Eurobank EFG Property Services S.A.

Financial Statements

for the year ended 31 December 2011

This financial report has been translated from the original report that has been prepared in the Greek language. Reasonable care has been taken to ensure that this report represents an accurate translation of the original text. In the event that differences exist between this translation and the original Greek language financial report, the Greek language financial report will prevail over this document.

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Independent Auditor’s Report

To the Shareholders of EFG Eurobank Property Services SA

Report on the Financial Statements

We have audited the accompanying financial statements of Eurobank Property Services which comprise the balance sheet as of 31 December 2011 and the Income statement , statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2011, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Emphasis of matter

Without qualifying our opinion, we draw attention to the disclosures made in note 2.1 to the financial statements, which refer to the impact of the impairment losses resulting from the Greek sovereign debt restructuring on the Eurobank Group regulatory capital, the planned actions to restore the capital adequacy of the Company and the existing uncertainties that could adversely affect the going concern assumption until the completion of the recapitalisation process.

Athens, 4 May 2012

The Certified Auditor-Accountant

Marios Psaltis
SOEL Reg. No. 38081

pwc

PricewaterhouseCoopers
268 Kifissias Avenue
15 232 Halandri
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DIRECTORS REPORT
EUROBANK EFG PROPERTY SERVICES S.A.
FOR THE PERIOD ENDED 1/1-31/12/2011

Dear Shareholders,

This fiscal year is the twenty sixth and includes the period from January 1, 2011 up to December 31, 2011.

During the current period, the Company's activities were consistent with applicable law and the purpose of the Company, as defined by its article of association.

The financial statements of current year, as submitted to the Annual General Meeting, have been prepared in accordance with International Financial Reporting Standards. Detailed information on key accounting policies followed out in the explanatory notes to Financial Statements December 31, 2011. The financial statements are approved by the Board of Directors meeting of May 3, 2012

Information regarding the company's activities during 2011:

Operating profit: Company's operating profit amounted to **€ 10.793ths** compared to **€ 7.552ths** in 2010, representing an increase of **43%**. The increase is mainly due to the increase in appraisal valuations.

Commission income: The Company’s commission income during the year 2011 was **€ 21.260ths** compared to **€ 16.062th**s in 2010, representing an increase of **32%**. The increase in commission income was mainly due to the increase in appraisal valuations.

Other operating expenses: The Company’s commission related expenses during the year 2011 were **€ 6.404ths** compared to **€ 4.035ths** in 2010, representing an increase of **59%.**

Other operating expenses amounted to **€ 4.063ths** compared to **€ 4.475ths** in 2010, representing a decrease of **-9%**. Overall, the decrease in other operating expenses, before provisions was **-7%**, which reflects management policy for the reduction and stabilization of other operating expenses.

Interest income: Interest income for the year 2011 was **€ 422ths** compared to **€ 129ths** in 2010, representing an increase of **227%.**

The Company’s staff as of 31/12/2011 was 55 persons.

The Management aims to improve the quality of the services offered to the Bank and third parties, and promises to do the best to achieve this target.

The impact of economic crisis and the situation in Greece

Since late 2009, developed investor concerns about a European debt crisis as a result of both the increasing level of financial debt, and a wave of credit rating downgrades of some European states. These concerns have intensified in early 2010, making it difficult for some countries of the eurozone to refinance their debt without outside assistance. The three countries most affected by this were Greece, Ireland and Portugal. Regarding the Greek debt crisis, a new funding program agreed with the EU, the ECB and the member countries of the euro area, the meeting of Ministers (Eurogroup) of euro area countries on 21 February 2012. The new program aims to reduce the government debt to GDP to 116.5% in 2020. This target is lower than the target of 120.0% of GDP for public debt to GDP agreed by the European Council on 26-27 October 2011. The new loan program is expected to have a positive effect on the solvency of the country. This is due not only to improve the government debt to GDP and the expected cost savings to the state budget to serve the interest of public debt from 2012 onwards. The new loan program is a credible opportunity to remove the uncertainty surrounding the Greek economy since mid-2010 in relation to both the sustainability of fiscal stability and to stay in the euro area.

