TRASTOR REAL ESTATE INVESTMENT COMPANY

ANNUAL FINANCIAL REPORT

For the fiscal year
Ending on December 31st 2011

(According to article 4 of law 3556/2007)

The attached Financial Report was approved by TRASTOR REIC Board of Directors on March 7th 2012 and have been published on the Company's website: www.trastor-reic.gr

The present financial report is a translation of the original Financial Statements, which were compiled in the Greek language. Due professional care has been exercised to ensure a proper translation of the Greek text. In the case that differences in meaning exist between this translation and the original Financial Statements presented in Greek, the later Greek will prevail over the present document.

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STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS

(According to article 4 par.2 of L.3556/2007)

We hereby state that to the best of our knowledge:

a) The annual financial statements of the fiscal year from 01.01.2010 to 31.12.2011, which have been prepared according to the International Financial Reporting Standards, give a fair and true view of the assets, liabilities, net position and financial results for 2011 of "TRASTOR REAL ESTATE INVESTMENT COMPANY, as well as the companies included in the consolidated accounts, taken as a whole, as set out in article 4 par.3-5 of Law 3556/2007.

b) The annual report of the Board of Directors gives a fair and true view of the information required pursuant to article 4 par. 6-8 of Law 3556/2007.

Athens, March 7th 2012

THE CHAIRMAN OF THE BoD	THE MANAGING DIRECTOR	THE EXECUTIVE MEMBER OF THE BoD
DIMITRIOS GEORGAKOPOULOS	SOTIRIOS THEODORIDIS	KONSTANTINOS A. MARKAZOS
I.D. No. AE 238589	I.D. No.AB - 287935	I.D. No. AH 093898

ANNUAL REPORT OF THE BOARD OF DIRECTORS
on the Consolidated Financial Statements for the fiscal year
ending on 31 December 2011

INTRODUCTION

The present Annual Report of the Board of Directors (hereinafter the "Report"), pertains to the fiscal year 2011, (period from 1.1.2011 to 31.12.2011). The Report was prepared and is in line with the relevant provisions of the law 3556/2007 (Government Gazette 91A/30.4.2007) and the law 3873/2010 as well as the related Capital Market Commission Rules and specifically Decision No 7/448/11.10.2007 of the BoD of the Capital Market Commission.

This Report, the Company's financial Statements in their entirety and the other data and statements required by law are included in the Annual Financial Report concerning the fiscal year 2011.

I. FINANCIAL POSITION OF THE GROUP

Significant events

The events, associated with the debt crisis in Greece and the European Union, have adversely affected both the economic situation and the investment climate in the real estate market. Despite this investment climate, the Group has managed to sell properties to raise cash for the launch of new selective investments aiming at the expansion and diversification of its property portfolio and also to increase the future profitability ensuring increased dividends to its shareholders.

During 2011 the Group did not make any new investments in real estate.

The Group's property portfolio at 31.12.2011 comprised 24 properties, including 7 office buildings, 14 fuel selling stations, 2 commercial properties and 1 parking place.

Income

The Group's income from property leases during 2011 αamounted to € 6.013 K versus € 7.724 K during 2010 showing a 22,1%, decrease which can be attributed by 17,0% to the sales of investment property and be 5,1% to the decrease in revenues from other investment properties due to rent reliefs granted to tenants.

As a result of he continued downward trend of the property values, there were negative fair value adjustments at 31.12.2011, amounting to € 3.797 K, compared to negative adjustments of € 9.977 χιλ for the fiscal year 2010.

The property portfolio value at 31.12.2001 was € 78.556 compared to € 97.241 K at 31.12.2010. The € 18.685 K difference derives by € 14.891 K from the property sales that took place in 2011 and by € 3.797 K from the fair value adjustments.

Regarding the 2011 investment property sales, they refer to the sale of a fuel selling station in Kalamata district in Peloponnese for the price of € 380 K and the sale of the office building on 5 Korai Str in downtown Athens for a price of € 14.500 K. There was no significant profit or loss that would affect the Group results from these sales. During the previous fiscal year (2010), no property sales have taken place.

Finally, other income amounting to € 49 K (€ 165 K for 2010) concern to the major part collection of receivables that have been written off as bad debts in previous fiscal years.

Operating expenses

The Group's operating expenses during 2011 reached € 2.447 K versus € 2.137 K during 2010. This increase is due to non recurring expenses of € 581 K that concern receivables write offs of € 468 K, and the increase of depreciation by € 113 K due to the relocation of the Company offices in order to reduce costs. The Group's operating expenses excluding the above mentioned expenses amounted to € 1.896 K, showing a 12,7% decrease as a result of the cost reduction policy implemented by the Group.

Financial Income/ Expenses

The Group's interest income amounted to € 417 K compared to € 343 K for 2010, showing a 21,7% increase due to the increased liquidity during the 4th quarter of 2011.

The Group's financial expenses for 2011 amounted to € 365 K versus € 345 K of 2010, with the 5,8% increase attributed to the interest rate increase that took place in 2011.

Results before tax

As a result of the above, the Group's results before income taxes amounted to loss of € 130 K compared to € 4.226 K of 2010.

The results before income tax and fair value adjustments amounted to profit of € 3.665 K versus profits of € 5.750 K of the previous year (2010)

Income Tax

The income taxes for the fiscal year 2011 amounted to € 473 K versus € 587 K for 2010. The year 2011 taxes included Extraordinary Special Duty on Electricity Supplied Surfaces (EETIDE) of € 238 K, while the special contribution on the year 2010 profits amounted to € 361 K.

Results after tax

The profit after tax and before fair value adjustments amounted to € 3.193 K versus profits of € 5.164 K for the last year.

The Group' s results after taxes and fair value adjustments for 2011 refer to losses of € 604 K compared to losses of € 4.813 K for 2010.

Cash & equivalents - Debt

The Group's cash on 31/12/2011 amounted to € 23.763 K versus € 13.179 K on 31/12/2010 due to the revenues fro property sales that took place during the year.

The Group's loan balance on 31/12/2011 was € 7.438 K compared to € 8.500 K on 31/12/2010.

Share information

Earnings/ (losses) per share as at 31.12.2011 :	(€ 0,0110)
Earnings/ (losses) per share as at 31.12.2010 :	(€ 0,0877)
Share price as at 31.12.2011 :	€ 0,647
Book value of share (NAV) at 31.12.2011 :	€ 1,739

The above presented data indicate that on 31.12.2011 the company's shares were traded at a discount of 62,8% to their Net Asset Value (NAV).

Performance Indices

(Funds From Operations)		Yield Rental revenue on portfolio value	
.2011 :	3.349 K	2011 :	7,7%
2010 :	5.206 K	2010 :	7,9%
Change :	*- 35,7%*	*change :*	*- 0,8%*

II REAL ESTATE MARKET PROSPECTS

2011 was a year of restructuring for the Greek real estate market as a result of the actions taken by all property users in order to reduce their operating costs either through reductions in rents or through relocation to buildings of lower quality and / or smaller surface, a tactic that is expected to continue during 2012.

The stagnation and negative outlook of the market, combined with the continued lack of liquidity for most enterprises and the banking system, prevented the creation of new investments or the completion of existing ones until the situation in the economic and political environment is clarified.

Important factors that adversely affect the prospects of the property market as a whole include the reduction in available income due to the recession and the increased taxation, the inability of the banking system and the public sector to finance investments and the unstable fiscal environment, coupled with the structural weaknesses of the Greek real estate sector

Positive effects are expected from the increased activity in tourism and the restructuring of the legal framework (land use regulation, construction licensing, completion of land register etc).

III. 2012 OUTLOOK

The continued instability in the Greek economy has made decision making on new investments extremely difficult because of the increased uncertainty that this entails. The expected restructuring of the Greek public debt will probably create a positive outlook for the market in the medium term

REICs have maintained their favourable tax status relative to other companies, and in this way they continue to be attractive investment vehicles for small and large investors who wish to have an indirect exposure to real estate and at the same time to enjoy stable and attractive dividend yields.

The company, having gained considerable liquidity, from the property sales that took place during the 2nd of 2011, is in a good position to exploit the investment opportunities that will appear. In particular, emphasis will be given to modern business, commercial and logistics properties, leased on terms that reflect current market conditions.

Moreover, the company will aim to sell non-strategic assets wherever this is possible, in order to reinvest the proceeds into higher yielding assets.

At an operational level, the company has already adopted an operational costs reduction program in order to offset the impact of income reduction.

IV. MAIN RISKS AND UNCERTAINTIES

Financial Risk Management

The Group is exposed to financial risks such as market risk (including foreign exchange risk, price risk and cash flow risk from interest rate variations), credit risk, liquidity risk and real estate market risk. Financial risks are associated to the following financial figures: trade receivables, cash and cash equivalents, suppliers and other liabilities.

The accounting principles related to the above financial instruments are outlined in Note 2 of the Annual Financial Statements.

a) Real Estate Market Risk

(i) Foreign exchange risk

The Group operates in a single economic environment (Greece) and is not exposed to foreign exchange risks.

ii) Price risk

The Group is exposed to risks due to variations in property values and lease revenues. In order to reduce price risk, the Group enters into long-term operating lease arrangements with tenants for a minimum duration of 12 years, under which the annual adjustment rate is linked to the Consumer Price Index plus max. 2%.

The Group is not exposed to financial instruments related risks, as it does not hold any equity instruments.

iii) Cash flow risk and fair value risk due to change in interest rates.

The Group owns significant interest-bearing assets, such as demand and term banks deposits.

The Group's exposure to interest rate fluctuations arises from bank loans.

The Group is exposed to the effects of interest rate fluctuations prevalent on market, which affect its financial position and cash flows. The cost of borrowing may increase as a result of such changes thus generating losses or be reduced should any unexpected events occur.

The trade and other liabilities are short term and do not bear interest.

b) Credit Risk

The Group has credit risk concentrations with respect to rent receivables from property operating lease contracts.

Credit risk applies to cases where the contracting parties fail to fulfill their obligations. No significant losses are expected, as the Group's transactions with clients / tenants develop only after their solvency and reliability have been assessed, in order to avoid delays in payment and defaults.

c) Liquidity risk

Prudent liquidity risk management implies sufficient cash balance, availability of funs and ability to close out open market positions.

Good cash management, sound financial structure and careful selection of investment movements ensure, within the appropriate time brackets, that the Group possesses the liquidity required for its operations. Management regularly follows-up on the Group's liquidity.

Real Estate Risk Management

In the Real Estate business sector there are inherent risks related mainly to:

a) The geographical location and marketability of the property;

b) Tenant reliability and solvency;

c) The property's use by the tenant;

d) The general business activity in the area where the property is located; and

e) The trends to commercially upgrade or downgrade of the specific property area.

In general, when the economy is strong and / or goes through a period of economic growth combined with low inflation and interest rates, stimulating investments employment and, consequently, consumption growth, then the trade conditions are created for an increase in the demand for new retail and office spaces.

Conversely, in the event of unfavorable conditions in the economy in general or is some areas and / or periods of low demand for products and services, the respective productive sectors are adversely affected and a direct consequence thereof is a decline in the demand for business premises.

The institutional framework in which the Group operates, according to which a) the properties on its portfolio are valued periodically, as well prior to acquisition and divestment by the Body of Certified Appraisers of Greece; and b) investments in development properties and building construction are not allowed; contributes considerably to aversion and / or handling of the related risks in a timely manner.

Capital risk management

The Group's aim in managing capital is to ensure business continuity, to safeguard its ability to continue to provide returns and benefits to it s shareholders and other stakeholders, to maintain an optimal capital structure and be in line with Law 2778/1999 requirements.

There is no capital risk for the Company, due to its high level of funds and low level of liabilities. The obligation to provide dividend, derives from the Company's assets. Any increase in the property portfolio of the Company can be covered either by increasing its Share Capital, or by borrowing within the limits set by Law 2778/1999, as in effect. The progress of the capital structure is monitored based on the leverage coefficient (Loan to Value ratio).

V. IMPORTANT RELATED PARTY TRANSACTIONS

The company's transactions with related companies or persons, mentioned in note 6

Transactions between the company and its related companies and persons, mentioned in Note 6 of the annual financial statements, which can significantly affect the financial position and performance of the Group are the following:.

1. Transactions with PASAL Development concern the payment of dividend for the fiscal year 2010 amounting to € 2.035 K, as well as expenses for accounting, administrative & property management services amounting to € 190 K.

   The Company's receivables from PASAL Development concern an advance payment for property acquisition.

2. Transactions with PIRAEUS BANK include rental income of € 3.881 K, interest income of € 365 K as well as interest expenses related to the loan of the subsidiary REMBO amounting to € 365 K and the fiscal year 2010 divided payment of€ 1.855 K.

