

PIRAEUS REAL ESTATE INVESTMENT COMPANY S.A.

Presentation of Full Year 2006 Results

Wednesday, 28th March 2007

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Company Overview

Financial Highlights of 2006

- ◆ Increase of rental income by 31%, up to €7.8 mn
- ◆ Rise of pre-tax profit by 45% up to €8.5 mn. Total dividend amount accounts for 82% of net profit i.e. €6.8 million or €0.123 per share
- ◆ Achievement of Rental yield up to 7.8% of the trading value of the total portfolio
- ◆ Significant qualitative improvement of the results compared to last year, due to increased income from leased assets, as a result of the latter's maturity, which is expected to be completed in 2007

Investment Portfolio (31.12.06)

- ◆ € 100 mn portfolio of investment properties and € 10.7 mn in cash and cash equivalent
- ◆ 28 property ownerships in Greece with top quality tenants
- ◆ Property ownerships clear of weights and insured against risk of all types

Administrative Support

- ◆ Operational, administrative and technical support from Piraeus Bank Group

Shareholder Structure

- ◆ At the end of December 2006 Piraeus Bank SA held 38.0% of the outstanding shares, Sciens Holding SA 37.0% and the remaining 25.0% was possessed by other investors

Investment Thesis

Piraeus REIC...

...as an alternative investment choice

...offering a high dividend yield



◆ PRIME PORTFOLIO

- ↵ 28 real estate assets in 2006 - free of duties and fully insured - with an appraised value of €100 million
- ↵ Rental income at €7.8 million in 2006 implies an annual yield of 7%
- ↵ Annual indexation at Consumer Price Index plus 1%

◆ TOP QUALITY TENANTS

- ↵ Piraeus Bank occupies 29% of total estates and accounts for 73% of rental income

◆ STRATEGIC PARTNERSHIP WITH PIRAEUS BANK GROUP

- ↵ Piraeus Bank Group offers operational, administrative and technical support

◆ POSITIVE MARKET ENVIRONMENT

- ↵ Significant growth as property yields converge with EU averages

◆ FAVORABLE TAX STRUCTURE

- ↵ Corporate income tax is determined at 10% of the "ECB reference rate + 1%" applied to the average fair value of investment properties plus cash & cash equivalents

◆ EXPERIENCED MANAGEMENT

◆ LIMITED EARNINGS VOLATILITY

- ↵ Due to the long term lease profile and indexation

◆ HIGH DIVIDEND PAYOUT & DIVIDEND YIELD

- ↵ Average dividend yield of 5.2% in 2005-2006

◆ ATTRACTIVE VALUATION

- ↵ P/E of 17.0x and a P/BV of 1.3x (2006 data)

Greek & European Real Estate Sector

Greek Real Estate Sector

Offices

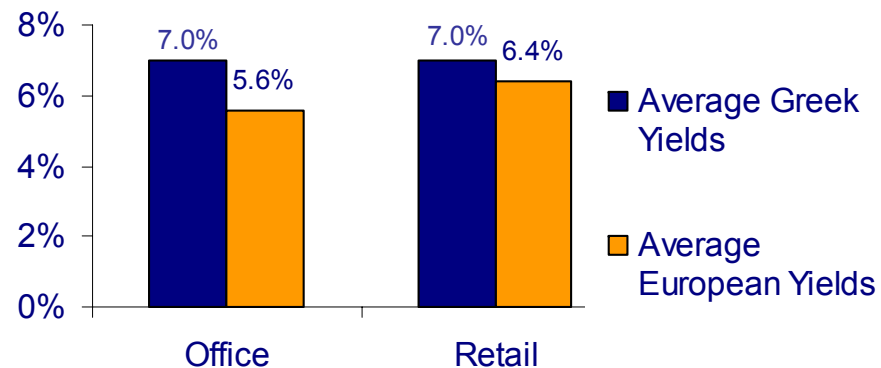
- ◆ Investments in infrastructure projects (motorways, public transportation systems, ports etc.) are expected to have a positive impact on this market
- ◆ Smoothly adjustment of rents
- ◆ Change of the geographical distribution of demand in Greater Athens Area

Stores

- ◆ Central shopping centers, which represent low risk of no further leasing
- ◆ Gradual development of shopping centers all over Greece
- ◆ Enhancement of the presence of multinational companies in retail property sector (IKEA, Media Markt, FNAC, Lidl, Dixons, Practiker, Starbucks, Zara, Intersport, Media Markt e.t.c)