Moreover, the Eurogroup has confirmed that the necessary elements have been satisfied that the Member States to carry out the relevant national procedures which allow the support from the EFSF, including the necessary funding for the recapitalization of Greek banks (including Eurobank EFG) consequence of participation in the recent restructuring of the Greek debt (PSI). In February 2012, the Greek Parliament adopted the necessary legal framework to enable it to activate the necessary financing for the recapitalization of Greek banks. The Eurobank EFG, despite the significant impact of impairment of Greek government bonds (due to its participation in the PSI), continues to closely monitor these constructive developments, has taken the necessary measures and continues to adapt to new requirements. Shifting objectives of the Bank to provide loans with collateral, development of equity and the turn of investor interest in the most promising markets, already being implemented. In addition, the Group continues to reduce its costs in order to increase efficiency of operations. It also reinforces the efforts for recovery to maximize the recoveries of bad loans, to reallocate resources where necessary and implement a conservative provisioning policy. Finally, despite the necessary recapitalization of the Bank, the Group is constantly improving the efficiency of management of balance sheet and is taking major initiatives in the capital and liquidity.

There are no other significant events or any company's assets referred to in Article 43a p.3 b. of law 2190/20 which should be included in the current report.

N. Ionia, 3 May 2012

The Board of Directors

Balance Sheet

	Notes	31 December 2011	2010
		€´000	€´000
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	309	307
Intangible assets	6	4.914	5.049
Investments securities	7	18	18
		5.241	**5.374**
Current Assets			
Trade and other receivables	8	3.164	3.132
Cash and cash equivalents	9	17.411	7.961
		20.575	**11.093**
Total Assets		**25.816**	**16.467**
EQUITY & LIABILITIES			
EQUITY & RESERVES			
Share capital	10	587	587
Other reserves	11	342	342
Retained earnings		20.917	11.866
Total equity & reserves		**21.846**	**12.795**
Non-Current Liabilities			
Retirement benefit obligation	14	49	59
Deferred tax liabilities	12	969	1.080
		1.018	**1.139**
Current liabilities			
Trade payables and other liabilities	13	2.094	1.624
Income tax liability		858	909
		2.952	**2.533**
Total Liabilities		**3.970**	**3.672**
Total Equity and Liabilities		**25.816**	**16.467**

Statement of comprehensive Income

	Notes	For the year ended 31 December 2011	2010
		€΄000	€΄000
Income from operating activities			
Commission income	15	21.260	16.062
Commission expenses	16	(6.404)	(4.035)
Other operating expenses			
Staff costs	17	(2.903)	(3.104)
Other expenses	18	(924)	(1.130)
Depreciation expense	19	(236)	(241)
Operating profit		**10.793**	**7.552**
Interest income		422	129
Net interest Income	20	**422**	**129**
Profit before tax		**11.215**	**7.681**
Income tax expense	21	(2.164)	(1.998)
Net Profit for the year		**9.051**	**5.683**
Other comprehensive income		-	-
Net profit for the year attributable to shareholders'		**9.051**	**5.683**

The Company's financial statements were approved by the Board of Directors on 3 May 2012 and are signed on its behalf by:

Michael Colakides	Dimitrios Andritsos	Panagiotis Kyriazis
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

Statement of changes in equity

	Notes	Share Capital	Other Reserves	Retained Earnings	Totals
		€΄000	€΄000	€΄000	€΄000
Balance at 1/1/2010		**587**	**342**	**6.183**	**7.112**
Profit for the year		-	-	5.683	**5.683**
Other comprehensive income		-	-	-	-
Transfer in reserves	11	-	-	-	**-**
Balance at 31/12/2010		**587**	**342**	**11.866**	**12.795**
Balance at 1/1/2011		**587**	**342**	**11.866**	**12.795**
Profit for the year		-	-	9.051	**9.051**
Other comprehensive income		-	-	-	-
Transfer in reserves	11	-	-	-	**-**
Balance at 31/12/2011		**587**	**342**	**20.917**	**21.846**

