

LAMDA Development S.A.



**Condensed consolidated and company interim financial statements
in accordance with International Financial Reporting Standards
(«IFRS»)**

(1 January – 30 September 2009)

S.A. REG.No: 3039/06/B/86/28

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These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language.

In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

Condensed interim financial statements

September 30, 2009

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Balance Sheet

<i>all amounts in € thousands</i>	Note	GROUP		COMPANY	
		30.09.2009	31.12.2008	30.09.2009	31.12.2008
ASSETS					
Non-current assets					
Investment property	4	614.591	622.594	1.840	1.840
Property, plant and equipment	5	172.803	152.967	703	665
Intangible assets	6	4.484	4.588	-	-
Investments in subsidiaries	7	-	-	173.944	157.144
Investments in associates	7	4.300	4.343	1.696	1.634
Available-for-sale financial assets	8	67.900	38.675	67.900	38.675
Derivative financial instruments	9	29	71	-	-
Deferred income tax assets		347	487	-	-
Restricted cash	10,11	10.184	-	10.184	-
Trade and other receivables	10	2.023	14.060	59.968	70.518
		876.660	837.786	316.235	270.476
Current assets					
Inventories		45.782	45.799	-	-
Trade and other receivables	10	53.873	116.079	24.323	75.011
Current income tax assets		48	6.309	-	6.300
Cash and cash equivalents	11	218.826	177.180	153.427	112.236
		318.528	345.367	177.750	193.547
Total assets		1.195.188	1.183.153	493.986	464.023
EQUITY					
Capital and reserves attributable to equity holders of the company					
Ordinary shares		218.435	225.770	218.435	225.770
Other reserves		1.578	(18.461)	1.852	(18.872)
Retained earnings		218.817	218.259	25.710	20.893
		438.830	425.568	245.997	227.791
Minority interest in equity		37.427	42.292	-	-
Total equity		476.257	467.860	245.997	227.791
LIABILITIES					
Non-current liabilities					
Borrowings	12	567.781	513.575	205.000	215.000
Deferred income tax liabilities		58.767	66.032	470	7.114
Derivative financial instruments	9	4.060	2.063	356	-
Retirement benefit obligations		432	432	374	374
Other non-current liabilities		1.918	2.449	-	-
		632.959	584.550	206.201	222.488
Current liabilities					
Trade and other payables		45.721	62.447	11.456	13.744
Current income tax liabilities		896	1.328	331	-
Borrowings	12	39.355	66.968	30.000	-
		85.972	130.742	41.788	13.744
Total liabilities		718.931	715.293	247.988	236.233
Total equity and liabilities		1.195.188	1.183.153	493.986	464.023

These condensed consolidated and Company interim financial statements of LAMDA Development SA have been approved for issue by the Company's Board of Directors on November 16, 2009.

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Income Statement

		GROUP		COMPANY	
		01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>Continuing operations (all amounts in € thousands)</i>					
	Note				
Revenue		60.212	48.749	993	2.349
Dividends		2.859	997	9.746	3.810
Fair value gains of investment property	4	(4.753)	18.579	-	-
Cost of inventory sales		(1.148)	(4.575)	-	-
Other direct investment property expenses		(16.797)	(5.647)	-	-
Employee benefit expense		(6.117)	(5.613)	(4.366)	(3.991)
Depreciation of property, plant, equipment and intangible assets		(1.760)	(1.428)	(143)	(190)
Operating lease payments		(4.218)	(4.416)	(877)	(524)
Contracting cost		(818)	(1.019)	-	(20)
Profit from participations sale in associates		-	3.000	-	3.000
Other operating income / (expenses) - net		(7.693)	(4.848)	(1.626)	(2.651)
Operating profit		19.766	43.780	3.726	1.782
Finance income		4.669	2.909	7.072	4.654
Finance costs		(19.369)	(18.828)	(5.620)	(6.352)
Share of profit of associates	7	484	2.332	-	-
Profit before income tax		5.551	30.192	5.177	84
Income tax expense	18	(2.103)	5.751	(360)	(628)
Profit/(loss) for the period		3.448	35.943	4.817	(544)
Attributable to:					
Equity holders of the Company		1.544	30.559	4.817	(544)
Minority interest		1.904	5.385	-	-
		3.448	35.943	4.817	(544)
Earnings/(losses) per share from continuing operations for profit attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic	17	0,04	0,70	0,12	(0,01)
Diluted	17	0,04	0,70	0,12	(0,01)

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Condensed interim financial statements

September 30, 2009

Income Statement

	Note	GROUP		COMPANY	
		01.07.2009 to 30.09.2009	01.07.2008 to 30.09.2008	01.07.2009 to 30.09.2009	01.07.2008 to 30.09.2008
<i>Continuing operations (all amounts in € thousands)</i>					
Revenue		19.866	14.867	292	266
Dividends		-	-	408	612
Cost of inventory sales		(378)	(545)	-	-
Other direct investment property expenses		(6.239)	(1.646)	-	-
Employee benefit expense		(2.089)	(1.697)	(1.575)	(1.212)
Depreciation of property, plant, equipment and intangible assets		(615)	(434)	(49)	(44)
Operating lease payments		(1.012)	(1.107)	(244)	(176)
Contracting cost		(279)	(23)	-	-
Profit from participations sale in associates		-	1.000	-	1.000
Other operating income / (expenses) - net		(944)	529	(4)	(710)
Operating profit/(loss)		8.311	10.943	(1.172)	(265)
Finance income		1.138	1.404	2.127	1.745
Finance costs		(5.904)	(7.134)	(1.593)	(2.497)
Share of profit of associates	7	336	1.942	-	-
Profit / (loss) before income tax		3.880	7.155	(637)	(1.017)
Income tax expense	18	(1.185)	11.611	188	(337)
Profit / (loss) for the period		2.695	18.767	(449)	(1.354)
Attributable to:					
Equity holders of the Company		1.325	14.505	(449)	(1.354)
Minority interest		1.370	4.261	-	-
		2.695	18.768	(449)	(1.354)
Earnings/(losses) per share from continuing operations for profit attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic		0,03	0,33	-0,01	(0,03)
Diluted		0,03	0,33	-0,01	(0,03)

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Condensed interim financial statements
September 30, 2009

Total Comprehensive Income Statement

	GROUP		COMPANY	
	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>Continuing operations (all amounts in € thousands)</i>				
Profit/(loss) for the period	3.448	35.943	4.817	(544)
Profit / (loss) from revaluation of available-for-sale assets	20.768	(9.713)	20.768	(9.713)
(Loss) from cash flow hedges, after tax	(486)	(76)	(281)	-
Currency translation differences	(339)	(321)	-	-
Other comprehensive income for the period	19.943	(10.110)	20.487	(9.713)
Total comprehensive income for the period	23.391	25.833	25.305	(10.257)
Attributable to:				
Equity holders of the Company	21.346	20.480	25.305	(10.257)
Minority interest	2.045	5.353	-	-
	23.391	25.833	25.305	(10.257)

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Condensed interim financial statements

