FINANCIAL STATEMENTS

31 DECEMBER 2008

The attached financial statements were approved by the Board of Directors of MIG REAL ESTATE S.A. on 27 January, 2009.

TABLE OF CONTENTS

BOARD OF DIRECTORS' REPORT 3
INDEPENDENT AUDITOR'S REPORT 7
BALANCE SHEET 9
INCOME STATEMENT 10
STATEMENT OF CHANGES IN EQUITY 11
CASH FLOW STATEMENT 12
NOTES TO THE FINANCIAL STATEMENTS 13
1. GENERAL INFORMATION ON THE COMPANY 13
2. SUMMARY OF BASIC ACCOUNTING PRINCIPLES 13
3. SIGNIFICANT ACCOUNTING ASSESSMENTS AND ESTIMATES 19
4. FINANCIAL RISK MANAGEMENT 21
5. CAPITAL MANAGEMENT 23
6. BUSINESS SEGMENTS 23
7. TANGIBLE FIXED ASSETS 25
8. INTANGIBLE ASSETS 25
9. INVESTMENT PROPERTY 26
10. RECEIVABLES 27
11. CASH AVAILABLE 27
12. SHARE CAPITAL – SHARE PREMIUM 27
13. RESERVES 28
14. RETAINED EARNINGS 29
15. EMPLOYEE TERMINATION BENEFITS OBLIGATIONS 29
16. LIABILITIES 29
17. BANK LOANS 30
18. INCOME FROM RENTALS 30
19. OTHER INCOME 30
20. OPERATING EXPENSES RELATED TO INVESTMENT PROPERTY 31
21. EMPLOYEE COMPENSATION 31
22. OTHER EXPENSES 31
23. DEPRECIATIONS/AMORTIZATIONS 32
24. FINANCIAL EXPENSES 32
25. INCOME TAX 32
26. BASIC ABD DILUTED EARNINGS PER SHARE 33
27. CONTINGENT LIABILITIES 33
28. RELATED PARTIES TRANSACTIONS 33
29. ADDITIONAL INFORMATION 34
30. EVENTS AFTER THE BALANCE SHEET DATE 34

BOARD OF DIRECTORS' REPORT
OF MIG REAL ESTATE REIT FOR THE YEAR 2008

Dear Shareholders,

We are submitting to the attention of the General Meeting of the Yshareholders the financial statements of «MIG Real Estate REIT» for the corporate year 01.01. – 31.12.2008, which have been approved by the Board of Directors of the Company.

The current report comprises the financial statements of the company that have been prepared based on the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), as well as their interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union.

We would like to disclose to you the basic items pertaining to the Company's operations within the financial year 2008:

A. FINANCIAL POSITION OF THE COMPANY

The year 2008 proved to be a very successful financial year for MIG Real Estate REIT. The Company, having received from the Hellenic Capital Market Commission the approval to operate as R.E.I.T. on 13.12.2007, has already recorded, as starting from the first financial year, significant development of its operations activities and financial sizes.

Therefore, in the end of the year 2008, the Company's portfolio comprises 30 investment property items, as against 10 investment property items and a farmland plot in the previous year. At the same time, the company the Company sought and achieved a wider dispersion of the portfolio relative to its lessors. The quality of the portfolio is also reflected in the performance and the financial results of the previous year.

In particular, the composition of the financial results for the year 2008 is analyzed as follows:

Turnover: The total income of the Company totally amounted to € **4.679,6 thousand,** as in compliance with the table below:

Income from rentals	3.186.155
Profit from investment property readjustment at fair value	1.303.117
Losses from disposal of investment property	-10.000
Interest income	200.366
Other income	
Total income	**4.679.637**

Income from rentals of property amounted to € 3.186.2 thousand as against € 1.407,6 thousand in the year 2007, presenting an increase of 126,36%. The above increase is due to new investments in investment property acquired by the Company within the year 2008, as well as to their leasing to a highly established and reputable company under favorable conditions.

Following the readjustment of investment property at fair value, conducted every six month by the Institute of Certified Actuaries, the arose for the total of the year 2008 profit amounting to € 1.303,1 thousand. A substantial part of this profit arises from the property acquired within 2008 at the prices that are better than the respective fair market prices. It is to be notes that within the previous year 2007, the Company had presented losses from fair value readjustment of investment property that were mainly due to direct property acquisition expenses though their fair value measurement was not taken into account.

The losses from disposal of property in the year 2008, amounting to € 10 thousand, arose from the disposal of the farmland plot, that existed in the Company's portfolio prior to its transition to REIT.

Finally, within the previous year, the Company had interest income amounting to € 200.4 thousand, arising from the placement of its cash available with an intra-bank market.

Financial Expenses: Interest expenses amounted to € 667,2 thousand for the year 2008 as against € 166,4 thousand in the previous year. This increase is due to borrowing incurred by the Company during the year within the frame of its investment policy for the purposes of financing property acquisition. The loans of the Company are short term and totally amounted to € 19.000 thousand in the end of the year 2008.

Earnings before tax: Earnings before tax amounted to € 2.909,9 thousand as against € 956,8 thousand in 2007, presenting an increase by 204,13%.

Income Tax: The REITs are subject to annual tax amounting to 10% over every outstanding reporting interest of the European Central Bank, surcharged by one counting unit and calculated over the average of investment exceeding the available as follows: 10% * (Reporting Interest + 1%).

For the year 2008, the income tax amounted to € 268,5 thousand. In the previous year, the company had been burdened by income tax amounting to € 214,8 thousand, in the same year there arose debt from deferred tax obligation reverse amounting to € 3.357,9 thousand due to the Company's transition to REIT that was recognized as a subtraction in the income tax item.

Net earnings after tax: Net (after tax) earnings for the year 2008 stand at € 2.641,5 thousand as against € 4.099,9 thousand in 2007.

B. DEVELOPMENT OF THE COMPANY'S OPERATIONS

Portfolio development

In its investment policy, the Company applies strict valuation criteria, examining: (I) high quality property located in the urban highly commercial areas or in emerging areas with high development potential and (ii) property with existing lessors or already identified lessors.

Within the year 2008, the Company acquired 20 items of investment property as against the total consideration of € 37.348.568 (plus notary and other expenses amounting to € 1.203.699).

Therefore, as at 31.12.2008 the investment portfolio comprises 30 property items, fair value of € 64.541.588, in compliance with as at 31.12.2008 valuation conducted by IIA, gross leased surface of approximately 22.786,73 square meters.

Apart from the above property, managed by the Company as investment property, the Company uses its office as a part of office block at George St. 4. The self used offices are valuated by IIA as at € 2.984.412, while their surface comes to 854,47 square meters. The remaining part of the above property is leased by Bank of Piraeus and operates as the branch of the bank.

Investment financing

The acquisition of 30 items of property was conducted through the equity and bank borrowing. It is to be noted that cash available in the beginning of the year 2007 amounted to € 16.348 thousand, arising from the last share capital increase made on 2 October 2007, for which MIG deposited € 26.004 thousand for the acquisition of 50% participating interest in the Company's share capital.

In the end of 2008, the cash available amounted to € 265 thousand and the bank borrowing – to € 19.000 thousand standing at 27,28% of its total assets. It is to be noted that in compliance with the legislation, REIT are allowed to borrow funds within the frame of their investment policy up to 50% of total assets.

Geographical allocation of portfolio

80% of the Company's property, ie 24 property items, are in Attica. Apart from those, the Company holds 3 property items in Thessaloniki and 3 more in other urban areas of Greece.

	Property items
Athens / Piraeus / Attica	24
Thessaloniki	3
Other cities (Ptolemaida, Iraklion, Larisa)	3
Total	30

Dispersion of portfolio per property category

The company seeks a wide dispersion of its portfolio. Τα 2/3 of property items are bank branches leased to the banks Marfin Egnatia, Millennium, Citibank and Piraeus.

It is an extremely important event that Marfin Egnatia Bank, the biggest lessor of the Company as far as the annual rentals are concerned, contributes 29% of the total annual rentals.

	Number of property items	% Portfolio
Office spaces	6	20,0%
Separate bank branches	20	66,7%
Commercial property	4	13,3%
Total	30	100%

All the property items, apart from one that is empty, are leased. All the property items are free from liens.

C. BASIC RATIOS

The Company uses the basic ratios for valuation of its investment policy and the efficiency of its performance:

	31/12/2008	31/12/2007
Financial structure		
Investment property Total assets	92,7%	57,4%
Investment property Equity	137,5%	58,0%
Current assets Total assets	2,70%	35,86%
Total liabilities Equity	48,37%	1,09%
Current assets Short term liabilities	9,65%	812,42%
Met results Sales	64,97%	91,89%
Profitability		
Income from rentals Investment property	7,02%	6,28%
Sales Equity	9,54%	2,31%
Net earnings before tax Equity	6,20%	2,12%

Return on portfolio
The gross return on investment portfolio (annual income from rentals / measurement value of leased property) came to 7,51% as at 31.12.2008, εwhile respectively in the year 2007 –to 7,71%.

