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Dolphin Capital Investors Limited ("DCI" or the "Company")

First investment in Croatia - €35 million commitment in Livka Bay Resort

Dolphin Capital Investors Limited, a real estate investment company focused on the Master-planned Residential Resort sector in Southeast Europe and managed by Dolphin Capital Partners Limited ("DCP"), is pleased to announce the closing of a new investment in Livka Bay Resort, situated on the island of Solta, Croatia.

DCI is one of the largest real estate investment companies listed on AIM. The Company focuses on early-stage, large scale leisure-integrated residential resorts mainly in Greece, Cyprus, Croatia and Turkey. The Company's shares commenced trading on AIM on 8 December 2005, having raised £70.7 million (€104 million) at an issue price of 68p, followed by a £202.7 million (€300 million) secondary offering at a price of 93p per share in October 2006.

Highlights:

- Livka Bay Resort ("Livka Bay" or the "Project") represents DCI's first investment in Croatia and is intended to become one of the first exclusive residential resorts on the Dalmatian coast with a luxury hotel, a 160-berth marina and other supporting recreational, sports and retail facilities.

- The Project's beach-front, 56-hectare site (the "Site") surrounds the bay of Livka on the south end of the island of Solta which is only 15 km away from Split International Airport. The majority of the Site has recently achieved the relevant zoning.

- DCI is committing a total of €35 million to acquire a 90% shareholding in the Project company and fund the resort's initial development expenses. The remaining shares are owned by Virtus Investments BV ("Virtus"), a developer of high-end resorts.

- At closing, DCI has paid €5.2 million to acquire a 90% shareholding in the Project company with a further amount of up to €16.6 million to be paid in stages conditionally upon permit progression and certain sale thresholds being achieved. An additional amount of €2.8 million has also been contributed into the Project company to repay part of the existing shareholder loans made to the company and also to fund part of the ongoing development expenses.

Said Miltos Kambourides, Managing Partner of DCP: *"Livka Bay marks DCI's first investment in Croatia, a country whose residential resort potential remains largely untapped. Livka Bay is expected to be one of the first developments to come to market, providing DCI with a leading position in the Dalmatian coast."*

Further Details:

Livka Bay represents the development of a premier master-planned leisure-integrated residential resort comprising an exclusive residential development of approximately 80,000 residential buildable m^2, a luxury 80-room hotel, a 160-berth marina and other supporting recreational, sports and retail facilities.

The Site is located around Livka bay on the island of Solta, an uninhabited and unspoiled natural cove on the south-eastern side of the island, off the coast of Split. Solta is some 15 km from the mainland and is accessible within 30 minutes by ferry or private boat from Split International Airport, which has direct scheduled flights currently from Frankfurt, London, Rome and Milan.

Livka Bay Resort is expected to be one of the first leisure-integrated residential resorts to come to market in Croatia. The Project has already obtained zoning for the first phase of its development comprising the marina, hotel, club house, retail village, beach club and some residential show villas. Zoning for the remaining residential component (villas and apartments) is expected during 2007. Final permits for the entire Project are expected within 18 months and construction is set to begin during the second half of 2008. DCI is in advanced negotiations with leading operators and designers for the development and operation of the resort.

DCI is committing a total of €35 million in return for a 90% shareholding in the Project company. An initial investment of up to €21.8 million will take the form of a staged acquisition, subject to specific permit milestones and residential real estate sales having been achieved. An additional amount of €13.2 million has been committed to repay existing shareholder loans (€2.4 million), acquire additional contiguous land and fund the permitting and early development phases of the Project.

The remaining shares in the Project company are owned by Virtus Investments BV, a holding company developing high-end resorts. Virtus has successfully been acquiring the land and taking it through the zoning process over the past two years and will continue to manage the permitting process of the Project until all construction permits are granted.

At Closing, DCI acquired 90% of the shares in the Project company by paying €5.2 million to Virtus and by contributing an additional €2.8 million into the Project company to repay part of the existing shareholder loans and fund part of the ongoing development expenses.

For further information, please contact:

Dolphin Capital Partners Limited
Miltos Kambourides / Pierre Charalambides
miltos@dolphincp.com / pierre@dolphincp.com

Grant Thornton Corporate Finance Tel: +44 (0) 20 7383 5100
(Nominated Adviser)
Philip Secrett

Panmure Gordon Tel: +44 (0) 20 7459 3600
(Broker)
Richard Gray / Dominic Morley / Andrew Potts

Adventis Financial PR Tel: +44 (0) 20 7034 4765
Annie Evangeli Tel: +44 (0) 20 7034 4757
Peter Binns Tel: +44 (0) 20 7034 4760

Notes to Editors

Dolphin Capital Partners

DCP is an independent private equity firm founded in 2004 by Miltos Kambourides and Pierre Charalambides after leaving Soros Real Estate Partners.

The DCP professionals combine extensive local knowledge and contacts with expertise gained at some of the world's leading financial institutions. They specialise in providing capital to rigorously selected real estate developments in Southeast Europe by joint venturing with local developers. For every development, DCP partners with an international and sophisticated network of operators, designers, master-planners, marketing agents and financial institutions.

Dolphin Capital Investors

In addition to Livka Bay, DCI has closed investments in seven other projects, namely Kilada Hills Golf Resort, Scorpio Bay Resort, Apollo Heights Polo Resort, Amanmila Resort, Lavender Hills Golf Resort, Sitia Bay Golf Resort and Seascape Hills Resort, committing a total of €236 million since its Admission to AIM in December 2005.

DCI's investment objective is to provide shareholders with strong capital growth combined with a low risk profile through investing in early-stage sophisticated leisure-integrated resort developments in Southeast Europe (principally Greece, Cyprus, Croatia and Turkey) in partnership with leading developers and operators.