September 30, 2009

Statement of changes in equity

	Attributable to equity holders of the Company				
	Share capital	Other reserves	Retained earnings/(losses)	Minority interests	Total equity
<i>all amounts in € thousands</i>					
GROUP					
1 January 2008	235.282	6.251	155.639	54.842	452.014
Profit for the period	-	-	30.559	5.385	35.943
Other comprehensive income for the period:					
(Loss) from revaluation of available-for-sale assets	-	(9.713)	-	-	(9.713)
Cash flow hedges, after tax	-	(46)	-	(30)	(76)
Currency translation differences	-	(320)	-	(1)	(321)
Total comprehensive income for the period	-	(10.079)	30.559	5.353	25.833
Decrease in subsidiary share capital	-	-	-	(15.956)	(15.956)
Increase in subsidiary share capital	-	-	-	38	38
Dividends relating to 2007 approved by the shareholders	-	-	-	(40)	(40)
Transfers between reserves	-	(3.145)	3.145	-	-
Treasury shares purchased	(5.933)	-	-	-	(5.933)
	(5.933)	(3.145)	3.145	(15.958)	(21.891)
30 September 2008	229.349	(6.973)	189.342	44.237	455.955
1 January 2009	225.770	(18.461)	218.259	42.292	467.860
Profit for the period	-	-	1.544	1.904	3.448
Other comprehensive income for the period:					
Profit from revaluation of available-for-sale assets	-	20.768	-	-	20.768
Cash flow hedges, after tax	-	(617)	-	130	(486)
Currency translation differences	-	(350)	-	11	(339)
Total comprehensive income for the period	-	19.802	1.544	2.045	23.391
Employees share option scheme	-	236	-	-	236
Change in subsidiary shareholdings	-	-	(987)	(1.460)	(2.446)
Decrease in subsidiary share capital	-	-	-	(4.190)	(4.190)
Dividends relating to 2008 approved by the shareholders	-	-	-	(1.260)	(1.260)
Treasury shares purchased/sold	(7.334)	-	-	-	(7.334)
	(7.334)	236	(987)	(6.910)	(14.994)
30 September 2009	218.435	1.578	218.817	37.427	476.257

	Attributable to equity holders of the Company			
	Share capital	Other reserves	Retained earnings/(losses)	Total equity
<i>all amounts in € thousands</i>				
COMPANY				
1 January 2008	235.282	2.929	12.465	250.676
Loss for the period	-	-	(544)	(544)
Other comprehensive income for the period:				
(Loss) from revaluation of available-for-sale assets	-	(9.713)	-	(9.713)
Total comprehensive income for the period	-	(9.713)	(544)	(10.257)
Treasury shares purchased	(5.933)	-	-	(5.933)
30 September 2008	229.349	(6.784)	11.921	234.485
1 January 2009	225.770	(18.872)	20.893	227.791
Profit for the period	-	-	4.817	4.817
Other comprehensive income for the period:				
Cash flow hedges, after tax	-	(281)	-	(281)
Profit from revaluation of available-for-sale assets	-	20.768	-	20.768
Total comprehensive income for the period	-	20.487	4.817	25.305
Employees share option scheme	-	236	-	236
Treasury shares purchased/sold	(7.334)	-	-	(7.334)
	(7.334)	236	-	(7.098)
30 September 2009	218.435	1.852	25.710	245.997

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Cash Flow Statement

	Note	GROUP		COMPANY	
		01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>all amounts in € thousands</i>					
Cash flows from operating activities					
Cash generated from operations	13	21.759	31.564	(7.400)	(5.934)
Interest paid		(20.474)	(17.001)	(6.103)	(5.946)
Income tax paid		(3.339)	(3.999)	(375)	(101)
Net cash generated from operating activities		(2.053)	10.564	(13.878)	(11.982)
Cash flows from investing activities					
Purchases of property, plant, equipment and investment property	4,5	(21.110)	(37.039)	(187)	(56)
Proceeds from sale of property, plant and equipment (PPE)	4	2	8.385	2	3.720
Dividends received		3.449	1.609	9.746	3.650
Loans granted to related parties	16	(2.850)	(2.650)	(360)	(540)
Interest received		5.027	2.537	3.859	1.164
Loan repayments received from related parties		-	50	-	-
Proceeds from sale of participations	7	64.758	-	64.758	-
Proceeds from share capital decrease in subsidiaries		-	-	6.311	24.256
Purchases of available-for-sale financial assets	8	(8.456)	(922)	(8.456)	(922)
Increase in participations	7	(2.543)	(795)	(23.173)	(6.136)
Net cash used in investing activities		38.276	(28.824)	52.499	25.137
Cash flows from financing activities					
Purchase/sale of treasury shares		(7.334)	(5.933)	(7.334)	(5.933)
Share capital issuance costs		-	-	-	-
Dividends paid to Company's shareholders		(41)	(14)	(41)	(14)
Proceeds from decrease in ordinary shares of subsidiaries	7	(4.190)	(15.956)	-	-
Costs on issuance of bond loans		(983)	(248)	-	-
Borrowings received	12	36.581	250.860	20.000	140.000
Repayments of capital repayments of finance leases	12	(601)	(517)	-	-
Repayments of borrowings		(7.955)	(33.356)	-	(8.000)
Net cash used in financing activities		15.478	194.835	12.625	126.053
Net (decrease) / increase in cash and cash equivalents		51.700	176.575	51.245	
Cash and cash equivalents at beginning of the period	11	177.180	46.200	112.236	139.208
Reclassification of restricted cash in Receivables	11	(10.055)	-	(10.055)	3.337
Cash and cash equivalents at end of the period	11	218.826	222.775	153.427	142.545

The notes on pages 8 to 26 form an integral part of these condensed interim financial statements.

Notes to the condensed consolidated and Company interim financial statements

1. General information

These condensed interim financial statements include the nine-month period ended September 30, 2009 interim financial statements of the company LAMDA Development S.A. (the “Company”) and the interim consolidated financial statements of the Company and its subsidiaries (together “the Group”). The names of the subsidiaries are presented in note 7.

The main activities of the Group are the investment, development and maintenance of innovative real estate projects and marine services.

The Group is activated in Greece and in other neighbour Balkan countries mainly Romania, Bulgaria, Serbia, Montenegro and its shares are listed on the Athens Stock Exchange.

The Company is incorporated and domiciled in Greece. The address of its registered office is 37A Kifissias Ave., 15123, Maroussi and its website address is www.Lamda-development.net. The company is controlled by Consolidated Lamda Holdings S.A. which is domiciled in Luxembourg and therefore Group’s financial statements are included in its consolidated financial statements. The company Consolidated Lamda Holdings S.A. is controlled by Latsis family.

It must be stated that the results and the cash flows of the current interim reporting date are not comparable with the ones of the corresponding interim period as a result of the Shopping and Business Center officially opening, Golden Hall in 28/11/2008 when the construction was completed. Therefore, this semi-annual financial report represents the income, the operating results and the cash flows from the operations of the Shopping and Business Center for the six-month period, contrary to the corresponding comparative period during which mainly cash flows in relation to the construction costs were presented.

These interim condensed financial statements have been approved for issue by the Board of Directors on November 16, 2009.

2. Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

The interim financial information of LAMDA Development SA cover the six-month period ended September 30, 2009. It has been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” and should be read in conjunction with the annual financial statements for the year ended 31 December 2008 which are available on the website address www.Lamda-development.net.

2.2 Accounting policies

The accounting principles that have been used in the preparation and presentation of the interim financial statements are in accordance with those used for the preparation of the Company and Group annual financial statements as of December 31, 2008.

The preparation of the Financial Statements, in conformity with IFRS, requires the use of certain estimates and assumptions which affect the balances of the assets and liabilities, the contingencies disclosure as at the balance sheet date of the financial statements and the amounts of income and expense relating to the reporting year. These estimates are based on the best knowledge of the Company’s and Group’s management in relation to the current conditions and actions.

