27.726) |
| Debit interests and related expenses | 510.632 | 156.954 | 345.805 | 150.395 |
| <i>Plus/less adjustments for differences in working capital balances or in balances related to operating activities:</i> | | | | |
| Decrease / (increase) in inventories | 1.683.525 | 1.751.572 | (577.081) | - |
| Decrease / (increase) in receivables | 9.729.811 | 4.234.598 | 9.832.202 | 466.241 |
| Decrease / (increase) in liabilities (except banks) | (5.867.526) | 2.990.995 | (6.706.947) | (733.017) |
| <i>Less:</i> | | | | |
| Debit interest and similar paid charges | (510.632) | (156.954) | (345.805) | (150.395) |
| Taxes paid | (2.908.672) | (247.271) | (2.876.198) | (151.721) |
| Total inflows / (outflows) from operating activities (a) | 15.901.655 | 10.968.561 | 12.349.995 | 1.023.433 |
| <u>Investing Activities</u> | | | | |
| Acquisition /sales of subsidiaries, affiliates, joint ventures and other investments | - | - | (16.001) | (1.500.000) |
| Purchase of tangible and intangible fixed assets | (18.276.015) | (278.439) | (328.117) | (4.885) |
| Incomes from the sale of property, plant and equipment | 19.543.945 | 2.773 | 19.543.494 | 2.773 |
| Interests received | 445.985 | 134.904 | 48.117 | 15.303 |
| Dividend received | - | - | 60.536 | 12.590 |
| Total inflows / (outflows) from investing activities (b) | 1.713.915 | (140.762) | 19.308.030 | (1.474.218) |
| <u>Financing Activities</u> | | | | |
| Proceeds from loans (Note 10) | 22.877.561 | - | - | - |
| Repayment of loans | (10.750.000) | (100.000) | (10.750.000) | - |
| Dividend payable | 396.103 | - | 396.103 | - |
| Total financing activities inflow / (outflow) (c) | 12.523.664 | (100.000) | (10.353.897) | - |
| Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c) | 30.139.233 | 10.727.800 | 21.304.128 | (450.786) |
| Cash and cash equivalents at beginning of period | 23.354.786 | 9.526.034 | 2.435.689 | 1.777.114 |
| Cash and cash equivalents at end of period | 53.494.019 | 20.253.834 | 23.739.817 | 1.326.328 |

The notes on pages 8 to 16 are an integral part of these financial statements.

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 August 2007, and are available at the Company’s website on 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 June 2007 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 (August 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).

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 financial 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 June 2007, the Group is operating in 3 business segments :

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

All amounts in Euro.

Results for each segment for the first semester until 30 June 2007, follow:

| Consolidated segment information for 01/01-30/06/2007 | Sales of property & Leaserights | Real property operation | Services | Total |
|--|--|------------------------------------|-----------------|-------------------------|
| Sales (gross & net) | 23.942.430 | 2.356.368 | 319.550 | 26.618.348 |
| Gross profit/(loss) per segment | 12.048.765 | 718.697 | 118.636 | 12.886.098 |
| Administration expenses | | | | (1.966.506) |
| Other operating income / (expenses) - net | | | | (705.860) |
| Operating profit | | | | <u>10.213.732</u> |
| Financial income (expenses) - net | | | | (64.647) |
| Profit before tax | | | | <u>10.149.085</u> |
| Income tax | | | | (3.024.502) |
| Net Profit | | | | <u><u>7.124.583</u></u> |

Results for each segment for the first semester until 30 June 2007, follow:

| Consolidated segment information for 01/01-30/06/2006 | Sales of property | Real property operation | Services | Total |
|--|------------------------------|------------------------------------|-----------------|-------------------------|
| Sales (gross & net) | 3.140.403 | 2.106.779 | 737.471 | 5.984.654 |
| Gross profit/(loss) per segment | 849.023 | 1.018.053 | 83.500 | 1.950.576 |
| Administration expenses | | | | (1.554.507) |
| Other operating income / (expenses) - net | | | | 1.658.905 |
| Operating profit | | | | <u>2.054.975</u> |
| Financial income (expenses) - net | | | | (22.050) |
| Profit before tax | | | | <u>2.032.925</u> |
| Income tax | | | | (539.565) |
| Net Profit | | | | <u><u>1.493.360</u></u> |

5 Investment property

All amounts in Euro.

