

# LAMDA Development S.A.



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

**(1 January – 30 September 2008)**

**LAMDA Development S.A.**

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

*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 information

30 September 2008

<b>Balance Sheet</b>	<b>2</b>
<b>Income Statement</b>	<b>3</b>
<b>Income Statement</b>	<b>4</b>
<b>Statement of changes in equity</b>	<b>5</b>
<b>Statement of changes in equity</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the condensed consolidated and Company interim financial information</b>	<b>8</b>
1. General information	8
2. Basis of preparation and summary of significant accounting policies	8
3. Segment information	11
4. Investment property	12
5. Property, plant and equipment	13
6. Intangible assets	14
7. Investments in subsidiaries and associates	14
8. Trade and other receivables	16
9. Cash and cash equivalents	17
10. Borrowings	17
11. Cash generated from operations	20
12. Commitments	20
13. Contingent liabilities and assets	21
14. Related party transactions	22
15. Income tax expense	24
16. Earnings per share	24
17. Number of employees	24
18. Events after the balance sheet date	24
19. Seasonality	25

**Condensed interim financial information**  
**30 September 2008**

**Balance Sheet**

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		30.09.2008	31.12.2007	30.09.2008	31.12.2007
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	4	516.496.941	505.473.951	1.840.441	1.840.441
Property, plant and equipment	5	194.148.146	163.572.235	293.085	427.867
Intangible assets	6	4.623.426	4.728.371	-	-
Investments in subsidiaries	7	-	-	154.773.893	173.727.441
Investments in associates	7	4.113.966	1.561.148	1.221.328	388.328
Available-for-sale financial assets		47.920.116	56.711.655	47.920.116	56.711.655
Derivative financial instruments		1.283.607	1.147.290	-	-
Deferred income tax assets		748.443	551.118	-	-
Trade and other receivables	8	19.012.438	23.840.421	65.102.377	61.115.108
		<b>788.347.084</b>	<b>757.586.188</b>	<b>271.151.240</b>	<b>294.210.840</b>
<b>Current assets</b>					
Inventories		45.086.216	48.132.708	-	-
Trade and other receivables	8	92.571.734	86.460.911	66.036.026	65.292.177
Current income tax assets		6.068.800	5.972.960	6.066.602	5.965.503
Cash and cash equivalents	9	222.774.962	46.199.924	142.545.244	3.337.105
		<b>366.501.713</b>	<b>186.766.502</b>	<b>214.647.872</b>	<b>74.594.785</b>
<b>Total assets</b>		<b>1.154.848.796</b>	<b>944.352.690</b>	<b>485.799.112</b>	<b>368.805.625</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the company</b>					
Share capital		229.348.538	235.281.883	229.348.538	235.281.883
Other reserves		(6.972.660)	6.250.706	(6.784.479)	2.929.004
Retained earnings		189.342.349	155.639.135	11.921.191	12.464.733
		411.718.227	397.171.724	234.485.251	250.675.620
Minority interest		44.237.181	54.842.223	-	-
<b>Total equity</b>		<b>455.955.408</b>	<b>452.013.947</b>	<b>234.485.251</b>	<b>250.675.620</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings and loans	10	535.006.396	349.026.928	235.000.000	103.000.000
Deferred income tax liabilities		57.145.069	64.755.661	2.959.138	2.331.583
Retirement benefit obligations		368.545	368.545	326.589	326.589
Other non-current liabilities		1.914.237	1.745.642	-	36.148
		<b>594.434.247</b>	<b>415.896.775</b>	<b>238.285.727</b>	<b>105.694.320</b>
<b>Current liabilities</b>					
Trade and other payables		44.507.621	45.899.509	13.028.134	12.435.686
Current income tax liabilities		1.959.884	3.491.698	-	-
Borrowings and loans	10	57.991.636	27.050.759	-	-
		<b>104.459.140</b>	<b>76.441.967</b>	<b>13.028.134</b>	<b>12.435.686</b>
<b>Total liabilities</b>		<b>698.893.388</b>	<b>492.338.743</b>	<b>251.313.861</b>	<b>118.130.005</b>
<b>Total equity and liabilities</b>		<b>1.154.848.796</b>	<b>944.352.690</b>	<b>485.799.112</b>	<b>368.805.625</b>

This condensed consolidated and Company interim financial information of LAMDA Development SA has been approved for issue by the Company's Board of Directors on 7 November 2008.

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.

## Condensed interim financial information

30 September 2008

### Income Statement

	Note	GROUP		COMPANY	
		01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
<b>Continuing operations</b> ( <i>Amounts in Euro</i> )					
Revenue		48.749.311	67.281.806	2.349.130	1.371.558
Dividends		997.128	1.064.171	3.809.616	1.180.607
Fair value gains of investment property	4	18.579.400	19.525.301	-	20.000
Cost of inventory sales		(4.574.860)	(26.497.156)	-	-
Other direct investment property expenses		(5.647.294)	(6.323.415)	-	-
Employee benefit expense		(5.612.544)	(5.137.105)	(3.990.558)	(3.974.838)
Depreciation of property, plant, equipment and intangible assets		(1.428.069)	(1.440.262)	(190.416)	(491.141)
Operating lease payments		(4.416.229)	(4.947.968)	(523.913)	(506.397)
Contracting cost		(1.018.867)	(3.064.367)	(20.371)	(38.548)
Profit from participations sale in associates	7	3.000.000	9.000.000	3.000.000	9.000.000
Other operating income / (expenses) - net		(4.848.440)	(4.155.616)	(2.651.134)	(2.751.749)
<b>Operating profit</b>		<b>43.779.536</b>	<b>45.305.390</b>	<b>1.782.353</b>	<b>3.809.492</b>
Finance income		2.908.552	2.525.185	4.653.525	1.236.474
Finance costs		(18.827.580)	(11.554.830)	(6.351.862)	(608.425)
Share of profits of associates	7	2.331.817	403.741	-	-
<b>Profit before income tax</b>		<b>30.192.325</b>	<b>36.679.486</b>	<b>84.016</b>	<b>4.437.541</b>
Income tax expense	15	5.750.786	(8.713.198)	(627.557)	(798.523)
<b>Profit / (loss) for the period</b>		<b>35.943.111</b>	<b>27.966.287</b>	<b>(543.542)</b>	<b>3.639.018</b>
<b>Attributable to:</b>					
equity holders of the Company		30.558.560	24.032.014	(543.542)	3.639.018
minority interest		5.384.551	3.934.273	-	-
		<b>35.943.111</b>	<b>27.966.287</b>	<b>(543.542)</b>	<b>3.639.018</b>
<b>Earnings per share for profit attributable to the equity holders of the Company</b> (expressed in € per share)					
basic	16	0,70	0,55	(0,01)	0,08
diluted	16	0,70	0,55	(0,01)	0,08

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.

