

Marousi, November 02, 2010

Press Release

Net profit of €8,15m and increase in operating profit for the nine month period of 2010 for Eurobank Properties REIC. Trading discount at 49% of NAV.

Despite the current economic downturn, net profit for the period amounted to €8.15m for Eurobank Properties, a decrease of 77% compared to €34.88m in the respective period of 2009.

The decrease in profit for the period is due to the following reasons:

- a. A decrease in the fair value of the investment property by €18,8m compared to a gain of €5,9m in the previous year. The decrease is due to the market conditions in the real estate sector during the period caused by the economic downturn.
- b. The Company has recognized in the income statement an amount of €1,4m from the imposition of the extraordinary tax on profits. In 2009, the extraordinary tax was recorded in the 4th quarter of 2009.
- c. Interest income has decreased by €2,15m mainly due to the lower interest rates obtained compared to the previous period.

To the contrary

- a. Rental income has increased by 10% as it amounted to €34m from €31m of the previous period despite the market conditions
- b. Interest expense has decreased by €0.83m or 30% due to the lower interest rates.
- c. General and Administrative expenses have decreased by 14% as they amounted to €1.8m from €2.1m despite the increase in VAT.

As a result of the above:

- a. Operating profit of the Company (excluding fair value adjustments) has increased by 11% to €29.6m from €26.6m and
- b. The FFO decreased by 5% mainly due to the decrease in net interest income and the extraordinary tax of Law 3845/2010.

Despite the decrease in the fair value of investment property, NAV as at September 30, 2010 slightly decreased to €710m (€1.65 per share) compared to €728 (€1.94 per share) as at 31 December 2009. This decrease is due to the 2009 dividend.

Based on current share price the Company is trading at approximately 49% discount.