New standards, amendments and interpretations to published standards that are mandatory for financial year ending 31 December 2009, as they were described in the annual financial statements for the year ended 31 December 2008 either were not relevant to the Group’s operations or did not have a significant impact on the financial information.

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period or subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards mandatory effective for the annual period beginning on January 1, 2009

IAS 1 (amendment) "Presentation of Financial Statements"

IAS 1 has been revised to enhance the usefulness of information presented in the financial. The key changes are: the requirement that the statement of changes in equity include only transactions with shareholders, the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income", and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period. The Group has applied these amendments and decided to present the total comprehensive income in separate financial statement.

IAS 23 (Amendment) "Borrowing Costs"

This standard replaces the previous version of IAS 23. The benchmark treatment in the previous standard of expensing all borrowing costs to the income statement has been eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the Standard, the Group adopted this as a prospective change. However, there are no existing qualifying assets during the current period and therefore no such capitalisation took place. No changes have been made for borrowing costs incurred prior to January 1, 2009 that have been expensed.

IFRS 8 "Operating Segments"

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group maintains the same operating segments, as stated in note 3 where there are additional disclosures and amended comparable information.

Standards mandatory effective for the annual period beginning on January 1, 2009 (no impact on the Group's financial statements)

IAS 32 (amendment) "Financial Instruments: Presentation" and consequential IAS 1 (amendment) "Presentation of Financial Statements Puttable Financial Instruments and Obligations Arising on Liquidation"

The amendment to IAS 32 does not have an impact on the Group's financial statements since the Group does not own such instruments.

IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items

This amendment is not applicable to the Group as it does not apply hedge accounting in terms of IAS 39.

IFRS 1 (Amendment) "First time adoption of IFRS" and IAS 27 (Amendment) "Consolidated and separate financial statements"

As the parent company and all its subsidiaries have already transitioned to IFRS, the amendment did not have any impact on the Group's financial statements.

IFRS 2 "Share-based payment"

The amendment did not have an impact on its financial statements, since the amendment does not affect the share options scheme as sole requirement is the service rendered from the employees.

Interpretations mandatory effective for the annual period beginning on January 1, 2009

IFRIC 13, “Customer Loyalty Programmes”

This interpretation is not relevant to the Group’s operations.

IFRIC 15, “Agreements for the Construction of Real Estate”

This interpretation is not relevant to the Group’s operations as no such agreements have been signed during the reporting period.

IFRIC 16, “Hedges of a Net Investment in a Foreign Operation”

This interpretation is not relevant to the Group as the Group does not apply hedge accounting for any investment in a foreign operation.

Standards mandatory effective for the annual period beginning on July 1, 2009

IFRS 3 (revision) “Business combinations” and IAS 27 (amendment) “Consolidated and Separate Financial Statements”

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group has applied these changes from their effective date.

IFRIC 7 “Distributions of non-cash assets to owners”

This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative. The Group will apply this interpretation from its effective date.

No new standards or amendments have been issued, which are mandatory for annual periods beginning at January 1, 2009.

3. Segment information

Primary reporting format – business segments

The Group is organised into two business segments:

- (1) Real Estate
- (2) Marine services

Management monitors the operating results of the divisions separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on sales, operating results and EBITDA (Earnings before interest, tax, depreciation and amortization). It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the operating segment's results. Group financing, including finance costs and finance income, as well as income taxes are measured on a group basis and are included in corporate segment without being allocated to the profit generating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The segment results for the six-month period ended September 30, 2009 were as follows:

<i>Continuing operations (all amounts in € thousands)</i>	Real Estate	Marine Services	Total
Total revenue	50.883	9.438	60.321
Inter-segment revenue	(110)	-	(110)
Revenue from third parties	57.337	2.874	60.212
EBIDTA	22.845	2.692	25.537

The segment results for the six-month period ended September 30, 2008 were as follows:

<i>Continuing operations (all amounts in € thousands)</i>	Real Estate	Marine Services	Total
Total revenue	40.248	8.548	48.796
Inter-segment revenue	(46)	-	(46)
Revenue from third parties	40.202	8.548	48.749
EBIDTA	43.333	5.064	48.396

The segment results for the three-month period ended September 30, 2009 were as follows:

<i>Continuing operations (all amounts in € thousands)</i>	Real Estate	Marine Services	Total
Total revenue	13.403	6.564	19.967
Inter-segment revenue	(101)	-	(101)
Revenue from third parties	13.302	6.564	19.866
EBIDTA	8.567	1.889	10.456

The segment results for the three-month period ended September 30, 2008 were as follows:

<i>Continuing operations (all amounts in € thousands)</i>	Real Estate	Marine Services	Total
Total revenue	11.947	2.982	14.928
Inter-segment revenue	(62)	-	(62)
Revenue from third parties	11.885	2.982	14.867
EBIDTA	7.379	4.831	12.210

Condensed interim financial statements

September 30, 2009

Total assets	Real Estate	Marine Services	Total
30 September 2009	1.074.884	52.056	1.126.941
31 December 2008	1.090.468	53.522	1.143.991
30 September 2008	1.051.904	54.276	1.106.180

A reconciliation of the Group's total adjusted EBITDA to total profit after income tax is provided as follows:

Adjusted EBITDA for reportable segments	30/09/09	30/09/08
EBITDA	25.537	48.396
Corporate overheads	(6.869)	(7.186)
Depreciation	(1.760)	(1.428)
Dividends	2.859	997
Profit from participations sale in associates	-	3.000
Share of profit of associates	484	2.332
Finance income	4.669	2.909
Finance costs	(19.369)	(18.828)
Profit before income tax	5.551	30.192
Income tax expense	(2.103)	5.751
Profit for the period	3.448	35.943

Reportable segments' assets are reconciled to total assets as follows:

	30 September 2009	31 December 2008	30 September 2008
Total segment assets	1.126.941	1.143.991	1.106.180
Deferred income tax assets	347	487	748
Available-for-sale financial assets	67.900	38.675	47.920
Total assets per balance sheet	1.195.188	1.183.153	1.154.849

4. Investment property

	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
<i>all amounts in € thousands</i>				
Balance at 1 January	622.594	505.474	1.840	1.840
Write-off of unused provisions for costs of completion	(3.250)	-	-	-
Additions resulting from subsequent expenditure	-	11.190	-	-
Transfer from property, plant & equipment	-	66.278	-	-
Disposals	-	(8.500)	-	-
Fair value gains	(4.753)	48.151	-	-
Balance at 30 September	614.591	622.594	1.840	1.840

Group's investment property is revalued by independent professional valuers at semi-annual basis ("SAVILLS HELLAS Ltd"). Valuations are based primarily on discounted cash flow projections due to the absence of sufficient current prices for an active market. In the other interim three-month periods, the revaluation is based on Management estimations taking the existing market conditions at the reporting period into account.

The investment property includes property under finance lease that amounts to €12.530.000 and property under operating lease that amounts to €169.541.000.

Bank borrowings are secured with mortgages on "The Mall Athens", associate's "Lamda Olympia Village SA" investment property, which amount to € 336.000.000 (note 12). Group's proportion on the above mortgages amounts to € 177.446.400.

In relation to the mortgages on property, refer to note 15.

