3 December 2008

DOLPHIN CAPITAL INVESTORS LIMITED
("Dolphin" or the "Company")

Q3 2008 NAV Announcement and Trading Update

Dolphin Capital Investors Limited, the leading investor in the residential resort sector in south-east Europe and the largest real estate investment company listed on AIM, is pleased to announce its NAV as at 30 September 2008 and provide an update on operations since the interim report for H1 2008 released on 23 September 2008.

Financial Highlights:

- NAV per share at 30 September 2008 before and after deferred income tax liabilities ("DITL") of 264 p (€3.32) and 237p (€2.98) respectively, an 8% uplift versus 244p (€3.08) and 219p (€2.77) as at 30 June 2008
- Balance sheet remains robust:
    - Consolidated cash at banks of c.€180 million as at 30 November 2008
    - No financial debt at Company level
    - Loan to value ratio of only 16% at asset level

Operational Highlights since Interim:

- Completion of land acquisition in Amanmila Resort ("Amanmila") by the Company and its partners, totalling c.210 hectares
- Selective expansion of landholdings in Sitia Bay Golf Resort ("Sitia Bay") and Playa Grande Golf Resort ("Playa Grande")
- No new project acquisitions since the acquisition of Pearl Island Resort ("Pearl Island") in July 2008, in line with Investment Manager's stated intention to remain highly selective and focused on advancing the existing portfolio
- Significant attention placed upon value engineering and cost optimisation for the most advanced projects such as Seascape Hills Resort ("Seascape Hills"), Kilada Hills Golf Resort ("Kilada Hills") and Venus Rock Golf Resort ("Venus Rock")
- Signing of a management agreement with Nikki Beach Hotels and Resorts for the operation of a five-star luxury resort within Venus Rock
- Total annual gross home sales booked by Aristo as at 31 October 2008 of €86.3 million (31 October 2007: €145.3 million)
- Receipt of €7.1 million from the sale of the Tsilivi site in Zakynthos, Greece
- Continuing progress on other asset realisations and joint ventures for major projects, albeit at a slower pace given the current economic and market conditions.

Miltos Kambourides, Managing Partner of Dolphin Capital Partners Limited ("DCP" or the "Investment Manager"), **commented**:

"Against the background of current global economic conditions, we have consciously decelerated the pace of our acquisitions and focused upon optimising our existing portfolio, through design, planning and value engineering advancements. As per our original risk mitigation policy, we will only commence project construction when we secure long term financing for the leisure components and presales for the residential components. In parallel, we are seeking to drive further value for investors by continuing to progress the planning and permitting process of projects and by working on realisations, joint venture opportunities and marketing initiatives.

Backed by its strong balance sheet, we firmly believe Dolphin remains well positioned to weather the current economic storm, and generate strong shareholder value from its unique portfolio of coastal land holdings."

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Notes to Editors

Dolphin Capital Investors (www.dolphinci.com)
Dolphin, currently the largest real estate investment company listed on AIM, seeks to provide shareholders with strong capital growth combined with a low risk profile through investing in early-stage, large-scale, leisure-integrated residential resorts mainly in south-east Europe in partnership with world leading designers and operators. Dolphin's shares commenced trading on AIM in December 2005 raising £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. In June 2007, Dolphin raised a further £303 million (€450 million) in a follow-on issuance priced at 170p per common share.

Dolphin has to date invested €583 million and committed €711 million to various projects in Greece, Cyprus, Croatia, Turkey, Panama and the Dominican Republic. Dolphin is also the 85% owner of Aristo, one of the region's largest and most experienced holiday home developers.

Dolphin Capital Partners (www.dolphincp.com)
DCP is an independent investment management business founded in 2004 by Miltos Kambourides and Pierre Charalambides.

The DCP professionals combine extensive local knowledge and contacts with expertise gained at some of the world's leading financial institutions. Capitalising on their experience and first mover's advantage, they specialise in sourcing development opportunities mainly in the eastern Mediterranean. DCP cooperates with an international and sophisticated network of operators, designers, master-planners and marketing agents for each of its developments.