## Condensed interim financial information

30 September 2008

### Income Statement

	Note	GROUP		COMPANY	
		01.07.2008 to 30.09.2008	01.07.2007 to 30.09.2007	01.07.2008 to 30.09.2008	01.07.2007 to 30.09.2007
<b>Continuing operations</b> ( <i>Amounts in Euro</i> )					
Revenue		14.866.816	16.049.337	265.773	351.129
Dividends		-	83.564	612.000	-
Fair value gains of investment property	4	-	-	-	-
Cost of inventory sales		(544.680)	(1.711.858)	-	-
Other direct investment property expenses		(1.646.498)	(1.762.860)	-	-
Employee benefit expense		(1.696.857)	(1.709.015)	(1.212.258)	(1.308.659)
Depreciation of property, plant, equipment and intangible assets		(433.957)	(446.603)	(44.211)	(163.432)
Operating lease payments		(1.107.142)	(1.682.345)	(176.172)	(169.108)
Contracting cost		(23.335)	(1.191.548)	-	(7.000)
Profit from participations sale in associates	7	1.000.000	1.000.000	1.000.000	1.000.000
Other operating income / (expenses) - net		528.693	(3.383.515)	(709.922)	(1.469.530)
<b>Operating profit</b>		<b>10.943.039</b>	<b>5.245.159</b>	<b>(264.790)</b>	<b>(1.766.600)</b>
Finance income		1.403.618	1.104.656	1.744.755	148.903
Finance costs		(7.133.623)	(4.478.851)	(2.496.902)	(564.642)
Share of profits of associates	7	1.941.868	13.972	-	-
<b>Profit / (loss) before income tax</b>		<b>7.154.903</b>	<b>1.884.936</b>	<b>(1.016.937)</b>	<b>(2.182.339)</b>
Income tax expense	15	11.611.777	(591.738)	(337.253)	891.665
<b>Profit / (loss) for the period</b>		<b>18.766.679</b>	<b>1.293.198</b>	<b>(1.354.190)</b>	<b>(1.290.674)</b>
<b>Attributable to:</b>					
equity holders of the Company		14.505.353	504.454	(1.354.190)	(1.290.674)
minority interest		4.261.327	788.743	-	-
		<b>18.766.679</b>	<b>1.293.198</b>	<b>(1.354.190)</b>	<b>(1.290.674)</b>
<b>Earnings per share for profit attributable to the equity holders of the Company</b> (expressed in € per share)					
basic		0,33	0,01	(0,03)	(0,03)
diluted		0,33	0,01	(0,03)	(0,03)

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.

## Condensed interim financial information

30 September 2008

### Statement of changes in equity

<i>Amounts in Euro</i>	Attributable to equity holders of the Company				
	Share Capital	Other reserves	Retained earnings	Minority interest	Total equity
<b>GROUP</b>					
<b>Balance at 1 January 2007</b>	235.722.818	23.357.593	106.546.237	42.606.437	408.233.085
Fair value gains on available-for-sale financial assets	-	(8.375.875)	-	-	(8.375.875)
Reserves from PPE transfer to investment property, net of tax	-	1.315.010	-	-	1.315.010
Cash flow hedges, net of tax	-	400.833	-	204.100	604.933
Currency translation differences	-	561.525	-	88	561.613
Net income recognised directly in equity	-	(6.098.508)	-	204.189	(5.894.319)
Profit for the period	-	-	24.032.014	3.934.273	27.966.287
<b>Total recognised income / (loss) for the period ended 30 September 2007</b>	-	<b>(6.098.508)</b>	<b>24.032.014</b>	<b>4.138.461</b>	<b>22.071.968</b>
Increase in subsidiary share capital	-	-	-	1.797.502	1.797.502
Change in subsidiary shareholdings	-	(1.085)	65.705	(503.827)	(439.206)
Acquisition of subsidiaries	-	-	-	(140)	(140)
Dividends relating to 2006 approved by the shareholders	-	-	(10.121.822)	(50.000)	(10.171.822)
	-	(1.085)	(10.056.117)	1.243.535	(8.813.666)
<b>30 September 2007</b>	<b>235.722.818</b>	<b>17.258.000</b>	<b>120.522.135</b>	<b>47.988.434</b>	<b>421.491.387</b>
<b>1 January 2008</b>	<b>235.281.883</b>	<b>6.250.706</b>	<b>155.639.135</b>	<b>54.842.223</b>	<b>452.013.947</b>
Fair value gains on available-for-sale financial assets	-	(9.713.483)	-	-	(9.713.483)
Cash flow hedges, net of tax	-	(45.628)	-	(30.292)	(75.920)
Currency translation differences	-	(319.601)	-	(1.290)	(320.892)
Net (loss) recognised directly in equity	-	(10.078.712)	-	(31.583)	(10.110.295)
Profit for the period	-	-	30.558.560	5.384.551	35.943.111
<b>Total recognised income / (loss) for the period ended 30 September 2008</b>	-	<b>(10.078.712)</b>	<b>30.558.560</b>	<b>5.352.968</b>	<b>25.832.817</b>
Decrease in subsidiary share capital	-	-	-	(15.956.010)	(15.956.010)
Increase in subsidiary share capital	-	-	-	38.000	38.000
Dividends relating to 2007 approved by the shareholders	-	-	-	(40.000)	(40.000)
Transfers to reserves	-	(3.144.654)	3.144.654	-	-
Purchase of treasury shares	(5.933.345)	-	-	-	(5.933.345)
	(5.933.345)	(3.144.654)	3.144.654	(15.958.010)	(21.891.355)
<b>30 September 2008</b>	<b>229.348.538</b>	<b>(6.972.660)</b>	<b>189.342.349</b>	<b>44.237.181</b>	<b>455.955.408</b>

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.

## Condensed interim financial information

30 September 2008

### Statement of changes in equity

*Amounts in Euro*

	Share Capital	Other reserves	Retained earnings	Total equity
<b>COMPANY</b>				
<b>1 January 2007</b>	235.722.818	22.052.196	25.215.307	282.990.321
Fair value gains on available-for-sale financial assets	-	(8.375.875)	-	(8.375.875)
Profit for the period	-	-	3.639.018	3.639.018
<b>Total recognised income / (loss) for the period ended 30 September 2007</b>	<b>-</b>	<b>(8.375.875)</b>	<b>3.639.018</b>	<b>(4.736.857)</b>
Dividends relating to 2006 approved by the shareholders	-	-	(10.121.822)	(10.121.822)
<b>30 September 2007</b>	<b>235.722.818</b>	<b>13.676.321</b>	<b>18.732.503</b>	<b>268.131.642</b>
<b>1 January 2008</b>	235.281.883	2.929.004	12.464.733	250.675.620
Fair value gains on available-for-sale financial assets	-	(9.713.483)	-	(9.713.483)
(Loss) for the period	-	-	(543.542)	(543.542)
<b>Total recognised (loss) for the period ended 30 September 2008</b>	<b>-</b>	<b>(9.713.483)</b>	<b>(543.542)</b>	<b>(10.257.025)</b>
Purchase of treasury shares	(5.933.345)	-	-	(5.933.345)
<b>30 September 2008</b>	<b>229.348.538</b>	<b>(6.784.479)</b>	<b>11.921.191</b>	<b>234.485.251</b>

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.