5. Property, plant and equipment

all amounts in € thousands

	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Investment property under construction	Assets under construction	Total
GROUP - Cost							
1 January 2008	133.431	11.206	2.127	2.242	18.647	3.244	170.898
Additions	4.930	367	1.835	114	51.604	3.097	61.948
Disposals	-	(4)	(60)	-	-	-	(65)
Indemnity on primary costs	(1.686)	-	-	-	-	-	(1.686)
Transfer to inventories	39	-	-	-	-	(2.823)	(2.784)
Transfer to investment property	-	-	-	-	(66.278)	-	(66.278)
31 December 2008	136.715	11.570	3.902	2.356	3.973	3.518	162.033
1 January 2009	136.715	11.570	3.902	2.356	3.973	3.518	162.033
Additions	18.054	38	860	42	460	1.656	21.110
Disposals / Write-offs	-	-	(155)	-	-	-	(155)
Transfer from inventories	382	-	-	-	-	-	382
Reclassifications	3.090	-	-	-	-	(3.090)	-
30 September 2009	158.240	11.608	4.607	2.398	4.433	2.085	183.370
Accumulated depreciation							
1 January 2008	(1.423)	(2.446)	(1.359)	(2.098)	-	-	(7.327)
Depreciation charge	(781)	(511)	(334)	(163)	-	-	(1.789)
Disposals	-	1	48	-	-	-	49
31 December 2008	(2.204)	(2.955)	(1.645)	(2.261)	-	-	(9.065)
1 January 2009	(2.204)	(2.955)	(1.645)	(2.261)	-	-	(9.065)
Depreciation charge	(702)	(387)	(509)	(56)	-	-	(1.654)
Disposals / Write-offs	-	-	152	-	-	-	152
30 September 2009	(2.906)	(3.342)	(2.002)	(2.317)	-	-	(10.567)
Closing net book amount at 31 December 2008	134.511	8.614	2.257	95	3.973	3.518	152.967
Closing net book amount at 30 September 2009	155.334	8.266	2.605	81	4.433	2.085	172.803

all amounts in € thousands

	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Assets under construction	Total
COMPANY - Cost						
1 January 2008	155	39	736	2.258	-	3.188
Additions	-	6	260	91	116	472
Disposals	-	(4)	-	-	-	(4)
31 December 2008	155	41	996	2.349	116	3.657
1 January 2009	155	41	996	2.349	116	3.657
Additions	-	-	154	3	29	187
Disposals / Write-offs	-	-	(155)	-	-	(155)
Impairment	-	-	-	-	-	-
Reclassifications	145	-	-	-	(145)	-
30 September 2009	300	41	996	2.352	(0)	3.689
Accumulated depreciation						
1 January 2008	(60)	(4)	(610)	(2.086)	-	(2.760)
Depreciation charge	(12)	(5)	(59)	(155)	-	(232)
Disposals	-	-	1	-	-	1
31 December 2008	(72)	(9)	(669)	(2.241)	-	(2.992)
1 January 2009	(72)	(9)	(669)	(2.241)	-	(2.992)
Depreciation charge	(10)	(4)	(88)	(41)	-	(143)
Disposals / Write-offs	-	-	148	-	-	148
30 September 2009	(83)	(13)	(609)	(2.282)	-	(2.986)
Closing net book amount at 31 December 2008	83	32	327	108	116	665
Closing net book amount at 30 September 2009	218	28	386	70	(0)	703

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The total amount of the reclassifications represents the completion of the construction of subsidiary LAMDA Hellix's property at Koropi.

The transfer from inventories concerns apartment which belongs to LAMDA Prime Properties SA and is leased to third parties.

Liens and pre-notices on the Group's land and buildings amount to € 4.300.000 for securing borrowings (note 10).

6. Intangible assets

<i>all amounts in € thousands</i>	Concessions and similar rights
GROUP - Cost	
1 January 2008	5.469
Additions	-
31 December 2008	5.469
1 January 2009	5.469
Additions	-
30 September 2009	5.469
Accumulated depreciation	
1 January 2008	(741)
Depreciation charge	(140)
31 December 2008	(880)
1 January 2009	(880)
Depreciation charge	(105)
30 September 2009	(985)
Closing net book amount at 31 December 2008	4.588
Closing net book amount at 30 September 2009	4.484

In concessions and rights are included the licences for the management and the operation of the Flisvos Marina for 40 years, and are valued at historical cost less accumulated depreciation.

7. Investments in subsidiaries and associates

<i>all amounts in € thousands</i>	COMPANY	
	30.09.2009	31.12.2008
Balance at 1 January	158.778	174.116
Additions	-	40
Increase in participations	2.480	-
Share capital increase	20.693	11.938
Share capital decrease	(6.311)	(27.316)
Balance at 30 September	175.640	158.778

The Company's share of the results of its subsidiaries, joint ventures and associates, all of which are unlisted, and its share of the carrying amount are as follows:

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COMPANY - 30 September 2009 (all amounts in € thousands)

Name	Cost	Impairment	Carrying amount	Country of incorporation	% interest held
LAMDA ESTATE DEVELOPMENT SA	52.654	13.164	39.490	Greece	100,00%
LAMDA PRIME PROPERTIES SA	9.272	-	9.272	Greece	100,00%
LAMDA ERGA ANAPTYXIS SA	170	-	170	Greece	100,00%
LAMDA DOMI SA	29.000	-	29.000	Greece	100,00%
LAMDA PROPERTY MANAGEMENT SA	210	-	210	Greece	100,00%
LAMDA HELLIX SA	1.240	-	1.240	Greece	80,00%
PYLAIA SA	4.035	-	4.035	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING SA	10.773	2.484	8.289	Greece	61,00%
LAMDA ANADIXI SA	60	-	60	Greece	100,00%
LAMDA PROTYPI ANAPTYXI SA	60	-	60	Greece	100,00%
LAMDA WASTE MANAGEMENT SA	500	-	500	Greece	100,00%
GEAKAT SA	14.063	-	14.063	Greece	100,00%
LAMDA DEVELOPMENT SOFIA EOOD	23	-	23	Bulgaria	100,00%
LAMDA DEVELOPMENT SOUTH EOOD	3	-	3	Bulgaria	100,00%
LAMDA DEVELOPMENT VITOSHA EOOD	3	-	3	Bulgaria	100,00%
LAMDA DEVELOPMENT DOO (BEOGRAD)	692	-	692	Serbia	100,00%
PROPERTY DEVELOPMENT DOO	551	-	551	Serbia	100,00%
PROPERTY INVESTMENTS LTD	1	-	1	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA SRL	1	-	1	Romania	100,00%
ROBIES SERVICES LTD	1.638	-	1.638	Cyprus	90,00%
LAMDA DEVELOPMENT (NETHERLANDS) BV	31.700	-	31.700	Netherlands	100,00%
LAMDA DEVELOPMENT MONTENEGRO DOO	600	-	600	Montenegro	100,00%
Investments in subsidiaries	157.246	15.648	141.598		
LAMDA OLYMPIA VILLAGE SA ^(a)	27.106	-	27.106	Greece	49,24%
LAMDA AKINHTEA SA	4.904	-	4.904	Greece	50,00%
S.C. LAMDA OLYMPIC SRL	1.174	838	336	Romania	50,00%
Investments in joint ventures	33.183	838	32.345		
ECE LAMDA HELLAS SA	204	-	204	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	1.325	-	1.325	Greece	11,70%
PIRAEUS METROPOLITAN CENTER SA	101	-	101	Greece	19,50%
EFG PROPERTY SERVICES SA	30	-	30	Romania	20,00%
EFG PROPERTY SERVICES SOFIA AD	15	-	15	Bulgaria	20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	20	-	20	Serbia	20,00%
Investments in associates	1.696	-	1.696		
TOTAL	192.126	16.486	175.640		

The Group participates in the following companies' equity:

GROUP - 30 September 2009 - Investments in associates (all amounts in € thousands)

Name	Cost	Share in profit / (loss)	Carrying amount		
ECE LAMDA HELLAS AE	204	379	583	Greece	34,00%
ATHENS METROPOLITAN EXPO AE	1.325	(4)	1.321	Greece	11,70%
ΜΗΤΡΟΠΟΛΙΤΙΚΟ ΚΕΝΤΡΟ ΠΕΙΡΑΙΑ ΑΕ	101	(12)	89	Greece	19,50%
MC ΔΙΑΧΕΙΡΙΣΗ ΑΚΙΝΗΤΩΝ Α.Ε.	40	151	191	Greece	25,00%
EFG PROPERTY SERVICES SA	30	137	167	Romania	20,00%
EFG PROPERTY SERVICES SOFIA A.D.	15	289	304	Bulgaria	20,00%
EFG PROPERTY SERVICES D.O.O. BEOGRAD	20	158	178	Serbia	20,00%
S.C. LAMDA MED SRL	0,5	1.466	1.466	Romania	40,00%
TOTAL	1.737	2.563	4.300		

During the period ended September 30, 2009 the following significant events have occurred:

(a) "LAMDA Olympia Village SA"

On 7/11/2006 the Company transferred 50% of its participation in "LAMDA Olympia Village SA" to "HSBC LUXEMBOURG SARL". Specifically, "HSBC LUXEMBOURG SARL" acquired 13.006.105 shares of "LAMDA Olympia Village SA", which represent 49.24% of the company's share capital. As a result, the Group with this transaction loses the control and in league with "HSBC LUXEMBOURG SARL" have the power to govern the financial and operating policies of "LAMDA Olympia Village SA".

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According to the special terms of the purchase sale contract, the initial cost of the transaction is adjusted upwards with figures as they occur for the period until December 31, 2008 by € 17.950.093. The current total transaction cost amounts to € 182.964.600.

During 2009, HSBC paid to the Company the amount of € 64.757.566. Various partial figures of the agreement between the two parties have not been finalized yet. According to the contract of shares' transfer, a certain procedure to the finalization of the purchase price will be followed but no significant alteration is expected.

The Company has already received € 179.662.621 and the rest of amount (30/09/2009: € 3.302.278) remains in Trade and other receivables.

Share capital increase / decrease

The Company increased its participation in 100% subsidiaries "LAMDA DOMI SA", "LAMDA Development DOO Beograd", "LAMDA Development Netherlands BV", "Property Development DOO" and "LAMDA Development Montenegro" by €13m, €0,58m, €6,1m, €0,55 and 0,40m respectively. In addition, during the three month period ended March 31, 2009 the Company's subsidiary "PYLEA SA" proceeded in share capital decrease and as a result, the Company's participation decreased by € 6,3m.

Increase in participation

On 26/01/2009 the Company proceeded to an increase of 10% of its participation in LAMDA TechnOL Flisvos Holding S.A. and therefore the Company holds a 61% in the company. More specifically IGY FLISVOS HOLDING Ltd has transferred the total of its shares, which is 10% of the share capital, at the price of € 2,480m. Following the above transaction, the equity holders of the Company has decreased by € 987k.

The Group's composition on September 30, 2009 is as follows:

<u>Company</u>	<u>% Participation of the parent company</u>			<u>Company</u>	<u>% Participation of the parent company</u>		
LAMDA Development SA			Parent company				
	<u>Full consolidation</u>						
LAMDA Estate Development SA	Greece		100,00%	LAMDA Development Vitoshka EOOD	Bulgaria		100,00%
KRONOS PARKING SA	Greece	Indirect	100,00%	TIHI EOOD	Bulgaria	Indirect	100,00%
LAMDA Prime Properties SA	Greece		100,00%	LAMDA Development (Netherlands) BV	Netherlands		100,00%
PYLEA SA	Greece		60,10%	Robies Services Ltd	Cyprus		90,00%
LAMDA Technol Flisvos Holding SA	Greece		61,00%		<u>Proportionate consolidation</u>		
LAMDA Technol Flisvos Marina SA	Greece	Indirect	47,11%	LAMDA Olympia Village SA	Greece		49,24%
LAMDA Erga Anaptyxis SA	Greece		100,00%	LAMDA Akinhta SA	Greece		50,00%
LAMDA Domi SA	Greece		100,00%	LAMDA Redding Contracting Consortium	Greece	Indirect	50,00%
LAMDA Property Management SA	Greece		100,00%	Singidunum-Buildings DOO	Serbia	Indirect	50,00%
LAMDA Hellix SA	Greece		80,00%	Rang Nekretnine DOO	Serbia	Indirect	50,00%
LAMDA Anadixi SA	Greece		100,00%	SC LAMDA Olympic SRL	Romania		50,00%
LAMDA Protypi Anaptyxi SA	Greece		100,00%	GLS OOD	Bulgaria	Indirect	50,00%
LAMDA Waste Management SA	Greece		100,00%	S.L. Imobilia DOO	Croatia	Indirect	50,00%
GEAKAT SA	Greece		100,00%		<u>Equity consolidation</u>		
LAMDA Development DOO Beograd	Serbia		100,00%	MC Property Management SA	Greece	Indirect	25,00%
Property Development DOO	Serbia		100,00%	ECE LAMDA HELLAS SA	Greece		34,00%
Property Investments DOO	Serbia		100,00%	ATHENS METROPOLITAN EXPO SA	Greece		11,67%
LAMDA Development Montenegro DOO	Montenegro		100,00%	Piraeus Metropolitan Center SA	Greece		19,50%
LAMDA Development Romania SRL	Romania		100,00%	SC LAMDA MED SRL	Romania	Indirect	40,00%
Robies Proprietati Imobiliare SRL	Romania	Indirect	90,00%	EFG PROPERTY SERVICES SA	Romania		20,00%
SC LAMDA Properties Development SRL	Romania	Indirect	95,00%	EFG PROPERTY SERVICES DOO BEOGRAD	Serbia		20,00%
LAMDA Development Sofia EOOD	Bulgaria		100,00%	EFG PROPERTY SERVICES SOFIA AD	Bulgaria		20,00%
LAMDA Development South EOOD	Bulgaria		100,00%				

8. Available-for-sale financial assets

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Balance at 1 January	38.675	56.712	38.675	56.712
Additions	8.456	4.237	8.456	4.237
Reserves from revaluation recognised directly in equity	20.768	(22.273)	20.768	(22.273)
Balance at 30 September	67.900	38.675	67.900	38.675

The total amount of available-for-sale financial assets refers to 8.220.338 shares (31/12/2008: 6.931.038 shares) of the listed company Eurobank Properties R.E.I.C., which have been revaluated at fair value at September 30, 2009 and December 31, 2008 and the result (profit / loss) has been transferred to the relevant reserves in equity.

During 2009, the Company acquired 1.289.300 shares for € 8.456.368. As a result, the Company's participation increased to 13,48% (31/12/2008: 11,36%).

Regarding the afore-mentioned financial assets, we should mention that no impairment loss has been transferred from reserves to the income statement, since there was not any indication for impairment of this investment on September 30, 2009 and December 31, 2008.

9. Derivative financial instruments

<i>all amounts in € thousands</i>	GROUP				COMPANY			
	30.09.2009		31.12.2008		30.09.2009		31.12.2008	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps - fair value hedges	29	-	71	-	-	-	-	-
Interest rate swaps - cash flow hedges	-	4.060	-	2.063	-	356	-	-
Total	29	4.060	71	2.063	-	356	-	-

The above mentioned derivative financial instruments refer to interest rate swaps.