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>30-Jun-07</u> | <u>31-Dec-06</u> | <u>30-Jun-07</u> | <u>31-Dec-06</u> |
| Cost | | | | |
| Start of period | 109.270.978 | 97.888.539 | 36.681.396 | 25.763.344 |
| Foreign exchange differences | 275.045 | - | - | - |
| Subsidiary acquisition / absorption | 4.337.576 | - | - | - |
| Additions | 13.650.156 | 11.382.439 | 316.239 | 10.918.052 |
| Sales / write-offs | (23.714.332) | - | (23.714.332) | - |
| End of period | 103.819.423 | 109.270.978 | 13.283.303 | 36.681.396 |
| Accumulated depreciation | | | | |
| Start of period | (1.819.104) | (1.197.548) | (1.412.585) | (926.536) |
| Period depreciation | (311.946) | (621.555) | (244.193) | (486.049) |
| Sales / write-offs | 1.598.159 | - | 1.598.159 | - |
| End of period | (532.891) | (1.819.104) | (58.619) | (1.412.586) |
| Net Book Value | 103.286.532 | 107.451.874 | 13.224.684 | 35.268.810 |

- There are no encumbrances on the company's real property.
- The value of the property owned by the subsidiary "YIALOU COMMERCIAL & TOURIST S.A." was revalued due to the inclusion in the urban planning scheme 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 – Municipality of Spata". The above subsidiary's total property of approx. 173,000 sq.m. included in these Consolidated Financial Statements under "Investment property", based on IAS 40, to the amount of €32.7 mil., and in April 2007 was revalued to €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 luxury residential complex, with a total budget of approx €15 mil. After a purchase incurred 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 the center of 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 the investment Group 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 price, as set forth in the relevant Contract dated 28/02/2002. The amount of the provision is €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> | |
|-----------------------------------|------------------|------------------|--------------------|------------------|
| | 30-Jun-07 | 31-Dec-06 | 30-Jun-07 | 31-Dec-06 |
| Finished products | 2.822.990 | 5.083.595 | 2.777.514 | 2.777.514 |
| Semi-finished products | 4.519.563 | 3.942.483 | 4.519.563 | 3.942.483 |
| Total net realisable value | 7.342.553 | 9.026.078 | 7.297.077 | 6.719.997 |

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-Jun-07</u> | <u>31-Dec-06</u> | <u>30-Jun-07</u> | <u>31-Dec-06</u> |
| Trade debtors | 2.347.649 | 4.544.542 | 401.003 | 1.308.417 |
| | 2.347.649 | 4.544.542 | 401.003 | 1.308.417 |
| Income Tax prepayment | 2.348.763 | 432.706 | 2.323.953 | 277.550 |
| Prepayments for operating leases | - | 9.822.447 | - | 9.822.447 |
| Other receivables | 2.919.412 | 1.565.925 | 1.933.253 | 944.506 |
| Receivables from associates | 465.324 | 375.629 | 1.370.079 | 1.461.166 |
| Total | 8.081.148 | 16.741.249 | 6.028.288 | 13.814.086 |
| Receivables from long-term Operating Leases | - | 9.432.146 | - | 9.432.146 |
| Other non-current receivables | 80.372 | 77.028 | 80.372 | 77.028 |
| Total non-current assets | 80.372 | 9.509.174 | 80.372 | 9.509.174 |
| Total Current Assets | 8.000.776 | 7.232.075 | 5.947.915 | 4.304.912 |
| Total | 8.081.148 | 16.741.249 | 6.028.288 | 13.814.086 |

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 Group HENDERSON, with which the Company signed a sale agreement for the Escape Center in Ilion (also see Note 16).

9 Suppliers

All amounts in Euro.

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|---|-------------------|-------------------|--------------------|-------------------|
| | <u>30-Jun-07</u> | <u>31-Dec-06</u> | <u>30-Jun-07</u> | <u>31-Dec-06</u> |
| Suppliers | 201.384 | 269.438 | 166.876 | 253.381 |
| Accrued expenses | 49.665 | 59.764 | 49.665 | 59.764 |
| Insurance organisations and other taxes/ duties | 4.445.984 | 344.308 | 4.419.576 | 322.670 |
| Prepayments for operating leases | - | 3.741.931 | - | 3.741.931 |
| Other liabilities | 9.708.891 | 9.990.408 | 4.859.301 | 5.095.767 |
| Liabilities from associates | 344.825 | 6.665.733 | 327.435 | 6.660.184 |
| Total | 14.750.750 | 21.071.581 | 9.822.852 | 16.133.697 |
| Non-current | 42.976 | 3.715.215 | 42.976 | 3.715.215 |
| Current | 14.707.774 | 17.356.366 | 9.779.876 | 12.418.481 |
| Total | 14.750.750 | 21.071.581 | 9.822.852 | 16.133.697 |

- Decrease in liabilities from prepayments for operating leases is the result of the sale of Veso Mare and Escape Centre shopping centres, incurred on 12.06.2007 (see Note. 16).
- The increased balance of the "Insurance Organisations and other taxes, duties" account, is mainly the result of the increased Value Added Tax liability due to the sale of the Escape Centre shopping centre (see Note 16).
- Decrease liabilities from associates, is the result of the payment of a liability of €6 mil, to the associate AKTOR SA.

