

**PRESS RELEASE**

***BOARD APPROVES 2007 ACCOUNTS FOR THE LISTED FUNDS:***

**EVEN IN 2007 FUNDS AMPLY EXCEED ALL THE TARGETS INDICATED AT THE TIME OF PLACEMENT**

**• BERENICE FONDO UFFICI**

**HALF YEAR INCOME (SOLELY RENT): €9.4 MN, FY 2007: €15.6 MN**

**HALF YEAR DIVIDEND EQUAL TO €9.4 MN AND FULL YEAR TO €22.4 MN (INCLUDING UNDISTRIBUTED RETAINED EARNINGS FROM PREVIOUS YEARS)**

**FY 2007 DIVIDEND YIELD OF 7.8%, AVERAGE ANNUAL DIVIDEND YIELD OF 8% SINCE PLACEMENT, VS TARGET OF 4.75%;**

**NAV (NET OF PREVIOUS DISTRIBUTIONS AND OF THOSE APPROVED TODAY) AMOUNTS TO CIRCA €428.3 MN, +43% ON THE INITIAL CAPITAL INVESTED OF €300 MN**

**CONSIDERING ALL THE EARNINGS DISTRIBUTED, APPROVED PARTIAL PRINCIPAL REIMBURSEMENTS AND THE CURRENT NAV, TOTAL RETURN REACHES 70%**

**PIRELLI RE INDIRECTLY HOLDS 5% OF THE FUND'S UNITS**

**• TECLA FONDO UFFICI**

**HALF YEAR INCOME (RENTS PLUS CAPITAL GAINS FROM SALES): €17.8 MN, FY 2007: €21.9 MN**

**HALF YEAR DIVIDEND EQUAL TO €17.8 MN AND FULL YEAR TO €40.9 MN (INCLUDING UNDISTRIBUTED RETAINED EARNINGS FROM PREVIOUS YEARS)**

**FY 2007 DIVIDEND YIELD OF 14.7%, AVERAGE ANNUAL DIVIDEND YIELD OF 10.7% SINCE PLACEMENT, VS TARGET OF 5.5%**

**NAV (NET OF PREVIOUS DISTRIBUTIONS AND OF THOSE APPROVED TODAY) AMOUNTS TO CIRCA €415.8 MN, +29% ON THE INITIAL CAPITAL INVESTED OF €323 MN**

**CONSIDERING ALL THE EARNINGS DISTRIBUTED, APPROVED PARTIAL PRINCIPAL REIMBURSEMENTS AND THE CURRENT NAV, TOTAL RETURN REACHES 91%**

## PIRELLI RE INDIRECTLY HOLDS 44% OF THE FUND'S UNITS

- **OLINDA FONDO SHOPS**

**HALF YEAR INCOME (RENTS PLUS CAPITAL GAINS FROM SALES): €9.1 MN, FY 2007:  
€44.6 MN**

**HALF YEAR DIVIDEND EQUAL TO €7.5 MN AND FULL YEAR TO €24.9 MN (PLEASE  
NOTE THAT IN THE FIRST HALF THERE WAS A 49% PAYOUT IN LIGHT OF PLANNED  
INVESTMENTS)**

**FY 2007 DIVIDEND YIELD OF 10%, AVERAGE ANNUAL DIVIDEND YIELD OF 7.7%  
SINCE PLACEMENT VS TARGET OF 5.5%**

**NAV (NET OF PREVIOUS DISTRIBUTIONS AND OF THOSE APPROVED TODAY)  
AMOUNTS TO CIRCA €354.3 MN, +35% ON THE INITIAL CAPITAL INVESTED OF €262  
MN**

**CONSIDERING ALL THE EARNINGS DISTRIBUTED, APPROVED PARTIAL CAPITAL  
REIMBURSEMENTS AND THE CURRENT NAV, TOTAL RETURN REACHES 64%**

- **RESERVED FUNDS**

**THE RESULTS WILL BE ANNOUNCED ON FEBRUARY 28TH**

*Milan, January 30th, 2008* – At today's meeting, the Board of Directors of **Pirelli RE SGR** approved the final 2007 accounts of the ordinary listed closed-end real estate investment funds Berenice Fondo Uffici, Tecla Fondo Uffici and Olinda Fondo Shops.

The Board voted to pay dividends for the second half of 2007 for all of the listed funds, **confirming for another year returns greater than the targets** set at the time of the placement.

For **Berenice Fondo Uffici**, placed in mid-July 2005, income for the second half of 2007 came to €9.4 mn, net of unrealized capital gains\*. The fund earned €15.6 million, entirely from rental income as no properties were sold during the year. We remind that the payout made in the first half included undistributed retained earnings from previous years and, therefore, the FY dividend amounts to €22.4 mn.

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\*Unrealized capital gains represent the increase in market value of the properties held in the portfolio, according to an independent appraisal by CB Richard Ellis, and of the fund's other assets (such as interest rate hedging instruments).

Pirelli RE indirectly holds a 5% stake.

**The Board approved an ordinary dividend of €15.68 per quota** (100% of distributable income), **with a six-month yield of 3.4%**. For FY 2007, the dividend yield comes to **7.8%**, **outdoing the annual dividend target** of 4.75% specified during the placement. We remind that the payout made in the first half included undistributed retained earnings from previous years. Since its placement, the fund has delivered an **average annual yield of 8%**.

