

GLOBE TRADE CENTRE S.A.

**IFRS INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED
30 JUNE 2008**

Globe Trade Centre S.A.
Interim Condensed Consolidated Balance Sheet
As of 30 June 2008
(in thousands of Euro)

	Note	30 June 2008 (unaudited)	30 June 2007 (unaudited)	31 December 2007
ASSETS				
Non current assets				
Investment property		1,005,327	721,493	860,933
Property, plant and equipment		408,612	193,164	286,357
Investment in associates	12	33,356	25,539	27,903
Loans granted		40,650	9,103	20,260
Deferred tax asset		9,951	3,210	10,711
Long term receivables		-	5,787	1,819
Advances to contractors		11,015	4,580	1,283
Derivatives		1,563	734	466
Goodwill		7,983	7,983	7,983
Other non-current assets		2,021	1,844	2,080
		1,520,478	973,437	1,219,795
Current Assets				
Inventory		285,198	144,395	212,933
Advances to contractors		24,930	8,489	15,595
Debtors		3,822	4,105	2,589
Accrued income	13	1,776	10,308	5,258
Derivatives		40,562	3,802	11,983
VAT and other tax recoverable		36,293	15,953	26,308
Income tax recoverable		2,545	2,324	2,358
Prepayments, deferred expenses		4,951	3,801	5,028
Short-term deposits		26,167	9,739	13,757
Cash and cash equivalents		291,985	417,453	345,630
		718,229	620,369	641,439
TOTAL ASSETS		2,238,707	1,593,806	1,861,234

The accompanying notes are an integral part of this Interim Condensed Consolidated Balance Sheet

Globe Trade Centre S.A.
Interim Condensed Consolidated Balance Sheet
As of 30 June 2008
(in thousands of Euro)

	Note	30 June 2008 <i>(unaudited)</i>	30 June 2007 <i>(unaudited)</i>	31 December 2007
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital	15	4,741	4,741	4,741
Share premium		224,725	223,173	224,253
Capital reserve		1,510	1,510	1,510
Hedge reserve		1,325	645	412
Foreign currency translation		(12,034)	10,799	(1,867)
Accumulated profit		807,472	558,687	729,622
		1,027,739	799,555	958,671
Minority Interest		32,884	21,389	29,434
Total Equity		1,060,623	820,944	988,105
Non current Liabilities				
Long-term portion of long-term loans and bonds	14	829,420	539,555	578,482
Deposits from tenants		2,650	1,730	1,981
Long term payable		757	2,768	4,378
Financial liability	18	19,208	12,820	19,155
Provision for deferred tax liability		107,032	74,948	93,681
		959,067	631,821	697,677
Current liabilities				
Trade and other payables		60,077	40,930	39,827
Short-term portion of long-term loans and bonds	14	37,473	43,332	30,410
Credit line		1,500	1,526	1,537
Current portion of long term payable		4,385	2,870	1,168
VAT and other taxes payable		1,459	2,810	837
Income tax payable		547	756	706
Accruals		37,735	18,131	40,782
Advances received		75,841	30,314	60,185
Deferred income		-	372	-
		219,017	141,041	175,452
		2,238,707	1,593,806	1,861,234
TOTAL EQUITY AND LIABILITIES				

The accompanying notes are an integral part of this Interim Condensed Consolidated Balance Sheet

Globe Trade Centre S.A.
Interim Condensed Consolidated Income Statement
for the three-month period ended 30 June 2008
(in thousands of Euro)

		<u>Six-month period ended</u>		<u>Three-month period ended</u>		<u>Year ended</u>
		<u>30 June</u>		<u>30 June</u>		<u>31</u>
	Note	2008	2007	2008	2007	<u>December</u>
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<u>2007</u>
Revenues from operations	8	35,125	28,041	19,151	13,096	73,608
Cost of operations	9	(10,370)	(8,345)	(6,049)	(3,203)	(23,661)
Gross margin from operations		24,755	19,696	13,102	9,893	49,947
Selling expenses		(2,156)	(2,012)	(1,248)	(973)	(4,280)
Administration expenses		(7,886)	(6,976)	(4,546)	(3,488)	(17,191)
Profit from revaluation of investment property		73,853	101,386	21,280	90,655	292,377
Other income/ (expenses), net	11	6,763	571	6,823	69	2,299
Profit from continuing operations before tax and finance income / (expense)		95,329	112,665	35,411	96,156	323,152
Foreign exchange differences loss, net		(21,678)	(2,566)	(9,375)	(1,298)	(22,830)
Interest income		5,692	8,062	1,825	4,627	15,882
Financial income/(expense), net		16,198	(7,502)	20,504	(4,170)	(22,501)
Profit on sale of shares in subsidiaries		-	718	-	-	732
Share of profit (loss) of associates		(268)	(98)	(4)	(80)	4,709
Profit before tax		95,273	111,279	48,361	95,235	299,144
Taxation		(17,594)	(22,198)	(5,527)	(17,345)	(37,731)
Profit for the period/year		77,679	89,081	42,834	77,890	261,413
Attributable to:						
Equity holders		77,850	67,666	43,083	56,435	234,410
Minority interest		(171)	21,415	(249)	21,455	27,003
Basic earnings per share	16	0.35	0.31	0.20	0.26	1.07
Diluted earnings per share	16	0.35	0.31	0.20	0.26	1.06

The accompanying notes are an integral part of this Interim Condensed Consolidated Income Statement

Globe Trade Centre S.A.
Interim Condensed Consolidated Statement of Changes in Equity
for the six-month period ended 30 June 2008
(in thousands of Euro)

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Minority interest	Total
Balance as of 1 January 2007	4,706	221,823	1,510	256	11,742	491,021	731,058	26	731,084
Hedge transactions	-	-	-	389	-	-	389	-	389
Sale of shares in subsidiary	-	-	-	-	-	-	-	(140)	(140)
Acquisition of subsidiary	-	-	-	-	-	-	-	(29)	(29)
Currency translation differences	-	-	-	-	(943)	-	(943)	117	(826)
Net income recognized directly in equity	4,706	221,823	1,510	645	10,799	491,021	730,504	(26)	730,478
Profit for the six-month period ended 30 June 2007 (unaudited)	-	-	-	-	-	67,666	67,666	21,415	89,081
Total recognized income and expenses for the period	4,706	221,823	1,510	645	10,799	558,687	798,170	21,389	819,559
Issuance of shares	35	90	-	-	-	-	125	-	125
Share based payment	-	1,260	-	-	-	-	1,260	-	1,260
Balance as of 30 June 2007 (unaudited)	4,741	223,173	1,510	645	10,799	558,687	799,555	21,389	820,944

