12 June 2008

DOLPHIN CAPITAL INVESTORS LIMITED

("Dolphin" or the "Company")

Q1 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 31 March 2008 and provide an update on the progress in the implementation of its investment strategy.

Highlights for the quarter ending 31 March 2008 and to date:

- NAV per share at 31 March 2008 before deferred income tax liabilities ("DITL") was 7% higher than 31 December 2008 (227p) at 243p.
- Ongoing expansion of Dolphin's landholdings at existing projects, including Kilada Hills Golf Resort ("Kilada Hills"), Lavender Bay Golf Resort ("Lavender Bay"), Sitia Bay Golf Resort ("Sitia Bay"), Seascape Hills Resort ("Seascape Hills"), Livka Bay Resort ("Livka Bay"), Eagle Pine Golf Resort ("Eagle Pine"), LaVanta Resort ("LaVanta") and Playa Grande Golf Resort ("Playa Grande"), for a total consideration of approximately €14 million.
- Buyouts of minority partners in Venus Rock, Livka Bay and the Turkish projects for a total consideration of approximately €11.2 million.
- Additional €62.7 million invested in the acquisition of prime land in strategic locations in Cyprus, funded 100% by Aristo Developers Plc's ("Aristo") operational cash flow and credit lines.
- Completion of Aristo squeeze-out and delisting from the Cyprus Stock Exchange on 15 May 2008.
- Permitting progressed across the portfolio, with significant milestones achieved for the first phases of Kilada Hills and Seascape Hills. Final construction permits for the first phase of both projects are expected imminently.
- Preparation is underway for the re-launch of residential sales in Venus Rock, and the commencement of construction activities in Kilada Hills and Seascape Hills.
- Total gross home sales volume for Aristo slower for the first five months of 2008 as compared to the same period for 2007 but at the same levels as 2006. Average sales price per m^2 in 2008 at a historic high.
- The Company's loan to value ratio continues to be very low – with gearing at 13%. Substantial consolidated cash balance of circa €301 million as at 31 March 2008.
- Invested and committed funds as at 31 May 2008 were €569 million and €698 million respectively leaving €141 million of uncommitted funds.

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

"Since 1 January 2008, the Company has continued to make significant progress with the design and permitting of existing projects and the expansion of its portfolio of assets. Our unique project and land portfolio, which is improving in value as the pre-development phases are advancing, coupled with a strong balance sheet, significant cash position and minimal gearing, clearly differentiate Dolphin from other listed real estate investors or developers. We are also well positioned now for partial or entire realisations of certain projects and land assets which, if concluded, would result in significant investment returns for the Company."

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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 €569 million and committed €698 million to various projects in Greece, Cyprus, Croatia, Turkey 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 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. 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

The reported NAV at the end of Q1 2008 is presented below:

	€	£	Uplift since 31 Dec 07	Uplift from price of last fundraising	Uplift since admission
Total NAV Before DITL (millions)	1,685	1,334	7%	n/a	n/a
Total NAV After DITL (millions)	1,517	1,200	7%	n/a	n/a
NAV per Share Before DITL	3.07	243p	7%	43%	273%
NAV per Share After DITL	2.76	219p	7%	29%	237%

GBP/Euro rate of 0.79136 as at 31 March 2008
Number of shares: 549,036,141

The 31 March 2008 reported NAV is based on:

- the 31 December 2007 valuation by independent valuers Colliers International of Dolphin's real estate portfolio, which was updated only to reflect additional land acquisitions. Over the course of the first quarter of 2008, additional land was purchased in Kilada Hills, Seascape Hills, Sitia Bay, Livka Bay, Lavender Bay, Eagle Pine, LaVanta and Playa Grande for a total consideration of approximately €14 million.

- the revaluation of the hotel site in Kilada Hills due to the approval of the Environmental Impact Study ("EIS") on 28 February 2008 and the revaluation of Livka Bay due to the approval of the Urban Plan ("UPU") on 29 February 2008.

Given that there has not been a portfolio revaluation as at 31 March 2008 other than what is described above, the NAV uplift in Q1 2008 is principally attributable to the weakening of Sterling against the Euro. The next full portfolio revaluation will be as at 30 June 2008.

Trading Update

Since its last report to shareholders, Dolphin has continued to make considerable progress in its investment and development activities. Notable achievements include the following:

Greece:

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, received final EIS approval on 28 February 2008, while the architectural layouts were approved by the Greek National Tourism Organization on 20 May 2008. The construction permit application was subsequently submitted to the local Planning Commission, while the Architectural Board approved the Architectural Drawings on 4 June 2008. With these approvals in hand, construction permits for this phase of the project are expected to be issued imminently. Initial landscaping and site installation works have now commenced in areas that have already been permitted in accordance with the previously issued golf construction permit, which in parallel continues to be revised and expanded to encompass newly acquired areas. The sales and marketing strategy is also being prepared. Furthermore, 32,400 m^2 of additional land was also acquired during the first five months of the year.

