



**EUROPEAN CONVERGENCE DEVELOPMENT
COMPANY PLC**

Consolidated Interim Report

Six Months ended 30 June 2008

ISIN No. GB00B1BJRB27

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Management and Administration

Directors

* independent

Erwin Brunner (Non-executive Chairman) *
James C. Rosapepe (Non-executive Director) *
Donald C. McCrickard (Non-executive Director) *
Anderson A. Whamond (Non-executive Director)
all of the registered office below:

Registered Office

Third Floor, Britannia House
St George's Street
Douglas
Isle of Man IM1 1JE
British Isles

Secretary

Ian Dungate
C/o Galileo Fund Services Limited
Third Floor, Britannia House
St George's Street
Douglas
Isle of Man IM1 1JE
British Isles

Manager

Charlemagne Capital (IOM) Limited
St Mary's Court, 20 Hill Street
Douglas
Isle of Man IM1 1EU
British Isles

Nominated Advisor and Broker

Panmure Gordon (UK) Limited
Moorgate Hall
155 Moorgate
London EC2M 6XB

Cash Custodian

Anglo Irish Bank Corporation (I.O.M.) P.L.C.
Jubilee Buildings, Victoria Street
Douglas
Isle of Man IM1 2SH
British Isles

Administrator and Registrar

Galileo Fund Services Limited
Third Floor, Britannia House
St George's Street
Douglas
Isle of Man IM1 1JE
British Isles

Placing Agent

Charlemagne Capital (UK) Limited
39 St James's Street
London SW1A 1JD
United Kingdom

Management and Administration continued

Auditors	KPMG Audit LLC Heritage Court, 41 Athol Street Douglas Isle of Man IM99 1HN, British Isles
Legal Advisers	<i>As to Isle of Man Law</i> Cains Advocates Limited 15-19 Athol Street Douglas Isle of Man IM1 1LB British Isles <i>As to English Law</i> Stephenson Harwood One, St Paul's Churchyard London EC4M 8SH United Kingdom
Subsidiaries	European Convergence Development Company (Cayman) Limited PO Box 309, Ugland House Grand Cayman Cayman Islands British West Indies European Convergence Development (Malta) Limited 4 V. Dimech Street Floriana Malta Convergence Development (Cyprus) Limited 27 Pindarou, Alpha Business Centre, 2nd Floor PC1060 Nicosia Cyprus European Real Estate Development Invest SRL Calea Serban Voda, No. 133 Building A, Ground Floor, Room No. 9 Sector 4 Bucharest Romania
Joint Ventures	Asmita Gardens SRL 28 G-ral C-tin Budisteanu Street Third Floor, Room No. 13 Sector 1 Bucharest Romania

Management and Administration continued

Cascade Park Plaza SRL
33 Emanoil Porumbaru Street
Bl A, App 3, Room No. 2
Sector 1
Bucharest, Romania

Galleria Plovdiv AD
1 Assenovgradsko Shosse Street
Plovdiv
Bulgaria

Turgovski Park Kraimorie AD
1 Assenovgradsko Shosse Street
Plovdiv
Bulgaria

Mega Mall Rousse AD
123 Lipnik Boulevarde
Rousse
Bulgaria

Convergence Development Invest SRL
69-71 Soseaua Bucuresti-Ploiesti
2nd Floor, Room No. 23
Sector 1
Bucharest
Romania

Trade Center Sliven EAD
Nova Industrialna Zona Housing Complex
Bansko Shosse Street
Sliven
Bulgaria

Chairman's Statement

During the first half of 2008, the Group continued to identify and progress potential development opportunities in Bulgaria and Romania. On 6 June 2008 the Group entered into a shareholders' agreement, along with other interested parties, to purchase an interest in Trade Centre Sliven, a retail and leisure development in Bulgaria.

This investment brings the Group's existing development projects to seven, representing investment utilising approximately two-thirds of its capital. There are several further projects in the pipeline that the Group is pursuing. The Group anticipates that the funds raised upon admission to AIM will be fully invested by the end of the current financial year.

