24 September 2013

DOLPHIN CAPITAL INVESTORS LIMITED

("**DCI**" or "**Dolphin**" or the "**Company**"

and together with its subsidiaries the "**Group**")

Trading Update and Half Year Results for the period ended 30 June 2013

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 release its unaudited half year results for the six months ended 30 June 2013 and provide an update on operational progress since its last trading update, released on 12 June 2013.

A. Operating Highlights since last Trading Update of 12 June 2013:

ADVANCED PROJECTS

- The Porto Heli Collection ("**PHC**" – *www.portohelicollection.com*), Greece

  Amanzoe (www.amanzoe.com)

  - Amanzoe Resort has had excellent results with the hotel being fully occupied during July and August. The hotel's financial performance to date in 2013, the first full year of operations, remains on track to deliver a positive net operating profit (before depreciation and debt service).
  - Reviews for the hotel by guests and industry experts continue to be exceptional. Robb Report magazine included it in the Best of the Best Resorts 2013 while Travel & Leisure included Amanzoe in the 2013 It List, as well as in its compilation of the 100 unique places to visit in the world. The Swedish Connoisseur magazine included it in its list of Best of the Best Hotels of 2013. GQ, House & Garden, Vogue, Tatler and American Harper's Bazaar magazine, among others, wrote extensive articles on the resort.
  - Building on this momentum, four new hotel pavilions (rooms) will be built adjacent to the Amanzoe Beach Club providing guests with an additional experience of luxury by the beach. Construction will commence in November 2013 and should be completed by May 2014.
  - The first two Amanzoe Villas were added to Amanzoe's rental programme in July 2013, while three more are currently under construction, and due for completion before the next summer season. The designs for a further three villas have been concluded and their construction is expected to begin in autumn 2013.
  - Discussions with several interested buyers for further Amanzoe Villa sales are on-going, some of which are expected to convert to sales in the near future.

*The Nikki Beach Resort & Spa at Porto Heli ("**Nikki Beach**" - www.nikkibeachhotels.com)*

- Construction is progressing on time and on budget, targeting completion prior to the 2014 summer season. The mock-up room was completed and reviewed by the operator and project architect on 30 July 2013.

- Venus Rock Golf Resort ("Venus Rock" – www.venusrock.com)
  - On 17 May 2013, the Company's 49.8% subsidiaries Aristo and Venus Rock entered into a binding Contract of Sale for their interests in the Venus Rock project with the China Glory International Investment Group ("CGIG"). CGIG, the prospective new owners, have invested significant resources in both Cyprus and China to redesign and re-launch the project. An update on the progress of this Contract of Sale transaction can be found below, in section B.
  - The first of the two new Tony Jacklin 18-hole golf courses at Venus Rock is completed and since 9 September 2013, it is open to the public for both daytime and night time play. Golf related infrastructure works, along with walkways and bike-paths, were also completed and a ceremonial grand opening is expected later in the autumn.

- Playa Grande Club & Reserve ("Playa Grande" – www.playagrande.com), Dominican Republic
  - The renovation of the back nine holes of the Robert Trent Jones Snr. Golf course and the construction of the Aman hotel infrastructure is almost complete in line with the planned budget and timeline. Construction of the first Aman hotel mock-up pavilion commenced in August 2013 and is due for completion by year end.
  - The project has to date drawn down US$4.9 million from the US$19 million debt facility for the development of the Aman Golf Resort.
  - One reservation agreement and one final purchase contract have been signed for the sale of two Playa Grande Aman Founder Villas to two NY-based clients.

- Pearl Island, Panama ("Pearl Island" – www.pearlisland.com), Panama
  - On 17 September 2013, Dolphin received US$3 million (before withholding taxes) as the second and final deferred cash payment from the sale of the Founders Phase, as announced on 27 September 2012.
  - Infrastructure works are progressing on schedule. The first phase of the airstrip has been completed and the various components of the Founders Phase peninsula such as the beach club, service pier, marina and breakwater are advancing.
  - Pearl Island finalised management agreements with Ritz Carlton for the development of an 80-room Ritz Carlton Reserve hotel, which are due to be signed together with a formal launch ceremony of the project on 8 October 2013 in Panama. The designs of the hotel are advancing, with a plan to be ready for construction in the first quarter of 2014.

- To finance the development of the Ritz Carlton Reserve hotel, a term sheet of US$20 million has been obtained from a regional bank and financing terms are being finalized. The project is also in discussions with regional investor groups for the joint equity funding of the development.

MAJOR PROJECTS

- Scorpio Bay Resort ("Scorpio Bay"), Greece
  - Scorpio Bay obtained its Environmental Impact Study approval on 17 June 2013. The approval allows for approximately 65,000 buildable m^2 of hotel and residential units, in line with the Company's plan for the site to develop an Oberoi hotel along with branded and unbranded residences.

- Mediterra Resorts (www.mediterraresorts.com), Turkey
  - One villa was sold and one was reserved at LaVanta.

ARISTO

- 30 homes and plots were sold by Aristo Developers ("Aristo") in the three month period ending 31 August 2013, representing an 11% increase in sales value compared to the corresponding period in the previous year. However, the number of units sold remains 40% lower compared to the same period last year, highlighting the difficulties that the Cypriot economy is still facing since the beginning of the banking crisis in March 2013, and the downturn in demand for second homes by foreigners due to the current economic climate on the island.

B. Transaction highlights since last Trading Update of 12 June 2013:

ASSET SALES AND DIVESTMENTS

In addition to the already announced sale of Venus Rock, the Company has progressed a number of project Joint Ventures ("JV") and sales negotiations which have resulted in signing non-binding preliminary agreements and receiving refundable deposits for the following deals:

- The sale of a minority stake in Amanzoe.
- The sale of a minority stake in The Chedi & Jack Nicklaus Signature Golf Course combined with a capital increase to fund the development.
- The sale of 100% of Pt. Kundu in Turkey.

In parallel, negotiations are taking place for the disposal of other projects within the Dolphin portfolio. Shareholders will be updated on any progress made in due course.

- Update on Venus Rock sale
  - On 17 May 2013, the Company's 49.8% subsidiaries, Aristo and Venus Rock, entered into a binding Contract of Sale with CGIG for their interests in the Venus Rock project for a fixed consideration of €241 million and a conditional deferred consideration of €48.5 million, and received a non-refundable deposit of €2 million. According to the terms of the Contract, the Venus Rock project shall only be transferred to CGIG upon payment of the pending fixed consideration.
  - Since signing the transaction, CGIG has invested significant resources both in Cyprus and in China and has redesigned the project to meet the requirements of its Chinese clients, received 252 new planning permits, completed the design and is in the process of proceeding with filing applications for planning permits for another 919 houses, while it also established operating offices in Nicosia, Cyprus. According to CGIG, there is already significant expression of interest by potential clients. Further information can be found on www.venusrock.com.
  - Part of the initial fixed consideration for the transaction was due on 17 August 2013, but has not yet been received because, according to CGIG, the currency export control procedures applicable under Chinese legislation regulating foreign investments, have not as yet been approved. According to the Sale Contract, Aristo is entitled to charge a 6% interest p.a. on any amounts delayed. Aristo is in close communication with CGIG, which expects that the final approval by the Chinese authorities will be granted by the end of the year.

INVESTMENTS

- On 23 August 2013, Dolphin has acquired the remaining 40% shareholding in Plaka Bay Resort, bringing its total stake in the project to 100%. The consideration for the 40% stake is €4.4 million, and represents a discount of 36% to the Company's project net asset value as at 30 June 2013. The original Shareholders' Agreement between the parties, which provided for a deferred conditional cash consideration payable by Dolphin of €8.6 million when the project receives final permits for 80,000 buildable m^2, has been terminated and replaced by an obligation by the Company to deliver, upon receiving building permits for freehold residential units, plots of land with an aggregate retail value of up to €4 million, depending on the actual permits obtained. The Company believes that the project's permits could be obtained in the near future and as such, the transaction resulted in eliminating a contingent €8.6 million cash liability, while creating an immediate NAV accretion of €2.5 million and potential for significant additional profits from Dolphin's 100% ownership of this project.
- In parallel with the above transaction, the Company has reached a preliminary JV agreement with the owners of a large developable land site, adjacent to the Plaka Bay project. The agreement provides that Zoniro Greece will undertake the masterplanning and permitting of this land in conjunction with the Plaka Bay project as a single unified development in the context of the Strategic Investment legislation, and in exchange will receive as consideration a significant shareholding in the land site in question.

- On 15 July 2013, Dolphin acquired 9,609,650 shares in Itacaré Capital Investments Limited ("ICI"), equivalent to 10% of the company's issued share capital. ICI is a London Stock Exchange AIM quoted investment company with an attractive portfolio of luxury residential resort developments situated on the Eastern coast of Brazil. ICI presented a good acquisition opportunity because it is debt-free, owns attractive land assets with advanced designs and permits to commence development in the near future for most sites and, at the time of Dolphin's 10% acquisition, it was trading at a c. 75% discount to its NAV. Following Dolphin's acquisition, ICI's share price has appreciated by over 60% (based on share price as at 23 September 2013), while shareholders accounting for 52% of the votes in ICI, signed a shareholders agreement committing to not sell their shares below NAV for the next three years and to vote in concert at general meetings of the company.
- In parallel, the Company is capitalizing on the expertise of its two development platforms, Zoniro and Aristo. Zoniro is the DCI in-house development arm specializing on high end leisure integrated residential resorts while Aristo is focused on more middle-market residential-only projects with a successful sales network in China, Russia and other major markets. The Zoniro development platform includes over 30 development professionals, who are engaged in the Dolphin projects in Greece and a number of other professionals on the Dominican Republic and Panama, respectively working on the development of Playa Grande and Pearl Island. The vertical integration of a development team such as Zoniro within DCI is creating substantial goodwill and savings for the Company, as the alternative would have required the payment of significantly higher fees to other third party developers, without any expertise being retained by the Company.

  Several deals under consideration, such as the one related to land adjacent to Plaka Bay, involve little or no capital deployment by Dolphin and, instead, offer the Company the option to receive an equity stake or profit sharing in the projects in exchange for contributing development and sales services and expertise through Zoniro and/or Aristo.

- The Company is also participating in the competitive bidding process initiated by the National Bank of Greece and the Hellenic Republic Asset Development Fund for the sale of Astir Palace S.A. (www.astir-palace.com), an investment company owning the Astir Palace resort. The completed resort development, comprises 75 acres on a private peninsula, and is located in the most upscale area of the Athenian Riviera. If successful, it is expected that the funding for this transaction will be sourced from a combination of third party strategic capital, bank debt and some of Dolphin's own financial resources.

C. Zoning and development benefits for the Greek portfolio under the latest legislation:

As previously reported on 12 June 2013, the Greek government, under a series of recent legislative changes, has passed laws favourable to so-called “Strategic Investments” and incentives including residence permits for the acquisition of real estate in the country.

- <u>Strategic Investments</u>
  - Strategic Investments are defined as investments in a series of sectors including tourism which exceed certain investment thresholds or create a predetermined amount of new jobs. All of the Company’s projects in Greece would, in principle, qualify under the criteria set out in the new legislation.
  - Under the Strategic Investments programme, each investment is considered on its own merit by a governmental committee and, if deemed to qualify, is granted favourable planning conditions and administrative assistance (“fast track”) in the entitlements and permitting process. Such favourable planning conditions include, amongst others, higher building coefficients, the development of residential real estate properties without the need to develop a hotel, preferential access and leasing terms of public beaches, and tax benefits and deferrals.
  - The Company has already applied for The Chedi & Jack Nicklaus Signature Golf Course to be included under the “Strategic Investments” legislation, improving its development plan and expected profitability and plans to submit applications for other projects in Greece.

- <u>Residence Visa</u>
  - To further stimulate economic recovery, the Greek state is offering foreign real estate buyers residence visas. The new law allows real estate purchasers or lessees from outside the EU, who purchase or lease real estate investing an amount in excess of €250,000, to be granted a long term residence visa.
  - Residence permits are valid for five years and are renewable, providing that the purchaser/lessee still holds their interests in the property acquired or leased.
  - Leveraging on this novel legislation, and following Aristo’s success in Cyprus in penetrating the Chinese market based on the similar Cyprus’ visa regulations for property buyers, Dolphin continues to proactively work alongside Aristo to promote awareness in the Chinese market about the opportunity and has already signed several agreements with Chinese agents and immigration offices for the Greek market. It is expected that this legislation will soon become a sales catalyst for Dolphin’s planned supply of its own or future joint venture properties.