   Receivables from PIRAEUS BANK concern demand and time deposits amounting to € 22.478 K.

   Obligations towards PIRAEUS BANK concern the loan balance of subsidiary REMBO amounting to € 7.438 K.

All transactions with related parties are carried out on the basis of market conditions for similar transactions.

Besides the aforementioned, there were no transactions made that would affect the company's overall performance and financial position

VI. POST BALANCE SHEET EVENTS

According to the Board Decision of 07/02/2012, the Company will proceed with the purchase of 3 investment properties with a total value of € 53 mio, described as follows:

- Property on the 27km of the Old National Road Athens to Corinth in Elefsina with a total surface area of 33.911 sqm. Acquisition price is € 23,5 K and the estimated initial rental yield is 8,3%
- Property on 73 Kifissias Ave in the Municipality of Maroussi with total surface area of 22.753 sqm. Purchase price is € 22,15 mio and the estimated initial rental yield is 8,1%.
- Property on 168 Kifissias Ave in the Municipality of Maroussi with a purchase price of € 7,45 mio and the estimated initial rental yield of 8,1%.

The acquisition of the above properties will be financed by € 17,3 mio from the existing cash balance and by € 35,8 mio with new borrowing, and after the completion of the legal and technical examination of the properties.

With the above mentioned acquisitions, TRASTOR REIC manages to strengthen and diversify the property portfolio with assets of high quality and marketability and also improve the dispersion of income to more tenants. Also the expected return of the investment is expected to lead to higher future profitability ensuring increased dividends to its shareholders.

VII. CONTINGENT LIABILITIES AND COMMITMENTS

There have been no transactions, acts, contracts or any other arrangements of the group companies, which are not mentioned in the annual financial statements of 31.12.2011.

VIII. STATEMENT ON CORPORATE GOVERNANCE

Corporate Governance Code

The company in order to promote corporate governance has adopted the corporate governance Code, prepared by the Hellenic Federation of Enterprises (SEV) and uses it as a benchmark for assessing corporate governance practices applied.

The company has adopted the mandatory rules set by the relevant legislation that require the participation of non-executive and independent non-executive members in the Board, the adoption of an internal regulation and the creation up the audit committee to oversee the internal audit function and the internal control system in general (N.3693/2008 as applicable).

The Corporate Governance code is applicable in the webpage **http://www.sev.org.gr** (in Greek Language) and apart from the "general principles" which address all companies, includes "special practices" which apply to the listed companies as well as and annex with exemptions for smaller listed companies such as TRASTOR REIC.

The company complies with the general principles of the Corporate Governance Code.

Regarding the special practices of the Code, relating to listed companies (excluding special practices set out in Annex I of the Code ("Exemptions for smaller listed companies", for which no explanation of non-compliance is required due to company size), there are a few cases of non compliance with the following brief analysis explanation and justification.

These deviations are:

Part A – The Board of Directors (BoD) and its members

I. Role and responsibilities of the Board: There is no separate committee to preside in the procedure of submission of nominations for election as BoD members, and to present proposals to the BoD on the remuneration of executive directors and key executives, as the Company's remuneration policy is decided by the BoD according to the Internal Regulation and the company employs only a few persons.

II Size & composition of the Board: The BoD composition includes 2 non executive members that meet the independence requirements set by the Corporate Governance code and art.4 of Law 3016 /2002, thus representing a fraction less than 1/3. To comply with this practice, it is required to elect an additional independent member of the Board by the General Meeting of Shareholders.

V Nomination of candidate BoD members: The Company does not comply with the special practice requiring a maximum 4 year term of board members, as Article 19 paragraph 2 of the Articles of Association provides for a 5year term for BoD members. Compliance with this practice requires an amendment to the Articles of Association.

VI Operation of BoD: a) there is no regulation for BoD operations. An annual meeting schedule is prepared and the provisions of the Articles of Association and the Internal Regulation are considered as sufficient guidance for the BoD organization and operation, b) there are no introductory or professional training programs for BoD members, as the persons proposed for election as BoD members have competent and proven experience in the sector in which the company operates.

VII BoD Evaluation: There is no procedure established for the evaluation of the effectiveness of BoD and its committees, as such a procedure is not considered necessary, taking into account the company's organizational structure.

Αξιολόγηση του διοικητικού Συμβουλίου: Δεν υπάρχει θεσμοθετημένη διαδικασία για την αξιολόγηση της αποτελεσματικότητας του Δ.Σ. και των επιτροπών του επειδή η συγκεκριμένη διαδικασία δεν θεωρείται αναγκαία με βάση την οργανωτική δομή της εταιρίας.

Part B. – Internal Controls

I. Internal Control System: There are no funds allocated to the Audit Committee, for the use of external consultants, because of both the size and subject of the company and the knowledge and experience of its members that ensure operating effectiveness.

Corporate governance practices in addition to the provisions of the Law:

The company applies the principles and rules of corporate governance set out by the existing legislative framework and the Code of Corporate Governance that has adopted. Practices in addition to the provisions of the law that are followed by the Company include:

- Delegating the task of the President of the Board and CEO at separate persons. The Chairman of the Board is a non-executive member.
- The Board consists of 50% of non-executive members, including the President.

IX. SYSTEM OF INTERNAL CONTROLS & RISK MANAGEMENT.

Main characteristics of the system of internal controls

The company's internal control system includes the policies, procedures and practices applied to ensure the achievement of corporate objectives, to protect and monitor assets and managing business risks. The implementation of the internal control system is under the responsibility of the BoD and it is supervised by the Audit Committee.

In this context, the Board has established policies and procedures for proper control and recording of revenue and expenditure, and monitoring the status and value of assets and liabilities of the company and its subsidiaries according to IAS, corporate laws and tax regulations in order to ensure the proper presentation of the financial position and performance through the financial statements, Board reports and Investment Schedules.

The main activity of the Internal Audit Service is to review the adequacy of internal controls in order to determine whether the current system provides adequate assurance that the objectives and goals of the company are met effectively and economically. To achieve this, the Internal Audit service prepares for the management analyses, evaluations, recommendations, advice and information on the audited activities.

Risk Management relating to the procedure of preparing financial statements.

The risk management procedures and policies are designed and implemented by the Financial Services and Asset and Portfolio Management in accordance with specific rules set by the BoD, aiming at the proper control and recording of income and expenditure as well as the monitoring of the condition and value of assets and liabilities of the company and its subsidiaries in accordance with IAS, corporate and tax legislation to ensure the proper presentation of the financial position and performance through the annual financial report and the interim financial statements.

These policies and procedures among others include

- The implementation of specific accounting principles and assumptions and the process of monitoring compliance by independent auditors and appraisers.
- The preparation of budgets and the monitoring of the evolution of revenues and expenses through reports to the Board.
- The bookkeeping of company's books takes place in a reliable computer system with the parallel implementation of safety rules and access restrictions.
- The monitoring and reporting of transactions receivables and payables with related parties.

To test the effectiveness of these procedures, the Board is supported by the internal audit service through regular audits, and analyses of financial figures of the company and the group in the context of continuously trying to improve existing policies and procedures.

X. OPERATION AND AUTHORITY OF THE GENERAL SHAREHOLDERS' MEETING

Operation of the General Meeting

The Annual Ordinary General Meeting of the Shareholders according to the Articles of Association is the governing body which decides upon every corporate case and is binding to all its shareholders.

The General Shareholder's Meeting is convened by the Board of Directors and assembles regularly at a time and place designated by the Board within the 1st half before the end of the fiscal year.

The General Shareholder's Meeting is called at least 20 days before it takes place by invitation stating clearly the place and time of the meeting, the daily agendas topics and the procedure that has to be followed by shareholders in order for them to be eligible to participate and vote. This invitation is published as required by law and posted on the company's website.

The quorum necessary for a valid General Meeting is one-fifth of its share capital except the cases where two-thirds of its share capital is required as stated in the Articles of Association.

The shareholders that take part in the General Meeting and have the right to vote elect a chairperson and a secretary. Then the agenda is discussed and decisions are made on these matters by absolute majority of votes.

On the issues discussed and decided upon minutes are signed from the chairperson and the secretary of the General Meeting. The decisions are made public according to the provisions regarding regulated information

The General Meeting is only governing body that can decide on the following issues:

a) The extending the term, convert, merge or liquidation of the company

b) The change of the nationality or the purpose of the company's

c) The amendment of the Articles of Association after relevant authorization from the Hellenic Capital Market Commission

d) The increase or reduction of its Share Capital

e) The election of members of the Board of Directors, certified appraisers and auditors

f) The approval of the Annual Financial Statement

g) The distribution of Profits as dividends

h) The issue of bond loans for amounts higher than the ½ of the share capital.

Shareholder rights

The rights of the Company's shareholders arising from its share are proportional to the share capital stake to which the paid-in share value corresponds. Each share carries the rights stipulated by Law 2190 / 1920 as in effect, and the Articles of Association. More specifically:

a) The right to receive dividends from the annual profits of the Company. A 35% of the net profits following deduction of the statutory reserve is distributed to the shareholders in the form of dividend, whilst any additional dividend may be distributed by a decision of the General Meeting.

   Every shareholder registered in the Company's shareholder registry kept by the Company on the date when eligibility is established, is entitled to dividends. The dividend is paid to shareholders within two (2) months of the date of the Ordinary General Meeting that approved the annual financial statements. The method and place of payment is announced through the press. The entitlement to receive dividend is subject to a time limitation and the corresponding amount not claimed after the elapse of five years from the end of the year, in which the General Meeting approved its distribution, is forfeited in favor of the Hellenic Republic.

b) Pre-emptive right to any share capital increase of the Company with cash payment and issue for new shares.

c) The right to receive a copy of the financial statements and the reports of auditors and the Board of Directors.

d) The right to participate in the General Meeting, which includes the following rights: eligibility to participate, attendance, participation in discussions, submission of proposals on agenda items, entry of viewpoints in the minutes and voting.

e) The right to reclaim the amount of one's contribution during the liquidation or, similarly, upon write -off of the capital corresponding to the share, provided that this is decided by the General Meeting.

f) The General Meeting of shareholders retains all its rights throughout the duration of the liquidation (in accordance with paragraph 4 of article 34 of the Articles of Association).

g) The liability of the Company's shareholders is limited to the par value of the shares held by them.

XI. COMPOSITION & FUNCTIONS OF THE BoD AND OTHER SUPERVISORY BODIES OR COMMITTEES

Board of Directors

The company is managed by the BoD which is elected by the general meeting of Shareholders for five years and consists of 8 members of whom 4 are non-executive. 2 of the non executive members are independent according to the Corporate Governance principles.

The company is represented from the executive members of the BoD which deal with daily management issues. The non-executive members have a supervisory role and are responsible for promotion of all corporate matters during the BoD meetings.

The BoD meets every time it is required by the law, the articles of association or the needs of the company, after an invitation by the Board Chairman.

The BoD meetings take place monthly according to annual BoD meeting schedule in the Company's head office. The Chairman of the BoD defines the agenda topics of each meeting.

The BoD decision is taken by majority. To reach a quorum there shall be present or represented at least five BoD members.

The Board Meetings may be attended by managers and / or associates of the company, invited by the President in order to support the Board to better fulfill their duties, without being entitled to participate in the decision making process

The Company's Board has been elected by the extraordinary Shareholders' Meeting of 9/10/2008 with a 5 year term. Its current composition is formed by the BoD decision of 15/11/2011on the replacement of reigned members. The Board consists of 8 members of which 4 are non executive. 2 from the non executive members are independent.

The current structure of TRASTOR BoD is:

Dimitrios Georgakopoulos	Chairman – non executive member
Sotirios Theodoridis	Vice Chairman and Chief Executive Officer
Konstantinos Chrysikosς	Executive member
Konstantinos Markazos	Executive member
Spyridon Karakostas	Executive member
George Laskaris	Non - executive member
Dimitrios Goumas	Independent non - executive member
Konstantinos Vamvakopoulos	Independent non - executive member

Audit Committee

The non-executive members of the BoD, except the Chairman, form the 3-member Audit Committee, which oversees the auditors and has the responsibility to supervise the internal audit structure, the course of the necessary auditing of the individual and consolidated financial statements and monitoring financial information. The composition of the Audit Committee is:

Dimitrios Goumas	Independent non - executive member
Konstantinos Vamvakopoulos	Independent non - executive member
George Laskaris	Non - executive member

The Audit Committee purpose is to coordinate the supervisory functions of the Board regarding its responsibility towards its shareholders, investors and other partners, to ensure the integrity and reliability of financial statements, the effectiveness of enterprise risk management, the efficiency and overall performance of the internal control system of the company and finally to observe the laws and other regulatory provisions and the Code of Ethics of the Company.

