

25 September 2007

Dolphin Capital Investors Limited (“DCI” or the “Company”)

€26 million commitment to Plaka Bay Resort in Crete

Dolphin Capital Investors, currently the leading investor in the Residential Resort sector in Southeast Europe and the largest real estate investment company listed on AIM, is pleased to announce the signing of a new investment in Plaka Bay Resort, situated on the island of Crete, Greece.

Highlights:

- Plaka Bay Resort (“Plaka Bay” or the “Project”) represents DCI’s ninth major project in Greece and is expected to be developed as a beachfront resort integrating a few hundred residential units, a luxury hotel, other leisure facilities and potentially an 18-hole golf course.
- The 430-hectare property is one of the largest private contiguous land sites on the island of Crete (the largest of the Greek islands), has a 7km sea frontage and is situated on a peninsula that is a 30-minute drive east from Sitia Airport.
- DCI has acquired a 60% shareholding in the Project from the Ioannou family (the “Sellers”), the original owners. The 40% shareholding remains with the Ioannou family who are major shareholders in J&P Group, one of the region’s largest construction companies.
- A €7 million payment has been made upfront and a further €9 million payment will be made upon the Sellers obtaining the Environmental Impact Study and the approval of the residential master plan. An additional €10 million has been committed to fund DCI’s share of the Project’s permitting and early development phases, bringing DCI’s total commitment to €26 million.

DCI is managed by Dolphin Capital Partners (“DCP”).

Miltos Kambourides, Managing Partner of DCP, commented: *“Plaka Bay is our second project in the upcoming region of Sitia and one of the largest freehold seafront sites on the island of Crete which has already entered the design and permitting approval process by our 40% strategic partners.”*

Further Details:

Plaka Bay Resort represents DCI’s second investment in Crete, the most popular Greek tourist destination with over 2.8 million visitors last year and one of the main beneficiaries of the influx of foreign investments in the real estate sector that is anticipated over the coming years.

The Project, spread over a 4,300,000 m² site, is being designed as a seafront, master-planned leisure-integrated resort aiming for a residential development of over 100,000 m², a five-star hotel, other supporting recreational facilities and potentially an 18-hole golf course.

The site is situated on a secluded peninsula of unspoilt natural beauty, east of Sitia, on the island of Crete. Crete is the largest of the Greek islands with three international airports in Chania, Heraklion and Sitia. Plaka Bay is only a 30 minute-drive east from Sitia International Airport, a 2.5-hour drive east from Heraklion International Airport and very close to Sitia Harbour.

The Project is at an early stage of the design permit approval process, having received forestry and archeological clearances. The permitting process is expected to be concluded within approximately two years.

DCI is acquiring a 60% stake in the SPV which owns 100% of the Project company. The remaining shares of the SPV remain in the ownership of the Sellers. The Company has agreed to acquire its stake in the Project by paying in stages subject to permit milestones. A €7 million payment and investment (approx. €2.6 per m²) has been made upfront and a further €9 million payment (approx. €3.4 per m²) will be made upon the Sellers obtaining the Environmental Impact Study and the approval of the residential master plan. An additional €10 million has been allocated to progress the Project's permitting and early development phases, bringing DCI's total commitment to €26 million.

The other 40% of the Project company remains with the Ioannou family who are major shareholders in J&P Group, one of the region's largest construction companies. J&P Development, a subsidiary of the J&P Group with experience in holiday home development in Greece and Cyprus, will at this stage continue to be involved in the development management of the Project.

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Dolphin Capital Investors

DCI, 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 Southeast Europe in partnership with world leading designers and operators. The Company'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, the Company raised a further £303 million (€450 million) in a follow-on issuance priced at 170p per common share.

With Plaka Bay Resort, DCI has in total invested €405 million and committed €564 million to various projects in Greece, Cyprus and Croatia. DCI is also in the process of becoming the 85% owner of Aristo Developers Plc, one of the region's largest and most experienced holiday home developers.

Dolphin Capital Partners

DCP is an independent investment management business 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 mainly in the eastern Mediterranean, typically through joint ventures with local developers. DCP cooperates with an international and sophisticated network of operators, designers, master-planners and marketing agents for each of its developments.