## Condensed interim financial information

30 September 2008

### Cash Flow Statement

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
<b>Cash flows from operating activities:</b>					
cash generated from operations	11	31.563.918	26.035.941	(5.934.337)	(6.500.573)
interest paid		(17.001.481)	(8.266.710)	(5.946.366)	(169.658)
income tax paid		(3.998.609)	(2.372.568)	(101.099)	(2.639.647)
<b>Cash flows from operating activities - net</b>		<b>10.563.828</b>	<b>15.396.664</b>	<b>(11.981.802)</b>	<b>(9.309.878)</b>
<b>Cash flows from investing activities:</b>					
purchases of property, plant, equipment and investment property	5, 4	(37.038.574)	(87.194.590)	(55.635)	(102.633)
proceeds on disposal of investment property	8	8.385.000	-	3.720.000	-
dividends received		1.609.128	1.064.171	3.649.616	1.180.607
loans granted to related parties	14	(2.650.000)	(250.000)	(540.000)	(66.595.400)
interest received		2.537.292	1.323.937	1.164.396	1.100.975
proceeds from loan repayments granted to related parties	14	50.000	5.076.000	-	10.000.000
purchase of available-for-sale financial assets		(921.944)	-	(921.944)	-
decrease in subsidiary share capital	7	-	-	24.256.048	1.036.296
increase in participations	7	(795.000)	(472.267)	(6.135.500)	(39.679.163)
increase in assets due to acquisition of subsidiaries		-	(190.376)	-	-
<b>Cash flows from investing activities - net</b>		<b>(28.824.097)</b>	<b>(80.643.124)</b>	<b>25.136.982</b>	<b>(93.059.317)</b>
<b>Cash flows from financing activities - net:</b>					
purchase of treasury shares		(5.933.345)	-	(5.933.345)	-
dividends paid to Company's shareholders		(13.697)	(10.228.071)	(13.697)	(10.178.071)
borrowings received	10	250.859.597	66.421.102	140.000.000	61.500.000
costs on issuance of loans	10	(247.945)	(1.195.592)	-	-
repayments of capital repayments of finance leases	10	(516.990)	(478.160)	-	-
repayments of borrowings	10	(33.356.302)	(20.909.200)	(8.000.000)	(156.451)
decrease in subsidiary share capital	7	(15.956.010)	-	-	-
<b>Cash flows from financing activities - net</b>		<b>194.835.309</b>	<b>33.610.079</b>	<b>126.052.958</b>	<b>51.165.477</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>176.575.039</b>	<b>(31.636.382)</b>	<b>139.208.139</b>	<b>(51.203.718)</b>
Cash and cash equivalents at beginning of the period	9	46.199.924	79.911.287	3.337.105	51.504.302
<b>Cash and cash equivalents at end of the period</b>	9	<b>222.774.962</b>	<b>48.274.905</b>	<b>142.545.244</b>	<b>300.584</b>

The notes on pages 8 to 25 form an integral part of this condensed interim financial information.



## Notes to the condensed consolidated and Company interim financial information

### 1. General information

This condensed interim financial information includes the interim financial information of the company LAMDA Development S.A. (the “Company”) and the interim consolidated financial information of the Company and its subsidiaries (together “the Group”). The names of the subsidiaries are presented in note 7 of this financial information.

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 16 Laodikias & Nimfeou Str., 11528, Athens and its website address is [www.Lamda-development.net](http://www.Lamda-development.net). The company is controlled by Consolidated Lamda Holdings S.A. which is domiciled in Luxembourg and therefore Group’s financial information is included in its consolidated financial information. The company Consolidated Lamda Holdings S.A. is controlled by Latsis family.

This financial information was authorised for issue by the Board of Directors on November 7, 2008.

### 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 nine month period ended 30 September 2008. 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 2007 which are available on the website address [www.Lamda-development.net](http://www.Lamda-development.net).

#### 2.2 Accounting policies

The accounting principles that have been used in the preparation and presentation of the interim financial information are in accordance with those used for the preparation of the Company and Group annual financial statements as of December 31, 2007. New standards, amendments and interpretations to published standards that are mandatory for financial year ending 31 December 2008, as they were described in the annual financial statements for the year ended 31 December 2007 either were not relevant to the Group’s operations or did not have a significant impact on the financial information.

This condensed interim financial information has been prepared under the historical cost convention except for the investments in property, the available for sale financial assets and the derivative financial instruments, which after the initial recognition, are carried at fair value.

The preparation of financial information in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. Moreover, the use of estimates and assumptions that have an influence on the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial information and the reported income and expense amounts during the reporting period, are required. Although these estimates are based on the best possible knowledge of management

with respect to the current conditions and activities, the real results can eventually differ from these estimates.

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 ending on 31 December 2008

New standards or amendments that are mandatory effective for financial years beginning during the current period have not been published.

Interpretations mandatory effective for the annual period ending on 31 December 2008

**IFRIC 11, IFRS 2 “Group and Treasury Share Transactions”**

This interpretation is effective for annual periods beginning on or after 1 March 2007 and clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

**IFRIC 12 “Service Concession Arrangements”**

This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

**IFRIC 14 “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”**

This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

Standards mandatory effective for the annual periods beginning after 31 December 2008

**IAS 23 (amendment) “Borrowing Costs”**

This standard is effective for annual periods beginning on or after 1 January 2009 and replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group will apply IAS 23 from 1 January 2009.

**IFRS 8 “Operating Segments”**

This standard is effective for annual periods beginning on or after 1 January 2009 and 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 will apply IFRS 8 from 1 January 2009.

**IAS 1 (amendment) “Presentation of Financial Statements”**

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements and is effective for annual periods beginning on or after 1 January 2009. 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 will apply these amendments and make the necessary changes to the presentation of its financial statements in 2009.

**IFRS 2 “Share-based payment”**

Vesting Conditions and Cancellations - The amendment, effective for annual periods beginning on or after 1 January 2009, clarifies the definition of “vesting condition” by introducing the term “non-vesting condition” for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group does not expect that these amendments will have an impact on its financial statements, as the Group does not have any share-based payments.

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

A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements is effective for annual periods beginning on or after 1 July 2009. 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 will apply these changes from their effective date.

**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 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. Both amendments are effective for annual periods beginning on or after 1 January 2009. The Group does not expect these amendments to impact the financial statements of the Group.

Interpretations mandatory effective for the annual periods beginning after 31 December 2008

**IFRIC 13, “Customer Loyalty Programmes”**

This interpretation is effective for annual periods beginning on or after 1 July 2008 and clarifies the treatment of entities that grant loyalty award credits such as “points” and “travel miles” to customers who buy other goods or services. This interpretation is not relevant to the Group’s operations.

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

This interpretation is effective for annual periods beginning on or after 1 January 2009 and addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate

is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Group's operations.

**IFRIC 16, "Hedges of a Net Investment in a Foreign Operation"**

This interpretation is effective for annual periods beginning on or after 1 October 2008 and applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group as the Group does not apply hedge accounting for any investment in a foreign operation.

**3. Segment information**

**Primary reporting format – business segments**

The Group is organised into two business segments:

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

The segment results for the nine month period ended 30 September 2008 were as follows:

<i>Continuing operations (Amounts in Euro)</i>	<b>Real Estate</b>	<b>Marine Services</b>	<b>Total</b>
<b>Net sales</b>	<b>40.201.534</b>	<b>8.547.777</b>	<b>48.749.311</b>
Operating profit	39.560.927	4.218.610	43.779.536
Finance income	2.732.191	176.361	2.908.552
Finance costs	(17.338.313)	(1.489.267)	(18.827.580)
Share of (loss) / profit of associates	2.331.817	-	2.331.817
<b>Profit before income tax</b>	<b>27.286.621</b>	<b>2.905.704</b>	<b>30.192.325</b>
Income tax expense			5.750.786
<b>Net profit for the period</b>			<b>35.943.111</b>

The segment results for the nine month period ended 30 September 2007 were as follows:

