REDS Real Estate Development & Services

ANNUAL FINANCIAL REPORT

For the year from 1 January to 31 December 2012

(pursuant to article 4 of Law 3556/2007 and article 2 of Decision 7/448/11.10.2007 of the Capital Market Commission BoD)

REDS REAL ESTATE DEVELOPMENT& SERVICES
25 ERMOU STR. - 145 64 KIFISSIA
Tax ID No.: 094007180 TAX OFFICE: ATHENS FAE
Companies Reg. No. 13564/06/B/86/123 – 340340

Contents of Annual Financial Report

The annual financial statements of the Group and the Company from pages 21 through 80 have been approved at the meeting of the Board of Directors on 28.03.13.

THE CHAIRMAN OF THE BoD	THE CEO	THE CENERAL MANAGER & BoD MEMBER	THE HEAD of FINANCIAL SERVICES
DIMITRIOS KOUTRAS	ANASTASIOS KALLITSANTSIS	IOANNIS MORAITIS	GERASIMOS GEORGOULIS
ID Card No. AE 023455	ID Card No. Ξ 434814	ID Card No. AE 574340	Licence No. OEE 1981

A. Directors' Statements

(pursuant to article 4 par. 2 of Law no. 3556/2007)

The members of the Board of Directors of the Company REDS REAL ESTATE DEVELOPMENT & SERVICES, trading as REDS SA (hereinafter the Company), with registered offices at 25 Ermou str., Kifissia, Attica:

1. Dimitrios Athanasios Koutras, Chairman of the Board of Directors
2. Anastasios Parisis Kallitsantsis, Managing Director
3. Ioannis Michail Moraitis, Chief Executive Officer and Member of the Board of Directors, especially designated by decision of the Company's Board of Directors,

acting in our above capacity, hereby state and confirm that, to the best of our knowledge:

(a) the annual financial statements of the Company and the Group for the financial year 01.01-31.12.2012, which have been prepared in accordance with the applicable international accounting standards, fairly represent the assets and liabilities, the equity and the income statement of the Company as well as of the companies included in the consolidation taken as a whole, pursuant to the provisions of article 4 of Law 3556/2007, and

(b) the annual report of the Company's Board of Directors fairly represents the information required under article 4(2) of Law 3556/2007.

Kifissia, 28 March 2013

THE CHAIRMAN OF THE BoD	THE CEO	THE GENERAL MANAGER & BoD MEMBER
DIMITRIOS KOUTRAS	ANASTASIOS KALLITSANTSIS	IOANNIS MORAITIS
ID Card No. AE 023455	ID Card No. Ξ 434814	ID Card No. AE 574340

B. Annual Report of the Board of Directors

On the Consolidated and Corporate Financial Statements

for the year from 1 January to 31 December 2012

Dear Shareholders,

In accordance with the provisions of Law 3556/2007, Codified Law 2190/1920 and the relevant decisions of the Capital Market Commission, we present the Annual Report of the Board of Directors of the company "REDS SA", which accompanies the corporate and consolidated financial statements for financial year 2012.

This annual Report provides summary financial information about the financial standing and operations of the Company REDS SA and the REDS Group of Companies, a description of significant events which took place during this financial year, and the effect that such events had on the annual financial statements, a description of the most important risks and uncertainties for 2012, a presentation of major transactions effected between the Company and Group and related persons, as well as a presentation of qualitative information and estimates with regard to the overview of Company and Group operations during 2012.

The companies included in the consolidation, except for parent company REDS SA, are those mentioned in note 9 of the attached financial statements.

1. Development of activities and significant events

The continued recession and the increased uncertainty in 2012 affected all business activities and, as a result, the real estate market, as the limited liquidity and reduced investing activity combined with higher taxes has adversely affected the sector's growth prospects.

The most significant events and developments for the Group and the Company this past year were:

Having as a top priority the lease of "Smart Park", the commercial park of subsidiary YIALOU EMPORIKI & TOURISTIKI SA, the Company secured commercial leases which cover for approximately 90% of the property. The lessees include major retailers such as Carrefour, Jumbo, Hondos Center, Kotsovolos (Dixons), H&M, Intersport, combined with partnerships with emerging franchises in apparel, footwear and similar items, as well as restaurants. After the 1st year of operation of "Smart Park", the income of employees is either stable or increasing, as opposed to the decline in retail activities posted by organised establishments (where the decline ranges between 10-20%) and traditional markets (down by 20-40%). Also, the preliminary designs under Phase B were prepared.

As regards the listed property of A. Kambas in Kantza, the design for its reconstruction was approved by the Ephorate of Modern Monuments of Attica.

With regard to the Commercial-Entertaining-Cultural Centre on the Kantza property, after the issue of the Presidential Decree on the approval of strategic design on environmental impact and the definition of the area were organised production activities may be developed, the company continued and in 2012 completed all archaeological excavation works. At the same time, it completed the relevant designs for the submission of a town planning design for the property.

Remedy has been sought to improve the terms of town planning in relation to the higher coefficient of the property in area Splaiul Unirii, Bucharest, and claims for compensation have been raised for the delays on part of the Municipality of Bucharest suffered so far.

In the context of simplification of the Group's structure, on 6 February 2012 the company sold for €30,300 its participation in "3G SA DEVELOPMENT OF CONSTRUCTION, TOWN PLANNING AND TOURISM PROJECTS" which was incorporated in its consolidated statements with 50% using the proportional consolidation method.

The Boards of Directors of "REDS SA" and "LOFOS PALLINI SA" decided at their meetings of 30 August 2012 to merge by absorption the wholly-owned subsidiary LOFOS PALLINI SA by the Company, in accordance with the combined provisions of Articles 68(2) and 69 to 78 of Codified Law 2190/1920, and Articles 1 to 5 of Law 2166/1993, the amalgamation date being 31/08/2012. By decision of the Ministry for Development, Competitiveness, Infrastructures, Transportation and Networks, the merger by absorption of the above subsidiary was approved on 31/12/2012.

2. Overview of Financial Results for 2012

The Group posted revenues of approximately €4.8 million for 2012, compared to approximately €1.5 million for 2011. EBITDA is negative by € 0.7 million (compared to negative by €1.2 million in 2011). EBITDA is negative by € 2 million (compared to negative by €1.6 million in 2011), while losses before taxes of €4.1 million were recorded, compared to losses before taxes of €2.4 million for 2011. Losses before taxes include the amount of €2.34 million due to impairment of property owned by the subsidiaries CLH ESTATE S.R.L. and PROFIT CONSTRUCT S.R.L in Romania, and financial expenses of €2.00 million. Group revenues correspond to its operations in Greece, and particularly the lease of property owned by YIALOU EMPORIKI SA.

The key financial figures for 2012 for the Company and its subsidiaries, as well as changes compared to the previous year are presented below:

- The parent company REDS REAL ESTATE DEVELOPMENT & SERVICES recorded losses after taxes of €7 million compared to losses after taxes of approximately €1 million in 2011. The change is mainly due to the impairment of its participation in subsidiary KARTEREDA HOLDINGS Ltd domiciled in Cyprus, by €5.2 million. The Company's turnover for the year ended represents the provision of services and stood at €0.07 million compared to €0.9 million for 2011.

- In 2012 YIALOU EMPORIKI & TOURISTIKI SA continued operating Smart Park, and its income from leases stood at €4.7 million compared to €0.8 million in 2011. EBITDA stood at €3.44 million and EBIT at €2.23 million. The company posted earnings after taxes for the year ended which stood at €0.55 million, compared to losses after taxes of €0.9 million in 2011.

- For the year ended, KANTZA COMMERCIAL SA posted losses after taxes of approximately €0.4 million, compared to losses of €0.09 million in 2011.

- At sub-group level, the subsidiaries CLH ESTATE S.R.L. and PROFIT CONSTRUCT S.R.L domiciled in Romania, and CORREA HOLDINGS Ltd and KARTEREDA HOLDINGS Ltd domiciled in Cyprus, posted total losses after taxes for the year ended of €4.21 million compared to €1.41 million in 2011. In addition to exchange differences and financial expenses, losses mainly correspond to impairment of the value of property owned by the companies domiciled in Romania by €2.8 million.

The following tables summarise changes in the key figures of the separate and consolidated financial statements of the Company.

amounts in €	GROUP		
	1/1-31/12/2012	**1/1-31/12/2011**	**Change**
Turnover	4.768.295	1.508.167	216,2%
EBITDA	(720.838)*	(1.177.731)	(38,8%)
Operating results (EBIT)	(2.051.115)	(1.647.611)	24,5%
Profit/ (Loss) before taxes	(4.073.683)	(2.428.716)	67,7%
Profit / (loss) after tax	(4.966.115)	(3.857.409)	28,7%

(*) Includes the impairment of property of €2.3 million

amounts in €	COMPANY		
	1/1-31/12/2012	**1/1-31/12/2011**	**Change**
Turnover	77.428	946.060	(91,8%)
EBITDA	(6.238.964)*	(257.402)	2323,8%
Operating results (EBIT)	(6.270.078)	(89.624)	2064,9%
Profit/ (Loss) before taxes	(6.546.554)	(772.678)	747,3%
Profit / (loss) after tax	(7.051.214)	(979.838)	619,6%

(*) Includes the impairment of participations of €5.2 million

3. Risks and uncertainties

The Group is exposed to various risks, such as market risk, liquidity risk, while its exposure to currency risk and interest rate risk is much lower. Below follows a summary of the risks related to the Group's receivables, cash and liabilities and are associated with current financial circumstances and the Company's operations in Greece and Romania.

Market Risk

The Group is exposed to the risk of change in property prices. Over the reporting period the Group posted losses from adjustment of investments in property at market value (following an assessment report), which reflects the current conditions in the real estate sector. The Group has followed strict evaluation criteria, has targeted its operations to highly commercial and/or low risk areas, always in relation to the conditions and facts coming from the real estate market, and reasonably expects that their value will improve gradually. The Group's policy regarding investment property it holds is to value it at historical cost rather than at fair value.

The Group is exposed to risk in relation to its receivables from rents under operating lease agreements. The Group ensures that this risk is minimised by making agreements which protect (for so long as the conditions allow it) the owner and by selecting customers with satisfactory credit ratings.

Liquidity risk

Liquidity risk relates to the Company's and the Group's potential inability to perform their financial obligations when due. The Management ensures the Group's smooth operation by prudently managing cash, carefully selecting investments and continuously monitoring liquidity.

Foreign exchange risk

The Group has acquired property in Romania via its subsidiaries and is, therefore, exposed to foreign exchange risk under its investments abroad, since prices are denominated in local currencies. The Group's exposure to this risk remains small, since these investments represent 16.5% of investments.

Interest rate risk

To the possible extent, the Group reviews the terms of its mid- and long-term borrowings, achieving satisfactory spreads. This way it limits its exposure to Euribor fluctuations, which is not expected to rise soon.

4. Outlook

As a result of the prolonged recession, the Group's conservative strategy remains for 2013 focused on the promotion of privately-owned property and particularly on the following activities:

- **"Smart Park" on the property of Yialou, Spata-Attica**. The Company will continue its efforts to fully lease the property (approximately 90% of the park has been leased to date), in order to achieve the highest possible return on investment by optimising the mix of lessees and services offered at the Smart Park.

- **Commercial- Entertainment- Cultural Centre on the Kantza property, Pallini- Attica**. The Central Archaeological Board's decision on the evaluation of the finds is anticipated, and is not expected to bring any changes to the design. The procedures for the issue of a town planning design will be subsequently initiated (requires a presidential decree).

- **Kamba Villa & Residential complex on the adjacent plot in Kantza, Attica.** The Company has no intention of commencing project construction unless financial conditions stabilise and demand returns in the housing sector.

- **Plot - Building of offices in Akadimia Platonos, Athens.** The Company is at the stage of contacts with the competent authorities regarding the final phase of implementation of the direct purchase of the plot from the Greek State, following a joint decision of the Ministry of Culture and the Ministry for Environment, Energy & Climate Change, to promote the archaeological area in Akadimia Platonos. The Company's Management believes that this acquisition will not bring any adverse financial impact.

- **Plot - Combined-use building complex in the area Splaiul Unirii, Bucharest.** The Company has been sought remedy to implement the town planning in relation to a property with higher coefficient (0.4) and claims for compensation have been raised for the delays on part of the Municipality of Bucharest suffered so far.

5. Post 31.12.12 events

- On 28 February 2013, the subsidiary YIALOU EMPORIKI & TOURISTIKI SA proceeded with the predetermined finalisation of certain terms under an existing bond loan. The loan has a 12-year term, and the total amount stands at €25,402,492 for the financing of the development of "Smart Park".
- The crisis that hit Cyprus has had no effect on the turnover or the results and financial position of the Company and the Group.
  The Group has no exposure to cash or transferable securities (e.g. bonds or shares) or any financial instruments with the Bank of Cyprus or CPB in Cyprus.

6. Significant transactions between related parties

The most significant transactions of the Company with related parties in terms of IAS 24, regard the Company's transactions with the following subsidiaries (affiliates in terms of Article 42(e) of Law 2190/1920), as shown in the following table, and transactions with Company and Group executives:

Results of previous year 2011:

Intercompany transactions – amounts in €					
Company	Sales of goods and services	Income from participating interests	Purchases of goods and services	Receivables	Liabilities
Parent					
ELLAKTOR SA	-	-	246,589	-	41,808
Subsidiaries					
YIALOU EMPORIKI & TOURISTIKI SA	336,081		-	630,965	
KANTZA COMMERCIAL SA	147,166		-	616,570	
LOFOS PALLINI SA	6,021	-	-	-	1,200,000
3G SA	-	73,602	-	-	
P.M.S PARKING SYSTEMS SA	1,991		-	11,911	
Other related parties					
AKTOR SA			22,492	-	307,641
ELLINIKI TECHNODOMIKI ENERGIAKI	-		-	88,594	
DIETHNIS ALKI SA	73,147		-	646,141	
YIALOU ANAPTYXIAKI SA	15,911		-	65,653	
ELLINIKI TECHNODOMIKI ANEMOS S.A.	-		24,000	-	29,520
ATTIKI ODOS S.A.	-		7,911	-	1,522
KANTZA SA	9,729		-	62,702	
TOTAL SUBSIDIARIES	491,258	73,602	-	1,259,446	1,200,000
TOTAL ASSOCIATES & OTHERS	98,787	-	300,992	863,090	380,491

Results of previous year 2012:

Intercompany transactions – amounts in €					
Company	Sales of goods and services	Income from participating interests	Purchases of goods and services	Receivables	Liabilities
Parent					
ELLAKTOR SA	-	-	189,506	-	137,923
Subsidiaries					
YIALOU EMPORIKI & TOURISTIKI SA	71,749		-	717,699	
KANTZA COMMERCIAL SA	9,729		-	627,813	
CORREA HOLDINGS LTD	282,533		-	20,114,200	
P.M.S PARKING SYSTEMS SA	1,991		-	13,973	
Other related parties					
AKTOR SA			38,143	-	342,009
ELLINIKI TECHNODOMIKI ENERGIAKI	-		-	88,594	-
DIETHNIS ALKI SA	21,847		-	672,092	-
YIALOU ANAPTYXIAKI SA	8,411		-	74,852	-
ELLINIKI TECHNODOMIKI ANEMOS S.A.	-		24,000	-	-
ATTIKI ODOS S.A.	-		6,877	-	1,291
KANTZA SA	5,229		-	68,411	-
TOTAL SUBSIDIARIES	366,002	-	-	21,473,685	-
TOTAL ASSOCIATES & OTHERS	35,487	-	258,526	903,948	481,224

With regard to the above transactions, the following points are clarified:

The purchases of goods and services mainly relate to a property lease and the invoicing of expenses for the parent company ELLAKTOR SA to REDS SA, and a contract of AKTOR SA related to the property of “Akadimia Platonos”.

The Company’s liabilities represent the lease agreement with the parent ELLAKTOR SA and the contract with AKTOR SA, while receivables mainly represent an intra-group loan of €16.3 million, plus budgeted interest of €3.8 million - as a result of the absorption of LOFOS PALLINI SA - with CORREA HOLDINGS Ltd (these receivables are eliminated at the level of REDS Group).

In addition:

- Group directors’ and managers’ fees during the period 01.01.-31.120.2012 stood at € 366 thousand.
- No loans have been granted to BoD members or other executives of the Group (including their families).
- No modifications in the transactions between the Company and related parties, which could have an essential impact on the financial position and the performance of the Company, took place during the financial year 01.01 – 31.12.2012.
- All transactions mentioned above have been conducted under the standard terms of the market.