The **market value** of the 51 properties held by Berenice Fondo Uffici at December 31, 2007 amounts to **€853 mn** (according to an independent appraisal by **CB Richard Ellis**), giving a **net asset value (NAV) per unit of €729.5**, including the dividend approved, **for a premium of 20.4% on the year-end stock market price** (€606.08 per quota at December 28th).

The **fund's NAV**, net all payouts made and those approved today, amounts to **€428.3 mn**, **+43% on the initial capital invested** of €300 mn. Considering all distributed earnings, the approved partial principal reimbursements and the current NAV, **the total return reaches 70%**.

The quotas of Berenice Fondo Uffici will trade ex-dividend as from February 25th. Payment will take place on February 28th.

For **Tecla Fondo Uffici**, placed at the beginning of March 2004, income for the second half of the year came to €17.8 mn net of unrealized capital gains\*. Full-year income stands at €21.9 million and derives from both rent and sales; this fund has sold properties for a total of €78.1 mn, for a gross capital gain of €19.7 mn. We remind that the payout made in the first half included undistributed retained earnings from previous years and, therefore, the FY dividend amounts to €40.9 mn.

The Pirelli RE Group indirectly holds a stake of 44%.

**The Board approved an ordinary dividend of €27.46 per quota** (100% of distributable income), **with a six-month yield of 6.7%**. For FY 2007, the dividend yield comes to **14.7%**, **outdoing the annual dividend target** of 5.5% specified during the placement. We remind that the payout made in the first half included undistributed retained earnings from previous years and, therefore, since its placement the fund has delivered an **average annual yield of 10.7%**. With proceeds from the sales, the board also approved the **partial reimbursement of principal in the amount of circa €20.5 mn (€31.71 per quota)**.

The **market value** of the 52 properties held by Tecla Fondo Uffici at December 31, 2007 amounts to **€793.6 mn** (according to an independent appraisal by **CB Richard Ellis**), giving a **net asset value (NAV) per unit of €702.3**, **for a premium of 19% on the year-end stock market price** (€590 per quota on December 28th).

The **fund's NAV**, net all payouts made and those approved today, amounts to **€415.8 mn**, **+29% on the initial capital invested** of €323 mn. Considering all distributed earnings, the approved partial principal reimbursements and the current NAV, **the total return reaches 91%**.

The quotas of Tecla Fondo Uffici will trade ex-dividend as from February 25th. Payment will take place on February 28th.

For **Olinda Fondo Shops**, placed at the beginning of December 2004, income for the second half of the year came to €9.1 mn net of unrealized capital gains\*. Full-year income stands at €44.6 million and derives from both rent and sales; this fund has sold properties for a total of €136.3 mn, for a gross capital gain of €40.7 mn.

Pirelli RE indirectly holds a 12% stake.

**The Board approved an ordinary dividend of €14.4 per quota** (82% of distributable income), **with a six-month yield of 3%**. For FY 2007, the dividend yield comes to **10%**, **outdoing the annual dividend target** of 5.5% specified during the placement. Since its placement the fund has delivered an **average annual yield of 7.7%**.

The **market value** of the 44 properties held by Olinda Fondo Shops at December 31, 2007 amounts to **€668.5 mn** (according to an independent appraisal by **CB Richard Ellis**), giving a **net asset value (NAV) per unit of €693.1, for a premium of 38.2% on the year-end stock market price** (€501.5 per quota on December 28th).

The **fund's NAV**, net all payouts made and those approved today, amounts to circa **€354.3 mn, +35% on the initial capital invested** of €262 mn. Considering all distributed earnings, the approved partial principal reimbursements and the current NAV, **the total return reaches 64%**.

The quotas of Olinda Fondo Shops will trade ex-dividend as from February 25th. Payment will take place on February 28th.

In addition, the Board of Directors of Pirelli RE SGR approved the lists of candidates for the Advisory Committees of Olinda Fondo Shops and Tecla Fondo Uffici, whose current committees have reached the end of their three-year terms. These are professionals who can assure the independent status required of independent directors in accordance with Assogestioni's "*Protocollo di Autonomia per le società di gestione del risparmio*," and who have significant experience in the real estate industry or in asset management or are university professors of finance-related subjects, preferably related to real estate.

The lists of candidates approved today will be submitted to the investors' meetings of Olinda Fondo Shops (February 29th) and Tecla Fondo Uffici (February 25th). Information on the candidates will be published in the next days at [www.pirelliresgr.com](http://www.pirelliresgr.com) and on the fund's individual websites ([www.fondo-olinda.com](http://www.fondo-olinda.com) and [www.fondotecla.com](http://www.fondotecla.com)), and will also be available at the Company's head office.

Last, the Board of Directors of Pirelli RE SGR approved the annual corporate governance report, which will be available as from tomorrow, January 31, 2008 at [www.pirelliresgr.com](http://www.pirelliresgr.com).

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\* Unrealized capital gains represent the increase in market value of the properties held in the portfolio, according to an independent appraisal by CB Richard Ellis, and of the fund's other assets (such as interest rate hedging instruments).

Next February 28 the Board of Directors of the two fund management companies (SGR) of the Pirelli RE Group will meet to examine the accounts as at December 31, 2007 of the reserved funds.