Despite the yield compression in Greek real estate market, rental domestic yields are still above the European average ones, specifically for offices and logistics

Greek vs. European Property Yields (2005)



Piraeus REIC Versus a Group of European Peers

e: estimation f: forecast	Country	Market Cap. (€ mn)	Dividend Yield '06 (e)	Dividend Yield '07 (f)	Dividend Yield '08 (f)	P/BV '06 (e)	P/BV '07 (f)	P/BV '08 (f)
	Netherlands	4.495,8	3,7%	3,9%	4,2%	1,4x	1,3x	1,1x
	France	8.625,8	3,1%	3,4%	3,7%	1,5x	1,1x	1,1x
	France	6.752,4	2,2%	2,4%	2,8%	2,2x	1,3x	1,6x
	Ολλανδία	9.076,0	3,7%	3,8%	4,0%	1,4x	1,2x	1,1x
	France	10.279,8	2,2%	2,5%	2,7%	1,7x	1,3x	1,2x
	France	2.670,0	3,7%	4,0%	4,3%	1,3x	1,1x	1,0x
	France	3.959,3	3,3%	3,6%	4,0%	1,6x	1,3x	1,2x
	Belgium	910,9	5,3%	4,8%	4,8%	1,4x	1,3x	1,3x
			3,0%	3,3%	3,5%	1,6x	1,2x	1,2x
	Greece	135,6	5,0%	-	-	1,2x	-	-

Piraeus REIC estimates based on 7/3/07, and for the remaining ones on 8/3/07

Financial Review

Piraeus Real Estate Investment Company S.A.