<i>Continuing operations (Amounts in Euro)</i>	<b>Real Estate</b>	<b>Marine Services</b>	<b>Total</b>
<b>Net sales</b>	<b>61.790.886</b>	<b>5.490.920</b>	<b>67.281.806</b>
Operating profit / (loss)	46.497.519	(1.192.129)	45.305.390
Finance income	2.403.436	121.749	2.525.185
Finance costs	(10.766.258)	(788.572)	(11.554.830)
Share of (loss) / profit of associates	403.741	-	403.741
<b>Profit / (loss) before income tax</b>	<b>38.538.438</b>	<b>(1.858.953)</b>	<b>36.679.486</b>
Income tax expense			(8.713.198)
<b>Net profit for the period</b>			<b>27.966.287</b>

## Condensed interim financial information

30 September 2008

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

<i>Continuing operations (Amounts in Euro)</i>	<b>Real Estate</b>	<b>Marine Services</b>	<b>Total</b>
<b>Net sales</b>	<b>11.638.851</b>	<b>3.227.965</b>	<b>14.866.816</b>
Operating profit	7.196.941	3.746.099	10.943.039
Finance income	1.322.166	81.453	1.403.618
Finance costs	(6.631.673)	(501.950)	(7.133.623)
Share of (loss) / profit of associates	1.941.868	-	1.941.868
<b>Profit before income tax</b>	<b>3.829.302</b>	<b>3.325.601</b>	<b>7.154.903</b>
Income tax expense			11.611.777
<b>Net profit for the period</b>			<b>18.766.679</b>

The segment results for the three month period ended 30 September 2007 were as follows:

<i>Continuing operations (Amounts in Euro)</i>	<b>Real Estate</b>	<b>Marine Services</b>	<b>Total</b>
<b>Net sales</b>	<b>14.039.938</b>	<b>2.009.400</b>	<b>16.049.337</b>
Operating profit	5.056.647	188.513	5.245.159
Finance income	1.075.590	29.066	1.104.656
Finance costs	(4.250.300)	(228.552)	(4.478.851)
Share of (loss) / profit of associates	13.972	-	13.972
<b>Profit / (loss) before income tax</b>	<b>1.895.909</b>	<b>(10.973)</b>	<b>1.884.936</b>
Income tax expense			(591.738)
<b>Net profit for the period</b>			<b>1.293.198</b>

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

#### 4. Investment property

<i>Amounts in Euro</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>Opening balance as at 1 January</b>	505.473.951	439.017.856	1.840.441	5.540.441
Additions resulting from subsequent expenditure	943.590	1.801.877	-	-
Transfer from property, plant & equipment	-	4.026.653	-	-
Disposals	(8.500.000)	-	-	(3.720.000)
Indemnity on primary costs	-	(6.916.943)	-	-
Fair value adjustments directly to equity	-	1.948.347	-	-
Fair value adjustments	18.579.400	65.596.161	-	20.000
<b>Balance at the end of period</b>	<b>516.496.941</b>	<b>505.473.951</b>	<b>1.840.441</b>	<b>1.840.441</b>

Group's investment property was revalued by independent professional valuers at semi-annual basis ("SAVILLS HELLAS Ltd"). Valuations were 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 €13.670.000 and property under operating lease that amounts to €171.968.500.

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 10). Group's proportion on the above mortgages amounts to € 174.346.400.

## Condensed interim financial information

30 September 2008

On June 30, 2008 the Group's subsidiary "LAMDA Prime Properties SA" proceeded in the transfer of investment property to the associate "PALLAS ATHINA SA" in the amount of € 8.4 million.

### 5. Property, plant and equipment

<i>Amounts in Euro</i>	Land and buildings	Vehicles and machinery	Furniture and other equipment	Software	Assets under construction	Total
<b>GROUP - Cost</b>						
<b>1 January 2007</b>	<b>19.746.803</b>	<b>10.372.142</b>	<b>1.835.901</b>	<b>2.227.116</b>	<b>17.774.842</b>	<b>54.474.953</b>
Acquisition of subsidiaries	33.668.516	-	-	-	-	33.668.516
Additions	70.189.397	146.904	293.555	14.524	3.106.427	87.427.999
Reclassifications	14.549.602	687.415	(2.021)	-	(17.636.827)	49.669
Transfer to investment property	(4.723.112)	-	-	-	-	(4.723.112)
<b>31 December 2007</b>	<b>133.431.206</b>	<b>11.206.461</b>	<b>2.127.435</b>	<b>2.241.640</b>	<b>3.244.442</b>	<b>170.898.026</b>
<b>1 January 2008</b>	<b>133.431.206</b>	<b>11.206.461</b>	<b>2.127.435</b>	<b>2.241.640</b>	<b>3.244.442</b>	<b>170.898.026</b>
Additions	4.551.704	334.578	611.611	42.996	2.260.264	36.108.691
Disposals / Write-offs	-	-	(13.985)	-	-	(13.985)
Indemnity on primary costs	(1.686.037)	-	-	-	(2.523.153)	(4.209.190)
<b>30 September 2008</b>	<b>136.296.873</b>	<b>11.541.038</b>	<b>2.725.061</b>	<b>2.284.635</b>	<b>2.981.552</b>	<b>202.783.541</b>
<b>Accumulated depreciation</b>						
<b>1 January 2007</b>	<b>(1.456.242)</b>	<b>(1.994.353)</b>	<b>(1.044.008)</b>	<b>(1.645.622)</b>	<b>-</b>	<b>(6.140.226)</b>
Depreciation charge	(663.408)	(452.401)	(315.934)	(452.435)	-	(1.884.178)
Reclassifications	-	1.067	1.086	-	-	2.153
Transfer to investment property	696.458	-	-	-	-	696.458
<b>31 December 2007</b>	<b>(1.423.191)</b>	<b>(2.445.686)</b>	<b>(1.358.856)</b>	<b>(2.098.057)</b>	<b>-</b>	<b>(7.325.791)</b>
<b>1 January 2008</b>	<b>(1.423.191)</b>	<b>(2.445.686)</b>	<b>(1.358.856)</b>	<b>(2.098.057)</b>	<b>-</b>	<b>(7.325.791)</b>
Depreciation charge	(589.137)	(379.038)	(212.653)	(142.296)	-	(1.323.124)
Disposals / Write-offs	-	-	13.519	-	-	13.519
<b>30 September 2008</b>	<b>(2.012.328)</b>	<b>(2.824.724)</b>	<b>(1.557.991)</b>	<b>(2.240.353)</b>	<b>-</b>	<b>(8.635.396)</b>
<b>Closing net book amount at 31 December 2007</b>	<b>132.008.014</b>	<b>8.760.776</b>	<b>768.579</b>	<b>143.582</b>	<b>18.646.842</b>	<b>163.572.235</b>
<b>Closing net book amount at 31 December 2008</b>	<b>134.284.545</b>	<b>8.716.314</b>	<b>1.167.070</b>	<b>44.282</b>	<b>46.954.380</b>	<b>194.148.146</b>
<b>COMPANY - Cost</b>						
<b>1 January 2007</b>	<b>155.038</b>	<b>2.107</b>	<b>1.036.481</b>	<b>2.251.713</b>	<b>3.540</b>	<b>3.448.878</b>
Additions	-	36.965	48.138	5.988	93.567	184.658
Disposals	-	-	(348.304)	-	(97.107)	(445.410)
<b>31 December 2007</b>	<b>155.038</b>	<b>39.072</b>	<b>736.315</b>	<b>2.257.701</b>	<b>-</b>	<b>3.188.126</b>
<b>1 January 2008</b>	<b>155.038</b>	<b>39.072</b>	<b>736.315</b>	<b>2.257.701</b>	<b>-</b>	<b>3.188.126</b>
Additions	-	5.784	17.277	32.574	-	55.635
<b>30 September 2008</b>	<b>155.038</b>	<b>44.856</b>	<b>753.591</b>	<b>2.290.275</b>	<b>-</b>	<b>3.243.761</b>
<b>Accumulated depreciation</b>						
<b>1 January 2007</b>	<b>(47.515)</b>	<b>(364)</b>	<b>(778.088)</b>	<b>(1.640.091)</b>	<b>-</b>	<b>(2.466.059)</b>
Depreciation charge	(12.403)	(4.025)	(158.303)	(445.647)	-	(620.377)
Disposals	-	-	326.177	-	-	326.177
<b>31 December 2007</b>	<b>(59.918)</b>	<b>(4.389)</b>	<b>(610.214)</b>	<b>(2.085.738)</b>	<b>-</b>	<b>(2.760.259)</b>
<b>1 January 2008</b>	<b>(59.918)</b>	<b>(4.389)</b>	<b>(610.214)</b>	<b>(2.085.738)</b>	<b>-</b>	<b>(2.760.259)</b>
Depreciation charge	(9.302)	(3.793)	(39.929)	(137.393)	-	(190.416)
<b>30 September 2008</b>	<b>(69.220)</b>	<b>(8.182)</b>	<b>(650.143)</b>	<b>(2.223.130)</b>	<b>-</b>	<b>(2.950.675)</b>
<b>Closing net book amount at 31 December 2007</b>	<b>95.120</b>	<b>34.683</b>	<b>126.101</b>	<b>171.963</b>	<b>-</b>	<b>427.867</b>
<b>Closing net book amount at 31 December 2008</b>	<b>85.817</b>	<b>36.674</b>	<b>103.449</b>	<b>67.145</b>	<b>-</b>	<b>293.085</b>