D. SIGNIFICANT RISKS
Below, there are briefly presented the most significant risks pertaining to the current economic conditions in Greece and global economy, to the segment and property market in Greece and abroad and business operations of the Company.

Changes in the property value
Property valuations directly affect the profitability of the company as well as the Balance Sheet. A change in the commercial value of the property could affect the financial position of the company. It is for the above reason that the Company invests in excellent quality property and makes long term leasing contracts. Moreover, it shall be noted that the valuation of the fair value of the property as at 31 December 2008 has a higher degree of uncertainty given that it is conducted during a unique global financial crisis. The impact of this crisis on real estate market has not been fully assessed concerning the real estate in our country, since the crisis as at the date of the financial statements is still n progress. This has lead to greater degree of uncertainty pertaining to the valuation.

Market risk
The assessment made by all Greek and international organizations, on one hand, concerning the global crisis and, on the other hand, low to zero development rates of Greek economy set and uncertain economic and business environment for the current year. Despite the obvious impact of the financial crisis on the local economy, the company does not foresee significant risks pertaining to its operations, since:

i) the vast majority of the Company's leases are long term leases (over 5 years), while the rentals are readjusted annually in compliance with the Consumer Price Index spread till 2%,
ii) the Company's investment cash flows are stable,
iii) the Company's bank borrowing is limited, while its settlement does not cause any problem to the Company's cash flows even pertaining to contingent increase in borrowing interest and
iv) finally, the Company has not invested in the countries with increased risk of economic instability, such as the Balkan countries and the countries of Central/Eastern Europe.

Inflation risk

The Company considers that it is not exposed to the risk arising from contingent significant increase in inflation in the future since the contracts with its lessors are long term and the rentals are readjusted annually in compliance with the Consumer Price Index spread till 2% .

Bad receivables from rentals
The Company is exposed to credit risks arising from its lessors, as well as from their ability to deposit the rentals that depends on their financial performance and profitability.

The Company does not assess the bad receivables risk as significant, since its property is leased to reputable lessors under long term leases.

Financial risk
The capital appreciation of the investments realized through borrowing till currently are sufficiently higher than the borrowing cost. A contingent increase in interest rates and borrowing cost of the Company can negatively affect the return on the Company's investment in the future. In order to limit the interest rate risk, the Company constantly monitors its financial position and cash flows as well as interest rates fluctuation and market tendencies.

External factors & international investments
The Company has made no investments out of Greece.

Supervisory authorities risk
The company can be subject to unfavorable changes in tax legislation or its interpretations. In order to face such developments, the Company uses experienced consultants and considers that it is fully aware of the legislation framework in Greece and is not subject to increased risk arising from its non-compliance with the legislation framework and supervisory authorities.

E. SIGNIFICANT EVENTS WITHIN THE YEAR 2008 AND PROSPECTS FOR THE YEAR 2009
The BoD decided on the introduction of the Company's shares to Athens Stock Exchange in 2008. In view of the above, the Company will proceed to share capital increase through public listing as well as pertaining to existing shares. The listing application was approved by ASE on 26th June 2008. The following stages of the listing process, ie the approval of the application by Capital Market Commission and conduct of share capital increase, are in progress.

TThe Company's investment plan pertaining to the following years is an ambitious one. In particular, the Company examines various investment possibilities concerning office premises and bank branches, commercial property as well as storage space and industrial facilities. Within the frame of this assessment of investments in Greece and abroad, the collaboration with Marfin Egnatia Bank, as well as with the companies of MIG is a matter of great importance.

Till the ASE listing date, the Company will make assessments on case-to-case basis regarding the level of borrowing it will have for the purpose of new investment property acquisition. At the next stage, the share capital increase and listing on ASE will reinforce capital adequacy and development prospects of the Company and provide long term sufficient value to its existing shareholders as well as to the broader investment public that will participate in the listing.

Notwithstanding the most conservative scenario and capital appropriation arising from ASE listing of the Company, it is foreseen that the Company will have a significant increase in turnover and profitability within the year 2009.

The above assessments are based on foreseen progress of existing investment property portfolio, without taking into consideration contingent new investments and the planned share capital increase.

Athens, 27 January 2009

The President of the Board of Directors

____
Ilias Volonasis

INDEPENDENT AUDITOR'S REPORT

To the shareholders of «**MIG REAL ESTATE REIT**»

Report on the Financial Statements

We have audited the accompanying financial statements of "MIG REAL ESTATE REIT S.A." ("the Company"), which comprise the Balance Sheet as at December 31, 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 abovementioned Financial Statements present fairly, in all material respects, the financial position of the Company as of December 31, 2008, and the financial performance and the cash flows of the Company for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors Report comprises all the information prescribed by Articles 43 a of the Law 2190/1920 and is consistent with the abovementioned Financial Statements.

Athens, 27 January 2009

Charted Accountant

Ioannis G. Leos
R.N. SOEL 24881

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Βασ. Κωνσταντίνου 44, 116 35, Αθήνα
Α.Μ.ΣΟΕΛ 127

BALANCE SHEET

	Note	31 December 2008	31 December 2007
ASSETS			
Non-current Assets			
Property, plant and equipment	**7**	3.157.294	3.081.735
Intangible assets	**8**	49.266	0
Investment property	**9**	64.541.588	26.199.903
Long term receivables	**10**	4.245	1.745
Total		**67.752.393**	**29.283.383**
Current Assets			
Receivables	**10**	1.613.395	26.528
Cash and cash equivalents	**11**	265.167	16.347.847
Total		**1.878.562**	**16.374.375**
Total Assets		**69.630.955**	**45.657.758**
EQUITY AND LIABILITIES			
Equity			
Share Capital	**12**	29.520.000	7.200.000
Share Premium	**12**	201.350	23.535.000
Reserves	**13**	1.191.894	659.169
Retained earnings	**14**	16.017.666	13.770.298
Total Equity		**46.930.910**	**45.164.467**
Long term Liabilities			
Provisions for retirement benefits	**15**	127.731	93.383
Other long term liabilities	**16**	3.110.228	168.679
Total		**3.237.959**	**262.062**
Short term Liabilities			
Suppliers and other liabilities	**16**	304.203	139.664
Income tax paid		157.884	91.564
Short term borrowing liabilities	**17**	19.000.000	
Total		**19.462.087**	**231.229**
Total Liabilities		**22.700.045**	**493.291**
Total Equity and Liabilities		**69.630.955**	**45.657.758**

The notes presented on pages 13 to 35 constitute an integral part of the financial statements

INCOME STATEMENT

	Note	31 December 2008	31 December 2007
Income from rentals	**18**	3.186.155	1.407.577
Profit from investment property readjustment at fair value	**9**	1.303.117	(372.348)
Profit/(Loss) from investment property disposal	**9**	(10.000)	6.065
Interest income		200.366	308.332
Other income	**19**		425.695
Total Income		**4.679.637**	**1.775.320**
Operating expenses pertaining to investment property	**20**	(199.938)	(204.203)
Staff costs	**21**	(408.200)	(215.091)
Depreciation and amortisation	**23**	(134.634)	(99.876)
Other operating expenses	**22**	(359.707)	(132.941)
Financial expenses	**24**	(667.181)	(166.404)
Earnings before tax		**2.909.976**	**956.805**
Income tax	**25**	(268.457)	3.143.106
Net earnings		**2.641.519**	**4.099.911**
Earnings per share attributable to the shareholders			
Basic and diluted	**26**	0,2684	0,6667

The notes presented on pages 13 to 35 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Share premium	Reserves	Retained Earnings	Total equity
Balance as at 1 January 2007		3.600.000	1.158.000	518.191	9.670.387	14.946.578
Earnings from readjustment at fair value:						
– self used property	**7**			21.313		21.313
Available for sale financial items:						
– Amounts transferred to income statement due to disposal				(38.865)		(38.865)
Taxes related to items recognized directly in equity			9.000	158.529		167.529
Net income					4.099.911	4.099.911
Total recognized income			**9.000**	**140.977**	**4.099.911**	**4.249.888**
Share capital increase	**12**	3.600.000	22.404.000			26.004.000
less: Share capital increase expenses	**12**		(36.000)			(36.000)
Balance as at 31 December 2007		**7.200.000**	**23.535.000**	**659.168**	**13.770.298**	**45.164.466**
Balance as at 1 January 2008		7.200.000	23.535.000	659.169	13.770.298	45.164.467
Earnings from readjustment at fair value:						
– self used property	**7**			138.574		138.574
Net income					2.641.519	2.641.519
Total recognized income				138.574	2.641.519	2.780.093
Issue of new shares with share premium capitalization	**12**	22.320.000	(22.320.000)			
less: Share capital increase expenses	**12**		(1.013.650)			(1.013.650)
Formation of Statutory Reserves from earnings of 2007				55.714	(55.714)	
Formation of tax free Reserves from earnings of 2007				338.437	(338.437)	
Balance as at 31 December 2008		**29.520.000**	**201.350**	**1.191.894**	**16.017.666**	**46.930.910**