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For additional information on the 2007 accounts of the listed funds Berenice, Tecla and Olinda, see the financial notices to be published on February 1st in *Corriere della Sera*, *Finanza e Mercati*, *Milano Finanza*, *La Repubblica*, and *Il Sole 24 Ore*. The accounts and the independent appraisals of the funds' assets will be available at the head office of Pirelli RE SGR, of Borsa Italiana, and of the custodian bank Intesa SanPaolo (including the main branch in each regional capital), as well as at [www.pirelliresgr.com](http://www.pirelliresgr.com), [www.fondoberenice.com](http://www.fondoberenice.com), [www.fondotecla.com](http://www.fondotecla.com), and [www.fondo-olinda.com](http://www.fondo-olinda.com).

*For further information:*

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# Fondo Berenice accounts

## BALANCE SHEET

ASSETS		Balance at 12/31/07		Balance at 12/31/06	
		Amount	% of total	Amount	% of total
		(EUR)		(EUR)	
<b>A.</b>	<b>FINANCIAL INSTRUMENTS</b>	<b>0</b>	<b>0,00</b>		
	<b>Unlisted financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A1.	Controlling investments				
A2.	Minority investments				
A3.	Other equities				
A4.	Debt securities				
A5.	UCITS units				
	<b>Listed financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A6.	Equities				
A7.	Debt securities				
A8.	UCITS units				
	<b>Derivative financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A9.	Margins with clearing and guarantee houses				
A10.	Options, premiums and other listed derivatives				
A11.	Options, premiums and other unlisted derivatives		0,00		0,00
<b>B.</b>	<b>PROPERTIES AND PROPERTY RIGHTS IN REM</b>	<b>852.960.000</b>	<b>98,14</b>	<b>802.770.000</b>	<b>92,98</b>
B1.	Properties rented	800.824.180	92,14	755.940.290	87,55
B2.	Properties leased				
B3.	Other properties	52.135.820	6,00	46.829.710	5,42
B4.	Property rights in rem				
<b>C.</b>	<b>RECEIVABLES</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
C1.	Receivables acquired in securitization transactions				
C2.	Other				
<b>D.</b>	<b>BANK DEPOSITS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
D1.	On demand				
D2.	Other				
<b>E.</b>	<b>OTHER HOLDINGS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
<b>F.</b>	<b>CASH AND CASH EQUIVALENTS</b>	<b>4.900.527</b>	<b>0,56</b>	<b>46.016.792</b>	<b>5,33</b>
F1.	Cash and equivalents on hand	4.900.527	0,56	46.016.792	5,33
F2.	Cash to be received for transactions awaiting settlement				
F3.	Cash committed for transactions awaiting settlement				
<b>G.</b>	<b>OTHER ASSETS</b>	<b>11.263.033</b>	<b>1,30</b>	<b>14.612.976</b>	<b>1,69</b>
G1.	Receivables for repo transactions and equivalent				
G2.	Accrued income and prepayments	2.797.621	0,32	3.512.938	0,41
G3.	Tax assets	0	0,00		
G4.	Other	8.465.412	0,98	11.100.038	1,29
	<b>TOTAL ASSETS</b>	<b>869.123.560</b>	<b>100,00</b>	<b>863.399.768</b>	<b>100,00</b>

LIABILITIES AND SHAREHOLDERS' EQUITY		Balance at 12/31/07 (EUR)	Balance at 12/31/06 (EUR)
<b>H.</b>	<b>BORROWINGS</b>	<b>417.966.352</b>	<b>416.413.500</b>
H1.	Mortgage loans	417.966.352	416.413.500
H2.	Repo transactions and equivalent		
H3.	Other		
<b>I.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>0</b>	<b>0</b>
I1.	Options, premiums and other listed derivatives		
I2.	Options, premiums and other unlisted derivatives	0	0
<b>L.</b>	<b>DUE TO FUND INVESTORS</b>	<b>0</b>	<b>0</b>
L1.	Income to be distributed		
L2.	Other payables to investors		
<b>M.</b>	<b>OTHER LIABILITIES</b>	<b>13.450.109</b>	<b>18.485.652</b>
M1.	Commissions and fees accrued	2.259.408	2.516.036
M2.	Tax liabilities	69.193	301.089
M3.	Accrued liabilities and deferred income	1.994.767	2.254.955
M4.	Other	9.126.741	13.413.572
<b>TOTAL LIABILITIES</b>		<b>431.416.461</b>	<b>434.899.152</b>
<b>TOTAL NET ASSET VALUE</b>		<b>437.707.099</b>	<b>428.500.616</b>
<b>Number of units outstanding</b>		<b>600.003</b>	<b>600.003</b>
<b>Net asset value per unit</b>		<b>729,508</b>	<b>714,164</b>
<b>Income distributed per unit (1)</b>		<b>83,66</b>	<b>32,55</b>
<b>Redemptions per unit</b>		<b>37,31</b>	<b>2,45</b>

(1) Actual payout per unit since the fund's inception.

The total net asset value and the NAV per unit are shown net of this amount.