Net Asset Value

Total NAV as at Q3 2008 before and after DITL was €1,644 million (£1,307 million) and €1,476 million (£1,173 million), respectively. The corresponding reported NAV per share before and after DITL at the end of Q3 2008 is presented below:

	€	£	Uplift since 30 June 08	Uplift since 31 Dec 07	Uplift from price of last fundraising	Uplift since admission
NAV per Share Before DITL	3.32	264p	8%	16%	55%	306%
NAV per Share After DITL	2.98	237p	8%	16%	39%	264%

GBP/Euro rate of 0.79481 as at 30 September 2008
Number of shares in issue: 494,596,141 (excluding 54,440,000 treasury shares)

The 30 September 2008 reported NAV is based on:

- The 30 September 2008 independent valuation undertaken by Colliers International of Dolphin's portfolio, which was updated from 30 June 2008 only to reflect additional land acquisitions. Over the course of Q3 2008, additional land purchases were made in Playa Grande, Amanmila, Seascape Hills, and Sitia Bay for a total consideration of approximately €9.4 million
- The inclusion in the NAV of Dolphin's acquisition of a 60% shareholding in Pearl Island in Panama in July 2008
- The revaluation of the hotel site in Seascape Hills, due to securing its construction permit on 21 July 2008, and the revaluation of Livka Bay due to the award of the Environmental Permit for 37 hectares of the total 62 hectare site on 18 September 2008.

In addition to the above acquisitions and permit advances, the NAV was further enhanced by:

- Revaluation of the USD against the Euro, reversing foreign exchange losses recorded as at 30 June 2008
- Progressive reduction of Greek corporate tax rates which reduced the DITL.

All the above factors resulted to an increase of approximately 4p in the 30 September NAV per Share before and after DITL as compared to the 30 June 2008 reported NAV. The total 20p and 18p NAV per Share increase before and after DITL since 30 June 2008 is further attributable to the repurchase of 54.4 million DCI shares by the Company within the period between 30 June 2008 and 19 September 2008. This share buyback activity has created an accretion to the NAV per share before and after DITL of approximately 16p and 14p respectively, as also reported in the Proforma NAV per share table released with the H1 results at 23 September 2008.

Progress Update

Against a backdrop of global economic uncertainty, which has affected real estate markets across the world, the Company has been highly selective in its approach to potential investment opportunities and has largely focused on advancing its existing projects.

Since its last report to shareholders, Dolphin has continued to make progress across the entire portfolio. Most importantly, over the past two months the Company has decelerated the pace at which it intends to commence projects and instead focused upon undertaking a value engineering programme to reduce construction and design costs. For the most advanced projects, such as Seascape Hills, Kilada Hills and Venus Rock, further cost efficiencies were achieved through the careful renegotiation and review of several supplier and construction contracts.

Alongside this, the vital marketing material for these three projects which include branding, logos, websites and printed materials are being prepared aiming to link everything to Dolphin's re-designed website which was launched in early November 2008.

Notable updates since the last Interim report on the major projects include the following:

1) ***Kilada Hills:*** The first phase of the development, which includes the new designs and location of the main hotel buildings, restaurants, club suites and spa, is underway, with ongoing landscaping, site clearing and site installation works, while tender documents for general earthworks have been finalized. Designs for the show suite have been completed and preparation works for its construction are currently underway. Site construction offices and perimeter fencing are also in progress. Significant attention has been placed on value engineering and construction cost optimisation, while negotiations for a construction and development facility with local banks and the application for development subsidies under Greek legislation are progressing in parallel. An international branding company has been appointed to design the branding, sales and marketing materials for the development, which are expected to be completed by March 2009. In addition, Trophy Golf has been appointed to manage and operate the golfing component of the project, working closely together to create a signature Jack Nicklaus 18-hole golf and clubhouse, which will be the first in Greece. Regarding the second phase of the development which includes the residential component, the designs have progressed and the submission for the environmental permitting documents is imminent.