The notes presented on pages 13 to 35 constitute an integral part of the financial statements

CASH FLOW STATEMENT

	Note	31 December 2008	31 December 2007
Cash Flows from Operating Activities			
Net earnings before tax		**2.909.976**	**956.805**
Adjustments for:			
Amortization – Depreciation		134.634	99.876
Earnings from investment property readjustment at fair value		(1.303.117)	372.348
Loss from investment property disposal			(6.065)
Provisions		34.348	(1.050)
Interest expenses		667.181	166.404
Interest income		(200.366)	(308.332)
Other earnings from investment activities		10.000	(425.695)
Cash Flows from Operating Activities prior to changes in Operating Capital		**2.252.657**	**854.291**
Plus/ (less) Changes in operating capital accounts:			
(Increase)/ Decrease in receivables		(1.589.367)	5.525
Increase/ (Decrease) in liabilities		506.274	40.232
Cash Flows from Operating Activities		**1.169.564**	**900.048**
Interest paid		(567.088)	(166.404)
Income tax paid		(202.137)	(225.391)
Net Cash Flows from Operating Activities		**400.339**	**508.253**
Cash Flows from Investing Activities			
Acquisitions – additions to Investment property	**9**	(34.848.849)	(8.221.710)
Amounts received from disposal of Investment property	**9**	300.000	15.500
Acquisition of tangible and intangible fixed assets		(120.886)	(156.609)
Amounts received from disposal of tangible fixed assets			2.261
Amounts received from disposal of financial assets			3.262.186
Interest received		200.366	285.562
Dividends received			105.023
Net Cash Flows from Investing Activities		**(34.469.369)**	**(4.707.787)**
Cash Flows from Financing Activities			
Amounts received fro share capital increase			25.977.000
Payments for share capital increase expenses	**12**	(1.013.650)	
Amounts received from issue of bank borrowing	**12**	52.763.018	
Disbursements for bank borrowing repayment		(33.763.018)	(5.520.414)
Net Cash Flows from Financing Activities		**17.986.350**	**20.456.586**
Net increase (decrease) in cash and cash equivalents		(16.082.680)	16.257.052
Cash and cash equivalents in the opening period		16.347.847	90.795
Cash and cash equivalents in the closing period	**11**	**265.167**	**16.347.847**

The notes presented on pages 13 to 35 constitute an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ON THE COMPANY

«MIG REAL ESTATE REIT S.A.» (herein «the Company») operates in the domain of investment property portfolio management in Greece. The portfolio it holds comprises high level commercial property located in the main urban areas in Greece, leased mainly to bank institutions.

The company was founded in 1999 under the title «ATTICA REAL ESTATE SOCIETE ANONYME OF PROPERTY MANAGEMENT AND DEVELOPMENT – TECHNICAL – CONSTRUCTION – COMMERCIAL – HOTEL – TOURIST – AGRICULTURAL – QUARRY» under the discreet title « ATTICA REAL ESTATE S.A.». Currently, the name of the Company is «MIG REAL ESTATE INVESTMENT TRUST», under the discreet title «MIG REAL ESTATE REIT».

As from 13.12.2007, the date when the company received the corresponding operation license issued by the Capital Market Committee, the Company has been operating implementing its main objective of investment property management and falls within the requirements of Articles 21 - 31 of the Law 2778/1999 «Investment Property Mutual Funds – Investment Property Companies and other provisions», as it is due, as well as the requirements of the Law 2190/1920.

In compliance with Article 3 of its Articles of Association, as amended following as at 3.10.2007 decision of the Extraordinary General Meeting of the Company's shareholders, the exclusive objective of the Company is «acquisition and management of a) property, acquisition rights through preliminary agreements and shares of societies anonym falling within the requirements of cases a-c of Article 22, par. 2 of the Law 2778/1999 and (b) financial market instruments, as in compliance with the requirements of the Law 2778/1999 «Investment Property Mutual Funds – Investment Property Companies and other provisions», as it is due.

The Company's registered office is at George St. 4. The term of its duration has been defined as a hundred (100) years.

The Company is a member of the Group MARFIN INVESTMENT GROUP HOLDING S.A., which, as at 31/12/2008, holds 50% of the share capital of the Company.

The current financial statement have been approved by the Board of Directors of the Company on 27 January 2009.

2. SUMMARY OF BASIC ACCOUNTING PRINCIPLES

The basic accounting principles applied under preparation of the current financial statements are described below. The above principles are applied consequently to all the presented reporting periods.

2.1 Framework for the Preparation of the Financial Statements

The financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (I.F.R.S.) and their interpretations which have been issued by the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union.

The financial statements are prepared based on historic cost principle as it is modified with adjustment of investment property and self used property at fair value.

The amounts included in the financial statements are presented in Euro unless specified in the corresponding notes. Potential differences in the tables are due to rounding.

2.2 New Accounting Principles

The Company has fully applied all the IFRS and Interpretations issued by the European Union that are mandatory applied for the preparation of the financial statements covering the year ended as at 31/12/2008. The following amendments to IFRS as well as new interpretations have been first applied in the year 2008 but do not pertain the Company's operation and, therefore, have no impact on its financial statements:

a) IFRIC 11, IFRS 2 - Treasury Share Transactions and Treasury Share Transactions within the Group

IFRIC 11 provides guidance on IFRS 2 application in three cases: a) share-based payments settled by an entity through buying treasury shares, b) a parent providing share-based payments to the employees of its subsidiary; and c) a subsidiary providing to its

employees parent share-based payments. The Interpretation also provides guidance on whether the particular transactions, identified in its objective should be accounted for as equity-settled or as cash-settled. This Interpretation is not currently applied since the Company does not grant share based payments.

b) IFRIC 12, Service Concession Arrangements

The interpretation provides guidance on the corresponding IFRS application for some arrangements in which a public sector body (“the grantor”) engages a private sector entity (“the operator”) to provide services to the public, and those services involve the use of infrastructure by the operator (“public to private service concessions”). On the basis of this interpretation, grantors must not recognize the relevant infrastructure as tangible assets but recognize one financial asset and/or another intangible asset. The European Union has not yet adopted this Interpretation. Interpretation 12 is not effective as far as the Company is concerned.

c) IFRIC 14: IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC 14 provides guidance on how to assess the limit on the amount of surplus that can be recognized as an asset in a defined benefit program. It also explains how the pension asset or liability may be affected when there is a statutory or contractual minimum funding requirement. The Interpretation is not applied to defined benefit programs of the Company.

d) Amendments to IAS 39 IFRS 7 - Reclassification of financial instruments

IAS 39 amendment allows an entity to define the change in the fair value or the deviation of a financial instrument cash flow as a hedged element. An entity can define the changes in fair value or cash flows linked to a single risk, as the hedged element, in an effective hedging relationship. The amendments to IFRS 7 require additional disclosures in the financial statements of entities that apply the aforementioned amendments to IAS 39. The current amendments to IAS 29 and IFRS 7 have no imp[act on the Company’s financial statements.

2.3 Use of Estimates

Under the preparation of the financial statements, according to the IFRS, the Management is required to take decisions, make assessments and use assumptions that affect the amounts recorded in the statements, the financial assets, the liabilities, the income and expenditures.

The actual results might be different due to these assessments. The assessments change constantly and are based on historical data and other factors such as expectations of future events that are expected to happen under the given circumstances.

The domains requiring the highest degree of judgment as well as the domains in which assessment and estimates significantly affect the financial statements are presented in paragraph 3.

2.4 Foreign currency transactions

The financial statements are presented in Euro, which is the operating currency and the presentation currency of the Company.

There are no other currency transactions.

2.5 Investment Property

Investment property is long term investments relating to property held either to generate rental from its lease or for the increase in its value (increased capital) or for both purposes. Investment property includes self owned land plots and buildings.

Investment property is initially valued at cost including direct acquisition expenses. Usually, the acquisition cost of investment property is settled in cash. In cases when the consideration is settled by credit, the acquisition cost is calculated as the current value of the contractual consideration. In order to discount the consideration ay its current value there is used the borrowing interest rate of the Company. The difference between the current value of the consideration and the nominal amount is recognized in the income statement as financial expenses under effective rate method.