10 Loans

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|-------------------------------|-------------------|-------------------|--------------------|-------------------|
| | <u>30-Jun-07</u> | <u>31-Dec-06</u> | <u>30-Jun-07</u> | <u>31-Dec-06</u> |
| Long-term loans | | | | |
| Bank loans | 19.377.561 | - | - | - |
| Total long-term loans | 19.377.561 | - | - | - |
| Short-term loans | | | | |
| Bank loans | 3.500.000 | 10.750.000 | - | 10.750.000 |
| Total short-term loans | 3.500.000 | 10.750.000 | - | 10.750.000 |
| Total loans | 22.877.561 | 10.750.000 | - | 10.750.000 |

Current loans concern subsidiary "CORREA HOLDINGS LTD", registered in Cyprus. The largest part of non-current loans concerns the associates registered in Romania; such loans mature in 2009 and the average interest rate on 30.06.2007 was 5.0%.

The Parent Company has no loans.

11 Other operating income / (expenses)

The "Other operating income / (expenses)" account of the Parent Company's Financial Statement, shows a loss of € 725 thousands. This amount mainly derives from the disposal of investment assets, also taking into account the de-recognition of €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 € 706 thousand.

12 Contingent liabilities

The Group's contingent liabilities in relations 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 believes 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.

| COMPANY | Closing years up to | Closing Method | Unaudited years |
|----------------------------------|------------------------|--------------------------|--------------------|
| REDS S.A. | 2005 | Ordinary Tax Audit | 1 |
| PMS. PARKING SYSTEMS S.A. | 2002 | Pursuant to Law3259/2004 | 4 |
| LOFOS PALLINI S.A. | - | - | 5 |
| KANTZA COMMERCIAL S.A. | 1998 | Pursuant to Law3148/2003 | 8 |
| YIALOU COMMERCIAL & TOURIST S.A. | - | - | 5 |
| 3G S.A. | 2002 | Pursuant to Law3259/2004 | 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> | |
|--|------------------|---------------|--------------------|---------------|
| | 30-Jun-07 | 30-Jun-06 | 30-Jun-07 | 30-Jun-06 |
| Profit corresponding to shareholders (in €) | 7.124.583 | 1.493.360 | 7.094.620 | 877.871 |
| 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 €) | 0,1799 | 0,0377 | 0,1791 | 0,0222 |

14 Dividend per share

The Annual Ordinary General Shareholders Meeting, held on 22.06.2007 approved as dividend for the financial year the total amount of € 396,102.65, or €0.01 €/share. The relevant liability to pay dividend is included 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> | |
|---|---------------------|---------------------|--------------------|---------------------|
| | 01/01- 30/6/2007 | 01/01- 30/6/2006 | 01/01-30/6/2007 | 01/01- 30/6/2006 |
| Sales of goods & services to the parent company | - | - | - | - |
| Sales of goods & services to subsidiaries | - | - | 328.273 | 498.300 |
| Sales of goods & services to other associates | 69.033 | 22.539 | 69.033 | 22.539 |
| Purchases of goods & services from the parent company | 120.929 | 81.320 | 120.929 | 84.113 |
| Purchases of goods & services from subsidiaries | - | - | 451 | - |
| Purchases of goods & services from other associates | 532.498 | 20.409 | 532.498 | 20.409 |

Receivables / Liabilities of Associates

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|-------------------------------------|------------------|-----------|--------------------|-----------|
| | 30-Jun-07 | 31-Dec-06 | 30-Jun-07 | 31-Dec-06 |
| Receivables from the parent company | - | - | - | - |
| Receivables from subsidiaries | - | - | 1.027.290 | 1.134.109 |
| Receivables from other associates | 342.789 | 327.057 | 342.789 | 327.057 |
| Liabilities to the parent company | 256.941 | 19.544 | 256.941 | 19.544 |
| Liabilities to subsidiaries | - | - | 537 | - |
| Liabilities to other associates | 526.576 | 6.638.948 | 526.576 | 6.638.948 |

Officers' & Directors' transactions

| | <u>THE GROUP</u> | | <u>THE COMPANY</u> | |
|--|---------------------|---------------------|--------------------|---------------------|
| | 01/01- 30/6/2007 | 01/01- 30/6/2006 | 01/01-30/6/2007 | 01/01- 30/6/2006 |
| Officers' & Directors' transactions & fees | 331.403 | 289.125 | 293.785 | 251.507 |
| Receivables from officers and directors | 887.289 | 1.277.289 | - | - |
| Liabilities to officers and directors | 4.627 | 4.346 | - | - |

16 Other notes

- On 30.06.2007 Group employed 27 staff and Company 26, whereas on 30.06.2006, 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 COMMERCIAL & TOURIST S.A." at the Yialou Spata location, for a price 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.

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- On 12.06.2007 the Company concluded with companies managed by the HENDERSON investment Group the following:
a) sale agreements of its shopping centres, Veso Mare (Note 5) and Escape Centre (see also Note 8), for a total price 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 finalized in the second half of 2009, following the 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 for commercial use, 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.

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.

Maroussi, 28 August 2007

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