# INCOME STATEMENT

	Jan. 1 - Dec. 31, 2007		July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		July 1 - Dec. 31, 2006	
<b>A. FINANCIAL INSTRUMENTS</b>								
Unlisted financial instruments	0		0		0		0	
<b>A1. EQUITY INVESTMENTS</b>	0		0		0		0	
A1.1 dividends and other income								
A1.2 profit/loss from sales								
A1.3 capital gains/losses								
<b>A2. OTHER UNLISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A2.1 interest, dividends and other income								
A2.2 profit/loss from sales								
A2.3 capital gains/losses								
Listed financial instruments	0		0		0		0	
<b>A3. LISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A3.1 interest, dividends and other income								
A3.2 profit/loss from sales								
A3.3 capital gains/losses								
Derivative financial instruments	-33.556		127.468		-472.825		-296.300	
<b>A4. DERIVATIVE FINANCIAL INSTRUMENTS</b>	-33.556		127.468		-472.825		-296.300	
A4.1 hedge	-33.556		127.468		-480.074		-296.300	
A4.2 non-hedge	0		0		7.249		0	
<b>Net income/loss from financial instruments</b>		<b>-33.556</b>		<b>127.468</b>		<b>-472.825</b>		<b>-296.300</b>
<b>B. PROPERTIES AND PROPERTY RIGHTS IN REM</b>								
B1. RENT, LEASING INSTALLMENTS AND OTHER INCOME	55.682.319		30.176.600		53.639.776		26.475.319	
B2. PROFIT/LOSS FROM SALES	0		0		16.536.727		15.836.727	
B3. CAPITAL GAINS/LOSSES	45.176.905		4.829.339		2.186.237		712.517	
B4. PROPERTY MANAGEMENT EXPENSES	-9.451.031		-5.295.571		-10.393.411		-6.094.187	
B5. DEPRECIATION	0		0		0		0	
B6. ICI (LOCAL PROPERTY TAX)	-2.503.554		-1.249.835		-2.693.575		-1.324.912	
<b>Net income/loss from properties</b>		<b>88.904.639</b>		<b>28.460.533</b>		<b>59.275.754</b>		<b>35.605.464</b>
<b>C. RECEIVABLES</b>								
C1. interest income and equivalent								
C2. increase/decrease in value								
<b>Net income/loss from receivables</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>D. BANK DEPOSITS</b>								
D1. interest income and equivalent								
<b>Net income/loss from bank deposits</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>E. OTHER HOLDINGS</b>								
E1. Income								
E2. Profit/loss from sales								
E3. Capital gains/losses								
<b>Net income/loss from investments</b>		<b>88.871.083</b>		<b>28.588.001</b>		<b>58.802.929</b>		<b>35.309.164</b>



	Jan. 1 - Dec. 31, 2007		July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		July 1 - Dec. 31, 2006	
<b>F. NET EXCHANGE GAINS/LOSSES</b>		0		0		0		0
F1. HEDGING TRANSACTIONS	0		0		0		0	
F.1.1 Realized income/losses								
F.1.2 Unrealized income/losses								
F2. NON-HEDGING TRANSACTIONS	0		0		0		0	
F.2.1 Realized income/losses								
F.2.2 Unrealized income/losses								
F3. LIQUIDITY	0		0		0		0	
F.3.1 Realized income/losses								
F.3.2 Unrealized income/losses								
<b>G. OTHER TRANSACTIONS</b>		0		0		0		0
G1. INCOME FROM REPO TRANSACTIONS AND EQUIVALENT								
G2. INCOME FROM SECURITIES LENDING TRANSACTIONS								
<b>Gross income from core businesses</b>		<b>88,871.083</b>		<b>28,588.001</b>		<b>58,802.929</b>		<b>35,309.164</b>
<b>H. FINANCIAL EXPENSES</b>		<b>-20,771.783</b>		<b>-10,947.015</b>		<b>-17,105.598</b>		<b>-9,258.176</b>
H1. INTEREST EXPENSE ON LOANS	-20,771.783		-10,947.015		-17,105.598		-9,258.176	
H1.1 on mortgage loans	-20,771.783		-10,947.015		-17,105.598		-9,258.176	
H1.2 on other loans								
H2. OTHER FINANCIAL EXPENSES								
<b>Net income from core businesses</b>		<b>68,099.301</b>		<b>17,640.987</b>		<b>41,697.331</b>		<b>26,050.988</b>
<b>I. OPERATING EXPENSES</b>		<b>-8,435.379</b>		<b>-3,741.774</b>		<b>-15,418.173</b>		<b>-11,489.932</b>
I1. Asset management commissions	-6,917.673		-2,997.487		-8,268.075		-5,039.151	
I2. Custodian bank fees	-87.661		-43.166		-83.675		-41.837	
I3. Independent appraisal fees	-78.200		-39.950		-79.000		-39.250	
I4. Publication of offering circulars and investment information	-89.237		-59.480		-177.972		-78.569	
I5. Other overheads	-1,262.609		-601.692		-6,809.451		-6,291.125	
<b>L. OTHER INCOME AND CHARGES</b>		<b>1,124.819</b>		<b>343.243</b>		<b>804.094</b>		<b>590.509</b>
L1. Interest on cash and cash equivalents	998.183		355.094		580.351		410.745	
L2. Other income	197.665		28.802		298.218		223.874	
L3. Other charges	-71.029		-40.653		-74.475		-44.110	
<b>Pre-tax income</b>		<b>60,788.740</b>		<b>14,242.455</b>		<b>27,083.252</b>		<b>15,151.565</b>
<b>M. TAXES</b>		0		0		0		0
M1. Substitute tax for the year								
M2. Tax assets								
M3. Other taxes								
<b>Net income (loss) for the period</b>		<b>60,788.740</b>		<b>14,242.455</b>		<b>27,083.252</b>		<b>15,151.565</b>