Following the initial recognition, investment property is recognized at fair value. The fair value of the property is defined by independent members of the International Valuation Standards Committee. The methods that are usually used for definition of the property fair value are as follows:

i) Comparative market transactions method: Following this method, the value presented for valuation is defined under comparing the property in question with the similar property for which there are available prices under recent transactions.

ii) Investment method: Following this method, the value presented for valuation is defined under the use of discounted cash flow projections based on reliable estimates of future cash flows.

The fair value of investment property reflects, among other things, rental income from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental income from future leases in the light of current conditions. It also reflects, on a similar basis, any cash outflows (including rental payments and other outflows) that could be expected in respect of the property.

Subsequent expenditure is added to the carrying amount of the property only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and can be reliably estimated. Repair and maintenance expenditure burden the income statement in the period when they are incurred.

Changes in fair value are recognized in the income statement.

Transfers of property from investment property category are made only when there is a change in the property use indicated through the initiation of self use of the Company or initiation of valuation procedures aimed at disposal.

Property constructed or used for future use as investment property is classified as tangible fixed assets and reclassified and accounted for as investment property.

Cash flows from acquisition or disposal of investment property are presented in investing activities.

2.6 Tangible Fixed Assets

Land plots and buildings are presented at fair value, calculated by outsourced independent actuaries, less subsequent depreciation for the buildings. Accumulated depreciations on valuation date are written off as against the gross carrying amount of the asses and the net carrying amount is adjusted to recoverable amount of the asset. The revaluations are conducted at regular intervals so that the amounts presented in the Balance Sheet would not materially differ from the amount of fair value as at Balance Sheet date.

All the other tangible assets are presented at historic cost less depreciation. The historic cost includes expenses directly pertaining to the acquisition of those assets.

Increases in the carrying amount arising from revaluation of property are credited to fair value reserves in equity. Decreases hedging the previous increases of the same asset are debited to fair value reserves. All the other decreases are recognized as losses in the income statement. Every year, the difference between depreciation based on recoverable carrying amount of the assets debited to the income statement and depreciations based on the initial cost of the assets is transferred to fair value property reserves.

Depreciation of tangible fixed assets (excluding land, which is not depreciated) is calculated based on the straight-line method over their estimated useful life as follows:

Buildings	40 years
Vehicles	4-5 years
Furniture and other equipment	3-5 years

The residual value and the useful life or every asset is re-examined at the end of every financial year. The book values and useful lives of tangible assets are subject to review on each balance sheet date. When the book values of tangible assets are higher than their recoverable value, then the difference (impairment) is recognized directly as an expense in the income statement.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the degree that the said expenses increase the future financial gains anticipated from the use of the fixed asset and their cost can be measured reliably.

Repair and maintenance expenditure burden the income statement in the period when they are incurred.

Upon sale of tangible assets, the differences between the sale price and their book value are recognized as profit or loss in the income statement. In cases of disposal of revalued assets, the amount included in fair value property reserves are carried to retained earnings.

Property under construction for administrative purposes is presented at cost less any loss arising from cases when the recoverable amount of the asset under construction is lower than its book value. The depreciation of such assets starts when they are ready for use.

2.7 Leases

The Company as a lessor

The Company leases self owned property to third parties under operating leases contracts. As a lessor, the Company does not undertake finance leases. Leases where the lessee maintains all the risks and benefits from holding the asset are recognized as operating lease payments.

Property leased under operating leases is presented in the Balance Sheet as investment property.

The operating lease payments are recognized as an expense in the income statement on a constant basis during the lease term. Lease warranties received under the inception of the contract are recognized as liabilities and presented at cost.

The Company as a lessee

The Company does not undertake finance leases. The payments maid for operating leases are recognized in the income statement based on straight line method during the lease. There are no operating leases for the periods presented in the current financial statements.

2.8 TCash and Cash Equivalents

Cash and cash equivalents comprise cash with banks and on hand as well as short term high liquidity investments such as securities and bank deposits at three month or smaller maturity.

2.9 Borrowing

Liabilities from borrowing are initially recognized at fair value less transaction expenses. Subsequently, the borrowing liabilities are measured at unamortized cost: any difference between the initial net amounts received and value at loan maturity is recorded in the income statement during the loan term under effective interest rate method.

Borrowing liabilities are recorded in short term liabilities unless the Company has the right to defer the settlement of the liabilities for 12 months after the Balance Sheet date.

Borrowing interest expenses are recognized in «Financial expenses» of the income statement under effective interest rate method. The effective rate is the interest rate on a loan or financial product restated from the nominal interest rate as an interest rate with annual compound interest.

2.10 Employee benefits

Short term benefits: Short term employee benefits (apart from termination benefits) in cash and kind are recognized as expenses when they are incurred.

Post employment benefits: The post employment benefits include defined contribution plans, as well as defined benefit plans.

The accrued cost of the defined contribution plans is recorded as expense in the period it concerns. The Company's defined contribution plans pertain to the employees participation in the state insurance funds.

Post employment benefits are included in defined benefit plan in compliance with the Law N.2112/20.

The liability, recorded in the balance sheet for the defined benefit plans, constitutes the liability's present value, less the plan assets fair value (if they exist) and the changes that arise from any actuarial profit or loss and the past service cost. The commitment of defined benefit is calculated annually by an independent actuary using the projected unit method.

Actuarial profit or losses are items of the entity's benefit obligation, as well as the expense that will be recognized in the income statement. The previous service cost is recognized directly in profit and loss apart from cases when the rates of the plan depend on

the employees' time of service. In such a case, previous service cost is recorded in profit or loss under direct method within the maturity period.

2.11 Segment reporting

An operating segment is a distinguishable component of an entity that is engaged in providing products or services (business segment) within a particular economic environment (geographical segment) and that is subject to risks and returns that are different from those of components operating in other economic environments.

Within the presented periods, the Company operated only in Greece, therefore there is not presented an analysis per geographical segment, but only – per business segment.

2.12 Income Tax

As a REIT, the Company is subject to annual tax amounting to 10% εover every outstanding reporting interest of the European Central Bank, surcharged by one counting unit and calculated over the average of investment exceeding the available. Current income taxes include short term liabilities to state and regulatory authorities pertaining to the tax payable and potential additional taxes pertaining to the prior periods. Since the Company is not taxed based on its profit but based on its assets, no provisional tax differences arise and, therefore, no deferred taxation arises.

2.13 Expenses for issue of new shares and listing on ASE

The Company has started the procedures necessary for share capital increase through cash and simultaneous introduction of its shares to ASE.

Every transaction cost pertaining to issue of shares is directly recognized in equity as a decreasing item in share premium. The costs directly pertaining to issue of new shares are additional expenses without incurring which the introduction of shares would be impossible, such as, for instance, capital concentration tax.

The costs incurred in preparing for the introduction of the Company's shares to the stock exchange are recognized as expenses in the income statement in the period when they are incurred. Common expenditure pertaining to the issuing of new shares and introduction of shares to the stock exchange are classified between these two actions, depending on the number of new shares to the total number of new and existing shares.

2.14 Comparative Items Reclassification

Cash flows from acquisition and disposal of investment property are presented in investing activities. In the financial statement of the prior period, the amounts in question are presented in the operating cash flows. In the Cash Flow Statement there was made a reclassification of cash flows for acquisition and disposal of the prior period investment property amounting to € 8.221.710 and € 15.500 respectively, from the operating to investing activities so that the items would be comparable with those recorded in the current year. .

2.15 Ne IFRS and interpretations

As at the financial statements approval date, there have been issued the following standards and interpretations that, however, have not been applied in the current financial statement. The Company does not intend to proceed to earlier application of any Standard or Interpretation.

(a) IFRS 8: Operating segments (effective from 1 January 2009):

IFRS 8 replaces IAS 14 «Segment Reporting». The new IFRS requires the adoption of a management approach for the presentation of financial reporting concerning the Group's operating departments' efficiency. The information disclosed is the one used by the Management in order to estimate the efficiency of every department as well as the way the financial resources are distributed within the departments. Such reporting might be different from the data used for the preparation of the Balance Sheet and Income Statement. Finally, explanations concerning the basis of preparation of segment reporting have to be provided, as well as the reconciliation with the financial statements items.

(b) IFRIC 13, Customer Loyalty Programmes (effective for annual periods beginning on or after 01/07/2008)

IFRIC 13 applies to all customer loyalty award credits ("award credits") that an entity grants to its customers as part of a sales transaction. The current interpretation does not apply to the Company's operations.