2) ***Seascape Hills***: Site installations are currently being undertaken on the first permitted phase of the development, which includes the main Aman hotel buildings, spa and hotel pavilions, paving the way for construction, which is due to commence early in 2009. The designers have also been working on the next phases of the project, which include the residential villas and beach club. Contractual documentation is being prepared for a loan of 65% of the full cost of the project's leisure component, while application for subsidies is progressing simultaneously.

3) ***Lavender Bay:*** The environmental impact study ("EIS") application for the main hotel buildings and for site installations remains under review with the authorities and is awaiting approval in early 2009. In addition, the project architect and hotel operator, Kempinski Hotels and Resorts, are working on the architectural design for the hotel and the residential units.

4) ***Sitia Bay:*** Approximately 30,000 sq m of additional adjacent land was acquired during September, and further acquisitions are in progress. The Greek National Tourism Organisation's architectural approval application was submitted in October and is now awaiting consent, to allow for a potential commencement of works in 2009. Negotiations for the appointment of a world class hotel operator for the project are ongoing.

5) ***Amanmila***: The purchase of the entire land area required for the project has now been completed by the Company and its partners, thus opening the way for the finalisation and submission of the preliminary EIS of this high-end, exclusive Aman Mediterranean resort. The Company is also examining further options to increase its stake in the project.

6) ***Venus Rock:*** Aristo has signed an agreement with Nikki Beach Hotels and Resorts to operate the hotel, the beach club and to service the branded residences. An internationally acclaimed branding / marketing company has been appointed to design the re-branding and marketing materials for Venus Rock ahead of the soft launch, which is expected to be made in early 2009. Preliminary interior layouts for the retail complex have been developed, and conceptual landscape designs have been completed. The Company is still awaiting a decision on the final approval of the golf-related real estate licences, having submitted planning documents for approval in early 2008. In addition, the squeeze-out process of the remaining 0.04% minority shareholders in Venus Rock was completed in 8 September 2008 and Aristo now owns 100% of the project.

7) ***Livka Bay:*** On 18 September 2008, Dolphin received final approval of the EIS for 36.8 hectares of the 62 hectare site, paving the way for the approval of the Location Permit and representing a major milestone in the permitting process.

8) ***Playa Grande:*** Following the conclusion of the general master-plan for the entire site by Hart Howerton and Denniston, Denniston has finalized the detailed master-plan for the Aman hotel and Aman branded residential villas. The Aman master-plan has been submitted to the local authorities

for approval, while simultaneously Denniston is progressing the architectural designs for that phase of the project with the aim to obtain the first building permit around Q3 2009.

9) **Pearl Island:** Denniston has revised the original DPZ master-plan and Hart Howerton, together with a team of marina engineers, is in the process of being retained to progress the finer details of the master-plan and the marina and village centre designs. The zoning and permitting process have been initiated and key development professionals have been appointed to progress the project. The EIS was submitted to the permitting authorities on 26 November.

Aristo Developers ("Aristo")

The current international financial crisis and, notably, its impact on the UK economy has had unavoidable implications for the appetite of customers in agreeing new sales. Accordingly, for the period commencing 1 January 2008 and ending 31 October 2008, Aristo had booked €86.3 million of gross home sales, a figure 41% lower than that of the equivalent period in 2007. The decrease in sales figures has been driven by deteriorating market conditions characterised by restricted mortgage financing, a weakening Sterling and Rouble against the Euro and overall general market volatility as potential buyers become increasingly prone to postponing their buying decisions. The comparative decline in 2008 figures should, however, be set in the context of an exceptionally strong sales performance in 2007. It is also encouraging that the 2008 average sales price per sq m is 25% higher than that achieved in 2007.

As part of the effort to drive 2009 sales, and further to the appointment of an internationally acclaimed firm to design the re-branding and marketing materials for Venus Rock ahead of the soft launch in 2009, a new Sales & Marketing Director was appointed in September to streamline Aristo's sales efforts, to diversify in non-traditional markets and to reorganise Aristo's sales teams.