The audit committee meets every quarter and then informs the Board on the issues discussed of brought forward.

Investment Committee

The Investment Committee is responsible for the design of the company's investment policy in accordance with the decisions taken by the BoD to which it provides suggestions on various issues of the investment policy and the compliance with the Articles of Association and the laws, regulatory decision and recommendations of the competent authorities that regulate the investment activity of the company.

The Investment Committee consists of 3members, appointed by the BoD and their term may not exceed the term of the BoD by which they were appointed.

The Investment Committee meets at least once a month or at any other time it is necessary

The Investment Committee composition, according to the BoD decision of 30/1/2012 is the following:

Sotirios Theodoridis	Vice Chairman and Chief Executive Officer
Konstantinos Markazos	Executive member
Konstantinos Chrysikosς	Executive member

XII. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

This explanatory report of the Board of Directors addressed to the Ordinary General Meeting of its shareholders contains information regarding the items under article 4 par.7 of Law 3556/2007 as well as all necessary information according to art.2 par.2 of Law 3873/2010, as in effect.

Share capital structure

The share capital of TRASTOR REIC amounts to sixty two million twenty three thousand seven hundred and eleven Euros and twenty cents (€ 62,023,711.20), divided into fifty four million eight hundred and eighty eight thousand two hundred and forty (54,888,240) common registered shares, with a par value of one euro and thirteen cents (€ 1.13) each. The Company's shares are listed and traded on the Athens Stock Exchange.

Restrictions to the transfer of Company shares

The Company's shares may be transferred as required by Law and there are no further restrictions to their transfer set out in the Articles of Association, given that they are dematerialized shares listed on the Athens Stock Exchange.

Major Directs or Indirect participations in voting rights

The following shareholders hold a stake higher than 5% of the total number of shares with voting rights of the Company, as at 31.12.2011:

PASAL DEVELOPMENT S.A	:	37,08%
Piraeus Bank SA	:	33,80%
DIMAND SA.	:	5,00%

No other person owned shares with voting rights in excess of 5% of the share capital at the above date.

On 29 / 2 / 2012 DIMAND S.A. transferred its entire interest to the Company DUOKON Ltd, based in Cyprus.

Shares incorporating special control rights

There are no Company shares incorporating special control rights to their holders

Restrictions on voting rights

The Company's Articles of Association do not set out any restrictions on voting rights stemming from its shares.

Agreements between shareholders of the Company, implying restriction in the transfer of shares or on voting rights

There are no agreements between its shareholders, which could result in restrictions on the transfer of shares or exercise of the voting rights of such shares.

Rules for the appointment and replacement of Board members and amendments to the Articles of Association

The regulations set out in the Company's Articles of Association regarding the appointment and replacement of Board members and the amendments to the provisions of the Articles of Association, are in conformity with the provisions of Law 2190/1920.

Authority of the Board to issue new shares or acquire treasury shares

a) According to the provisions of article 13, par 1 item b) of Cod. Law 2190/1920, the company's Board of Directors is entitled, following a relevant decision of the General Meeting, subject to the disclosure formalities set forth in article 7b of Cod. Law 2190/1920, to increase the Company's share capital by issuing new shares, such decision thereof being adopted by a majority of at least two-thirds (2/3) of its members. In such case, the share capital increase may not exceed the amount of the paid-up share capital at the date when this authority was granted by the General Meeting. The above authority of the Board of Directors may be renewed by the General Meeting for a period not exceeding five years for each renewal.

b) According to the provisions of article 13, par. 13 of Cod. Law 2190/1920, by decision of the General Meeting, a stock options plan may be established for the Board members and staff in accordance with the specific terms of such decision. The decision of the General Meeting sets out, specifically, the maximum number of shares to be issued, which, by law, may not exceed 1/10 of the existing shares, if the optionees exercise their stock options, share price and stock option terms.

The Board of Directors regulates by resolution any other relevant detail not otherwise regulated by the General Meeting, issues stock options certificates and shares for the optionees who have exercised their options, increasing the share capital accordingly and certifying such increase in December of every year.

c) Pursuant to the provisions of article 16, par. par. 1 to 9 of Cod. Law 2190/1920, companies listed on the Athens Stock Exchange may, by decision of the General Meeting of their shareholders, acquire treasury shares representing up to 10% of their total shares through the Athens Stock Exchange, under the specific terms and conditions set out in the above paragraphs of article 16 of Cod. Law 2190/1920.

Major agreements entering into force, amended or terminated in the event of change in the control following a public offer

There are no agreements that shall enter into force, be amended or terminated in the event of a change in the control of the Company following a public offer

Agreements with Board members or staff of the Company which include indemnities in case of resignation or termination of employment without reasonable cause or termination of term or employment due to a public offer

There are no agreements with the members of its Board of Directors or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without major cause, or termination of their term in office or employment as a result of a public offer

XIII. INFORMATION ACCORDING TO ARTICLE 10, LAW 3401/2005

The information related to the article 10 of Law 3401/2005, concerning TRASTOR REIC, its shares, as well as the stock exchange market in which its shares are traded, which have been published and made available to investors throughout the fiscal year of 2011, have been incorporated into this Annual Financial Report by reference. For this purpose, a reference table is presented below:

Announcements to the Athens Stock Exchange – Press Releases

Subject	Date
Financial results for the fiscal year 2010	31/01/2011
Invitation to the Annual Ordinary General Meeting	31/01/2011
Announcement - CFO resignation	01/02/2011
Invitation to the Annual Ordinary General Meeting (correct repetition)	03/02/2011
Announcement of regulated information according to Law 3556/2007	04/02/2011
Resolutions of the Annual Ordinary General Meeting	25/02/2011
Notification of ex-dividend date / Dividend payment	25/02/2011
Announcement – Property sale (fuel station in Kalamata)	07/04/2011
Announcement of regulated information according to Law 3556/2007	20/04/2011
Financial results for the 1st quarter of 2011	11/05/2011
Announcement on the election of a new BoD Chairman & new BoD member for the replacement of those resigned.	08/06/2011
Announcement thanking the outgoing BoD Chairman	14/06/2011
Announcement - Sale of property on 5 Korai Str.	22/07/2011
Financial results for the 1st half of 2011	29/07/2011
Notification of changes in senior management	31/10/2011
Announcement of unclaimed dividends for the financial period 2005	08/11/2011
Announcement on changes in BoD composition	16/11/2011
Audit Committee composition	17/11/2011
Financial result for the nine month period of 2011	21/11/2011

The above announcements to the Athens Stock Exchange and the Press Releases are available on the Company's website, **www.trastor-reic.gr** in the section Company Announcements – Press Releases.

Financial statements & Data & Information

Subject	**Date**
Annual Financial Report 2010	31/01/2011
Financial Data and Information under IFRS 31/3/2011	11/05/2011
Interim Financial Statements under IFRS 31/3/2011	11/05/2011
H1 Financial Report	29/07/2011
Financial Data & Information under IFRS 30/9/2011	21/11/2011
Interim Financial Statements under IFRS 30/9/2010	21/11/2011

The financial statements are available on the Company's website **www.trastor-reic.gr**, in the Financial Statements section.

Investment Schedule

Subject	**Date**
Statement of Investments as at 31/12/2010	31/01/2011
Statement of Investments as at 30/06/2011	29/07/2011

The Investment Schedule is available on the Company's website **www.trastor-reic.gr** under the Financial Statements section.

Transactions disclosures

Disclosures of Transactions performed in the context of the obligation introduced by Law 3340/2005 and article 6 of the Capital Market Commission Decision No. 3/347/12.07.2005 comprise regulated information (as set forth with case 1f) of article 3 of Law 3556/2007) and, therefore are included in the announcements of article 21 of Law 3556/2007.

The above transaction disclosures are available on the Company's website **www.trastor-reic.gr** in the section Transaction disclosures.

Athens, March 7th 2012

The Chairman of the BoD

DIMITRIOS GEORGAKOPOULOS

Independent Auditor's Report

[Translation from the original text in Greek]

To the Shareholders of "Trastor Real Estate Investment Company"

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of Trastor R.E.I.C and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 201X1and the separate and consolidated statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate and consolidated financial statements present fairly, in all material respects, the financial position of Trastor R.E.I.C and its subsidiaries as at December 31, 2011 and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference on Other Legal and Regulatory Matters

a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.

b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying separate and consolidated financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens,

March 20, 2012

TRASTOR REAL ESTATE INVESTMENT COMPANY

Consolidated Financial Statements

for the Fiscal Year from January 1st to December 31st 2011

In accordance with International Financial Reporting Standards

The attached financial statements have been approved by the Board of Directors of TRASTOR REIC on March 7th 2012 and have been posted on the internet at www.trastor-reic.gr

STATEMENT OF FINANCIAL POSITION

		GROUP		COMPANY	
	Note	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
ASSETS					
Non-current assets					
Tangible Assets	7	18.351,65	152.069,41	18.351,65	152.069,41
Intangible assets	8	12.445,68	22.273,88	12.445,68	22.273,88
Investment Properties	9	78.555.901,00	97.241.774,00	67.310.852,00	84.214.050,00
Holdings in subsidiaries	10	0,00	0,00	3.715.715,35	4.220.046,89
Receivables from related businesses	12	0,00	0,00	0,00	320.000,00
Other receivables	12	76.138,56	83.443,56	62.928,56	70.233,56
		78.662.836,89	**97.499.560,85**	**71.120.293,24**	**88.998.673,74**
Current Assets					
Trade Receivables	11	286.382,14	309.858,60	272.946,57	250.374,48
Other receivables	12	1.212.879,74	174.286,64	1.159.902,18	145.898,26
Cash and cash equivalents	13	23.763.724,50	13.179.451,22	23.758.641,29	12.626.276,81
		25.262.986,38	**13.663.596,46**	**25.191.490,04**	**13.022.549,55**
TOTAL ASSETS		**103.925.823,27**	**111.163.157,31**	**96.311.783,28**	**102.021.223,29**
EQUITY & LIABILITIES					
EQUITY					
Equity and reserves attributable to the shareholders of the parent company					
Share capital	14	62.023.711,20	62.023.711,20	62.023.711,20	62.023.711,20
Share premium	14	163.190,75	163.190,75	163.190,75	163.190,75
Reserves	15	2.701.257,06	2.526.898,96	2.701.257,06	2.526.898,96
Retained earning	16	30.580.317,15	36.847.312,11	30.580.317,15	36.374.625,89
Total Shareholders' Equity		**95.468.476,16**	**101.561.113,02**	**95.468.476,16**	**101.088.426,80**
Minority Interest		-	-	-	-
Total Equity		**95.468.476,16**	**101.561.113,02**	**95.468.476,16**	**101.088.426,80**
LIABILITIES					
Non-current liabilities					
Retirement benefit obligations	17	25.183,00	21.572,00	25.183,00	21.572,00
Loan obligations	18	7.214.375,00	6.906.250,00	0,00	0,00
Other non-current liabilities	19	78.914,08	77.274,08	78.914,08	77.274,08
		7.318.472,08	**7.005.096,08**	**104.097,08**	**98.846,08**
Current Liabilities					
Suppliers and other liabilities	20	628.871,22	559.813,44	488.680,07	404.146,53
Loan obligations	18	223.125,00	1.593.750,00	0,00	0,00
Income Tax	21	286.878,81	443.384,77	250.529,97	429.803,88
		1.138.875,03	**2.596.948,21**	**739.210,04**	**833.950,41**
Total Liabilities		**8.457.347,11**	**9.602.044,29**	**843.307,12**	**932.796,49**
TOTAL EQUITIES AND LIABILITIES		**103.925.823,27**	**111.163.157,31**	**96.311.783,28**	**102.021.223,29**

The notes set out on pages 23 to 41 form integral part of the Consolidated Financial Statements as at 31st December 2011