(c) Revised IAS 23: Borrowing Cost (effective for annual periods beginning on or after 01/01/2009)

The revised IAS 23 removes the option (available in the existing Standard) of immediate recognition as an expense of borrowing costs that relate to assets taking a substantial period of time to become available for use or sale. All borrowing costs immediately distributable in the acquisition, construction or production of an asset fulfilling the criteria must be capitalized. An asset fulfilling the requirements is an asset requiring a substantial period of time to become available for use or sale. The revised Standard shall not impact the Company's Financial Statements, given that the Company does not intend to operate in the domain of construction or long term development of property or other assets requiring long construction time.

(d) Revised IAS 1: Presentation of Financial Statements (effective for annual periods beginning on or after 01/01/2009)

IAS 1 has been revised so as to upgrade the Financial Statements information usefulness. Some of the most important amendments are the following: separate presentation of changes in equity arising from transactions with shareholders, introduction of a new Comprehensive Income Statement combining all revenue and expenses recognized in the income statement with 'other comprehensive income'. Another change is that reformulation in the Financial Statements or retrospective application of new accounting policies must be presented from the beginning of the earliest comparative period, i.e. in a third column on the Balance Sheet.

New requirements of the Standard do not change the requirements for recognition, measurement and disclosure of particular transactions and other events set in the remaining Standards. The application of the revised standard is expected to amend the structure and the description of the presented financial statements without, though, causing amendments to the financial statements themselves.

(e) Revised IFRS 3 (2007) - Business Combinations and subsequent amendments to IAS 2, 28 and 31 (effective for annual periods commencing on or after 01/07/2009

The amended IFRS 3 introduces a series of changes in business combinations accounting treatment influencing the amount of the goodwill recognized, the results of the period in which business combination is realized and future results. These changes include realization of expenses relevant to acquisition and recognition of future changes in the fair value of the contingent consideration in results (instead of goodwill adjustment). The revised IFRS 3 applies to business combinations made in the administrative years starting from 1st July 2009, while there are not required adjustments to consolidations made prior to adoption of the standard. As at 31.12.2008, the Company has no subsidiaries or associates and therefore, the application of the revised standard will not affect the presented financial position of the Company.

(f) Amendments to IFRS 2, Share-based Payment – Revised in 2008: Vesting conditions and cancellations (in effect since January 1, 2009)

The revised standard clarifies that vesting conditions are service conditions and performance conditions only, whereas any other item must be considered when assessing the relevant benefits fair value on the grant date. Currently, the revised Standard does not apply to the Company's operations since no share based payments are granted.

(g) Amendments to IAS 32 - Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Revised in 2008: Puttable Financial Instruments and Obligations Arising on Liquidation (due as from January 1, 2009)

IAS 32 amendment stipulates that some financial instruments held by the owner ("puttable") and liabilities deriving from entity liquidation be recognized as equity, if certain criteria are met. Amendment to IAS 1 requires information disclosure in relation to 'puttable' means classified in equity. Currently, the above amendment does not apply to the Company's operations.

h) IAS 39 Revision: Eligible Hedged Items (effective from July 1st, 2009)

The amendment to IAS 39 provides guidance on the particular cases in which a hedged risk or segment of cash flows can constitute eligible hedged items in a hedging relationship. The application of the amendment is not expected to affect the Company's financial statements.

i) IFRIC 15 Agreements for the Construction of Real Estate (effective for financial years beginning on or after 01/01/2009)

IFRIC 15 provides instructions as to whether a contract for the construction of real estate falls under the provisions of IAS 11 "Construction Contracts" or IAS 18 "Revenue", and in relation to this standard, when revenue should be recognized from a construction.

j) IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective for annual periods beginning on or after 01/10/2008)

IFRIC 16 specifies certain matters regarding foreign currency hedging of the net investment in foreign operations. The basic matters assessed are that the functional currency does not create a risk for which the Company should use hedge accounting, given that the

conversion takes place for presentation purposes, and that the hedging instrument can be held by the parent company or any subsidiary in the group.

k) IFRIC 17: 'Distributions of Non-cash Assets to Owners' (The Interpretation is effective for annual periods beginning on or after 1 July 2009)

When an entity announces distribution and has the obligation to distribute assets regarding its owners, it must recognize a liability for these payable dividends. IFRIC 17 specifies that a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity; that the company should measure the dividend payable at the fair value of the net assets to be distributed; the company should recognise the difference between the dividend paid and the net assets book value distributed in profit or loss; and requires an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

l) IFRIC 18: 'Transfers of Assets from Customers' (effective for annual periods beginning on or after 01/07/2009)

This interpretation is relevant in the utility sector, clarifying the accounting treatment of agreements whereby the Company acquires tangible fixed assets (or cash to proceed to asset construction) from a customer and these assets are used as an exchange for the customer's connection to the network or for a future access to supply of goods or services. There is future application for this Interpretation though a limited prospective application is allowed. The current Interpretation is applied mainly to utility entities and organizations, therefore it does not apply to the company's operations.

m) Annual Improvements 2008

Within the frame of annual improvements to IFRSs, in May 2008, the IASB issued limited amendments to a number of IAS and IFRS. The majority of the above amendments are effective from 1 January 2009 or subsequently. The amended standards also include IAS 40 «Investment Property». The amendment to IAS 40 that affects the accounting principles of then Group is that the standard defines that property under construction or development for future use as investment property is within the scope of IAS 40. Therefore, since the fair value method is applied, such investment property is measured at fair value. However, when the fair value of property under construction cannot be measure reliably, the property is carried at cost till the completion of the construction date and the date when the fair value can be reliably measured. The amendment will not affect the Company's operations since it does not hold property under construction or development. The amendments to the other standards are not expected to have material effect on the Company's Financial Statements.

3. SIGNIFICANT ACCOUNTING ASSESSMENTS AND ESTIMATES

The preparation of financial statements in compliance with IFRS requires the use of estimates and exercise of judgment under the application of accounting principles of the Company.

According to the accounting principles of the Company, some assets are measured at their fair value. Measurement of fair value requires exercise of judgment pertaining to the choice of suitable calculation method as well as making assessment and estimates. Judgment and estimates are also used for the purpose of calculating of other financial statements items, such as depreciation of tangible assets, amortization of intangible assets, provisions etc. The above assessments and estimates refer to the future, and therefore, the actual results can differ from accounting calculations.

Assessments and estimates that run substantial risk of causing significant difference to carrying amounts of assets and liabilities in the following financial period are as follows:

a) Measurement of investment property at fair value

Investment property is measured at fair value on every Balance Sheet date. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition and subject to similar lease and other contracts. However, in the most cases pertaining to property, current prices on an active market are not available, therefore, the Company is required to measure the fair value based on estimates.

As set in its operation regulatory frame, the Company measures the fair value based on research conducted by independent members of the Institute of Certified Actuaries in compliance with the directives issued by the International Valuation Standards Committee.

Such measurements define the broad spread "reasonable" fair value estimates following the application of different valuation techniques. Such estimates are based on the information that includes:

(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 on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(iii) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by 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.

A broadly used fair value estimation technique is that of capitalization method based on discount of future cash flows arising from the use of property (lease). The main assessments underlying the estimates of future cash flows are: collecting rentals on existing contracts and anticipated future market rentals, vacant periods, maintenance requirements and appropriate discount rates. The assessments used in estimating future cash flows are based on market conditions prevailing at the date of the Balance Sheet. The expected future rentals are determined based on current rentals outstanding in the market for similar properties in the same location and condition.

The following table summarizes the total value of assets subject to a risk review of their book value due to changes in one or more assumptions made in estimating the fair value. It is also noted that under different assumptions, the actuary identifies a range of «reasonable price» for the fair value of the property. As the final price, there is carried a weighted average price. The table below shows the difference that would arise in the fair value of property in case of using different assumptions for the discount rate and the estimated percentage of vacant periods.

	31 December 2008	**31 December 2007**
Investment property (fair value)	64.541.588	26.199.903
Percentage over total assets	93%	57%
Accumulated goodwill (fair value less cost)	13.467.066	12.163.949
Difference in case discount rate was 1% higher	(3.191.461)	(1.120.733)
Difference in case discount rate was 1% lower	3.490.358	1.244.741
Difference in case the percentage of vacant periods was 2% higher	(1.007.184)	(743.273)
Difference in case the percentage of vacant periods was 2% lower	1.006.789	807.592
Difference in case the percentage of return on disposal expenses was 0,5% higher	(1.625.486)	(991.929)
Difference in case the percentage of return on disposal expenses was 0,5% lower	1.869.007	1.196.725

The valuation of property is inherently subjective and uncertain due to the specific nature of each property and the need to make estimates and assumptions regarding, among other things, the performance and the completion rate of the property. Moreover, it shall be noted that the valuation of the fair value of the property as at 31 December 2008 has a higher degree of uncertainty given that it is conducted during a unique global financial crisis. The impact of this crisis on real estate market has not been fully assessed concerning the real estate in our country, since the crisis as at the date of the financial statements is still n progress. This has lead to greater degree of uncertainty pertaining to the valuation.

b) Distinction between investment property and self used tangible fixed assets

The Company owns a property which includes a part that is held to generate income through rental and another part that is used as the management office premises. The management exercises its judgment to determine whether the parts can be sold separately, so they should be accounted for separately, ie. the part under lease is accounted for as investment property and the self used part is accounted for as tangible fixed assets.

c) Revaluation of self used property at fair value.