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Minority interest	Total
Balance as of 1 January 2007	4,706	221,823	1,510	256	7,551	495,212	731,058	26	731,084
Hedge transactions	-	-	-	156	-	-	156	-	156
Acquisition of subsidiary	-	-	-	-	-	-	-	2,361	2,361
Disposal of subsidiary	-	-	-	-	-	-	-	(140)	(140)
Currency translation differences	-	-	-	-	(9,418)	-	(9,418)	184	(9,234)
Net income/expense recognized directly in equity	-	-	-	156	(9,418)	-	(9,262)	2,405	(6,857)
Profit for the year ended 31 December 2007	-	-	-	-	-	234,410	234,410	27,003	261,413
Total recognized income and expenses for the period	-	-	-	156	(9,418)	234,410	225,148	29,408	254,556
Issuance of shares	35	90	-	-	-	-	125	-	125
Share based payment	-	2,340	-	-	-	-	2,340	-	2,340
Balance as of 31 December 2007	4,741	224,253	1,510	412	(1,867)	729,622	958,671	29,434	988,105
Hedge transactions	-	-	-	913	-	-	913	-	913
Currency translation differences	-	-	-	-	(10,167)	-	(10,167)	915	(9,252)
Net income/expense recognized directly in equity	-	-	-	913	(10,167)	-	(9,254)	915	(8,339)
Profit for the six month period ended 30 June 2008	-	-	-	-	-	77,850	77,850	(171)	77,679
Total recognized income and expenses for the period	-	-	-	913	(10,167)	77,850	68,596	744	69,340
Acquisition of subsidiary	-	-	-	-	-	-	-	2,706	2,706
Share based payment	-	472	-	-	-	-	472	-	472
Balance as of 30 June 2008 (unaudited)	4,741	224,725	1,510	1,325	(12,034)	807,472	1,027,739	32,884	1,060,623

The accompanying notes are an integral part of this Interim Condensed Consolidated Statement of Changes in Equity

Globe Trade Centre S.A.
Interim Condensed Consolidated Cash Flow Statement
for the six-month period ended 30 June 2008
(In thousands of Euro)

	<u>Six-month</u> <u>period ended</u> <u>30 June 2008</u> <i>(unaudited)</i>	<u>Six-month</u> <u>period ended</u> <u>30 June 2007</u> <i>(unaudited)</i>	<u>Year ended</u> <u>31 December</u> <u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit from continuing operations before tax and finance income/expenses	95,329	112,665	323,152
Adjustments for:			
Revaluation of investment properties	(73,853)	(101,386)	(292,377)
Other income	11 (7,879)	-	-
Share based payment	472	1,261	2,340
Depreciation and amortization	296	163	298
Operating cash before working capital changes	14,365	12,703	33,413
Decrease/(increase) in debtors and prepayments and other current assets	(3,971)	4,770	8,252
Advances granted to suppliers	(5,717)	-	-
Increase in short term deposits	(9,518)	-	-
Increase in inventory	(53,291)	(32,342)	(65,603)
Increase in advances received	14,116	16,320	41,630
Increase/(decrease) in short-term payables and accruals	(1,671)	2,411	(13,277)
Cash generated from/ (used in) operations	(45,687)	3,862	4,415
Interest paid	(12,200)	(7,393)	(18,595)
Interest received	6,504	3,756	12,636
Tax paid in the period	(1,616)	(1,619)	(3,203)
Net cash used in operating activities	(52,999)	(1,394)	(4,747)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	(152,389)	(86,526)	(209,284)
Acquisition of newly consolidated subsidiaries, net of cash	(a) (39,556)	(19,084)	(78,587)
Purchase of shares in subsidiaries, net of cash acquired	(500)	-	-
Purchase of shares in associates	-	-	(3,010)
Sale of shares in subsidiary net of cash disposed of	(b) -	-	119,270
Sale of shares in subsidiary to minority	-	7,230	7,230
Tax paid	-	(21,381)	(21,381)
Dividend received	-	1,360	6,735
Lease origination expenses	(1,565)	(735)	(1,111)
Loans granted	(29,131)	(4,207)	(17,849)
Loans repayments	675	2,372	10,766
Increase in short term deposits	(2,740)	(3,360)	(5,046)
Decrease in short term deposits	-	-	-
Net cash used in investing activities	(225,206)	(124,331)	(192,267)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of share	-	125	125
Proceeds from long-term borrowings	262,348	286,184	351,919
Repayment of long-term borrowings	(28,065)	(17,217)	(72,906)
Repayments of short-term loan	(69)	(1,519)	(1,474)
Loans origination cost	(1,561)	(1,333)	(1,550)
Deposits received from tenants	585	245	639
Net cash from financing activities	233,238	266,485	276,753
Effect of foreign currency translation	(8,678)	(943)	(11,745)
Net increase /(decrease) in cash and cash equivalents	(53,645)	139,817	67,994
Cash and cash equivalents, at the beginning of the year	345,630	277,636	277,636
Cash and cash equivalents, at the end of the period/year	291,985	417,453	345,630

The accompanying notes are an integral part of this Interim Condensed Consolidated Cash Flow Statement

Globe Trade Centre S.A.
Interim Condensed Consolidated Cash Flow Statement
for the three-month period ended 30 June 2008
(in thousands of Euro)

(a) Acquisition of newly consolidated subsidiaries, net of cash

	<u>Six-month period ended 30 June 2008 (unaudited)</u>	<u>Six-month period ended 30 June 2007 (unaudited)</u>	<u>Year ended 31 December 2007</u>
Real estate under construction	35,733	18,622	56,591
Investment properties	3,766	-	-
Inventory	2,706	14,588	44,375
Working capital	57	(8,465)	(7,761)
Long term liabilities	-	(5,690)	(12,257)
Minority interests	(2,706)	29	(2,361)
Total paid net of cash acquired	39,556	19,084	78,587

(b) Sale of shares in subsidiaries, net of cash disposed of

	<u>Six-month period ended 30 June 2008 (unaudited)</u>	<u>Six-month period ended 30 June 2007 (unaudited)</u>	<u>Year ended 31 December 2007</u>
Working capital	-	-	1,555
Property, plant and equipment and real estate under construction	-	-	18
Investment properties	-	-	117,697
Total inflow net of cash disposed of	-	-	119,270

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

1. Principal activities

Globe Trade Centre S.A. (the “Company”, “GTC”) was registered in Warsaw on December 19, 1996. The Company’s registered office is in Warsaw at Wołoska 5 Street. The Company owns through subsidiaries, joint ventures and associates commercial and residential real estate companies in Poland, Hungary, Romania, Serbia, Croatia, Ukraine, Slovakia, Bulgaria, Russia and Czech Republic. The Company is developing, and leasing or selling space to commercial and individual tenants, through its directly and indirectly owned subsidiaries.

Globe Trade Centre S.A. is the parent company of the capital group Globe Trade Centre (the “Group”).

The Group’s business activities are:

- a) Development and rental of office and retail space and
- b) Development and sale of residential units.

GTC is listed on the Warsaw Stock exchange.

The majority shareholder of the Company is GTC Real Estate N.V (“GTC Real Estate”) of the Netherlands that holds 46.1% of the Company’s shares (see note 15). The ultimate parent of the Company is Kardan N.V of the Netherlands.

2. Functional and reporting currencies

The currency of Polish economy is the Polish Zloty.

The functional currency of GTC Group is Euro. The functional currency of some of GTC’s subsidiaries is a currency different from Euro.

The financial statements of those companies prepared in their functional currencies are included in the interim condensed consolidated financial statements by translation into Euro using the closing rate method outlined in IAS 21. Assets and liabilities are translated at the period end exchange rate, while income and expenses are translated at average exchange rates for the period. All resulting exchange differences are classified in equity as “Foreign currency translation” without affecting earnings for the period.

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

3. Basis of preparation

The Company maintains its books of account in accordance with accounting principles and practices employed by enterprises in Poland as required by Polish accounting regulations. These condensed consolidated financial statements reflect certain adjustments not reflected in the Company's books to present these statements in accordance with standards issued by the International Accounting Standards Board, and the International Financial Reporting Interpretations Committee ("IFRIC").

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties, derivative financial instruments and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged (cash flow hedge) are adjusted to record changes in the fair values attributable to the risks that are being hedged.