## Condensed interim financial information

30 September 2008

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>Amounts in Euro</i>	<b>Concessions and similar rights</b>
<b>GROUP - Cost</b>	
<b>1 January 2007</b>	<b>5.468.925</b>
Additions	-
<b>31 December 2007</b>	<b>5.468.925</b>
<b>1 January 2008</b>	<b>5.468.925</b>
Additions	-
<b>30 September 2008</b>	<b>5.468.925</b>
<b>Accumulated depreciation</b>	
<b>1 January 2007</b>	<b>(600.628)</b>
Depreciation charge	(139.926)
<b>31 December 2007</b>	<b>(740.554)</b>
<b>1 January 2008</b>	<b>(740.554)</b>
Depreciation charge	(104.945)
<b>30 September 2008</b>	<b>(845.499)</b>
<b>Closing net book amount at 31 December 2007</b>	<b>4.728.371</b>
<b>Closing net book amount at 31 December 2008</b>	<b>4.623.426</b>

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>Amounts in Euro</i>	<b>COMPANY</b>	
	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>Opening balance as at 1 January</b>	<b>174.115.769</b>	<b>131.440.237</b>
Additions	500	34.863.063
Share capital increase	6.135.000	13.964.500
Share capital decrease	(24.256.048)	(6.152.031)
<b>Balance at the end of period</b>	<b>155.995.221</b>	<b>174.115.769</b>

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:

## Condensed interim financial information

30 September 2008

### COMPANY - 30 September 2008 (Amounts in Euro)

Name	Cost	Impairment	Carrying amount	Country of incorporation	% interest held
LAMDA ESTATE DEVELOPMENT SA	52.654.314	13.163.962	39.490.352	Greece	100,00%
LAMDA PRIME PROPERTIES SA	12.331.598	-	12.331.598	Greece	100,00%
LAMDA ERGA ANAPTYXIS SA	169.999	-	169.999	Greece	100,00%
LAMDA DOMI SA	13.069.999	-	13.069.999	Greece	100,00%
LAMDA PROPERTY MANAGEMENT SA	209.999	-	209.999	Greece	100,00%
LAMDA HELLIX SA	1.240.000	-	1.240.000	Greece	80,00%
PYLAIA SA	10.345.457	-	10.345.457	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING SA	8.292.216	2.484.000	5.808.216	Greece	51,00%
LAMDA ANADIXI SA	59.999	-	59.999	Greece	100,00%
LAMDA PROTYPY ANAPTYXI SA	59.999	-	59.999	Greece	100,00%
LAMDA WASTE MANAGEMENT SA	499.999	-	499.999	Greece	100,00%
GEAKAT SA	13.663.177	-	13.663.177	Greece	100,00%
LAMDA DEVELOPMENT SOFIA E.O.O.D.	23.038	-	23.038	Bulgaria	100,00%
LAMDA DEVELOPMENT SOUTH E.O.O.D.	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT VITOSHA E.O.O.D.	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT D.O.O. (BEOGRAD)	112.130	-	112.130	Serbia	100,00%
PROPERTY DEVELOPMENT D.O.O.	500	-	500	Serbia	100,00%
PROPERTY INVESTMENTS LTD	500	-	500	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA SRL	500	-	500	Romania	100,00%
ROBIES SERVICES LTD	1.638.000	-	1.638.000	Cyprus	90,00%
LAMDA DEVELOPMENT (NETHERLANDS) BV	23.500.000	-	23.500.000	Netherlands	100,00%
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	200.001	-	200.001	Montenegro	100,00%
<b>Investments in subsidiaries</b>	<b>138.076.544</b>	<b>15.647.962</b>	<b>122.428.582</b>		
LAMDA OLYMPIA VILLAGE SA <sup>(a)</sup>	27.105.604	-	27.105.604	Greece	49,24%
LAMDA AKINHTA SA	4.903.594	10	4.903.584	Greece	50,00%
S.C. LAMDA OLYMPIC SRL	1.174.151	838.027	336.123	Romania	50,00%
<b>Investments in joint ventures</b>	<b>33.183.348</b>	<b>838.037</b>	<b>32.345.311</b>		
ECE LAMDA HELLAS SA	204.000	-	204.000	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	952.000	-	952.000	Greece	11,70%
EFG PROPERTY SERVICES SA	29.989	-	29.989	Romania	20,00%
EFG PROPERTY SERVICES SOFIA A.D.	15.339	-	15.339	Bulgaria	20,00%
EFG PROPERTY SERVICES D.O.O. BEOGRAD	20.000	-	20.000	Serbia	20,00%
<b>Investments in associates</b>	<b>1.221.328</b>	<b>-</b>	<b>1.221.328</b>		
<b>TOTAL</b>	<b>172.481.220</b>	<b>16.485.999</b>	<b>155.995.221</b>		

The Group participates in the following companies' equity:

#### GROUP - Investments in associates

30 September 2008

Name	Cost	Share in profit		Carrying amount		
			/ (loss)			
ECE LAMDA HELLAS SA	204.000	378.168	<b>582.168</b>	Greece	34,00%	
EFG PROPERTY SERVICES SA	29.989	157.611	<b>187.600</b>	Romania	20,00%	
EFG PROPERTY SERVICES SOFIA A.D.	15.339	235.173	<b>250.512</b>	Bulgaria	20,00%	
EFG PROPERTY SERVICES D.O.O. BEOGRAD	20.000	144.888	<b>164.888</b>	Serbia	20,00%	
MC PROPERTY MANAGEMENT SA	40.000	278.251	<b>318.251</b>	Greece	25,00%	
S.C. LAMDA MED SRL	485	1.658.062	<b>1.658.547</b>	Romania	40,00%	
ATHENS METROPOLITAN EXPO SA	952.000	-	<b>952.000</b>	Greece	11,70%	
<b>TOTAL</b>	<b>1.261.813</b>	<b>2.852.153</b>	<b>4.113.966</b>			

During the period ended 30 September 2008 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



## Condensed interim financial information

30 September 2008

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”.