In August 2008 the Company published the results of the second independent valuation it had commissioned on those of its investments where construction had commenced. Although these four investments represented 35% of the Group's assets as at the date of the interim accounts, based on the shares in issue at that time, the Board estimated that the discounted impact on the Net Asset Value ("NAV") would be an increase of EUR 0.29 per share (although it should be noted that this is for illustration purposes only as the NAV in the accounts is stated at cost).

At the EGM held on 3 March 2008 the Company passed a special resolution allowing it to re-register the Company under the Isle of Man Companies Act 2006 and to adopt new memorandum and articles of association allowing it to return capital to its shareholders and buy back its shares in appropriate circumstances. The Company was re-registered on 4 March 2008 and on 20 March 2008 the Company duly bought back 1,930,000 of its own ordinary shares for cancellation, at a price of EUR 0.87 per share. On 16 July 2008 the Company bought back a further 400,000 of its own ordinary shares for cancellation, at a price of EUR 0.67.

The Group made a small profit in the reporting period of €0.46m, but expects to make a loss for the full year reflecting the continuation of its investment and development phase and the associated running costs. Consequently the Board will not declare a dividend. The objective of the Company remains to provide enhanced returns to its shareholders both through sustained growth of its net assets per share, and through profit distribution.

Erwin Brunner
Chairman

16 September 2008

Report of the Manager

During the period under review the Company completed the transaction for the acquisition of a 42.5% stake for the development of a shopping mall in Sliven, Bulgaria. Procurement of the project is now underway as detailed below.

Development Market Conditions

As previously forecast, market conditions have eased through Q1 2008 and the Manager is generally enjoying a better negotiating position with potential development partners regarding projects offered. The number of projects introduced remains good in both Bulgaria and Romania, however the Manager continues to maintain a selective approach and has rejected a number of opportunities on the basis of unrealistic price expectation or where any aspect of a project is less than Grade A or is not low risk.

Debt Market Overview

The debt market has hardened in Bulgaria although local banks in both markets remain relatively competitive, certainly for well presented and considered projects.

Debt pricing for good quality core asset class investment and development projects is now around 3% above EURIBOR although considerable scope still exists to secure good overall debt terms.

Property Portfolio

Good pipeline potential exists in both markets and this has been opening up new investment segments and geographical destinations for the Company; since the beginning of the year we have been introduced to opportunities in principal secondary Romanian cities and in Sofia (previously, opportunities were being sourced in Bucharest and secondary cities of Bulgaria). Potential retail projects are also now being identified in Romania.

Romania:

Asmita Gardens

Construction: Construction is progressing according to program with no delays incurred during the period.

Sales: Over 50% of the residential units have been sold. Up until January 2008, selling prices for Asmita had been increasing at a pace of between 5% to 8% semi-annually in line with the anticipated market trend. Since then several factors have influenced residential market sales including rising mortgage costs, VAT levied on some apartment purchases and generally buyer expectations of falling unit prices with a result of deferring their purchase decision. As a result in Q2 the rate of sales has fallen, however the Manager expects the rate to pick up again as the number of available units falls.

Leasing of the retail areas is expected to begin by the end of September.

Cascade Euro Tower

Construction : The design verification for the substructure and superstructure is ongoing.

Leasing : Leasing has progressed well, with four lease contracts signed representing a total of 56% of the offices plus the retail unit, some storage, and 60% of the car parking.

Baneasa Project

The procurement of the PUZ (the City Hall approval that defines the major parameters of the future construction) and building permit continues. We estimate that the PUZ will be obtained by the end of September.

Report of the Manager continued

Bulgaria:

Galleria Plovdiv

The scheduled opening of the mall remains achievable by mid-April 2009.

Construction : The overall quality for the work completed remains good. The extent of the building completed has advanced in accordance with the program.

Leasing : Background leasing is progressing well with over 22% of Gross Lettable Area ("GLA") leased as at the beginning of Q2 2008 and we anticipate achieving c.40% by early September. Heads of Terms ("HoT") are in place for c.60% of the GLA.

Mega Mall Rousse

Construction : Preliminary site clearance and foundation works began in January. The Building Permit for construction has been secured and works are now well underway. As at August foundation and basement works are completed and the project is currently slightly ahead of the planned program.