Certain information and footnote disclosures which in accordance with International Financial Reporting Standards adopted by European Union (EU) are normally included in annual financial statements, have been condensed or omitted pursuant to International Accounting Standard No. 34, "Interim Financial Reporting" (IAS 34).

This interim condensed consolidated balance sheet, interim condensed consolidated income statement, interim condensed consolidated cash flows statement and interim condensed consolidated statement of changes in equity are unaudited. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended 31 December 2007. The interim financial results are not necessarily indicative of the full year results.

The consolidated financial statements have been prepared on the assumption that the Group companies will continue as going concerns in the foreseeable future.

Impairment of assets

The carrying value of assets is periodically reviewed by Management to determine whether impairment may exist. Based upon its most recent analysis, management believes that no material impairment of assets exists as of 30 June 2008.

Goodwill impairment is tested periodically. Impairment is determined by assessing the recoverable amount of the cash generating unit or group of cash generated units, to which the goodwill relates.

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

4. Accounting policies

The Group applied to these interim condensed consolidated financial statements (“interim condensed consolidated financial statements”) for the three-month period ended 30 June 2008 all International Financial Reporting Standards (IFRS) effective for accounting periods beginning on or after 1 January 2008.

The Polish Accounting Act requires the Group to prepare its interim condensed consolidated financial statements in accordance with IFRS applicable to interim financial reporting as adopted by European Union (“EU”) (IAS 34). At this particular time, due to the endorsement process of the EU, and activities of the Company, there are no differences in the policies applied by the Company between IFRS and IFRS that have been endorsed by the Commission of the European Communities.

The interim condensed consolidated financial statements have been prepared in accordance with IFRS applicable to the interim financial reporting (IAS 34) and all applicable IFRS that have been adopted by EU.

The Group followed the same accounting policies and methods of computation in these interim condensed consolidated financial statements as compared with the consolidated financial statements for the year ended 31 December 2007.

With the effect from 1 January 2008 International Financial Reporting Standards have been revised. There are the following new or revised standards and interpretations, which are applicable for the period following 1 January 2008:

- IFRIC 12 – “Service Concession Arrangements”
- IFRIC 11, IFRS 2 – “Group and Treasury State Transactions”
- IFRIC 14, IAS 19 – “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”

The amendments have been analysed by the Group. The changes in the standards and interpretations have no material impact on the financial data presented in these interim condensed financial statements.

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

4. Accounting policies (continued)

The following standards and interpretations were issued by the International Financial Standards Board or International Financial Reporting Interpretations Committee but are not yet effective:

- IFRS 8 - “Operating Segments” - effective from 1 January 2009,
- IAS 1 - “Presentations of Financial Statement” (amended in September 2007) - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- IAS 23 - “Borrowing costs” (amended in March 2007) - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- IFRS 3 - “Business Combinations” (revised in January 2008) - effective from 1 July 2009 – it has not been endorsed by EU till the day of these financial statements,
- IAS 27 - “Consolidated and Separate Financial Statements” (revised in January 2008) - effective from 1 July 2009 – it has not been endorsed by EU till the day of these financial statements,
- IFRS 2 - “Share-based Payments – Vesting Conditions and Cancellations” (amended in January 2008) - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- Amendments to IAS 32 and IAS 1 “Puttable Financial Instruments” (amendments issued in February 2008) - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- IFRIC 13 “Loyalty Programmes” - effective from 1 July 2008 – it has not been endorsed by EU till the day of these financial statements,
- Annual improvements - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- Amendments to IFRS 1 and IAS 27 – “Accounting for investments in subsidiaries, jointly controlled entities and associates in separate financial statements” - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- IFRIC 15 – “Agreements for the Construction of Real Estate” - effective from 1 January 2009 – it has not been endorsed by EU till the day of these financial statements,
- IFRIC 16 – “Hedges of a Net Investment in a Foreign Operation” - effective from 1 October 2008 – it has not been endorsed by EU till the day of these financial statements,
- Amendments to IAS 39 – “Financial Instruments: Eligible Hedged Items” - (revised in July 2008) - effective from 1 July 2009 – it has not been endorsed by EU till the day of these financial statements.

Management does not expect the introduction of the above-mentioned amendments and interpretations to have a significant effect on the accounting policies applied by the Group.

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures

The interim condensed consolidated financial statements include the financial statements of the company, its subsidiaries and jointly controlled entities listed below together with direct and indirect ownership of these consolidated subsidiaries and joint ventures as at the end of each period:

Name	Holding Company	Country of incorporation	30 June 2008**	30 June 2007**	31 December 2007**
GTC Mars Sp. z o.o. ("GTC Mars") (in liquidation) (****)	GTC S.A.	Poland	-	100%	100%
GTC Taurus Sp. z o.o. ("GTC Taurus"), (in liquidation) (****)	GTC S.A.	Poland	-	100%	100%
Darat Sp. z o.o. ("Darat") (in liquidation) (****)	GTC S.A.	Poland	100%	100%	100%
GTC Konstancja Sp. z o.o. ("GTC Konstancja")	GTC S.A.	Poland	100%	100%	100%
GTC Korona S.A. ("GTC Korona")	GTC S.A.	Poland	100%	100%	100%
Globis Poznań Sp. z o.o. ("Globis Poznan")	GTC S.A.	Poland	100%	100%	100%
GTC Vega Sp. z o.o. ("GTC Vega"), (liquidated) (****)	GTC S.A.	Poland	-	100%	100%
GTC Aeropark Sp. z o.o. ("GTC Aeropark")	GTC S.A.	Poland	100%	100%	100%
GTC Topaz Office Sp. z o.o. ("GTC Topaz Office ")	GTC S.A.	Poland	100%	100%	100%
Globis Wrocław Sp. z o.o. ("Globis Wrocław")	GTC S.A.	Poland	100%	100%	100%
GTC Galeria Kazimierz Sp. z o.o. ("GTC Galeria Kazimierz") (*)	GTC S.A.	Poland	50%	50%	50%
GTC Nefryt Sp. z o.o. ("GTC Nefryt ")	GTC S.A.	Poland	100%	100%	100%
GTC Satellite Sp. z o.o. ("GTC Satellite")	GTC S.A.	Poland	100%	100%	100%
GTC Sonata Sp. z o.o. ("GTC Sonata ")	GTC S.A.	Poland	100%	100%	100%
GTC GK Office Sp. z o.o. ("GTC GK Office ")	GTC S.A.	Poland	100%	100%	100%
Rodamco CHI Sp. z o.o. ("Rodamco CHI") (*)	GTC S.A.	Poland	50%	50%	50%
GTC Com 1 Sp. z o.o. ("GTC Com 1")	GTC S.A.	Poland	100%	100%	100%
GTC Wrocław Office Sp. z o.o. („GTC Wrocław Office”)	GTC S.A.	Poland	100%	100%	100%
GTC Byrant Sp. z o.o. ("GTC Byrant")	GTC S.A.	Poland	100%	100%	100%
GTC Diego Sp. z o.o. ("GTC Diego")	GTC S.A.	Poland	100%	100%	100%
GTC Cyril Sp. z o.o. ("GTC Cyril")	GTC S.A.	Poland	100%	100%	100%
GTC Com 3 Sp. z o.o. ("GTC Com 3")	GTC S.A.	Poland	100%	100%	100%
GTC Com 4 Sp. z o.o. ("GTC Com 4")	GTC S.A.	Poland	100%	100%	100%
GTC Com 5 Sp. z o.o. ("GTC Com 5")	GTC S.A.	Poland	100%	100%	100%
Alfa Development Inwestycje sp. z o.o	GTC S.A.	Poland	100%	100%	100%
Sigma Development Inwestycje sp. z o.o	GTC S.A.	Poland	100%	100%	100%
Omega Development Inwestycje Sp. z o.o	GTC S.A.	Poland	100%	100%	100%
Delta Development Inwestycje Sp. z o.o.	GTC S.A.	Poland	100%	-	100%
GTC Galeria CTWA Sp. z o.o. ("Galeria CTWA ")	GTC S.A.	Poland	100%	100%	100%

* Proportionate consolidation.