Cash flow statement

	Notes	For the year ended 31 December 2011 €΄000	2010 €΄000
Profit before tax		11.215	7.681
Adjustements for:			
Interest income	20	(422)	(129)
Depreciation and amortization expense	19	236	241
Write-offs of tangible assets		37	-
Provisions	18	78	187
Cash flows from operating activities before changes in working capital		**11.145**	**7.980**
Decrease / (increase) in trade and other receivables		(110)	58
Increase / (decrease) in trade and other liabilities		460	45
Less:			
Taxes paid		(2.326)	(2.639)
Net cash from/(used in) operating activities (a)		**9.168**	**5.444**
Cash flows from investing activities			
Acquisition of tangible assets	5	(103)	(55)
Acquisition of intangible assets	6	(37)	(58)
Interest received		422	129
Net cash from/(used in) investing activities (b)		**282**	**16**
Cash flows from financing activities			
Loan repayment		-	-
Net cash from/(used in) financing activities (c)		**-**	**-**
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)		**9.450**	**5.460**
Cash and cash equivalents at beginning of year	9	**7.961**	**2.501**
Cash and cash equivalents at end of year	9	**17.411**	**7.961**

1 General information

The Company Eurobank EFG Property Services S.A. ("The Company"), offers real estate services (valuations, brokerage, property management, etc.) to Eurobank EFG Group and third parties.

The Company has established and is located in Nea Ionia, Greece. The address of its registered office is 6 Siniossoglou Street, Nea Ionia, Greece.

The staff of the company as of 31/12/2011 was 55 persons (31.12.2010: 57 persons).

These financial statements were approved by the Board of Directors as of May 3, 2012.

2 Principal accounting policies

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

2.1 Basis of preparation

These consolidated and company financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union and International Financial Reporting Standards issued by the IASB

The consolidated and Company financial statements have been prepared under the historical cost convention and adjusted for the fair value of available-for-sale investment securities.

The preparation of financial statements in accordance with I.F.R.S. requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the accounting policies. The areas involving a higher degree of exercise of judgment or complexity, or where assumptions and estimates are important for preparing the financial statements are presented in note 4.

The financial statements of December 31, 2011 present the financial position, income statement and cash flows of the company based on the principle of going concern, given the macroeconomic and microeconomic factors and their influence on the operation of the company. The company's main client is the parent company which has suffered from its participation in the voluntary program for private sector involvement (PSI) and consequently on capital adequacy. The Group's management believes that the recapitalization of the Group will be achieved within the timetable agreed between the Group and accordingly the Company will continue its activities.

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 Company'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 2011

IAS 24 (Revised) "Related Party Disclosures"

This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. This revision does not affect the Company's financial statements.

IAS 32 (Amendment) "Financial Instruments: Presentation"

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Company.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Company.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Company.

Amendments to standards that form part of the IASB's 2010 annual improvements project, which do not have a material impact on the Company's financial statements.

Standards and interpretations issued but not yet in force

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

IAS 12 (Amendment) "Income Taxes" (effective for annual periods beginning on or after 1 January 2012)

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

IAS 27 (Amendment) "Separate Financial Statements" (effective for annual periods beginning on or after 1 January 2013)

IAS 28 (Amendment) "Investments in Associates and Joint Ventures" (effective for annual periods beginning on or after 1 January 2013)

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

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

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets (effective for annual periods beginning on or after 1 July 2012)

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

IFRS 10 "Consolidated Financial Statements" (effective for annual periods beginning on or after 1 January 2013)

IFRS 11 "Joint Arrangements" (effective for annual periods beginning on or after 1 January 2013)

IFRS 12 "Disclosure of Interests in Other Entities" (effective for annual periods beginning on or after 1 January 2013)

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

IFRS 9 Financial Instruments is part of the initiative of the International Accounting Standards to replace IAS 39 Financial Instruments, which is not yet complete and therefore not practical to quantify the effect.

The application of the other above standards and interpretations is not expected to have significant impact on the financial statements during the initial application.

2.2 Foreign currency translation

(a) Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Euro, which is the Company's functional and presentation currency

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.3 Property, plant and equipment

All property, plant and equipment are stated in the balance sheet at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. Repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation, based on the component approach, is calculated so as to write off the cost of the assets, over their estimated useful lives, using the straight-line method, as follows

- Leasehold improvements — 8 years, according to the duration of the contract or the useful life if less.
- Furniture and equipment — 1 – 4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

2.4 Intangible assets

(a) Software

Costs associated with maintenance of existing software programs are recognized as expenses when incurred. Costs associated with the development of identifiable and unique software controlled by the Company and should lead to greater cost benefits than one year are recognized as intangible assets and amortized on a straight-line method over the useful life of 1 - 4 years.