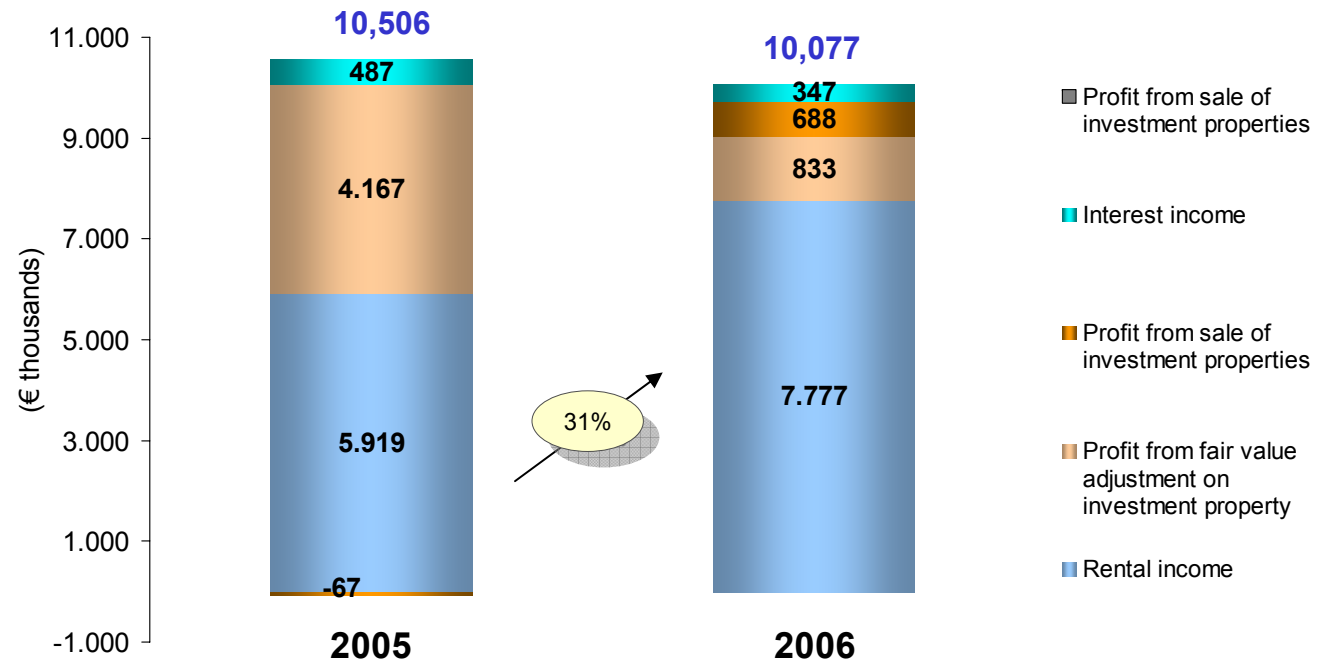
Income Statement

<i>(amounts in thousands €)</i>	2006	2005	Δ%
Rental income	7,777	5,919	31.4%
<i>of which Piraeus Bank S.A.</i>	73%	81%	
Profit/Loss from sale of investment properties	688	(67)	-
Property related expenses	443	373	18.8%
Total Operating Income	8,022	5,479	46.4%
Profit from fair value adjustment on investment property	1,265	4,167	-69.6%
Interest income	347	487	-28.7%
Administrative expenses	1,073	648	65.6%
Profit Before Income Tax	8,561	9,485	-9.7%
Income tax	337	313	7.7%
Net Profit for the Period	8,224	9,172	-10.3%
Basic EPS	€0.15	€0.19	
Dividend per share	€0.123	€0.137	
Fair value of investment property (December 31 st , 2006)	99,929	90,957	
Cash & cash equivalents (December 31 st , 2006)	10,654	19,007	

- ◆ Rental yield based on the total value of investments rose to 7.0% in 2006, against 5.4% in 2005
- ◆ Rental yield based on the commercial portfolio increased to 7.8% in 2006, as opposed to 6.5% in 2005

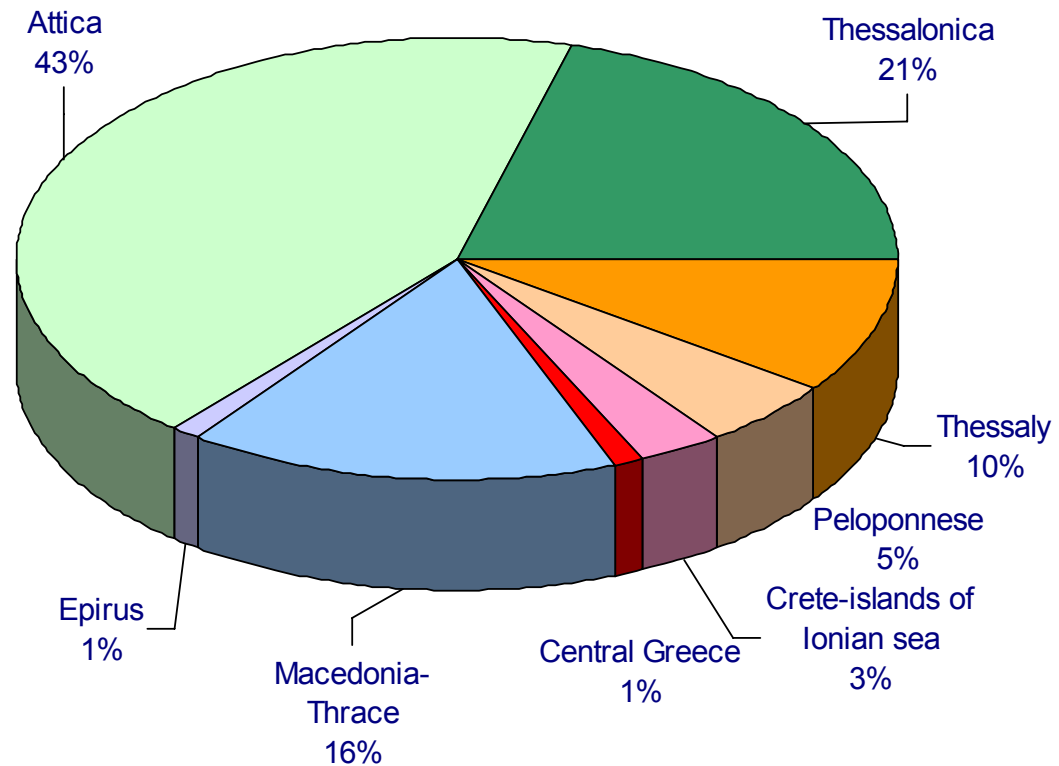
Breakdown of Revenues of 2006

- ◆ 77% of the operating income stems from rents
- ◆ Revaluation of the value of property generates 13% of the operating income
- ◆ There are two key prime tenants, Piraeus Bank and BP Hellas that account for 73% and 10% of the annualized rental income respectively