COMPREHENSIVE INCOME STATEMENT

		THE GROUP		THE COMPANY	
	Note	**01.01.-31.12.2011**	**01.01.-31.12.2010**	**01.01.-31.12.2011**	**01.01.-31.12.2010**
Income from leased assets	22	6.012.906,06	7.723.542,40	5.372.945,58	6.828.205,40
Gain / (Loss) from investment property adjustments to fair value		(3.796.632,00)	(9.976.628,95)	(2.013.957,00)	(9.516.803,95)
Gain/ (Loss) from sale of investment properties	9	(941,00)	0,00	(941,00)	0,00
Other Income		49.441,17	165.876,26	52.441,17	157.677,10
Total Operating Income		**2.264.774,23**	**(2.087.210,29)**	**3.410.488,75**	**(2.530.921,45)**
Investment property operating expenses	23	(687.137,61)	(845.049,14)	(566.777,63)	(825.561,71)
Staff expenses	24	(534.265,54)	(591.865,46)	(534.265,54)	(591.865,46)
Other operating expenses	25	(1.070.715,40)	(657.536,23)	(679.266,30)	(650.163,07)
Depreciation	7	(155.648,97)	(42.620,31)	(155.648,97)	(42.620,31)
Total Operating Expenses		**(2.447.767,52)**	**(2.137.071,14)**	**(1.935.958,44)**	**(2.110.210,55)**
Interest Income	26	417.816,52	343.202,77	420.361,90	349.428,52
Financial Expenses	26	(365.465,90)	(345.276,96)	(500,82)	(548,90)
Impairment of investments in subsidiaries		0,00	0,00	(1.604.331,54)	0,00
Profit/(Loss) before tax		**(130.642,67)**	**(4.226.355,62)**	**290.059,85**	**(4.292.252,38)**
Income tax	21	(473.170,19)	(586.503,52)	(421.186,49)	(529.196,62)
Profit / (Loss) after tax		**(603.812,86)**	**(4.812.859,14)**	**(131.126,64)**	**(4.821.449,00)**
Other comprehensive income		0,00	0,00	0,00	0,00
Cumulative total income / (Loss) after tax		**(603.812,86)**	**(4.812.859,14)**	**(131.126,64)**	**(4.821.449,00)**
Attributed to :					
- **Shareholders of the parent company**		(603.812,86)	(4.812.859,14)		
- **Minority shareholders**		0,00	0,00		
		(603.812,86)	**(4.812.859,14)**		
Earnings per share attributable to shareholders (in €)					
Basics & Diluted	27	(0,0110)	(0,0877)	(0,0024)	(0,0878)

The notes set out on pages 23 to 41 form integral part of the Consolidated Financial Statements as at 31st December 2011

STATEMENT OF CHANGES IN EQUITY

GROUP

	Note	Share Capital	Share Premium	Other Reserves	Retained earnings	Total Equity
Opening Balance as at 1 January 2010		**62.023.711,20**	**163.190,75**	**2.292.131,21**	**47.932.645,40**	**112.411.678,56**
Dividends paid for the fiscal year 2009		-	-	-	(6.037.706,40)	**(6.037.706,40)**
Retained earnings transferred to other reserves				234.767,75	(234.767,75)	**0,00**
Cumulative total income after tax 01.01.2010 – 31.12.2010		-	-	-	(4.812.859,14)	**(4.812.859,14)**
Balance as at 31 December 2010		**62.023.711,20**	**163.190,75**	**2.526.898,96**	**36.847.312,11**	**101.561.113,02**
Opening Balance as at 1st January 2011		**62.023.711,20**	**163.190,75**	**2.526.898,96**	**36.847.312,11**	**101.561.113,02**
Dividends paid for the fiscal year 2010	28				(5.488.824,00)	**(5.488.824,00)**
Retained earnings transferred to other reserves				174.358,10	(174.358,10)	**0,00**
Cumulative total income after tax 01.01.2011 – 31.12.2011					(603.812,86)	**(603.812,86)**
Balance as at 31 December 2011		**62.023.711,20**	**163.190,75**	**2.701.257,06**	**30.580.317,15**	**95.468.476,16**

COMPANY

	Note	Share Capital	Share Premium	Other Reserves	Retained earnings	Total Equity
Opening Balance as at 1 January 2010		**62.023.711,20**	**163.190,75**	**2.292.131,21**	**47.468.549,04**	**111.947.582,20**
Dividends paid for the fiscal year 2009		-	-	-	(6.037.706,40)	**(6.037.706,40)**
Retained earnings transferred to other reserves				234.767,75	(234.767,75)	**0,00**
Cumulative total income after tax 01.01.2010 – 31.12.2010					(4.821.449,00)	**(4.821.449,00)**
Balance as at 31 December 2010		**62.023.711,20**	**163.190,75**	**2.526.898,96**	**36.374.625,89**	**101.088.426,80**
Opening Balance as at 1 January 2011		**62.023.711,20**	**163.190,75**	**2.526.898,96**	**36.374.625,89**	**101.088.426,80**
Dividends paid for the fiscal year 2010	28				(5.488.824,00)	**(5.488.824,00)**
Retained earnings transferred to other reserves				174.358,10	(174.358,10)	**0,00**
Cumulative total income / loss after tax 01.01.2011 – 31.12.2011					(131.126,64)	**(131.126,64)**
Balance as at 31 December 2011		**62.023.711,20**	**163.190,75**	**2.701.257,06**	**30.580.317,15**	**95.468.476,16**

The notes set out on pages 22 to 41 form integral part of the Consolidated Financial Statements as at 31st December 2011

CASH FLOW STATEMENT

		GROUP		COMPANY	
	Note	**01.01.2011-31.12.2011**	**01.01.2010-31.12.2010**	**01.01.2011-31.12.2011**	**01.01.2010-31.12.2010**
Cash Flows from Operating Activities					
Profit before tax		(130.642,67)	(4.226.355,62)	290.059,85	(4.292.252,38)
Plus / minus adjustments for:					
Depreciation		155.648,97	42.620,31	155.648,97	42.620,31
Provisions		179.318,83	24.729,98	1.774.161,86	124.178,08
Losses / Gains from investment property adjustments to fair value	9	3.796.632,00	9.976.628,95	2.013.957,00	9.516.803,95
Gain from sale of investment properties		941,00	0,00	941,00	0,00
Interest Income	26	(417.816,52)	(343.202,77)	(420.361,90)	(349.428,52)
Interest expenses and related expenses	26	365.465,90	345.276,96	500,82	548,90
Plus / minus adjustments for changes in working capital accounts or related to operating activities:					
Μείωση / (αύξηση) απαιτήσεων		80.414,22	432.959,32	78.782,18	(17.302,36)
Αύξηση / (μείωση) υποχρεώσεων (πλην δανειακών)		(394.146,80)	(1.064.119,42)	3.737,65	(661.148,54)
Less :					
Paid interest expenses & related expenses		(296.594,35)	(271.629,26)	(500,82)	(548,90)
Paid taxes		(629.676,15)	(906.089,02)	(600.460,40)	(875.500,46)
Net cash flow from operating activities		**2.709.544,43**	**4.010.819,43**	**3.296.466,21**	**3.487.970,08**
Cash flows from Investing Activities					
Acquisition of subsidiaries		0,00	(1.620.046,89)	0,00	(1.620.046,89)
Increase of share capital of subsidiary	10	0,00	0,00	(1.100.000,00)	0,00
Income from sale of investment properties	9	14.890.000,00	0,00	14.890.000,00	0,00
Income from sale of tangible fixed assets		569,09	0,00	569,09	0,00
Advances for investment property acquisition		(850.000,00)	0,00	(850.000,00)	0,00
Improvements on investment property		0,00	(179.114,95)	0,00	(179.114,95)
Acquisition of tangible and intangible assets		(14.372,10)	(39.401,42)	(14.372,10)	(39.401,42)
Interest income		398.655,46	318.674,48	397.324,88	314.978,99
Net cash from investing activities		**14.424.852,45**	**(1.519.888,78)**	**13.323.521,87**	**(1.523.584,27)**
Cash Flows from Financing Activities					
Loan capital repayments		(1.062.500,00)	0,00	-	-
Dividends paid		(5.487.623,60)	(6.037.754,58)	(5.487.623,60)	(6.037.754,58)
Total (outflows) from financing activities		**(6.550.123,60)**	**(6.037.754,58)**	**(5.487.623,60)**	**(6.037.754,58)**
Net increase / (decrease) in cash and cash equivalents		**10.584.273,28**	**(3.546.823,93)**	**11.132.364,48**	**(4.073.368,77)**
Cash and cash equivalents at beginning of period		**13.179.451,22**	**16.726.275,15**	**12.626.276,81**	**16.699.645,58**
Cash and cash equivalents at end of period		**23.763.724,50**	**13.179.451,22**	**23.758.641,29**	**12.626.276,81**

The notes set out on pages 23 to 41 form integral part of the Consolidated Financial Statements as at 31st December 2011

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1 GENERAL INFORMATION ON THE GROUP

TRASTOR REAL ESTATE INVESTMENT COMPANY, formerly known as PIRAEUS REAL ESTATE INVESTMENT COMPANY R.E.I.C. (the «Company») operates with the exclusive purpose of managing a real estate and securities portfolio in accordance with Law 2778/1999 and Codified Law 2190/1920. The Company's main activity is to lease commercial real estate through operating leases.

The Company operates in Greece and its registered offices are located on 116 Kifissias Ave & 1 Davaki str in Athens.

Shares in TRASTOR R.E.I.C. are traded on the Athens Stock Exchange.

The consolidated statements of the Group are prepared in the current fiscal year with the incorporation of the financial statements of the subsidiary "REMBO S.A.", with the full consolidation method. The 100% of the subsidiary, "REMBO S.A." was acquired on 08.12.2009 and its main objective is to exploit real estate, it operates in Greece with registered offices located on 16 Kifissias Ave & 1 Davaki str in Athens.

The financial statements of the Group are included, through the equity method, in the consolidated financial statements of the following companies: a) the listed company "PASAL DEVELOPMENT S.A.", with registered offices in Greece and a 37.08% stake in the Company's share capital and b) the listed company "PIRAEUS BANK S.A.", with registered offices in Greece and with a 33.80 % stake in the Company's share capital. All the Group transactions, in the context of its activities with affiliates, are objective and carried out under the "arm's length" rule.

The present annual financial statements of the Group and the Company have been approved by the Board of Directors on March 7 2012 and will be submitted for approval to the Annual Shareholders Meeting.

2 ΣΥΝΟΨΗ ΤΩΝ ΓΕΝΙΚΩΝ ΛΟΓΙΣΤΙΚΩΝ ΑΡΧΩΝ ΤΟΥ ΟΜΙΛΟΥ

The main accounting principles adopted and applied for the preparation of the attached financial statements according to IFRS are contained in the following principles that have been applied consistently throughout the years presented, unless otherwise stated.

2.1 Basis for the presentation of the Financial Statements

The attached company and consolidated financial statements (hereinafter the «financial statements»), have been prepared in accordance with the International Financial Reporting Standards (hereinafter «IFRS»), as these have been issued by the International Accounting Standards Board (IASB) and have been adopted by the European Union.

The attached company and consolidated financial statements have been prepared on the basis of the historical cost convention, as amended, with the adjustment of the investment properties to fair value.

The preparation of the financial statements in accordance with IFRS requires the use of specific accounting estimates and assumptions. Moreover, Management must exercise its judgment concerning the process of applying the Group's accounting principles.

Changes in the assumptions could potentially affect the valuation of the assets and liabilities, as well as the recognition of contingent liabilities. Although these estimates are based on the best knowledge of management in relation to current events and actions, actual results may differ from those estimates.

The areas involving a greater degree of judgment or complexity or where estimates and assumptions are critical for the preparation of the financial statements are presented in Note 3.

2.2 Consolidation

Subsidiaries are all companies, including special purpose entities, over whose financial and operating policy the Company exercises control, which, in general, is accompanied by more than 50% of the voting rights therein. The existence of potential voting rights, which are currently exercisable or convertible, is considered when assessing whether the Group controls another entity. Subsidiaries are consolidated as of the date on which the Group acquires control and they are deconsolidated from the date that its control ceases.

The acquisition of subsidiaries is recorded with the acquisition method. The cost of acquisition is calculated at the fair value of the assets transferred, the shares issued or the liabilities undertaken as at the date of acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of the acquisition over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Company's share of the net assets of the subsidiary acquired, the difference is recorded directly in the income statement.

Any contingent return, transferred by the acquirer, is recognized at fair value at the acquisition date. Any subsequent changes in fair value of contingent return, which is presumed to be an asset or liability is recognized under IAS 39 either in the results or as a change in other comprehensive income. If the contingent return is classified as equity component, it is measured until the final settlement through Equity

For acquisitions that do not fall under the definition of business (e.g., acquisition of a group of assets), the Group distributes the cost of acquisition to the asset and liability items measured at fair value on the date of acquisition. Such transactions do not generate goodwill.

Intra-group transactions, balances and unrealized profits arising from intra-group transactions are eliminated upon consolidation. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

The accounting policies of the subsidiaries have been adjusted, as necessary, so as to ensure consistency with the policies adopted by the Group.