(β) Other intangible assets – Contracts with customers

Other intangible assets are intangibles that are separated or arise from contractual or other legal rights and are amortised on a straight line during the projected useful life (fifty years). Other intangible assets relate to contracts for services related to property (valuations, brokerage) purchased by the Company with the transfer of the valuations sector and brokerage sectors from Eurobank Properties REIC on 1 December 2004.

2.5 Leases

Where the Company is the lessee

Operating lease – leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received by the lessor) are charged to the income statement on a straight-line basis over the period of the lease. There were no material operating leases for the periods covered by the financial statements.

2.6 Impairment of non financial assets

Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

There were no assets with indefinite useful live, nor were there indications that an asset subject to amortization is impaired during the period covered by these financial statements.

2.7 Investments

The Company classifies its investments as available-for-sale. Available for sale financial assets are non derivative financial assets that are either classified in this category either can not be classified as financial assets at fair value through profit, as loans and receivables or investments held to maturity. They are included in non-current assets unless management intends to sell the investment within 12 months from the balance sheet date.

Purchases and sales of investments are recognised on trade date, ie the date on which the Company commits to purchase or sell the asset and are recognized initially at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows expire or when the Company has transferred substantially the risks and rewards of ownership.

Financial assets available for sale later presented at fair value. Unrealised gains and losses from changes in fair value of non-monetary items classified as available for sale are recognized in equity. When investments classified as available for sale are sold or impaired, the accumulated fair value adjustments are transferred to the income statement as gains and losses on investments.

The fair value of investments traded in active markets is determined by current stock prices offer. The fair value of unlisted securities and other financial assets where the market is not active, determined using valuation techniques. These techniques include using recent transactions were at arm's length, the reference to the current price of comparable items which are traded, and the discounted cash flows adjusted to reflect the specific circumstances of the issuer.

The Company, at each balance sheet date, considers whether there is objective evidence that a financial asset or group of financial assets is impaired. Where securities are classified as available for sale and there is significant or a decrease in fair value below cost, this is taken into account to determine if these investments are impaired.

If any such indication exists for financial assets available for sale, the cumulative loss, measured as the difference between the acquisition cost and current fair value, less any impairment loss, which has previously recognized in profit or loss is removed from equity and recognized in the income statement. The impairment loss in respect of equity instruments is recognized in the income statement and is not reversed.

2.8 Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method, unless the effects of discounting are not material, 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 amounts due according to the original terms of the receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and time deposits held with banks with original maturities of three months or less.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction (net of tax), from the proceeds

2.11 Bank borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds received (net of transaction costs) and the redemption values are recognised in the income statement over the period of the borrowings using the effective interest rate method. At the end of the current year and the previous year the Company had no bank loans.

2.12 Taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, 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 accounting nor taxable profit nor loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.13 Employee benefits

(i) Pension obligations

The Company participates in defined contribution pension plans under which pays fixed contributions into pension funds. The Company has no obligations other than pensions for payment of contributions paid.

The Company's contributions to defined contribution pension plans are recognized as employee benefits during the period concerned.

(ii) Staff retirement indemnity obligations

In accordance with the local labour legislation, the Company provides for staff retirement indemnity obligation for employees which are entitled to a lump sum payment based on the number of years of service and the level of remuneration at the date of retirement, if they remain in the employment of the Company until normal retirement age.

Provision has been made for the actuarial value of the lump sum payable on retirement using the projected unit credit method. Under this method the cost of providing retirement indemnities is charged to the income statement so as to spread the cost over the period of service of the employees, in accordance with the actuarial valuations which are performed every year. The obligation is calculated as the present value of the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Actuarial gains and losses that arise in calculating the Company’s obligation in respect of the obligations are charged directly in the profit and loss for the year.

In addition, the Company has enhanced the above provision by taking into consideration potential separations before normal retirement based on the terms of previous voluntary separation schemes. The Company recognises separation indemnity when it is demonstrably committed to separations either according to detailed formal plans which are announced and cannot be withdrawn or as a result of mutually agreed termination terms. Benefits payable in more than 12 months from the balance sheet date are discounted to present value.

(iii) Performance based cash payments (based on employee’s performance)

The Company's Management awards high performing employees with bonuses in cash. Cash payments requiring General Meeting approval as distribution of profits to staff are recognised as employee benefit expense in the accounting period that they are approved by the Company’s shareholders.