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 September 30, 2008 by € 3.000.000 in Group and Company results. The current total transaction cost amounts to € 168.014.807. The Company has already received € 114.905.055 and the rest of the amount (September 30, 2008: € 53.109.751) is included in “Trade and other receivables”.

### Share capital increase / decrease

The Company increased its participation in 100% subsidiary “LAMDA Development (Netherlands) BV” registered in Amsterdam, by € 5m and participated in the share capital increase of associate “Athens Metropolitan Expo SA” and subsidiary LAMDA Technol FLISVOS Holding SA by € 0.8m and € 0.1m. In addition, during the three month period ended June 30, 2008 the Company’s subsidiary “PYLEA SA” proceeded in share capital decrease. As a result, the Company’s participation decreased by € 24m.

### Other

The Company established “Property Investments LTD” with registered office in Serbia. Also, the Company’s subsidiary (by 100%) “LAMDA Development (Netherlands) BV” participated by 50% in the establishment of the Croatian company SL Imobilia DOO.

The Group’s composition on September 30, 2008 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		
<b><u>Full consolidation</u></b>					
LAMDA Estate Development SA	Greece	100,00%	LAMDA Development Montenegro DOO	Montenegro	100,00%
KRONOS PARKING SA	Greece	Indirect 100,00%	LAMDA Development (Netherlands) BV	The Netherlands	100,00%
LAMDA Prime Properties SA	Greece	100,00%	Robies Services Ltd	Cyprus	90,00%
PYLAIA SA	Greece	60,10%	Robies Proprietati Imobiliare SRL	Romania	Indirect 90,00%
LAMDA Technol Flisvos Holding SA	Greece	51,00%	LAMDA Properties Development SRL	Romania	Indirect 95,00%
LAMDA Technol Flisvos Marina SA	Greece	Indirect 39,39%	<b><u>Proportionate consolidation</u></b>		
LAMDA Erga Anaptyxis SA	Greece	100,00%	LAMDA Olympia Village SA	Greece	49,24%
LAMDA Domi SA	Greece	100,00%	LAMDA Akinhta SA	Greece	50,00%
LAMDA Property Management SA	Greece	100,00%	LAMDA Redding Contracting Consortium	Greece	Indirect 50,00%
LAMDA Hellix SA	Greece	80,00%	SC LAMDA Olympic SRL	Romania	50,00%
LAMDA Anadixi SA	Greece	100,00%	Singidunum-Buildings DOO	Serbia	Indirect 50,00%
LAMDA Protypi Anaptyxi SA	Greece	100,00%	Rang Nekretnine DOO	Serbia	Indirect 50,00%
LAMDA Waste Management SA	Greece	100,00%	GLS OOD	Bulgaria	Indirect 50,00%
GEAKAT SA	Greece	100,00%	S.L. Imobilia DOO	Croatia	Indirect 50,00%
LAMDA Development DOO Beograd	Serbia	100,00%	<b><u>Equity consolidation</u></b>		
Property Development DOO	Serbia	100,00%	MC Property Management SA	Greece	Indirect 25,00%
Property Investments LTD	Serbia	100,00%	ECE LAMDA HELLAS SA	Greece	34,00%
LAMDA Development Romania SRL	Romania	100,00%	ATHENS METROPOLITAN EXPO SA	Greece	11,67%
LAMDA Development Sofia EOOD	Bulgaria	100,00%	SC LAMDA MED SRL	Romania	Indirect 40,00%
LAMDA Development South EOOD	Bulgaria	100,00%	EFG PROPERTY SERVICES SA	Romania	20,00%
LAMDA Development Vitosha EOOD	Bulgaria	100,00%	EFG PROPERTY SERVICES DOO BEOGRAD	Serbia	20,00%
TIHI EOOD	Bulgaria	Indirect 100,00%	EFG PROPERTY SERVICES SOFIA AD	Bulgaria	20,00%

## 8. Trade and other receivables

In the accounts of “Trade and other receivables”, in Group and Company figures, the amount of € 53.1m (December 31, 2007: € 50.1m) is included regarding the Company’s receivables from “HSBC Property Investments Ltd” in relation to the sale of 50% of participation in “LAMDA Olympia Village SA”.

## Condensed interim financial information

30 September 2008

Also, 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 € 5.8m has been offset during the year. On September 30, 2008 the balance of VAT receivable regarding the construction of the shopping and leisure centers amount to € 27.2m.

During the current period, the Company received the amount of € 3,7m deriving from the sale of investment property to its subsidiary LAMDA Hellix SA (note 4).

### 9. Cash and cash equivalents

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
Cash at bank	39.708.796	46.083.572	3.722.356	3.331.221
Cash in hand	75.940	116.352	3.104	5.885
Short-term bank deposits	173.170.050	-	128.999.609	-
Hedged short-term bank deposits	9.820.176	-	9.820.176	-
<b>Total</b>	<b>222.774.962</b>	<b>46.199.924</b>	<b>142.545.244</b>	<b>3.337.105</b>

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.

### 10. Borrowings

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
<b>Non-current borrowings</b>				
Bank borrowings	15.311.573	294.000	-	-
Bonds	509.309.644	337.440.512	235.000.000	103.000.000
Finance lease liabilities	10.385.179	11.292.415	-	-
<b>Total non-current borrowings</b>	<b>535.006.396</b>	<b>349.026.928</b>	<b>235.000.000</b>	<b>103.000.000</b>
<b>Current borrowings</b>				
Bank borrowings	52.889.982	20.284.284	-	-
Bonds	4.340.424	6.409.200	-	-
Finance lease liabilities	761.230	357.276	-	-
<b>Total current borrowings</b>	<b>57.991.636</b>	<b>27.050.759</b>	<b>-</b>	<b>-</b>
<b>Total borrowings</b>	<b>592.998.032</b>	<b>376.077.687</b>	<b>235.000.000</b>	<b>103.000.000</b>

The movements in borrowings are as follows:

## Condensed interim financial information

30 September 2008

<i>Amounts in Euro</i>	<b>GROUP</b>	<b>COMPANY</b>
<b>Balance at 1 January 2007</b>	275.815.316	156.451
Bank borrowings	19.001.758	-
Bonds	300.872.000	103.000.000
Acquisition of subsidiaries	1.658.500	-
Refinancing	(197.872.000)	-
Bond loans transaction costs	(1.402.288)	-
Borrowings transaction costs - transfer from property, plant & equip	(300.000)	-
Borrowings repayments	(21.014.495)	(156.451)
Finance lease liabilities	4.810	-
Finance lease repayments	(685.914)	-
<b>Balance at 31 December 2007</b>	<b>376.077.687</b>	<b>103.000.000</b>

<i>9 months ended 30 September 2008 (Amounts in Euro)</i>	<b>GROUP</b>	<b>COMPANY</b>
<b>Balance at 1 January 2008</b>	376.077.687	103.000.000
Bank borrowings	66.559.573	8.000.000
Bonds	184.300.024	132.000.000
Bond loans transaction costs - amortization	168.277	-
New bond loans transaction costs	(247.945)	-
Borrowings repayments	(33.356.302)	(8.000.000)
Finance lease liabilities	13.707	-
Finance lease repayments	(516.990)	-
<b>Balance at 30 September 2008</b>	<b>592.998.032</b>	<b>235.000.000</b>

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.