D. Financial highlights:

- Total Group NAV as at 30 June 2013 was €613 million and €535 million before and after DITL respectively. This represents a decrease of €19 million (3.0%) and €18 million (3.3%), from the respective proforma 2013 first quarter figures (as *adjusted to reflect a Venus Rock valuation* *reduction to match the purchase price agreed with CGIG)*. The decrease is mainly due to a small valuation loss in the Aristo portfolio reflecting the on-going difficulties faced by the Cypriot economy, as well as to regular operating expenses offset by revaluation gains in in Playa Grande Club & Reserve, Pearl Island and Scorpio Bay resort during the period.

- Sterling NAV per share as at 30 June 2013 was 82p before and 71p after DITL. This represents a decrease of 1.7% and of 1.9% versus 83p and 73p respectively from the respective proforma 2013 first quarter figures. The effect of the above-mentioned factors was partially counterbalanced by 1.4% devaluation of sterling versus the Euro, during the period.
- The Company balance sheet remains robust:
  - Gross Assets of €869 million.
  - Total Debt of €178 million with a Group total debt to asset value ratio of 21%.
  - €50 million and US$9.17 million of convertible bonds are held at the Company level. The Company has provided corporate guarantees on the US$31million outstanding Playa Grande Convertible Bonds, and the US$19 million Playa Grande construction loan.

E. Strategic Focus

The strategic priorities of the Company are as follows:

1. Successfully complete all divestment negotiations currently underway and initiate new ones to further demonstrate the value of the portfolio.
2. Continue the sale of Amanzoe Villas.
3. Progress the development of the Aman Golf Resort and continue the sale of the Founder Aman Villas at Playa Grande.
4. Follow up on the completion of the Founders' phase infrastructure works and leisure facilities at Pearl Island, secure the financing and complete a JV agreement to develop the Ritz Carlton Reserve phase of the project.
5. Assist Aristo's management in increasing retail sales during the currently challenging period, allowing it to return to net cash generation, and use the funds following the completion of the Venus Rock sale to reduce leverage and distribute dividends to Dolphin.
6. Implement agreed sales and collect the future proceeds.
7. Pursue further NAV accretive, attractively-priced or distressed acquisitions in the eastern Mediterranean and the Americas.
8. Capitalize on the expertise of Zoniro and Aristo to expand the Company's portfolio and generate additional income.
9. Advance the zoning and permitting of Dolphin's other Major Projects, enabling the Company to sell them – either partially or wholly – at a profit, or develop them and realise their full cash return potential.

F. Appointment of Joint Broker:

The Company has appointed LCF Edmond de Rothschild Securities Limited (www.edmond-de-rothschild.co.uk) as joint broker to the Company, together with Dolphin's existing broker Panmure Gordon, to introduce new investors to the Company and work with DCI to increase trading liquidity in the Company's shares and reduce the persisting share price discount to NAV.

Commenting, Andreas N. Papageorghiou, Chairman of Dolphin's Board of Directors, said:

"Dolphin has been very active on all fronts, while maintaining a strong balance sheet. As global markets and our sector continue to improve, and as we bring more projects to market, we look forward to establishing a track record of delivering some of the world's best integrated residential resort developments and generating significant returns for our shareholders."

Miltos Kambourides, Founder of Dolphin and Managing Partner of Dolphin Capital Partners, added:

"The first half of 2013 has seen a continuation of the positive momentum we saw in the second half of 2012. We plan to build on this momentum to complete all on-going divestments and joint venture discussions, while moving ahead with the development of our key advanced projects to replicate the success of Amanzoe."

G. Conference call for analysts and investors

There will be a conference call at 9:00 a.m. UK time on 24 September 2013, which can be accessed using the following dial-in numbers:

UK dial in number:	+44 (0)20 3427 1903
Greece dial in number:	00800 128 800
Pass code:	9882612

For further information, please contact:

Dolphin Capital Partners	
Miltos E. Kambourides	miltos@dolphincp.com
Pierre A. Charalambides	pierre@dolphincp.com
Katerina G. Katopis	katerina@dolphincp.com
Eleni Florou	ef@dolphincp.com
Panmure Gordon	+44 (0) 20 7886 2500
(Joint Broker)	
Richard Gray / Dominic Morley / Andrew Potts	
LCF Edmond de Rothschild Securities	
(Joint Broker)	
William Marle	w.marle@lcfr.co.uk
John Denby	j.denby@lcfr.co.uk
Grant Thornton UK LLP	+44 (0) 20 7383 5100
(Nominated Adviser)	
Philip Secrett	
FTI Consulting, London	+44 (0)20 7831 3113
Stephanie Highett	dolphincapital@fticonsulting.com
Will Henderson	
Nick Taylor	

<u>Notes to Editors</u>

Dolphin (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 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^2 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 shareholding in Aristo Developers Ltd, the largest developer and private land owner in Cyprus.

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

** including Venus Rock*

H. Chairman's Statement

I am pleased to report Dolphin's half year results for the first half of 2013.

During the period, we made continued progress towards achieving our strategic priorities within a challenging, but constantly improving market.

I am delighted that the first full year of operations for Amanzoe, the first villa-integrated Aman resort in Europe and one of the most exclusive destinations in the Mediterranean, has been highly successful, with occupancy reaching almost 100% during the peak holiday period. The feedback we continue to receive both by clients and international publications is testament to the quality of our product.

So far during this year, the Company has pursued several divestments that have resulted in executing the Sale Agreement of Venus Rock Golf Resort and the non-binding agreements for the disposal of Pt. Kundu and for the sale of minority stakes in Amanzoe and The Chedi and Jack Nicklaus Signature Golf Course.

The legislative changes implemented during the past months by both the Greek and the Cypriot governments are expected to be beneficial for most of our projects due to their quality, size and potential impact on the local economy. The Chedi & the Jack Nicklaus Signature Golf Course is anticipated to be the first of our projects to be developed under the "Strategic Investment" legislation, granting favourable planning conditions and administrative assistance in the permitting process.

The acquisition of the remaining 40% stake in Plaka Bay Resort, as well as other opportunities we are currently exploring, are expected to enhance the NAV and profit potential of our portfolio.

The Company's NAV, before and after DITL, as at 30 June 2013 is reported at €613 million and €535 million, respectively, and the NAV per share before and after DITL in Euro terms was €0.95 and €0.83 respectively, representing a 13.5% and 15.7% decrease from 31 December 2012. This drop was driven principally by the reduction in the value of the Venus Rock project whose fair value has been adjusted to reflect the purchase price agreed with CGIG. The Venus Rock valuation adjustment resulted to a decrease in NAV before and after DITL by €66 million (9.3%) and €60 million (9.4%) respectively from 31 December 2012.

In addition to the Venus Rock sale impact, underlying NAV predominantly decreased due to a valuation discount in the Aristo portfolio in the aftermath of the March 2013 Cyprus' banking crisis as well as to regular operating expenses offset by revaluation gains in Playa Grande Club & Reserve, Pearl Island and Scorpio Bay resort during the period.

As Dolphin's real estate portfolio continues to mature, we remain confident in the Company's ability to take advantage of improved market conditions to generate significant future returns for shareholders.

Andreas N. Papageorghiou
Chairman
Dolphin Capital Investors Limited
24 September 2013

I. Investment Manager's Report

The prime focus of our team for 2013 remains to achieve progress in all stages of development of our portfolio (ranging from permitting to construction and sales) and secondarily to grow the Company through new investments and joint ventures.

Amanzoe's first full year of operations, remains in line with its budget and is expected to result in a positive net operating profit (before depreciation and debt service). The resort continues to serve as a showcase of Dolphin's development capabilities, profit potential and vision. Amanzoe will again be the venue of this year's DCI Investor Conference, which will take place on 30 September to 1 October 2013.

Sales activity has continued to gain momentum in recent months, with a number of potential transactions under negotiation, collectively at a premium to reported NAV, while the Company executed the acquisition of the remaining 40% of the shares in the Plaka Bay project and is currently in negotiations for some additional NAV accretive investments that would further strengthen and diversify our portfolio.

I.1. Updated Portfolio characteristics and cash generation potential

Cash Generation Potential of the Dolphin portfolio:

Following the sales and new investments achieved during the period, the forecast cash generation potential of Dolphin's real estate portfolio has been updated accordingly. The main changes in the forecast, from what was previously communicated by the Company, reflect the conditional sale of Venus Rock and the acquisition of the remaining 40% of Plaka Bay.

The Advanced Projects, excluding Venus Rock following its recent sale to CGIG, are spread over 2,623 hectares of land, of which 224 hectares represent the first phases of these developments. The total unsold residential capacity of these projects is approximately 360,000 buildable m^2, of which circa 80,000 m^2 are planned for their first phases. In addition to the built product and leisure facilities, the three Advanced Projects have the potential to sell over 3.4 million m^2 of land in the form of land plots.

The sale of the Venus Rock project is expected, as reported on 20 May 2013, to generate dividends to Dolphin ranging from €30 to €40 million, with the largest part of the respective consideration to be used to further deleverage the Aristo Group.

The plans for the first phases of the Advanced Projects include the development of 4 luxury hotels such as the first Aman residential resort in Europe (Amanzoe), the first Aman golf-integrated resort worldwide (Playa Grande), the first Nikki Beach resort in the eastern Mediterranean, and the first Ritz Carlton Reserve resort in Central America (Pearl Island); as well as a golf course in Playa Grande designed by Robert Trent Jones, Senior and renovated by his son Rees Jones.

As summarised in the table further below, the Investment Manager estimates that the Advanced Projects alone have the potential to generate for Dolphin the following returns:

- More than €390 million of net cash returns or circa 53p per share, from the development and sale of their first phases alone (which represents circa 32% of their estimated total profitability) over an average period of approximately six years.
- Over €1.2 billion of cash, or circa 163p per share, through dividends, the development and sale of all their planned residential units and retail land plots and the sales and operational profits of their leisure components (hotels, golf courses, marinas etc) over an estimated period of 12 years (2013-2025).

Dolphin's remaining portfolio includes:

- Ten major leisure-integrated residential resort projects, spread over 2,160 hectares of land on which it is conservatively expected to build and sell c. 662,000 residential buildable m^2, representing only a c. 3% building coefficient. These projects are expected to further increase in value as they complete their permitting and design phase and reach Advanced Project status.
- The Investment Manager estimates their cash generation potential to be in excess of €1.29 billion, or circa 172p per share, spread over the next 12 years.
- Residual developable land, as under the current plans not all the land of the Major Projects will be developed in the next 12 years. Such land is estimated to have a residual building coefficient of circa 1.45 million buildable m^2 and a future value of circa €1.16 billion (based on an estimated average value of €800 per buildable m^2).
- Aristo Developers, the largest developer and private land owner in Cyprus, which currently has c. 70,000 buildable m^2 of residential product in stock or under construction and c. 315,000 land m^2 in the form of readily available land plots with a total listed sales potential of over €90 million. In addition, Aristo holds an additional vast portfolio of land assets with the potential to sell over 676,000 residential buildable m^2 once fully developed. Dolphin retains a strategic 49.8% shareholding in Aristo. The Investment Manager estimates that, upon market recovery, Aristo could generate dividends of c. €15 million per year to Dolphin and, conservatively, has not increased this dividend generation estimate following the expected deleveraging of Aristo post the CGIG transaction.