2.14 Provisions

Provisions for legal claims are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

2.15 Revenue recognition

Revenue includes income from property management, advisory services, valuations and brokerage services. The income from property management and other services (valuations, brokerage etc.) are recognized in the period the services are rendered. In the case, where the Company acts as an intermediary, the commission and not the gross income is recognized.

2.16 Dividend distribution

The dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the General Meeting of Shareholders.

2.17 Interest expense

Interest expenses for borrowings are recognised within 'finance costs' in the income statement using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate to the net carrying amount of the financial asset or the financial liability.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and other premiums or discounts.

2.18 Off-setting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legal enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.19 Comparative data

Where required comparative figures have been adjusted to conform with the presentation of financial statements for the current year.

3 Financial risk management

3.1 Financial risk management

The Company’s activities expose it to a variety of financial risks: market risk (including price risk and cash flow interest rate risk), credit risk and liquidity risk. The financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings. The accounting policy with respect to these financial instruments is described in Note 2.

Risk management is carried out by the Company’s management based on the advice of the treasury and risk management departments within its parent company, EFG Eurobank Ergasias S.A... Risk management primarily focuses on the identification and evaluation of financial risk, which includes the following specific areas: such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investing excess liquidity.

a) Market risk

(i) Foreign exchange risk

The Company operates in a single economic environment (Greece) and not significantly exposed to risks from foreign currency due to the limited value of foreign currency transactions.

(ii) Price risk

The Company is not significantly exposed to price risk, since the financial assets held for sale are not considered significant.

(iii) Cash flow and fair value interest rate risk

The Company's exposure to risk from fluctuations in interest rates is limited because it comes from time-deposits.

b) Credit risk

The Company has significant concentrations of credit risk with respect to cash balances and deposits held with the parent company. However, no significant losses are anticipated, as since cash transactions are restricted to the parent company.

Receivables from third party customers were **€ 256ths** (in 2010: € 543ths.)**,** for which the provision for Bad & doubtful debts is **€ 96ths** (2010: € 142ths.)

c) Liquidity risk

Prudent liquidity risk management implies sufficient cash balances, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Company’s management aims to maintain flexibility in funding by keeping adequate cash and committed credit lines available. The Management believes that the company is not exposed to significant liquidity risk, since the company expects will continue to make significant contributions, and the Company will be able to ensure, if necessary, additional lines of credit from its parent company.

(all amounts expressed in € thousands unless otherwise stated)

The Company's liquidity position is monitored on a regular basis by the management. A summary table is presented below with maturity of financial liabilities:

	Year ended 31 December	
Financial liabilities	**2011**	**2010**
Non-current liabilities		
Trade and other payables (maturity within one year)	2.094	1.624
Current income tax liabilities (maturity within one year)	858	909
	2.952	**2.533**

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets.

3.3 Fair values of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The purchase price, where an active market (such as a recognized stock exchange) is the best evidence of fair value of a financial instrument. Where no prices are market, the fair value of financial assets and liabilities calculated using present value or other valuation techniques where all significant variables are observable in the market.
The values obtained using these methods, are significantly affected by assumptions concerning the amount and timing of future cash flows and discount rates used. The fair values of financial assets and liabilities approximate their carrying amounts for the following reasons:

a. Financial assets held for trading, derivatives and other transactions undertaken for commercial purposes, and treasury bills, investment securities available for sale financial assets and liabilities at fair value through profit or loss logariasmou at fair value reference to quoted market prices where available. If no quotations are available, then fair values are estimated using valuation techniques.

b. All financial assets at fair value are classified at the end of each year in one of the three level fair value hierarchy depending on whether the valuation based on observable or non observable market data.

Level 1 - quoted prices in active markets for financial assets with similar characteristics. These values should be readily and regularly available from an active stock or index / market and represent actual and regularly occurring market transactions on arm's length. This level includes quoted shares, debt securities and derivatives traded.

Level 2 - Financial instruments valued using valuation methods that all important data from observable prices. This level includes OTC derivatives and structured financial assets and liabilities.

Level 3 - Financial assets measured using valuation techniques with significant input from several unobservable prices.