** Share of GTC S.A includes, where applicable, share currently held by Eli Alroy, the chairman of the supervisory board, or a company controlled by him ("Alroy"). The value of put held by Alroy is presented as financial liability (see note 18).

*** All subsidiaries which were acquired during the period were not business combination (IFRS 3)

**** As all companies in liquidation sold their generating cash flows assets, no disclosures under IFRS 5 are required.

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
for the three-month period ended 30 June 2008
(In thousands of Euro)

5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	30 June 2008**	30 June 2007**	31 December 2007**
GTC Hungary Real Estate Development Company Ltd. ("GTC Hungary")	GTC S.A.	Hungary	100%	100%	100%
Vaci Ut 81-85 Kft.	GTC Hungary	Hungary	100%	100%	100%
Riverside Apartments Kft. ("Riverside")	GTC Hungary	Hungary	100%	100%	100%
Centre Point I. Kft. ("Centre Point I")	GTC Hungary	Hungary	100%	100%	100%
Centre Point II. Kft. ("Centre Point II")	GTC Hungary	Hungary	100%	100%	100%
River Loft Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral Holding Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral I. Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral II. Kft.	GTC Hungary	Hungary	100%	100%	100%
Spiral III. Kft.	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Kft.	GTC Hungary	Hungary	50.1%	50.1%	50.1%
Albertfalva Kft. ("Gate Way")	GTC Hungary	Hungary	100%	100%	100%
GTC Metro Kft (formerly "Jazmin Ingatlan Kft.")	GTC Hungary	Hungary	100%	100%	100%
SASAD Resort Offices Kft	GTC Hungary	Hungary	100%	100%	100%
Toborzó Széplak Kft.	GTC Hungary	Hungary	100%	100%	100%
Mastix Champion Kft.	GTC Hungary	Hungary	100%	100%	100%
GTC Renaissance Plaza Kft.	GTC Hungary	Hungary	100%	100%	100%
Szép-Madárhegy Ltd.	GTC Hungary	Hungary	-	100%	-
SASAD II Kft.	GTC Hungary	Hungary	50.1%	50.1%	50.1%
Amarantan Ltd.	GTC Hungary	Hungary	100%	-	100%
Abritus Kft.	GTC Hungary	Hungary	100%	-	100%
Szemi Ingatlan Ltd.	GTC Hungary	Hungary	100%	-	-
Preston Park Kft.	GTC Hungary	Hungary	100%	-	100%
GTC Real Estate Investments Ukraine B.V. ("GTC Ukraine")	GTC S.A.	Netherlands	90%	90%	90%
GTC Real Estate Management Services Ukraine LLC	GTC Ukraine	Ukraine	90%	90%	90%
GTC Real Estate Investments Russia B.V. ("GTC Russia", formerly GTC Moldova)	GTC S.A.	Netherlands	100%	100%	100%
Yatelsis Viborgskaya Limited of Nicosia ("YVL")	GTC Russia	Cyprus	50%	-	-
OOO Okkerville	YVL	Russia	100%	-	-
ZAO Krasny Mayak	YVL	Russia	100%	-	-
GTC Real Estate Investments Slovakia B.V. ("GTC Slovakia")	GTC S.A.	Netherlands	100%	100%	100%
GTC Real Estate Developments Bratislava B.V. ("GTC Bratislava")	GTC Slovakia	Netherlands	70%	70%	70%
GTC Real Estate Management s.r.o.	GTC Slovakia	Slovakia	100%	100%	100%
GTC Real Estate Park s.r.o.	GTC Bratislava	Slovakia	70%	70%	70%
SPV Opus S.R.O	GTC Bratislava	Slovakia	70%	-	70%
GTC Real Estate Vinohrady s.r.o. ("GTC Vinohrady")	GTC Bratislava	Slovakia	70%	70%	70%
GTC Real Estate Vinohrady 2 s.r.o. ("GTC Vinohrady 2")	GTC Bratislava	Slovakia	70%	-	70%

* Proportionate consolidation.

** Share of GTC S.A includes, where applicable, share currently held by Alroy. The value of Alroy shares is presented as financial liability (see note 18).

*** All subsidiaries which were acquired during the period were not business combination (IFRS 3)

**** As all companies in liquidation sold their generating cash flows assets, no disclosures under IFRS 5 are required.

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5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	30 June 2008**	30 June 2007**	31 December 2007**
GTC Real Estate Investments Croatia B.V. ("GTC Croatia")	GTC S.A.	Netherlands	100%	100%	100%
GTC Nekretnine Zagreb d.o.o. ("GTC Zagreb")	GTC Croatia	Croatia	100%	100%	100%
Euro Structor d.o.o.	GTC Croatia	Croatia	70%	70%	70%
Marlera Golf LD d.o.o.	GTC Croatia	Croatia	80%	75%	80%
GTC Center Point Ltd.	GTC Croatia	Croatia	100%	100%	100%
Nova Istra Idaeus d.o.o.	Marlera Golf LD d.o.o.	Croatia	80%	-	80%
GTC Nekretnine Istok d.o.o.	GTC Croatia	Croatia	100%	-	100%
GTC Nekretnine Jug. d.o.o.	GTC Croatia	Croatia	100%	-	100%
GTC Nekretnine Zapad d.o.o.	GTC Croatia	Croatia	100%	-	100%
GTC Real Estate Investments Romania B.V. ("GTC Romania")	GTC S.A.	Netherlands	100%	100%	100%
Towers International Property S.R.L.	GTC Romania	Romania	100%	100%	100%
Galleria Shopping Center S.R.L. (formerly "International Hotel and Tourism S.R.L.")	GTC Romania	Romania	100%	100%	100%
Green Dream S.R.L.	GTC Romania	Romania	100%	100%	100%
Titulescu Investments B.V. ("Titulescu")	GTC Romania	Netherlands	100%	100%	100%
Complexul Multifunctional Victoria S.R.L.	Titulescu Investments B.V.	Romania	-	100%	-
Aurora Business Complex S.R.L.	GTC Romania	Romania	50.1%	50.1%	50.1%
Yasmine Residential Complex S.R.L.	GTC Romania	Romania	100%	100%	100%
Bucharest City Gate B.V.	GTC Romania	Netherlands	58.9%	58.9%	58.9%
Mablethompe Investitii S.R.L.	GTC Romania	Romania	100%	100%	100%
National Commercial Centers B.V. (*)	GTC Romania	Netherlands	50%	50%	50%
Mercury Commercial Center S.R.L. (*)	National Commercial Centers B.V.	Romania	75%	50%	75%
Venus Commercial Center S.R.L. (*)	National Commercial Centers B.V.	Romania	66.7%	50%	66.7%
Mars Commercial Center S.R.L. (*)	National Commercial Centers B.V.	Romania	50%	50%	50%
Beaufort Commercial Center S.R.L. (*)	National Commercial Centers B.V.	Romania	50%	50%	50%
Fajos S.R.L. (*)	National Commercial Centers B.V.	Romania	50%	50%	50%
City Gate S.R.L.	Bucharest City Gate B.V.	Romania	58.9%	58.9%	58.9%
Brightpoint Investments Limited	GTC Romania	Romania	50.1%	50.1%	50.1%
Complexul Residential Colentina S.R.L.	Brightpoint Investments Limited	Romania	100%	100%	100%
Cefin Galati Real Estate S.R.L. (*)	National Commercial Centers B.V.	Romania	63.8%	-	-
Operetico Enterprises Ltd.	GTC Romania	Cyprus	66.7%	-	66.7%
Deco Intermed S.R.L.	Operetico Enterprises Ltd.	Romania	100%	-	100%
GML American Regency Pipera S.R.L.	GTC Romania	Romania	66.7%	-	66.7%
GTC Real Estate Investments Serbia B.V. ("GTC Serbia")	GTC S.A.	Netherlands	100%	100%	100%
City Properties Serbia B.V.	GTC Serbia	Netherlands	100%	-	100%
GTC International Development d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Business Park d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Commercial and Residential Ventures d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Real Estate Developments d.o.o.	GTC Serbia	Serbia	100%	100%	100%
Atlas Centar d.o.o.	GTC Serbia	Serbia	100%	100%	100%
GTC Commercial Centers d.o.o.	GTC Serbia	Serbia	100%	100%	100%