Based on the above, the Investment Manager estimates Dolphin's total portfolio cash generation potential to be in approximately €4 billion, or c. 527p per share, over the next 12 years. This cash generation estimate is summarised in the following table:

	Residential Units		Land Plots	Leisure			
(€ million)	**Sales**	**Costs**	**Sales**	**Leisure Net Operating Income**	**Leisure Terminal Values**	**Leisure Construction Costs**	**Project Cash**
Advanced Projects							
The Porto Heli Collection	**100%**						
First phase	199	78	23	35	74	38	214
Other phases	536	194	-				342
	735	**272**	**23**	**35**	**74**	**38**	**555**
Venus Rock	-	-	-	-	-	-	**35**
Playa Grande	**100%**						
First phase	163	81	1	11	37	28	105
Other phases	272	145	163				290
	436	**226**	**165**	**11**	**37**	**28**	**395**
Pearl Island	**60%**						
First phase	53	28	-	9	15	7	41
Other phases	361	239	77				199
	414	**267**	**77**	**9**	**15**	**7**	**240**
TOTAL	**1,584**	**766**	**264**	**54**	**126**	**73**	**1,226**
Major Projects & Aristo							
Greece	**1,954**	**994**	**-**	**-**	**-**	**-**	**960**
Triopetra	44	23	-	-	-	-	21
AmanKea	187	76	-	-	-	-	111
Plaka Bay Resort	315	160	-	-	-	-	155
Scorpio Bay Resort	306	146	-	-	-	-	159
Sitia Bay Resort	560	276	-	-	-	-	284
Lavender Bay Resort	454	261	-	-	-	-	193
Douneika	78	47	-	-	-	-	31
Syros	10	5	-	-	-	-	5
Cyprus	**495**	**258**	**-**	**-**	**-**	**-**	**237**
Eagle Pine Golf Resort	164	78	-	-	-	-	86
Apollo Heights Polo Resort	330	180	-	-	-	-	150
Turkey	**80**	**31**	**-**	**-**	**-**	**-**	**49**
Mediterra	80	31	-	-	-	-	49
Croatia	**143**	**95**	**-**	**-**	**-**	**-**	**48**
Livka	143	95	-	-	-	-	48
TOTAL	**2,671**	**1,378**	**-**	**-**	**-**	**-**	**1,293**
Residual Land Value	1,163	-	-	-	-	-	1,163
Aristo Developers (49.8%)							
Dividends and Terminal Value	-	-	-	-	-	-	276
PORTFOLIO GRAND TOTAL	**5,419**	**2,144**	**264**	**54**	**126**	**73**	**3,958**

Basic Assumptions

- *All cost assumptions cover future development, marketing, sales, branding and agency costs and do not include already incurred expenses for land acquisition and development.*
- *Only the expected dividends from the sale of Venus Rock are taken into consideration.*
- *The above cash returns are before deducting annual management and performance fees at the DCI level.*
- *For the Other Phases of the Advanced Projects and for the Major Projects, the above cash returns do not include financing costs.*
- *The anticipated impact on the projects' profitability from the new legislation enforced by the Greek and Cypriot governments and the preliminary JVs and sales agreements, were not taken into account.*
- *No inflation adjustments have been made.*

- *Cash returns are calculated on a before corporate income tax basis. Actual taxes would depend on the jurisdiction of each project and the structure of each specific sale transaction.*
- *Residential units are assumed to be developed on a "sell and build basis", apart from minor investments in "show" units.*
- *No interim project exits have been assumed.*
- *Dividends are assumed to be distributed upon Aristo achieving significant positive cashflows from 2015 onwards and are assumed to stabilize at €30 million (for 100%). The Aristo Terminal Value is calculated at 8_X on its estimated annual dividends. These dividends exclude the financial returns from Eagle Pine.*
- *Net Operating Income is calculated over a period ranging from 6 to 10 years depending on the project. The sale of the Leisure components ("Leisure Sales") assumes that the hotels, golf courses and other leisure components are sold in years 6 to 10 at a multiple to their NOI ranging from 8_X to 10_X.*
- *All statements are based on future expectations rather than on historical facts and are forward looking statements that involve a number of assumptions, risks and uncertainties. The Company and the Investment Manager cannot give any assurance that such statements will prove to be correct. Any forward looking statements made by or on behalf of the Company are made only on a best estimate basis as of the date they are made and they do not constitute future earnings, revenues or profits forecasts or guidance. Neither the Company nor the Investment Manager undertake to update forward looking statements to reflect any changes in expectations, events, conditions or circumstances upon which such statements are made.*

I.2. Advanced Projects development update

1. The Porto Heli Collection, Greece

Website: www.portohelicollection.com

Area Size: 347 hectares

Composition: First Phase

- Amanzoe, a 38-pavilion hotel and spa designed by Ed Tuttle, opened in August 2012
- The Aman Beach Club, opened in August 2012
- The Aman Villas, serviced by the Aman hotel
- The Nikki Beach Resort & Spa at Porto Heli, which will include hotel suites as well as apartments for sale
- The Seafront Villas

Other Phases (including, but not limited to)

- The Chedi with 102 hotel rooms, spa, 40 club suites and 60 residences
- Jack Nicklaus Signature Golf Course
- Golf clubhouse, c. 260 golf residences and 100 Hillside Residences
- Equestrian centre, tennis academy, kids' club, beach club.

Progress within 2013:

Amanzoe's financial performance in 2013 (the first full year of operations) is in line with its budget and is expected to result in a positive net operating income (before depreciation and debt service).

Many prestigious guests have enjoyed the facilities and services of Amanzoe during the period, with occupancy almost reaching 100% during the key holiday months, while the hotel is serving as the perfect platform to showcase the potential of the Company's portfolio.

Amanzoe clientele comes predominantly from the UK, the USA and Germany, followed by other Central and Northern European countries and Russia. The average length of stay in the popular summer months was five nights and the most sought after rooms were those in the most expensive price category of €1,400 per night.

Reviews for the hotel by guests and industry experts continue to be exceptional. The Russian and the American Robb Report magazines included it in the Best of the Best Resorts 2013 while the French AD magazine published a 9-page article on Amanzoe "Gréce: Les Domaine Des Dieux". Travel & Leisure included Amanresorts in its World's Best Awards 2013 in "The Top 5 Hotel Brands". The same publication included it in the 2013 It List, as well as in its compilation of the 100 unique places to visit in the world. Conde Nast publications like GQ, House & Garden, Vogue and Tatler have also written articles on Amanzoe as "the place to be". The Swedish Connoisseur magazine included it in the list of the Best of the Best Hotels of 2013, and Russian Elle featured a positive article on the resort and Aman Villas. Last but not least the American Harper's Bazaar magazine presented Amanzoe as the perfect point for island hopping in Greece.

Based on the success of the first year of operation, and positive reviews, it was decided that an additional four guest pavilions will be constructed adjacent to the Amanzoe Beach Club. These four pavilions will have direct beach access and are expected to enjoy a premium room rate compared to the existing hilltop Amanzoe pavilions. Works shall commence within November 2013 after the Beach Club closes for the winter season and, once completed, should further enhance the Amanzoe luxury offering for next season.

Continuing interest in Aman villas is being witnessed from potential buyers who have experienced Amanzoe and a number of Amanzoe villa plots are currently under negotiation with prospective buyers.

Villa owners and potential buyers are predominantly Western Europeans, or high net worth individuals with ties to Greece, either through descent or marriage. The majority of them are familiar with Amanresorts, and some already have a property at another Amanresort around the world.

The first two Aman villas were added to the Amanzoe rental programme in July, while three more are currently under construction, and due for completion before the next summer season. The design for a further three villas has been concluded and construction is expected to begin in autumn 2013. As these villas are expected to be included in the hotel rental pool based on indications from the villa buyers, there will be an additional 24 rooms for the 2014 summer season, and a further addition of 15 rooms in 2015, bringing the total available rooms at Amanzoe, including the current 38 hotel rooms, and the upcoming four beach front rooms, to 81 rooms for the 2015 season.

A €13.7 million turn-key construction contract was signed on 13 February 2013, between the owners of the Nikki Beach company (75% Swiss Development Group, 25% DCI) and Zoniro Greece. Construction commenced in December 2012 and is progressing on time and on budget, with completion due prior to the 2014 summer season. The mock-up room was completed and reviewed by the operator and project architect on 30 July 2013.

In addition, Dolphin applied on 24 July 2013 for The Chedi & Jack Nicklaus Signature Golf Course to fall under the "Strategic Investments" legislation, improving its development plan and expected profitability. Under the Strategic Investment legislation, it is possible to apply for an additional 130 residential units without the requirement of a second hotel on the golf course.

The development of Seafront Villas is also progressing. The design for completing the construction of two of the eight villa shells sold last year has progressed and works are expected to begin in autumn 2013, while the construction of the remaining six villas will commence gradually as per the agreed payment instalments. Zoniro Greece will be handling both the design and construction management of the first two villas on behalf of the owners.

2. Playa Grande Club & Reserve, Dominican Republic

Website: www.playagrande.com

Area size: Approximately 11km of seafront, spread over approximately 950 hectares of land

Composition: First Phase

- A 30-room Aman Hotel designed by John Heah (the first Aman Resort in the Dominican Republic and the first Aman golf-integrated resort in the world)
- The Playa Grande Aman Beach Club
- A new Golf Club House, fitness, spa and tennis facilities
- 37 Aman Villas serviced by the Aman Hotel
- The renovation of the existing, legendary Robert Trent Jones, Snr. Golf Course based on new designs by his son Rees Jones

Other Phases (including, but not limited to)

- Approximately 400 additional residential units (beachfront, hill-top and cliff villas)
- Tennis, spa, beach and equestrian clubs.

Progress within 2013:

The renovation of the back nine holes of the Robert Trent Jones Snr. Golf course is progressing according to plan and budget and is due to be completed by the end of the year, at which time the renovation of the front nine holes will begin to ensure nine holes are always available for play. The construction of the Aman hotel infrastructure is also almost complete and the construction of the first Aman hotel mock-up pavilion has commenced in late July 2013 and is due for completion in December 2013.

The project has drawn down US$4.9 million pursuant to its US$19 million debt facility agreements with a syndicate of three regional banks, to finance the construction of the Aman Golf Resort. This facility is the first loan in the Dominican Republic provided to a luxury resort development since the financial crisis of 2008, underlining the reputation of Dolphin as a financial sponsor and developer of luxury resorts.

One reservation agreement and one final purchase contract have been executed for the sale of two Aman Villas in the Playa Grande project, both with New York based purchasers. This is an important milestone in the development of the Aman phase of the Playa Grande project and more sales are expected in coming months as the construction of the Aman Golf phase progresses and word of mouth spreads.

The masterplan for the second phase of the project has also been finalised in cooperation with Hart Howerton architects of New York. That phase includes the second sandy beach of the project, has a total coastline of 1.6km and is planned to be developed into a luxury residential community of approximately 65 residential units with its own beach club, spa and services, further establishing the destination. That second phase of the project is expected to generate a higher return on incremental investment due to the limited capital expenditure needed to realise residential sales.

3. Pearl Island, Panama

Website: www.pearlisland.com

Area size: 1,440 hectares with a total seafront of 30km and 14 private sandy beaches

Composition: Founders Phase (7% of the island) – sold

- Beach club, spa and other leisure facilities
- A 40-berth and 30 dry-dock marina
- Approximately 200 residential units (villas and plots)
- Private landing strip

First Phase - Ritz Calrton Reserve (3% of the island)

- 80-key Ritz Carlton Reserve hotel with beach club and related amenities
- Approximately 80 branded residential units

Other Phases (90% of the island)

- Development potential for over 425,000m^2 of buildable residential space or approximately 945 residential units and lots for sale
- Up to four additional luxury 5-star hotels
- Marina with up to 500 berths and retail facilities
- Recreational and sports facilities, including scuba diving, whale watching, fishing, over 40 kilometres of natural biking and hiking trails and an equestrian centre
- International airport.

Progress within 2013:

Pearl Island has finalised the management agreements with Ritz Carlton and is advancing the designs of an 80-room Ritz Carlton Reserve hotel, to be developed on one of the island's 14 private sandy beaches over a land parcel of approximately 50 hectares. The public launch of the project to be attended by the President of Ritz Carlton and presented to the international press will take place in Panama City on 8 October.

To finance the development of the Ritz Carlton Reserve hotel, a term sheet of US$20 million term sheet has been obtained from a regional bank and financing terms are being finalized. The project is also in discussions with regional investor groups for the joint equity funding of the development.

The investor group that acquired the Founders' Phase continues to progress the development of the airport, marina, infrastructure, roads, beach club and other facilities in accordance with its commitment to invest US$35 million into the island. The first 1km of the runway has been completed to enable the landing of smaller planes and that will be expanded to 1.5km to enable direct access to island from all major cities in the region (Panama and Colombia) with business jets. The sales of villas and condominiums of that phase continue apace, clearly establishing Pearl Island as a luxury destination, and the construction of the first villas and condominium neighbourhoods has been initiated.

On 17 September 2013, Dolphin collected US$3 million (minus withholding taxes) as the second and final deferred cash payment for the sale of the Founders phase.

I3. Aristo Developers (www.aristodevelopers.com)

During the eight month period ending August 2013, Aristo's sales performance was heavily affected by the impact of the Eurogroup decisions on Cyprus. The country's ensuing banking crisis and capital restrictions created a credibility issue, and that, inevitably, affected potential buyers.

Consequently real estate market activity has significantly slowed down with: the Cypriots having suffered a great impact on their savings and purchasing power, the English client base continuing to be inactive, the Russian customers facing difficulties to secure financing locally given the banking problems on the island, and the Chinese buyers (who strongly supported the market in 2012) deferring their buying decisions until there is more clarity on the overall situation. Nevertheless, it is worth noting that the buyers were interested in more high-end properties during the period.