In summary, the Group has proceeded to cuts of expenses and suspensions of investments, focusing on its two major properties (Yialou and Kantza), while it ensures that adequate levels of liquidity are available.

This Annual Report of the Board of Directors for financial year 01.01-31.12.2012 has been posted on the Internet, at www.reds.gr.

Explanatory report of the Board of Directors of REDS SA for financial year 2012, in accordance with Article 4(7) of Law 3556/2007, as in force.

1[a]. Share capital structure.

The Company's share capital amounts to EUR 75,239,698.04, divided into 57,434,884 shares at a nominal value of EUR 1.31 each. All shares are ordinary, registered, voting shares, listed for trading on the Athens Exchange, and specifically in the Small- Mid Cap class.

1[b]. There are no limitations in the Articles of Association regarding transferring company shares, except those provided by Law.

1[c]. Significant direct or indirect holdings as of 31.12.12 within the meaning of Law 3556/2007.

	SHAREHOLDER	HOLDING
1	ELLAKTOR SA	55.46%
2	CHRISTOS P. PANAGIOTOPOULOS	11.48%
3	DAMIANCO HOLDINGS Ltd	7.14%

1[d]. There are no holders of shares, pursuant to provisions in the Articles of Association, granting special control rights.

1[e]. There are no limitations in the Articles of Association regarding voting rights and the deadlines to exercise the right to vote, except those provided by Law.

1[f]. There are no agreements between shareholders, with associated limitations in the transfer of shares or limitations in exercising voting rights that the Company is aware of.

1[g]. There are no regulations on the appointment and replacement of the members of the Board of Directors and on the amendment of the Articles of Association, which are differentiated from the ones stipulated in Codified Law 2190/1920.

1[h]. The Board of Directors or certain members of the Board of Directors are not authorised to issue new shares or purchase treasury shares, in accordance with article 16 of Codified Law 2190/1920, save as provided for by Law.

1[i]. There are no significant agreements that have been signed by the Company, which come into force or are amended or are terminated as a result of the change in the Company's control, following a takeover bid.

1[j]. There are no agreements between the Company and members of its Board of Directors or its personnel, which provide for the payment of compensation in the event of resignation or termination of employment without reasonable grounds, or termination of term of office, or employment due to a takeover bid, except as provided by Law.

Corporate Governance Statement (article 2(2) of Law 3873/2010)

a) Corporate Governance Code

REDS SA implements the corporate governance principles, as these are set out in the relevant legislative framework (Article 43(a)(3d) of Codified Law 2190/1920, Law 3016/2002 on corporate governance, Article 37 of Law 3693/2008, and Article 2(2) of Law 3873/2010). These corporate governance principles have been incorporated in the Corporate Governance Code (based on the SEV (Hellenic Federation of Enterprises) Corporate Governance Code, January 2011), which is posted on the Company's website at http://www.reds.gr.

b) Corporate governance practices implemented by the Company in addition to the provisions of law.

The Company has not adopted corporate governance practices in addition to the relevant legislation provisions.

c) Description of Internal Control and Risk Management System

The Company's Board of Directors places particular emphasis on internal control and risk management systems for which it is responsible, aiming at installing and managing systems which optimise risk management efficiency. The Board of Directors is also responsible for identifying, assessing, measuring and generally managing risks, including those related to the reliability of financial statements.

The Internal Control system's adequacy is monitored by the Audit Committee which updates the Board of Directors through quarterly reports on the current internal control framework, and through reports from the internal control department related to serious control issues or incidents which might have significant financial and business implications.

i. The systems and procedures for risk control and management in relation to the submission of reports and the preparation of individual and consolidated financial statements, include:

- keeping, developing and implementing single accounting applications and processes;
- reviewing, at regular intervals, of the accounting policies implemented, and disclosing their results to the competent personnel;
- the procedures which ensure that transactions are recognised in line with the International Financial Reporting Standards;
- the existence of policies which govern accounting book keeping, and the procedures related to collections, payments and other financial activities;
- closing procedures, which include submission deadlines, account reconciliations and verifications, updates to competent persons and approvals;
- the implementation of single corporate reporting, both for financial reporting purposes and administrative reporting purposes on a quarterly basis;
- role determination procedures for system users (ERP) and restriction of access to unauthorised fields (authorisations), to ensure the integrity of financial information;

- the existence of policies and procedures for each domain, such as major deals, inventory, payment, duty segregation procedures, etc.;
- the preparation on an annual basis by the Company of the consolidated and individual, per activity/ subsidiary, budgets for the next financial year, to be approved by the BoD;
- the follow-up of such budgets and revision, if so required, on a quarterly basis;
- updating of the business plan per field of activity for the next years (usually three), at least once a year;
- ongoing training and development of personnel potential and skills;
- the access control system which allows access to personnel and or other persons to selected work areas, and full recording of movements.

The development of IT systems, managed by a specially trained IT Management Team (IT General Controls), ensures the integrity and accuracy of financial information. Further, appropriate policies and procedures related to IT System Security and Protection are applied across the Company:

- Backup (daily-weekly-monthly-yearly)
- Restoration
- Server room security
- Event Record
- Management of user access to IT systems
- Frequent and mandatory change of password
- Antivirus Security
- E-mail Security
- Firewall

ii. The Audit Committee evaluates the suitability of the Internal Control System. It is set up to support the BoD in their duties related to financial reporting, internal control and ordinary audit supervision.

The main responsibilities of the Audit Committee are the following:

As regards internal control system and reporting systems, the Audit Committee:

- Monitors the financial reporting process and the integrity of the Company's financial statements. It also monitors any formal announcements relating to the Company's financial performance, and reviews the key points of financial statements which contain crucial judgments and estimates on part of the Management;
- Supervises internal, management, procedural and financial audits of the Company, and follows-up the effectiveness of internal control and risk management systems of the Company. To this

end, the Audit Committee regularly reviews the Company's internal control and risk management system, so as to ensure that the main risks are properly identified, managed and disclosed.

- It reviews any conflicts of interests involved in the Company's transactions with related parties, and submits relevant reports to the BoD.

As regards the oversight of the internal audit department, the Audit Committee:

- ensures the operating conditions of the internal audit department are in line with the international standards for professional implementation of internal audit;
- determines the operating conditions of the Company's internal audit department;
- monitors and examines proper operation of the internal audit department, and reviews its quarterly audit reports;
- ensures the independence of internal audit, by proposing to the BoD the appointment and removal of the head of the internal audit department.

As regards the oversight of the ordinary audit function, the Audit Committee:

- Makes recommendations to the General Meeting, via the BoD, in relation to the appointment, re-appointment and revocation of the ordinary auditor;
- reviews and monitors the ordinary auditor's independence, and the objectivity and effectiveness of the audit process, taking into consideration the relevant Greek professional and regulatory requirements.

The Committee should meet at least four times per year to effectively perform its duties.

d) The information required under article 10(1)(c), (d), (f), (h), and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, is stated in the Explanatory Report which is included in the Directors' Annual Report for year from 01.01.2012 to 31.12.2012.

e) Proceedings of the General Meeting of Shareholders and powers – Shareholder rights

The General Meeting of Shareholders is the Company's supreme decision-making body and may decide on all significant corporate affairs, in accordance with law and the Company's Articles. The Annual Ordinary General Meeting of Shareholders takes place once a year, within six months from the end of the previous financial year, to approve among others the Company's annual financial statements, decide on profit distribution and release the Company's Board of Directors and auditors from all liability.

Decision making takes place in a voting procedure, in order to ensure the free expression of all shareholder views, whether present in person or voting via proxy. The Company uses effective and cost-efficient voting methods for shareholders or their representatives.

A summary of the General Meeting minutes, including voting results on each decision of the General Meeting, must be available on the Company's website within five (5) days from the date of the General Meeting of shareholders, also translated into English.

At least the Chairman of the Company's BoD, the CEO or the General Manager, as the case may be, and the Chairmen of the BoD committees, as well as the Internal and Ordinary Auditors, must be present at the General Meeting of shareholders in order to provide information on issues of their responsibility for discussion, and on questions or clarifications requested by shareholders. The Chairman of the General Meeting should allow sufficient time for shareholders to submit any queries.

The rights of shareholders are set out in the Company's Articles and in Law 2190/1920 (on Societes Anonyme), as in force.

f) Composition and function of the Company's Board of Directors and Committees

i. The Company's Board of Directors, whose members are elected by the General Meeting, will exercise the general administration and management of corporate affairs, to the best interests of the Company and its shareholders. The Board of Directors will determine which of its members will be executive and non-executive. The number of non-executive members may not be less than 1/3 of all directors. The General Meeting will designate at least two independent members among the non-executive directors, in accordance with corporate governance principles.

   The roles of the Directors are established pursuant to the Company's Articles, the Corporate Governance Code, and other official documents. Executive members will see to daily management issues, while non-executive members will undertake to put forward all corporate affairs. Independent non-executive members will provide the Board of Directors with impartial opinions and advice on decision-making, to the Company's interests and the protection of its shareholders.

   The separate powers of the Chairman of the BoD and the Company's CEO will be expressly determined by the Board of Directors and laid down in the Company's Articles and the Corporate Governance Code.

   The Board of Directors will meet whenever needed or so imposed by the provisions governing the Company's operations, as set out in the Articles and the applicable legislation. The Chairman of the Board of Directors will determine the items on the agenda and invite the members to a meeting.

   In case of absence or impediment, the Chairman will be replaced by the CEO; in case of absence or impediment of the CEO, the Board of Directors will designate a member to act as his replacement.

   This Board of Directors was elected by the Extraordinary General Meeting of the Company's shareholders on 19 December 2008 and was approved at the Ordinary General Meeting as of 26/6/2009 for a five-year office ending on 30 June 2013 at the latest, and comprises the following members:

s/n	Full name	Position
1.	Dimitrios Koutras	Chairman, Executive Member
2.	Anastasios Kallitsantsis	CEO, Executive Member
3.	Dimitrios Kallitsantsis	Director, Executive Member
4.	Ioannis Moraitis	Director, Executive Member
5.	Loukas Giannakoulis	Director, Executive Member
6.	Panagiotis Malamitsis	Director, non-Executive Member
7.	Leonidas Bobolas	Director, non-Executive Member
8.	Georgios Bekiaris	Director, Independent non-Executive Member
9.	Argyrios Milios	Director, Independent non-Executive Member

The CVs of the members of the Board of Directors are available on the Company's website (www.reds.gr)

ii. The General Meeting has set up an Audit Committee (article 37 of Law 3693/2008) which assists the BoD in the preparation of decisions and ensures effective management of any conflicts of interest during the decision-making process.

The Audit Committee's responsibility is to monitor financial reporting, the effective operation of the internal control and risk management system, and to supervise and monitor ordinary audits and issues relating to the objectivity and independence of legal auditors (the Audit Committee tasks are detailed in section (c) of this statement).

The General Meeting of the Company's shareholders set up this Audit Committee at its meeting on 26 June 2009, and appointed the following members:

s/n	Full name	Position
1.	Panagiotis Malamitsis	Non-Executive Member of the BoD
2.	Leonidas Bobolas	Non-Executive Member of the BoD
3.	Georgios Bekiaris*	Independent Non-Executive Member of the BoD

** It is established that Mr. Georgios Bekiaris has adequate knowledge of accounting and auditing issues.*

The office of the current Audit Committee members will end simultaneously with the term of office of the current Board of Directors, i.e. on the date of the Ordinary General Meeting of 2013 (on 30 June 2013 at the latest).

Kifissia, 28 March 2013

THE BOARD OF DIRECTORS

The BoD Chairman

Dimitrios Koutras

C. Audit Report of an Independent Certified Auditor-Accountant

To the shareholders of REDS SA Real Estate Development and Services

Report on the Consolidated and Corporate Financial Statements

We have audited the attached corporate and consolidated financial statements of REDS SA Real Estate Development and Services, which comprise the company and consolidated statement of financial position as of 31 December 2012, the company and consolidated profit and loss and comprehensive income statements, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting principles and methods, and other explanatory notes.

Management's Responsibility for the Company and Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of these corporate and consolidated financial statements, in accordance with the International Financial Reporting Standards, as adopted by the European Union, and for those safeguards the management thinks necessary to enable the preparation of company and consolidated financial statements free of material misstatements whether due to fraud or error.

Auditor's Responsibility

Our responsibility lies in the expression of opinion on these corporate and consolidated financial statements, on the basis of our audit. We conducted our audit in accordance with the International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the corporate and consolidated financial statements are free from any material misstatement.

An audit involves performing procedures to obtain audit evidence with regard to the amounts and disclosures in the company and consolidated financial statements. The procedures selected are based on the auditor's judgment including the assessment of risks of material misstatements in the company and consolidated financial statements whether due to fraud or to error. In making such risk assessments, the auditor considers the safeguards related to the preparation and fair presentation of the corporate and consolidated financial statements of the company, with the purpose of planning audit procedures appropriate to the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the company's safeguards. An audit also includes the evaluation of the appropriateness of the accounting principles and methods applied and the reasonableness of accounting estimates made by the Management, as well as the evaluation of the overall presentation of the company and consolidated financial statements.

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

Opinion

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the Company REDS SA Real Estate Development and Services and of its subsidiaries as of 31 December 2012, and of their financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Limitation of Scope

Without prejudice to our opinion, we draw your attention to note 31 to the attached company and consolidated financial statements, in which reference is made to the uncertainty about the outcome of the litigation proceedings between the Company acting as general assign of LOFOS PALLINI SA and the Municipality of Pallini.

Report on Other Legal and Regulatory Issues

a) The Management Report from the Board of Directors includes a corporate responsibility statement that contains the information required in par. 3d of Article 43a of Codified Law 2190/1920.

b) We have verified the agreement and reconciliation of the Directors' Report with the attached corporate and consolidated financial statements, in the context of the provisions of Articles 43(a), 108 and 37 of Codified Law 2190/1920.

Athens, 29 March 2013

The Certified Auditor -Accountant

PriceWaterhouseCoopers

Audit Firm

268 Kifissias Ave, Halandri

SOEL Reg.No. 113

Despina Marinou

SOEL Reg.No. 17681

D. Annual Financial Statements

Annual Financial Statements

prepared according to the International Financial Reporting Standards

for the year ended 31 December 2012

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Statement of Financial Position

All amounts in EUR

	Note	THE GROUP 31-Δεκ-12	THE GROUP 31-Δεκ-11	THE COMPANY 31-Δεκ-12	THE COMPANY 31-Δεκ-11
ASSETS					
Non-current assets					
Property, plant and equipment	7	89.197	46.651	18.173	27.583
Intangible assets	8	3.895	183	0	0
Investment property	6	135.724.414	132.999.358	13.043.113	13.033.824
Investments in subsidiaries	9	-	-	41.938.809	64.169.007
Investments in joint ventures		-	-	-	10.770
Deferred tax assets	20	369.380	1.580.373	369.380	1.580.373
Financial assets available for sale	10	1.683.425	1.660.025	1.683.425	1.660.025
Other long-term receivables	13	2.426.025	1.766.773	2.352.825	1.693.573
		140.296.336	**138.053.362**	**59.405.725**	**82.175.155**
Current assets					
Inventories	12	816.552	804.819	816.552	804.819
Trade and other receivables	13	4.345.650	12.140.774	23.242.808	5.034.260
Committed deposits	15	6.720.383	854.994	-	-
Cash and cash equivalents	14	3.506.366	7.663.928	2.255.311	4.591.850
		15.388.950	**21.464.514**	**26.314.670**	**10.430.928**
Total assets		**155.685.286**	**159.517.876**	**85.720.395**	**92.606.084**
EQUITY					
Attributable to equity holders					
Share capital	16	75.239.698	75.239.698	75.239.698	75.239.698
Share premium	16	1.434.519	1.434.519	1.434.519	1.434.519
Other reserves	17	3.903.238	4.333.092	5.080.819	1.369.196
Profits carried forward		34.285.881	39.303.084	(7.393.314)	2.151.606
Total equity		**114.863.337**	**120.310.393**	**74.361.722**	**80.195.019**
LIABILITIES					
Long-term liabilities					
Borrowings	19	-	23.192.253	-	3.600.000
Retirement benefit obligations	22	131.170	114.760	115.633	101.363
Deferred tax liabilities	21	649.229	973.241	-	-
Other long-term liabilities	18	364.073	278.272	-	1.200.000
		1.144.472	**24.558.526**	**115.633**	**4.901.363**
Short-term liabilities					
Suppliers and other liabilities	18	4.904.944	7.687.811	753.355	619.888
Current income tax liabilities		-	1.332	-	-
Borrowings	19	34.692.848	6.880.000	10.480.000	6.880.000
Dividends payable		9.686	9.813	9.686	9.813
Other short-term provisions	20	70.000	70.000	-	-
		39.677.477	**14.648.956**	**11.243.041**	**7.509.702**
Total liabilities		**40.821.950**	**39.207.483**	**11.358.674**	**12.411.065**
Total equity and liabilities		**155.685.286**	**159.517.876**	**85.720.395**	**92.606.084**

The notes on pages 30 to 76 form an integral part of these financial statements.