* Proportionate consolidation.

** Share of GTC S.A includes, where applicable, share currently held by Alroy. The value of Alroy shares is presented as financial liability (see note 18).

*** All subsidiaries which were acquired during the period were not business combination (IFRS 3)

**** As all companies in liquidation sold their generating cash flows assets, no disclosures under IFRS 5 are required.

Globe Trade Centre S.A.
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5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Name	Holding Company	Country of incorporation	31 December 2007**	30 June 2007**	31 December 2007**
GTC Real Estate Investments Bulgaria BV („GTC Bulgaria”)	GTC S.A.	Netherlands	100%	100%	100%
Galeria Stara Zagora AD	GTC Bulgaria	Bulgaria	75%	-	75%
Galeria Burgas JSC	GTC Bulgaria	Bulgaria	66.7%	-	66.7%
GTC Galeria Varna EOOD	GTC Bulgaria	Bulgaria	65%	65%	65%
Galeria Ikonov GmbH	GTC Bulgaria	Bulgaria	65%	65%	65%
GTC Yuzhen Park EAD (“GTC Yuzhen”)	GTC Bulgaria	Bulgaria	100%	100%	100%

* Proportionate consolidation.

** Share of GTC S.A includes, where applicable, share currently held by Alroy. The value of Alroy shares is presented as financial liability (see note 18).

*** All subsidiaries which were acquired during the period were not business combination (IFRS 3)

**** As all companies in liquidation sold their generating cash flows assets, no disclosures under IFRS 5 are required.

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5. Investment in Subsidiaries, Associates and Joint Ventures (continued)

Investment in Associates

The Company has a 35% (*) interest in the following associates:

Lighthouse Holdings Limited S.A. (“Lighthouse”)
Vokovice BCP Holding S.A. (“Vokovice”)
Holesovice Residential Holdings S.A. (“Holesovice”)
CID Holding S.A. (“CID”)
ND Holdings S.A (“ND”)

The above associates hold between 87.5% and 95.5% in companies which are involved in the real estate development in Czech Republic (see note 12).

In August 2007, the Company purchased 25% interest in the associate Demo Invest d.o.o. The completion of the acquisition of the remaining 75% is subject to certain business conditions precedent. The Company’s associate owns land and is involved in the real estate development in Serbia.

* Share of GTC S.A includes, where applicable, share currently held by Alroy. The value of Alroy shares is presented as financial liability (see note 18).

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6. Projects description

The Company is developing and leasing or selling space to commercial and individual tenants, through its direct and indirect investments in subsidiaries, associates and joint ventures.

Current projects in different stages of development are described in the tables below:

Completed projects:

Country	Property	Total rentable/saleable space (sq.m)	Details
Poland	Galeria Mokotow (*)	62,100	Shopping centre in Warsaw
	Nothus	9,140	Office building in Warsaw
	Zephyrus	9,140	Office building in Warsaw
	Platinum 1	9,400	Office building in Warsaw
	Topaz	11,000	Office building in Warsaw
	Nefryt	15,300	Office building in Warsaw
	Galeria Kazimierz (*)	38,200	Shopping centre in Krakow
	Galileo	10,300	Office building in Krakow
	Edison	10,424	Office building in Krakow
	Newton	10,400	Office building in Krakow
	Globis Wroclaw	14,700	Office building in Wroclaw
	Globis Poznan	13,000	Office building in Poznan
Romania	Galleria Buzau (*)	13,300	Shopping centre in Buzau, Romania
Hungary	Centre Point I	18,800	Office building in Budapest
	Centre Point II	23,000	Office building in Budapest
Croatia	Avenue Mall, Avenue Centre	33,500	Shopping and office centre in Zagreb
Serbia	GTC House	13,500	Office building in Belgrad
	19 Avenue	17,400	Office building in Belgrad
Total		332,604	

(*) Operated through 50% joint venture; represent the full sq.m in the project

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6. Projects description (continued)

Building rights in projects that are in different stages of development, acquisitions or under acquisitions as at 30 June 2008 are described in the tables below:

Country	Office (net rentable area in sq.m)	Shopping malls (net rentable area in sq. m)	Residential properties (net salable area in sq.m.)	Rentable/salable area in sq.m.)
Bulgaria	12,825	96,242	39,134	148,201
Croatia	63,482	43,310	17,211	124,003
Czech	54,527	11,592	73,466	139,585
Hungary	268,901	45,816	92,154	406,871
Poland	345,690	105,850	199,756	651,296
Romania	48,289	120,372	286,581	455,242
Serbia	79,552	49,959	16,182	145,693
Slovakia	-	-	61,387	61,387
Ukraine	52,250	-	-	52,250
Russia	42,981	-	-	42,981
Grand Total	968,497	473,141	785,871	2,227,509

Projects area in the above table represent GTC's stake.

There is no seasonality in the business of the Group companies.

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7. Events in the period

In March 2008, Nefryt office building in Warsaw was successfully completed. The value of Nefryt office building according to the independent appraiser report amounts to Euro 58.5 million, and is included in these interim condensed consolidated financial statements.

In March 2008, Globis Wroclaw office building in Wroclaw was successfully completed. The value of Globis Wroclaw office building according to the independent appraiser report amounts to Euro 46.7 million, and is included in these interim condensed consolidated financial statements.

In March 2008, Galeria Kazimierz office part, on the roof of Galeria Kazimierz shopping centre in Krakow was successfully completed. The value of Galeria Kazimierz office part according to the independent appraiser report amounts to Euro 5.3 million, and is included in these interim condensed consolidated financial statements.

In May 2008, GTC Russia signed an agreement to purchase a 50% interest in the company that owns a 4.3 hectare site in St. Petersburg city centre. The company intends to develop a 110,000 sqm of office space on this land.

In May 2008, the Company raised PLN 350 million bonds with 5-year maturity. The interest rate on the bonds is based on 6-month WIBOR increased by margin; Interest will be paid every 6 months. The offering was addressed to the leading Polish institutions.