2.3 Segment reporting

Business segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker of the Group is the person who allocates resources and evaluates the performance of the operating segments of the Company. The Group has determined that its chief operating decision-maker is the Chief Executive Officer of the Company.

2.4 Foreign currencies

The Group's financial statements are presented in Euros, which is the Company's functional currency. The Group keeps its books in Euros. Transactions occurring in foreign currencies are translated into Euros using the official exchange rate of the foreign currency prevailing at the dates of the transactions.

On the date of preparation of the financial statements receivables and liabilities in foreign currencies are translated into Euros based on the official exchange rate of the foreign currency prevailing on that date. Foreign exchange gains or losses from the settlement of foreign currency transactions are recognized on the income statement. The Group did not carry out transactions in foreign currencies during the fiscal year 2011.

2.5 Tangible assets

All improvements on leased assets, furniture and equipment are recorded at the historical cost less accumulated depreciation and value impairments. Depreciation is calculated with the straight-line depreciation method, by the use of depreciation rates reflecting the average assets' useful life and have as follows:

• Leasehold improvements: Shortest duration between useful life and period of leasing

• Furniture and other equipment: 5 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with carrying amount. These are included in the income statement.

2.6 Intangible Assets

Intangible assets are recognized at acquisition cost. Subsequently, intangible assets are valued at that amount, less amortization accrued and less accrued impairment losses. Amortization is calculated according to the straight-line method, based on an average useful life of 3-4 years.

2.7 Investment properties

Property that is held for long-term rental yields, for capital appreciation or both, is classified as investment property. Investment property consists of freehold land and buildings.

Investment property is measured initially at its cost, including related direct acquisition costs. Thereafter, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations were performed by the Body of Sworn-In Valuers of Greece; in accordance with the guidance issued by the International Valuation Standards Committee for each balance sheet date up to 31 December 2011.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows (including rental payments and other outflows) that could be expected in respect of the property. Some of those outflows are reflected as a liability; whereas other, including contingent rent payments, are not recognized in the financial statements. Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All repair and maintenance costs are charged to the income statement during the fiscal year in which they are incurred.

Changes in fair values are recorded in the income statement.

Investment properties are written off upon their sale or when no future financial gains are expected.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognized in equity as a revaluation of property, plant and equipment under IAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognized in the income statement to the extent that this gain reverses a previous impairment loss. Any remaining profit is recognized in other comprehensive income by increasing the asset revaluation reserve in the equity.

Investment property held for sale without redevelopment is classified within non-current assets held for sale under IFRS 5.

2.8 Investments in subsidiaries

Investments in subsidiaries are stated at cost less impairment.

2.9 Impairment of non financial assets

Assets that are subject to depreciation and are tested for impairment when there are indications that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that were subject to impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses on goodwill are not reversed.

2.10 Leased assets

In case the Group is lessor of fixed assets, and leases assets to third parties under operating lease contracts, these assets are presented in the financial statements in the investment property category and are valued at each balance sheet date like the other assets of the same category. Lease income of the Group is recognized during the term of the lease. The Group as lessor does not undertake finance leases.

In the case where the Group is the lessee of assets under an operating lease, lease expenses are recorded in the income statement during the term of the lease. The Group as lessee does not undertake finance leases.

2.11 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method (provided that they are due in more than 12 months) less impairment losses. Impairment losses (losses from bad debt) are recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. The amount of the impairment loss is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment is booked as expense in the income statement.

2.12 Cash and cash equivalents

Cash and cash equivalents are low-risk assets consisting of balances with less than a 3-month maturity, such as cash and Bank deposits.

2.13 Share capital

Common shares are classified as equity. Any costs directly attributable to the issue of shares are shown in equity as a deduction from the proceeds, net of tax.

2.14 Employee benefits – Retirement compensation

Employee benefits- retirement compensation refer to the legal obligation granting lump sum compensation to employees at the date of retirement The liability recognized in the balance sheet in respect of employee benefits-retirement compensation is the present value of the benefits in function of the accrued entitlement of the employees and in relation to the time at which it is anticipated to be paid. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Actuarial gains and losses arising from adjustments based on historical data, which are over or under the 10% margin for the cumulative obligation, are spread to results over the employees' expected average remaining working lives.

Past-service costs are recognized immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortized on a straight-line basis over the vesting period.

2.15 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive), as a result of past events; It is probable that an outflow of resources will be required to settle the obligation and the amount thereof can be reliably estimated. In the event of confirmation of an inflow of economic benefits, the asset and the relative income are recorded in the period when the change takes place. Provisions are reviewed at every balance sheet date and are reversed in the event that in all likelihood no outflow of resources for the settlement of the obligation will be required. Provisions are used only for the purpose for which have been initially created.

2.16 Loan obligations

Debt obligations are recognized initially at the fair value, net of debt-related costs incurred. After initial recognition, debt obligations are subsequently stated at amortized cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognized in profit & loss accounts during the borrowing period using the effective interest method.

Τα δάνεια καταχωρούνται αρχικά στην εύλογη αξία τους, μειωμένα με τυχόν άμεσα για την πραγματοποίηση της συναλλαγής. Στη συνέχεια αποτιμώνται στο αναπόσβεστο κόστος βάσει της μεθόδου του πραγματικού επιτοκίου. Τυχόν διαφορά μεταξύ του εισπραχθέντος ποσού (καθαρό από σχετικά έξοδα) και της αξίας εξόφλησης αναγνωρίζεται στα αποτελέσματα κατά τη διάρκεια του δανεισμού βάσει της μεθόδου του πραγματικού επιτοκίου.

2.17 Suppliers and other liabilities

Liabilities are initially recognized at their fair value and subsequently measured by the method of amortized cost with the use of the effective interest rate.

2.18 Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the company's financial statements at the time of their approval by the General Meeting of Shareholders.

2.19 Income tax – Deferred tax

The Company is taxed at a rate equal to 10% of the effective European Central Bank reference rate increased by 1%. This rate is applied on the average value of six month investments plus cash and equivalents stated at current prices and therefore it is not subject to temporary tax differences that would result in deferred tax.

Subsidiaries with the sole purpose of operating real estate, in which the Company holds a stake greater than 90%, are treated as REIC from a taxation standpoint and are taxed as set forth in the paragraph above, from the date of their acquisition and after.

2.20 Income and expenses recognition

Income includes mainly revenue from leases, the disposal of investment property and interest.

The income and expenses of the Group are recognized on an accrual basis. In more detail:

- Income from leases is recognized on an accrual basis
- income from the sale of property is recognized upon realization of the sale
- interest income is recognized on an accrual basis, using the effective interest rate method
- expenses are recognized on an accrual basis

Intercompany income and expenses are completely eliminated.

2.21 Interest Income & Expenses

Interest income & expenses are stated in the income statement as Interest Income" & "Financial Expenses" respectively, by the method of effective interest rate. This method is calculating the amortized cost of a financial asset or financial liability and allocating the income or interest expense over the relevant period.

The effective interest rate is the rate that accurately discounts future cash payments or receipts through the expected life of a financial instrument or, when appropriate, for a shorter time period, in the net book value of the financial asset or liability.

When calculating the effective interest rate, the entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but will not consider future credit losses. This includes all fees and points paid or received between parties that are an integral part of the real interest rate, transaction costs as well as any increase or reduction.

2.22 New accounting standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning from the current reporting period and the subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations has as follow.

<u>Standards and Interpretations effective for the current financial year</u>

IAS 24 (Revised) "Related Party Disclosures": This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. This revision does not affect the Group's financial statements.

IAS 32 (Amendment) "Financial Instruments: Presentation": This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments": This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction": The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

<u>Amendments to standards that form part of the IASB's 2010 annual improvements project</u>

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments do not have a material impact on the Group's financial statements.

IFRS 3 "Business Combinations": The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

IFRS 7 "Financial Instruments: Disclosures": The amendments include multiple clarifications related to the disclosure of financial instruments.

IAS 1 "Presentation of Financial Statements": The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

IAS 27 "Consolidated and Separate Financial Statements": The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

IAS 34 "Interim Financial Reporting": The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

IFRIC 13 "Customer Loyalty Programmes": The amendment clarifies the meaning of the term 'fair value' in the context of measuring award credits under customer loyalty programmes.

<u>Standards and Interpretations effective from periods beginning on or after 1 January 2012</u>

IFRS 9 "Financial Instruments" <u>(effective for annual periods beginning on or after 1 January 2015)</u>: IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IFRS 13 "Fair Value Measurement" (Effective for annual periods beginning on or after 1 January 2013): IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011): This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements.

IAS 12 (Amendment) "Income Taxes" (effective for annual periods beginning on or after 1 January 2012): The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the EU.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012): The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013): This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. This amendment has not yet been endorsed by the EU.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2013): The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.This amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014): This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment has not yet been endorsed by the EU.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements": IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements": IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 "Disclosure of Interests in Other Entities": IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements": This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates"* and IAS 31 "*Interests in Joint Ventures"* regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures": IAS 28 "*Investments in Associates and Joint Ventures"* replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and assumptions are continually evaluated and are based on historical experience as adjusted to current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The Group makes estimates and assumptions concerning future events. The resulting accounting estimates will, by definition, seldom be exactly equal to the related actual results. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

3.1 Critical accounting estimates and assumptions

α) Estimate of fair value of investment properties

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates based on the advice of its independent external Appraisers.

In making its judgment, the Company considers information from a variety of sources including:

i Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.

ii Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

iii Discounted cash flows based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The main parameters that affect the valuation of the fair value of the Group's assets are:

- The periods during which a property (or part of it) remains empty. An increase of this time period by 5% would translate negatively to the after tax results of the Group with a loss of € 1.321.064 (€ 3.625.886 for 2010). Respectively, its reduction (an increase in property rentals) creates additional profit approximately of των € 650.022 (€ 2.243.832 for 2010)
- The market rent, is an estimate of a fair rent that can be achieved during an ordinary transaction under current market conditions. If the prevailing market rent is reduced by 5% then the financial of the Group will show losses by € 1.487.676 (€ - 1.436.163 for 2010) whereas if there is an increase by 5% there will be profits of € 1.487.672 (€ 1.449.333 for 2010).
- The discount rate of future cash flows reflects the degree of risk as well we expected yield an investor would demand for the purchase of a property. An increase of 0,5% (percentage change 5%) would reduce the fair value of the properties and would create losses for the company amounted to € 1.492.140 (€ 2.454.309 for 2010). Respectively, a reduction in the discount rate of 0,5% through an increase in fair values creates a profit of € 1.569.769 (€ 2.669.670 for 2010).

β) Principal Management assumptions for the estimation of fair value

In the absence of current or recent prices, the fair values of investment properties are determined using discounted cash flow valuation techniques.

The Group uses assumptions that are mainly based on market conditions existing at each balance sheet date. The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals; vacancy periods; maintenance requirements; as well as appropriate discount rates. These valuations are regularly compared to actual market data, and actual transactions by the Group and those reported by the market.

Expected future rents are determined on the basis of current market rents for similar properties in the same location and condition**.**

3.2 Critical Management assumption for the application of accounting standards

Classification of recently acquired properties as investment or owner-occupied properties.

The Group determines if a recently acquired property expected to be used as investment property should be initially recognized as property, plant and equipment or as an investment property. In order to make such judgment, the Group considers whether the property generates substantial cash flows generated regardless of the other assets owned by the Group.

4 FINANCIAL RISK MANAGEMENT

4.1 Business Risk management

The Group is exposed to certain financial risks such as market risk (foreign exchange risk, price risk and cash flow risk from interest rate changes), credit risk, liquidity risk and real estate market risk. Financial risks are related to the following financial items: trade receivables, cash and cash equivalents, suppliers and other liabilities. The accounting principles related to the above financial instruments outlined in Note 2.

Risk management is carried out by the Group's Management. Risk management focuses mainly on identifying and assessing financial risks such as: market risk, credit risk, and liquidity risk.

a) Real estate market risk

(i) Foreign exchange risk

The Group operates exclusively in a single economic environment (Greece) and is not exposed to foreign exchange risks, due to the lack of transactions in foreign currency.

ii) Price risk

The Group is not exposed to risk related to financial instruments since it does not hold any equity securities. The Group is exposed to price risk not related to financial instruments, such real estate market risk. Reference is made in Note 3.

iii) Cash flow risk and fair value interest rate risk

The Group owns significant interest-bearing assets such as demand and term bank deposits.

