

12 June 2012

**DOLPHIN CAPITAL INVESTORS LIMITED**  
("DCI" or "Dolphin" or the "Company"  
and together with its subsidiaries the "Group")

**Q1 2012 NAV Announcement and Trading Update**

Dolphin, a leading global investor in the residential resort sector in emerging markets and one of the largest real estate companies on AIM in terms of net assets, is pleased to announce its unaudited Net Asset Value ("NAV") as at 31 March 2012 and provide an update on operational progress.

**Operating Highlights since the last Trading Update issued on 28 March 2012:**

ADVANCED PROJECTS:

- The Porto Heli Collection ([www.portohelicollection.com](http://www.portohelicollection.com))  
Amanzoe ([www.amanzoe.com](http://www.amanzoe.com))
  - Construction works of the hotel, spa and beach club are being completed to accommodate the first guests on 1 August. The construction programme was extended from the end of May to the end of June, due to additional findings of archaeological interest on the site requiring further works, which have now been completed.
  - The operations team now comprises approximately 90 people, mostly from the local community of the project. Additional staff is joining the team on a weekly basis and are being trained in accordance with the requirements of Aman Resorts. The full team is expected to be in place by the end of July. Amanzoe is currently the first resort featured in the Aman Resorts' web site ([www.amanresorts.com](http://www.amanresorts.com)).
  - After receiving the first 50% subsidy payment in early March 2012, the Company filed the application for the remaining 50% of the total approved subsidies of €7.8 million on 30 March 2012. The funds will be released after completion of the works and commencement of the hotel operations.

The Nikki Beach Resort at Porto Heli

- On 10 May 2012, Dolphin signed a Memorandum of Understanding ("MoU") with an international luxury resort investor for the sale of a 75% stake in the Nikki at Porto Heli and a joint venture agreement for the development of the project which will be undertaken by Dolphin. The conclusion of this transaction is subject to satisfactory completion of the investor's due diligence.

The Sea Front Villas ([www.theseafrontvillas.com](http://www.theseafrontvillas.com))

- Infrastructure improvements and an initial marketing campaign have been launched for the Seafront Villas leveraging on the imminent completion of Amanzoe. Initial interest has been very strong.
- Venus Rock Golf Resort ("Venus Rock" – [www.venusrock.com](http://www.venusrock.com))
    - Construction works for the golf course continue to progress on schedule and on budget with the aim of completion by the end of 2012. Hard shaping for most areas is complete, while drainage and irrigation works are under construction. The grassing of fairways 9, 10 and 11 will commence by the

end of June with the remaining areas advancing thereafter. The maintenance building and the rest of the facilities are also under construction. General site landscaping and cart paths are advancing and the irrigation laces are also completed and ready to be filled with water.

- To date, €13 million has been drawn from the €50 million construction loan for the project.
- Playa Grande Club & Reserve (“Playa Grande” – [www.playagrande.com](http://www.playagrande.com))
  - The Aman Hotel value engineering process to optimise the construction budget of the hotel is progressing and the marketing and sales collateral for the sales launch of a limited number of Founder Aman villas are in their final stages.
  - The bank syndicate has already secured debt financing for \$14 million out of the \$19 million targeted debt facility for the construction of the Aman Hotel with the remaining \$5 million expected to be provided in the near future by regional banks, which are in the process of completing their due diligence.
- Pearl Island ([www.pearlisland.com](http://www.pearlisland.com))
  - The loan documentation for the Banco General \$15 million debt facility to finance the construction of the Founders' Phase (first phase) has been finalized and drawdown will commence shortly. This is a significant milestone for the project as the bank facility, together with the existing and future sales deposits, is expected to fund the majority of the construction of the Founders' Phase infrastructure and leisure facilities.
  - Infrastructure works are progressing. The bidding process for the main infrastructure components has been completed and the main contract was awarded to one of the most highly regarded Central American contractors with significant experience in the delivery of large infrastructure and luxury resort projects.
  - A further two sales reservations were signed during the period, bringing the total number of pre-sold lots to 19 for a combined consideration of circa \$13 million, representing 56% of the first 34 lots released. The pace of sales is expected to increase as the first phase of development nears completion.

## OTHER PROJECTS

- Sitia Bay Golf Resort ([www.sitiabayresort.com](http://www.sitiabayresort.com))
  - Sitia Bay Golf Resort received Residential Zoning Approval for part of the development on 10 April 2012, allowing for approximately 19,000 m<sup>2</sup> of residential property located by a coastal part of the project next to the already permitted Waldorf Astoria Hotel. This represents a major milestone for the permitting of the project, as it is expected to lead to additional zoning approvals in other areas of the site. The development teams are now working on the application for the approval of a detailed development plan.
- Mediterra Resorts ([www.mediterraresorts.com](http://www.mediterraresorts.com))
  - On 18 May 2012 Dolphin signed a MoU with a Turkish investor for the sale of the Company's 100% shareholding in Port Kundu. The conclusion of this transaction is subject to satisfactory completion of due diligence and investor's Board approval.
  - Two homes were sold at LaVanta in the three month period ending 31 May, for €0.4 million.