Following bonds offering, the Company converted the cash received into Euro and swapped the related liability by entering into a Euro-PLN cross-currency Interest Rate Swap transaction, whereby the liability bears fixed interest at a rate of 6,63% p.a.

In June 2008, Zephyrus office building in Warsaw was successfully completed. The value of Zephyrus office building according to the independent appraiser report amounts to Euro 30.7 million, and is included in these interim condensed consolidated financial statements.

In June 2008, Galeria Buzau shopping centre in Buzau (Romania) was successfully completed. The value of Galeria Buzau shopping centre according to the independent appraiser report amounts to Euro 40.5 million, and is included in these interim condensed consolidated financial statements.

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8. Revenue from operations

Revenue from operations comprises the following:

	Six-month period ended 30 June 2008 <i>(unaudited)</i>	Six-month period ended 30 June 2007 <i>(unaudited)</i>	Three-month period ended 30 June 2008 <i>(unaudited)</i>	Three-month period ended 30 June 2007 <i>(unaudited)</i>	Year ended 31 December 2007
Office and Commercial revenue	31,072	23,567	16,480	12,130	52,300
Residential income	4,053	4,474	2,671	966	21,308
	35,125	28,041	19,151	13,096	73,608

The majority of revenue from operations is earned predominantly on the basis of amounts denominated in, directly linked to or indexed by reference to the US Dollar or Euro.

9. Cost of operations

Costs of operations comprise the following:

	Six-month period ended 30 June 2008 <i>(unaudited)</i>	Six-month period ended 30 June 2007 <i>(unaudited)</i>	Three-month period ended 30 June 2008 <i>(unaudited)</i>	Three-month period ended 30 June 2007 <i>(unaudited)</i>	Year ended 31 December 2007
Cost of office and commercial operations	7,347	5,763	3,858	2,874	11,153
Residential costs	3,023	2,582	2,191	329	12,508
	10,370	8,345	6,049	3,203	23,661

Globe Trade Centre S.A.
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10. Segmental analysis

The Group's business activities, which are the primary segments, can be categorised into two main segments:

1. Development and rental of office space and shopping malls ("rental") and
2. Development and sale of houses and apartment units ("residential").

All the Group's activities and assets are located in Poland, Hungary, Romania, Serbia, Croatia, Bulgaria, Russia, Ukraine, and Slovakia.

Segment analysis for the six-month periods ended 30 June 2008 and 30 June 2007 is presented below:

	Poland		Hungary		Romania		Serbia		Croatia		Consolidated	
	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007
Rental income	15,851	14,116	5,156	4,086	-	3,603	1,941	1,762	8,124	-	31,072	23,567
Residential income	2,550	1,499	1,503	2,975	-	-	-	-	-	-	4,053	4,474
Total income	18,401	15,615	6,659	7,061	-	3,603	1,941	1,762	8,124	-	35,125	28,041
Rental costs	3,930	3,349	1,182	1,086	-	988	438	340	1,797	-	7,347	5,763
Residential costs	1,764	663	1,259	1,919	-	-	-	-	-	-	3,023	2,582
Total costs	5,694	4,012	2,441	3,005	-	988	438	340	1,797	-	10,370	8,345
Rental result	11,921	10,767	3,974	3,000	-	2,615	1,503	1,422	6,327	-	23,725	17,804
Residential result	786	836	244	1,056	-	-	-	-	-	-	1,030	1,892
Total result	12,707	11,603	4,218	4,056	-	2,615	1,503	1,422	6,327	-	24,755	19,696

(*) Revenues and costs in Bulgaria, Russia, Ukraine, and Slovakia are not material

Globe Trade Centre S.A.
Notes to the Interim Condensed Consolidated Financial Statements
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10. Segmental analysis (continued)

Segment analysis for the three-month periods ended 30 June 2008 and 30 June 2007 is presented below:

	Poland		Hungary		Romania		Serbia		Croatia		Consolidated	
	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007	30 June 2008	30 June 2007
Rental income	8,701	7,158	2,825	2,131	-	1,800	970	1,041	3,984	-	16,480	12,130
Residential income	1,523	52	1,148	914	-	-	-	-	-	-	2,671	966
Total income	10,224	7,210	3,973	3,045	-	1,800	970	1,041	3,984	-	19,151	13,096
Rental costs	2,162	1,706	487	527	-	472	295	169	914	-	3,858	2,874
Residential costs	1,236	70	955	259	-	-	-	-	-	-	2,191	329
Total costs	3,398	1,776	1,442	786	-	472	295	169	914	-	6,049	3,203
Rental result	6,539	5,452	2,338	1,604	-	1,328	675	872	3,070	-	12,622	9,256
Residential result	287	(18)	193	655	-	-	-	-	-	-	480	637
Total result	6,826	5,434	2,531	2,259	-	1,328	675	872	3,070	-	13,102	9,893

(*) Revenues and costs in Bulgaria, Russia, Ukraine, and Slovakia are not material

11. Other income/(expenses), net

	Six-month period ended 30 June 2008 <i>(unaudited)</i>	Six-month period ended 30 June 2007 <i>(unaudited)</i>	Three-month period ended 30 June 2008 <i>(unaudited)</i>	Three-month period ended 30 June 2007 <i>(unaudited)</i>	Year ended 31 December 2007
Reversal of impairment (*)	7,879	-	7,879	-	-
Other	(1,116)	571	(1,056)	69	2,299
	6,763	571	6,823	69	2,299

(*) Reversal of impairment refers to value impairment related to land in Konstancin, Poland, which was booked in 2003. Given the significant increase in the land value, the management has decided to reverse the impairment.

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12. Investment in associates

The Company has a 35% interest in the following associates:

Lighthouse Holdings Limited S.A.
Vokovice BCP Holding S.A.
Holesovice Residential Holdings S.A.
CID Holding S.A.
ND Holdings S.A.

The above associates are involved in real estate development in Czech Republic.

In August 2007, the Company purchased 25% interest in the associate Demo Invest d.o.o. The completion of the acquisition of the remaining 75% is subject to certain business conditions precedent. The Company's associate owns land and is involved in the real estate development in Serbia.

The investment in associates comprises the following:

	30 June 2008 <i>(unaudited)</i>	30 June 2007 <i>(unaudited)</i>	31 December 2007
Shares	7,802	4,792	4,792
Acquisition/establishment of new associates	-	-	3,010
Translation differences	204	-	(466)
Equity profit	3,487	4,277	3,760
Investment in shares	11,493	9,069	11,096
Loans granted	21,863	16,470	16,807
Investment in associates	33,356	25,539	27,903

13. Accrued income

Accrued income consists of the following:

	30 June 2008 <i>(unaudited)</i>	30 June 2007 <i>(unaudited)</i>	31 December 2007
Sale of residential units	476	8,087	1,880
Accrued interest	-	1,903	2,271
Sale of subsidiary	-	-	-
Services and other	1,300	318	1,107
	1,776	10,308	5,258

Globe Trade Centre S.A.
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14. Long-term loans

Long-term loans comprise the following:

	30 June 2008 (unaudited)	30 June 2007 (unaudited)	31 December 2007
Bonds seria 1a (0414)	214,656	191,194	201,005
Bonds seria 1b (0412)	23,851	21,244	22,334
Bonds seria 2 (0513)	104,347	-	-
Loan from Aareal Bank (Galeria Mokotow)	31,108	38,624	34,394
Loan from Aareal Bank (GTC Galeria Kazimierz)	34,177	35,749	34,963
Loan from WBK (Globis Poznan)	8,207	8,714	8,460
Loan from WBK 1 (Galileo)	6,335	7,741	6,877
Loan from WBK 2 (Newton)	9,986	11,942	10,876
Loan from WBK 3 (Edison)	12,984	1,176	7,647
Loan from EUROHYPO (GTC Topaz office)	13,905	14,452	14,190
Loan from BPH Bank (Globis Wroclaw)	16,149	4,073	12,861
Loan from ING (Nothus)	13,500	-	6,866
Loan from ING (Zephirus)	6,661	-	-
Loan from ING (Platinum 1)	19,812	-	10,290
Loan from Eurohypo (Nefryt)	20,156	-	4,801
Loan from MKB (Centre Point I)	29,101	30,176	29,651
Loan from MKB (Centre Point II)	34,454	36,080	35,267
Loan from CIB Bank Zrt. (Metro)	2,800	-	-
Loan from MKB (Riverloft)	4,084	19,174	4,084
Loan from MKB (Spiral)	10,670	6,588	10,455
Loan from MKB (Sasad Resort)	28,548	13,404	13,510
Loans from GTC Real Estate		1,908	
Loan from EBRD and Raiffeisen Bank (GTC House)	37,932	21,668	21,109
Loan from EBRD and Raiffeisen Bank (America house)	-	26,295	-
Loan from EBRD and Raiffeisen Bank (Green Dream)	6,687	7,177	6,702
Loan from Unicredit (Felicity)	14,942	-	-
Loan from Raiffeisen Bank (Rose Garden)	12,340	-	-
Loan from EBRD (NCC)	9,729	-	-
Loan from MKB and Zagrabecka Banka (Avenue Mall)	55,190	48,099	56,692
Loan from Unicredit (Vinohrady)	5,071	-	-
Loans from minorities in subsidiaries	81,695	40,709	57,799
Deferred issuance debt expenses	(2,184)	(3,300)	(1,941)
	866,893	582,887	608,892

The loans conditions are described in the consolidated financial statement prepared under IFRS for the year ended 31 December 2007.

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14. Long-term loans (continued)

Long-term loans have been separated into the current portion and the long-term portion as disclosed below:

	30 June 2008	30 June 2007	31 December
	(unaudited)	(unaudited)	2007
Long term portion of long term loans:			
Bonds seria 1a (0414)	214,656	191,194	201,005
Bonds seria 1b (0412)	23,851	21,244	22,334
Bonds seria 2 (0513)	104,347	-	-
Loan from Aareal Bank (Galeria Mokotow)	29,372	36,805	32,594
Loan from Aareal Bank (GTC Galeria Kazimierz)	32,605	34,177	33,391
Loan from WBK (Globis Poznan)	7,700	8,207	7,953
Loan from WBK 1 (Galileo)	6,082	7,288	6,462
Loan from WBK 2 (Newton)	9,601	11,892	10,695
Loan from WBK 3 (Edison)	12,847	1,176	7,647
Loan from EUROHYPO (GTC Topaz office)	13,335	13,916	13,620
Loan from BPH Bank (Globis Wroclaw)	16,149	4,073	12,861
Loan from ING (Nothus)	13,331	-	6,866
Loan from ING (Zephirus)	6,661	-	-
Loan from ING (Platinum 1)	19,677	-	10,290
Loan from Eurohypo (Nefryt)	20,156	-	4,801
Loan from MKB (Centre Point I)	27,801	29,101	28,551
Loan from MKB (Centre Point II)	32,828	34,454	33,641
Loan from CIB Bank Zrt. (Metro)	2,800	-	-
Loan from MKB (Sasad Resort)	28,548	13,404	13,510
Loan from MKB (Spiral)	6,193	-	6,267
Loans from GTC Real Estate	-	1,908	-
Loan from EBRD and Raiffeisen Bank (GTC House)	30,507	20,518	19,929
Loan from EBRD and Raiffeisen Bank (America house)	-	23,422	-
Loan from Unicredit (Felicity)	14,942	-	-
Loan from Raiffeisen Bank (Rose Garden)	12,340	-	-
Loan from EBRD (NCC)	9,729	-	-
Loan from EBRD and Raiffeisen Bank (Green Dream)	-	7,177	-
Loan from MKB and Zagrzebicka Banka (Avenue Mall)	49,678	42,564	51,250
Loan from Unicredit (Vinohrady)	5,071	-	-
Loans from minorities in subsidiaries	80,797	40,260	56,756
Deferred issuance debt expenses	(2,184)	(3,225)	(1,941)
	829,420	539,555	578,482

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14. Long-term loans (continued)

	30 June 2008 (unaudited)	30 June 2007 (unaudited)	31 December 2007
Current portion of long term loans:			
Loan from Aareal Bank (Galeria Mokotow)	1,736	1,819	1,800
Loan from Aareal Bank (GTC Galeria Kazimierz)	1,572	1,572	1,572
Loan from WBK (Globis Poznan)	507	507	507
Loan from WBK 1 (Galileo)	253	453	415
Loan from WBK 2 (Newton)	385	50	181
Loan from WBK 3 (Edison)	137	-	-
Loan from ING (Nothus)	169	-	-
Loan from ING (Platinum 1)	135	-	-
Loan from EUROHYPO (GTC Topaz office)	570	536	570
Loan from MKB (Centre Point I)	1,300	1,075	1,100
Loan from MKB (Centre Point II)	1,626	1,626	1,626
Loan from MKB (Sasad Resort)			
Loan from MKB (Riverloft)	4,084	19,174	4,084
Loan from MKB (Spiral)	4,477	6,588	4,188
Loan from EBRD and Raiffeisen Bank (GTC House)	7,425	1,150	1,180
Loan from EBRD and Raiffeisen Bank (America house)	-	2,873	-
Loan from MKB and Zagrzebka Banka (Avenue Mall)	5,512	5,535	5,442
Loan from EBRD and Raiffeisen Bank (Green Dream)	6,687	-	6,702
Loans from minorities in subsidiaries	898	449	1,043
Deferred issuance debt expenses	-	(75)	-
	37,473	43,332	30,410

In May 2008, the Company raised PLN 350 million bonds with 5-year maturity. The interest rate on the bonds is based on 6-month WIBOR increased by margin; Interest will be paid every 6 months. The offering was addressed to the leading Polish institutions.

Following bonds offering, the Company converted the cash received into Euro and swapped the related liability by entering into a Euro-PLN cross-currency Interest Rate Swap transaction, whereby the liability bears fixed interest at a rate of 6,63% p.a.

The change in fair value of the above instrument is recorded in income statement.

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15. Capital and Reserves

As at 30 June 2008, the shares structure was as follows:

Number of Shares	Share series	Total value In PLN	Total value in Euro
139,286,210	A	13,928,621	3,153,995
1,152,240	B	115,224	20,253
235,440	B1	23,544	4,443
8,356,540	C	835,654	139,648
9,961,620	D	996,162	187,998
39,689,150	E	3,968,915	749,022
3,571,790	F	357,179	86,949
17,120,000	G	1,712,000	398,742
219,372,990		21,937,299	4,741,050

All shares are entitled to the same rights

Movement in number of shares:

The reconciliation of the number of shares outstanding as at the beginning and at the end of the respective periods/year is presented below:

	30 June 2008	30 June 2007	31 December 2007
	<i>(unaudited)</i>	<i>(unaudited)</i>	
Number of shares as at the beginning of the year	219,372,990	218,031,540	218,031,540
Issuance of shares (seria F)	-	1,341,450	1,341,450
Number of shares as at the end of the period/year	219,372,990	219,372,990	219,372,990

The major shareholder of the Company as of 30 June 2008 was GTC Real Estate N.V. with total number of shares held 101,193,780 which constitute 46.1% of total shares.