Geographical Distribution of Rents in 2006

- ◆ The main part of rents is coming from outside the Greater Athens area-Attica (57%), as an evidence of the geographical diversification of the property portfolio



Business Real Estates

- ◆ The basic lease terms is 9-12 years
- ◆ Annual adjustment of rents
(Consumer Price Index plus 1%)
- ◆ Rents are insured for a period of 12 months in case of income loss due to weakness of utilization of the property
- ◆ Target to be the tenants responsible for the day to day ordinary maintenance
- ◆ Contracts insure the company if a tenant exits the deal before the agreed expiration date

TENANT	31.12.2006		
	Valuation Price (in mn €)	% of the Total Investment Portfolio	Yield to the Valuation Price
 PIRAEUS BANK	64.0	57.9%	8.81%
	11.8	10.7%	6.67%
 KOSMOPOLIS PARK	17.4	15.7%	6.91%
OTHER	6.8	6.1%	2.21%
TOTAL PROPERTY	100.0	90.4%	7.8%
CASH & CASH EQUIVALENTS 31.12.06	10.7	9.6%	
TOTAL INVESTMENT PORTFOLIO	110.7	100.0%	

Piraeus Real Estate Investment Company S.A.

Balance Sheet

- ◆ Investment property rose by 10% to €100 million in 2006 from €91 million in 2005, in line with the company's announcement upon its floatation in Athens Stock Exchange

<i>(amounts in thousands €)</i>	31.12.06	31.12.05
Tangible assets	2	26
Investment property	99,929	90,957
Other long-term receivables	36	40
Non – Current Assets	99,967	91,023
Trade receivables	243	299
Other receivables	199	91
Cash & cash equivalents	10,654	19,007
Current Assets	11,096	19,397
TOTAL ASSETS	111,063	110,420
Income tax	164	313
Suppliers & other liabilities	566	411
Total Current Liabilities	730	724
Other long-term liabilities	92	11
Total Long-term Liabilities	92	11
Total Equity	110,241	109,685
TOTAL LIABILITIES & EQUITY	111,063	110,420

Regulatory Framework & Investment Policy

Regulatory Framework

- ◆ Immediate use of property for commercial or industrial purpose
- ◆ Greek Real Estate Investment Companies (REICs) are prohibited from developing real estate except in relation to assets in which they invest and which must be immediately usable or under completion or repair the expenses for which do not exceed 25% of the property's value following completion
- ◆ Financial leases can not exceed 25% of the value of the total portfolio
- ◆ For each investment property in the portfolio a value by the Greek Body of Sworn In Values (SOE) must take place
- ◆ Investment property can not be sold below the SOE valuation or can not be acquired above such valuation SOE
- ◆ Each property must be in the possession of the company for at least 12 months before being disposed
- ◆ Corporate income tax is determined at 10% of the "ECB reference rate + 1%" applied to the average fair value of investment properties plus cash & cash equivalents
- ◆ Exemption from the amortization-depreciation procedure
- ◆ Evaluation of property by the SOE twice per year (defined dates 30/6 and 31/12)

Investment Policy

- ◆ Purchases of new properties intend to increase the trading value of the total portfolio and improve its structure. Essential parameters for such decisions are:
 - Annual rental yield of the property
 - Credibility of tenants
 - Geographical location of the property combined with market trend
 - Prospects of capital gains
 - Quality of the construction and maintenance of properties

- ◆ Purchases of properties aim at the maximization of the company's utility and the occurrence of disposal funds for investments in properties with higher or/and safer yields

Advantages of the Underling Investment Portfolio



◆ Modern and refurbished buildings in privileged spots



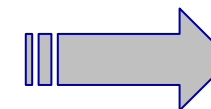
◆ **Relatively low risks of no further leasing**

◆ Shops in high advertised and commercial areas in the most tradable spots



◆ **Relatively low risks and good prospects of capital gains**

◆ Sporadic horizontal properties in offices buildings in central spots and main traffic arteries



◆ **High rental returns and satisfactory capital gains**

◆ Sporadic and of special character buildings (i.e malls) in central traffic arteries, which are of high quality in terms of long leases



◆ **Relatively high and fixed rental returns**

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Bloomberg: REI GA

Reuters: PRe.AT