Part of the borrowings which amount to € 50m that are assigned to subsidiaries and associates are secured by the parent company.

The maturity of non-current borrowings is as follows:

<i>Amounts in Euro</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
Between 1 and 2 years	36.939.483	3.734.988	30.000.000	-
Between 2 and 5 years	191.466.207	80.324.171	165.000.000	63.000.000
Over 5 years	306.600.706	264.967.769	40.000.000	40.000.000
	<b>535.006.396</b>	<b>349.026.928</b>	<b>235.000.000</b>	<b>103.000.000</b>

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

The effective weighted average interest rates at 30 September 2008 are as follows:

Bank borrowings (current)	6.46%
Bank borrowings (non-current)	6.02%
Bonds (current)	5.47%
Bonds (non-current)	5.60%

By taking into account the participation interest held of each company, it is noted that on 30 September 2008, the average base effective interest rate that the Group is borrowed is 4.65% and the average bank spread is 1.01%. Therefore, the Group total effective borrowing rate is 5.66%.

## Condensed interim financial information

30 September 2008

The Company, during the first quarter of 2008, signed a non-current bond loan of € 50m with Emporiki Bank (5 year, 3 month interest period, floating rate of 3 month Euribor, spread 0.90% and capital repayment at the maturity date). Also, the Company used the overdraft bank account which constitutes current borrowing from Bank of Cyprus, amounting to € 8m with floating rate of each interest period and spread 1.20%.

In addition, during the third quarter of 2008, the Company received non-current bond loans of € 20m, € 50m and € 12m from ALPHA Bank, Piraeus Bank and EFG Eurobank respectively with floating rate of 3 month Euribor, altered spread from 0.90% to 1.25%, 3 month interest period and capital repayment at the maturity date. The intention of the afore-mentioned loans is to cover middle- non-current financial needs.

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.

Also, the subsidiary “LAMDA Hellix SA” at 31 March 2008, due to the repayment of the purchase of investment property in Koropi from the Company, signed a bond loan amounting to € 3m with EFG Eurobank Ergasias, with 3 month interest period, floating rate based on 3 month Euribor plus margin 1%. The property is secured with pre-notice. Also, the associate “LAMDA Olympia Village SA” repaid € 25m as part of the non-current bond loan with “HSBC Bank plc”.

During the three month period ended on June 30, 2008 the Company’s subsidiary “PYLEA SA” received € 39 m bank loan from Eurohypo AG which constitutes increase in borrowings and alteration of the current loan (€ 70m). The increase in borrowings was completed without the alteration of the financial covenants that must be fulfilled. In specific, as forecasted in the initial contract, the loan to value for the first five years should not exceed 80%. Also, the Debt Service Coverage Ratio (DSCR) should be higher or equal to 120%.

Moreover, the Company’s subsidiary “LAMDA Domi SA” enforced the current borrowings by € 43.5m using the overdraft bank account in Alpha Bank and therefore the balance amounts to € 50m with average 1 month Euribor plus margin from 1.05% to 1.25%.

Finally, the subsidiary “LAMDA Prime Properties SA” received a bond loan of € 10m from ALPHA Bank. The margin is formed at 1.25% for the first year of the loan and onwards is decreased to 1% until its maturity date on September 26, 2018.

There is no further alteration on the fulfilment of financial covenants, which remain the same as in the previous reporting period.

### Finance leases

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
<b>Finance lease liabilities- minimum lease payments</b>				
Not later than 1 year	1.458.064	695.588	-	-
Later than 1 year but not later than 5 years	5.797.917	2.761.853	-	-
Over 5 years	8.147.463	11.288.028	-	-
<b>Total</b>	<b>15.403.445</b>	<b>14.745.469</b>	-	-
Less: Future finance charges on finance leases	(4.257.036)	(3.095.778)	-	-
<b>Present value of finance lease liabilities</b>	<b>11.146.409</b>	<b>11.649.691</b>	-	-

## Condensed interim financial information

30 September 2008

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

<i>Amounts in Euro</i>	30.09.2008	31.12.2007	30.09.2008	31.12.2007
Not later than 1 year	761.230	357.276	-	-
Later than 1 year but not later than 5 years	3.553.368	1.522.617	-	-
Over 5 years	6.831.811	9.769.799	-	-
<b>Total</b>	<b>11.146.409</b>	<b>11.649.691</b>	<b>-</b>	<b>-</b>

## 11. Cash generated from operations

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
Profit / (loss) for the period		35.943.111	27.966.287	(543.542)	3.639.018
Adjustments for:			-		-
Tax		(5.750.786)	8.713.198	627.557	798.523
Depreciation of property, plant and equipment	5	1.323.124	1.335.317	190.416	491.141
Depreciation of intangible assets	6	104.945	104.945	-	-
Proceeds from participation sale		(3.000.000)	(9.000.000)	(3.000.000)	(9.000.000)
Provisions for customers' write-off		112.000	632.469	-	-
Provisions		188.378	-	158.728	-
Share of (loss) / profit of associates	7	(2.331.817)	(403.741)	-	-
Proceeds from dividends		(997.128)	(1.064.171)	(3.809.616)	(1.180.607)
Proceeds from unused provisions		(342.080)	(38.981)	-	(26.025)
Fair value gains of other financial assets through profit and loss		(237.545)	-	-	-
Finance income		(2.908.552)	(2.525.185)	(4.653.525)	(1.236.474)
Finance costs		18.827.580	11.554.830	6.351.862	608.425
Fair value gains of investment property	4	(18.579.400)	(19.525.301)	-	(20.000)
Other non cash income / (expense)		2.145.705	(227.455)	1.051	117.350
		<b>24.497.535</b>	<b>17.522.213</b>	<b>(4.677.068)</b>	<b>(5.808.649)</b>
<b>Changes in working capital:</b>					
Decrease in inventories		3.046.491	8.155.212	-	-
(Increase) / decrease in receivables		693.186	1.433.730	(1.261.990)	110.970
Increase / (decrease) in payables		3.326.706	(1.075.214)	4.722	(802.894)
		<b>7.066.383</b>	<b>8.513.728</b>	<b>(1.257.269)</b>	<b>(691.924)</b>
<b>Cash generated from operations</b>		<b>31.563.918</b>	<b>26.035.941</b>	<b>(5.934.337)</b>	<b>(6.500.573)</b>

## 12. 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:

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30 September 2008	As at 31 December 2007	30 September 2008	As at 31 December 2007
Not later than 1 year	17.015.003	16.545.811	498.905	558.690
Later than 1 year but not later than 5 years	75.295.776	72.729.625	1.759.579	1.549.318
Over 5 years	970.017.931	972.605.129	988.109	1.212.358
	<b>1.062.328.711</b>	<b>1.061.880.565</b>	<b>3.246.593</b>	<b>3.320.366</b>

The aggregate floating remuneration has been adjusted according to the Consumer Price Index of September 30, 2008 which amounts to 4.6%.