Despite the current challenges, positive signs seem to be emerging on an institutional level following a number of measures and incentives implemented by the Cypriot Government in an effort to offset the negative effects of the banking crisis. These include:

- significant favourable tax and labour reforms
- development incentives announced in relation to the 50% increase in residential building capacity for golf integrated resorts
- the award of increased building coefficient by 20% in certain tourist zones for large-scale properties and developments; and
- the anticipated agreement between the Cypriot Government and the Sovereign Base Areas ("SBA") to allow the zoning and the urban development of land within the limits of the SBA.

Such measures have begun attracting international interest for large-scale investments, especially in the tourism infrastructure sectors. Additionally, the banking system has finally been stabilised and restructured, with Bank of Cyprus, the island's main bank, implementing a new shareholders structure and appointing a new governing Board. This is seen as the beginning of the restoration of faith and trust in the banking sector on the island.

Sales performance

In the first eight months of 2013, Aristo generated €21.9 million of sales, 7% lower than the corresponding period of 2012, with Chinese buyers representing over 80%, Russians 14%, and others c. 6% of sales.

Although demand significantly decreased leading to a 40% drop in unit sales, its effect was partially offset by the 30% increase in the average sale price per m^2 in the units sold, which denotes the sale of more high-end properties as a result of the favourable visa legislation recently enacted in Cyprus. Although the company's sales have benefited from the introduction of the legislation in question, the fact that 80% of Aristo 2013 sales are to Chinese buyers shows a significant weakness from other geographical markets, with the local Cypriot buyers notably accounting for only 0.5% of gross sales revenues (a 97% reduction from last year), and creates a concentration risk for Aristo's business which has become extremely reliant on the Chinese market.

	Eight months to 31/08/2013	**Eight months to 31/08/2012**
RETAIL SALES RESULTS		
New sales booked	**21,927,324**	23,492,213

% change	-7%	
Average selling price per m^2 (% change)	30%	
Units sold	**63**	105
% change	-40%	
CLIENT ORIGIN		
China	**80.2%**	21.9%
Russia	**14.4%**	37.2%
Other overseas	**2.7%**	19.5%
UK	**2.2%**	4.7%
Cyprus	**0.5%**	16.7%

I4. Market Dynamics

The 2013 UNWTO World Tourism Barometer reports that tourism demand exceeded expectations in the first half of 2013 and international tourist arrivals grew by 5% during the first half of 2013 compared to the same period of 2012, reaching almost 500 million.

In general, the most important observations, for the countries we are invested in, are as follows:

- Tourist arrivals in Greece from January to August 2013 increased by almost 10% based on the preliminary results issued by the country's main airports. It is expected that, once the figures are final, including all means of transport to the country, tourist arrivals will reach a historic high of almost 17.5 million.
- In Cyprus, tourist arrivals for the period January to August 2013 recorded a decrease of 5% compared to the same period last year.
- In Turkey, the number of foreign visitors is growing albeit at a slower than expected pace due to mainly the impact of anti-government protests and unrest in the region.
- Tourist arrivals in Panama for the period January to August 2013 grew by approximately 5% compared to the same period of 2012. The country's GDP is forecast to grow by 7.5% for 2013.
- The number of tourists visiting the Dominican Republic for the period January to June 2013 is up by 5% while the country's GDP is projected to grow by 7.5% in 2013.

For Dolphin, the growth in the number of high and ultra-high net worth individuals ("UHNWI", referring to people with personal wealth of over US$30 million) is the most significant figure, since this group of people constitutes the potential buyers of our high-end real estate products. As the data in the Wealth-X & UBS World Ultra Wealth Report (www.wealthx.com/wealthxubswealthreport) shows, while much economic uncertainty remains around the world, UHNWIs have continued to outperform the global economy, reaching all-time highs in terms of their wealth and population in 2013. There are now c. 200,000 UHNWIs across the world, an increase of 6.3% since 2012, with a combined wealth of US$27.8 trillion and with a desire to differentiate themselves in terms of lifestyle choices.

Miltos Kambourides
Managing Partner

Dolphin Capital Partners
24 September 2013

Pierre Charalambides
Founding Partner

Dolphin Capital Partners
24 September 2013

J. The Portfolio

A summary of Dolphin's current investments, excluding Venus Rock, is presented below. As of 31 August 2013, the net invested amount is €521 million.

	Project	**Land site (hectares)**	**DCI's stake**	**Investment Cost * (€ million)**	**Debt (€ million)**	**Real Estate Value (€ million)**	**Loan to real estate asset value (%)**
	ADVANCED PROJECTS						
1	The Porto Heli Collection	343		167	38		
	Amanzoe	96	86%	72	38		
	The Nikki Beach Resort & Spa at Porto Heli	1	25%	4	-		
	The Chedi and Jack Nicklaus Signature Golf Course	246	100%	91	-		
2	Playa Grande Club & Reserve	950	100%	70	14		
3	Pearl Island	1,440	60%	28	-		
	TOTAL	**2,733**		**265**	**52**	**351**	**15%**
	MAJOR PROJECTS						
4	Sitia Bay Golf Resort	280	78%	16			
5	Kea Resort	65	67%	9			
6	Scorpio Bay Resort	172	100%	14			
7	Lavender Bay Resort	310	100%	24			
8	Plaka Bay Resort	440	100%	10			
9	Triopetra	11	100%	4			
10	Livka Bay Resort	63	100%	25	10		
11	Apollo Heights Polo Resort	461	100%	15	20		
12	Eagle Pine Golf Resort-Aristo	319	50%	18			
13	Mediterra Resorts	12	100%	31	5		
	Port Kundu	*4*	*100%*	*16*	*2*		
	La Vanta	*8*	*100%*	*15*	*4*		
14	Zoniro Greece	27	100%	2	11		
	TOTAL	**2,160**		**168**	**46**	**272**	**17%**
	ARISTO CYPRUS*	**392**	**50%**	**86**	**-**	**75**	**0%**
15	**Itacare Investment**	n/a	10%	2	-	7**	
16	**DCI Corporate Bonds**	n/a	n/a	n/a	81	-	
	GRAND TOTAL	**5,285**		**521**	**178**	**705**	**25%**

	Project	Land size (hectares)	Investment Cost * (€ million)	Debt*** (€ million)	Real Estate Value (€ million)	% Loan to real estate asset value	Net Asset Value
1	Greece	1,648	246	49	367	13%	48%
2	Cyprus	1,172	118	20	135	15%	31%
3	Croatia & Turkey	75	56	15	57	26%	8%
4	Americas	2,390	101	14	146	10%	14%
	Grand Total	**5,285**	**521**	**98**	**705**	**14%**	**100%**

*Including amounts paid in shares.

**Share of 30 June 2013 NAV as reported by Itacare.

***Not including DCI Corporate Bonds.

Exits

	Land site (hectares)	Dolphin stake sold	Dolphin original investment (€m)	Dolphin exit proceeds (€m)	Dolphin return on investment (times)
Tsilivi – Aristo	11	100%	2	7	3.50x
Amanmila	210	100%	2.8	5.4	1.90x
Kea	65	33%	4	4.1	1.00x
Seafront Villas	3.6	100%	9	14	1.52x
Kings' Avenue Mall	4	100%	11	15	1.36x
Aristo Developers Ltd	1,351	50%	208	375.5	1.80x
The Nikki Beach Resort & Spa at Porto Heli	1	75%	4	6.9	1.83x
Pearl Island Founders phase	106	100%	6	10.6	1.73x
Venus Rock*	1,000	50%	83	144**	1.73x
TOTAL	**2,752**		**330**	**582**	**1.7x**

** Dolphin's share of sales proceeds, assuming the Venus Rock transaction is duly completed*

*** Includes the fixed consideration of €241 million and the conditional deferred consideration of €48.5 million*

Finance Director's Report

Net Asset Value ('NAV')

The reported NAV as at 30 June 2013 is presented below:

			Variation since 31 December 2012		Variation since 31 December 2012 (*proforma*)[1]	
	€	**£**	**€**	**£**	**€**	**£**
Total NAV before DITL (millions)	613	524	(13.5%)	(9.5%)	(4.6%)	(0.2%)
Total NAV after DITL (millions)	535	458	(15.7%)	(11.9%)	(7.0%)	(2.7%)
NAV per share before DITL	0.95	0.82	(13.5%)	(9.5%)	(4.6%)	(0.2%)
NAV per share after DITL	0.83	0.71	(15.7%)	(11.9%)	(7.0%)	(2.7%)

Notes:

1. *Total NAV variation percentages have been calculated using the proforma consolidated balance sheet as at 31 December 2012 (adjusted to reflect a Venus Rock fair value equal to the sales price agreed with CGIG)*
2. *Euro/GBP rate 0.81737 as at 31 December 2012 and 0.85482 as at 30 June 2013.*
3. *Euro/USD rate 1.3215 as at 31 December 2012 and 1.3007 as at 30 June 2013.*
4. *NAV per share has been calculated on the basis of 642,440,167 issued shares as at 31 December 2012 and as at 30 June 2013.*
5. *NAV before DITL include the 49.8% DITL of Aristo.*

Total Group NAV as at 30 June 2013 was €613 million and €535 million before and after DITL respectively. This represents a decrease of €96 million (13.5%) and €100 million (15.7%), respectively, from 31 December 2012. The decrease is mainly due to the reduction in the value of the Venus Rock project whose fair value has been adjusted to reflect the purchase price agreed with CGIG. The effect of the VR sale price adjustment was a decrease on NAV before and after DITL by €66 million (9.3%) and €60 million (9.4%) respectively from 31 December 2012.

In addition to the VR Sale impact, underlying NAV predominantly decreased due to the reductions in property valuations in Cyprus to reflect the on-going difficulties faced by the Cypriot economy in the aftermath of the March banking crisis, as well as regular Company operational, corporate and management expenses. These decreases were, however, partially offset by revaluation gains in Playa Grande Club & Reserve, Pearl Island and Scorpio Bay resort during the period. NAV after DITL further decreased due to the increase of income tax rates in Greece and Cyprus.

Sterling NAV per share before DITL decreased in the six month period ended 30 June 2013 by 9.5% as the effect of the reasons mentioned above was partially counterbalanced by c. 4.5% devaluation of sterling versus the Euro, during the period.

The reduction in the NAV after DITL resulted in an accounting loss of €103 million, for the six-month period ended 30 June 2013 implying a loss per share of €0.16.

The 30 June 2013 reported NAV is primarily based on new valuations conducted by Colliers International for Playa Grande Club & Reserve and Pearl Island. In April 2013 Colliers International has decided to terminate its local presence in the Greek and Cyprus markets and closed down its Athens office valuation department. As a result, the Company has appointed American Appraisal (www.american-appraisal.com), to conduct valuations on the Scorpio Bay resort and the Aristo Cyprus portfolio.

The next full portfolio valuation will be as at 31 December 2013.

Financial position

Pro Forma Condensed Interim consolidated statement of financial position

	30 June 2013 €' 000	**31 December 2012 €' 000**	**Proforma 31 December 2012* €' 000**
Assets			
Real estate assets (investment and trading properties)	599,809	579,609	579,609
Equity accounted investees	201,706**	285,560**	219,392**
Other assets	47,719	50,046	50,046
Cash and cash equivalents	42,709	22,181	22,181
Total Assets	**891,943**	**937,396**	**871,228**
Equity			
Equity attributable to Dolphin shareholders before DITL	613,072**	708,600**	642,432**
Non-controlling interest	32,421	32,293	32,293
Total equity	645,493	740,893	674,725
Liabilities			
Interest-bearing loans and finance lease obligations	186,481	140,351	140,351
Other liabilities	59,969	56,152	56,152
Total liabilities	246,450	196,503	196,503
Total equity and liabilities	**891,943**	**937,396**	**871,228**

**Consolidated statement of financial position has been adjusted to reflect Venus Rock sale's price*
***Amounts include the 49.8% DITL of Aristo*

The Company's NAV before DITL, after deducting from total consolidated assets, non-controlling interests of €32 million, other liabilities of €60 million and total debt of €186 million is set at €613 million as at 30 June 2013.

The Company's consolidated assets total €892 million and include €600 million of real estate assets, €202 million of investments in equity accounted investees, €90 million of other assets and cash. The €600 million figure represents the fair market valuation of Dolphin's real estate portfolio (both freehold and leasehold interests) as at 30 June 2013, assuming 100% ownership. The €202 million figure represents the 49.8% investment in Aristo and the 25% stake in Nikki Beach. The €48 million of other assets comprise mainly €12 million of VAT receivable, €4 million of deferred income tax assets and €16 million other receivables from customers and JV partners.