In compliance with the accounting principle of the company, the self used property is measured at fair value. In order to measure the fair value, there are used the same methods and made the same judgments and estimates as those presented above pertaining to fair value measurement of investment property.

	31 December 2008	**31 December 2007**
Carrying amount of self used property (fair)	2.984.412	2.915.097
Percentage over total assets	4%	6%
Accumulated goodwill in reserves	794.005	655.431
Difference in case discount rate was 1% higher	(151.574)	(150.979)
Difference in case discount rate was 1% lower	165.871	165.435
Difference in case the percentage of vacant periods was 2% higher	(47.081)	(45.671)
Difference in case the percentage of vacant periods was 2% lower	47.106	45.627
Difference in case the percentage of return on disposal expenses was 0,5% higher	(80.251)	(124.821)
Difference in case the percentage of return on disposal expenses was 0,5% lower	92.624	93.226

4. FINANCIAL RISK MANAGEMENT

The Company is exposed to certain financial risks including market risk, credit risk and liquidity risk. These risks stem from the Company's financial instruments consisting mainly of deposits with banks and short term loans, trade debtors and creditors.

Risk management is performed by the Company’s Management. Risk management focuses mainly on the identification and assessment of financial risks and reducing the potentially negative impact on the results arising from adverse development regarding these risks.

4.1 Market risk

Market risk is defined as the risk that the fair value or cash flows of a financial instrument will change due to change in market prices. Market risk comprises three types of risks, currency risk, interest rate risk and price risk.

a) Currency risk

The company is not exposed to currency risk since all its transactions are carried in Euro.

b) Interest rate risk

The Company is subject to fluctuation risk of future cash flows as a result of a change in interest rates because of issuing bank loans with floating interest rate. The rate of total debt obligations is remeasured every month. In addition, the Company has investments in interest-bearing financial assets. Its exposure to risk arising from these items is not significant as its deposits are deposits with a maximum duration of less than a month.

The interest income and the cost of bank borrowing are likely to change with a corresponding effect on the Company's results due to changes in interest rates. Within the year 2008, the Company made net interest expense (after offsetting revenue from deposits with the costs of borrowing). A 1% increase in rates would result in profit after tax for the year 2008 reduction by € 12.294. A 1% decrease in rate would result in profit after tax of the year 2008 increase by € 12.294. In contrast, during the comparative year

2007, the Company made a net profit interest due to maintaining high term deposit. A 1% increase in rates would result in profit after tax of the fiscal year 2007 increase by € 46.439. A decrease of 1% in rate would result in profit after tax of fiscal year 2007 reduction by € 46.439.

c) Price risk

As at 31/12/2008, the Company is not exposed to price fluctuation risk since it does not hold investments in securities and derivatives.

4.2 Credit risk

Credit risk is the risk of one of the parties to a financial instrument defaulting its obligation causing financial loss to another party. Credit risk arises from the Company's deposits with financial Institutions and receivables from customers and other debtors, including receivables from leasing contracts. The Company presents the concentration of credit risk as almost all the deposits as at 31.12.2008 are placed with one bank. Also 52% of the total rentals arise from two lessees while in 2007 the corresponding percentage was 70%.

Concerning the sight and time deposits with banks, the Company seeks to minimize credit risk by placing its deposits with large banks of high credit rating. As for the receivables from leases, the Company is subject to credit risk arising from lessees. It is possible that lessees can default their contractual obligations for some time. However, the Company does not expect significant credit losses as in accordance with its policy, leasing agreements are made with customers with sufficient credit capacity (mainly banks).

The total exposure to credit risk as at the Balance Sheet date is presented in the table below. There were no past due or impaired receivables.

	31 December 2008	31 December 2007
Sight and Time Deposits	265.167	16.347.847
Receivables	1.613.395	26.528
Total	**1.878.562**	**16.374.375**

4.3 Liquidity risk

Liquidity risk is the risk that the Company can face difficulties in finding funds to cover liabilities pertaining to financial instruments. The Company has adopted a policy of managing its available and sound financial restructuring to timely ensure necessary liquidity to cover its liabilities.

The following liquidity risk table analyses the financial liabilities of the Company in the respective periods, pertaining to the remaining period as from the Balance Sheet date till the contractual settlement date. The reported amounts are contractual non-discounted cash flows that can differ from the carrying amount of liabilities as at Balance Sheet date.

	31 December 2008	31 December 2007
Short term liabilities within 3 months		
Suppliers and checks payable	119.683	59.400
Miscellaneous creditors	32.941	
Total	152.624	59.400
Short term liabilities over three months and under 12 months		
Short term bank loans	19.553.470	
Total short term liabilities within one year	**19.706.094**	**59.400**
Long term liabilities from 2 to 3 years		
Liability from investment property acquisition	2.800.971	

Total financial liabilities	**22.507.065**	**59.400**

Short term bank borrowing of the Company pertains to open credit revolving account and contractual maturity in September 2009. The company's management regards that the funding will be renewed, given the very satisfactory financial structure and forecasted performance based on the concluded rental contracts. The Company also has approved funding limit amounting to € 13.000.000 which is not used.

5. CAPITAL MANAGEMENT

The Company's capital management has the following objective:

- Ensure its going concern capacity,
- Ensure maintenance of the optimal financial structure and compliance with the requirements of the Law 2778/99,
- Ensure satisfactory returns to the shareholders and benefits to other interested parties related to the Company.

The Company's Funds comprise the Company's share capital, share premium the reserve funds and the account of retained earnings. The Company's Funds can be changed through the payment of dividends, return on capital and the issuance and distribution of new shares.

An increase in the company's property portfolio can be made through borrowing funds as well as through its own funds. In compliance with the legislation, the Company is permitted to borrow funds within the frame of their investment policy up to 50% of total assets.

Financial leverage ratio for the Company as at 31/12/2008 is formed as follows:

	31 December 2008	**31 December 2007**
Total Bank Borrowing	19.000.000	-
Total Assets	69.630.955	45.657.758
Financial Leverage Ratio	27,3%	0,0%

6. BUSINESS SEGMENTS

The company presents financial reporting for two following business sectors according to the nature and use of its investment property:

- leasing property as stores
- leasing property as offices

The analysis of the income statement and Assets and Liabilities for every business segment is as follows:

	Stores	**Offices**	**Other**	**Total**
Year 2008				
Income from rentals	1.675.324	1.510.831		3.186.155
Gains from investment property adjustment at fair value	482.373	820.744		1.303.117
Gains from disposal of investment property			(10.000)	(10.000)
Total segment income	**2.157.697**	**2.331.575**	**(10.000)**	**4.479.271**
Direct Property Expenses	(148.189)	(36.106)	(15.643)	(199.937)

Segment profit before tax	**2.009.507**	**2.295.469**	**(25.643)**	**4.279.334**
Interest income				200.366
Other income				
Not allocated operating expenses				(902.542)
Financial expenses				(667.181)
Profit before tax				2.909.976
Income tax				(268.457)
Net earnings for the year				2.641.519
31 December 2008				
Business segments assets	37.940.588	26.601.000		64.541.588
Not allocated assets				5.089.367
Total assets				**69.630.955,27**
Business segments liabilities	3.215.421	126.149		3.341.570
Not allocated liabilities				19.358.476
Total liabilities				**22.700.045,46**
Investment property acquisition	30.792.568	6.556.000		37.348.568
Other capital investments				
Depreciations				

	Καταστήματα	**Γραφεία**	**Λοιπά**	**Σύνολο**
Year 2007				
Income from rentals	648.102	759.474		1.407.577
Gains from investment property adjustment at fair value	220.318	(615.667)	23.000	(372.348)
Gains from disposal of investment property			6.065	6.065
Total segment income	**868.421**	**143.808**	**29.065**	**1.041.293**
Direct Property Expenses	(179.255)	(24.346)	(602)	(204.203)
Segment profit before tax	**689.165**	**119.462**	**28.463**	**837.090**
Interest income				308.332
Other income				425.695
Not allocated operating expenses				(447.908)
Financial expenses				(166.404)
Profit before tax				956.805
Income tax				3.143.106
Net earnings for the year				**4.099.910**
31 December 2007				
Business segments assets	10.689.903	15.200.000	310.000	26.199.903
Not allocated assets				19.457.855
Total assets				**45.657.758**
Business segments liabilities	81.812	164.137		245.949
Not allocated liabilities				247.342