# Fondo Tecla accounts

## BALANCE SHEET

ASSETS	Balance at 12/31/07		Balance at 12/31/06	
	Amount	% of total	Amount	% of total
	(EUR)		(EUR)	
<b>A. FINANCIAL INSTRUMENTS</b>	<b>4.008.842</b>	<b>0,47</b>	<b>5.176.027</b>	<b>0,59</b>
<b>Unlisted financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A1. Controlling investments				
A2. Minority investments				
A3. Other equities				
A4. Debt securities				
A5. UCITS units				
<b>Listed financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A6. Equities				
A7. Debt securities				
A8. UCITS units				
<b>Derivative financial instruments</b>	<b>4.008.842</b>	<b>0,47</b>	<b>5.176.027</b>	<b>0,59</b>
A9. Margins with clearing and guarantee houses				
A10. Options, premiums and other listed derivatives				
A11. Options, premiums and other unlisted derivatives	4.008.842	0,47	5.176.027	0,59
<b>B. PROPERTIES AND PROPERTY RIGHTS IN REM</b>	<b>793.590.000</b>	<b>93,03</b>	<b>805.260.000</b>	<b>91,57</b>
B1. Properties rented	701.484.624	82,23	753.156.016	85,65
B2. Properties leased				
B3. Other properties	92.105.376	10,80	52.103.984	5,93
B4. Property rights in rem				
<b>C. RECEIVABLES</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
C1. Receivables acquired in securitization transactions				
C2. Other				
<b>D. BANK DEPOSITS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
D1. On demand				
D2. Other				
<b>E. OTHER HOLDINGS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
<b>F. CASH AND CASH EQUIVALENTS</b>	<b>50.760.098</b>	<b>5,95</b>	<b>61.998.941</b>	<b>7,05</b>
F1. Cash and equivalents on hand	50.760.098	5,95	61.998.941	7,05
F2. Cash to be received for transactions awaiting settlement				
F3. Cash committed for transactions awaiting settlement				
<b>G. OTHER ASSETS</b>	<b>4.692.823</b>	<b>0,55</b>	<b>6.912.538</b>	<b>0,79</b>
G1. Receivables for repo transactions and equivalent				
G2. Accrued income and prepayments	387.042	0,05	1.077.968	0,12
G3. Tax assets				
G4. Other	4.305.781	0,51	5.834.570	0,67
<b>TOTAL ASSETS</b>	<b>853.051.763</b>	<b>100,00</b>	<b>879.347.506</b>	<b>100,00</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		Balance at 12/31/07 (EUR)	Balance at 12/31/06 (EUR )
<b>H.</b>	<b>BORROWINGS</b>	<b>370.055.977</b>	<b>405.033.373</b>
H1.	Mortgage loans	365.987.977	399.609.373
H2.	Repo transactions and equivalent		
H3.	Other	4.068.000	5.424.000
<b>I.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>0</b>	<b>0</b>
I1.	Options, premiums and other listed derivatives		
I2.	Options, premiums and other unlisted derivatives		
<b>L.</b>	<b>DUE TO FUND INVESTORS</b>	<b>0</b>	<b>0</b>
L1.	Income to be distributed		
L2.	Other payables to investors		
<b>M.</b>	<b>OTHER LIABILITIES</b>	<b>28.893.065</b>	<b>18.527.883</b>
M1.	Commissions and fees accrued	13.514.981	6.434.533
M2.	Tax liabilities	1.228.565	646.399
M3.	Accrued liabilities and deferred income	2.342.377	2.547.492
M4.	Other	11.807.142	8.899.459
<b>TOTAL LIABILITIES</b>		<b>398.949.042</b>	<b>423.561.256</b>
<b>TOTAL NET ASSET VALUE</b>		<b>454.102.721</b>	<b>455.786.250</b>
<b>Number of units outstanding</b>		<b>646.590</b>	<b>646.590</b>
<b>Net asset value per unit</b>		<b>702,304</b>	<b>704,908</b>
<b>Income distributed per unit (1)</b>		<b>165,84</b>	<b>102,94</b>
<b>Redemptions per unit (1)</b>		<b>87,76</b>	<b>52,21</b>

(1) Actual payout and partial reimbursement of units since the fund's inception. The total net asset value and the NAV per unit are shown net of these amounts.