Income Statement

All amounts in EUR

	Note	THE GROUP 01/01-31/12/2012	THE GROUP 01/01-31/12/2011	THE COMPANY 01/01-31/12/2012	THE COMPANY 01/01-31/12/2011
Income from the lease of investment property		4.717.795	825.523	-	-
Result from the sale of investment property		-	18.954	-	18.954
Income from the provision of services		50.500	238.844	77.428	502.260
Less: Operating expenses	24	(2.042.509)	(461.146)	-	(43.951)
Gross results from investments		**2.725.786**	**622.175**	**77.428**	**477.262**
Operating expenses	24	(2.311.384)	(2.623.323)	(1.306.592)	(1.292.677)
Impairment of participations & investment properties	27	(2.340.000)	(4.100.000)	(5.200.000)	(3.600.000)
Other operating income/(expenses) (net)	28	(125.518)	4.453.537	159.086	4.125.791
Income from dividends		-	-	-	73.602
Financial income	23	185.032	225.926	411.851	171.193
Financial expenses	23	(2.207.600)	(1.007.031)	(688.326)	(727.848)
Profit/ (Loss) before tax		**(4.073.683)**	**(2.428.716)**	**(6.546.554)**	**(772.678)**
Income tax	26	(892.433)	(1.428.693)	(504.660)	(207.160)
Net earnings/ (losses) for the period		**(4.966.115)**	**(3.857.409)**	**(7.051.214)**	**(979.838)**
Earnings/ (losses) for the financial year attributable to:					
Equity holders of the Parent Company		(4.966.115)	(3.857.409)	(7.051.214)	(979.838)
Non controlling interests		-	-	-	-
		(4.966.115)	**(3.857.409)**	**(7.051.214)**	**(979.838)**
Profit/ (loss) after taxes per share - basic (in €)	28	(0,0865)	(0,0672)	(0,1228)	(0,0171)

The notes on pages 30 to 76 form an integral part of these financial statements.

Statement of Comprehensive Income

All amounts in EUR

	Note	THE GROUP		THE COMPANY	
		01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Net earnings/ (losses) for the period		**(4.966.115)**	**(3.857.409)**	**(7.051.214)**	**(979.838)**
Other Comprehensive Income					
Foreign exchange differences	17	(459.134)	(197.368)	-	-
Other		(21.806)	(28.466)	-	-
Other comprehensive income/ (expenses) for the year (net after taxes)		**(480.940)**	**(225.834)**	**-**	**-**
Total Comprehensive Income/ (Expenses) for the year		**(5.447.056)**	**(4.083.243)**	**(7.051.214)**	**(979.838)**
Total Comprehensive Income/ (Expenses) for the period attributable to:					
Equity holders of the Parent Company		(5.447.056)	(4.083.243)	(7.051.214)	(979.838)
Non controlling interests		-	-	-	-

The notes on pages 30 to 76 form an integral part of these financial statements.

Statement of Changes in Equity

All amounts in EUR

		THE GROUP				
	Note	**Share capital**	**Share premium**	**Other reserves**	**Results carried forward**	**Total**
1 January 2011		**75.239.699**	**1.434.519**	**4.497.312**	**43.222.106**	**124.393.635**
Net earnings/ (losses) for the period		-	-	-	(3.857.409)	(3.857.409)
Other Comprehensive Income						
Foreign exchange differences	16	-	-	(197.368)	-	(197.368)
Share capital increase expenses after taxes		-	-	-	(28.466)	(28.466)
Other comprehensive income/ (expenses) for the year (net after taxes)		-	-	(197.368)	(28.466)	(225.834)
Total Comprehensive income/(expenses) for the year		-	-	(197.368)	(3.885.875)	(4.083.243)
Transfer to reserves	16			33.147	(33.147)	-
31 December 2011		**75.239.699**	**1.434.519**	**4.333.091**	**39.303.084**	**120.310.393**
1 January 2012		**75.239.699**	**1.434.519**	**4.333.091**	**39.303.084**	**120.310.393**
Net earnings/ (losses) for the period		-	-	-	(4.966.115)	(4.966.115)
Other comprehensive income for the year						
Foreign exchange differences	16	-	-	(459.134)	-	(459.134)
Share capital increase expenses after taxes		-	-	-	(21.806)	(21.806)
Other comprehensive income/ (expenses) for the year (net after taxes)		-	-	(459.134)	(21.806)	(480.940)
Total Comprehensive income/(expenses) for the year		-	-	(459.134)	(4.987.922)	(5.447.056)
Transfer to reserves				29.281	(29.281)	-
31 December 2012		**75.239.699**	**1.434.519**	**3.903.239**	**34.285.882**	**114.863.337**

All amounts in EUR

THE COMPANY

	Note	Share capital	Share premium	Other reserves	Results carried forward	Total
1 January 2011		**75.239.699**	**1.434.519**	**1.369.196**	**3.131.444**	**81.174.856**
Net earnings/ (losses) for the period		-	-	**-**	(979.838)	(979.838)
Other comprehensive income for the year						
Other comprehensive income/ (expenses) for the year (net after taxes)		**-**	-	-	-	-
Total Comprehensive income/(expenses) for the year		**-**	-	-	(979.838)	(979.838)
31 December 2011		**75.239.699**	**1.434.519**	**1.369.196**	**2.151.606**	**80.195.019**
1 January 2012		**75.239.699**	**1.434.519**	**1.369.196**	**2.151.606**	**80.195.019**
Net earnings/ (losses) for the period		-	-	**-**	(7.051.214)	(7.051.214)
Other comprehensive income for the year						
Other comprehensive income/ (expenses) for the year (net after taxes)		**-**	-	-	-	-
Total Comprehensive income/(expenses) for the year		**-**	-	-	(7.051.214)	(7.051.214)
Effect from absorption of subsidiary	17		-	3.711.623	(2.493.706)	1.217.916
31 December 2012		**75.239.699**	**1.434.519**	**5.080.819**	**(7.393.314)**	**74.361.722**

The notes on pages 30 to 76 form an integral part of these financial statements.

Cash Flow Statement

All amounts in EUR

	Note	THE GROUP 31-Δεκ-12	THE GROUP 31-Δεκ-11	THE COMPANY 31-Δεκ-12	THE COMPANY 31-Δεκ-11
Operating Activities					
Profit/ (Loss) before tax		(4.073.683)	(2.428.716)	(6.546.554)	(772.678)
Plus/ less adjustments for:					
Depreciation and amortization	6,7,8	1.330.277	469.880	31.114	32.222
Impairment	6,7,9	2.340.000	4.147.200	5.200.000	3.600.000
Provisions	22	16.410	17.661	14.270	15.521
Foreign exchange differences		48.249	(29.783)	-	-
Results (income, expenses, profit & losses) from investments		(88.910)	(224.895)	(431.381)	(244.795)
Debit interest and related expenses		2.150.994	1.033.958	688.326	727.848
Plus/ less adjustments for changes in working capital accounts or related to operating activities:					
Decrease/ (increase) of inventory	12	(11.733)	412.212	(11.733)	412.212
Decrease/ (increase) of receivables		7.116.924	(3.854.411)	1.855.187	104.224
(Decrease)/ increase of liabilities (except banks)		(2.678.582)	4.387.169	91.157	(296.586)
Less:					
Debit interest and related expenses paid		(2.081.622)	(969.630)	(701.217)	(718.399)
Taxes paid		(3)	(624.261)	-	(549.313)
Total Cash Inflows/(Outflows) from Operating Activities (a)		**4.068.321**	**2.336.383**	**189.170**	**2.310.257**
Investing activities					
SCI/absorption of subsidiaries & disposal of J/V's	9	(80.631)	-	(2.600.506)	(6.834.800)
Purchase of tangible and intangible assets and investment properties	6,7,8	(6.948.974)	(20.444.092)	(30.993)	(133.842)
Interest received		185.032	225.926	129.317	171.193
Purchase of financial assets available for sale	10	(23.400)	-	(23.400)	-
Committed deposits	15	(5.865.389)	(854.994)	-	-
Dividends received		-	-	-	58.146
Total inflows/(outflows) from investing activities (b)		**(12.733.362)**	**(21.073.160)**	**(2.525.582)**	**(6.739.304)**
Financing activities					
Payments for share capital increase		(27.258)	(35.583)	-	-
Loans taken out		10.482.629	26.744.382	-	7.200.000
Repayment of borrowings		(5.947.765)	(7.217.764)	-	(3.600.000)
Dividends paid		(127)	-	(127)	-
Tax paid on dividends		-	(15.457)	-	-
Total inflows/(outflows) from financing activities (c)		**4.507.479**	**19.475.578**	**(127)**	**3.600.000**
Net increase/ (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	14	(4.157.563)	738.801	(2.336.539)	(829.047)
Cash and cash equivalents at year start	14	7.663.928	6.925.126	4.591.850	5.420.897
Cash and cash equivalents at year end		**3.506.366**	**7.663.928**	**2.255.311**	**4.591.850**

The notes on pages 30 to 76 form an integral part of these financial statements.

Notes to the financial statements

1 General information

The Company and the Group operate in the Real Estate Holding and Management industry. The main activity is the development, sale and operation of privately-owned property or property under operating leases. The Group operates in Greece and Romania.

The Company has been incorporated and established in Greece, and its registered office is located at 25 Ermou str., Nea Kifissia, Attica.

The Company is a subsidiary of ELLAKTOR SA (55.46%) which is listed on the Athens Exchange.

The Company's shares are traded on the Athens exchange in the Real estate holding & Development industry.

The financial statements were approved by the Board of Directors on 28 March 2013, are subject to the approval of the General Meeting, and are available at the company's website: www. reds.gr.

2 Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

The basic accounting principles applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all years presented, unless otherwise stated.

The financial statements include the company financial statements of REDS SA (the Company) and the consolidated financial statements of the Company and its subsidiaries (collectively, the Group), for the year ended 31 December 2012.

These company and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union. The financial statements have been prepared under the historical cost convention.

The preparation of the financial statements under IFRS requires the use of accounting estimates and assumptions by the Management in implementing the accounting policies adopted. The areas involving extensive judgment or complexity, or where assumptions and estimates have a significant impact on the financial statements are mentioned in Note 4.

2.1.1. Going concern

The financial statements as of 31 December 2012 are prepared in accordance with the International Financial Reporting Standards (IFRS) and provide a reasonable presentation of the financial position, profit and loss, and cash flows of the Group, in accordance with the principle of going concern. Given the economic crisis, there is increased financial insecurity in international markets, as regards the economy of Greece in particular. Following careful examination and for reasons explained in the Financial Risk Management (Note 3) and the post-balance sheet events, the Group holds that: (a) the preparation of the financial statements in accordance with the principle of going concern is not affected; (b) the assets and liabilities of the Group are presented correctly in accordance with the accounting principles used by the Group; and (c) operating programs and actions have been planned to deal with problems that may arise in relation to the Group's activities.

2.2 New standards, amendments to standards and interpretations

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 7 (Amendment) "Financial instruments: Disclosures" - transfers of financial assets

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has no effect on the Group's financial statements.

Standards and Interpretations effective from periods beginning on or after 1 January 2013

IFRS 9 "Financial instruments" (effective for annual periods beginning on or after 1 January 2015)

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

IFRS 12 (Amendment) "Income taxes" (effective for annual periods beginning on or after 1 January 2013)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". The amendment is not relevant to the Group.

IFRS 13 "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits.

IFRS 7 (Amendment) "Financial instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"

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

IFRS 11 "Joint Arrangements"

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

IFRS 12 "Disclosure of Interests in Other Entities"

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

IAS 27 (Amendment) "Separate Financial Statements"

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

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

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

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2013)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities. The amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. The amendments have not yet been endorsed by the EU.

Amendments to standards that form part of the IASB's annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and **have not yet been endorsed by the EU**.

IAS 1 "Presentation of financial statements"

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

IAS 16 "Property, plant and equipment"

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

IAS 32 "Financial instruments: Presentation"

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

IAS 34, 'Interim financial reporting'

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

2.3 Comparative information

Comparative amounts have been adjusted, where necessary, to be in line with the changes in the disclosures for the current year.

2.4 Rounding

The amounts contained in the financial statements have been rounded in Euro, and any differences are due to such rounding.

2.5 Consolidation

(a) Subsidiaries

Subsidiaries are companies on which the parent exerts control. The existence of potential voting rights that are exercisable at the time the financial statements are prepared, are taken into account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are fully consolidated from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. Acquisition cost is calculated as the fair value of the assets assigned, of obligations undertaken or in place, and of the shares issued by the Group. The costs associated with the acquisition are posted in results. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation share. The difference between acquisition cost and the fair value of the subsidiary's equity share as at the date of acquisition is recognised as goodwill. If the total cost of the acquisition is lower than the Group's portion in fair value of the individual assets acquired, the difference is immediately recognised in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the translation provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity with the ones adopted by the Group. In the parent company's Statement of Financial Position, subsidiaries are valued at cost less impairment.

In the event of transactions concerning the increase of the Group's participation stake in subsidiaries which do not fall under IFRS 3, the Group recognises all consequences resulting from the difference of the fair value of the price paid and the carrying amount of the minorities acquired directly to equity.

(b) Associates

Associates are companies on which the Group can exercise significant influence but not "control", which is generally the case when the Group holds a percentage between 20% and 50% of a company's voting rights. Investments in associates are initially recognised at cost and are subsequently valued using the Equity method. The "Investments in associates" account also includes the goodwill resulting on acquisition (reduced by any impairment losses).

Following the acquisition, the Group's share in the profits or losses of associates is recognised in the income statement, while the share of changes in reserves following the acquisition is recognised in reserves. The cumulative changes affect the book value of the investments in associates. When the Group's share in the losses of an associate is equal or larger than the carrying amount of the investment, the Group does not recognise any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate.

Unrealised profits from transactions between the Group and its associates are eliminated according to the Group's percentage ownership in the associates. Unrealised losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of affiliates have been adjusted in order to be in conformity to the ones adopted by the Group. In the parent company's balance sheet, associates are valued at cost less impairment.

(c) Joint Ventures

The Group's investments in joint ventures are accounted for on the basis of proportionate consolidation (except for those which are inactive on the date of first IFRS adoption, which are consolidated using the equity method as described above). The Group adds its share of the income, expenses, assets and liabilities and cash flows of each joint-venture with the respective figures of the Group.

The Group recognises the share in the gains or losses from sales of the Group to the joint-ventures which is attributed to the other partners of the joint-venture. The Group does not recognise its share in the gains or losses of the joint-ventures which resulted from purchases of the Group by the joint-ventures until the assets acquired are sold to a third party. Occurring losses from such a transaction is recognised directly if it evidences a reduction in the net liquidation value of current assets or impairment. The accounting principles of the joint-ventures have been adjusted in order to be in conformity to the ones adopted by the Group. In the parent company's balance sheet, joint ventures are valued at acquisition cost less any impairment.

2.6 Information by segment

Reports by segment are prepared in line with the internal financial reports provided to the Chairman, the CEO and other executives of the Board of Directors, who are mainly responsible for decision-making. The key persons responsible for decision-making undertake to establish a strategy, allocate resources and evaluate the performance of each business segment.

2.7 Foreign exchange conversions

(a) Functional and presentation currency.