2) ***Seascape Hills***: The first phase of the development, which includes the main Aman hotel buildings, spa and hotel pavilions, received final EIS Approval on 16 April 2008. The Architectural Layouts were approved by the Greek National Tourism Organization on 15 May 2008. The application for construction permits was made on 9 June 2008, with issuance expected to occur shortly. Furthermore, 27,000 m^2 of additional land has been acquired.

3) ***Lavender Bay:*** The EIS for the main hotel buildings and for site installations necessary for submission of the golf EIS, is currently under review by the relevant Regional and Peripheral Agencies. 58,400 m^2 of additional land has been acquired since 31 December 2007. In addition, final

agreements for the operation and management of the “Kempinski Hotel & Residences at Lavender Bay” were signed on 1 June 2008.

4) ***Sitia Bay:*** The masterplan of the residential component is under review, as scheduled, and the design of the hotel is progressing according to plan, prior to submission to the Greek National Tourism Organization. Approximately 140,000 m^2 of additional land was acquired during the first five months of the year, and further land acquisitions are in progress. Negotiations with a shortlist of major operators for the management of the hotel and the branded residential components are also progressing.

5) ***Scorpio, Plaka Bay and Tzia***: Progress has been made with the design and preliminary approvals that are required ahead of filing for EIS approval. The term sheet with Oberoi Hotels for the operation and management of Scorpio Bay was signed on 17 March 2008.

Cyprus

6) ***Venus Rock:*** Aristo completed the acquisition of a significant proportion of the remaining minority holdings in Venus Rock Estates Ltd, the holding company of Dolphin’s largest project, securing a 99.2% ownership stake. Additionally, design is progressing on schedule for the various components of this project, while discussions are in place with a number of international operators for the management of the hotel, the commercial and leisure beachfront, and the servicing of the branded residential component. The first phases of the project, which will include approximately 270 new plots, are expected to be launched in the market at the end of 2008, following completion of already progressing landscape improvements, designs, and rebranding of the project. The masterplans for the golf licenses are being reviewed by the relevant authorities, while lotting plans are being prepared for the newly zoned areas.

7) ***Eagle Pine:*** Revised masterplans have been submitted and most of the necessary pre-approvals received in anticipation of the receipt of final construction permits. Renowned architect, Porphyrios and Associates, was appointed and is already preparing architectural plans for the residences and the Golf Club House. The launch of the unit sales is scheduled for 2009.

Turkey:

8) ***Port Kundu:*** Construction permits for phase 1 (64 villas) were received during the period and earthworks have recently commenced while the sales team is preparing the sales and marketing strategy. The land has been refinanced and Dolphin increased its share from 80% to 99% by buying out the equity stake of its main minority partner and diluting other minority shareholders through capital increases.

9) ***LaVanta:*** Construction of phase 1 (49 units) is progressing swiftly and, by the end of 2008, 30 units are expected to be delivered of the 32 which are already pre-sold. No new sales where executed because of the pending changes in legislation regarding direct ownership of property by foreign individuals. The new law which will reinstate regular direct purchasing rights up to 2.5 hectares is expected to be in place soon. The project company bought 100% of the project land and Dolphin has again increased its stake from 60% to 79%, by buying out its main minority partner, while retaining the development and sales teams.

Croatia:

10) ***Livka Bay:*** On 29 February 2008, the UPU was approved for the scheme, defining the final use and building coefficient of the site. On 3 April 2008 the EIS was approved for five hectares. The EIS for the entire 44 hectares has been submitted and, once approved, will be a major milestone in continuing the process for obtaining building permits. On 3 March 2008, Dolphin acquired the remaining 10% of the project for a consideration of €13 million, out of which 50% shall be paid subject to the construction and sale of the second phase of the project. Moreover, 25,500 m^2 of additional land has been acquired since 31 December 2007.

Americas / Dominican Republic:

11) ***Playa Grande:*** The Playa Grande site has been expanded by subsequent land acquisitions totaling 109 hectares at an average acquisition price of $6.5 per m^2, with an option secured for an additional 14 hectares. The local team has been strengthened by the recruitment of additional personnel in key

management and reporting positions. Hart Howerton and Denniston International have been appointed to work on the masterplan and the hotel architectural designs and Rees Jones has been retained to redesign the Playa Grande legendary golf course, originally designed by his late father, Robert Trent Jones Sr. The submission for approval of the masterplans is expected by the end of this year.

Aristo Developers

Dolphin acquired an 85% stake in Aristo, the largest holiday home development company in Cyprus, in April 2007. An update on Aristo's performance and the share acquisition programme are contained below:

a) ***Home Sales:*** In the first five months of 2008, Aristo booked €49.5 million of gross home sales. This figure is 38.6% lower than the equivalent period in 2007 but in line with the corresponding period in 2006. The slower pace is principally due to three reasons:
   i) a substantial decrease in demand by UK clients due to the overall UK economic slowdown as well as a weakening Sterling against the Euro;
   ii) the limitation of mortgage lending by the Central Bank of Cyprus ("CBC") to a maximum of 60% of the total property value that was introduced before the beginning of 2008 as noted in the Dolphin 2007 Annual Report; and
   iii) an exceptionally good performance in the comparative period in 2007.