Total liabilities			**493.291**

Investment property acquisition	2.046.044	6.175.667	8.221.710
Other capital investments			
Depreciations			

7. TANGIBLE FIXED ASSETS

	Self used property	Vehicles	Furniture and equipment	Fixed assets under construction	Total
Cost or adjusted value	2.874.396	37.806	144.458		3.056.660
less: Accumulated depreciation	6.645	23.503	22.823		52.971
Net carrying amount as at 1/1/2007	**2.867.751**	**14.303**	**121.635**		**3.003.689**
Additions	73.179	4.350	76.708		154.237
Reductions		(17.041)			(17.041)
Transfer to investment property					
Depreciations for the period	47.147	4.375	45.983		97.505
Depreciations of the disposals		(17.041)			(17.041)
Write off of depreciations due to readjustment	(53.792)				(53.792)
Change in cost due to readjustments	(32.478)				(32.478)
Cost or adjusted value	2.915.097	25.115	221.166		3.161.378
less: Accumulated depreciation		10.837	68.806		79.643
Net carrying amount as at 31/12/2007	**2.915.097**	**14.277**	**152.360**		**3.081.735**
Additions			47.817,00	12.709,00	60.526
Reductions					
Transfers					
Depreciations for the period	69.259	4.647	49.634		123.540
Depreciations of the disposals					
Write off of depreciations due to readjustment	(69.259)				(69.259)
Change in cost due to readjustments	69.315				69.315
Cost or adjusted value	2.984.412	25.115	268.983	12.709	3.291.219
less: Accumulated depreciation	()	15.484	118.440		133.924
Net carrying amount as at 31/12/2008	**2.984.412**	**9.630**	**150.543**	**12.709**	**3.157.295**

The item of self used property pertains to a part of property at 4 George Street in Athens, which is used as management office. Self used property is measured at fair value. The last fair value adjustment was made on 31 December 2008 and there arose goodwill amounting to € 138.574 credited directly to equity account «Property Adjustment Reserves» (see Note 12). As at the adjustment date, there were reversed accumulated depreciations amounting to € 69.259 and the cost of property was adjusted to its fair value.

The Company's tangible fixed assets are free from liens.

8. INTANGIBLE ASSETS

Cost	5.617

less: Accumulated amortization	5.617
Net carrying amount as at 1/1/2007	0
Additions	2.372
Reductions	
Amortization for the period	(2.371)
Cost	7.989
less: Accumulated amortization	7.989
Net carrying amount as at 31/12/2007	0
Net carrying amount as at 01/01/2008	0
Additions	60.360
Reductions	
Amortization for the period	11.094
Cost	60.360
less: Accumulated amortization	11.094
Net carrying amount as at 31/12/2008	**49.266**

9. INVESTMENT PROPERTY

	31 December 2008	**31 December 2007**
Balance as at 1 January	26.199.903	18.359.976
Property acquisitions	37.348.568	8.221.710
Transfer from property under construction		
Additions – improvements to property		
Disposal of property	(310.000)	(9.435)
Gains from fair value adjustment	1.303.117	(372.348)
Balance as at 31 December 2008	**64.541.588**	**26.199.903**

Year 2008

Within the year 2008, the Company acquired 20 items of investment property as against the total consideration of € 36.445.150 (plus notary and other expenses amounting to € 1.203.699).

The above property also includes an office complex at 108 Kifisou Avenue of total contractual consideration amounting to €4.800.000. A part of the consideration amounting to € 2.800.000 will be deposited to the seller within two years from the acquisition date (30.04.2010) or earlier if the property is leased to a third party. The property was initially recognized at the current value of the total consideration, while the difference of € 300.281 is steadily recognized in debit interest expenses.

Therefore, the total cost of new property acquired in 2008 amounts to € 37.348.568, while the total cash outflow for their acquisition amounts to σε € 34.848.849.

Moreover, the Company proceeded to disposal of a land plot of € 310.000 value as against an amount of € 300.000 incurring loss amounting to € 10.000.

All the property has been valuated based on the research of a public actuary, member of Institute of Public Actuaries, as required by the Law 2778/1999. Following the valuation, there arose a total profit of € 1.303.117 (2007: loss of € 372.348), which was recognized in the Income Statement for the period.

Year 2007

Within the year 2007, the Company acquired 4 items of investment property as against the total consideration of € 7.922.000 (plus notary and other expenses amounting to € 299.710). Moreover, the Company proceeded to disposal of a land plot of € 9.435 value as against an amount of € 15.500 incurring profit amounting to € 6.065.

10. RECEIVABLES

	31 December 2008	31 December 2007
Long term receivables		
Warranties issued	4.245	1.745
Short term receivables		
Advances to suppliers	8.800	1.000
Receivables from Greek State	1.603.466	
Clients	1.129	
Miscellaneous Debtors		2.758
Income receivable		22.770
Total	**1.613.395**	**26.528**

The account «AReceivables form Greek State» pertains to deposit of capital concentration tax the Company is obliged to pay based on capital increase it is planning to make as in compliance with the last decision of the General Meeting of the shareholders.

All the Company's financial receivables are collectible.

11. CASH AVAILABLE

	31 December 2008	31 December 2007
Cash	3.080	11.290
Sight deposits	62.087	146.557
Time deposits	200.000	16.190.000
Total	**265.167**	**16.347.847**

12. SHARE CAPITAL – SHARE PREMIUM

	31 December 2008	31 December 2007

Number of common shares	9.840.000	2.400.000
Nominal value of a share	3	3
Share capital	29.520.000	7.200.000
Share premium	(201.350)	23.535.000

Changes in share capital and share premium accounts are analyzed as follows:

	Number of Shares	Share Capital	Share Premium	Total
Balance as at 1/1/2008	2.400.000	7.200.000	23.535.000	30.735.000
Issue of new shares with share premium capitalization	7.440.000	22.320.000	(22.320.000)	
Share capital increase expenses			(1.013.650)	(1.013.650)
Balance as at 31/12/2008	**9.840.000**	**29.520.000**	**201.350**	**29.721.350**

Year 2008

The General Meeting of the Company Shareholders at its meeting on 28.01.2008 decided on share capital increase by € 22.320.000 with an equal increase of share premium reserves and issue of 7.440.000 new common nominal shares of nominal value € 3 per share. Therefore, the Company's share capital amounted to € 29.520.000 divided into 9.840.000 common nominal shares of nominal value € 3 per share.

Share capital increase expenses amounting to € 1.013.650 pertain to capital concentration tax and notary fees related to the issue of new shares planned to be performed by the Company within the year 2009. In particular, the Extraordinary General Meeting of the Company's Shareholders as at 27/11/2008 decided on share capital increase by € 53.400.000 and issue of 17.800.000 new shares. In is to be noted that in case and to the extent the above share capital increase is not completed, the respective expenses will be transferred from the account of «Share Premium» to then Income Statement.

Year 2007

The General Meeting of the Company Shareholders at its meeting on 27.08.2007 decided on share capital increase by € 3.600.000 with an issue of 1.200.000 new common nominal shares of nominal value € 3 per share. Therefore, the Company's share capital amounted to € 7.200.000 divided into 2.400.000 common nominal shares of nominal value € 3 per share.

Total capital appropriation amounted to € 26.004.000, while there were incurred share capital increase expenses of € 36.000 (capital concentration tax). Tax profit amounting to € 9.000 was recognized less the relative expenses directly in equity.

13. RESERVES

	31 December 2008	31 December 2007
Statutory Reserves	59.452	3.738
Property Adjustment Reserves	794.005	655.431
Tax free reserves	338.437	
Total	**1.191.894**	**659.169**

The statutory reserves are distributed only in case of the Company's liquidation, though they can be offset with accumulated losses.

Property adjustment reserves are formed from self used property at fair value and are not distributed.

Tax free reserves have been formed from tax free profit made by the Company prior to its transition to REIT and can be distributed provided they are first taxed.

14. RETAINED EARNINGS

The account of retained earnings includes an amount of € 13.275.850 (2007: € 12.163.949) arising from unrealized investment property valuation profits.

From the profit for the year 2008 totally amounting to € 2.641.519, the Board of Directors will make a suggestion to the General Meeting:

a) to form legal statuary reserves amounting to € 66.920.