The total fair value of the derivative financial instrument is presented in the balance sheet as long-term liability since the remaining duration of the loan agreement which is hedged, exceeds the 12 months.

The loss relating to the ineffective portion of the cash flow hedge which corresponds with the fair value movement is recognised in the income statement and amounts to €940k (30/09/2008: 0). The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge during 31/12/2008 remains in certain reserves in equity where is amortized through profit and loss statement until its maturity (30/09/2009: €434k). The effectiveness test of the cash flow hedges is based on discounted cash flows according to the forward rates (3-month Euribor) and the their volatility rating.

The nominal value of interest rate swaps in abeyance at September 30, 2009 was € 158.250.000 (31/12/2008: €68.250.000) and has been measured at fair value stated by the counterpart bank.

10. Trade and other receivables

In Group level “Trade and other receivables” include receivables from the Greek State which are related to VAT paid for construction costs of the shopping and leisure centres, according to art.24 of Law 3522/22.12.2006. The right to rebate the tax or compensate the above amount with future tax liabilities is established with the supplementary provision of POL 1112 (05/12/2007). Part of the receivables € 7.4m has been offset during the year. On September 30, 2009 the balance of VAT receivable regarding the construction of the shopping and leisure centers amount to € 20.3m. Despite the opening of the shopping centre Golden Hall, the offset rate of VAT receivable was not affected significantly during the current semester of 2009, due to the construction VAT increase.

During the current period, the Company received approximately the total amount of receivables € 64,8m which is related to the sale of 50% of its participation in “LAMDA Olympia Village SA” (note 7).

11. Cash and cash equivalents

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Cash at bank	25.289	27.777	199	1.384
Cash in hand	184	389	4	2
Short-term bank deposits	193.353	138.959	153.224	100.795
Restricted cash ⁽¹⁾	-	10.055	-	10.055
Total	218.826	177.180	153.427	112.236

The above comprise the cash and cash equivalents used for the purposes of the cash flow statement.

The significant increase in cash and cash equivalents in Group and Company figures during the current period is mainly due to the funds that were drawn by the Company’s borrowings, which remain unused.

(1) The Company’s restricted cash in the amount of €10m was reclassified in the non-current assets since it is not regarded as cash available to cover current needs.

12. Borrowings

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Non-current				
Bank borrowings	23.699	14.898	-	-
Bond borrowings	534.658	488.509	205.000	215.000
Finance lease liabilities	9.424	10.168	-	-
Total non-current	567.781	513.575	205.000	215.000
Current				
Bank borrowings	1.029	61.426	-	-
Bond borrowings	37.424	4.784	30.000	-
Finance lease liabilities	902	759	-	-
Total current	39.355	66.968	30.000	-
Total borrowings	607.136	580.543	235.000	215.000

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The movements in borrowings are as follows:

<i>all amounts in € thousands</i>	GROUP	COMPANY
Balance at 1 January 2008	376.078	103.000
Bank borrowings	76.538	8.000
Bond borrowings	184.300	132.000
Borrowings transaction costs - amortization	294	-
Borrowings transaction costs	(371)	-
Borrowings repayments	(55.573)	(28.000)
Finance lease repayments - additions	14	-
Finance lease repayments	(737)	-
Balance at 31 December 2008	580.543	215.000

9 months ended 30 September 2009 (<i>amounts in € thousands</i>)	GROUP	COMPANY
Balance at 1 January 2009	580.543	215.000
Bank borrowings	14.081	-
Bond borrowings	87.500	20.000
Refinancing	(65.000)	-
Borrowings repayments	(7.955)	-
Borrowings transaction costs - amortization	185	-
Borrowings transaction costs	(983)	-
Reclassification in liabilities	(932)	-
Currency translation differences	298	-
Finance lease repayments	(601)	-
Balance at 30 September 2009	607.136	235.000

Borrowings are secured with mortgages on the Group's land and buildings (note 4 and 5) and in certain cases by additional pledges of parent company's shares and by assignment of subsidiaries' receivables and insurance compensations.

The maturity of non-current borrowings is as follows:

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Between 1 and 2 years	42.618	37.354	20.000	30.000
Between 2 and 5 years	281.358	226.123	185.000	185.000
Over 5 years	263.918	250.098	-	-
	587.894	513.575	205.000	215.000

Parts of the borrowings that are assigned to subsidiaries are secured with assignment of receivables.

The effective weighted average interest rates at September 30, 2009 are as follows:

Bank borrowings (current)	3.03%
Bank borrowings (non-current)	4.10%
Bonds (current)	2.71%
Bonds (non-current)	3.60%

By taking into account the participation interest held of each company, it is noted that on September 30, 2009, the average base effective interest rate that the Group is borrowed is 2.25% and the average bank spread is 1.29%. Therefore, the Group total effective borrowing rate is 3.54%.

During 2009, the following movements in borrowings per company took place:

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The Company proceeded with the repurchase of a series of bonds for the amount of € 20m from Millennium Bank with the same conditions of the other series.

Also, the Company's subsidiary "LAMDA Domi SA" enforced the current borrowings by €5m using the overdraft bank account in Alpha Bank and therefore the balance amounts to € 65m with average 1 month Euribor plus margin 2.7%.

The subsidiary "LAMDA Technol Flisvos Marina SA" in May proceeded in partial premature repayment of €2m of the bond loan that it has signed with Bank of Cyprus. Finally, the below mentioned scheduled capital repayments per company were realised: "PYLEA SA" €3.14m, "LAMDA Domi SA" €1.9m, "LAMDA Technol Flisvos Marina SA" €0.4m, "LAMDA Prime Properties SA" €0.36m and "LAMDA HELLIX" €0.12m.

It should be noted that on July 30, 2009 the subsidiary LAMDA Domi SA proceeded to refinancing of its borrowings regarding the construction of the shopping centre Golden Hall. More specifically, the company repaid the borrowings of €65m. granted from Alpha Bank, guaranteed from LAMDA Development SA. The subsidiary moved to the signing and disbursal of bond loan with the banks EFG Eurobank, HSBC Bank and Alpha Bank according to the following main clauses: capital of €67.5m. duration 5 years, grace period 1 year (only interest payments), balloon 87% on the investment facility, spread 2.50%. The basic two financial covenants of the loan are: a) the loan to value should not exceed 65% and b) the interest cover ratio should be higher than 1.15.

The Company loans have to fulfil the following financial covenants: at Company level (issuer) the total borrowings (current and non-current) to total equity should not exceed 1.5 and at Group level the total borrowings to total equity should not exceed 3. There has been no change to the above mentioned financial covenants and the Company and the Group fulfil them as in the last reporting period.