# INCOME STATEMENT

(in EUR)	Jan. 1 - Dec. 31, 2007		July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		July 1 - Dec. 31, 2006	
<b>A. FINANCIAL INSTRUMENTS</b>								
Unlisted financial instruments	0		0		0		0	
<b>A1. EQUITY INVESTMENTS</b>	0		0		0		0	
A1.1 dividends and other income								
A1.2 profit/loss from sales								
A1.3 capital gains/losses								
<b>A2. OTHER UNLISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A2.1 interest, dividends and other income								
A2.2 profit/loss from sales								
A2.3 capital gains/losses								
Listed financial instruments	0		0		0		0	
<b>A3. LISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A3.1 interest, dividends and other income								
A3.2 profit/loss from sales								
A3.3 capital gains/losses								
Derivative financial instruments	-550.171		-107.303		-1.570.594		-835.944	
<b>A4. DERIVATIVE FINANCIAL INSTRUMENTS</b>	-550.171		-107.303		-1.570.594		-835.944	
A4.1 hedge	-550.171		-107.303		-1.570.594		-835.944	
A4.2 non-hedge								
<b>Net income/loss from financial instruments</b>		<b>-550.171</b>		<b>-107.303</b>		<b>-1.570.594</b>		<b>-835.944</b>
<b>B. PROPERTIES AND PROPERTY RIGHTS IN REM</b>								
B1. RENT, LEASING INSTALLMENTS AND OTHER INCOME	52.845.223		26.520.634		58.335.907		28.646.999	
B2. PROFIT/LOSS FROM SALES	6.354.923		5.570.015		13.223.368		6.878.098	
B3. CAPITAL GAINS/LOSSES	53.349.469		35.270.561		1.646.453		1.092.689	
B4. PROPERTY MANAGEMENT EXPENSES	-11.422.337		-6.381.196		-13.653.306		-6.135.753	
B5. DEPRECIATION								
B6. ICI (LOCAL PROPERTY TAX)	-2.269.541		-1.125.794		-2.501.741		-1.215.056	
<b>Net income/loss from properties</b>		<b>98.857.737</b>		<b>59.854.220</b>		<b>57.050.681</b>		<b>29.266.977</b>
<b>C. RECEIVABLES</b>								
C1. interest income and equivalent								
C2. increase/decrease in value								
<b>Net income/loss from receivables</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>D. BANK DEPOSITS</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
D1. interest income and equivalent								
<b>E. OTHER HOLDINGS</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
E1. Income								
E2. Profit/loss from sales								
E3. Capital gains/losses								
<b>Net income/loss from investments</b>		<b>98.307.566</b>		<b>59.746.917</b>		<b>55.480.087</b>		<b>28.431.033</b>

	Jan. 1 - Dec. 31, 2007		July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		July 1 - Dec. 31, 2006	
<b>F. NET EXCHANGE GAINS/LOSSES</b>		0		0		0		0
F1. HEDGING TRANSACTIONS	0		0		0		0	
F.1.1 Realized income/losses								
F.1.2 Unrealized income/losses								
F2. NON-HEDGING TRANSACTIONS	0		0		0		0	
F.2.1 Realized income/losses								
F.2.2 Unrealized income/losses								
F3. LIQUIDITY	0		0		0		0	
F.3.1 Realized income/losses								
F.3.2 Unrealized income/losses								
<b>G. OTHER TRANSACTIONS</b>		0		0		0		0
G1. INCOME FROM REPO TRANSACTIONS AND EQUIVALENT								
G2. INCOME FROM SECURITIES LENDING TRANSACTIONS								
<b>Gross income from core businesses</b>		<b>98,307,566</b>		<b>59,746,917</b>		<b>55,480,087</b>		<b>28,431,033</b>
<b>H. FINANCIAL EXPENSES</b>								
H1. INTEREST EXPENSE ON LOANS	-20,869,189	-20,869,189	-10,882,318	-10,882,318	-17,607,878	-17,607,878	-9,273,690	-9,273,690
H1.1 on mortgage loans	-20,869,189		-10,882,318		-17,607,878		-9,273,690	
H1.2 on other loans								
H2. OTHER FINANCIAL EXPENSES								
<b>Net income from core businesses</b>		<b>77,438,377</b>		<b>48,864,599</b>		<b>37,872,209</b>		<b>19,157,343</b>
<b>I. OPERATING EXPENSES</b>		-17,140,302		-7,478,971		-13,821,035		-7,324,851
I1. Asset management commissions	-16,364,557		-7,082,657		-12,895,839		-6,767,674	
I2. Custodian bank fees	-104,670		-52,783		-107,203		-53,680	
I3. Independent appraisal fees	-82,250		-43,000		-90,900		-46,650	
I4. Publication of offering circulars and investment information	-95,929		-37,430		-180,809		-78,189	
I5. Other overheads	-492,896		-263,101		-546,284		-378,658	
<b>L. OTHER INCOME AND CHARGES</b>		1,675,181		580,948		1,517,272		945,745
L1. Interest on cash and cash equivalents	1,881,222		730,065		1,340,484		829,808	
L2. Other income	14,786		14		272,508		181,187	
L3. Other charges	-220,827		-149,131		-95,720		-65,250	
<b>Pre-tax income</b>		<b>61,973,256</b>		<b>41,966,576</b>		<b>25,568,446</b>		<b>12,778,237</b>
<b>M. TAXES</b>		0		0		0		0
M1. Substitute tax for the year								
M2. Tax assets								
M3. Other taxes								
<b>Net income (loss) for the period</b>		<b>61,973,256</b>		<b>41,966,576</b>		<b>25,568,446</b>		<b>12,778,237</b>