The Company has no significant exposure to fluctuations in fair value and book value of financial assets and liabilities is substantially equivalent to their fair values, except where indicated otherwise.

4 Critical accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income tax: Estimates are required in determining the provision for income tax. The Company recognise provisions for expected tax audits based on estimates of whether additional taxes will arise. Where the final tax outcome differs from the amounts initially recognised, such differences will impact the income tax and deferred tax liabilities during the period in which such determination is made. The income tax expense includes the effect of deferred tax according with the IAS 12.

(all amounts expressed in € thousands unless otherwise stated)

5 Property, plant and equipment

	Land and buildings, Leasehold improvements	Furniture and Equipment	Totals
Cost			
Balance at 1 January 2010	252	297	**549**
Additions	30	25	**55**
Balance 31 December 2010	**282**	**322**	**604**
Accumulated depreciation			
Balance at 1 January 2010	60	168	**228**
Depreciation charge	23	46	**69**
Balance at 31 December 2010	**83**	**214**	**297**
Net book value at 31 December 2010	**199**	**108**	**307**
Cost			
Balance at 1 January 2011	282	322	**604**
Additions	84	19	**103**
Write-offs	(34)	(35)	**(69)**
Balance at 31 December 2011	**332**	**306**	**638**
Accumulated depreciation			
Balance at 1 January 2011	83	214	**297**
Write-offs	(5)	(27)	**(32)**
Depreciation charge	23	41	**64**
Balance at 31 December 2011	**101**	**228**	**329**
Net book value at 31 December 2011	**231**	**78**	**309**

The carrying value of tangible assets is represented at fair value.

(all amounts expressed in € thousands unless otherwise stated)

6 Intangible assets

	Computer software	Other intangible assets (Contracts with customers)	Totals
Cost			
Balance at 1 January 2010	361	5.587	**5.948**
Additions	58	-	**58**
Balance at 31 December 2010	**419**	**5.587**	**6.006**
Accumulated amortisation			
Balance at 1 January 2010	216	569	785
Amortisation charge	60	112	172
Balance at 31 December 2010	**276**	**681**	**957**
Net book value at 31 December 2010	**143**	**4.906**	**5.049**
Cost			
Balance at 1 January 2011	419	5.587	**6.006**
Additions	37	-	**37**
Balance 31 December 2011	**456**	**5.587**	**6.043**
Accumulated amortisation			
Balance at 1 January 2011	276	681	957
Amortisation charge	60	112	172
Balance at 31 December 2011	**336**	**793**	**1.129**
Net book value at 31 December 2011	**120**	**4.794**	**4.914**

Other intangible assets (contracts with customers) relate to contracts acquired, for the sector of appraisals and brokerage services, by the Company from Eurobank Properties REIC, on 1 December 2004. Contracts with customers are amortised on a straight-line method over their estimated useful life (fifty years).

The carrying value of intangible assets is represented at fair value

(all amounts expressed in € thousands unless otherwise stated)

7 Available-for-sale investment securities

Available-for-sale investment securities consist of:

	31 December	
	2011	**2010**
Non-listed shares:		
Company shares in Greece:		
PROPINDEX AE	18	18

8 Trade and other receivables

	31 December	
	2011	**2010**
Trade receivables	160	324
Receivables from related parties **(Note 25)**	2.229	2.272
Receivables from property management at third party buildings	581	378
Other receivables	194	158
	3.164	**3.132**

All receivables of the company are due within one year from the balance sheet date. The company's management believes that the value of trade and other receivables represents their fair value.

The company showed increased credit risk resulting from a major customer (Group Eurobank EFG), which corresponds to more than 10% of income. However, no major credit losses are expected, due to the high creditworthiness of the customer.

9 Cash and cash equivalents

	31 December	
	2011	**2010**
Cash in hand	1	1
Cash at bank for property management at third party buildings	162	176
Cash at bank	115	239
Short term time deposits	17.133	7.545
	17.411	**7.961**

Bank balances are held on accounts within the parent company EFG Eurobank Ergasias SA

(all amounts expressed in € thousands unless otherwise stated)

10 Share capital

	Number of shares (ths)	Ordinary shares (value)	Total
Balance at 1 January and 31 December 2010	**20**	**587**	**587**
Balance at 31 December 2011	**20**	**587**	**587**

The total authorized number of ordinary shares is 20.000 (31 December 2010 - 20.000) with nominal value of € 29,35 per share. All shares are fully paid up.