Leasing : Leasing is now well under way, in spite of the announcement of two competitive large retail developments by Mall of Rousse and GTC. A tenant mix was finalised during Q2 and the selling agent has currently secured HoT or lease contracts for almost 23% of the GLA. Our intention is to aim for a plain vanilla mall concept to minimise any concept concerns during exit and thereby secure highest value terms.

Bourgas Retail Park

A retail concept has now been finalised with the architects which allows for the development of a total of c.40,000 sqm of GLA in a generally big-box format complimented by some smaller galleria retail units. The project will be primarily anchored by a 12,000 sqm hypermarket. Discussions have been held with potential key anchors and lease terms have been agreed in principle with tenants equating to c.40% of the GLA. We expect to advance these to a signed HoT through September.

The development partner has appointed local architects and design work has commenced to secure a Building Permit for construction start in early Q4. Due to the relatively lightweight nature of the construction, we anticipate an opening date in September 2009.

Sliven Mall

The Architects have been appointed to provide a full design service for the Sliven Mall project. To date three project concept options which the Manager has assessed and which will be discussed with leasing agents to be appointed over the next few days, have been submitted. We anticipate moving rapidly to finalising the project plans by end September which will very much help to facilitate design development for Building Permit and also initial leasing enquiries.

Charlemagne Capital (IOM) Limited

16 September 2008

Consolidated Income Statement

	Note	(Unaudited) For the period from 1 January 2008 to 30 June 2008 €'000	(Unaudited) For the period from 1 January 2007 to 30 June 2007 €'000
Net rent and related income		115	-
Annual Management fees	6.2	(858)	(294)
Audit fees	7	(44)	(29)
Legal and professional fees		(349)	(196)
Directors' Fees	14	(45)	(27)
Administration Fees		(35)	(31)
Other operating expenses		(102)	(213)
Administrative expenses		(1,433)	(790)
Net operating loss before net financing income		(1,318)	(790)
Financial income		1,712	274
Financial expenses		-	(12)
Net financing income		1,712	262
Share of profit/(loss) of equity accounted investees	8	64	(212)
Profit/(loss) before tax		458	(740)
Income tax expense		-	-
Retained profit/(loss) for the period		458	(740)
Basic and diluted earnings/(loss) per share (€)	12	0.0046	(0.0185)

The Directors consider that all results derive from continuing activities.

Consolidated Balance Sheet

	Note	(Unaudited) At 30 June 2008 €'000	(Audited) At 31 December 2007 €'000
Investment in equity accounted investees	8	9,978	9,338
Loan to third party	9	2,242	2,139
Trade and other receivables	6.3, 9	32,717	29,736
Property, plant and equipment		1	1
Total non-current assets		44,938	41,214
Loan to third party	9	3,969	3,825
Trade and other receivables		155	118
Cash and cash equivalents		35,907	41,058
Total current assets		40,031	45,001
Total assets		84,969	86,215
Issued share capital	11	79,439	80,983
Share premium		6,296	6,431
Retained losses		(1,281)	(1,739)
Total equity		84,454	85,675
Trade and other payables	13	515	540
Total current liabilities		515	540
Total liabilities		515	540
Total equity & liabilities		84,969	86,215

The accompanying Notes form an integral part of these consolidated financial statements

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2007	30,457	-	-	(209)	30,248
Shares issued in the period	50,526	9,474	-	-	60,000
Share issue expenses	-	(3,016)	-	-	(3,016)
Foreign currency exchange differences	-	-	2	-	2
Retained loss for the period	-	-	-	(740)	(740)
Balance at 30 June 2007	80,983	6,458	2	(949)	86,494
Balance at 1 January 2007	30,457	-	-	(209)	30,248
Shares issued in the period	50,526	9,474	-	-	60,000
Share issue expenses	-	(3,043)	-	-	(3,043)
Retained loss for the year	-	-	-	(1,530)	(1,530)
Balance at 31 December 2007	80,983	6,431	-	(1,739)	85,675
Balance at 1 January 2008	80,983	6,431	-	(1,739)	85,675
Shares cancelled following market purchases/transfer to capital redemption reserve	(1,544)	(135)	-	-	(1,679)
Retained profit for the period	-	-	-	458	458
Balance at 30 June 2008	79,439	6,296	-	(1,281)	84,454