Finance leases

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Finance lease liabilities- minimum lease payments				
Not later than 1 year	1.138	1.356	-	-
Later than 1 year but not later than 5 years	4.504	5.572	-	-
Over 5 years	5.995	7.630	-	-
Total	11.637	14.559	-	-
Less: Future finance charges on finance leases	(1.311)	(3.632)	-	-
Present value of finance lease liabilities	10.326	10.927	-	-

The present value of finance lease liabilities is analyzed as follows:

<i>all amounts in € thousands</i>	30.09.2009	31.12.2008	30.09.2009	31.12.2008
	Not later than 1 year	902	759	-
Later than 1 year but not later than 5 years	3.782	3.624	-	-
Over 5 years	5.642	6.544	-	-
Total	10.326	10.927	-	-

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13. Cash generated from operations

	Note	GROUP		COMPANY	
		01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>all amounts in € thousands</i>					
Profit for the period		3.448	35.943	4.817	(544)
<u>Adjustments for:</u>					
Tax		2.103	(5.751)	360	628
Depreciation of property, plant and equipment	5	1.655	1.323	143	190
Depreciation of intangible assets	6	105	105	-	-
Proceeds from participation sale		-	(3.000)	-	(3.000)
Provisions for bad debts		1.311	112	-	-
Other provisions		153	188	120	159
Share of profit of associates	7	(484)	(2.332)	-	-
Proceeds from dividends		(2.859)	(997)	(9.746)	(3.810)
Proceeds from unused provisions		-	(342)	-	-
Share option scheme		313	-	313	-
Loss from available-for-sale financial assets		983	(238)	-	-
Interest income		(4.669)	(2.909)	(7.072)	(4.654)
Interest expense		19.369	18.828	5.620	6.352
Fair value gains / (losses) of investment property	4	4.753	(18.579)	-	-
Other non cash income / (expense)		(124)	2.146	130	1
		26.056	24.498	(5.314)	(4.677)
Changes in working capital:					
(Increase) / decrease in inventories		(364)	3.046	-	-
(Increase) / decrease in receivables		10.536	693	(77)	(1.262)
(Decrease) / increase in payables		(14.470)	3.327	(2.008)	5
		(4.297)	7.066	(2.086)	(1.257)
Cash generated from operations		21.759	31.564	(7.400)	(5.934)

14. Commitments

Capital commitments

There is no capital expenditure that has been contracted for but not yet incurred at the balance sheet date.

Operating lease commitments

The Group leases tangible assets, land, buildings, vehicles and mechanical equipment under operating leases. Total future lease payments under operating leases are as follows:

	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
<i>all amounts in € thousands</i>				
No later than 1 year	16.735	16.737	969	1.123
Later than 1 year and not later than 5 years	75.574	74.222	3.494	3.550
Later than 5 years	919.974	950.792	4.631	5.187
Total	1.012.282	1.041.750	9.094	9.859

The aggregate floating remuneration has been adjusted according to the Consumer Price Index of September 30, 2009 for the short-term part which amounts to 0.7% and 3% for the long-term part.

The Group has no contractual liability for investment property repair and maintenance services.

15. Contingent liabilities and assets

The Group and the Company have contingencies in respect of bank guarantees, other guarantees and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise as follows:

Liabilities (all amounts in € thousands)	GROUP		COMPANY	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Letters of guarantee to creditors	25.489	36.150	5.791	5.791
Letters of guarantee to customers securing contract performance	5.832	13.277	-	-
Mortgages over land & buildings	181.746	181.746	-	-
Guarantees to banks on behalf of subsidiaries	160.600	160.600	160.600	160.600
Other	82.502	80.938	80.816	80.816
Total	456.169	472.711	247.207	247.207

Other Liabilities include pledged shares of subsidiaries. According to the terms of the pledge, the assigned right of the pledge extends to the potential revenues of such shares.

In addition to the issues mentioned above there are also the following particular issues:

- The Company has been tax audited until the year 2008. For further information regarding the Group's unaudited fiscal years, refer to note 18. Consequently, the Group tax obligations have not been defined permanently.
- At the subsidiary company "LAMDA Olympia Village SA" (ex DIMEPA) a property transfer tax of € 9,8m approximately has been imposed. The Company has appealed to the administrative courts, paying during 2005 € 836k and € 146k approximately during 2006 and € 27k during 2007 (which is included in Deposits and Other Debtors). The estimate of the management is that the imposition of the income tax is without base due to the special law provisions on the law for Olympic works. In any case, if the outcome of the case is negative, according to the share sale agreement between the Municipality of Amaroussion and the Company, the total obligation will be on the Municipality, as it relates to transfers of properties before the acquisition of the shares of the subsidiary by the Company.
- There are disagreements between Company's subsidiary "PYLEA SA" and the constructing company "MHXANIKH SA", concerning the evaluation of constructing company's works at the trading center Mediterranean Cosmos of "PYLEA SA". Lawsuit and agreements about the height of claims have been made whose the hearing took place on 01.04.2009. The amount of the total receivables of "PYLEA SA" against "MHXANIKH SA" is € 18.340m (out of which € 2m regards moral damage) while "MHXANIKH SA" requests the amount of € 34.755m (out of which € 10m regards moral damage). It is noted that "PYLEA SA" legal consultants estimate that their claims are far greater than "MHXANIKH SA" ones.
- At the subsidiary LAMDA TechnolFlisvos Marina, there stand in front of the State of Council two requests for cancellation of the environmental terms for the development and refurbishment of Flisvos Marina which were heard on 04.03.2009 and the decision of the Ministry of Development with which the existing waterbase has been surveyed which hearing (following many postponements) has been scheduled on 04.11.2009. The Group foresees a favorable outcome on these cases.
- Five (5) petitions of annulment have been filled and are pending before the State Council for the subsidiary company "LAMDA Olympia Village SA", in relation to the plot of land where the Olympic Press Village (or "Olympiako Chorio Typou") and the Commercial Centre "The Mall Athens" were built. More specifically: the first of these petitions was heard on 03.05.2006 and the decision no 391/2008 of the Fifth Department of the State Council was issued committing for the Plenary Session of the State Council. Following successive continuances on 07.11.2008 and 08.05.2009, the hearing of the said petition has been scheduled on 09.10.2009. The hearing of the second petition has been re - scheduled on 02.12.2009. Following successive continuances, the hearing of the remaining three petitions has been scheduled on 12.10.2010. In accordance with the Company's legal consultants' estimate and without excluding any other outcome, should the State Council uphold its jurisprudence to date, the first petition is not expected to be sustained. The outcome of the hearing of the other four petitions will be fully connected to the Court's precedent regarding the first one.

- In the subsidiary company “LAMDA Domi SA” the following are pending: a) five petitions before the Plenary Session of the State Council for annulment which have been scheduled to be heard on the 25.09.2009 after postponement at 07.11.2008 and 06.03.2009. “LAMDA Domi SA” has exercised intervention in all cases. The first petition for annulment turns against an agreement executed by and between "OLYMPIC PROPERTIES SA", the second petition turns against the validity of 101576/22.02.2008 common decision of Ministry for the Environment, Physical Planning and Public Works and Ministry of Culture, regarding the approval of the environmental conditions of the project, the third, fourth and fifth petitions turn against the afore-mentioned decision as well as the building permit for the refit of the building to Complex. The applicants of the first petition for annulment exercised a suspension which was rejected with the nr.1329/2008 decision of the Administrative Court of Appeals. The applicant of the third and fifth petition for annulment exercised a petition for suspension, which included a request for the issuance of an interim order for the suspension of the execution of works. This petition was rejected by the Chair of the State Council and the petition for suspension was rejected with decision nr.1327/2008 and 1328/2008, b) before the Athens Administrative Court of Appeals, two petitions for annulment which seeks the annulment and contests the validity of the original building permit for which no hearing has been scheduled yet. It is noted that for this petition, a request for the issuance of an interim order for the suspension of the execution of works. This request was rejected according to the decision 178/2008 of the judge of the Administrative Court of Appeals. The hearing of the first petition has been scheduled to be heard on the 11.11.2009 after a postponement on 04.03.2009 and 06.05.2009, while the second petition has been scheduled for hearing on 02.02.2010. According to the legal counsels who represent the company in these cases, if the State Council upholds its jurisprudence on the admissibility for hearing of a petition for annulment, the petition is not likely to be successful.