- Aristo Developers (“Aristo” - [www.aristodevelopers.com](http://www.aristodevelopers.com))
  - 57 homes and plots were sold by Aristo in the three month period ending 31 May, for €13 million, representing a 61% increase in value, and a 46% increase in the number of units compared to the respective period of the previous year. Notable transactions include:
    - The sale of a beachfront villa at Golden Beach project (in Paphos district) for €2.8 million; and
    - The sale of four holiday homes in Venus Rock for €1.4 million
  - Encouragingly, sales during May 2012 totalled 31 units or circa €9.4 million, representing the best month of sales witnessed over the past three years and reaching almost pre-crisis levels. Aristo is witnessing strong demand from overseas purchasers, with 84% of the sales made to international buyers with the most demand coming from Russia and, more recently, China.

### **Aristo Developers Restructuring:**

As announced on 28 March 2012, Dolphin and Mr. Theodore Aristodemou, Dolphin's largest shareholder with a 34.89% holding and the CEO of Aristo, Dolphin's 100% owned and largest subsidiary, have agreed to the exchange of Mr Aristodemou's 34.14% shareholding in Dolphin for a direct 50.25% participation in Aristo (the “**Aristo Exchange**”).

The documentation required, is currently being finalized with a view to completing the Aristo Exchange before the end of June.

### **Financial Highlights:**

- Total Group NAV as at 31 March 2012 was €1,088 million and €984 million before and after deferred income tax liabilities (“**DITL**”), respectively. This represents a decrease of €11.8 million (1.1%) and €11.7 million (1.2%) respectively, from 31 December 2011. The decrease is mainly due to the value reduction of the Americas properties in Euro terms due to the devaluation of the US dollar against the Euro, which has now been reversed, and to regular project and corporate expenses.
- Sterling NAV per share as at 31 March 2012 was 136p before DITL and 123p after DITL. This represents a decrease of 1.5% and 1.6% versus 139p and 125p respectively, as at 31 December 2011, mainly due to the above reasons and the small appreciation of Sterling versus Euro over the period.
- The pro forma Company balance sheet, assuming the completion of the Aristo Exchange and the deconsolidation of the Aristo balance sheet, is significantly less leveraged:
  - Gross Assets of €954 million.
  - Total debt of €130 million (down from €457 million before the Aristo Exchange) and Group total debt to asset value ratio of only 14% (down from 27% before the Aristo Exchange).
  - Group cash balance of approximately €10 million, as at 11 June 2012.
  - No bank debt at the Company level. The Company has provided corporate guarantees on the Playa Grande Convertible Bonds, the construction loan for the Aman at Porto Heli and the servicing of Banco Leon loan interest at Playa Grande.

**Appointment of Joint Broker:**

The Board has decided to appoint Charles Stanley Securities as joint broker to the Company, together with Dolphin's existing broker Panmure Gordon. Charles Stanley Securities' appointment is subject to completion of the necessary process.

**Miltos Kambourides, Managing Partner of Dolphin Capital Partners Limited, commented:**

"While the macroeconomic conditions remain challenging, Dolphin continues to make development progress across its entire project portfolio. Our focus for this summer is to execute the sale of a stake in Nikki Beach, complete the divestment of Port Kundu, and dispose of a number of units at the Porto Heli Collection, to generate additional liquidity for the Company.

We are excited that Amanzoe will be welcoming its first guests soon and we believe that this project will set the standard for the remaining portfolio and its unexploited potential."

**Conference call for analysts and investors**

There will be a conference call at **09:00 (UK time)** on **12 June 2012**, which can be accessed by the following dial-in numbers:

Dial in number:           **+44(0)20 7136 2056**

Confirmation Code:       **5431515**

***For further information, please contact:***

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**Notes to Editors**

Dolphin ([www.dolphinci.com](http://www.dolphinci.com)) is a leading global investor in the residential resort sector in emerging markets and one of the largest real estate investment companies quoted on AIM in terms of net assets. Dolphin seeks to generate strong capital growth for its shareholders by acquiring large seafront sites of striking natural beauty in the eastern Mediterranean, Caribbean and Latin America and developing sophisticated leisure-integrated residential resorts.

Since its inception in 2005, Dolphin has raised €898 million of equity, has become one of the largest private seafront landowners in Greece and Cyprus and has partnered with some of the world's most recognised architects, golf course designers and hotel operators.

Dolphin's portfolio is currently spread over approximately 63 million m<sup>2</sup> of prime coastal developable land and comprises 14 large-scale, leisure-integrated residential resorts under development in Greece, Cyprus, Croatia, Turkey, the Dominican Republic and Panama and a 49.8% strategic participation in Aristo Developers Ltd (subject to completion of the Aristo Exchange), which is one of the largest holiday home developers in south east Europe with more than 60 smaller holiday home projects in Cyprus.

Dolphin is managed by Dolphin Capital Partners, an independent real estate private equity firm.

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