# Fondo Olinda accounts

## BALANCE SHEET

ASSETS		Balance at 12/31/07		Balance at 12/31/06	
		Amount	% of total	Amount	% of total
		(EUR)		(EUR)	
<b>A.</b>	<b>FINANCIAL INSTRUMENTS</b>	<b>3.894.246</b>	<b>0,53</b>	<b>4.741.300</b>	<b>0,65</b>
	<b>Unlisted financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A1.	Controlling investments				
A2.	Minority investments				
A3.	Other equities				
A4.	Debt securities				
A5.	UCITS units				
	<b>Listed financial instruments</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
A6.	Equities				
A7.	Debt securities				
A8.	UCITS units				
	<b>Derivative financial instruments</b>	<b>3.894.246</b>	<b>0,53</b>	<b>4.741.300</b>	<b>0,65</b>
A9.	Margins with clearing and guarantee houses				
A10.	Options, premiums and other listed derivatives				
A11.	Options, premiums and other unlisted derivatives	3.894.246	0,53	4.741.300	0,65
<b>B.</b>	<b>PROPERTIES AND PROPERTY RIGHTS IN REM</b>	<b>668.500.000</b>	<b>91,82</b>	<b>708.620.000</b>	<b>97,36</b>
B1.	Properties rented	640.270.685	87,94	708.620.000	97,36
B2.	Properties leased				
B3.	Other properties	28.229.315			
B4.	Property rights in rem				
<b>C.</b>	<b>RECEIVABLES</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
C1.	Receivables acquired in securitization transactions				
C2.	Other				
<b>D.</b>	<b>BANK DEPOSITS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
D1.	On demand				
D2.	Other				
<b>E.</b>	<b>OTHER HOLDINGS</b>	<b>0</b>	<b>0,00</b>	<b>0</b>	<b>0,00</b>
<b>F.</b>	<b>CASH AND CASH EQUIVALENTS</b>	<b>38.328.926</b>	<b>5,26</b>	<b>6.537.018</b>	<b>0,90</b>
F1.	Cash and equivalents on hand	38.328.926	5,26	6.537.018	0,90
F2.	Cash to be received for transactions awaiting settlement				
F3.	Cash committed for transactions awaiting settlement				
<b>G.</b>	<b>OTHER ASSETS</b>	<b>17.322.504</b>	<b>2,38</b>	<b>7.929.719</b>	<b>1,09</b>
G1.	Receivables for repo transactions and equivalent				
G2.	Accrued income and prepayments	1.249.363	0,17	1.350.208	0,19
G3.	Tax assets				
G4.	Other	16.073.141	2,22	6.579.511	0,90
	<b>TOTAL ASSETS</b>	<b>728.045.676</b>	<b>100,00</b>	<b>727.828.037</b>	<b>100,00</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>Balance at 12/31/07</b> (EUR)	<b>Balance at 12/31/06</b> (EUR)
<b>H.</b>	<b>BORROWINGS</b>	<b>352.349.715</b>	
H1.	Mortgage loans	348.715.360	363.201.006
H2.	Repo transactions and equivalent		
H3.	Other	3.634.355	4.812.201
<b>I.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>0</b>	<b>0</b>
I1.	Options, premiums and other listed derivatives		
I2.	Options, premiums and other unlisted derivatives		
<b>L.</b>	<b>DUE TO FUND INVESTORS</b>	<b>0</b>	<b>0</b>
L1.	Income to be distributed		
L2.	Other payables to investors		
<b>M.</b>	<b>OTHER LIABILITIES</b>	<b>13.840.317</b>	<b>11.983.127</b>
M1.	Commissions and fees accrued	3.760.701	502.201
M2.	Tax liabilities	17.317	491.523
M3.	Accrued liabilities and deferred income	1.379.553	2.770.732
M4.	Other	8.682.746	8.218.671
<b>TOTAL LIABILITIES</b>		<b>366.190.032</b>	<b>379.996.334</b>
<b>TOTAL NET ASSET VALUE</b>		<b>361.855.644</b>	<b>347.831.703</b>
<b>Number of units outstanding</b>		<b>522.107</b>	<b>522.107</b>
<b>Net asset value per unit</b>		<b>693,068</b>	<b>666,208</b>
<b>Income distributed per unit (1)</b>		<b>103,19</b>	<b>53,38</b>
<b>Redemptions per unit (1)</b>		<b>25,57</b>	<b>25,57</b>

(1) Actual payout and partial reimbursement of units since the fund's inception.  
The total net asset value and the NAV per unit are shown net of these amounts.