The items in the financial statements of the Group's companies are measured in the currency of the primary economic environment in which the Group operates (functional currency). The consolidated financial statements are reported in Euro, which is the functional currency and the reporting currency of the parent Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the year and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are recorded in the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

(c) Group Companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities are converted using the applicable exchange rates as at the balance sheet date;

ii) The income and expenses are converted using the average rates of the period (except if the average rate is not the reasonable approach of the accumulated impact of the rates in effect at the dates of the transactions, in which case income and expenses are converted using the rates in effect at the dates of the transactions) and

iii) Any differences arising from this process are posted under other comprehensive income and are transferred to the income statement upon disposal of these companies.

Foreign exchange differences arising from the conversion of the net investment in a foreign company, as well as of the borrowing characterised as hedging of this investment are posted under other comprehensive income. Upon disposal of a foreign company in part or in whole, accumulated exchange differences are transferred to the income statement of the period as profit or loss resulting from the sale.

2.8 Investment property

Properties held under long-lasting leases or capital gains or both and are not used by Group companies are classified as investments in property. Investments in property include privately owned fields and buildings.

From 1 January 2009, the Group has been applying the amended IAS 40 under which property built or developed for future use as investment property, are recognised initially as investments in property. Investment property is recognised initially at cost, including the relevant direct acquisition and borrowing costs. Borrowing costs relating to acquisition or construction of investment property are capitalised to the investment cost for the duration of the acquisition or construction and are no longer capitalised when the fixed asset is completed or stops to be constructed. After initial recognition, investments in property are valued at cost, less depreciation and any impairment. Depreciation of investment property is calculated using the straight-line method, based on the useful life estimated at 40 years, save non-renovated listed buildings whose depreciation is estimated at 20 years.

Subsequent expenditure is added to the carrying value of the property only if it is probable that future economic benefits related to such property will flow to the Group and their cost can be reliably measured. The repair and maintenance cost is booked in the results when such is realised.

If an investment in property is modified to an asset for own use, then it is classified in tangible assets.

2.9 Leases

(a) Group company as Lessee

Leases under which the risks and rewards incident to ownership remain with the lessor are classified as operating leases. Operating lease expense is recognised in the income statement proportionally during the lease period and includes any restoration cost of the property if such clause is included in the leasing contract.

(b) Group company as Lessor

The Group leases assets only through operating leases. Operating lease income is recognised in the income statement of each period proportionally during the period of the lease.

2.10 Property, Plant and Equipment

Fixed assets are reported in the financial statements at acquisition cost minus accumulated depreciation and possible impairment. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The repair and maintenance cost is recorded in the results when such is realised.

Land is not depreciated. Depreciation of other PPE is calculated using the straight line method over their useful life as follows:

- Transportation equipment	5 - 7	years
- Other equipment	5 - 7	years

The residual values and useful economic life of PPE are subject to reassessment at least at each balance sheet date.

When the book values of PPE exceed their recoverable value, the difference (impairment) is posted in the income statement as expense (note 2.12).

Upon the sale of PPE, any difference between the proceeds and the depreciable amount is recorded as profit or loss in the results.

Financial assets concerning the construction of assets are being capitalised for the period needed until the completion of the construction. All other financial expenses are recognised in the income statement.

2.11 Intangible assets

Intangible assets mainly include software user licences, which are valued at the acquisition cost less depreciation. Depreciation is accounted for using the straight line method during their useful lives which vary from 1 to 3 years.

2.12 Impairment of non-financial assets

Assets that are depreciated are subject to impairment audit when indications exist that their book value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired are reassessed for possible impairment reversal on each balance sheet date.

2.13 Financial assets

Classification

The financial instruments of the Group have been classified to the following categories according to the objective for which each investment was undertaken. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

(a) Financial instruments valued at fair value through the income statement

This class comprises financial assets held for trading. Derivatives are classified as held for trading, except when they are designated as hedges. Assets falling under this category are recorded in the current assets if they are held for trading purposes or are expected to be sold within 12 months from the balance sheet date.

(b) Borrowings and receivables

These include non-derivative financial assets with fixed or predefined payments which are not traded in active markets and there is no intention of selling them. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Borrowings and receivables include trade and other receivables as well as cash and cash equivalents in the Statement of Financial Position.

(c) Financial assets held for sale

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

RECOGNITION AND MEASUREMENT

The purchase and sales of investments are recorded for on the trade-date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at their fair value, plus expenses directly related to the transaction, with the exception of those assets, regarding expenses directly related to the transaction, which are valued at their fair value through profit and loss. Financial assets valued at fair value through profit and loss are initially recognised at fair value, and transaction expenses are recognised in results in the period they were incurred. Investments are eliminated when the right on cash flows from the investments ends or is transferred and the Group has transferred in effect all risks and rewards implied by the ownership.

Subsequently, financial assets held for sale are valued at fair value and the relative gains or losses are recorded to an equity reserve till those assets are sold or characterised as impaired. Upon sale or when assets are characterised as impaired, the gains or losses are transferred to the income statement. Impairment losses recognised in results may not be reversed through profit and loss.

The loans and receivables are recognised at amortised cost by method of effective interest.

The realised and unrealised profits or losses arising from changes in the fair value of financial assets, which are valued at fair value through the income statement, are recognised in the profit and loss of the period during which they occur.

The fair values of financial assets that are traded in active markets are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. Where fair value cannot be reliably measured, financial assets available for sale are valued at the acquisition cost.

IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity which is the difference between the cost of acquisition and the fair value shall be carried over to results. Impairment losses of equity instruments recognised in the income statement are not reversed through the income statement.

The impairment test for receivables is described in note 2.15.

2.14 Inventories

Investments in properties to which a construction initiates aiming at a future sale are re-classified as inventories at book value at the balance sheet date. From now on they will be calculated at the lowest value between the cost and net realisable value. The net realisable value is estimated based on the current selling prices of inventories, within the framework of ordinary business activities, less any selling expenses and costs until completion of construction, as applicable.

2.15 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, except if the discount outcome is not important, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due, according to the original terms of receivables.

Trade receivables comprise of commercial papers and notes payable from customers.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganisation and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised as an expense in the income statement.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk.

2.17 Committed deposits

Committed deposits are cash equivalents not readily available for use. These cash equivalents may not be used by the Group until a certain point of time or event is reached or occurs in the future. In the cases where committed deposits are expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset. Committed deposits are disclosed in a separate row in the statement of financial position but are taken into consideration together with Cash and Cash Equivalents and Time Deposits over 3 months when calculating the gearing ratio.

2.18 Share capital

The share capital includes the common shares of the Company. Direct expenses attributable to the issue of new shares appear following the subtraction of the relevant income tax, as a deduction from the proceeds. Direct costs associated with the issue of shares for the acquisition of companies are posted in results.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at net book cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.20 Deferred Income Tax

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting or the taxable profit or loss. Deferred tax is valued taking into consideration the tax rates that have been put into effect or are essentially in effect at the balance sheet date.

Deferred tax receivables are recognised to the extent that there will be future taxable gains to use the temporary difference that gives rise to the deferred tax receivables.

Deferred income tax is recognised for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

The current tax is calculated based on the tax balance sheet of each of the companies included in the consolidated financial statements, in accordance with the taxation laws in force in Greece or other tax regimes under which subsidiaries abroad operate. The cost of current income taxes includes the income tax which arises based on the earnings of a company, as restated in its tax statements and provisions for additional taxes and charges for unaudited years, and is calculated pursuant to established or essentially established tax rates.

2.21 Employee benefits

(a) Post-employment benefits

The employee benefits after their retirement include defined contribution programs and defined benefit programs. The accrued cost of defined contribution programs is recognised as expense during the relevant period.

The liability reported in the balance sheet with respect to defined benefit schemes is the present value of the commitment and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The interest rate on long-term Greek treasury bonds is used for discounting purposes. Due to the current financial circumstances, the European Central Bank's bond curve was used instead of Greek government bonds.

Actuarial gains and losses arising from adjustments based on historical data which are less or more than 10% of the accumulated liability are posted to the income statement over the average remaining service lives of the employees participating in the plan. The cost of service is directly recognised through profit and loss, except for the case where the scheme's changes depend on the remaining service of employees at the company. In such a case the service cost is booked in the results using the straight line method within the maturity period.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted.

In case of employment termination where the number of employees to use such benefits cannot be determined, the benefits are disclosed as contingent liability, but are not accounted for.

2.22 Provisions

Provisions are recognised when: there is an obligation (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated.

2.23 Recognition of income

Revenues mainly derive from the sale of property, operating leases of property, the provision of services and construction projects.

Revenue from operating leases is recognised in the income statement using the straight line method during the lease period. When the Group provides incentives to its clients, the cost of these incentives is recognised through the lease period with the straight line method deductively of the income from the lease.

Income from the provision of services and real estate management are recorded in the period during which the services are rendered, based on the stage of completion of the service in relation to total services to be provided.

In the case where the Group acts as a representative, it is the commission and not the gross revenue that is accounted for as revenue.

Dividends are accounted for as income when the right to receive payment is established.

2.24 Distribution of dividends

The distribution of dividends to the shareholders of the parent company is recognised as a liability on the date on which the distribution is approved by the General Meeting of shareholders.

2.25 Non-current assets available for sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is estimated to be recovered by the Group through a sale transaction rather than through their use.

2.26 Absorption of Companies

The method of predecessor accounting was used in the absorption of LOFOS PALLINI SA by the parent company REDS SA. As a result, the assets, liabilities, cash flows, income and expenses of the absorbed company were included in the relevant accounts of the absorbing company from the amalgamation date (31 August 2012) until the end of the financial period. The assets and liabilities of the absorbed company except for its share capital were incorporated at their book values.

3 Financial risk management

3.1 Financial risk factors

The Group is exposed to various financial risks, such as market risks, credit risk, liquidity risk, currency risk and interest rate risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, accounts payable and other liabilities and debt liabilities. The accounting principles referred to the above financial instruments are presented in Note 2.

Risk management is performed by the financial division and determined within the framework of rules approved by the Board of Directors. The Finance Division determines and estimates the financial risks in collaboration with the services managing those risks. The Board of Directors provides directions on the general management of the risk as well as specialised directions on the management of specific risks such as the interest rate risk, the credit risk, the use of derivative and non-derivative financial instruments, as well as the short-term investment of cash. Financial assets available for sale are valued at the acquisition cost and are therefore not exposed to financial risk.

(a) Market Risk

Market risk is related to the business sectors where the Group operates. The Group’s departments are closely monitoring the trends in the individual markets in which it operates and plan actions for prompt and efficient adaptation to the individual markets’ new circumstances.

i) Foreign exchange risk

Given that the Group actively operates abroad (Romania), it is exposed to currency risk that the local currency-euro rate involves.

Transactions are made in local currency. If on 31.12.12, Romanian LEU (RON) was appreciated/ depreciated by 5% (2011: 5%) in relation to Euro, all other variables being equal, losses before taxes for the Group would be increased by 154,557 Euro (2011: 111,547) and increased by 170,826 Euro (2011: 123,289) respectively, as a result of the exchange losses/ earnings from the conversion of receivables, liabilities and cash of the companies established in Romania from Euro to LEU. The Group is considering the use of derivative forward contracts to manage exchange risk.

ii) Cash flow risk and risk from changes in fair value due to changes in interest rates

Group holds as an asset significant accrued instruments comprising of sight deposits and short term bank deposits. The Group is exposed to risk from fluctuations of interest rates, arising from bank loans with floating rates. The Group is exposed to floating interest rates prevailing in the market, which affect both the financial position and the cash flows. Cost of debt may increase as a result of these changes thus creating losses or it can decrease on the occurrence of unexpected events.

As regards long-term borrowings, the Group's Management systematically and constantly monitors interest rate fluctuations and assesses the need to take relevant positions to hedge risks, when and if necessary.

All Group loans have been taken out at floating rates, and total borrowing is in Euro. Therefore, the interest rate risk is connected to fluctuations of euro rates.

The Group constantly monitors interest rate trends, as well as the duration and nature of subsidiaries' financing needs. Decisions on loan terms as well as the relation between variable and fixed interest rate are considered separately on a case by case basis.

(b) Credit Risk

The Group has developed policies in order to ensure that transactions are conducted with customers of sufficient credit rating.

The Group has procedures which limit its exposure to credit risk from individual credit institutions. In such cases, the risk may arise from counterparty failure to fulfil their obligations towards the Group. In order to minimise this credit risk, the Group sets limits to the degree of exposure for each financial institution, within the scope of the policies of the Board f Directors.

(d) Liquidity risk

To manage the liquidity risk, the Group budgets and monitors its cash flows and acts accordingly so as to have adequate cash available and bank credit lines in place. The group holds sufficient credit lines in order to fulfil needs for cash that may arise. The Group's liquidity is monitored on a regular basis by the Management.

The following table presents an analysis of Group debt maturities as of 31 December 2012 and 2011 respectively:

	31 December 2012				
	MATURITY OF FINANCIAL LIABILITIES				
	Within 1 year	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Trade and other payables	4.668.595	42.696	153.519	167.858	**5.032.668**
Borrowings	35.474.147	-	-	-	**35.474.147**

	31 December 2011				
	MATURITY OF FINANCIAL LIABILITIES				
	Within 1 year	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Trade and other payables	6.490.146	-	98.900	179.372	**6.768.418**
Borrowings	8.770.213	18.954.590	5.999.955	-	**33.724.758**

The above amounts are presented in the contractual, non discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements with respect to the Supplier accounts and other liabilities.

The Trade and other liabilities breakdown is exclusive of Advances from customers and Social security and other taxes.

Interest Rate Sensitivity Analysis of Group Borrowings

A reasonable and possible interest rate change by twenty five base points (increase/decrease 0,25%) would lead to the decrease / increase in losses before taxes for 2012, all other variables being equal, by €87 thousand (2011: €75 thousand). It is noted that the aforementioned change in losses before taxes is calculated on the loan balances at the end of the year and does not include the positive effect of interest income from cash deposits and cash equivalents.

3.2 Fair value determination

From 1 January 2009 the Group has adopted the revised version of IFRS 7 for financial assets accounted for at fair value at the balance sheet date. According to the above review, financial assets and liabilities are classified in the following levels, depending on the method of determining fair value:

- Level 1: for assets traded in an active market and whose fair value is determined by the market prices (unadjusted) of similar assets.

- Level 2: for assets whose fair value is determined by factors related to market data, either directly (prices) or indirectly (prices derivatives).

- Level 3: for assets whose fair value is not determined by observations from the market, but is mainly based on internal estimates.

The only financial assets at fair value held by the Company and the Group are the financial assets available for sale as analysed in Note 10. Such financial assets are measured at "level 3" of fair values as described in IFRS 7. Level 3 of fair values relates to fair values not based on data which are directly or indirectly available on active markets.

3.3 Cash management

Capital management is undertaken by the financial management and aims at safeguarding the continuity of operations of Group companies, the achievement of its developing plans along with Groups credit rating,

For the evaluation of Group's credit rating, Group net debt must be evaluated (i.e. total long term and short term liabilities to financial institutions minus cash and cash equivalents).

Net borrowing for the Group as of 31.12.12 compared to 31.12.11, is positive and is analysed in the table below:

All amounts in EUR

	CONSOLIDATED FIGURES	
	31-Dec-12	31-Dec-11
Short term bank borrowings	34,692,848	6,880,000
Long term bank borrowings	-	23,192,253
Total borrowings	34,692,848	30,072,253
Less: Cash and cash equivalents (1)	10,226,749	8,518,922
Net Borrowing	**24,466,100**	**21,553,331**
Total Equity	**114,863,337**	**120,310,393**
Total Capital	**139,329,437**	**141,863,724**
Gearing Ratio	**0.176**	**0.152**

Note:

(1) Total Cash and cash equivalents for 2012 (€3,506,366.) include Committed deposits (€6,720,383). Accordingly, total Cash and cash equivalents for 2011 (€7,663,928) include Committed deposits (€854,994)

The gearing ratio as of 31.12.2012 for the Group is calculated at 17.6% (31.12.2011: 15.2%). This ratio is defined as the quotient of net corporate debt (i.e. total long and short-term bank borrowings) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

At parent company level, total borrowings as of 31.12.2012 stood at €10,480,000 (31.12.2011: €10,480,000) and represent short-term borrowings (Short-term borrowings as of 31.12.2011: €6,880,000), while no long-term borrowings exist (long-term borrowings as of 31.12.2011: €3,600,000).

The Group‘s goals in relation to capital management is to ensure smooth operations for the Group in the future, with an aim of providing satisfactory returns to shareholders and other stakeholders, and maintain optimum capital allocation, thus reducing the cost of capital.