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

### 13. 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 (Amounts in Euro)	GROUP		COMPANY	
	30 September 2008	As at 31 December 2007	30 September 2008	As at 31 December 2007
Letters of guarantee to creditors	19.856.296	13.659.021	5.993.402	4.394.402
Letters of guarantee to customers securing contract performance	20.244.982	20.339.402	-	-
Mortgages over land and buildings	178.646.400	83.708.000	-	-
Guarantees to banks on behalf of subsidiaries	162.350.000	55.253.900	161.600.000	54.503.900
Other	80.815.775	81.415.775	80.815.775	81.415.775
	<b>461.913.453</b>	<b>254.376.098</b>	<b>248.409.177</b>	<b>140.314.077</b>

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.

Part of the borrowings € 50m that have been given to subsidiaries and associates have been granted from the parent company.

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

- The Company has been tax audited until the year 2005. "LAMDA Estate Development SA" has been tax audited until the year 2006. "LAMDA Prime Properties SA" has been tax audited until 2004. The rest of the Group's subsidiaries have not been audited for tax purposes since 2003. 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 "PYLAIA SA" and the constructing company "MHXANIKH SA", concerning the evaluation of constructing company's works at the trading center of "PYLAIA SA", the imposition of penalties due to "MHXANIKH SA" partial and final delay of the undertaken project's completion, and the compensation that "PYLAIA SA" is entitled to receive because of working imperfection / deficiency for "MHXANIKH SA". Lawsuit and agreements about the height of claims have been made. "PYLAIA 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 requests for cancellation of the environmental terms for the development and refurbishment of Flisvos Marina and the decision of the Ministry of Development with which the existing water base has been surveyed. Those requests are expected to be judged during January 2009. The Group foresees a favorable outcome on these cases. Nevertheless, a negative outcome might have an impact on the completion of works on Flisvos Marina.

- Five (5) petitions of annulment have been filed 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. The hearing for the second petition has been scheduled for 02.12.2009. The hearing for the other petitions has been arranged for 07.11.2008. In accordance with the Company’s legal consultants, should the State Council uphold its jurisprudence to date, the aforesaid petitions are not expected to be successful.
- 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 07.11.2008. 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 applicant of the third 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. Furthermore, the applicant of the fifth petition for annulment has exercised a petition for suspension, which included a request for the issuance of an interim order for the suspension of the execution of works, but this petition has not been discussed yet. Given the fact that the respective petition of the third applicant was rejected by the Chair of the State Council, according to the assessment of the Company's legal consultants, this new petition will be rejected too, as both petitions for suspension (and the respective petitions for annulment) turn against the same actions with similar reasoning, b) before the Athens Administrative Court of Appeals, a petition 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. 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.

#### 14. 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>Amounts in Euro</i>	GROUP		COMPANY	
	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
<b>i) Sales of goods and services</b>				
- sales of services	1.769.144	22.310.995	710.732	1.381.302
- sales of investment property	8.385.000	-	-	-
	<b>10.154.144</b>	<b>22.310.995</b>	<b>710.732</b>	<b>1.381.302</b>
<b>ii) Purchases of goods and services</b>				
- purchases of services	4.512.924	4.712.037	370.896	330.666
- purchases of fixed assets	-	-	-	37.378
	<b>4.512.924</b>	<b>4.712.037</b>	<b>370.896</b>	<b>368.044</b>

## Condensed interim financial information

30 September 2008

<b>iii) Dividend income</b>	<b>997.128</b>	<b>1.064.171</b>	<b>3.809.616</b>	<b>1.180.607</b>
<b>iv) Benefits to management</b>				
- salaries and other short-term employment benefits	502.676	952.330	502.676	952.330
- sales of services to management	41.629	20.123	-	-
	<b>544.305</b>	<b>972.453</b>	<b>502.676</b>	<b>952.330</b>
<b>v) Period end balances from sales-purchases of goods / services</b>				
	<b>GROUP</b>		<b>COMPANY</b>	
<i>Amounts in Euro</i>	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
Receivables from related parties:				
- parent	-	107.100	-	-
- associates	93.724	353.999	579.979	4.336.099
	<b>93.724</b>	<b>461.099</b>	<b>579.979</b>	<b>4.336.099</b>
Receivables from related parties' dividends:				
- associates	-	-	160.000	-
	-	-	<b>160.000</b>	-
Payables to related parties:				
- parent	298	35.194	-	-
- associates	1.670.151	2.302.473	298	71.342
	<b>1.670.450</b>	<b>2.337.668</b>	<b>298</b>	<b>71.342</b>
<b>vi) Loans to associates:</b>				
Balance at the beginning of the period	2.164.872	7.288.263	71.131.711	17.410.766
Loans given during the period	2.650.000	439.633	540.000	77.581.253
Loans repaid during the period	(50.000)	(5.467.111)	-	(10.670.265)
Loans impairment	-	-	-	(13.373.457)
Interest repaid	-	(267.550)	-	(353.461)
Interest charged	80.943	171.636	866.214	536.875
<b>Balance at the end of the period</b>	<b>4.845.814</b>	<b>2.164.872</b>	<b>72.537.925</b>	<b>71.131.711</b>
<b>vii) Loans from associates:</b>				
Balance at the beginning of the period	34.174.043	39.392.000	33.284.031	-
Loans received during the period	15.300.024	33.250.000	12.000.000	33.000.000
Loans repaid during the period	-	(39.392.000)	-	-
Interest paid	(1.447.001)	(469.218)	(1.348.999)	-
Interest charged	1.512.830	1.393.262	1.414.828	284.031
<b>Balance at the end of the period</b>	<b>49.539.897</b>	<b>34.174.043</b>	<b>45.349.861</b>	<b>33.284.031</b>
<b>viii) Cash at bank - related parties</b>	<b>59.528.685</b>	<b>17.176.343</b>	<b>38.711.792</b>	<b>3.320.530</b>

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 10.

The Company has guaranteed to banks in favour of subsidiaries (note10).



## 15. Income tax expense

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 to 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%.

According to the latest litigated changes in Tax Law, the tax rates for years 2010 to 2014 are reducing gradually from 24% to 20% respectively. The Group and the Company taking into account the new tax rates and according to the IAS 12.46, have adjusted the deferred tax by € 13.3m and € 0.1m respectively, recognising the difference as income and expense from income tax in profit and loss statement.

## 16. 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	
	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
<i>Amounts in Euro</i>				
Profit attributable to equity holders of the Company	30.558.560	24.032.014	(543.542)	3.639.018
Weighted average number of ordinary shares in issue	43.672.842	44.007.922	43.672.842	44.007.922
Basic earnings per share (€ per share)	0,70	0,55	(0,01)	0,08

### Diluted

	GROUP		COMPANY	
	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007	01.01.2008 to 30.09.2008	01.01.2007 to 30.09.2007
<i>Amounts in Euro</i>				
Profit used to determine diluted earnings per share	30.558.560	24.032.014	(543.542)	3.639.018
Weighted average number of ordinary shares in issue	43.672.842	44.007.922	43.672.842	44.007.922
<b>Adjustment for share options:</b>				
Employees share option scheme	24.874	-	24.874	-
<b>Weighted average number of ordinary shares for diluted earnings per share</b>	<b>43.697.716</b>	<b>44.007.922</b>	<b>43.697.716</b>	<b>44.007.922</b>
Diluted earnings per share (€ per share)	0,70	0,55	(0,01)	0,08

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.

## 17. Number of employees

Number of employees at the end of the period: Group 147, Company 81 (nine month period ended 30 September 2007: Group 135, Company 83) from which there are no seasonal (nine month period ended 30 September 2007: Group 7, Company 0).

## 18. 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.

**19. Seasonality**

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