# INCOME STATEMENT

(in EUR)	Jan. 1 - Dec. 31, 2007		July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		July 1 - Dec. 31, 2006	
<b>A. FINANCIAL INSTRUMENTS</b>								
Unlisted financial instruments	0		0		0		0	
<b>A1. EQUITY INVESTMENTS</b>	0		0		0		0	
A1.1 dividends and other income								
A1.2 profit/loss from sales								
A1.3 capital gains/losses								
<b>A2. OTHER UNLISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A2.1 interest, dividends and other income								
A2.2 profit/loss from sales								
A2.3 capital gains/losses								
Listed financial instruments	0		0		0		0	
<b>A3. LISTED FINANCIAL INSTRUMENTS</b>	0		0		0		0	
A3.1 interest, dividends and other income								
A3.2 profit/loss from sales								
A3.3 capital gains/losses								
Derivative financial instruments	-1.197.803		-488.710		-1.512.758		-816.293	
<b>A4. DERIVATIVE FINANCIAL INSTRUMENTS</b>	-1.197.803		-488.710		-1.512.758		-816.293	
A4.1 hedge	-1.197.803		-488.710		-1.512.758		-816.293	
A4.2 non-hedge								
<b>Net income/loss from financial instruments</b>		<b>-1.197.803</b>		<b>-488.710</b>		<b>-1.512.758</b>		<b>-816.293</b>
<b>B. PROPERTIES AND PROPERTY RIGHTS IN REM</b>								
B1. RENT, LEASING INSTALLMENTS AND OTHER INCOME	46.624.358		24.845.622		42.957.110		21.416.225	
B2. PROFIT/LOSS FROM SALES	23.047.407		-11.967		1.009.659		480.856	
B3. CAPITAL GAINS/LOSSES	12.420.151		5.174.010		7.034.127		4.004.941	
B4. PROPERTY MANAGEMENT EXPENSES	-11.503.603		-5.480.679		-10.606.946		-6.123.504	
B5. DEPRECIATION	0		0				0	
B6. ICI (LOCAL PROPERTY TAX)	-1.462.537		-625.388		-1.617.932		-804.015	
<b>Net income/loss from properties</b>		<b>69.125.776</b>		<b>23.901.598</b>		<b>38.776.018</b>		<b>18.974.503</b>
<b>C. RECEIVABLES</b>								
C1. interest income and equivalent							874.811	
C2. increase/decrease in value								
<b>Net income/loss from receivables</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>874.811</b>
<b>D. BANK DEPOSITS</b>								
D1. interest income and equivalent		0		0		0		0
<b>E. OTHER HOLDINGS</b>								
E1. Income		0		0		0		0
E2. Profit/loss from sales								
E3. Capital gains/losses								
<b>Net income/loss from investments</b>		<b>67.927.973</b>		<b>23.412.888</b>		<b>37.263.260</b>		<b>19.033.021</b>



(in EUR)	Jan. 1 - Dec. 31, 2007		Unaudited July 1 - Dec. 31, 2007		Jan. 1 - Dec. 31, 2006		Unaudited July 1 - Dec. 31, 2006	
<b>F. NET EXCHANGE GAINS/LOSSES</b>		0		0		0		0
F1. HEDGING TRANSACTIONS	0		0		0		0	
F1.1 Realized income/losses								
F1.2 Unrealized income/losses								
F2. NON-HEDGING TRANSACTIONS	0		0		0		0	
F2.1 Realized income/losses								
F2.2 Unrealized income/losses								
F3. LIQUIDITY	0		0		0		0	
F3.1 Realized income/losses								
F3.2 Unrealized income/losses								
<b>G. OTHER TRANSACTIONS</b>		0		0		0		0
G1. INCOME FROM REPO TRANSACTIONS AND EQUIVALENT								
G2. INCOME FROM SECURITIES LENDING TRANSACTIONS								
<b>Gross income from core businesses</b>		<b>67.927.973</b>		<b>23.412.888</b>		<b>37.263.260</b>		<b>19.033.021</b>
<b>H. FINANCIAL EXPENSES</b>		<b>-17.774.458</b>		<b>-9.212.167</b>		<b>-14.470.791</b>		<b>-7.801.503</b>
H1. INTEREST EXPENSE ON LOANS	-17.774.458		-9.212.167		-14.470.791		-7.801.503	
H1.1 on mortgage loans	-17.774.458		-9.212.167		-14.470.791		-7.801.503	
H1.2 on other loans								
H2. OTHER FINANCIAL EXPENSES								
<b>Net income from core businesses</b>		<b>50.153.515</b>		<b>14.200.721</b>		<b>22.792.469</b>		<b>11.231.518</b>
<b>I. OPERATING EXPENSES</b>		<b>-11.355.673</b>		<b>-3.470.833</b>		<b>-8.085.693</b>		<b>-3.921.966</b>
I1. Asset management commissions	-9.186.665		-2.400.273		-6.462.884		-3.184.369	
I2. Custodian bank fees	-75.469		-42.790		-92.860		-45.345	
I3. Independent appraisal fees	-92.500		-52.950		-87.250		-55.000	
I4. Publication of offering circulars and investment information	-138.194		-65.794		-197.076		-47.633	
I5. Other overheads	-1.862.845		-909.026		-1.245.623		-589.619	
<b>L. OTHER INCOME AND CHARGES</b>		<b>1.232.248</b>		<b>872.043</b>		<b>793.126</b>		<b>615.740</b>
L1. Interest on cash and cash equivalents	1.333.730		951.407		459.509		245.024	
L2. Other income	3.409		745		435.057		425.026	
L3. Other charges	-104.891		-80.109		-101.440		-54.310	
<b>Pre-tax income</b>		<b>40.030.090</b>		<b>11.601.931</b>		<b>15.499.902</b>		<b>7.925.292</b>
<b>M. TAXES</b>		0		0		0		0
M1. Substitute tax for the year								
M2. Tax assets								
M3. Other taxes								
<b>Net income (loss) for the period</b>		<b>40.030.090</b>		<b>11.601.931</b>		<b>15.499.902</b>		<b>7.925.292</b>