In line with the Group policy and in order to be prepared in the event of a prolonged slowdown, Aristo has already taken necessary measures to manage its cashflow position. This has been achieved through an increasingly selective approach to new land acquisitions, emphasis being placed on securing long-term debt facilities and through prudently staggering the implementation of further construction works on new schemes.

Aristo Hellas' team has been strengthened by the appointment of highly qualified internationally experienced personnel and continues to progress the permitting and development process of the majority of Dolphin's Greek assets.

The Portfolio

In the first eleven months of 2008, the Company has invested and committed €583 million and €711 million in total, respectively. The following table summarises Dolphin's key projects and levels of investment and commitment as at 30 November 2008. It should be noted that the majority of the commitments are discretionary allocations rather than hard commitments and, as such, are prone to revision by the Company's management and Board.

	Land site (hectares)	Dolphin (% stake)	Dolphin investment 30 November 2008 (€million)	Dolphin commitment 30 November 2008 (€million)
Greece				
Kilada Hills	250	100	85	90
Seascape Hills	96	100	38	50
Lavender Bay	310	100	18	46
Scorpio Bay	172	100	11	16
Amanmila	210	25 – 50	4	7
Sitia Bay	271	77	15	24
Rebranded Hotels	1	100	4	5
Plaka Bay	440	60	7	26
Kea	65	100	12	15
Triopetra	13	100	4	9
Douneika – *Aristo*	27	85	<1	<1
Other – *Aristo*	6	85	1	1

Cyprus				
Apollo Heights	469	100	17	21
Venus Rock – *Aristo*	1,000	85	134	134
Eagle Pine – *Aristo*	319	85	21	21
Magioko – *Aristo*	11	85	5	5
Other – *Aristo*	435	85	130	130
Croatia				
Livka Bay	62	100	20	30
Turkey				
Kundu	4	99	12	14
LaVanta	8	79	11	13
Americas				
Pearl Island	1,468	60	7	24
Playa Grande	950	95	27	30
TOTAL	**6,587**		**583**	**711**

Project Exits

	Land site (hectares)	**Dolphin (% stake)**	**Dolphin investment 30 November 2008 (€million)**	**Dolphin return 30 November 2008 (€million/times)**
Greece				
Tsilivi – *Aristo*	11	85	2	7/3.5x
TOTAL	**11**		**2**	**7/3.5x**

Outlook

Even though we are experiencing what is widely believed to be the toughest global financial crisis of the last 70 years, the fundamentals of the Company's investment strategy remain strong. These are:

- an undersupply of high-end product in a region with high barriers to entry;
- favourable demographic and mobility patterns;
- an irreplaceable coastal, and almost debt-free freehold land portfolio for large-scale integrated projects;
- a healthy cash balance of €180 million;
- no financial debt at the Company level;
- a low risk 'pre-sell and build' approach.

To adjust to the current markets, we have consciously decelerated our investment pace and focused on advancing the permitting status of our existing portfolio. Other than the acquisition of a 60% shareholding in Pearl Island in Panama in July 2008, no other new acquisitions were made during Q3 2008. We have also become a lot more cautious in planning the future construction sequence and pacing of our projects to ensure we first develop our most mature projects that have appropriate ring-fenced debt finance and sufficient certainty that the assets can easily be marketed.

As previously disclosed, we are also considering possible realisations, in part or whole, of certain projects, or land assets, and continue to advance our discussions with potential investors. Given the recent market conditions, these negotiations are taking longer than previously anticipated. On the other hand, we have been receiving new interest from investors seeking to decrease their exposure to equity markets and diversify into investing in land.

As always, the creation of long-term shareholder value remains the centrepiece of Dolphin's investment strategy and we believe that the Company, with its strong balance sheet and low gearing, is well positioned to navigate through the current economic turmoil and achieve its goals.

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