Additionally, there are various legal cases of the Group’s companies, which are not expected to create material additional liabilities.

16. Related party transactions

In Group’s related parties, apart from the ones related to it, Group “EFG Eurobank Ergasias SA” is included.

The following transactions were carried out with related parties:

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
i) Sales of goods and services				
- sales of services	2.282	1.769	843	711
- sales of investment property	-	8.385	-	-
	2.282	10.154	843	711
ii) Purchases of goods and services				
- purchases of services	4.162	4.513	762	371
- purchases of fixed assets / inventories	-	-	32	-
	4.162	4.513	794	371
iii) Dividend income	3.267	997	9.746	3.810
iv) Benefits to management				
- salaries and other short-term employment benefits	514	503	514	503
- sales of services to management	-	42	-	-
	514	544	514	503

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v) Period-end balances from sales-purchases of goods / services

	GROUP		COMPANY	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
<i>all amounts in € thousands</i>				
Receivables from related parties:				
- parent	49	-	-	-
- associates	77	88	636	546
	126	88	636	546
Payables to related parties:				
- parent	39	11	-	-
- associates	1.662	2.204	39	37
	1.701	2.215	39	37
vi) Loans to associates:				
Balance at the beginning of the period	4.896	2.165	75.847	71.132
Loans given during the period	2.850	2.650	360	540
Loans repaid during the period	-	(50)	-	-
Loans impairment	-	-	-	(497)
Reversal of loans impairment	-	-	2.764	3.511
Interest charged	78	131	882	1.162
Balance at the end of the period	7.823	4.896	79.853	75.847
vii) Loans from associates:				
Balance at the beginning of the period	49.648	34.174	45.458	33.284
Loans received during the year	8.394	15.300	-	12.000
Loans repaid during the period	(118)	-	-	-
Interest paid	(1.405)	(2.059)	(1.333)	(1.909)
Interest charged	1.121	2.232	1.084	2.083
Balance at the end of the period	57.639	49.648	45.209	45.458
viii) Cash at bank - related parties	81.978	41.990	67.186	29.373

Services from and to related parties, as well as sales and purchases of goods, are based on the price lists in force with non-related parties.

The Group loans to and from related parties are included in note 12.

17. Earnings per share

Basic

Basic earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares outstanding during the period

	GROUP		COMPANY	
	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>all amounts in € thousands</i>				
Profit attributable to equity holders of the Company	1.544	30.559	4.817	(544)
Weighted average number of ordinary shares in issue	40.283	43.673	40.283	43.673
Basic earnings / (losses) per share (Euro per share)	0,04	0,70	0,12	(0,01)

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Diluted

	GROUP		COMPANY	
	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008	01.01.2009 to 30.09.2009	01.01.2008 to 30.09.2008
<i>all amounts in € thousands</i>				
Profit used to determine diluted earnings per share	1,544	30,559	4,817	(544)
Weighted average number of ordinary shares in issue	40,283	43,673	40,283	43,673
Adjustment for share options:				
Employees share option scheme	226	25	226	25
Weighted average number of ordinary shares for diluted earnings per share	40,508	43,698	40,508	43,698
Diluted earnings / (losses) per share (Euro per share)	0,04	0,70	0,12	(0,01)

There were no dilutive potential ordinary shares. Therefore, the diluted earnings per share are the same as the basic earnings per share for all periods presented.

18. Income tax and fiscal years unaudited by the tax authorities

The income tax expense is based on the Management estimations of the weighted average tax rate that is expected to be applicable to profits throughout the year. Due to the increased transactions during the ordinary course of business, the ultimate tax determination is uncertain. The Group's companies are subject to income taxes in numerous jurisdictions. In addition, the tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Romania 16%, Serbia 10%, Bulgaria 10%, Montenegro 9% and Netherlands 25.5%.

The annual weighted average tax rate for the current period has been affected by the Group results before tax which derive mainly from the Group's companies with registered offices in Greece, including the parent company. During current period, this rate presents a variation from the anticipating one due to the elements in the income statement that has significant contribution in the results before tax. These elements are basically non-taxable income (dividends), other non-offset taxes, differences due to tax rate decrease as well as period losses to be transferred, for which a provision of deferred tax has not been made.

The Company has been tax audited until the year 2008. During the reporting period the Company entered in unaudited fiscal years' settlement for the years 2006-2008, on which the additional amount of tax of € 276k was imposed. Also, "LAMDA Olympia Village SA" has been tax audited and the amount of €320k in company level has occurred as additional taxes while the Company as well as "PYLEA SA" is in course of tax audit. From the chart above, it is obvious that the Group's tax obligations have not been defined permanently.

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<u>Company</u>	<u>Fiscal years</u> <u>unaudited by the tax</u> <u>authorities</u>	<u>Company</u>	<u>Fiscal years</u> <u>unaudited by the tax</u> <u>authorities</u>
LAMDA Development SA	2009	LAMDA Development DOO Beograd	2003-2009
LAMDA Olympia Village SA	2008-2009	Property Development DOO	2007-2009
PYLEA SA	2005-2009	Property Investments DOO	2008-2009
LAMDA Domi SA	2003-2009	LAMDA Development Romania SRL	2003-2009
LAMDA Technol Flisvos Marina SA	2007-2009	LAMDA Development Vitosha EOOD	2007-2009
LAMDA Prime Properties SA	2005-2009	LAMDA Development Sofia EOOD	2006-2009
LAMDA Hellix SA	2007-2009	LAMDA Development South EOOD	2007-2009
LAMDA Estate Development SA	2007-2009	SC LAMDA MED SRL	2005-2009
LAMDA Property Management SA	2007-2009	EFG PROPERTY SERVICES SA	2005-2009
KRONOS PARKING SA	2007-2009	EFG PROPERTY SERVICES DOO BEOGRAD	2005-2009
LAMDA Erga Anaptyxis SA	2007-2009	EFG PROPERTY SERVICES SOFIA AD	2005-2009
LAMDA Technol Flisvos Holding SA	2007-2009	LAMDA Development Montenegro DOO	2007-2009
LAMDA Anadixi SA	2007-2009	LAMDA Development (Netherlands) BV	2007-2009
LAMDA Protypi Anaptyxi SA	2007-2009	Robies Services Ltd	2007-2009
LAMDA Waste Management SA	2007-2009	Robies Proprietati Imobiliare SRL	2007-2009
GEAKAT SA	2006-2009	SC LAMDA Properties Development SRL	2007-2009
LAMDA Redding Contracting Consortium	2006-2009	SC LAMDA Olympic SRL	2002-2009
ECE LAMDA HELLAS SA	2007-2009	Singidunum-Buildings DOO	2007-2009
MC Property Management SA	2007-2009	Rang Nekretnine DOO	2007-2009
ATHENS METROPOLITAN EXPO SA	2007-2009	GLS OOD	2006-2009
Piraeus Metropolitan Center SA	2008-2009	S.L. Imobilia DOO	2008-2009
LAMDA Akinhta SA	2006-2009		
TIHI EOOD	2007-2009		

19. Number of employees

Number of employees at the end of the period: Group 141, Company 70 (nine-month period ended September 30, 2008: Group 147, Company 81) from which there are no seasonal (nine-month period ended September 30, 2008: Group 0, Company 0).

20. Events after the balance sheet date

No event has arisen after the balance sheet date that would have significant influence on these consolidated financial statements.

21. Seasonality

The Group activities, and consequently the turnover are not expected to be substantially influenced by seasonal fluctuations.