A 1% increase in the deposits interest rate would result to additional net profit after tax in the income statement amounting to € 237.637 for 2011 (2010: € 131.794,). A decrease of 1% in the deposits interest rate would result to additional losses after tax in the income statement amounting to € 237.637 for 2011 (2010: € 131.794).

The Group's exposure to interest rate fluctuations arises from bank loans.

The Group takes on exposure to the effects of fluctuations in the market interest rates, which affect its financial position and cash flows. The cost of borrowing may increase as a result of such changes, thus creating or reducing losses due to unexpected events.

The following sensitivity analysis is based on the assumption that changes in interest rate occur while other variable remain constant. It should be noted that in reality change of one parameter (change in interest rate) may affect more than one variable.

An 1% increase in interest rate would have as a result losses after tax in the income statement amounted to € 74.375,00 for 2011(€ 85.000,00 in 2010). A decrease of 1% in interest rates would result in profit after tax amounted to € 74.375,00 in 2011 (2010: € 85.000,00)

The trade and other liabilities are short term and do not bear interest.

β) Credit Risk

The Group has credit risk concentrations with respect to rental revenues from property operating leases, cash balances and demand bank deposits.

The credit risk pertains to cases in which contracting parties fail to fulfill their obligations. No significant losses are expected, as the Group's transactions with clients – tenants are entered into after their solvency and reliability has been assessed, in order to avoid delays in payment and defaults. The maximum exposure of the Group to credit risk is discussed below (liquidity risk).

γ) Liquidity Risk

Prudent liquidity risk implies sufficient cash balance, ability to raise capital and the ability to close out open market positions.

Good cash management, sound financial structure and careful selection of investment movements, ensure within the appropriate time brackets that the Group possesses the required liquidity for its operations. Management regularly follows-up on the Group's liquidity.

The following table presents the ageing analysis of the Company's and Group's receivables and liabilities as at 31.12.2011, classified according to the time of creation and maturity, respectively:

	GROUP		COMPANY	
Trade Receivables	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Non outstanding receivables	0,00	0,00	0,00	0,00
Outstanding receivables				
Within 1 month	92.977,77	136.969,67	92.977,77	77.485,55
between 1 month and 3 months	57.351,18	53.460,95	57.351,18	53.460,95
between 3 months and 12 months	189.368,07	119.428,00	175.932,50	119.428,00
Over 12 months	74.947,63	66.283,37	74.947,63	66.283,37
	414.644,65	**376.141,99**	**401.209,08**	**316.657,87**
Other Receivables	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Non outstanding receivables	230.863,84	84.073,76	192.009,23	82.898,97
Outstanding receivables				
Within 1 month	37.600,91	27.213,59	37.503,73	0,00
Between 1 month and 3 months	864.872,88	62.999,29	868.600,00	62.999,29
Between 3 months and 12 months	114.542,04	36.168,30	96.789,15	36.168,30
Over 12 months	8.796,50	0,00	8.796,50	0,00
	1.256.676,17	**210.454,94**	**1.203.698,61**	**182.066,56**
Cash	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Demand deposits and term deposits	23.763.724,50	13.179.451,22	23.758.641,29	12.626.276,81
	23.763.724,50	**13.179.451,22**	**23.758.641,29**	**12.626.276,81**

The estimated undiscounted outflows, related to contracts associated with the obligations of the Company and certain bank loans (including estimated interest payments) as well as its suppliers and other liabilities are as follows:

Financial Liabilities

	GROUP		COMPANY	
Non current liabilities	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Borrowings				
Within 1 year	589.032,36	1.476.719,07	0,00	0,00
Between 2 and 5 years	1.786.263,57	3.759.307,03	0,00	0,00
Over 5 years	6.570.264,94	2.811.843,75	0,00	0,00
	8.945.560,87	**8.047.869,85**	**0,00**	**0,00**
Current liabilities	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Suppliers and other liabilities				
Within 1 month	336.758,41	305.555,58	244.472,72	182.228,89
Between 1 month and 3 months	46.282,14	0,00	26.780,02	0,00
Between 3 months and 12 months	242.049,26	254.257,86	213.645,92	221.917,64
	625.089,81	**559.813,44**	**484.898,66**	**404.146,53**
Borrowings	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Within 1 month	0,00	531.250,00	0,00	0,00
Between 3 months and 12 months	589.219,17	1.279.526,56	0,00	0,00
	589.219,17	**1.810.776,56**	**0,00**	**0,00**

4.2 Capital risk management

The Group's aim in managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits to the other stakeholders related to the Group, to maintain an optimum capital structure and be in line with Law 2778/1999.

There is no capital risk for the Company, due to its high level of capital and low level of liabilities. The dividend distribution obligation is always covered by the Company's cash. Any increase in the property portfolio of the Company can be covered either by increasing its Share Capital, or by borrowing within the limits set by Law 2778/1999, as in effect.

5 BUSINESS SEGMENTS

The business segments of the Group, depending on the origination of income per asset type, are distinguished as follows:

- shops
- offices
- petrol stations
- parking stations

The Group operates only in the Greek market and consequently there is no subsequent break down into secondary business segments.

The breakdown of financial results, assets & liabilities per segment is shown below:

GROUP

01.01.2011-31.12.2011	**Shops**	**Offices**	**Petrol stations**	**Garages**	**Unallocated**	**Group Total**
Income from leases	1.392.424,15	3.881.105,44	627.535,63	111.840,84	0,00	6.012.906,06
Gains / (losses) from adjustments to fair value	(2.402.437,00)	(895.263,00)	(107.448,00)	(391.484,00)	0,00	(3.796.632,00)
Gains / Losses from sale of investment properties	(9.244,00)	0,00	8.303,00	0,00	0,00	(941,00)
Other income	30.741,97	0,00	0,00	6.195,61	12.503,59	49.441,17
Total income from properties	**(988.514,88)**	**2.985.842,44**	**528.390,63**	**(273.447,55)**	**12.503,59**	**2.264.774,23**
Interest income					417.816,52	417.816,52
Financial Expenses	(364.760,32)	0,00	0,00	0,00	(705,58)	(365.465,90)
Total operating expenses	(418.560,68)	(139.859,45)	(82.724,47)	(45.993,01)	(1.760.629,91)	(2.447.767,52)
Profit before tax	**(1.771.835,88)**	**2.845.982,99**	**445.666,16**	**(319.440,56)**	**(1.331.015,38)**	**(130.642,67)**
Income tax	(113.908,02)	(180.936,54)	(42.709,28)	(25.722,61)	(109.893,74)	(473.170,19)
Profit after tax	**(1.885.743,90)**	**2.665.046,45**	**402.956,88**	**(345.163,17)**	**(1.440.909,12)**	**(603.812,86)**

31.12.2011	**Shops**	**Offices**	**Petrol stations**	**Garages**	**Unallocated**	**Group Total**
Business segment assets	24.631.784,00	39.126.215,00	9.235.573,00	5.562.329,00	30.797,33	78.586.698,33
	24.631.784,00	**39.126.215,00**	**9.235.573,00**	**5.562.329,00**	**30.797,33**	**78.586.698,33**
Total receivables and cash	459.705,47	0,00	0,00	90.965,00	24.788.454,47	25.339.124,94
Total assets	**25.091.489,47**	**39.126.215,00**	**9.235.573,00**	**5.653.294,00**	**24.819.251,80**	**103.925.823,27**
Total liabilities	**7.516.414,08**	**0,00**	**0,00**	**0,00**	**940.933,03**	**8.457.347,11**

01.01.2010-31.12.2010	**Shops**	**Offices**	**Petrol stations**	**Garages**	**Unallocated**	**Group Total**
Income from leases	1.798.177,90	5.045.843,74	670.159,89	209.360,87	0,00	7.723.542,40
Gains / (losses) from adjustments to fair value	(3.756.117,95)	(3.861.499,00)	(928.117,00)	(1.430.895,00)	0,00	(9.976.628,95)
Gains / Losses from sale of investment properties	132.022,62	0,00	0,00	0,00	33.853,64	165.876,26
Total income from properties	**(1.825.917,43)**	**1.184.344,74**	**(257.957,11)**	**(1.221.534,13)**	**33.853,64**	**(2.087.210,29)**
Interest income	0,00	0,00	0,00	0,00	343.202,77	343.202,77
Financial Expenses	(344.728,06)	0,00	0,00	0,00	(548,90)	(345.276,96)
Total operating expenses	(180.666,27)	(465.595,73)	(122.849,97)	(75.937,17)	(1.292.022,00)	(2.137.071,14)
Profit before tax	**(2.351.311,76)**	**718.749,01**	**(380.807,08)**	**(1.297.471,30)**	**(915.514,49)**	**(4.226.355,62)**
Income tax	(143.583,52)	(289.600,43)	(51.693,03)	(31.623,74)	(70.002,80)	(586.503,52)
Profit after tax	**(2.494.895,28)**	**429.148,58**	**(432.500,11)**	**(1.329.095,04)**	**(985.517,29)**	**(4.812.859,14)**

31.12.2010	**Shops**	**Offices**	**Petrol stations**	**Garages**	**Unallocated**	**Group Total**
Business segment assets	27.032.521,00	54.523.175,00	9.732.265,00	5.953.813,00	174.343,29	97.416.117,29
	27.032.521,00	**54.523.175,00**	**9.732.265,00**	**5.953.813,00**	**174.343,29**	**97.416.117,29**
Total receivables and cash	438.090,25	0,00	0,00	27.417,62	13.281.532,15	13.747.040,02
Total assets	27.470.611,25	54.523.175,00	9.732.265,00	5.981.230,62	13.455.875,44	111.163.157,31
Total liabilities	8.577.274,08	0,00	0,00	0,00	1.024.770,21	9.602.044,29

In regards to the above business segment breakdown, it should be noted that:

a) There are no transactions between business segments.

b) Business segment assets consist of investment properties and tangible assets.

c) Non allocated assets refer to the tangible and intangible assets.

d) Total receivables and cash balance includes receivables from tenants, guarantees and other receivables. Non allocated items refer to cash balance and other receivables.

6 RELATED PARTY TRANSACTIONS

All transactions with related parties are and objective and are carried out on the basis of market conditions for similar transactions. The related parties' transaction amounts and the corresponding balances are shown below:

GROUP	**31.12.2011**		**01.01.2011-31.12.2011**	
	RECEIVABLES	**LIABILITIES**	**REVENUES**	**EXPENSES**
PASAL DEVELOPMENT S.A.	870.992,26	0,00	0,00	228.998,00
PIRAEUS BANK S.A.	22.479.581,78	7.437.500,00	4.248.750,65	375.932,85
ACT SERVICES S.A.	0,00	0,00	0,00	5.337,39
VICTORIA Insurances S.A.	0,00	0,00	0,00	69.746,00
ORIZON S.A.	0,00	0,00	0,00	61.994,26
NEW UP DATING Development S.A.	0,00	0,00	8.303,00	0,00
TOTAL	**23.350.574,04**	**7.437.500,00**	**4.257.053,65**	**742.008,50**

GROUP	**31.12.2010**		**01.01.2010-31.12.2010**	
	RECEIVABLES	**LIABILITIES**	**REVENUES**	**EXPENSES**
PASAL DEVELOPMENT S.A.	0,00	0,00	0,00	130.210,42
PIRAEUS BANK S.A.	12.014.638,57	8.500.000,00	5.344.332,49	345.435,13
PIRAEUS REAL ESTATE S.A.	0,00	0,00	0,00	300.000,00
ACT SERVICES S.A.	0,00	0,00	0,00	3.152,02
VICTORIA Insurances S.A.	0,00	0,00	0,00	7.394,00
ORIZON S.A.	0,00	0,00	0,00	118.547,34
PIRAEUS A.T.F.S.	0,00	0,00	0,00	12.258,38
TOTAL	**12.014.638,57**	**8.500.000,00**	**5.344.332,49**	**916.997,29**

COMPANY	**31.12.2011**		**01.01.2011-31.12.2011**	
	RECEIVABLES	**LIABILITIES**	**REVENUES**	**EXPENSES**
PASAL DEVELOPMENT S.A.	870.992,26	0,00	0,00	228.998,00
REMBO SA	29.877,00	0,00	6.875,96	0,00
ACT SERVICES S.A.	0,00	0,00	0,00	5.337,39
VICTORIA Insurances S.A.	0,00	0,00	0,00	69.746,00
ORIZON S.A.	0,00	0,00	0,00	61.994,26
NEW UP DATING Development S.A.	0,00	0,00	8.303,00	0,00
PIRAEUS BANK S.A.	22.479.581,78	0,00	4.247.442,09	11.172,53
ΣΥΝΟΛΑ	**23.380.451,04**	**0,00**	**4.262.621,05**	**377.248,18**

COMPANY	**31.12.2010**		**01.01.2010-31.12.2010**	
	RECEIVABLES	**LIABILITIES**	**REVENUES**	**EXPENSES**
PASAL DEVELOPMENT S.A.	0,00	0,00	0,00	110.206,42
REMBO SA	320.000,00	0,00	21.703,60	0,00
PIRAEUS REAL ESTATE S.A.	0,00	0,00	0,00	300.000,00
ACT SERVICES S.A.	0,00	0,00	0,00	3.152,02
VICTORIA Insurances S.A.	0,00	0,00	0,00	7.394,00
ORIZON S.A.	0,00	0,00	0,00	118.547,34
PIRAEUS A.T.F.S.	0,00	0,00	0,00	12.258,38
PIRAEUS BANK S.A.	11.461.675,06	0,00	5.339.534,64	900,00
TOTAL	**11.781.675,06**	**0,00**	**5.361.238,24**	**552.458,16**

Receivables from Piraeus Bank refer to bank deposits and obligations related to a loan for its subsidiary REMBO S.A. for the purchase of its building; income pertains to rents from investment property leases and expenses relate to interest on loans. The expenses, pertaining to Pasal Development S.A. concern the rendering of consulting services and real estate development services. The receivables from PASAL DEVELOPMENT S.A. concern advance for the acquisition of investment property (see Note 30). The income from NEW UP DATING DEVELOPMENT S.A. refers to revenue from the property sale (see Note 9).