The Company's consolidated liabilities total €246 million and comprise €60 million of other liabilities as well as €186 million of interest-bearing loans and finance lease obligations, out of which €50 million and US$9.17 million convertible bonds are held at Company level. The remaining loans are held by Group subsidiaries and are non-recourse to Dolphin (except for the Playa Grande convertible Bond and the US$19 million Playa Grande construction loan which are guaranteed by the Company). The €60 million of other payables comprise mainly €24 million of option contracts to acquire land.

The consolidated interim financial statements have been reviewed by KPMG.

Panos Katsavos
Finance Director
Dolphin Capital Partners
24 September 2013

Condensed consolidated interim statement of comprehensive income

For the six-month period ended 30 June 2013

	Note	From 1 January 2013 to 30 June 2013 €'000	From 1 January 2012 to 30 June 2012 €'000
CONTINUING OPERATIONS			
Valuation gain/(loss) on investment property	9	7,722	(2,812)
Impairment loss on trading properties	11	(790)	(2,570)
Share of losses on equity accounted investees	12	(79,290)	(56)
Other operating profits		4,365	3,938
Total operating losses		**(67,993)**	**(1,500)**
Investment Manager fees	21.2	(6,890)	(8,970)
Professional fees		(6,475)	(3,131)
Other expenses		(7,172)	(12,274)
Total operating and other expenses		**(20,537)**	**(24,375)**
Results from operating activities		**(88,530)**	**(25,875)**
Finance income		521	2,167
Finance costs		(7,419)	(15,235)
Net finance costs		**(6,898)**	**(13,068)**
Gain on disposal of investment in subsidiaries	22	-	44,668
Impairment loss on property, plant and equipment		-	(18,302)
Total non-operating profits		**-**	**26,366**
Loss before taxation		**(95,428)**	**(12,577)**
Taxation	7	(7,909)	1,743
Loss for the period		**(103,337)**	**(10,834)**
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss:			
Share of revaluation on equity accounted investees	12	(112)	-
Revaluation of property, plant and equipment	10	1,965	(317)
Tax on items that will never be reclassified to profit or loss	18	(207)	54
		1,646	(263)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		1,741	2,513
Other comprehensive income for the period, net of tax		**3,387**	**2,250**
Total comprehensive income for the period		**(99,950)**	**(8,584)**
Loss attributable to:			
Owners of the Company		(103,450)	(9,074)
Non-controlling interests		113	(1,760)
Loss for the period		**(103,337)**	**(10,834)**
Total comprehensive income attributable to:			
Owners of the Company		(100,078)	(7,519)
Non-controlling interests		128	(1,065)
Total comprehensive income for the period		**(99,950)**	**(8,584)**
LOSS PER SHARE			
Basic and diluted loss per share (€)	8	**(0.16)**	**(0.01)**

Condensed consolidated interim statement of financial position

As at 30 June 2013

	Note	30 June 2013 €'000	31 December 2012 €'000
ASSETS			
Investment property	9	425,123	422,204
Property, plant and equipment	10	132,700	118,672
Equity accounted investees	12	178,494	257,896
Deferred tax assets	18	4,040	3,384
Other non-current assets		4,564	5,161
Total non-current assets		**744,921**	**807,317**
Trading properties	11	41,986	38,732
Receivables and other assets	13	39,115	41,500
Cash and cash equivalents	14	42,709	22,181
Total current assets		**123,810**	**102,413**
Total assets		**868,731**	**909,730**
EQUITY			
Share capital	15	6,424	6,424
Share premium	15	498,933	498,933
Reserves		13,388	10,016
Retained earnings		16,658	120,108
Total equity attributable to owners of the Company		**535,403**	**635,481**
Non-controlling interests		32,421	32,293
Total equity		**567,824**	**667,774**
LIABILITIES			
Loans and borrowings	16	160,780	96,435
Finance lease obligations	17	7,903	8,114
Deferred tax liabilities	18	54,456	45,454
Other non-current liabilities		17,128	16,973
Total non-current liabilities		**240,267**	**166,976**
Loans and borrowings	16	17,373	35,363
Finance lease obligations	17	425	440
Trade and other payables	19	42,811	39,083
Current tax liabilities		31	94
Total current liabilities		**60,640**	**74,980**
Total liabilities		**300,907**	**241,956**
Total equity and liabilities		**868,731**	**909,730**
Net asset value per share (€)	20	**0.83**	**0.99**
Diluted net asset value per share (€)	20	**0.83**	**0.99**

Condensed consolidated interim statement of changes in equity

For the six-month period ended 30 June 2013

	Attributable to owners of the Company								
	Share capital €'000	Share premium €'000	Translation reserve €'000	Revaluation reserve €'000	Reserve for own shares €'000	Retained earnings €'000	Total €'000	Non-controlling interests €'000	Total equity €'000
Balance at 1 January 2012	**6,650**	**825,671**	**1,486**	**474**	**-**	**161,414**	**995,695**	**35,955**	**1,031,650**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD									
Loss for the period	-	-	-	-	-	(9,074)	(9,074)	(1,760)	(10,834)
Other comprehensive income									
Foreign currency translation differences	-	-	1,818	-	-	-	1,818	695	2,513
Revaluation of property, plant and equipment, net of tax	-	-	-	(263)	-	-	(263)	-	(263)
Transfer of net revaluation gain on property due to disposal	-	-	-	(93)	-	93	-	-	-
Total other comprehensive income	-	-	1,818	(356)	-	93	1,555	695	2,250
Total comprehensive income for the period	**-**	**-**	**1,818**	**(356)**	**-**	**(8,981)**	**(7,519)**	**(1,065)**	**(8,584)**
TRANSACTIONS WITH OWNERS OF THE COMPANY, RECOGNISED DIRECTLY IN EQUITY									
Contributions by and distributions to owners of the Company									
Own shares acquired	-	-	-	-	(375,303)	-	(375,303)	-	(375,303)
Non-controlling interests on capital increases of subsidiaries	-	-	-	-	-	-	-	953	953
Total contributions by and distributions to owners of the Company	-	-	-	-	(375,303)	-	(375,303)	953	(374,350)
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**(375,303)**	**-**	**(375,303)**	**953**	**(374,350)**
Balance at 30 June 2012	**6,650**	**825,671**	**3,304**	**118**	**(375,303)**	**152,433**	**612,873**	**35,843**	**648,716**
Balance at 1 January 2013	**6,424**	**498,933**	**1,483**	**8,533**	**-**	**120,108**	**635,481**	**32,293**	**667,774**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD									
Loss for the period	-	-	-	-	-	(103,450)	(103,450)	113	(103,337)
Other comprehensive income									
Foreign currency translation differences	-	-	1,550	-	-	-	1,550	191	1,741
Revaluation of property, plant and equipment, net of tax	-	-	-	1,934	-	-	1,934	(176)	1,758
Share of revaluation on equity accounted investees	-	-	-	(112)	-	-	(112)	-	(112)
Total other comprehensive income	-	-	1,550	1,822	-	-	3,372	15	3,387
Total comprehensive income for the period	**-**	**-**	**1,550**	**1,822**	**-**	**(103,450)**	**(100,078)**	**128**	**(99,950)**
Balance at 30 June 2013	**6,424**	**498,933**	**3,033**	**10,355**	**-**	**16,658**	**535,403**	**32,421**	**567,824**

Condensed consolidated interim statement of cash flows

For the six-month period ended 30 June 2013

	From 1 January 2013 to 30 June 2013 €'000	From 1 January 2012 to 30 June 2012 €'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(103,337)	(10,834)
Unrealised losses/(gain) on property	72,358	(20,928)
Other adjustments	15,950	10,298
	(15,029)	(21,464)
Change in receivables	2,982	2,385
Change in payables	3,883	(1,352)
	(8,164)	(20,431)
Tax paid	(76)	(92)
Net cash used in operating activities	**(8,240)**	**(20,523)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal of subsidiaries	-	32,101
Net acquisitions of investment property	(691)	(1,636)
Net acquisitions of property, plant and equipment	(8,590)	(14,199)
Net change in equity accounted investees	-	(289)
Net change in trading properties	(2,746)	7,348
Interest received	521	625
Net cash (used in)/from investing activities	**(11,506)**	**23,950**
CASH FLOWS FROM FINANCING ACTIVITIES		
Funds received from non-controlling interests	-	953
Change in loans and borrowings	46,299	22,950
Change in finance lease obligations	(226)	(215)
Interest paid	(5,717)	(14,849)
Net cash from financing activities	**40,356**	**8,839**
Net increase in cash and cash equivalents	**20,610**	**12,266**
Cash and cash equivalents at the beginning of the period	19,993	(3,607)
Effect of exchange rate fluctuations on cash held	(138)	(6)
Cash and cash equivalents at the end of the period	**40,465**	**8,653**

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents consist of the following:		
Cash in hand and at bank (see note 14)	42,709	10,872
Bank overdrafts (see note 16)	(2,244)	(2,219)
Cash and cash equivalents at the end of the period	**40,465**	**8,653**

Notes to the condensed consolidated interim financial statements

1. REPORTING ENTITY

Dolphin Capital Investors Limited (the 'Company') was incorporated and registered in the British Virgin Islands on 7 June 2005. The Company is a real estate investment company focused on the early-stage, large-scale leisure-integrated residential resorts in south-east Europe and the Americas, and managed by Dolphin Capital Partners Limited (the 'Investment Manager'), an independent private equity management firm that specialises in real estate investments, primarily in south-east Europe. The shares of the Company were admitted to trading on the AIM market of the London Stock Exchange ('AIM') on 8 December 2005.

The condensed consolidated interim financial statements of the Company as at and for the six-month period ended 30 June 2013 comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group') and the Group's interests in associates and jointly controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2012 are available at www.dolphinci.com.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012. They are presented in euro (€), rounded to the nearest thousand.

These condensed consolidated interim financial statements were approved by the Board of Directors on 20 September 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

4. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2012.

5. SIGNIFICANT SUBSIDIARIES

As at 30 June 2013, the Group's most significant company holdings were the following:

Name	Country of incorporation	Shareholding interest
Scorpio Bay Holdings Limited	Cyprus	100%
Scorpio Bay Resorts S.A.	Greece	100%
Latirus Enterprises Limited	Cyprus	80%
Iktinos Techniki Touristiki S.A. ('Iktinos')	Greece	78%
Xscape Limited	Cyprus	100%
Golfing Developments S.A.	Greece	100%
MindCompass Overseas Limited	Cyprus	100%
MindCompass Overseas S.A.	Greece	100%
MindCompass Overseas Two S.A.	Greece	100%
MindCompass Parks S.A.	Greece	100%
Ergotex Services Co. Limited	Cyprus	100%
D.C. Apollo Heights Polo and Country Resort Limited	Cyprus	100%
Symboula Estates Limited	Cyprus	100%
DolphinCI Fourteen Limited	Cyprus	86%
Eidikou Skopou Dekatessera S.A.	Greece	86%
Eidikou Skopou Dekaokto S.A.	Greece	86%
Portoheli Hotel and Marina S.A.	Greece	25%**
DCI Holdings Two Limited ('DCI H2')	BVIs	50%*
Dolphin Capital Atlantis Limited	Cyprus	50%*
Aristo Developers Limited ('Aristo')	Cyprus	50%*
Single Purpose Vehicle Twelve Limited	Cyprus	50%*
Azurna Uvala D.o.o. ('Azurna')	Croatia	100%
Eastern Crete Development Company S.A.	Greece	60%
DolphinLux 1 S.a.r.l.	Luxembourg	100%
DolphinLux 2 S.a.r.l.	Luxembourg	100%
Pasakoy Yapi ve Turizm A.S.	Turkey	100%
Kalkan Yapi ve Turizm A.S.	Turkey	100%
Dolphin Capital Americas Limited	BVIs	100%
DCI Holdings Seven Limited ('DCI H7')	BVIs	100%
Playa Grande Holdings Inc. ('PGH')	Dominican Republic	100%
Single Purpose Vehicle Eight Limited	Cyprus	100%
Eidikou Skopou Dekapente S.A.	Greece	100%
Single Purpose Vehicle Ten Limited ('SPV 10')	Cyprus	67%
Eidikou Skopou Eikosi Tessera S.A.	Greece	67%
Pearl Island Limited S.A.	Panama Republic	60%
Zoniro (Panama) S.A.	Panama Republic	60%

* On 22 June 2012, the Company exchanged 50% of its holding in these companies for the acquisition of 227 million own shares, under the Aristo Exchange agreement (see note 21.4).

** On 24 September 2012, the Company disposed of its 75% holding in Portoheli Hotel and Marina S.A. via the disposal of its 75% holding in Single Purpose Vehicle Five Limited ('SPV5') (see note 21.4).

The above shareholding interest percentages are rounded to the nearest integer.

6. SEGMENT REPORTING

The Group has one operation, investing in real estate, and three reportable segments as shown below, which represent the geographical regions in which the Group operates.