4 Critical accounting estimates and judgments of the management

Estimates and judgments are continuously evaluated and are based on historic data and expectations for future events, as considered reasonable under the circumstances.

4.1 Significant accounting estimates and assumptions

Annual financial statements along with the accompanying notes and reports may involve certain judgments and calculations that refer to future events regarding operations, developments, and financial performance of the Company and the Group. Despite the fact that such assumptions and calculations are based on the best possible knowledge of the Company's and the Group's management with regard to current conditions and actions, the actual results may eventually differ from calculations and assumptions taken into consideration in the preparation of the Company's and the Group's annual financial statements.

The Group makes estimates and assumptions concerning the future. Assessments and assumptions that involve important risk of causing material adjustments to the assets' and liabilities' book values:

(a) Estimates for potential impairment to Group investment property

Investment in property is examined for possible impairment when event or changes in conditions indicate that their book value may not be recoverable. When the recoverable value is less than their carrying value, investment properties are depreciated to the recoverable amount. The Group assesses to its discretion whether the indications for the impairment of an investment in property are substantial and objective.

(b) Income tax

Estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4.2 Considerable judgments of the Management on the application of the accounting principles

Distinction between investments in property and assets used by the Group.

The Group determines whether an asset is characterised as investment property. In order to form the relevant assumption, the Group considers the extent to which a property generates cash flows, for the most part independently of the rest of the assets owned by the company. Assets used by the Group generate cash flows which are attributed not only to the properties but also to other assets used either in the production procedure or to the purchasing procedure.

5 Information by segment

As of 31 December 2012 and 2011, the Group was mainly operating in 3 business segments:

- Real estate operation
- Provision of real estate management and development services
- Real estate development and sale

The Chairman, the CEO and other executive members of the Board of Directors are the persons responsible for making business decisions. Having determined the operating segments, the above persons review the internal financial reports to evaluate the Company and Group performance and to make decisions regarding fund allocation. The Board of Directors uses various criteria to evaluate Group activities, which vary depending on the nature, the maturity and particularities of each field, with regard to any risks, current cash needs and information about products and markets.

Results per segment for 2012 are as follows:

All amounts in EUR

	Consolidated information by segment for the period 01/01-31/12/2012	Real estate sales	Real estate operation	Provision of services	Total
	Total gross sales per segment	-	4.717.795	114.428	4.832.223
	Intra-group sales	-	-	(63.928)	(63.928)
	Net sales	**-**	**4.717.795**	**50.500**	**4.768.295**
	Gross earnings/ (losses) per segment	-	2.707.336	18.450	2.725.786
	Administrative expenses				(2.311.384)
	Impairment of participations & investment properties				(2.340.000)
	Other operating income/(expenses)- net				(125.518)
	Operating profit/(loss)				(2.051.115)
	Financial income/ (expenses) - net				(2.022.568)
	Profit/ (Loss) before taxes				(4.073.683)
	Income tax				(892.433)
	Net earnings/ (losses)				**(4.966.115)**

Results per segment for 2011 are as follows:

All amounts in EUR

Consolidated information by segment for the period 01/01-31/12/2011	Real estate sales	Real estate operation	Provision of services	Total
Total gross sales per segment	443.800	825.523	687.103	1.956.426
Intra-group sales	-	-	(448.260)	(448.260)
Net sales	**443.800**	**825.523**	**238.844**	**1.508.167**
Gross earnings/ (losses) per segment	18.954	439.165	164.056	622.175
Administrative expenses				(2.623.323)
Impairment of participations & investment properties				(4.100.000)
Other operating income/(expenses)- net				4.453.537
Operating profit/(loss)				(1.647.611)
Financial income/ (expenses) - net				(781.104)
Profit/ (Loss) before taxes				(2.428.716)
Income tax				(1.428.693)
Net earnings/ (losses)				**(3.857.409)**

Other information per segment through profit and loss as of 31 December 2012 is:

All amounts in EUR

	Real estate sales	Real estate operation	Provision of services	Non-allocated	Total
Depreciation of PPE	-	8.322	-	21.515	**29.838**
Depreciation of intangible assets	-	654	-	24	**678**
Depreciation of investment property	-	1.299.761	-	-	**1.299.761**
Total	-	1.308.737	-	21.540	**1.330.277**

Other information per segment through profit and loss as of 31 December 2011 is:

All amounts in EUR

	Real estate sales	Real estate operation	Provision of services	Non-allocated	Total
Depreciation of PPE	-	9.,812	-	24.124	**3.,936**
Depreciation of intangible assets	-	-	-	342	**342**
Depreciation of investment property	-	435.602	-	-	**435.602**
Total	-	445.414	-	24.466	**469.880**

Inter-segment transfers and transactions are entered into under the normal commercial terms and conditions, similar to those applicable for transactions with unrelated third parties.

Assets and liabilities of segments as of 31 December 2012 are as follows:

All amounts in EUR

	Real estate sales	Real estate operation	Provision of services	Non-allocated	Total
Assets	2.217.918	153.358.444	87.041	21.884	**155.685.287**
Liabilities	-	60.609.582	107.446	(19.895.078)	**40.821.950**
Equity	2.217.918	92.748.862	(20.405)	19.916.962	**114.863.337**
Investments in intangibles, fixed assets and investment property for the year ended	-	6.942.770	-	6.204	**6.948.974**

Assets and liabilities of segments as of 31 December 2011 were as follows:

All amounts in EUR

	Real estate sales	Real estate operation	Provision of services	Non-allocated	Total
Assets	2.807.658	154.712.330	(20.557)	2.018.006	**159.517.437**
Liabilities	291.897	57.482.096	(100.657)	(18.466.292)	**39.207.044**
Equity	2.515.761	97.230.234	80.100	20.484.298	**120.310.393**
Investments in intangibles, fixed assets and investment property for the year ended	-	20.444.092	-	-	**20.444.092**

The Group operates in Greece. Its operations abroad are currently being developed.

Results per geographic region for 2012 are as follows:

All amounts in EUR

Consolidated information by segment for the period 01/01-31/12/2012	Greece	Romania	Total
Sales (gross & net)	4.768.295	-	4.768.295
Gross earnings/ (losses) per segment	2.725.786	-	2.725.786
Administrative expenses	(1.836.708)	(474.676)	(2.311.384)
Impairment of participations & investment properties	-	(2.340.000)	(2.340.000)
Other operating income/(expenses)- net	(1.928.484)	1.802.966	(125.518)
Operating profit	(1.039.406)	(1.011.709)	(2.051.115)
Financial income/ (expenses) - net	(1.972.754)	(49.813)	(2.022.568)
Profit/ (Loss) before taxes	(3.012.160)	(1.061.523)	(4.073.683)
Income tax	(892.433)	-	(892.433)
Net earnings/ (losses)	**(3.904.593)**	**(1.061.523)**	**(4.966.115)**

Results per geographic region for 2011 were as follows:

All amounts in EUR

Consolidated information by segment for the period 01/01-31/12/2011	Greece	Romania	Total
Sales (gross & net)	1.508.167	-	1.508.167
Gross earnings/ (losses) per segment	622.175	-	622.175
Administrative expenses	(2.483.520)	(139.803)	(2.623.323)
Impairment of participations & investment properties	(3.600.000)	(500.000)	(4.100.000)
Other operating income/(expenses)- net	4.451.976	1.561	4.453.537
Operating profit	(1.009.369)	(638.242)	(1.647.611)
Financial income/ (expenses) - net	(804.357)	23.253	(781.104)
Profit/ (Loss) before taxes	(1.813.726)	(614.989)	(2.428.716)
Income tax	(978.015)	(450.678)	(1.428.693)
Net earnings/ (losses)	**(2.791.741)**	**(1.065.668)**	**(3.857.409)**

Total assets and liabilities geographically allocated for the year to 31 December 2012 are as follows:

All amounts in EUR

	Greece	Romania	Total
Assets	137.909.543	17.775.743	**155.685.286**
Liabilities	40.768.617	53.333	**40.821.950**
Equity	97.140.926	17.722.411	**114.863.337**
Investments in intangibles, fixed assets and investment property for the year ended	6.893.357	55.617	**6.948.974**

Total assets and liabilities geographically allocated for the year to 31 December 2011 were as follows:

All amounts in EUR

	Greece	Romania	Total
Assets	138.275.942	21.241.494	**159.517.437**
Liabilities	39.158.617	48.427	**39.207.044**
Equity	99.117.326	21.193.067	**120.310.393**
Investments in intangibles, fixed assets and investment property for the year ended	20.401.412	42.679	**20.444.092**

6 Investment property

All amounts in EUR

	THE GROUP	THE COMPANY
Cost		
1 January 2011	**118.523.485**	**16.628.351**
Foreign exchange differences	(168.906)	-
Additions	20.431.648	133.842
Disposals	(1.032)	-
Impairment	(4.100.000)	(3.600.000)
31 December 2011	**134.685.196**	**13.162.193**
1 January 2012	**134.685.196**	**13.162.193**
Foreign exchange differences	(512.662)	**-**
Additions	6.871.676	24.789
Impairment	(2.340.000)	-
31 December 2012	**138.704.210**	**13.186.982**
Accumulated Depreciation		
1 January 2011	**(1.251.773)**	**(112.869)**
Foreign exchange differences	1.538	-
Amortisation for the period	(435.602)	(15.500)
31 December 2011	**(1.685.838)**	**(128.369)**
1 January 2012	**(1.685.838)**	**(128.369)**
Foreign exchange differences	5.802	-
Amortisation for the period	(1.299.761)	(15.500)
31 December 2012	**(2.979.796)**	**(143.869)**
Net book value as of 31 December 2011	**132.999.357**	**13.033.824**
Net book value as of 31 December 2012	**135.724.414**	**13.043.113**

- There are no liens on the properties of the REDS SA Group, with the exception of the properties of subsidiary YIALOU EMPORIKI & TOURISTIKI SA, and specifically building blocks OTE71 and OTE72, at location Yialou, Spata, Attica, where mortgage number 29547/01.04.2011 has been taken out, for €42 million, as collateral to Bond Loan Agreement as of 28.02.2011, for approximately €35 million.

- The additions of the Group for the year amounted to €6.9 million, of which €6.3 million pertains to the construction of "Smart Park" of subsidiary YIALOU EMPORIKI & TOURISTIKI SA. The above amount is exclusive of capitalised financial expenses due to the commencement of operation of Smart Park in 2011 (financial expenses of approximately €19 thousand had been capitalised in 2011).

- The impairment of properties of €2.34 million was based on the assessment of an independent assessor and represents properties of affiliates in Romania, and more specifically of "PROFIT CONSTRUCT Srl" in Unirii, Bucharest, by €1.8 million, and "CLH ESTATE Srl" in Baneasa, Bucharest, by €0.54 million.

- The fair value of the Group's investment property as of 31.12.2012 stands at €157 million (2011: €154 million). Accordingly, the fair value of the Group's investment property as of 31.12.12 stands at €13.3 million (2011: €13.3 million).

The term of operating leases of the investment property (located in Greece) is at least 3 years. The rents are adjusted annually, pursuant to the terms of agreements in relation to the CPI, increased by up to 1%.

The Group's income from leases is not subject to seasonal fluctuations.

The total minimum guaranteed (non-cancellable) rents that are payable under operating lease agreements annually are as follows:

	THE GROUP		COMPANY	
	31-Dec-2012	**31-Dec-2011**	**31-Dec-2012**	**31-Dec-2011**
under 1 year	4.814.492	4.394.968	-	-
2-5 years	18.023.885	17.232.048	-	-
Over 5 years	15.780.370	18.988.774	-	-
	38.618.747	**40.615.790**	-	-

7 Property, Plant and Equipment

All amounts in EUR

	Ο ΟΜΙΛΟΣ			
	Transportation equipment	Mechanical equipment	Furniture & other equipment	Total
Cost				
1 January 2011	**19.506**	**50.103**	**539.634**	**609.242**
Additions	-	-	12.444	12.444
Impairment	-	(45.417)	(1.783)	(47.200)
Foreign exchange differences	-	-	(440)	(440)
31 December 2011	**19.506**	**4.686**	**549.856**	**574.047**
1 January 2012	**19.506**	**4.686**	**549.856**	**574.047**
Additions	-	65.617	7.290	72.907
Disposals	-	-	(1.035)	(1.035)
Foreign exchange differences	-	-	(1.328)	(1.328)
31 December 2012	**19.506**	**70.303**	**554.782**	**644.591**
Accumulated Depreciation				
1 January 2011	**(7.215)**	**(4.686)**	**(481.789)**	**(493.690)**
Depreciation for the year	(2.556)	-	(31.380)	(33.936)
Foreign exchange differences	-	-	229	229
31 December 2011	**(9.772)**	**(4.686)**	**(512.939)**	**(527.396)**
1 January 2012	**(9.772)**	**(4.686)**	**(512.939)**	**(527.396)**
Depreciation for the year	(2.556)	(4.894)	(22.388)	(29.838)
Disposals	-	-	1.035	1.035
Foreign exchange differences	-	-	804	804
31 December 2012	**(12.328)**	**(9.580)**	**(533.487)**	**(555.394)**
Net book value as of 31 December 2011	**9.735**	**0**	**36.917**	**46.651**
Net book value as of 31 December 2012	**7.178**	**60.724**	**21.295**	**89.196**

THE COMPANY

	Transportation equipment	Mechanical equipment	Furniture & other equipment	Total
Cost				
1 January 2011	**19.506**	**103**	**417.231**	**436.840**
Additions	-	-	-	-
31 December 2011	**19.506**	**103**	**417.231**	**436.840**
1 January 2012	**19.506**	**103**	**417.231**	**436.840**
Additions	-	-	6.204	6.204
Absorption of subsidiary	-	-	54.616	54.616
31 December 2012	**19.506**	**103**	**478.051**	**497.660**
Accumulated Depreciation				
1 January 2011	**(7.215)**	**(103)**	**(385.217)**	**(392.535)**
Depreciation for the year	(2.556)	**-**	(14.165)	(16.722)
31 December 2011	**(9.771)**	**(103)**	**(399.383)**	**(409.257)**
1 January 2012	**(9.771)**	**(103)**	**(399.383)**	**(409.257)**
Depreciation for the year	(2.556)	-	(13.058)	(15.614)
Absorption of subsidiary	-	-	(54.616)	(54.616)
31 December 2012	**(12.328)**	**(103)**	**(467.057)**	**(479.487)**
Net book value as of 31 December 2011	**9.735**	**-**	**17.848**	**27.583**
Net book value as of 31 December 2012	**7.178**	**-**	**10.995**	**18.173**

8 Intangible assets

All amounts in EUR

	THE GROUP	THE COMPANY
	Software	**Software**
Cost		
1 January 2011	**103.827**	**83.914**
Foreign exchange differences	(100)	-
31 December 2011	**103.726**	**83.914**
1 January 2012	**103.726**	**83.914**
Additions	4.390	-
Absorption of subsidiary	-	6.589
Foreign exchange differences	(375)	-
31 December 2012	**107.742**	**90.504**
Accumulated Depreciation		
1 January 2011	**(103.298)**	**(83.914)**
Depreciation for the year	(342)	-
Foreign exchange differences	98	-
31 December 2011	**(103.543)**	**(83.914)**
1 January 2012	**(103.543)**	**(83.914)**
Depreciation for the year	(678)	-
Absorption of subsidiary	-	(6.589)
Foreign exchange differences	375	-
31 December 2012	**(103.846)**	**(90.504)**
Net book value as of 31 December 2011	**183**	**0**
Net book value as of 31 December 2012	**3.895**	**0**

9 Group participation in consolidated entities

The companies of the Group consolidated with the full consolidation method are:

COMPANY	Participation %	Participation value 31.12.11	Participation value 31.12.2012	Seat	Activity
KANTZA COMMERCIAL SA	100%	11.420.088	12.098.073	GREECE	REAL ESTATE DEVELOPMENT COMPANY
YIALOU EMPORIKI & TOURISTIKI SA	100%	18.353.110	20.153.110	GREECE	REAL ESTATE DEVELOPMENT COMPANY
PMS PROPERTY MANAGEMENT SA	100%	884.626	884.626	GREECE	REAL ESTATE DEVELOPMENT COMPANY
LOFOS PALLINI SA	100%	19.858.184	-	GREECE	REAL ESTATE DEVELOPMENT COMPANY
KARTEREDA HOLDINGS LTD	100%	13.652.000	8.802.000	CYPRUS	REAL ESTATE DEVELOPMENT COMPANY
CORREA HOLDINGS LTD	100%	1.000	1.000	CYPRUS	REAL ESTATE DEVELOPMENT COMPANY
CLH ESTATE SRL	100% indirectly	-	-	ROMANIA	REAL ESTATE DEVELOPMENT COMPANY
PROFIT CONSTRUCT SRL	100% indirectly	-	-	ROMANIA	REAL ESTATE DEVELOPMENT COMPANY
Total		**64.169.007**	**41.938.809**		

By means of decision of the shareholders of KARTEREDA HOLDINGS Ltd as of 14.05.2012, it was decided to increase the company's share capital by €350,000.00, with the issue of 12 new shares with the face value of one euro per share and the offer price of €29,166.66 per share. Out of the total amount of increase, the amount of € 349,988.00 was credited to "Reserves from the issue of shares at a premium".