COMPENSATIONS TO THE MANAGEMENT

For the period from 01.01.2011 to 31.12.2011, the gross BoD remuneration amounted to € 78.199,80 compared to € 86.889,36 of the period from 01.01.2010 to31.12.2010. The senior management fees, amounted to € 329.595,06 versus € 332.520,61 of the period from 01.01.2010 to 31.12.2010.

7 TANGIBLE ASSETS

	GROUP - COMPANY		
	Leasehold improvements	**Furniture and other equipment**	**Total**
2010			
Acquisition cost			
Opening balance	173.932,58	48.572,19	222.504,77
Purchases	4.994,06	11.564,36	16.558,42
	178.926,64	**60.136,55**	**239.063,19**
Accumulated Depreciation			
Opening balance	30.149,80	28.115,04	58.264,84
Depreciations for the period	16.112,48	12.616,46	28.728,94
	46.262,28	**40.731,50**	**86.993,78**
Net book value as at 31.12.2010	**132.664,36**	**19.405,05**	**152.069,41**

	Leasehold improvements	**Furniture and other equipment**	**Total**
2011			
Acquisition cost			
Opening balance	178.926,64	60.136,55	239.063,19
Purchases	0,00	11.512,10	11.512,10
Write offs	(178.926,64)	0,00	(178.926,64)
Sales	0,00	(19.155,64)	(19.155,64)
	0,00	**52.493,01**	**52,493,01**
Accumulated Depreciation			
Opening balance	46.262,28	40.731,50	86.993,78
Depreciations for the period	132.664,30	11.996,47	144.660,77
Write offs	(178.926,58)	0,00	(178.926,58)
Sales		(18.586,61)	(18.586,61)
	0,00	**34.141,36**	**34.141,36**
Net book value as at 31.12.2011	**0,00**	**18.351,65**	**18.351,65**

There was no impairment of the Group fixed assets' values during the years 2010 and 2011. Tangible assets write-offs, in particular leasehold improvement write offs, are due to the relocation of the company to new premises in the current year in order to reduce costs.

8 INTANGIBLE ASSETS

	GROUP - COMPANY	
Acquisition cost	**31.12.2011**	**31.12.2010**
Opening Balance	39.714,13	16.871,13
Purchases	1.160,00	22.843,00
	40.874,13	**39.714,13**
Accumulated Depreciation		
Opening Balance	17.440,25	3.548,88
Depreciation for the period	10.988,20	13.891,37
	28.428,45	**17.440,25**
Net book value	**12.445,68**	**22.273,88**

The balance pertains to software applications

9 INVESTMENT PROPERTY

The Group investment properties are analyzed as follows:

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Opening Balance	**97.241.774,00**	**107.039.288,00**	**84.214.050,00**	**93.551.739,00**
Losses from fair value adjustments	(3.796.632,00)	(9.976.628,95)	(2.013.957,00)	(9.516.803,95)
Additions	1.700,00	179.114,95	1.700,00	179.114,95
Cost of properties sold	(14.890.941,00)	0,00	(14.890.941,00)	0,00
Closing Balance	**78.555.901,00**	**97.241.774,00**	**67.310.852,00**	**84.214.050,00**

The fair values of investment property are assessed every six months on the basis of management estimates which rely on independent valuations by the Body of Sworn-In Valuers of Greece (S.O.E.). Valuations are primarily based on discounted cash flow forecasts, as well as current prices in an active market.

The most recent valuation of the Group and Company properties occurred on 31.12.2011 and was based on respective the S.O.E. valuation reports, as stipulated in the relevant provisions of L.2778/1999. The adjustment of the Group and Company investment properties to fair value resulted in losses of € 3.796.632,00 and € 2.013.957,00 respectively.

On 07.04.2011 the Company sold a property (fuel station) on 158 Athinon Str. in Agia Triada, Kalamata region for a price of € 380 K and on 21.07.2011 the Company sold a property (office building) on 5 Korai Str. in Athens the company New Up Dating Development, subsidiary of Piraeus Real Estate, for € 14.510 K. the transaction data are presented in the following table:

	Company	
	31.12.2011	
Total Revenue from property sale	380.000,00	14.510.000,00
Less		
Acquisition cost	298.634,65	4.652.102,71
Realized profit	**81.365,35**	**9.857.897,29**
The above profits are analyzed in the financial statements as follows:		
Profit / Loss recorded in equity until 31/12/2010	90.609,35	9.849.594,29
Profit / Loss recorded in the income statement	**(9.244,00)**	**8.303,00**

The assets of the Company are not pledged. There is a mortgage pre-notice on the property of the subsidiary REMBO located on 36-38-40 Alimou & 9Ionian Str in the Municipality of Alimos, with a value of € 10.200.000,00 as guarantee for a loan from Piraeus Bank.

The Group has full ownership of is properties, with the exception of 50% co-ownership of the property on 87, Syngrou Ave. in Athens.

On December 31st 2011, investment property represented 69,89.% of Company's assets. This is due to a) the collection of €14,5 mio from the sale of property and b) the fact that the process for the acquisition of 3 properties has not been completed. The latter is expected to take place within the first quarter of 2012 after approval by the General Meeting of the shareholders and the completion of the legal and technical inspection.

10 INVESTMENTS IN SUBSIDIARIES

The Company's investments in subsidiaries are the following:

	COMPANY	
	31.12.2011	**31.12.2010**
Investment cost	**4.220.046,89**	**4.220.046,89**
Capital increase	1.100.000,00	0,00
Impairment of investment value	(1.604.331,54)	0,00
ΣΥΝΟΛΑ	**3.715.715,35**	**4.220.046,89**

The above investment cost of pertains to the Company's holdings in its subsidiary REMBO S.A. The stake was acquired in 08.12.2009 through a contract for the purchase of 100% of the shares of "REMBO", with registered offices in Greece, which has full ownership of a property in the Municipality of Alimos.

The impairment of the participation in the subsidiary REMBO AE represents unrealized losses on property valuation in Alimos. During the current year the Company has increased its share capital of subsidiary REMBO AE to reduce its borrowing.

11 TRADE RECEIVABLES

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Clients – property tenants	305.601,00	259.202,24	292.165,43	199.718,12
Client checks receivable	64.576,54	116.939,73	64.576,54	116.939,73
Client notes receivable	44.467,11	0,00	44.467,11	0,00
Less: provision for doubtful clients	(128.262,51)	(66.283,37)	(128.262,51)	(66.283,37)
Total	**286.382,14**	**309.858,60**	**272.946,57**	**250.374,48**

The analysis of the above receivables according to their maturity is as follows:

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Non outstanding receivables		0,00		0,00
<u>Outstanding receivables</u>				
Within 1 month	92.977,77	136.969,67	92.977,77	77.485,55
Between 1 month and 3 months	57.351,18	53.460,95	57.351,18	53.460,95
Between 3 months and 12 months	189.368,07	119.428,00	175.932,50	119.428,00
Over 12 months	74.947,63	66.283,37	74.947,63	66.283,37
	414.644,65	**376.141,99**	**401.209,08**	**316.657,87**

Fair value of receivables is assumed to approximate book value as their collection is expected to be carried out within a time period where the time value of money is insignificant.

For the receivables overdue more than 6 months the company created an impairment provision against the profit & loss account for an amount of € 128.262,51 for the Group and the Company. The change of the provisions compared to the previous fiscal year refers to a) collection of impaired accounts for € 33.751,01 and b) current period provision of € 95.730,15

12 OTHER RECEIVABLES

	GROUP		COMPANY	
Non current receivables	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Guarantees	76.138,56	83.443,56	62.928,56	70.233,56
Receivables from related companies	0,00	0,00	0,00	320.000,00
TOTAL	**76.138,56**	**83.443,56**	**62.928,56**	**390.233,56**

Current Receivables	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Other debtors	1.034.870,31	58.343,23	1.020.747,36	39.967,80
Checks / Notes payable	6.156,02	74.413,80	6.156,02	74.413,80
Prepaid expenses	170.616,43	22.642,51	141.811,49	13.731,92
Accrued income for the fiscal year	45.033,41	55.055,40	34.983.74	53.953,04
Less: Provisions for doubtful debtors	(43.796,43)	(36.168,30)	(43.796,43)	(36.168,30)
TOTAL	**1.212.879,74**	**174.286,64**	**1.159.902,18**	**145.898,26**

The increase in prepaid expenses for the Company and the Group is due to the Special Duty on Electricity Supplied Surfaces (EETIDE) according to Presidential Decree issued in Gov. Gazette No 262 of 16/12/2011, which concerns the 2012 fiscal year. The increase in other debtors is due to an advance to PASAL DEVELOPMENT SA for a property purchase (see Note 30). The decrease in receivables from related parties is due to the repayment of the loan amount of € 320.000 which was granted the previous year from the Company to the subsidiary REMBO as working capital.

The analysis of the above receivables according to their maturity is as follow:

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Non outstanding receivables	230.863,84	84.073,76	192.009,23	82.898,97
<u>Outstanding receivables</u>				
Within 1 month	37.600,91	27.213,59	37.503,73	0,00
Between 1 month to 3 months	864.872,88	62.999,29	868.600,00	62.999,29
Between 3 months and 12 months	114.542,04	36.168,30	96.789,15	36.168,30
Over 12 months	8.796,50		8.796,50	
	1.256.676,17	**210.454,94**	**1.203.698,61**	**182.066,56**

For overdue receivables up to 12 months there is an impairment provision against the profit & loss account for an amount of € 43.796,43. The change of provisions compared to the previous fiscal year concerns a) collection of impaired amounts of € 2.013,52 and b) transfers of € 9.641,65

13 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Demand deposits and cash equivalents	613.724,50	529.451,22	608.641,29	376.276,81
Term deposits	23.150.000,00	12.650.000,00	23.150.000,00	12.250.000,00
TOTAL	**23.763.724,50**	**13.179.451,22**	**23.758.641,29**	**12.626.276,81**

14 SHARE CAPITAL

	Number of shares	Share capital	Share premium	Total
Balance as at 01.01.2010	54.888.240	62.023.711,20	163.190,75	62.186.901,95
Balance as at 31.12.2010	**54.888.240**	**62.023.711,20**	**163.190,75**	**62.186.901,95**

	Αριθμός μετοχών	Μετοχικό κεφάλαιο	Υπέρ το άρτιο	Σύνολο
Balance as at 01.01.2011	54.888.240	62.023.711,20	163.190,75	62.186.901,95
Balance as at 31.12.2011	**54.888.240**	**62.023.711,20**	**163.190,75**	**62.186.901,95**

The total number of common registered shares is 54.888.240, with a value of € 1,13 per share. The total share capital has been fully paid up.

As at December 31 2011 there were no treasury shares owned by the company or its subsidiaries.

The Company does not have a stock option plan.

