

30/07/2010 - Financial Results for the first half of 2010

Rental Income Increase of 11,4% for the first half of 2010.

The Company's rental income for the first half of 2010 amounted to € 3,9 m as compared to € 3,5 m respectively in 2009, an increase of 11.4%. This is in contrast to losses reported due to the downward revaluation of its investment properties, stemming from current adverse economic conditions.

More specifically, the key financial results can be summarized as follows:

- The company recorded a loss before tax of € 2,1 m compared to profit of € 3,5 m for the corresponding period last year. This difference is primarily attributed to losses of € 5 m from the revaluation of investment properties to fair value, as opposed to a profit of € 0,5 m in the corresponding period last year.
- Similarly, the losses after tax and before the extraordinary tax contribution amounted to € 2,2 m compared to profit after tax for the corresponding period last year that amounted to € 3,3 m. The total loss including the extraordinary tax contribution (of € 0,4 m) amounted to € 2,6 m.
- The FFO before the extraordinary tax contribution in the first half of 2010 amounted to € 2,83 m compared to € 2,87 m in 2009, indicating a marginal decrease.
- Total operating expenses amounted to € 1,0 m against € 0,7 m in the previous year as a result of the full staffing of the company and an increase in other operating expenses that were made in order to increase the marketability of certain properties. The overall increase in operating expenses for the entire fiscal year is expected to be similar to that of last year's.
- The value of the property portfolio amounted to € 102 m compared to € 96 m for the corresponding period last year, showing an increase which is due to the acquisition of the company REMBO, in December 2009, which offset the decrease of property values due to fair value adjustments. Long-term loans of the Company amounted to € 8,5 m.

The cash and cash equivalents of the Company as of 30.06.2010 amounted to € 10,7 m.

The Net Asset Value of the company amounted to € 103,4 m or € 1,89 per share compared to € 2,05 per share as at 31/12/2009.

Taking into account the recent developments in the Greek economy and the real-estate market, it should be noted that:

- The Company is in a good position to take advantage of any investment opportunities that may arise, but is prepared to be patient. More specifically, emphasis will be given to good quality properties with a focus on modern retail, office and logistics properties that are leased on terms that fully reflect current market conditions.
- The good quality of the company's portfolio along with the active management adapted by its team is expected to maintain the level of income of the company at a stable level in the coming months.
- In addition, where applicable, the Company will aim to sell non-strategic assets and reinvest the proceeds in higher yielding properties.
- In terms of operation, the Company has already adopted a program to reduce operating expenses to a feasible level in order to maintain profitability at the level of FFO.