The Company proceeded to the impairment of its participation in subsidiary "KARTEREDA HOLDINGS Ltd" by €5.2 million.

The Extraordinary General Meetings of the wholly-owned subsidiary "KANTZA COMMERCIAL SA" as of 6/6/2012 and 12/12/2012 decided to increase the company's share capital by €372,745 and €305,240 respectively.

The Extraordinary General Meetings of the wholly-owned subsidiary "YIALOU EMPORIKI & TOURISTIKI SA" as of 25/6/2012 and 16/7/2012, decided to increase the company's share capital by €800,000 and €1,000,000 respectively.

While it had been consolidated in the annual financial statements of 2011, the company "3G DEVELOPMENT OF CONSTRUCTION, TOWN PLANNING & TOURISM WORKS" was not consolidated in these financial statements of 2012 using the proportional method, as it was sold to a parent company's associate, causing losses of €96 thousand at Group level.

By decision Ref.No. K2-8899/31-12-2012 of the Ministry for Development, Competitiveness, Infrastructures, Transportation and Networks, the merger by absorption of the wholly-owned subsidiary "LOFOS PALLINI SA" was approved on 31/12/2012, in accordance with the combined provisions of Articles 68(2) and 69 to 78 of Codified Law 2190/1920 and Articles 1 to 5 of Law 2166/1993, the amalgamation balance sheet date being 31 August 2012.

10 Financial assets available for sale

Financial assets held for sale include the following:

All amounts in EUR

	THE GROUP		The Company	
	31-Dec-2012	31-Dec-2011	31-Dec-2012	31-Dec-2011
Non-listed securities				
Shares –Greece	1.683.425	1.660.025	1.683.425	1.660.025
	1.683.425	**1.660.025**	**1.683.425**	**1.660.025**

Since these shares are not traded on a regulated market, their fair value may not be reliably determined, and are therefore valued at the acquisition cost.

11 Financial Assets per Category

All amounts in EUR

Financial assets per class as of 31 December 2012 are as follows:

THE GROUP

Assets		**Loans & receivables**	**Financial assets available for sale**	**Total**
Financial assets available for sale		-	1.683.425	**1.683.425**
Trade and other receivables		3.855.108	-	**3.855.108**
Committed deposits		6.720.383	-	**6.720.383**
Cash and cash equivalents		3.506.366	-	**3.506.366**
	Total	14.081.857	1.683.425	**15.765.282**

Liabilities		**Borrowings & payables**
Long-term borrowings		-
Suppliers & other liabilities		4.678.288
Short-term borrowing		34.692.848
	Total	**39.371.136**

THE COMPANY

Assets	Loans & receivables	Financial assets available for sale	Total
Financial assets available for sale	-	1.683.425	**1.683.425**
Trade and other receivables	4.387.521	-	**4.387.521**
Cash and cash equivalents	2.255.311	-	**2.255.311**
Total	6.642.831	1.683.425	**8.326.256**

Liabilities	Borrowings & payables
Long-term borrowings	-
Suppliers & other liabilities	662.748
Short-term borrowing	10.480.000
Total	**11.142.748**

Financial assets per class as of 31 December 2011 are as follows:

THE GROUP

Assets	Loans & receivables	Financial assets available for sale	Total
Financial assets available for sale	-	1.660.025	**1.660.025**
Trade and other receivables	3.799.647	-	**3.799.647**
Committed deposits	854.994	-	**854.994**
Cash and cash equivalents	7.663.928	-	**7.663.928**
Total	12.318.569	1.660.025	**13.978.594**

Liabilities	Borrowings & payables
Long-term borrowings	23.192.253
Suppliers & other liabilities	6.784.128
Short-term borrowing	6.880.000
Total	**36.856.381**

THE COMPANY

Assets	Loans & receivables	Financial assets available for sale	Total
Financial assets available for sale	-	1.660.025	**1.660.025**
Trade and other receivables	4.307.823	-	**4.307.823**
Cash and cash equivalents	4.591.850	-	**4.591.850**
Total	8.899.673	1.660.025	**10.559.698**

Liabilities	Borrowings & payables
Long-term borrowings	3.600.000
Suppliers & other liabilities	535.798
Short-term borrowing	6.880.000
Total	**11.015.798**

12 Inventories

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Finished products	879.429	867.696	879.429	867.696
Less: Provision for impairment of inventory	(62.877)	(62.877)	(62.877)	(62.877)
Total net realisable value	**816.552**	**804.819**	**816.552**	**804.819**

Change in provisions for impairment of inventory is as follows:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Provision for impairment of inventory 1/1	62.877	82.885	62.877	82.885
Utilised provision	-	(20.008)	-	(20.008)
Provision for impairment of inventory 31/12	62.877	62.877	62.877	62.877

Inventories mainly relate to residences for sale in the Ampelia complex.

13 Receivables

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Trade	2.106.441	1.752.249	1.409.413	1.482.403
Customers – Related parties	903.948	882.037	2.263.434	2.122.536
	3.010.390	**2.634.285**	**3.672.847**	**3.604.939**
Income tax prepayment	-	-	-	-
Loans to related parties	-	25.165	16.300.000	-
Other receivables	3.761.286	11.248.096	5.622.786	3.122.894
Total	**6.771.676**	**13.907.547**	**25.595.633**	**6.727.833**
Total non-current assets	2.426.025	1.766.773	2.352.825	1.693.573
Total current assets	4.345.651	12.140.773	23.242.808	5.034.260
Total	**6.771.676**	**13.907.547**	**25.595.633**	**6.727.833**

No credit risk concentration exists in relation to trade receivables, since receivables from Group customers mainly correspond to notarised sales and lessees of satisfactory credit ratings.

The account "Other receivables" is analysed as follows:

	THE GROUP		THE COMPANY	
Other receivables	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Greek State:taxes deducted & prepaid	367.134	1.558.328	271.408	1.207.581
Greek State: Debit VAT	1.725.981	7.280.380	80.497	-
Withheld tax on dividend	6.966	6.966	6.966	6.966
Advance payments & credits management account	5.652	5.602	4.962	5.462
Cheques (postdated) receivable	69.678	371.907	69.678	371.907
Prepaid expenses	40.422	45.805	1.670	1.689
Income for the financial year receivable	-	-	3.814.200	-
Prepayments to suppliers/creditors	810.836	1.231.459	730.079	1.200.000
Sundry debtors	734.618	747.650	643.326	329.288
Total	**3.761.286**	**11.248.096**	**5.622.786**	**3.122.894**

The maturity analysis of trade and other receivables as of 31 December 2012 and 31 December 2011 is as follows:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Not overdue and not impaired	1.357.619	1.762.182	1.357.619	1.723.511
Overdue:				
0 – 3 months	625.541	-	167.186	-
3 – 6 months	87.205	25.953	-	226.340
6 months – 1 year	113.636	51.906	82.785	187.619
1 -2 years	131.107	106.873	696.752	363.359
2 -3 years	111.791	96.184	371.597	231.409
Over 3 years	583.490	591.187	996.909	872.700
	3.010.389	2.634.285	3.672.847	3.604.939
Less: Provision for impairment	-	-	-	-
Trade Receivables - Net	**3.010.389**	**2.634.285**	**3.672.847**	**3.604.939**

Group trade and other receivables as of 31.12.2012 stood at €6,771,676 of which €332,413 were denominated in Romanian RON. In the previous year, as of 31.12.2011, out of the amount of €13,907,547, the amount of €324,694 was denominated in Romanian RON. Trade receivables over two years are presented at present value following discount, and the Management believes they are fully recoverable.

14 Cash and cash equivalents

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
EUR	3.500.980	7.653.347	2.255.311	4.591.850
ROMANIA NEW LEU (RON)	5.386	10.581	-	-
Total	**3.506.366**	**7.663.928**	**2.255.311**	**4.591.850**

The following table shows the rates of deposits per credit rating class by Standard & Poor's (S&P) as of 31.12.2012 and 31.12.2011, respectively.

Financial Institution Rating (S&P)	Rate of sight and time deposits on 31.12.12	Rate of sight and time deposits on 31.12.2011
CCC	91.9%	88.7%
NR	8.1%	11.3%
TOTAL	**100.00%**	**100.00%**

The rates of time deposits are determined after negotiations with selected banking institutions based on Euribor for an equal period with the selected placement (e.g. week, month etc).

Cash and cash equivalents are analysed in the following currencies:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
EUR	3.500.980	7.653.347	2.255.311	4.591.850
ROMANIA NEW LEU (RON)	5.386	10.581	-	-
Total	**3.506.366**	**7.663.928**	**2.255.311**	**4.591.850**

15 Committed deposits

The Group's Committed Deposits stood at €6,720,383 thousand and €854,994 thousand on 31.12.2012 and 31.12.2011 respectively. These come in their entirety from subsidiary YIALOU EMPORIKI & TOURISTIKI SA.

Committed deposits for self-financed or co-financed projects (e.g. Smart Park) relate to either revenue accounts where project revenue is deposited before approved expenses are covered, or accounts to service short-term loans, to repay subsequent loan instalments.

16 Share capital and premium reserve

All amounts in EUR

	Number of Shares	Face value of shares	Share capital	Share premium	Total
1 January 2011	57,434,884	1,31	75,239,698	1,434,519	76,674,217
31 December 2011	57,434,884	1,31	75,239,698	1,434,519	76,674,217
1 January 2012	57,434,884	1,31	75,239,698	1,434,519	76,674,217
31 December 2012	57,434,884	1,31	75,239,698	1,434,519	76,674,217

17 Reserves

All amounts in EUR

THE GROUP

	Statutory reserves	Special reserves	Untaxed reserves	Other reserves	FX differences reserves	Total
1 January 2011	**1.262.489**	**3.380.223**	**453.540**	**2.159**	**(601.098)**	**4.497.313**
Foreign exchange differences	-	-	-	-	(197.368)	(197.368)
Transfer from profit and loss	33.147	-	-	-	-	33.147
31 December 2011	**1.295.636**	**3.380.223**	**453.540**	**2.159**	**(798.466)**	**4.333.092**
1 January 2012	**1.295.636**	**3.380.223**	**453.540**	**2.159**	**(798.466)**	**4.333.092**
Transfer from profit and loss	29.281		-	-	-	29.281
Foreign exchange differences	-	-	-	-	(459.134)	(459.134)
31 December 2012	**1.324.917**	**3.380.223**	**453.540**	**2.159**	**(1.257.600)**	**3.903.238**

THE COMPANY

	Statutory reserves	Special reserves	Untaxed reserves	Other reserves	Total
1 January 2011	**613.935**	**301.722**	**453.540**	**-**	**1.369.196**
31 December 2011	**613.935**	**301.722**	**453.540**	**-**	**1.369.196**
1 January 2012	**613.935**	**301.722**	**453.540**	**-**	**1.369.196**
Absorption of subsidiary	626.067	3.085.556		**-**	**3.711.623**
31 December 2012	**1.240.002**	**3.387.277**	**453.540**	**-**	**5.080.819**

(a) Statutory reserve

The provisions of articles 44 and 45 of Codified Law 2190/1920 regulate the way the legal reserve is formed and used: At least 5% of each year's actual (book) net earnings must be withheld to form a statutory reserve, until the statutory reserve's accumulated amount equals at least 1/3 of the share capital. Upon decision of the Ordinary General Meeting of Shareholders, the statutory reserve may be used to cover losses, and therefore may not be used for any other purpose.

(b) Special reserves

Reserves of this category have been created upon decision of the Ordinary General Meeting in past years, do not have any specific designation and may therefore be used for any purpose, upon decision of the Ordinary General Meeting.

(c) Untaxed reserves

The foregoing reserves may be capitalised and distributed (having due regard to the applicable limitations) upon decision of the Ordinary General Meeting of shareholders.

In case distribution is decided, the company will have to pay the relevant taxes.

18 Suppliers and other liabilities

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Trade payables	384.635	556.926	58.707	32.828
Accrued interest	31.311	47.670	27.772	40.663
Accrued expenses	4.720	4.600	-	-
Social security and other taxes	168.386	220.144	55.894	49.377
Other liabilities	909.721	1.640.135	129.758	116.530
Payables to related parties	3.770.244	5.496.607	481.224	1.580.491
Total	**5.269.016**	**7.966.083**	**753.355**	**1.819.889**
Long-term liabilities	364.073	278.272	-	1.200.000
Short-term liabilities	4.904.943	7.687.811	753.355	619.889
Total	**5.269.016**	**7.966.083**	**753.355**	**1.819.889**

For the year ended, the “Other liabilities” account of €909.72 thousand includes €81.46 thousand from “Other creditors” €50.59 thousand from “Advances from customers”, €228.76 thousand from “Deferred income”, €364.07 thousand from “Property retentions received”, €155.56 thousand from “Fees for services payable and wages and salaries payable”, €13.52 thousand from “Payables to subcontractors”, and €15.76 thousand from “Money guarantees held”.

For 2011, the “Other liabilities” account of €1,640 thousand includes €74.82 thousand from “Other creditors” €348.27 thousand from “Advances from customers”, €607.96 thousand from “Deferred income”, €278.27 thousand from “Property retentions received”, €170.97 thousand from “Fees for services payable and wages and salaries payable”, €139.68 thousand from “Payables to subcontractors”, and €20.13 thousand from “Money guarantees held”.

Company and Group liabilities from trade activities are interest free.

Group suppliers and other receivables as of 31.12.12 stood at € 5,269,016 of which € 37,741 was in Romanian RON. Total liabilities as of 31.12.11 stood at € 7,966,083 of which the amount of € 39,404 was in Romanian RON.

19 Borrowings

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Long-term borrowings				
Bond loans	-	23.192.253	-	3.600.000
Total long-term borrowings	-	23.192.253	-	3.600.000
Short-term borrowings				
Bank borrowing	6.880.000	6.880.000	6.880.000	6.880.000
Bond loans	27.812.848	-	3.600.000	-
Total short-term borrowings	34.692.848	6.880.000	10.480.000	6.880.000
Total borrowings	**34.692.848**	**30.072.253**	**10.480.000**	**10.480.000**

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
1 to 2 years	-	18.087.665	-	3.600.000
2 to 5 years	-	5.104.588	-	-
Over 5 years	-	-	-	-
	-	**23.192.253**	**-**	**3.600.000**

Exposure to changes in interest rates and the dates of reinvoicing are set out in the following table:

	THE GROUP	
	FLOATING RATE	
	up to 6 months	Total
31 December 2011		
Total borrowings	30.072.253	30.072.253
	30.072.253	**30.072.253**

	FLOATING RATE	
	up to 6 months	Total
31 December 2012		
Total borrowings	34.692.848	34.692.848
	34.692.848	**34.692.848**

THE COMPANY

	FLOATING RATE up to 6 months	Total
31 December 2011		
Total borrowings	10.480.000	10.480.000
	10.480.000	**10.480.000**

	FLOATING RATE up to 6 months	Total
31 December 2012		
Total borrowings	10.480.000	10.480.000
	10.480.000	**10.480.000**

The fair value of borrowings is calculated by discounting anticipated future cash flows, using discount rates which represent the current conditions on the banking market.
The book value of short-term borrowings approaches their fair value, as the discount effect is insignificant.
The Company (and the Group) has no financial lease liabilities. All Group and Company loans are expressed in Euro.

On 28 February 2013, the subsidiary YIALOU EMPORIKI & TOURISTIKI SA proceeded with the predetermined finalisation of certain terms under an existing bond loan. The loan now has a 12-year term and expires in 2024, and the total amount stands at €25,402,492 for the financing of the development of “Smart Park”.