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15. Capital and Reserves (continued)

Other shareholders who as of 30 June 2008 held above 5% of the Company shares were as follows:

- ING OFE
- Commercial Union OFE BPH CU WBK

The total share based payment expenses in the three month period ended 30 June 2008 and 2007 were Euro 472 thousand and Euro 1,260 thousand respectively. Those expenses are included within the Administration expenses.

On 18 March 2008, the Company held an ordinary shareholders meeting. The ordinary shareholder meeting decided that the profit for the year 2007 presented in the financial statements of Globe Trade Centre S.A. prepared in accordance with Polish Accounting Standards shall be retained as retained earnings.

Certain key management personnel are entitled to a total of 2,000,000 of the Company Phantom Shares executable as follows:

Number of Tranches	Number of Phantom Shares granted	Cumulative Number of Phantom Shares granted	First Exercise Date	Final Exercise Date
1.	500,000	500,000	1 January 2007	31 December 2010
2.	500,000	1,000,000	1 January 2008	31 December 2010
3.	500,000	1,500,000	1 January 2009	31 December 2010
4.	500,000	2,000,000	1 January 2010	31 December 2010

The Phantom Shares grant the entitled persons a right for a settlement from the Company in the amount equal to the difference between the average closing price for the Company's shares on the Warsaw Stock Exchange during the 30-day period prior to the date of delivery to the Company of the exercise notice, and PLN 22.5 per share (adjustable for dividend).

The settlement of the phantom shares (cash or equity) is the decision of the supervisory board of the Company. As of 30 June 2008, there was no decision regarding the above.

The key management personnel were granted phantom shares, according to the plan.

Phantom shares expenses have been provided for assuming equity payments will be affected.

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16. Earnings per share

	<u>Six-month period ended 30 June</u>		<u>Three-month period ended 30 June</u>		<u>Year ended 31 December 2007</u>
	<u>2008</u> <i>(unaudited)</i>	<u>2007</u> <i>(unaudited)</i>	<u>2008</u> <i>(unaudited)</i>	<u>2007</u> <i>(unaudited)</i>	
Profit for the year attributable to shareholders (Euro)	77,850,000	67,666,000	43,083,000	56,435,000	234,410,000
Weighted average number of shares for calculating basic earnings per share	219,372,990	219,350,756	219,372,990	219,372,990	219,358,846
Basic earnings per share (Euro)	0.35	0.31	0.20	0.26	1.07
Weighted average number of shares for calculating diluted earnings per share	220,265,869	220,440,564	220,294,620	220,488,214	220,419,380
Diluted earnings per share (Euro)	0.35	0.31	0.20	0.26	1.06

	<u>Six-month period ended 30 June</u>		<u>Three-month period ended 30 June</u>		<u>Year ended 31 December 2007</u>
	<u>2008</u> <i>(unaudited)</i>	<u>2007</u> <i>(unaudited)</i>	<u>2008</u> <i>(unaudited)</i>	<u>2007</u> <i>(unaudited)</i>	
Weighted average number of shares for calculating basic earnings per share	219,372,990	219,350,756	219,372,990	219,372,990	219,358,249
Adjustment for phantom shares	892,879	1,089,808	921,630	1,115,224	1,061,131
Weighted average number of shares for calculating diluted earnings per share	220,265,869	220,440,564	220,294,620	220,488,214	220,419,380

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17. Proportionate consolidation

As of 30 June 2008, the Company proportionally consolidated assets and liabilities of companies where it has a joint control: Rodamco CH1, GTC Galeria Kazimierz, National Commercial Centers B.V. Mercury Commercial Center S.R.L, Venus Commercial Center S.R.L. , Mars Commercial Center S.R.L. , Beaufort Commercial Center S.R.L. , Fajos S.R.L. Cefin Galati Real Estate S.R.L, YVL, OOO Okkerville, and ZAO Krasny Mayak

The Company's interest in those companies comprises the following:

	30 June 2008 (unaudited)	30 June 2007 (unaudited)	31 December 2007
Cash	7,273	6,695	8,202
Non current assets	293,556	221,078	269,618
Current assets (other than cash)	6,089	3,408	3,549
Long term liabilities	(143,410)	(104,752)	(124,212)
Current liabilities	(14,314)	(6,183)	(7,393)
Net assets	149,194	120,246	149,764
Income	21,817	9,501	66,893
Expenses	(6,753)	(5,299)	(19,579)
Profit for the period/year	15,064	4,202	47,314

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18. Financial liability

On 1 May 2006, GTC granted to AYRAD an option (Put Option) to sell to GTC any or all of his shares in GTC's subsidiaries within a certain period following termination of his engagement with such subsidiary or with GTC. Expiry date of the put option is within 24 months following the termination of AYRAD agreement with the Company or a particular subsidiary, unless the put option previously has become exercisable as provided in the agreement.

As of 1 May 2006, GTC recognized a financial liability under the above agreement at its estimated fair value. The minority interests related to the Put Option was reclassified to a financial liability and the difference between the estimated fair value of that liability and the minority interest as of 1 May 2006, was charged against retained earnings.

Any subsequent re-measurement of financial liability is accounted for through the profit and loss account (financial expenses).

The main estimates used in determining the fair value of the financial liability were as follows:

Investment properties were stated at their fair value as included in the financial statements.

Projects in development stage were estimated using the residual value method to arrive at respective fair value.

Projects not yet in development stage were estimated using the comparable value method to arrive at respective fair value.

Management has received an initial indication from an independent valuer that may lead to a conclusion that the Put Option value may be lower than the value included in the financial statements as of 30 June 2008. Management requires more evidence of market trends and will continue to assess the Put option value.

As of the balance sheet date there appeared to be a difference in opinions between AYRAD and the Company as of the amount of the financial liability related to the Put Option and included in the interim condensed consolidated financial statements. AYRAD is of the opinion that the amount is substantially higher than the amount included in the financial statements. In case such dispute will exist upon exercising the Put Option (within 24 months following the termination of AYRAD agreement with the Company) the Put Option agreement stipulates that attorneys appointed by the parties will appoint an independent appraiser from the big four accounting firms in order to determine the fair value of the Put Options. The appraiser's decision shall be final and binding.

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19. Subsequent events

In July 2008, the Company purchased the shares of Emerging Investments III B.V. (“Emerging Investments”) for its nominal value (see hereinafter).

In July 2008, GTC Ukraine has entered into a subscription agreement subscribing shares of Europort Investment (Cyprus) 1 Limited with its seat in Nicosia, (Cyprus) constituting in total 49.99% of its share capital, in consideration for its nominal value . The remaining shares are owned by Europort Ltd (“Europort”) (see hereinafter).

Simultaneously, Emerging Investments, entered into a subscription agreement for the acquisition of 10% stake of Europort for a total issue price of USD 5.6 million.

Emerging Investments shall be required to invest an additional USD 7,000,000 against issuance of additional shares of Europort, bringing Emerging Investment holdings in Europort to 20%, under certain circumstances and conditions.

20. Other

The interim condensed consolidated financial statements were authorised for issue by the Management Board on 11 August 2008.