15. EMPLOYEE TERMINATION BENEFITS OBLIGATIONS

	31 December 2008	31 December 2007
Net defined benefits obligation as at 1st January	**93.383**	**94.433**
Benefits paid	-	-
Expenses in the income statement	34.348	(1.050)
Net defined benefits obligation as at 31 December	**127.731**	**93.383**

The amount recognized in the Income Statement is analyzed as follows:

Service cost	4.835	4.835
Prior service/ actuarial loss	24.844	(9.662)
Liability interest	4.669	3.777
Expenses recorded in the income statement	**34.348**	**(1.050)**

16. LIABILITIES

	31 December 2008	31 December 2008
Long term liabilities		
Lease warranties beneficiaries	509.444	160.679
Liabilities from investment property acquisition (see Note 9)	2.600.784	
Provisions for contingent taxes		8.000
Total	**3.110.228**	**168.679**
Short term liabilities		
Suppliers	119.683	59.400
Checks payable		25.696
Greek State – withheld and other taxes – duties	132.597	45.378
Insurance organisations	18.982	9.190

Miscellaneous creditors	32.941	
Total	**304.203**	**139.664**

17. BANK LOANS

	31 December 2008		31 December 2007	
	Carrying amount	**Average interest rate**	**Carrying amount**	**Average interest rate**
Short term bank loan	19.000.000	5,69%	-	5,75%

The fair value of the Company's loan approached its carrying amount since it is a floating rate loan that was remeasured in the end of the year.

18. INCOME FROM RENTALS

	31 December 2008	**31 December 2007**
Income from leased Stores	1.675.324	648.102
Income from leased Offices	1.474.523	759.474
Income from other premises leased	36.308	
Total Income from Rentals	**3.186.155**	**1.407.577**

Future rentals based on terminated operating leases agreements are analyzed as follows:

	31 December 2008	**31 December 2007**
Till 1 year	4.481.284	1.509.987
From 2 to 5 years	17.369.372	6.458.401
Over 5 years	24.869.763	5.592.684
Total	**46.720.418**	**13.561.072**

19. OTHER INCOME

	31 December 2008	**31 December 2007**
Dividends		105.023
Earnings from disposal of financial instruments		318.412
Other income		2.260
Total		**425.695**

20. OPERATING EXPENSES RELATED TO INVESTMENT PROPERTY

	31 December 2008	31 December 2007
Insurance expenses	55.674	21.376
Actuaries fees	62.360	60.174
Brokers and other commissions		85.106
Third parties fees and expenses	44.474	
Taxes - duties	13.524	34.685
Other expenses	23.906	2.862
Total	**199.938**	**204.203**
Expenses on investment property that has not been leased	22.398	602
Expenses on investment property that has been leased	177.539	203.601
Total	**199.938**	**204.203**

21. EMPLOYEE COMPENSATION

	31 December 2008	31 December 2007
Regular salaries	337.354	179.009
Employer contributions (defined contribution plan)	70.847	36.082
Total	**408.200**	**215.091**
Number of employees	**9**	**6**

22. OTHER EXPENSES

	31 December 2008	31 December 2007
Third parties fess and expenses (lawyers, accountants, consultants)	66.885	39.399
Management office expenses (electricity, telephones, etc)	31.911	33.116
Insurance expenses	1.299	3.148
Repair and Maintenance	11.175	5.452
Taxes - Duties	35.889	16.024
Promotion and advertisement expenses	32.005	12.579
Publication expenses	29.864	7.866
Other expenses	63.559	15.356
Consultants expenses relayed to ASE listing	87.120	
Total	**359.707**	**132.940**

Operating expenses for the year 2008 include fees of consultants, contractors, legal and other consultants amounting to € 87.120 for services related to the introduction of the Company's shares on the Stock Exchange.

23. DEPRECIATIONS/AMORTIZATIONS

	31 December 2008	31 December 2007
Depreciation of tangible fixed assets	123.540	97.505
Amortization of intangible fixed assets	11.094	2.371
Total	**134.634**	**99.876**

24. FINANCIAL EXPENSES

	31 December 2008	31 December 2007
Short term bank loans interest	566.668	165.081
Deferred consideration for investment property acquisition interest	100.094	
Other bank expenses	419	1.323
Total	**667.181**	**166.404**

25. INCOME TAX

	31 December 2008	31 December 2007
Current tax		162.990
Deferred tax		(3.357.984)
Prior periods tax inspection differences		33.817
Provision for tax inspection differences		8.000
REIT current tax	268.457	10.071
Total income tax	**268.457**	**(3.143.106)**

Year 2008

The Company's income tax, as that of REIT, is calculated by applying a rate of 10% over every outstanding reporting interest of the European Central Bank, surcharged by one counting unit and calculated over the average of investment exceeding the available. For the period 01.01.2008-31.12.2008, the item of tax amounted to € 268.457, analyzed as follows: For the first six month period - an amount of €120.643 and for the second six month period - an amount of €147.814.

Moreover, within the year the company was inspected by tax authorities for the administrative year 2007. Following the tax inspection, there arose additional taxes and surcharges totally amounting to € 10.073, for which the Company had already made a provision in the previous year amounting to €8.000, while the balance of € 2.073 burdened the income statement of the closing year.

Year 2007

The Company's transition to REIT was made on 14.12.2007. As till that date, it was subject to income tax on its annual taxable profit in compliance with the requirements of the tax law 2238/98. The tax rate outstanding for the year comes to 25%. The accounting profits of the period 1.1-13.12.2007 were adjusted to tax free income and nondeductible expenses and were taxed under 25%. rate

As starting from 13.12.2007, the Company has been taxed as a REIT. The tax is calculated by applying a rate of 10% over every outstanding reporting interest of the European Central Bank, surcharged by one counting unit (as at 31.12.2007 at 0,50%) and calculated over the average of investment exceeding the available. For the period 14.12-31.12.2007 the amount in question stood at € 10.071 burdening the income tax item.

Due to the change in tax regime, there no longer arise temporary tax differences between accounting and taxable income and therefore no deferred taxation is recognized. Therefore, the total deferred tax obligation that was recognized by that date was reversed in the income statement. The profit arising from the tax regime change amounted to € 3.432.971 and was recognized as a deduction in the income tax item. Finally, during the year 2007 the Company was inspected by tax authorities for the administrative years 2003 – 2006. Following the tax inspection, there arose additional taxes and surcharges totally amounting to € 33.817, burdening the item of the income tax for the year.

26. BASIC ABD DILUTED EARNINGS PER SHARE

	31 December 2008	31 December 2007
Net earnings after tax	2.641.519	4.099.910
Weighed average number of common shares	9.840.000	6.150.000
Basic and diluted earnings per share	**0,2684**	**0,6667**

The number of shares for the year 31.12.2007 has been readjusted in order to reflect έχει the issue of 3,1 free new shares for every old share due to share premium capitalization.

27. CONTINGENT LIABILITIES

(a) Lawsuits

The Cop[any faces lawsuits from clients and third parties totally amounting to € 65.301. According to the estimates of the legal consultants, pending lawsuits are not expected to have a material effect on the Company's financial position.

(b) Tax Uninspected Years

The Company has been tax inspected as till the year ended on 31 December 2007. The Management does not expect that there will arise material liabilities for the year 2008 due to the Company's tax regime.

28. RELATED PARTIES TRANSACTIONS

(a) Fees of Members of the Board of Directors and Executives

	31 December 2008	31 December 2007
Salaries	172.217	130.287,00
Employer contributions	28.218	23.468,00
Cost of defined benefits plan		
Total benefits	**200.435**	**153.755**
End of service benefits obligations	127.731	93.908,02

(b) Transactions with Board of Directors Members

	31 December 2008	31 December 2007
Fees for provision of legal services related to acquisitions	283.137	52.829

Apart from the above fees, there are no other transactions and balances with the members of the management or other related parties.

29. ADDITIONAL INFORMATION

(a) Transactions and balances with the companies of Marfin Investment Group Holding S.A.

	31 December 2008	31 December 2007
Income from Rentals	442.084	
Liabilities – warrantees from rentals	84.000	
Acquisition of software	57.980	

(b) Transactions and balances with the companies of Marfin Popular Bank public co. Ltd

MARFIN ΕΓΝΑΤΙΑ BANK	**31 December 2008**	**30 December 2007**
Income from Rentals	856.842	9.399
Interest income	191.138	308.087
Interest expenses	(100)	
ASA listing expenses	60.000	

INVESTMENT BANK OF GREECE	**31 December 2008**	**30 December 2007**
ASA listing expenses	119.000	

	31 December 2008	**31 December 2007**
Sight and Time deposits	233.259	16.295.498
Lease warranties	218.062	12.400

30. EVENTS AFTER THE BALANCE SHEET DATE

As starting from 1 January 2009 till the financial statements approval date, the company proceeded to acquisition of 1 new property item as against the total consideration of € 735.000 (plus expenses amounting to € 20.245) of total fair value as measured by the research conducted by an actuary – member of ICA amounting to € 767.000.