15 RESERVES

The analysis of the reserves is as follows:

	GROUP - COMPANY		
	Statutory reserves	Reserves subject to special taxation	Total reserves
Opening Balance as at 1 January 2010	2.289.255,84	2.875,37	2.292.131,21
Profits transferred to statutory reserves	234.767,75	0,00	234.767,75
Balance as at 31 December 2010	**2.524.023,59**	**2.875,37**	**2.526.898,96**
Opening Balance as at 1 January 2011	**2.524.023,59**	**2.875,37**	**2.526.898,96**
Profits transferred to statutory reserves	174.358,10	0,00	174.358,10
Balance as at 31 December 2011	**2.698.381,69**	**2.875,37**	**2.701.257,06**

Statutory reserves may be distributed only upon the liquidation of the Company. However they can be offset with accumulated losses. Reserves subject to a special taxation can be distributed after the deduction of income taxes according to the provisions on tax legation in effect.

16 RETAINED EARNINGS

The analysis of the retained earnings account is presented in the Statement of Changes in Equity.

Retained earnings of the Group and Company include the amounts of € 11.760 K and € 13.565 K (amounts of € 25.552 K and € 25.519 K respectively in 2010) concerning gains from the adjustments of investment properties to fair value that cannot be distributed. The distribution of these amounts will be possible after the disposal of those properties.

17 RETIREMENT BENEFIT OBLIGATIONS

The retirement benefit obligations with corresponding charges to the profit & loss account are as follows:

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Opening Balance	21.572,00	16.687,96	21.572,00	16.687,96
Provision from actuarial study	3.611,00	4.884,04	3.611,00	4.884,04
Closing Balance	**25.183,00**	**21.572,00**	**25.183,00**	**21.572,00**

18 DEBT OBLIGATIONS

Bank debt is analyzed below on a repayment period basis. The amounts repayable within a year from the balance sheet date are termed current liabilities, whilst those repayable at a later stage are termed non current liabilities

	GROUP		COMPANY	
Non current obligations	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Bond loans issued by Banks	7.214.375,00	6.906.250,00	0,00	0,00
TOTAL	**7.214.375,00**	**6.906.250,00**	**0,00**	**0,00**

Current liabilities	**31.12.2011**	**31.12.2010**	**31.12.2011**	**31.12.2010**
Bond loans issued by Banks	223.125,00	1.593.750,00	0,00	0,00
TOTAL	**223.125,00**	**1.593.750,00**	**0,00**	**0,00**

Bank debt obligations concern bond loans of the subsidiary, REMBO S.A. The bond loans have been given by a Greek bank and are denominated in Euros. They are simple, non convertible, divided into common bearer bonds and have been issued in order to fund the acquisition of a property, over which a mortgage for the amount of € 10.200.000,00 has been made. The said loans have been guaranteed by TRASTOR REIC. Interest payments take place every six months, with an interest rate based on the six month Euribor plus a spread. The average weighted effective interest rate of the bond loan for 2011 was 4,959%.

The bond loan is recorded at its unamortized value.

The maturity of noncurrent loans is as follows:

	GROUP		COMPANY	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Within 1 year	589.032,36	1.476.719,07	0,00	0,00
Between 2 to 5 years	1.786.263,57	3.759.307,03	0,00	0,00
Over 5 years	6.570.264,94	2.811.843,75	0,00	0,00
	8.945.560,87	**8.047.869,85**	**0,00**	**0,00**
Less:				
Future financial obligations	1.731.185,87	1.141.619,85	0,00	0,00
Current value of debt obligations	**7.214.375,00**	**6.906.250,00**	**0,00**	**0,00**

The current value of debt obligations has as follows:

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Up to 1 year	238.000,00	1.062.500,00	0,00	0,00
Between 2 to 5 years	1.100.750,00	4.250.000,00	0,00	0,00
Over 5 years	5.875.625,00	1.593.750,00	0,00	0,00
	7.214.375,00	**6.906.250,00**	**0,00**	**0,00**

The changes in the maturity of non current bank debt are due to the renegotiation of payment terms by the subsidiary REMBO SA.

19 OTHER NON CURRENT LIABILITIES

The other noncurrent liabilities refer to lease guarantees, which the Company received by with the tenants, according to the terms of lease agreements.

20. SUPPLIERS AND OTHER LIABILITIES

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	31.12.2011	**31.12.2010**	**31.12.2011**	**31.12.2010**
Other suppliers	169.800,97	108.594,05	144.934,26	75.842,21
Stamp duty on rents	197.185,25	254.257,91	174.146,50	221.917,64
Accrued Expenses	174.721,58	178.845,62	82.435,89	88.824,32
Checks payable	68.369,02	661,86	68.369,02	108,36
Dividends payable	18.794,40	17.454,00	18.794,40	17.454,00
TOTAL	**628.871,22**	**559.813,44**	**488.680,07**	**404.146,53**

Suppliers and other liabilities are short term and do not bear interest.

21 INCOME TAX

The Company's tax rate (according to par. 8 art. 15 of L.3522/2006), equals 10% of the European Central Bank reference rate increased by 1%. This rate is applied on the average amount of the six month investment of the Company plus cash and equivalents. REMBO S.A. is taxed in the same manner as from the date that it became a subsidiary of the Company. Therefore, there are no temporary tax differences that would give rise to related deferred taxation.

The Company has not undergone a tax audit since fiscal year 2006 and its subsidiary, REMBO S.A., which is the only company consolidated in the statements, has settled its tax obligations until the fiscal year 2009, according to tax settlement note as provided by Law 3888/2010.

The analysis of the tax amount is as follows:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Tax for the first half of the year	108.448,16	112.792,14	94.878,90	99.392,74
Tax for the second half of the year	126.528,90	110.469,53	112.251,66	96.888,64
Extraordinary tax contribution L.3808/2009	0,00	361.931,85	0,00	332.915,24
Special duty on electricity supplied surfaces	238.193,13	0,00	214.055,93	0,00
Settlement L. 3888/2010	0,00	1.310,00	0,00	0,00
TOTAL	**473.170,19**	**586.503,52**	**421.186,49**	**529.196,62**

The tax for the first half was paid within 2011. Tax for the second half and the special duty on electricity supplied surfaces of the Group and the Company amounting to € 286.878,81 and € 250.529,97 respectively, are recorded in the income tax liabilities.

22 INCOME FROM INVESTMENT PROPERTY LEASES

The leasing period for the Group's investment property operating leases ranges between 9 and 20 years and is governed by the relevant legislation on commercial leases. The analysis of leases per business segment has as follows:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Shops	1.392.424,15	1.798.177,90	752.463,67	899.840,90
Offices	3.881.105,44	5.045.843,74	3.881.105,44	5.048.843,74
Petrol Stations	627.535,63	670.159,89	627.535,63	670.159,89
Parking lots	111.840,84	209.360,87	111.840,84	209.360,87
TOTAL	**6.012.906,06**	**7.723.542,40**	**5.372.945,58**	**6.828.205,54**

The aggregate future lease payments receivable under non cancellable operating lease contracts, not including future adjustments, are as follows:

	GROUP	COMPANY
Up to 1 year	5.625.119,91	4.645.115,91
Between 2 and 5 years	14.038.761,30	10.118.745,30
Over 5 years	15.374.131,23	4.270.262,26
TOTAL	**35.038.012,43**	**19.034.123,47**

23 INVESTMENT PROPERTY OPERATING EXPENSES

The property operating expenses are analyzed below:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Property management fees	76.875,00	300.000,00	76.875,00	300.000,00
Appraisers fees	45.160,00	80.400,00	42.480,00	78.000,00
Insurance	143.810,94	118.479,30	134.355,73	118.479,30
Maintenance-service charge	183.691,46	127.312,83	98.107,77	127.312,83
Property taxes & duties	111.702,39	82.048,25	89.467,76	82.048,25
Other expenses	125.897,82	136.808,76	125.491,37	119.721,33
TOTAL	**687.137,61**	**845.049,14**	**566.777,63**	**825.561,71**

24 STAFF EXPENSES

Staff expenses have as follows:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Salaries and wages	327.278,37	487.096,25	327.278,37	487.096,25
Employer contributions	47.044,69	70.631,75	47.044,69	70.631,75
Dismissal compensation	154.245,83	27.034,00	154.245,83	27.034,00
Other benefits	5.696,65	7.103,46	5.696,65	7.103,46
TOTAL	**534.265,54**	**591.865,46**	**534.265,54**	**591.865,46**

The number of staff employed in the Group and the Company, as at 31.12.2011, was 3 persons, compared to 6 persons on 31.12.2010.

25 OTHER OPERATING EXPENSES

The analysis of other operating expense is as follows:

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Taxes and duties	91.632,06	103.231,04	88.762,63	102.060,53
Publication expenses	26.199,07	33.451,24	23.077,45	31.444,96
BoD remuneration	78.199,80	86.889,36	78.199,80	86.889,36
Rents	91.080,22	75.499,94	91.080,22	75.499,94
Third party fees	237.737,43	162.285,93	226.344,75	162.285,93
Provisions for doubtful clients	95.730,15	84.422,76	95.730,15	84.422,76
Losses from receivables' write offs	385.695,29	0,00	12.484,76	0,00
Other expenses	64.441,38	111.755,96	63.586,51	107.559,59
TOTAL	**1.070.715,40**	**657.536,23**	**679.266,30**	**650.163,07**

26 INTEREST INCOME / FINANCIAL EXPENSES

The analysis of interest income has as follow:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Interest from demand deposits	4.032,55	24.519,55	3.804,05	24.119,11
Interest from term deposits	413.783,97	318.683,22	416.557,85	325.309,41
TOTAL	**417.816,52**	**343.202,77**	**420.361,90**	**349.428,52**

The financial expenses of the Group amounted to € 365.465,90 (€345.276,96 in 2010) referring to interest on bond loan of the subsidiary REMBO S.A. (see note 18) and are analyzed below:

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Loan interests	364.760,32	344.535,13	0,00	0,00
Financial expenses	705,58	741,83	500,82	548,90
TOTAL	**365.465,90**	**345.276,96**	**500,82**	**548,90**

27 EARNINGS PER SHARE

The basic and diluted earnings per share are calculated by dividing the profit after taxes attributable to the shareholders of the Company, by the weighted average of the number of common shares outstanding during the period.

	GROUP		COMPANY	
	01.01-31.12.2011	**01.01-31.12.2010**	**01.01-31.12.2011**	**01.01-31.12.2010**
Earnings /(Losses) after tax	(603.812,86)	(4.812.859,14)	(131.126,64)	(4.821.449,00)
Weighted average number of shares	54.888.240	54.888.240	54.888.240	54.888.240
Basic earnings/ losses per share (amount in €)	(0,0110)	(0,0877)	(0,0024)	(0,0878)

28 DIVIDENDS

The dividend distribution proposed by the Board of Directors proposed to the Ordinary General Shareholders Meeting for the fiscal year 2011 amounts to € 0,10 per share (€ 5.488.824,00)

The dividend for the fiscal year 2010, which amounted to € 5.488.824,00, was approved by the Ordinary General Meeting of shareholders that took place on 25-02-2011 and its distribution began on 09-03-2011.

29 CONTINGENT LIABILITIES AND COMMITMENTS

There are no pending legal actions against the Group or contingent liabilities due to commitments as at 31.12.2011, which would affect its financial position. For tax differences amounting to € 152 K, related to tax on property adjustment gains (L.2065/1992), the Company has appealed against the Hellenic Republic, as it considers this claim to be completely groundless.

30 POST BALANCE SHEET EVENTS

According to the BoD Decision of 07/02/2012, the Company will proceed with the purchase of 3 investment properties with a total value of € 53 mio, described as follows:

- Property on the 27km of the Old National Road Athens to Corinth in Elefsina with a total surface area of 33.911 sqm. Acquisition price is € 23,5 K and the estimated initial rental yield is 8,3%. For the purchase of this property, TRASTOR has signed a preliminary agreement with PASAL Development SA on 14.2.2012
- Property on 73 Kifissias Ave in the Municipality of Maroussi with total surface area of 22.753 sqm. Purchase price is € 22,15 mio and the estimated initial rental yield is 8,1%.
- Property on 168 Kifissias Ave in the Municipality of Maroussi with a purchase price of € 7,45 mio and the estimated initial rental yield of 8,1%.

The acquisition of the above properties will be financed by € 17,3 mio from the existing cash balance and by € 35,8 mio with new borrowing, after the completion of the legal and technical examination of the properties.

With the above mentioned acquisitions, TRASTOR REIC manages to strengthen and diversify the property portfolio with assets of high quality and marketability and also improve the dispersion of income to more tenants. Also the expected return of the investment is expected to lead to higher future profitability ensuring increased dividends to its shareholders.

Athens, March 7 2012

THE CHAIRMAN OF THE BoD	THE EXECUTIVE MEMBER OF THE BoD	THE ACCOUNTING DIRECTOR
DIMITRIOS GEORGAKOPOULOS	KONSTANTINOS A. MARKAZOS	MARIA P. ANASTASIOU
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