The Company has no stock option plan, nor any of its employees participate in a program for stock option plan of the parent company

11 Other reserves

	Statutory reserve	Legal reserve	Total
Balance at 1st January 2010	**196**	**146**	**342**
Transfer from retained earnings	-	-	-
Balance at 31 December 2010	**196**	**146**	**342**
Transfer from retained earnings	-	-	-
Balance at 31 December 2011	**196**	**146**	**342**

The Company is required in accordance with Greek Law 2190/1920 to transfer 5% of annual net profit to statutory reserve until the accumulated reserves are equal to the 1/3 of the nominal (common) share capital. This reserve can not be distributed to shareholders except in the event of liquidation.

The Company has established tax-free reserves in accordance with various Greek tax laws over the years in order to obtain tax relief, either a) postponing the settlement of tax obligations until these reserves are distributed to shareholders, or b) by tax relief of any future income tax payments using these reserves to issue shares to shareholders.

In case that these reserves will be distributed to shareholders as dividends, the distributable profits will be taxed at the tax rate when were in force on the distribution of reserves. There is no such provision for income tax liability in a future distribution of such reserves to shareholders, because such liabilities are recognized the same time with the dividend obligation related to such distributions.

(all amounts expressed in € thousands unless otherwise stated)

12 Deferred tax

Deferred tax assets and liabilities are offset when there is an applicable legal right to be offset and when the deferred tax assets and liabilities relate to the same tax principle. Deferred tax assets and liabilities are offset as they relate to the same tax principles. The amounts are as follows:

	31 December	
	2011	**2010**
Deferred tax asset		
- deferred tax assets recovered after 12 months	205	178
	205	**178**
Deferred tax liabilities		
- deferred tax liabilities recovered after 12 months	(1.174)	(1.258)
	(1.174)	**(1.258)**
Net balance of deferred tax liabilities	**(969)**	**(1.080)**

The movement of the deferred income tax account is as follows:

	Period ended 31 December	
	2011	**2010**
Beginning of period	(1.080)	(1.102)
Income statement charge	111	22
End of period	**(969)**	**(1.080)**

The changes in deferred tax liabilities and assets during the years, without offsetting the balances under the same tax principles, are as follows:

Deferred tax liabilities

	Accelerated tax depreciation	**Total**
1 January 2010	**1.257**	**1.257**
Income statement charge	1	1
31 December 2010	**1.258**	**1.258**
Income statement charge (credit)	(84)	1
31 December 2011	**1.174**	**1.259**

Deferred tax asset

	Other	**Total**
1 January 2010	**155**	**155**
Income statement charge	23	23
31 December 2010	**178**	**178**
Income statement charge	27	27
31 December 2011	**205**	**205**

(all amounts expressed in € thousands unless otherwise stated)

13 Trade and other payables

	31 December	
	2011	**2010**
Trade payables	655	354
Payables for property management at third party buildings	740	555
Other payables	501	505
Payables to related parties **(Note 25)**	198	210
	2.094	**1.624**

14 Retirement benefit obligation

	31 December	
	2011	**2010**
Liability for staff retirement obligation at 1 January	59	60
Expense (Income) recognised in income statement	(10)	(1)
Liability for staff retirement obligation at 31 December	**49**	**59**

For the Retirement benefit obligation the following assumptions have been used: (a) discount rate: 5.5% (b) future salary increases: 2.0% and (c) Inflation: 2.0%.

15 Commission income

	Period ended 31 December	
	2011	**2010**
Income from valuations	19.455	12.984
Income from property management and technical audits	1.255	1.514
Income from brokerage	168	741
Income from property management on third party buildings	270	306
Income from advisory services	112	517
	21.260	**16.062**

16 Commission expenses

	Period ended 31 December	
	2011	**2010**
Valuators expenses	5.358	2.999
Property management expenses	703	477
Brokerage expenses	238	377
Advertising related expenses (brokerage)	58	88
Other expenses	47	94
Total commission related expenses	**6.404**	**4.035**

(all amounts expressed in € thousands unless otherwise stated)