20 Provisions

All amounts in EUR

	THE GROUP	THE COMPANY
	Other provisions	**Other provisions**
1 January 2011	**250.000**	**180.000**
Used provisions for financial year	(180.000)	(180.000)
31 December 2011	**70.000**	**-**
31 December 2012	**70.000**	**-**

Analysis of total provisions:

“Other provisions” pertain to provisions for any taxes and charges imposed for unaudited years of the Company and the subsidiaries detailed in note 31.

21 Deferred taxation

Deferred tax receivables and liabilities are compensated when there is an applicable legal right to compensate the current tax receivables against the current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Deferred tax liabilities:				
Recoverable after 12 months	649.230	973.242	-	-
	649.230	**973.242**	**-**	**-**
Deferred tax receivables:				
Recoverable after 12 months	369.380	1.580.373	369.380	1.580.373
	369.380	**1.580.373**	**369.380**	**1.580.373**
Total	**(279.850)**	**607.131**	**369.380**	**1.580.373**

Total change in deferred income tax is presented below:

ll amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Opening balance	(607.131)	(1.903.035)	(1.580.373)	(1.683.505)
Debit/ (credit) through profit and loss	892.433	1.303.020	504.660	103.132
Equity debit/(credit)	(5.452)	(7.117)	-	-
Acquisition/ absorption of subsidiary	-	-	706.333	-
Closing balance	**279.850**	**(607.131)**	**(369.380)**	**(1.580.373)**

Changes in deferred tax receivables and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

Deferred tax liabilities:

All amounts in EUR

	THE GROUP		THE COMPANY	
	Other	**Total**	**Other**	**Total**
1 January 2011	1.320.264	1.320.264	866.494	866.494
Debit/(credit) in profit and loss	1.050.841	1.050.841	70.972	70.972
31 December 2011	**2.371.105**	**2.371.105**	**937.466**	**937.466**
1 January 2012	2.371.105	2.371.105	937.466	937.466
Debit/(credit) in profit and loss	283.446	283.446	13.831	13.831
Absorption of subsidiary	-	-	706.333	-
31 December 2012	**2.654.551**	**2.654.551**	**1.657.630**	**1.657.630**

Deferred tax receivables:

All amounts in EUR

	THE GROUP		
	Accelerated tax depreciation	**Other**	**Total**
1 January 2011	7.447	3.215.852	**3.223.299**
Income statement debit/(credit)	444.372	(696.551)	**(252.179)**
Equity debit/(credit)	7.117	-	**7.117**
31 December 2011	**458.936**	**2.519.301**	**2.978.237**
1 January 2012	458.936	2.739.301	**2.978.237**
Income statement debit/(credit)	(119.803)	(489.184)	**(608.987)**
Equity debit/(credit)	3.960	1.492	**5.452**
31 December 2012	**343.093**	**2.251.609**	**2.374.702**

	THE COMPANY		
	Accelerated tax depreciation	**Other**	**Total**
1 January 2011	2.861	2.547.138	**2.549.999**
Income statement debit/(credit)	(1.644)	(30.516)	(32.160)
31 December 2011	**1.217**	**2.516.622**	**2.517.839**
1 January 2012	1.217	2.516.622	2.517.839
Income statement debit/(credit)	(1.217)	(489.612)	(490.829)
31 December 2012	**-**	**2.027.010**	**2.027.010**

In relation to changes to Greek tax laws made after 31.12.2012, see note “Post-balance sheet events”.

22 Employee retirement compensation liabilities

The amounts identified in the Balance Sheet, are the following:

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Present value of non-financed liabilities	116.900	99.484	101.363	85.842
Actuarial profit/(loss) not posted	14.270	15.276	14.270	15.521
Liability in the Balance Sheet	**131.170**	**114.760**	**115.633**	**101.363**

The amounts recognised in the Income Statement are the following:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Current employment cost	9.639	9.929	7.993	8.283
Financial cost	6.208	5.606	5.713	5.112
Depreciation of non-booked actuarial profit / (loss)	564	2.126	564	2.126
Total included in staff costs	**16.410**	**17.661**	**14.270**	**15.521**

Change to liabilities as presented in the Balance Sheet is as follows:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Opening balance	114.760	97.098	101.363	85.842
Total expense charged in the income statement	16.410	17.661	14.270	15.521
Closing balance	**131.170**	**114.760**	**115.633**	**101.363**

The main actuarial assumptions used for accounting purposes are:

	31-Dec-12	31-Dec-11
Discount rate	3.6%	4.8%
Future wage increases	0%	4.0%

23 Financial income/ (expenses)

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Interest expenses				
- Loans with banks & other liabilities	(2.101.452)	(888.378)	(685.968)	(659.448)
Income from interest/ securities	185.032	225.926	411.851	171.193
Net interest (expenses)/ income	(1.916.420)	(662.451)	(274.117)	(488.255)
Other financial expenses				
- Guarantee letter commissions	(39.660)	(46.930)	-	(27.838)
- Various bank expenses	(9.882)	(98.651)	(2.359)	(40.563)
	(49.542)	(145.581)	(2.359)	(68.400)
Net foreign exchange differences profit/ (loss) from borrowings	(56.606)	26.928	-	-
Total	**(2.022.568)**	**(781.104)**	**(276.476)**	**(556.655)**

24 Expenses per category

All amounts in EUR

THE GROUP

	Note	31-Δεκ-12 Cost of sales	Administrative expenses	Total	31-Δεκ-11 Cost of sales	ive expenses	Total
Employee benefits	25	-	663.772	663.772	-	657.032	657.032
Inventories used		-	-	-	416.231	-	416.231
Depreciation of tangible assets	7	8.322	21.515	29.838	9.812	24.124	33.936
Amortisation of intangible assets	8	654	24	678	-	342	342
Depreciation of investment properties	6	1.103.004	196.756	1.299.761	237.691	197.911	435.602
Impairment of PPE		-	-	-	-	47.200	47.200
Rental fees & expenses under long-term operating leases		99.474	152.974	252.448	34.246	203.799	238.045
Other third party compensation		277	412.495	412.772	16.349	38.349	54.698
Third party fees and expenses		220.347	361.267	581.614	83.438	527.925	611.363
Taxes - Duties		187.533	196.771	384.304	-	469.288	469.288
Other charges		422.897	305.809	728.706	88.226	377.368	465.594
Total		**2.042.509**	**2.311.384**	**4.353.893**	**885.992**	**2.623.322**	**3.509.315**

THE COMPANY

	Note	31-Δεκ-12 Cost of sales	Administrative expenses	Total	31-Δεκ-11 Cost of sales	ive expenses	Total
Employee benefits	25	-	569.789	569.789	-	559.140	559.140
Inventories used		-	-	-	416.231	-	416.231
Depreciation of tangible assets	7	-	15.614	15.614	-	16.722	16.722
Depreciation of investment properties	6	-	15.500	15.500	-	15.500	15.500
Rental fees & expenses under long-term operating leases		-	144.118	144.118	-	205.951	205.951
Other third party compensation		-	20.543	20.543	161	13.141	13.302
Third party fees and expenses		-	226.893	226.893	43.725	169.658	213.382
Subcontractor fees (including insurance contributions for subcontractor personnel)		-	-	-	-	2.260	2.260
Taxes - Duties		-	54.023	54.023	-	116.328	116.328
Other charges		-	260.111	260.111	8.681	193.978	202.659
Total		**-**	**1.306.592**	**1.306.592**	**468.798**	**1.292.677**	**1.761.475**

25 Employee benefits

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Wages and salaries	554.968	553.214	482.197	476.606
Social security expenses	72.731	72.305	55.519	54.011
Pension costs - defined benefit plans	16.410	17.661	14.270	15.521
Other employee benefits	19.663	13.851	17.804	13.001
Total	**663.772**	**657.032**	**569.789**	**559.140**

26 Income tax

All amounts in EUR

	THE GROUP		The Company	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Tax for the year	-	125.673	-	104.028
Deferred tax	892.433	1.303.020	504.660	103.132
Total	**892.433**	**1.428.693**	**504.660**	**207.160**

Tax on profit before taxes of the company is different from the theoretical amount that would arise if we use the weighted average tax rate of the country from which the company originates, as follows:

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Accounting profit / (losses) before tax	(4.073.683)	(2.428.715)	(6.546.554)	(772.678)
Tax calculated on profits under current tax rates applied in the respective countries	(620.511)	(442.441)	(1.309.311)	(154.536)
Adjustments				
Untaxed income	-	4.781	-	(9.939)
Additional taxable income	-	-	56.507	-
Expenses non-rebatable for tax purposes	860.428	1.042.335	1.480.126	819.526
Prior period and other taxes		104.028	-	104.028
Use of tax losses from prior financial years	-	-	-	(551.919)
Difference between current tax rate and deferred tax rate	-	6.720	-	-
Tax losses for the year	655.515	713.270	277.339	-
Taxes	**892.433**	**1.428.693**	**504.660**	**207.160**

Since FY 2011, Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited by legally appointed auditors are required to obtain an "Annual Certificate" under Article 82(5) of Law 223/1994, which is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the legally appointed auditor or auditing firm issues to the company a "Tax Compliance Report" and then the legally appointed auditor or auditing firm submits it to the Ministry of Finance electronically no later than ten days from the expiry date of the deadline set for the approval of the company's financial statements by the General Meeting of Shareholders. The Ministry of Finance will choose a sample of certain companies representing at least 9% which will be re-audited by the competent auditing services of the Ministry. The audit in question will have been completed no later than eighteen months of the date of submission of the "Tax Compliance Report" to the Ministry of Finance.

A table presenting the analysis of unaudited financial years of all companies under consolidation is included in Note 31.

In relation to changes to Greek tax laws made after 31.12.2012, see note "Post-balance sheet events".

27 Impairment of participations & investment properties

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Impairment of subsidiaries	-	-	(5.200.000)	-
Impairment of investment properties	(2.340.000)	(4.100.000)	-	(3.600.000)
Total	**(2.340.000)**	**(4.100.000)**	**(5.200.000)**	**(3.600.000)**

The Consolidated Income Statement for the year records losses of €2.34 million corresponding to the impairment of investment property owned by the affiliates CLH ESTATE Srl & PROFIT CONSTRUCT Slr, domiciled in Romania. Accordingly, for 2011, the losses posted stood at €4.1 million and corresponded to the impairment of investment property owned by the Company by €3.6 million and its affiliate in Romania, PROFIT CONSTRUCT Slr, by €0.5 million.

Similarly, the Company's income statement posts losses of €5.2 million which corresponds to the impairment of its participation in subsidiary KARTEREDA HOLDINGS Ltd, domiciled in Cyprus.

28 Other income/ expenses

All amounts in EUR

	THE GROUP		THE COMPANY	
	31-Δεκ-12	31-Δεκ-11	31-Δεκ-12	31-Δεκ-11
Earnings/ (losses) from sale of investment property- tangible assets	-	(1.032)	-	-
Profit /(loss) from the disposal of JV	(96.123)	-	19.530	-
Rents	18.401	14.387	31.943	33.386
Other profit/ (losses)	(47.796)	4.440.181	107.613	4.092.405
Total	**(125.518)**	**4.453.537**	**159.086**	**4.125.791**

The Consolidated Income Statement for the year posts losses of €0.12 million under "Other operating income/(expenses)", while profit of €4.4 million was posted for the same period in 2011, of which €4.05 million came from a termination clause under the share purchase and sale preliminary agreement of the subsidiary YIALOU EMPORIKI & TOURISTIKI SA with Henderson Investment Fund.

29 Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the parent company by the weighted average of ordinary shares outstanding during the year, excluding treasury ordinary shares held by subsidiaries (treasury shares). Where the number of shares is increased following an issue of bonus shares, the new number of shares is used through comparative information.

The Company holds no convertible securities which operate in the reduction of earnings. For this reason, the adjusted earnings per share are equal to the basic earnings per share.

	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Earnings/ (losses) attributable to parent equity holders (amounts in €)	(4.966.115)	(3.857.409)	(7.051.214)	(979.838)
Weighted average of ordinary shares	57.434.884	57.434.884	57.434.884	57.434.884
Profit/ (loss) after taxes per share - basic (in €)	**(0,0865)**	**(0,0672)**	**(0,1228)**	**(0,0171)**

30 Dividends per share

The company will not distribute dividends for 2012 due to losses.

31 Contingent liabilities

The Group has contingent liabilities towards banks, other guarantees and relevant issues arising out of its ordinary course of business. No material charges from contingent liabilities are expected to arise.

There are no disputes of the Group companies in litigation or in arbitration, nor any pending decisions by judicial or arbitration bodies that may have a significant impact on the financial standing or operation of Group companies, except for the pending litigation between the Company and the Municipality of Pallini before the Council of State and the Administrative Athens Court of First Instance, regarding the payable special contribution under Law 2947/2001, which the Municipality estimates at about € 750,000. The hearing of the case in question was held on 21.01.2013 pending judgment. No provision has been formed for this potential liability, because the Company's Management estimates that there shall be no adverse financial impact.

PricewaterhouseCoopers SA has already undertaken the tax audit for financial year 2012. Also, the tax audit for closing FY 2012 of the Group's subsidiaries established in Greece is currently carried out by the competent audit firms. The Company's management is not expecting significant tax liabilities, upon completion of the tax audit, other than those recorded and presented in the financial statements.

Provisions of €70 thousand have been formed in previous years for the unaudited years of the Group's companies.

A detailed table follows showing the unaudited periods of the consolidated companies:

Company		
REDS SA	3 years	(2010-2012)
P.M.S PARKING SYSTEMS SA	3 years	(2010-2012)
KANTZA COMMERCIAL SA	3 years	(2010-2012)
YIALOU EMPORIKI & TOURISTIKI SA	3 years	(2010-2012)
KARTEREDA HOLDINGS LTD	7 years	(2006-2012)
CLH ESTATE SRL	7 years	(2006-2012)
CORREA HOLDINGS LTD	6 years	(2007-2012)
PROFIT CONSTRUCT SRL	7 years	(2006-2012)

32 Contingent asset

In accordance with Decision No. 6458/2011 of the Athens Court of Appeals on a petition of the Company against the Municipality of Pallini for the establishment of a temporary unit price for expropriated land owned by the Company at location “Trigono Kamba”, a compensation of approximately €3.98 million was awarded. The Company filed a request for the issue of a payment order, and payment order No. 12303/2012 was issued, against which the Municipality of Pallini filed a petition to stay and suspend which was set for 31.10.2012, while the provisional suspension order request filed by the Municipality was rejected at the hearing of 24.07.2012 by decision No. 3578/2012. The hearing of the stay on 31.10.2012 was postponed for 16.01.2013, where the case was heard and the court’s judgment is pending. The amount of the awarded compensation is considered as a contingent asset and therefore, according to IAS 37, these receivables are not currently represented in the company’s (and Group’s) financial statements.

33 Company transactions with related parties

All amounts in EUR

Sales/ Purchases of goods and services	THE GROUP		THE COMPANY	
	1/1-31/12/2012	**1/1-31/12/2011**	**1/1-31/12/2012**	**1/1-31/12/2011**
Sales of goods & services to parent	-	-	-	-
Sales of goods & services to subsidiaries	-	-	366.003	491.258
Sales of goods & services to other related parties	35.487	283.631	35.487	98.787
Purchases of goods & services from parent	189.506	247.757	189.506	246.589
Purchases of goods & services from subsidiaries	-	-	-	-
Purchases of goods & services from other related parties	5.034.589	16.974.307	69.020	54.403

Related party receivables/ obligations	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Receivables from parent	-	-	-	-
Receivables from subsidiaries	-	-	21.473.685	1.259.446
Receivables from affiliates	903.948	882.037	903.948	863.090
Obligations to parent	137.923	45.375	137.923	41.808
Payables to subsidiaries	-	-	-	1.200.000
Payables to affiliates	3.632.320	5.451.231	343.300	338.682

Income from dividends	THE GROUP		THE COMPANY	
	31-Δεκ-12	**31-Δεκ-11**	**31-Δεκ-12**	**31-Δεκ-11**
Income from dividends	-	-	-	73.602

Manager & Director transactions	THE GROUP		THE COMPANY	
	1/1-31/12/2012	**1/1-31/12/2011**	**1/1-31/12/2012**	**1/1-31/12/2011**
Transactions & fees of directors & managers	366.077	380.735	366.077	377.951
Receivables from key management	-	-	-	-
Payables to key management	-	-	-	-

34 Other notes

- The personnel employed as of 31.12.12 was 23 people for the Group (17 administrative/ office personnel and 6 people exclusively engaged in archaeological works), and 8 administrative/ office personnel for the Company. Accordingly, the personnel employed as of 31.12.11 was 40 people for the Group (17 administrative/ office personnel and 23 people exclusively engaged in archaeological works), and 8 administrative/office personnel for the Company.