The accompanying Notes form an integral part of these consolidated financial statements

Consolidated Cash Flow Statement

	Note	(Unaudited) For the period from 1 January 2008 to 30 June 2008 €'000	(Unaudited) For the period from 1 January 2007 to 30 June 2007 €'000
Operating activities			
Profit/(loss) before tax		458	(740)
Adjustments for:			
Financial income		(1,712)	(274)
Financial expense		-	12
Share of (profit)/loss of equity accounted investees		(64)	212
Operating loss before changes in working capital		(1,318)	(790)
Decrease/(Increase) in trade and other receivables		(37)	(662)
(Decrease)/Increase in trade and other payables		(25)	2,753
Cash used in operations		(1,380)	1,301
Financial expenses paid		-	(12)
Financial income received		1,712	274
Cash flows generated from operating activities		332	1,563
Investing activities			
Acquisition of equity accounted investees	8	(576)	(16)
Acquisition of investments		-	-
Loans to equity accounted investees	9	(2,981)	(10,000)
Loans to third party		(247)	-
Cash flows used in investing activities		(3,804)	(10,016)
Financing activities			
Proceeds from the issue of ordinary share capital		-	60,000
Share issue expenses		-	(3,016)
Purchase of shares	11	(1,679)	-
Cash flows (used in)/generated from financing activities		(1,679)	56,984
Net (decrease)/increase in cash and cash equivalents		(5,151)	48,531
Cash and cash equivalents at beginning of period		41,058	22,030
Cash and cash equivalents at end of period		35,907	70,561

The accompanying Notes form an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

1 The Company

European Convergence Development Company plc (the "Company") was incorporated and registered in the Isle of Man under the Isle of Man Companies Acts 1931 to 2004 on 26 July 2006 as a public company with registered number 117309C. On 3 March 2008 the Company was de-registered as an Isle of Man 1931 company and re-registered as a company governed by the Isle of Man Companies Act 2006 with registered number 002391v.

The Company's agents and the Manager perform all significant functions. Accordingly, the Company itself has no employees.

2 The Subsidiaries

The Company, for efficient portfolio management purposes, has established the following subsidiary companies:-

	Country of Incorporation	Percentage of Shares Held
European Convergence Development (Cayman) Limited	Cayman	100%
Convergence Development (Cyprus) Limited	Cyprus	100%
European Convergence Development (Malta) Limited	Malta	100%
European Real Estate Development Invest SRL	Romania	100%

3 Joint Ventures

The Group as at the date of this document has acquired an interest in the following companies:-

	Country of Incorporation	Percentage of Shares Held
Asmita Gardens SRL	Romania	50%
Cascade Park Plaza SRL	Romania	40%
Convergence Development Invest SRL	Romania	50%
Galleria Plovdiv AD	Bulgaria	50%
Turgovski Park Kraimorie AD	Bulgaria	70%
Mega Mall Rousse AD	Bulgaria	50%
Trade Centre Sliven EAD	Bulgaria	42.5%

On 9 June 2008, the Group announced the signing of a joint venture agreement to develop Trade Centre Sliven in Bulgaria. The Group has committed an equity investment of EUR 0.8 million towards the project, with a potential further contribution of EUR 2.0 million in the form of a shareholder loan.

Notwithstanding the Group's percentage holdings, the above companies have not been consolidated as the Group's control is restricted by Joint Venture Agreements.

4 Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the group in its consolidated financial statements for the year ended 31 December 2007

The Interim report of the Company for the period ending 30 June 2008 comprises the Company and its subsidiaries (together referred to as the "Group"). The interim consolidated financial statements are unaudited.

4.1 Basis of presentation

These interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 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 2007.

Notes to the Consolidated Financial Statements continued

4.2 Basis of consolidation

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists where the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Associates and joint ventures (equity accounted investees)

Associates are those entities in which the Group has a significant influence, but no control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and joint ventures are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of the equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the Company and its equity accounted investees are eliminated to the extent of the Company's interest in the equity accounted investees. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Company. In particular, borrowing costs related directly to the acquisition or construction of qualifying assets are capitalised.