   As of 27 May 2008, the CBC has reinstated the maximum mortgage levels to 70% as in 2007. This is expected to stimulate sales for the remainder of the year, which should also be boosted by the re-launch of a number of redesigned and higher end projects in the coming months.

   It is also worth noting that the average price per unit for the first five months of 2008 has been increased across the portfolio by 21.2% relative to 2007. This primarily reflects Aristo's shifting focus to higher margin business and an increased concentration on more affluent customers including the Russian and Ukrainian markets. To support this move, a sales office was also established this year in Kiev.

b) ***Divestments:*** As reported previously, on 21 January 2008, Dolphin divested one of Aristo's non-core assets, through the sale of its 60% stake in the A&A Super Aphrodite Waterpark in Paphos, for a net cash consideration of €5 million. The transaction was executed on the basis of an enterprise value of the park of €14 million. This compares favourably with the last reported (as of 30 June 2008) enterprise value, based on a valuation by Colliers of €2.8 million and the allocated acquisition value of €1.3 million, in turn representing a NAV multiple of 5x and a profit multiple of 11x. In Q1 2008 Aristo also disposed of 14,382 m^2 of non-core land holdings for a total consideration of €1.2 million, around 10% higher than their respective Colliers valuation, representing a profit multiple to Dolphin's cost base of 3.85x.

c) ***Acquisitions:*** Aristo has continued its programme of acquiring prime land in strategic locations principally around the Paphos and Limassol areas in Cyprus. Total gross investments of €62.7 million were made in the first five months of the year. These were 100% funded by Aristo's own cash flow and debt facilities.

d) ***Delisting*****:** The squeeze-out process was completed on 14 March 2008 and Aristo Developers was delisted on 15 May 2008. This was the largest acquisition of any public company in Cyprus and the first successfully executed squeeze-out and public-to-private transaction in the history of the Cyprus Stock Exchange. Mr Theodoros Aristodemou, who is the 15% partner in Dolphin Capital Atlantis (the parent company of Aristo) and serves as Aristo's Managing Director, was elected to the honorary position of the Chairman of Bank of Cyprus on 15 May 2008.

In the first five months of 2008, the Company in aggregate committed and invested €698 million and €569 million respectively. The following table summarises Dolphin's key projects and levels of commitment and investment, as at 31 May 2008.

	Land site (hectares)	Dolphin (% stake)	Dolphin investment 31 May 2008 (€million)	Dolphin commitment 31 May 2008 (€million)
Greece				
Kilada Hills	250	100	80	85
Seascape Hills	91	100	34	50
Lavender Bay	307	100	15	46
Scorpio Bay	172	100	11	16
Amanmila	200	25 – 50	2	5
Sitia Bay	260	77	13	24
Rebranded Hotels	1	80	3	5
Plaka Bay	440	60	7	26
Tsilivi – *Aristo*	11	85	2	2
Douneika – *Aristo*	27	85	1	1
Other – *Aristo*	2	85	<1	<1
Tzia	65	100	11	15
Cyprus				
Apollo Heights	469	100	17	21
Venus Rock - *Aristo*	1,000	85	138	138
Eagle Pine – *Aristo*	319	85	35	35
Magioko – *Aristo*	11	85	5	5
Other – *Aristo*	410	85	137	137
Croatia				
Livka Bay	62	100	19	30
Turkey				
Kundu	4	99	12	23
LaVanta	8	79	9	11
Americas				
Playa Grande	829	70	16	22
TOTAL	**4,935**		**569**	**698**

Outlook

The robust fundamentals of the Company's investment strategy remain unchanged. These are:

- an undersupply of high-end product in a region with high barriers to entry;
- favourable demographic and mobility patterns;
- increasing spending power from upcoming sources of demand from areas such as Russia and the Middle-East;
- an irreplaceable coastal, and almost debt-free freehold land portfolio for large-scale integrated projects;
- a cash producing development business run by one of the most experienced teams in the region which follows a low risk 'pre-sell and build' approach.

The Investment Manager believes that the portfolio's land values will continue to exhibit strong upward momentum as the permitting across its sites advances throughout 2008. Dolphin's investment strategy, based on the selective acquisition of prime seafront land in the South East Europe region with little or no debt, clearly sets it apart from other real estate investors or developers.

With regard to future site acquisitions, the Investment Manager remains cautious and is being highly selective in progressing Dolphin's pipeline projects. The key focus is on the existing projects and, in particular, the most advanced projects which are reaching construction stages.

Over the past six months, the Investment Manager has acquired 22,090,000 Dolphin shares, as an example of its confidence in the future growth potential of Dolphin. The Investment Manager pledged 25,000,000 of its Dolphin shares to the Bank of Cyprus as security for a debt facility which can be drawn down only to make further purchases of Dolphin shares and pledged another 22,090,000 Dolphin shares as a security for a loan facility that can be used to buy new Dolphin shares or refinance owned shares.

The Investment Manager is also considering possible realizations, in part or whole, of certain projects, or land assets. Negotiations to this end are ongoing, all of them on the basis of valuations that are higher than the Colliers valuation of 31 December 2007. If concluded, these are anticipated to result in significant investment returns for the Company.

– ENDS –