

*Marousi, 07 November 2012*

**Press Release**

**The decrease in property prices led to losses for Eurobank Properties for the nine month period. Steady profits before valuations.  
Trading discount at 54% of NAV.**

The significant decrease in the fair value of the Company's property portfolio during the nine month period of 2012 by €46.12m compared to €1.83m in the previous period, led to losses of €17.49m compared to profits of €16.56m.

This significant decrease in property value is in line with the escalating macroeconomic problems in the market in general and in particular the real estate market by pushing both prices and rents downwards.

Despite the economic downturn, excluding fair value losses, net profit after tax amounted to €8.63m compared to €8.39m of the previous period.

A summary of the Company's operational results compared to the previous period are as follows:

1. Rental income net of provisions for bad debt decreased by 10% from €2.63m to €2.22m.
2. Interest income increased by 14% from €5.81m to €6.60m as a result of higher interest rates and successful cash management.
3. Interest expense decreased by 20% from €3.10m to €2.48m as a result of lower outstanding loans and the decrease in Euribor rates.
4. Employee benefit expense increase is not directly comparable with the previous period due to different accounting treatment. The total amount for 2012 is estimated to be lower than 2011.
5. Other operating expenses decreased by 9% from €2.15m to €1.96m as a result of management successful efforts to reduce costs, for the fourth consecutive year.

6. Taxes decreased to €1.79m mainly due to a partial reversal of the provision recorded in 2011 for the extraordinary tax on property.

The basic ratios of the Company are formulated as following:

- Current ratio: 8.3x vs. 11.8x
- Debt to total Assets: stable at 13%
- Loans to Value (LTV): 15% vs. 14%
- Funds from Operations (FFOs): €29m vs. €28m.

As at September 30, 2012 cash and short term deposit amounted to €155m vs. €149m of the respective period while outstanding loans amounted to €84.2m vs. €86.2m.

NAV as at September 30, 2012 decreased to €39m or €10.48 per share compared to €11.37 as at September 30, 2011. The decrease is mainly due to the decrease in the fair value of investment property. Based on current share price the Company is trading at approximately 54% discount of its NAV.