	Americas[1]	South-East Europe[2]	Other[3]	Reportable segment totals	Adjustments[4]	Consolidated totals
	€'000	€'000	€'000	€'000	€'000	€'000
30 JUNE 2013						
Investment property	101,869	323,254	-	425,123	-	425,123
Property, plant and equipment	35,730	96,970	-	132,700	-	132,700
Trading properties	1,298	40,688	-	41,986	-	41,986
Equity accounted investees	-	178,494	-	178,494	-	178,494
Cash and cash equivalents	2,270	6,800	33,639	42,709	-	42,709
Intra-group debit balances	9	325,898	481,045	806,952	(806,952)	-
Other assets	8,621	37,042	2,056	47,719	-	47,719
Total assets	**149,797**	**1,009,146**	**516,740**	**1,675,683**	**(806,952)**	**868,731**
Loans and borrowings	13,835	83,538	80,780	178,153	-	178,153
Finance lease obligation	197	8,131	-	8,328	-	8,328
Deferred tax liabilities	1,836	52,620	-	54,456	-	54,456
Intra-group credit balances	-	440,933	275,905	716,838	(716,838)	-
Other liabilities	3,275	55,323	1,372	59,970	-	59,970
Total liabilities	**19,143**	**640,545**	**358,057**	**1,017,745**	**(716,838)**	**300,907**
Valuation gain on investment property	5,933	1,789	-	7,722	-	7,722
Impairment losses	-	(790)	-	(790)	-	(790)
Share of losses on equity accounted investees	-	(79,290)	-	(79,290)	-	(79,290)
Other operating profits	1,917	2,448	-	4,365	-	4,365
Investment manager fees	-	-	(6,890)	(6,890)	-	(6,890)
Net finance (cost)/income	(291)	(6,406)	(201)	(6,898)	-	(6,898)
Other expenses	(3,055)	(8,216)	(2,376)	(13,647)	-	(13,647)
Profit/(loss) before taxation	**4,504**	**(90,465)**	**(9,467)**	**(95,428)**	**-**	**(95,428)**
Taxation	(148)	(7,761)	-	(7,909)	-	(7,909)
Profit/(loss) for the period	**4,356**	**(98,226)**	**(9,467)**	**(103,337)**	**-**	**(103,337)**

	Americas[1]	South-East Europe[2]	Other[3]	Reportable segment totals	Adjustments[4]	Consolidated totals
	€'000	€'000	€'000	€'000	€'000	€'000
31 DECEMBER 2012						
Investment property	100,780	321,424	-	422,204	-	422,204
Property, plant and equipment	21,654	97,018	-	118,672	-	118,672
Trading properties	-	38,732	-	38,732	-	38,732
Equity accounted investees	-	257,896	-	257,896	-	257,896
Cash and cash equivalents	256	11,350	10,575	22,181	-	22,181
Intra-group debit balances	8	318,869	453,352	772,229	(772,229)	-
Other assets	10,082	37,949	2,014	50,045	-	50,045
Total assets	**132,780**	**1,083,238**	**465,941**	**1,681,959**	**(772,229)**	**909,730**
Loans and borrowings	13,686	87,795	30,317	131,798	-	131,798
Finance lease obligation	236	8,318	-	8,554	-	8,554
Deferred tax liabilities	1,673	43,781	-	45,454	-	45,454
Intra-group credit balances	33,731	55,528	275,760	365,019	(365,019)	-
Other liabilities	1,285	53,527	1,338	56,150	-	56,150
Total liabilities	**50,611**	**248,949**	**307,415**	**606,795**	**(365,019)**	**241,956**
30 JUNE 2012						
Valuation loss on investment property	(163)	(2,649)	-	(2,812)	-	(2,812)
Impairment losses	-	(20,872)	-	(20,872)	-	(20,872)
Share of losses on equity accounted investees	-	(56)	-	(56)	-	(56)
Gain on disposal of investment in subsidiaries	(241)	44,909	-	44,668	-	44,668
Other operating profits	156	3,578	204	3,938	-	3,938
Investment manager fees	-	-	(8,970)	(8,970)	-	(8,970)
Net finance costs	(341)	(14,930)	2,203	(13,068)	-	(13,068)
Other expenses	(1,995)	(11,057)	(2,353)	(15,405)	-	(15,405)
Loss before taxation	**(2,584)**	**(1,077)**	**(8,916)**	**(12,577)**	**-**	**(12,577)**
Taxation	-	1,743	-	1,743	-	1,743
Loss for the period	**(2,584)**	**666**	**(8,916)**	**(10,834)**	**-**	**(10,834)**

1 Americas comprises the Group's activities in the Dominican Republic and the Republic of Panama.

2 South-East Europe comprises the Group's activities in Cyprus, Greece, Croatia and Turkey.

3 Other comprises the parent company, Dolphin Capital Investors Limited.

4 Adjustments consist of intra-group eliminations.

7. TAXATION

	From 1 January 2013 to 30 June 2013 €'000	From 1 January 2012 to 30 June 2012 €'000
Corporate income tax	13	24
Defence tax	-	2
Deferred tax	7,896	(1,769)
Total	**7,909**	**(1,743)**

As of 1 January 2013, the corporation tax rate applicable to profits in Greece and in Cyprus, increased from 20% to 26% and from 10% to 12.50%, respectively.

8. LOSS PER SHARE

Basic loss per share

Basic loss per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of common shares outstanding during the period.

	From 1 January 2013 to 30 June 2013 '000	From 1 January 2012 to 30 June 2012 '000
Loss attributable to owners of the Company (€)	(103,450)	(9,074)
Number of weighted average common shares outstanding	642,440	655,068
Basic loss per share (€)	**(0.16)**	**(0.01)**

Weighted average number of common shares outstanding

	From 1 January 2013 to 30 June 2013 '000	From 1 January 2012 to 30 June 2012 '000
Outstanding common shares at the beginning of the period	642,440	665,048
Effect of own shares acquired	-	(9,980)
Weighted average number of common shares outstanding	**642,440**	**655,068**

Diluted loss per share

Diluted loss per share is calculated by adjusting the earnings/loss attributable to owners and the number of common shares outstanding to assume conversion of all dilutive potential shares. During the period, the Company has one category of dilutive potential common shares: warrants. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the warrants. As at 31 December 2012, the diluted loss per share was the same as the basic loss per share, due to the fact that no dilutive potential ordinary shares were outstanding during the year.

	From 1 January 2013 to 30 June 2013 '000	From 1 January 2012 to 30 June 2012 '000
Loss attributable to owners of the Company (€)	(103,450)	(9,074)
Weighted average number of common shares outstanding	642,440	655,068
Effect of potential conversion of warrants	5,585	-
Weighted average number of common shares outstanding for diluted loss per share	648,025	655,068
Diluted loss per share (€)	**(0.16)**	**(0.01)**

9. INVESTMENT PROPERTY

	30 June 2013 €'000	31 December 2012 €'000
At beginning of period/year	422,204	1,201,933
Direct acquisitions	691	3,257
Transfers to property, plant and equipment (see note 10)	(5,117)	(151,093)
Transfers to trading properties (see note 11)	(1,298)	(2,306)
Transfers to equity accounted investees (see note 12)	-	(691)
Disposals through disposal of subsidiary companies	-	(605,925)
Direct disposals	-	(9,289)
Exchange difference	921	(1,931)
	417,401	433,955
Fair value adjustment	7,722	(11,751)
At end of period/year	**425,123**	**422,204**

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2013 €'000	31 December 2012 €'000
Cost or deemed cost		
At beginning of period/year	139,183	122,164
Direct acquisitions of property, plant and equipment	8,597	16,921
Direct disposals of property, plant and equipment	(7)	(338)
Disposals through disposal of subsidiary companies	-	(161,786)
Transfers from investment property (see note 9)	5,117	151,093
Revaluation adjustment	1,965	11,172
Exchange difference	198	(43)
At end of period/year	155,053	139,183
Depreciation and impairment losses		
At beginning of period/year	20,511	18,951
Direct disposal of property, plant and equipment	-	(143)
Disposals through disposal of subsidiary companies	-	(10,593)
Revaluation adjustment	-	(33)
Depreciation charge for the period/year	1,826	1,758
Impairment loss	-	15,401
Reversal of impairment loss	-	(4,794)
Exchange difference	16	(36)
At end of period/year	22,353	20,511
Carrying amounts	**132,700**	**118,672**

11. TRADING PROPERTIES

	30 June 2013 €'000	31 December 2012 €'000
At beginning of period/year	38,732	298,964
Net direct additions/(disposals)	2,746	(3,727)
Net transfers from investment property (see note 9)	1,298	2,306
Disposals through disposal of subsidiary companies	-	(258,880)
Impairment loss	(790)	(2,684)
Reversal of impairment loss	-	1,158
Exchange difference	-	1,595
At end of period/year	**41,986**	**38,732**

12. EQUITY ACCOUNTED INVESTEES

	DCI H2 €'000	SPV 5 €'000	Aristo Accounting S.A. €'000	Joint venture between Aristo and Alea Limassol Star Limited €'000	Joint venture between Aristo and Poseidon €'000	Joint venture between Aristo and Tsada/Randi Cyprus Golf Resorts €'000	Joint venture between Aristo and Lanitis Limited €'000	Total €'000
Balance at 1 January 2013	256,150	1,722	24	-	-	-	-	257,896
Share of losses, net of tax	(79,182)	(105)	(3)	-	-	-	-	(79,290)
Share of revaluation deficit	(112)	-		-	-	-	-	(112)
Balance as at 30 June 2013	**176,856**	**1,617**	**21**	**-**	**-**	**-**	**-**	**178,494**
Balance at 1 January 2012	-	-	29	7,703	83	53	-	7,868
Initial cost of investment	265,566	1,670	-	-	-	-	-	267,236
Share of (losses)/profits, net of tax	(9,469)	52	(5)	(62)	-	-	-	(9,484)
Share of revaluation surplus	53	-	-	-	-	-	-	53
Transfer from investment property (see note 9)	-	-	-	-	-	-	691	691
Profits received	-	-	-	-	-	(36)	-	(36)
Contribution from shareholders	-	-	-	317	-	-	8	325
Disposals	-	-	-	(7,958)	(83)	(17)	(699)	(8,757)
Balance as at 31 December 2012	**256,150**	**1,722**	**24**	**-**	**-**	**-**	**-**	**257,896**

The details of the above investments are as follows:

Name	Country of incorporation	Principal activities	Shareholding interest 30 June 2013	Shareholding interest 31 December 2012
DCI H2	BVIs	Acquisition and holding of investments	50%	50%
SPV5	Cyprus	Construction and management of resort	25%	25%
Aristo Accounting S.A.	Greece	Provision of professional services	20%	20%

The above shareholding interest percentages are rounded to the nearest integer.

During 2012, the Company reduced its participation in DCI H2 and SPV5 from 100% to 49.8% and 25%, respectively (see note 21.4).

As of 30 June 2013, Aristo, DCI H2's largest subsidiary, had a total of €4.8 million (31 December 2012: €6.7 million) contractual capital commitments on property, plant and equipment and a total of €47 million (31 December 2012: €51 million) contingent liabilities in respect to bank guarantees arising in the ordinary course of business. Aristo's management does not anticipate any material liability to arise from these contingent liabilities. SPV5, had a total of €5.6 million (31 December 2012: nil) contractual capital commitments on property, plant and equipment.

Summary of financial information for equity accounted investees as at 30 June 2013 and 31 December 2012, not adjusted for the percentage of ownership held by the Group:

	DCI H2 €'000	Aristo Accounting S.A. €'000	SPV 5 €'000	Total €'000
30 JUNE 2013				
Current assets	233,112	244	3,198	236,554
Non-current assets	605,184	17	7,911	613,112
Total assets	**838,296**	**261**	**11,109**	**849,666**
Current liabilities	200,164	156	3,360	203,680
Non-current liabilities	282,643	-	1,281	283,924
Total liabilities	**482,807**	**156**	**4,641**	**487,604**
Revenues	8,823	270	-	9,093
Expenses	(167,985)	(273)	(420)	(168,678)
Loss	**(159,162)**	**(3)**	**(420)**	**(159,585)**
31 DECEMBER 2012				
Current assets	314,023	192	227	314,442
Non-current assets	676,347	2	7,890	684,239
Total assets	**990,370**	**194**	**8,117**	**998,681**
Current liabilities	167,263	96	148	167,507
Non-current liabilities	307,531	-	1,081	308,612
Total liabilities	**474,794**	**96**	**1,229**	**476,119**
Revenues	29,400	466	-	29,866
Expenses	(85,205)	(482)	(550)	(86,237)
Loss	**(55,805)**	**(16)**	**(550)**	**(56,371)**

13. RECEIVABLES AND OTHER ASSETS

	30 June 2013 €'000	31 December 2012 €'000
Trade receivables	1,028	748
Amount receivable from Archimedia Holdings Corp. ('Archimedia')(see note 21.4)	1,548	1,541
Receivables in relation to business combinations	14,561	18,415
VAT receivables	11,772	15,577
Other receivables	9,913	5,083
Total trade and other receivables	38,822	41,364
Prepayments and other assets	293	136
Total	**39,115**	**41,500**

14. CASH AND CASH EQUIVALENTS

	30 June 2013 €'000	31 December 2012 €'000
Bank balances	41,206	14,197
One-week deposits	-	6,437
Two-month fixed deposits	1,467	-
Three-month fixed deposits	-	1,531
Total bank balances	**42,673**	**22,165**
Cash in hand	36	16
Total	**42,709**	**22,181**

The average interest rate on the above fixed deposit balances for the six-month period ended 30 June 2013 was 0.691% (31 December 2012: 1.863%).