It is the Company's policy to account for each of the development projects in the equity accounted joint ventures at the lower of cost and net realisable value until development completion.

Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to € at the foreign currency exchange rates ruling at the balance sheet date. Foreign exchange differences arising on translation are recognised directly in equity.

4.3 Dividends

Dividends are recognised as a liability in the period in which they are declared and approved. There was no dividend declared as at 30 June 2008.

4.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effect.

In the current period, the Company repurchased some of its own shares. These shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by their nominal value. The premium on the repurchased shares was debited to the share premium account.

Notes to the Consolidated Financial Statements continued

4.5 Segmental reporting

The Company has one segment focusing on maximising total returns through investing in the property markets of South East Europe. Further analysis of the Group's exposure in this region is provided in notes 9 and 10. No additional disclosure is required in relation to segment reporting, as the Company's activities are limited to one business and geographic segment.

5 Net Asset Value per Share

The net asset value per share as at 30 June 2008 is €0.8505 based on 99,298,894 shares in issue at that date. (31 December 2007: €0.8463 based on 101,228,894 ordinary shares.)

6 Related Party Transactions

6.1 Directors of the Company

Anderson Whamond is a director of the Manager. Mr Whamond is a shareholder of Charlemagne Capital Limited ("CCL") the parent of the Manager and the Placing Agent.

Save as disclosed above, 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 Company.

A company associated with the Manager holds 125,000 shares of the Company.

CCL, a company incorporated in the Cayman Islands is listed on the Alternative Investment Market of the London Stock Exchange.

6.2 Manager fees

Annual management fees payable to the Manager during the period ended 30 June 2008 amounted to €858,352 (30 June 2007: €293,625).

6.3 Transactions and balances with Joint Venture Companies and Partners

The Company has made loans to Joint Venture Companies totalling €32,717,000 and to Joint Venture Partners totalling €6,211,000. Details of the terms and applicable interest rates for these loans are more fully shown in note 9.

6.4 Intragroup Balances

Intragroup balances are repayable on demand and bear interest at commercial rates.

7 Audit fees

Audit fees payable for the period ending 30 June 2008 amounted to €43,675 (30 June 2007: €29,284).

8 Investment in Equity Accounted Investments

Group	30 June 2008 €'000	31 December 2007 €'000
At beginning of period	9,338	476
Acquisition of equity accounted investment	867	9,800
Share of profit/(loss) of equity accounted investment	64	(1,227)
Share of interest income from equity accounted investment	(291)	289
Balance at end of period	9,978	9,338

Notes to the Consolidated Financial Statements continued

The carrying values of the Group's equity accounted investments are as follows:

Name	Value at 30 June 2008 €000	Value at 31 December 2007 €'000
Asmita Gardens SRL	26	16
Cascade Park Plaza SRL	5,076	5,272
Galleria Plovdiv AD	58	28
Turgovski Park Kraimorie AD	31	19
Mega Mall Rousse	3,992	4,011
Convergence Development Invest SRL	(30)	(8)
Trade Centre Sliven EAD	825	-
	9,978	9,338

The results, assets and liabilities of the equity accounted companies are as follows:

Name	Country of Incorporation	Non Current Assets €'000	Current Assets €'000	Non current liabilities €'000	Current liabilities €'000	% interest
Asmita Gardens SRL	Romania	54,207	6,440	(41,176)	(27,064)	50
Cascade Park Plaza SRL	Romania	8,858	2,165	(13,825)	(333)	40
Galleria Plovdiv AD	Bulgaria	47,126	1,149	(44,981)	(4,274)	50
Turgovski Park Kraimorie AD	Bulgaria	12,751	22	(12,750)	(3)	70
Mega Mall Rousse	Bulgaria	5,717	1,958	-	(2,315)	50
Convergence Development Invest SRL	Romania	22,136	125	(18,771)	(5,766)	50
Trade Centre Sliven EAD	Bulgaria	-	1,941	-	-	42.5

Name	Revenues €'000	Expenses €'000	Gain/(Loss) €'000
Asmita Gardens SRL	268	(1,817)	(1,549)
Cascade Park Plaza SRL	41	(856)	(815)
Galleria Plovdiv AD	2	(749)	(747)
Turgovski Park Kraimorie AD	-	(4)	(4)
Mega Mall Rousse	521	(501)	20
Convergence Development Invest SRL	2	(291)	(289)
Trade Centre Sliven EAD	-	-	-

The Shareholders of Asmita Gardens, Cascade Park, Convergence Development Invest and Galleria Plovdiv have pledged their shareholding as security against the external loans to these companies.