17 Staff costs

	Period ended 31 December	
	2011	**2010**
Wages and salaries	2.166	2.327
Social security costs	589	613
Other employment costs	158	165
Provision for retirement benefit obligation expense (income)	(10)	(1)
Total staff costs	**2.903**	**3.104**

18 Other expenses

	Period ended 31 December	
	2011	**2010**
Rent expense	276	309
Third party expenses	347	422
Provisions	78	187
Other expenses	223	212
Total other expenses	**924**	**1.130**

19 Deprecation, amortisation expenses

	Period ended 31 December	
	2011	**2010**
Depreciation expenses **(Note 5)**	(65)	(69)
Amortisation charge **(Note 6)**	(171)	(172)
Total depreciation, amortisation expenses	**(236)**	**(241)**

20 Interest income

Interest income	Period ended 31 December	
	2011	**2010**
Interest income from time-deposits	422	129
Total Interest income	**422**	**129**

(all amounts expressed in € thousands unless otherwise stated)

21 Income tax expense

	Period ended 31 December	
	2011	**2010**
Current income tax	(2.309)	(1.924)
Special tax contribution	-	(58)
Provision for open tax year	-	(75)
Discount on tax payable due to one off payment	34	37
Deferred tax **(Note 12)**	111	22
Total	**(2.164)**	**(1.998)**

The Company's income tax differs from the theoretical amount that would arise using the tax rate applicable to profits of the company as follows:

	31 December	
	2011	**2010**
Profit before tax	**11.215**	**7.681**
Tax at the applicable tax rate 20% (2010: 24%)	(2.243)	(1.843)
Income and expenses not subject to tax	79	(22)
Tax provisions	-	(75)
Special tax contribution	-	(58)
Total income tax	**(2.164)**	**(1.998)**

The current income tax rate for the year 2011 is 20% (2010: 24%).

22 Dividends

The Board of Directors will propose the non distribution of dividends at the Annual General Meeting, as the previous year.

23 Contingent liabilities

The Company has made completion of unaudited tax years 2007-2009. The Company has not been subject to tax audit for the year ended December 31, 2010. Management does not believe that significant additional taxes will be occurred for the open tax year 2010. The tax audit for the year of 2011 has been carried out by the external auditors of the Company pursuant to Law 3943/2011 and the Ministerial decision.

24 Operating leases

Operating lease commitments - where the Company is the lessee. The Company leases offices and vehicles with non-cancellable operating leases. The leases have various terms and renewal rights.

(all amounts expressed in € thousands unless otherwise stated)

The future lease payments payable under the leases are as follows:

	31 December 2011	31 December 2010
No later than one year	389	385
Later than one year and no later than five years	1.168	1.379
Later than 5 years	680	405
	2.237	**2.169**

25 Related party transactions

The Company is controlled by EFG Eurobank Ergasias S.A. (incorporated in Athens and listed on the Athens Stock Exchange, Greece), which owns 100,00% of the Company's shares. All the voting of the ultimate parent company, that is Private Financial Holdings Limited, are held directly and /or indirectly by the Latsis family.

The following transactions were carried out with related parties::

a) Commission income

	Period ended 31 December 2011	Period ended 31 December 2010
Commission income		
Parent	19.664	13.410
Subsidiaries of parent company	1.060	1.338
Total	**20.724**	**14.748**

b) Other operating expenses

	2011	2010
Parent	1.012	1.048
Subsidiaries of parent company	271	240
Total	**1.283**	**1.288**

c) Interest income

	2011	2010
Interest income		
Bank time deposits		
Parent	**422**	**129**

d) Key management compensation

	2011	2010
Salaries and other short-term employee benefits	502	605

(all amounts expressed in € thousands unless otherwise stated)

e) Balances arising from transactions with related parties

	31 December	
	2011	**2010**
Trade and other receivables from related parties **(Note 8)**		
Parent	1.670	1.527
Other related parties	559	745
Total	**2.229**	**2.272**
Trade payables to related parties **(Note 13)**		
Parent	175	191
Other related parties	23	19
Total	**198**	**210**
Cash and cash equivalents **(Note 9)**		
Parent	17.410	7.960
Total	**17.410**	**7.960**

f) Commitments and contingent liabilities

There are no commitments and contingent liabilities between the Company and related parties.

26 Post balance sheet events

Until the date of approval of financial statements no significant events have taken place that affect the financial position of the Company on December 31, 2011.