15. CAPITAL AND RESERVES

Capital

Authorised share capital

	30 June 2013		31 December 2012	
	'000 of shares	€'000	'000 of shares	€'000
Common shares of €0.01 each	2,000,000	20,000	2,000,000	20,000

Movement in share capital and premium

	Shares in '000	Share capital €'000	Share premium €'000
Capital at 1 January 2012	665,048	6,650	825,671
Cancellation of own shares	(227,044)	(2,270)	(373,033)
Shares issued on 25 October 2012	204,436	2,044	47,956
Placement costs	-	-	(1,661)
Capital at 31 December 2012	**642,440**	**6,424**	**498,933**
Capital at 1 January 2013 and 30 June 2013	**642,440**	**6,424**	**498,933**

On 25 October 2012, the Company issued 204,435,897 new common shares at GBP 0.195 per share, for a total value of €50 million. The new shares rank pari passu with the existing common shares of the Company.

Warrants

In December 2011, the Company raised €8,500,000 through the issue of 26,210,536 new shares at GBP 0.27 per share (with warrants attached to subscribe for additional Company's shares equal to 25% of the aggregate value of the new shares at the price of GBP 0.317 per share subject to anti-dilution adjustments pursuant to the warrant's terms and conditions - initial price of GBP 0.35 per share). The warrant holders can exercise their subscription rights within five years from the admission date. The number of shares to be issued on exercise of their rights will be determined based on the subscription price on the exercise date.

Reserves

Reserve for own shares

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group.

On 22 June 2012, the Company exchanged Mr. Theodoros Aristodemou's ('TA') shareholding of 34.14% in the Company (227,044,080 shares) for a direct 50.25% participation of TA in DCI H2 (see note 21.4). On 6 July 2012, the Company proceeded with the cancellation of 227,044,080 own shares that had been received through the Aristo Exchange.

Following the above transaction, the Company does not hold any amount of own shares as at 30 June 2013 and 31 December 2012.

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the interim financial statements of foreign operations.

Revaluation reserve

Revaluation reserve relates to the revaluation of property, plant and equipment from both subsidiaries and equity accounted investees, net of any deferred tax.

16. LOANS AND BORROWINGS

	Total		Within one year		Within two to five years		More than five years	
	30 June 2013 €'000	31 December 2012 €'000	30 June 2013 €'000	31 December 2012 €'000	30 June 2013 €'000	31 December 2012 €'000	30 June 2013 €'000	31 December 2012 €'000
Loans in euro	80,791	85,108	8,705	26,873	39,433	23,230	32,653	35,005
Loans in United States dollars	14,338	14,185	6,424	6,302	7,914	5,912	-	1,971
Bank overdrafts in euro	2,244	2,188	2,244	2,188	-	-	-	-
Convertible bonds payable in euro	50,000	-	-	-	50,000	-	-	-
Convertible bonds payable in United States dollars	30,780	30,317	-	-	30,780	30,317	-	-
Total	**178,153**	**131,798**	**17,373**	**35,363**	**128,127**	**59,459**	**32,653**	**36,976**

Convertible bonds payable

On 5 April 2013, the Company issued 5,000 bonds (the 'Euro Bonds') at €10 thousand each, bearing interest of 5.5% per annum, payable semi-annually, and maturing on 5 April 2018.

On 23 April 2013, the Company issued 917 bonds (the 'US$ Bonds') at US$10 thousand each, bearing interest of 7% per annum, payable semi-annually, and maturing on 23 April 2018.

The Euro Bonds and the US$ Bonds may be converted prior to maturity (unless earlier redeemed or repurchased) at the option of the holder into common shares of €0.01 each. The initial conversion price is €0.5737 (representing GBP 0.50 per share converted into euro at the fixed exchange rate of £1.00:€1.1474) and US$0.6717 (representing GBP 0.45 per share converted into United States dollars at the fixed exchange rate of £1.00:US$1.4928) per share for the Euro Bonds and the US$ Bonds, respectively.

The Euro Bonds and the US$ Bonds are not publicly traded.

Part of the bonds, amounting to €41,004 thousand, was subscribed by Third Point LLC, a significant shareholder of the Company (see note 21.5).

On 29 March 2011, DCI H7 issued 4,000 bonds at US$10 thousand each, bearing an interest of 7% per annum, payable semi-annually, and maturing on 29 March 2016. The bonds are trading on the Open Market of the Frankfurt Stock Exchange (the freiverkehr market) under the symbol 12DD. On 23 April 2013, the Company purchased 911 bonds at a consideration of US$10 thousand each (representing their par value) using the funds received from the issue of the US$ Bonds.

Bonds may be converted prior to maturity (unless earlier redeemed or repurchased) at the option of the holder into Company's common shares of €0.01 each for a conversion price of US$0.7239, equivalent of GBP 0.453, subject to anti-dilution adjustments pursuant to the bond's terms and conditions (initial conversion price GBP 0.50). The number of shares to be issued on exercise of a conversion right shall be determined by dividing the principal amount of the bonds to be converted by the conversion price in effect on the relevant conversion date.

At the option of bondholders:

(i) some or all of the principal amount of the bonds held by a bondholder maybe repurchased by the Issuer; and

(ii) the consideration for such repurchase shall be the transfer by the Company to the bondholder of land plot(s) at the issuer's Playa Grande Aman development in the Dominican Republic.

17. FINANCE LEASE OBLIGATIONS

	30 June 2013			31 December 2012		
	Future minimum lease payments €'000	Interest €'000	Present value of minimum lease payments €'000	Future minimum lease payments €'000	Interest €'000	Present value of minimum lease payments €'000
Less than one year	501	76	425	516	76	440
Between two and five years	1,893	288	1,605	1,758	288	1,470
More than five years	12,664	6,366	6,298	13,048	6,404	6,644
Total	**15,058**	**6,730**	**8,328**	**15,322**	**6,768**	**8,554**

The major finance lease obligations comprise leases in Greece with 99-year lease terms.

18. DEFERRED TAX ASSETS AND LIABILITIES

	30 June 2013		31 December 2012	
	Deferred tax assets €'000	Deferred tax liabilities €'000	Deferred tax assets €'000	Deferred tax liabilities €'000
Balance at beginning of period/year	3,384	(45,454)	3,659	(104,335)
From disposal of subsidiary	-	-	(509)	59,239
Recognised in profit or loss	817	(8,713)	133	2,020
Recognised in other comprehensive income	-	(207)	-	(1,735)
Exchange difference and other	(161)	(82)	101	(643)
Balance at end of period/year	**4,040**	**(54,456)**	**3,384**	**(45,454)**

Deferred tax assets and liabilities are attributable to the following:

	30 June 2013		31 December 2012	
	Deferred tax assets €'000	Deferred tax liabilities €'000	Deferred tax assets €'000	Deferred tax liabilities €'000
Revaluation of investment property	-	(45,137)	-	(34,364)
Revaluation of trading properties (on acquisition of subsidiaries)	-	(1,574)	-	(1,574)
Revaluation of property, plant and equipment	-	(7,116)	-	(8,867)
Other temporary differences	-	(629)	-	(649)
Tax losses	4,040	-	3,384	-
Total	**4,040**	**(54,456)**	**3,384**	**(45,454)**

19. TRADE AND OTHER PAYABLES

	30 June 2013 €'000	31 December 2012 €'000
Trade payables	546	539
Land creditors	23,993	23,663
Investment Manager fees payable	467	467
Payable to the former controlling shareholder of PGH project (see note 21.4)	668	4,503
Other payables and accrued expenses	17,137	9,911
Total	**42,811**	**39,083**

20. NET ASSET VALUE ('NAV') PER SHARE

	30 June 2013 '000	31 December 2012 '000
Total equity attributable to owners of the Company (€)	535,403	635,481
Number of common shares outstanding at end of period/year	642,440	642,440
NAV per share (€)	**0.83**	**0.99**

	30 June 2013 '000	31 December 2012 '000
Total equity attributable to owners of the Company (€) (basic)	535,403	635,481
Effect of potential conversion of warrants	2,070	-
Total equity attributable to owners of the Company (€) (diluted)	**537,473**	**635,481**
Number of common shares in issue at end of period/year	642,440	642,440
Effect of potential conversion of warrants	5,585	-
	648,025	**642,440**
Diluted NAV per share (€)	**0.83**	**0.99**

21. RELATED PARTY TRANSACTIONS

21.1 Directors of the Company

Miltos Kambourides is the founder and managing partner of the Investment Manager.

The interests of the Directors, all of which are beneficial, in the issued share capital of the Company as at 30 June 2013 were as follows:

	Shares '000
Miltos Kambourides (indirect holding)	65,081
Roger Lane-Smith	60
Andreas Papageorghiou	5

Save as disclosed, none of the Directors had any interest during the period in any material contract for the provision of services which was significant to the business of the Group.

21.2 Investment Manager fees

Annual fees

The Investment Manager is entitled to an annual management fee of 2% of the equity funds defined as follows:

- €890 million; plus
- The gross proceeds of further equity issues, other than the funds raised in respect of the proceeds of the equity issues as at 25 October 2012 and 30 December 2011; plus
- Realised net profits less any amounts distributed to shareholders.

The equity funds as at 30 June 2013 comprised of €689 million.

In addition, the Company shall reimburse the Investment Manager for any professional fees or other costs incurred on behalf of the Company at its request for services or advice.

Management fees for the six-month periods ended 30 June 2013 and 30 June 2012, amounted to €6,890 thousand and €8,970 thousand, respectively.

Performance fees

The Investment Manager is entitled to a performance fee based on the net profits made by the Company, subject to the Company receiving the 'Relevant Investment Amount' which is defined as an amount equal to:

i The total cost of the investment reduced on a pro rated basis by an amount of €167 million; plus

ii A hurdle amount equal to an annualised percentage return equal to the average one-month Euribor rate applicable in the period commencing from the month when the relevant cost is incurred compounded for each year or fraction of a year during which such investment is held (the 'Hurdle'); plus

iii A sum equal to the amount of any realised losses and/or write-downs in respect of any other investment which has not already been taken into account in determining the Investment Manager's entitlement to a performance fee.

In the event that the Company has received distributions from an investment equal to the Relevant Investment Amount, any subsequent net profits arising shall be distributed in the following order or priority:

i 60% to the Investment Manager and 40% to the Company until the Investment Manager shall have received an amount equal to 20% of such profits; and

ii 80% to the Company and 20% to the Investment Manager, such that the Investment Manager shall receive a total performance fee equivalent to 20% of the net profits.

The performance fee payment is subject to the following escrow and clawback provisions:

Escrow

The following table displays the current escrow arrangements:

Escrow	Terms
Up to €109 million returned	50% of overall performance fee held in escrow
Up to €109 million plus the cumulative hurdle returned	25% of any performance fee held in escrow
After the return of €409 million post-hurdle, plus the return of €225 million post-hurdle	All performance fees released from escrow

Clawback

If on the earlier of (i) disposal of the Company's interest in a relevant investment or (ii) 1 August 2020, the proceeds realised from that investment are less than the Relevant Investment Amount, the Investment Manager shall pay to the Company an amount equivalent to the difference between the proceeds realised and the Relevant Investment Amount. The payment of the clawback is subject to the maximum amount payable by the Investment Manager not exceeding the aggregate performance fees (net of tax) previously received by the Investment Manager in relation to other investments.

No performance fees were charged to the Company for the six-month periods ended 30 June 2013 and 30 June 2012. As at 30 June 2013 and 31 December 2012, funds held in escrow, including accrued interest, amounted to €467 thousand.