The figures in the tables above do not include adjustments made for the purposes of these consolidated financial statements in order to align the accounting policies of the equity accounted investees with those of the Group.

9 Trade and Other Receivables

Trade and other receivables for the Group includes loans to equity accounted investees as follows:

Name	Term	Interest Rate	Amount €'000
Asmita Gardens SRL	36 months	6%	8,705
Galleria Plovdiv AD	*	0%	12,000
Turgovski Park Kraimorie AD	*	0%	8,925
Convergence Development Invest SRL	60 months	7%	3,087

Notes to the Consolidated Financial Statements continued

* Loans are due to be repaid after the investee has repaid its debts to Alpha Bank Romania S.A.

Trade and other receivables for the Group also includes loans to Joint Venture Partners as follows

Name	Term	Interest Rate	Amount €'000
Dickau Investments Limited	60 months	10%	2,242
Sienit Holding EAD	*	*	3,969

*Due for repayment in three instalments on 25 August, September and October 2008 at an interest rate of EURIBOR plus 5% chargeable on the balance from 11 February 2008.

10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash deposited with banks.

11 Capital and Reserves

Share Capital

Ordinary Shares of €0.80 each	Number	€'000
In issue at 1 July 2007	101,228,894	80,983
Issued during the period	-	-
In issue at 31 December 2007	101,228,894	80,983
Shares cancelled during the period	(1,930,000)	(1,544)
30 June 2008	99,298,894	79,439

At incorporation the authorised share capital of the Company was €240 million divided into 300 million Ordinary Shares of €0.80 each.

On 20 March 2008 the Company bought back 1,930,000 shares for a total consideration of €1,679,100.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's assets.

12 Basic and Diluted Earnings/(Loss) per Share

Basic and diluted earnings/(loss) per share are calculated by dividing the consolidated profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Period ended 30 June 2008	Period ended 30 June 2007
Consolidated profit/(loss) attributable to equity holders of the Company (€'000)	458	(740)
Weighted average number of ordinary shares in issue (thousands)	100,137	39,929
Basic and diluted earnings/(loss) per share (Euro cent per share)	0.46	(1.85)

Notes to the Consolidated Financial Statements continued

13 Trade and Other Payables

	30 June 2008 €'000	31 December 2007 €'000
Accruals	515	540
Total	515	540

14 Directors' Remuneration

The Company

Each Director currently is paid a fee of €22,500 p.a. Total fees and expenses paid to the Directors for the period ended 30 June 2008 amounted to €45,000 (30 June 2007: €27,486).

The Subsidiaries

No fees are paid to the directors of the subsidiaries except in circumstances where a director is appointed in compliance with local regulations and in such cases the fees payable are nominal.

15 Fair Value Information

The equity accounted joint venture companies' property developments are carried at cost. The remainder of the Company's financial assets and financial liabilities at the balance sheet date were stated at fair value..

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement (e.g., interest rates, volatility, estimated cash flows, etc.) and therefore cannot be determined with precision.

16 Commitments as at the Balance Sheet Date

As at the balance sheet date the Group had not entered into any additional joint venture agreements.

17 Post Balance Sheet Events

On 16 July 2008, the Company purchased 400,000 of its own shares for cancellation. These were purchased through Panmure Gordon at a price before expenses of EUR 0.67.

On 27 August 2008 the Company announced the results of a valuation exercise carried out on the investment properties held by the Joint Venture associates at cost. From the valuation exercise the Company estimated that its discounted consolidated Net Asset Value is EUR1.14 per share. There is no impact on the consolidated financial statements, as the equity accounted investees hold the properties at cost. The detailed announcement can be found on the Company's website.