- The total fees payable to the Company's statutory auditors for financial year 2012 stands at €60,000 (fees for 2011: €68,000) for the mandatory audit of the annual financial statements, and at €4,500 for other services.

- The Company is at the stage of contacts with the competent authorities regarding the final phase of implementation of the direct purchase of the plot in Akadimia Platonos from the Greek State, following a joint decision of the Ministry of Culture and the Ministry for Environment, Energy & Climate Change, to promote the archaeological area in Akadimia Platonos. The Company's Management believes that this acquisition will not bring any adverse financial impact.

35 Post balance sheet events

- On 28 February 2013, the subsidiary YIALOU EMPORIKI & TOURISTIKI SA proceeded with the predetermined finalisation of certain terms under an existing bond loan. The loan now has a 12-year term and expires in 2024, and the total amount stands at €25,402,492 for the financing of the development of "Smart Park".

- On 23.01.2013 the new tax law 4110/23.01.2013 was passed. The most important changes are that according to the new law, the income tax rate for legal entities will be 26% for FY 2013 and thereafter, and that the withheld tax on dividends approved after 1 January 2014 will be 10% (note 26). The estimated (negative)/positive impact from the recalculation of deferred taxes for the Group and the Company will amount to approximately €84 thousand and €111 thousand respectively.

- The crisis that hit Cyprus has had no effect on the turnover or the results and financial position of the Company and the Group. The Group has no exposure to transferable securities (e.g. bonds or shares) or any financial instruments with the Bank of Cyprus or CPB in Cyprus.

Kifissia, 28 March 2013

THE CHAIRMAN OF THE BoD	THE CEO	THE CENERAL MANAGER& AND BoD MEMBER	THE HEAD OF FINACIAL SERVICES
DIMITRIOS KOUTRAS	ANASTASIOS KALLITSANTSIS	IOANNIS MORAITIS	GERASIMOS GEORGOULIS
ID Card No. AE 023455	ID Card No. Ξ 434814	ID Card No. AE 574340	OEE Lic. No. 1981

E. FIGURES AND INFORMATION FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2012

REDS REAL ESTATE DEVELOPMENT& SERVICES

SA Reg.No.: 13564/06/B/86/123

Registered office: 25 Ermou Street N. Kifissia - Athens 145 64

FIGURES AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2012 TO 31 DECEMBER 2012

(published in accordance with article 135 of Codified Law 1920 on entities preparing their annual financial statements, consolidated or otherwise, according to IAS)

The following figures and information arising from the financial statements are intended to provide general information about the financial standing and results of REDS REAL ESTATE DEVELOPMENT AND SERVICES SA. Therefore, we strongly recommend that before proceeding to any investment or other transaction with the company, readers should visit the company's website (www.reds.gr), where the financial statements and the certified auditor-accountant audit report are available.

Company's website:	www.reds.gr
Competent Prefecture or First Instance Court	Ministry for Economy, Competitiveness & Shipping, Companies & Credit Division
BoD composition:	Dimitrios Koutras, Chairman- Executive Member
	Anastasios Kallitsantsis, Managing Director - Executive Member
	Dimitrios Kallitsantsis, Ioannis Moraitis, Loukas Giannakoulis, Executive Members
	Panagiotis Malamitsis, Leonidas Bobolas, Non-Executive Members
	Argyrios Milios, Georgios Bekiaris – Independent Non-Executive Members

Date of approval of the Annual Financial Statements (from which summary information was drawn):	28 March 2013
Certified Auditor-Accountant:	Despina Marinou (Reg.No. SOEL 17681)
Audit Firm:	PriceWaterhouseCoopers SA
Type of Auditor's Report:	Unqualified opinion – limitation of scope

STATEMENT OF FINANCIAL STANDING (amounts in €)

	CONSOLIDATED		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS				
Investment property	135.724.414	132.999.358	13.043.113	13.033.824
Property, plant and equipment	89.197	46.651	18.173	27.583
Intangible assets	3.895	183	-	-
Other non-current assets	2.795.405	3.347.146	44.661.014	67.453.723
Inventories	816.552	804.819	816.552	804.819
Trade receivables	3.010.390	2.634.285	3.672.847	3.604.939
Other current assets	11.562.008	18.025.410	21.825.271	6.021.171
Non-current assets held for sale	1.683.425	1.660.025	1.683.425	1.660.025
TOTAL ASSETS	155.685.286	159.517.876	85.720.395	92.606.084
EQUITY AND LIABILITIES				
Share capital	75.239.698	75.239.698	75.239.698	75.239.698
Other equity	39.623.639	45.070.695	(877.977)	4.955.321
Total Equity attributable to parent company equity holders (a)	114.863.337	120.310.393	74.361.721	80.195.019
Non controlling interests (b)	-	-	-	-
Total Equity (c) = (a) + (b)	114.863.337	120.310.393	74.361.721	80.195.019
Long-term borrowings	-	23.192.253	-	3.600.000
Provisions/ Other long-term liabilities	1.144.472	1.366.273	115.633	1.301.363
Short-term borrowings	34.692.848	6.880.000	10.480.000	6.880.000
Other current liabilities	4.984.629	7.768.956	763.041	629.702
Total liabilities (d)	40.821.949	39.207.483	11.358.674	12.411.065
TOTAL EQUITY & LIABILITIES(c) + (d)	155.685.286	159.517.876	85.720.395	92.606.084

STATEMENT OF COMPREHENSIVE INCOME (amounts in €)

	CONSOLIDATED		COMPANY	
	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Income from the lease of investment property	4.717.795	825.523	-	-
Result from the measurement of investment property at fair value	-	-	-	-
Result from the sale of investment property	-	18.954	-	18.954
Income from the provision of services	50.500	238.844	77.428	502.260
Less: Operating expenses	(2.042.509)	(461.146)	-	(43.951)
Gross results from investments	2.725.786	622.175	77.428	477.262
Profit/ (loss) before tax, financing & investing results	(2.051.115)	(1.647.611)	(6.270.078)	(289.624)
Profit/ (Loss) before tax	(4.073.683)	(2.428.716)	(6.546.554)	(772.678)
Profit/ loss after taxes (A)	(4.966.115)	(3.857.409)	(7.051.214)	(979.838)
Attributable to:				
- Parent company equity holders	(4.966.115)	(3.857.409)	(7.051.214)	(979.838)
- Non controlling interests	-	-	-	-
Other comprehensive income/ (losses) after taxes (B)	(480.940)	(225.834)	-	-
Total comprehensive income/ (losses) after taxes (A)+(B)	(5.447.056)	(4.083.243)	(7.051.214)	(979.838)
Attributable to:				
- Parent company equity holders	(5.447.056)	(4.083.243)	(7.051.214)	(979.838)
- Non controlling interests	-	-	-	-
Profit/ (loss) after taxes per share - basic (in €)	*(0,0865)*	*(0,0672)*	*(0,1228)*	*(0,0171)*
Profit/ (loss) before tax, financing and investing results and total amortisation	(720.838)	(1.177.732)	(6.238.964)	(257.403)

STATEMENT OF CASH FLOWS (amounts in €)

	CONSOLIDATED		COMPANY	
	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Operating activities				
Profit/ (Loss) before taxes	(4.073.683)	(2.428.715)	(6.546.554)	(772.678)
Plus (less) adjustments for:				
Depreciation and amortization	1.330.277	469.880	31.114	32.222
Provisions	16.410	17.661	14.270	15.521
Impairment	2.340.000	4.147.200	5.200.000	3.600.000
Foreign exchange differences	48.249	(29.783)	-	-
Results (income, expenses, gains and losses) from investing activities	(88.910)	(224.895)	(431.381)	(244.795)
Debit interest and related expenses	2.150.994	1.033.958	688.326	727.848
Plus/ less adjustments for changes in working capital accounts or related to operating activities:				
Decrease/ (increase) of inventory	(11.733)	412.212	(11.733)	412.212
Decrease/ (increase) of receivables	7.116.924	(3.854.411)	1.855.187	104.224
(Decrease)/ increase of current liabilities (except banks)	(2.678.582)	4.387.169	91.157	(296.586)
Less:				
Debit interest and related expenses paid	(2.081.622)	(969.630)	(701.217)	(718.399)
Paid taxes	(3)	(624.261)	-	(549.313)
Total inflows/ (outflows) from operating activities (a)	4.068.321	2.336.383	189.170	2.310.257
Investing activities				
SCI/absorption of subsidiaries & disposal of J/V's	(80.631)	-	(2.600.506)	(6.834.800)
Purchase of PPE and intangible assets & investment properties	(6.948.974)	(20.444.092)	(30.993)	(133.842)
Interest received	185.032	225.926	129.317	171.193
Purchase of financial assets available for sale	(23.400)	-	(23.400)	-
Committed deposits	(5.865.389)	(854.994)	-	-
Dividends received	-	-	-	58.146
Total inflows (outflows) from investing activities (b)	(12.733.362)	(21.073.160)	(2.525.582)	(6.739.304)
Financing activities				
Payments for share capital increase	(27.258)	(35.583)	-	-
Proceeds from borrowings	10.482.629	26.744.382	-	7.200.000
Loan repayment	(5.947.765)	(7.217.764)	-	(3.600.000)
Dividends paid	(127)	-	(127)	-
Tax paid on dividends	-	(15.457)	-	-
Total Inflows/(Outflows) from financing activities (c)	4.507.479	19.475.578	(127)	3.600.000
Net increase/ (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**(4.157.562)**	**738.802**	**(2.336.539)**	**(829.047)**
Cash and cash equivalents at year start	**7.663.928**	**6.925.126**	**4.591.850**	**5.420.897**
Cash and cash equivalents at the end of the period	**3.506.366**	**7.663.928**	**2.255.311**	**4.591.850**

STATEMENT OF CHANGES IN EQUITY (amounts in €)

	CONSOLIDATED		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Total equity at period start (01.01.12 and 01.01.11 respectively)	120.310.393	124.393.635	80.195.019	81.174.856
Total comprehensive income after taxes (continuing & discontinued operations)	(5.447.056)	(4.083.243)	(7.051.214)	(979.838)
Acquisition/ absorption of subsidiary	-	-	1.217.916	-
Total equity at year end (31.12.12 and 31.12.11 respectively)	114.863.337	120.310.393	74.361.721	80.195.019

ADDITIONAL FIGURES & INFORMATION

1. The Basic Accounting Principles of the Balance Sheet as of 31.12.2011 have been followed
2. The Group companies, including the countries of domicile and the participation percentages shown in the financial report, which are consolidated using the full method are detailed in Note 9.
3. REDS SA is consolidated in the financial statements of ELLAKTOR S.A., which holds as of the date of approval of the financial report 55.46% of its share capital, and has its registered office in Greece.
4. The unaudited years for the parent company and the Group companies are detailed in note 31 of the annual financial report.
5. No provisions were formed during the year. Provisions are detailed in note 20 of the annual financial report.
6. There are no liens on the properties of the REDS SA Group, with the exception of the properties of subsidiary GYALOU COMMERCIAL & TOURISM S.A., and specifically building blocks OTE71 and OTE72, at location Gyalou, in Spata, Attica, where mortgage number 29547/01.04.2011 has been taken out, for €42 million, as collateral to Bond Loan Contract dated 28.02.2011, for approximately €35 million.
7. By decision Ref.No. K2-8899/31-12-2012 of the Ministry for Development, Competitiveness, Infrastructures, Transportation and Networks, the merger by absorption of the wholly-owned subsidiary “LOFOS PALLINI SA” was approved on 31/12/2012, in accordance with the combined provisions of Articles 68(2) and 69 to 78 of Codified Law 2190/1920 and Articles 1 to 5 of Law 2166/1993, the amalgamation balance sheet date being 31 August 2012.
8. There are no disputes of the Group companies in litigation or in arbitration, nor any pending decisions by judicial or arbitration bodies that may have a significant impact on the financial standing or operation of Group companies, except for the pending litigation with the Municipality of Pallini before the Council of State and the Administrative Athens Court of Appeals, regarding the payable special contribution under Law 2947/2001, which the Municipality estimates at about € 750 thousand. No provision has been formed for this potential liability, because the Company’s Management estimates that there shall be no adverse financial impact.
9. As of 31.12.2012, the personnel employed was 23 people for the Group and 8 people for the Company. As of 31.12.2011, the personnel employed was 40 people for the Group and 8 people for the Company, as detailed in Note 34.
10. The amounts of acquisitions and sales for the Group and the Company for the year 01.01.2012 to 31.12.2012, and balances of receivables and liabilities as of 31.12.12 arising from transactions with related parties, as defined in IAS 24, are as follows

	Transactions with related parties	**Group amount €**	**Company amount €**
a)	Income	35,487	401,490
b)	Expenses	5,224,095	258,526
c)	Receivables	903,948	22,377,633
d)	Liabilities	3,770,243	481,223
e)	Transactions and fees of directors and managers	366,077	366,077
f)	Receivables from key management	-	-
g)	Obligations to directors and managers	-	-

11. The figures for 2011 under “Statement of Cash Flows”, and more specifically in accounts “Cash in hand at year end” and “Committed deposits” were adjusted to be comparable to those of the closing year.

Kifissia, 28 March 2013

THE CHAIRMAN OF THE BoD	THE CEO	THE GENERAL MANAGER & DIRECTOR	THE HEAD OF FINANCIAL SERVICES
DIMITRIOS KOUTRAS	ANASTASIOS KALLITSANTSIS	IOANNIS MORAITIS	GERASIMOS GEORGOULIS
ID Card No. AE 023455	ID Card No. Ξ 434814	ID Card No. AE 574340	No No. IWTF 1981

F. INFORMATION UNDER 10 of LAW 3401/2005

During 2012, and in 2013 until 28.03.13, the Company published the following press releases-announcements to the information of investors.

Subject	Registration Date
Financial Statement figures in line with IAS	30/05/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/05/2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS	25/04/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/03/2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS (NOT INCLUDED IN OTHER CATEGORIES)	02/05/2012
ANNOUNCEMENT OF FINANCIAL LOG	28/03/2012
Financial Statement figures in line with IAS	30/05/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/05/2012
FINANCIAL STATEMENTS IN PDF FORMAT	02/04/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/03/2012
Financial Statement figures in line with IAS	30/03/2012
ANNOUNCEMENT ON THE NOTICE TO GM	07/06/2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS	20/06/2012
FINANCIAL STATEMENTS IN PDF FORMAT	02/04/2012
Financial Statement figures in line with IAS	30/03/2012
Financial Statement figures in line with IAS	30/03/2012
ANNOUNCEMENT ON CORRECTION OF PUBLISHED FINANCIAL STATEMENTS/ REPORTS	02/04/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/05/2012
ANNOUNCEMENT ON THE DECISIONS OF THE ORDINARY GM	29/06/2012
Financial Statement figures in line with IAS	30/08/2012
Financial Statement figures in line with IAS	30/08/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/08/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/08/2012
Financial Statement figures in line with IAS	30/11/2012
Financial Statement figures in line with IAS	30/11/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/11/2012
FINANCIAL STATEMENTS IN PDF FORMAT	30/11/2012
WRITE-OFF OF DIVIDEND FOR FY 2006	11/12/2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS (NOT INCLUDED IN OTHER CATEGORIES)	04/01/2013
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS	28/01/2013
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS	04/03/2013
REPLIES TO LETTERS-QUERIES OF ATHEX/CMC	27/03/2013

All the aforementioned documents (press releases- announcements) and all other announcements made by the company are available at "http://www.reds.gr", section “Announcements” under “Investor Relations”.

G. WEBSITE WHERE THE COMPANY AND CONSOLIDATED STATEMENTS AND SUBSIDIARY FINANCIAL STATEMENTS ARE POSTED

The Company's annual financial statements on a consolidated and separate basis, the Certified Auditor-Accountant Report, and the Directors' reports are available at www.reds.gr