21.3 Directors’ remuneration

The Directors’ remuneration for the six-month periods ended 30 June 2012 and 30 June 2011 were as follows:

	From 1 January 2013 to 30 June 2013 €'000	From 1 January 2012 to 30 June 2012 €'000
Andreas Papageorghiou	7.5	7.5
Cem Duna	7.5	7.5
Roger Lane-Smith	22.5	22.5
Antonios Achilleoudis	7.5	7.5
Christopher Pissarides	25.0	25.0
David B. Heller*	5.2	-
Total	**75.2**	**70.0**

Mr. Miltos Kambourides has waived his fees.

* On 14 March 2013, Mr. David B. Heller was appointed as non-executive Director.

21.4 Shareholder and development agreements

Shareholder agreements

DolphinCI Twenty Two Limited, a subsidiary of the Group, has signed a shareholder agreement with the non-controlling shareholder of Eastern Crete Development Company S.A. DolphinCI Twenty Two Limited has acquired 60% of the shares of Plaka Bay project by paying the former majority shareholder a sum upon closing and a conditional amount in the event the non-controlling shareholder is successful in, among others, acquiring additional specific plots and obtaining construction permits.

DolphinCI Thirteen Limited, a subsidiary of the Group, has signed a shareholder agreement with the non-controlling shareholder of Iktinos. Under its current terms, DolphinCI Thirteen Limited has acquired approximately 80% of the shares of Latirus Enterprises Limited (Sitia Bay project) by paying the non-controlling shareholder an initial sum upon closing and a conditional amount in the event the non-controlling shareholder will be successful in, among others, acquiring additional specific plots and obtaining construction permits.

On 20 September 2010, the Group signed an agreement with Archimedia controlled by John Hunt, for the sale of a 14.29% stake in the Amanzoe for a consideration of €11 million. The agreement was also granting Archimedia the right to partially or wholly convert this shareholding stake into up to three predefined Aman Villas (the ‘Conversion Villas‘) for a predetermined value and percentage per Villa. The first €1 million of the consideration was received at signing, while the completion of the transaction and the payment of the €10 million balance was subject to customary due diligence on the project and the issuance of the construction permits for the Conversion Villas prior to a longstop date set at 1 April 2011. On 28 March 2011, the Company reached an agreement with Archimedia to vary the original terms of the sale agreement, which was followed by the Company and Archimedia entering into an amended sale agreement on 13 March 2012. The Company has already received US$12,422 thousand and €1,300 thousand, while US$978 thousand and €800 thousand, plus any additional consideration that may be due depending on the exact size and features of the Conversion Villas, will be received upon completion of the Conversion Villas. The total receivable amount of €1,548 thousand (31 December 2012: €1,541 thousand) is included in receivables and other assets (see note 13). On 3 August 2012, Dolphin received a Conversion Notice from Archimedia to convert 6.43% of its shares in Amanzoe in exchange for an Aman Villa and on 27 December 2012 a further Notice for the conversion of the remaining 7.86% of its shares for two other Aman Villas. The Company is in the process of finalising the relevant documentation for the completion of the conversions in question. Following the conversions, Archimedia will not hold any shareholding interest in Amanzoe.

On 22 June 2012, the Company and TA agreed to the exchange of TA’s 34.14% shareholding in Dolphin for a direct 50.25% participation in DCI H2. The Aristo exchange took place on a NAV-for-NAV basis before deferred income tax liabilities and, as such, was valued at approximately €375 million. Under the same shareholder agreement, neither party may sell or transfer the beneficial ownership of any shares of Aristo to third parties without first making an offer in writing to sell the same to the other party while each party retains tag along rights in the event of a sale of the shares by the other party.

On 6 August 2012, the Company signed an agreement for the sale of eight out of the nine remaining Seafront Villas, part of the Mindcompass Overseas Limited group of entities. The total base net consideration agreed for this sale was €10 million with the Company also entitled to the maximum amount between 35% profit participation on the sales generated by the purchaser from the further sale of four villas or €2 million. It was also agreed that the Company would undertake the construction contract for the completion of the Villas and a €1 million deposit was paid upon signing. On 6 December 2012, the Company and the purchasers agreed an amendment to the Sale of Shares Agreement to provide that an amount of €1 million would be payable in January 2013, the remaining €8 million would become payable in five interest-bearing installments (at 6% per annum) starting from June 2013 (installment has already been received), and that the Company's profit participation in the sale of five Villas will be set at 50% with no minimum profit participation.

On 5 September 2012, the Company signed a sales agreement with a regional investor group led by Mr. Alberto Vallarino for the sale of its 60% shareholding in Peninsula Resort Holdings Limited, the entity that indirectly holds the land for Pearl Island's Founders' phase of the Pearl Island Project. The consideration for the sale was a cash payment of US$6 million (50% paid at closing on 14 September 2012 and 50% one year from closing) and a commitment to invest an additional circa US$35 million of development capital within a maximum period of two years in order to complete the aforementioned phase of the project. Out of those funds, approximately US$13 million shall be incurred on development of components owned by Pearl Island Limited S.A., with US$4,400 thousand already invested by 30 June 2013.

On 24 September 2012, the Company signed an agreement with an affiliate of the Swiss Development Group for the sale of a 75% stake in the Nikki Beach Resort & Spa at Porto Heli together with a contract for the management and construction of the project for a minimum consideration of €3.15 million, that will increase depending on the size of the loan facility obtained, the returns realised and the final construction cost. An amount of €1.23 million had already been received by the Company as of 31 December 2012, and the remaining balance of the minimum consideration was received in early 2013.

Development agreements

Eastern Crete Development Company S.A., a subsidiary of the Group, has signed a development management agreement with a company related to the non-controlling shareholder of Plaka Bay Resort under the terms of which this company undertakes to assist Eastern Crete Development Company S.A. to obtain all permits required to enable the development of the project as well as to select advisers, consultants, etc., during the pre-construction phases. The development manager receives an annual fee.

Pursuant to the original Sale and Purchase Agreement of 10 December 2007, DCI H7 was obliged to make payments for the construction of infrastructure on the land retained by DR Beachfront Real Estate LLC ('DRB'), the former majority shareholder of PGH. Pursuant to a restructuring agreement dated 5 November 2012, those obligations have been restructured with the material provisions of that agreement already fulfilled. As at 30 June 2013, following cash payments of US$7.6 million and transfers of land parcels valued at US$11 million, the total provision outstanding is US$0.9 million (€668 thousand) (31 December 2012: US$5.9 million or €4,503 thousand) which is included in trade and other payables (see note 19).

Pedro Gonzalez Holdings II Limited, a subsidiary of the Group, has signed a Development Management agreement with DCI Holdings Twelve Limited ('DCI H12') in which the Group has a stake of 60%. Under its terms, DCI H12 undertakes, among others, the management of permitting, construction, sale and marketing of the Pearl Island project.

21.5 Other related parties

During the periods ended 30 June 2013 and 30 June 2012, the Group incurred the following related party transactions with the following parties:

30 JUNE 2013

Related party name	€'000	Nature of transaction
Aristo Accounting S.A.	145	Accounting fees
John Heah, non-controlling shareholder of SPV10	30	Design fees in relation to Playa Grande project
Iktinos Hellas S.A.	25	Project management services in relation to Sitia project and rent payment
J&P Development S.A.	30	Project management services in relation to Cape Plaka project
Third Point LLC, shareholder of the Company	41,004	Subscription to bonds (see note 16)

30 JUNE 2012

Related party name	€'000	Nature of transaction
Aristo Accounting S.A.	189	Accounting fees
John Heah, non-controlling shareholder of SPV10	24	Design fees in relation to Kea Resort Project and Playa Grande project
Iktinos Hellas S.A.	25	Project management services in relation to Sitia project and rent payment
J&P Development S.A.	30	Project management services in relation to Cape Plaka project

22. BUSINESS COMBINATIONS

During the six-month period ended 30 June 2012, the Group, under the Aristo exchange agreement (see note 21.4), reduced its participation in DCI H2 from 100% to 49.8%, as follows:

	€'000
Investment property	(594,098)
Property, plant and equipment	(143,362)
Equity accounted investees (see note 12)	(8,757)
Deferred tax assets	(509)
Trading properties	(247,749)
Receivables and other assets	(22,573)
Cash and cash equivalents	(1,141)
Loans and borrowings	303,956
Deferred tax liabilities	58,222
Bank overdrafts	33,242
Trade and other payables	26,568
Net assets on which control was lost	(596,201)
Equity accounted investees	265,566
Net assets disposed of	(330,635)
Own shares exchanged	375,303
Net gain on exchange	**44,668**
Cash effect on exchange:	
Proceeds on exchange	-
Cash and cash equivalents	(1,141)
Bank overdrafts	33,242
Net cash inflow on exchange	**32,101**

23. FINANCIAL RISK MANAGEMENT

The Group's financial risks and risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2012.

Fair values

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the statement of financial position date.

Risk from economic crisis

After the escalation of the sovereign debt crisis in Greece in mid-2012 and the international media speculation involving scenarios of default and/or Greece's exit from the Eurozone, the country's economic conditions have significantly stabilized. Greek tourism has witnessed impressive growth during the first six months of 2013 and according to Association of the Greek Tourism Enterprises tourist arrivals are expected to exceed the 17 million tourists in 2013 which is a record for the Greek tourism sector's performance. Prospects for 2014 are expected to be even better, according to pre-bookings and sentiment expressed by tour operators. The debt crisis has also been a catalyst in adopting a faster entitlement process for development projects in Greece.

The crisis of sovereign debt affected the Cypriot economy with a time lag, causing negative effects not only on public finances but also in the banking system. Despite the fact that the Government tried to react promptly and effectively by preparing a fiscal consolidation program, the country captured the world' s attention earlier in 2013 as it fought hard to bounce back from the brink of bankruptcy through intense negotiations with international lenders. The so called "bail in" decision of the Eurozone included imposing losses on depositors with amounts extending the €100,000, a closed banking system for two weeks and extensive capital controls. The decision of the Eurozone was then followed by the resolution of Cyprus Popular Bank and the recapitalization of the Bank of Cyprus.

The general economic environment prevailing in the south-east Europe area and internationally may affect the Group's operations to a significant extent. Concepts such as inflation, unemployment, and development of the gross domestic product are directly linked to the economic course of every country and any variation in these and the economic environment in general may create chain reactions in all areas hence affecting the Group.

24. COMMITMENTS

As of 30 June 2013, the Group had a total of €3,613 thousand contractual capital commitments on property, plant and equipment (31 December 2012: €7,131 thousand).

Non-cancellable operating lease rentals are payable as follows:

	30 June 2013 €'000	31 December 2012 €'000
Less than one year	19	19
Between two and five years	58	71
Total	**77**	**90**

25. CONTINGENT LIABILITIES

Companies of the Group are involved in pending litigations. Such litigations principally relate to day-to-day operations as a developer of second-home residences and largely derive from certain clients and suppliers. Based on the Group's legal advisers, the Investment Manager believes that there is sufficient defence against any claim and they do not expect that the Group will suffer any material loss. All provisions in relation to this matter which are considered necessary have been recorded in these condensed consolidated interim financial statements.

If investment properties, trading properties and property, plant and equipment were sold at their fair market value, this would have given rise to a payable performance fee to the Investment Manager of approximately €47 million (31 December 2012: €59 million), subject always to the escrow and clawback provisions mentioned in note 21.2.

In addition to the tax liabilities that have already been provided for in the condensed consolidated interim financial statements based on existing evidence, there is a possibility that additional tax liabilities may arise after the examination of the tax and other matters of the companies of the Group.

26. EVENTS AFTER THE REPORTING PERIOD

On 23 August 2013, DolphinCI Twenty Two Limited, a subsidiary of the Company, signed an agreement with the non-controlling shareholder of Eastern Crete Development Company S.A. for the purchase of the remaining 40% stake of the entity. The base consideration for the purchase is €4.4 million payable in three instalments: €2.4 million by 10th of September 2013, €1 million by the 30th of September 2013 and €1 million by 31st October 2013. Consideration might be increased by the transfer of plots of land in the project, to the seller, of total market value equal to €4 million subject to the project receiving permits for building 40,000 m^2 of freehold residential properties. The conditional deferred consideration will be adjusted pro rata in case the buildable properties are less than 40,000m^2 but is also subject to a 5% annual increase commencing from the second anniversary from the signing of the agreement and until implementation from the Company.

On 15 July 2013, the Company acquired 9.6 million shares, equivalent to 10% of Itacare Capital Investments Ltd's ('Itacare') share capital for the amount of €1.9 million. Itacare is a real estate investment company listed on AIM market of the London Stock Exchange.