

LAMDA DEVELOPMENT S. A.

Interim Financial Statements

In accordance with International Financial Reporting Standards (IFRS)

1st Quarter 2006

LAMDA DEVELOPMENT S.A.

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

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Interim financial statements

3rd Quarter 2005

Balance Sheet

<i>Values in Euro</i>	Note	GROUP		COMPANY	
		31/03/2006	31/12/2005	31/03/2006	31/12/2005
ASSETS					
Non-Current Assets					
Investment Property		602.702.993	602.702.993	5.495.441	5.495.441
Property, plant and equipment		49.788.461	49.133.840	1.350.186	1.505.602
Intangible Assets		4.973.241	5.008.223	-	-
Investments in subsidiaries	4	35.142.569	34.770.662	258.852.468	254.645.469
Deferred income tax asset		262.871	328.861	108.588	139.715
Other receivables		3.071.913	3.060.183	2.348.462	2.338.084
		695.942.048	695.004.763	268.155.144	264.124.311
Current Assets					
Inventories		59.123.092	80.939.513	-	-
Trade and other receivables		70.613.265	77.112.115	18.050.104	7.039.934
Current income tax asset		3.705.005	2.770.365	924.618	756.177
Cash and cash equivalents		41.160.948	36.829.823	18.645.273	4.291.681
		174.602.310	197.651.816	37.619.995	12.087.792
Total assets		870.544.358	892.656.578	305.775.139	276.212.102
EQUITY					
Capital and reserves attributable to the Company's shareholders					
Share capital		235.886.266	235.878.092	235.886.266	235.878.092
Other reserves		5.980.751	5.983.471	4.630.689	4.630.689
Retained earnings / (Accumulated losses)		28.148.958	21.585.395	(55.945.684)	(52.863.652)
		270.015.975	263.446.958	184.571.270	187.645.129
Minority interest		47.273.246	43.399.481	-	-
Total equity		317.289.221	306.846.439	184.571.270	187.645.129
LIABILITIES					
Non-current liabilities					
Borrowings		204.596.659	125.673.929	31.402.826	31.320.689
Deferred income tax liability		40.746.127	44.992.104	-	-
Retirement benefit obligations		329.617	583.332	173.098	173.098
Other liabilities		1.574.101	1.418.522	36.148	36.148
		247.246.504	172.667.887	31.612.072	31.529.935
Current liabilities					
Trade and other liabilities		78.406.648	175.447.044	9.306.618	35.737.138
Current income tax liability		1.506.332	280.109	-	-
Borrowings		225.729.618	237.047.926	80.005.284	21.020.006
Provisions		366.035	367.173	279.895	279.895
		306.008.633	413.142.252	89.591.797	57.037.039
Total liabilities		553.255.137	585.810.139	121.203.869	88.566.974
Total equity and liabilities		870.544.358	892.656.578	305.775.139	276.212.102

The Company's Board of Directors has approved the financial statements for publication on 26 May of 2006.

The accompanying notes presented in pages 7 – 15, are an integral part of these Interim Condensed Financial Statements.

Income Statement

<i>Values in Euro</i>	Note	GROUP		COMPANY	
		1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Sales		46.304.173	17.190.198	1.371.292	1.398.828
Cost of sales		(31.524.008)	(15.988.170)	(823.008)	(689.772)
Gross profit		14.780.165	1.202.028	548.284	709.056
Administrative expenses		(7.321.764)	(4.160.639)	(2.591.064)	(983.590)
Other operating income / (expenses) - net		546.048	(934.088)	(2.929)	(166.074)
Operating profit		8.004.450	(3.892.699)	(2.045.709)	(440.608)
Finance costs - net		(4.838.970)	(656.729)	(997.022)	(374.169)
Profits from affiliated companies		371.907	545.167	-	-
Profit before income tax		3.537.388	(4.004.261)	(3.042.730)	(814.777)
Income tax expense		4.106.940	(1.247.696)	(39.301)	(29.683)
Profit for the period		7.644.327	(5.251.957)	(3.082.031)	(844.460)
Attributable to :					
Equity holders of the Company		6.563.562	(3.131.768)	(3.082.031)	(844.460)
Minority interest		1.080.765	(2.120.189)	-	-
		7.644.327	(5.251.957)	(3.082.031)	(844.460)
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic and diluted	10	0,149	(0,072)	(0,070)	(0,019)

The accompanying notes presented in pages 7 – 15 are an integral part of these Interim Condensed Financial Statements.

Statement of Changes in Equity

<i>Values in Euro</i>	Attributed to the shareholders of the Company				Total Equity
	Share capital	Other reserves	Retained earnings	Minority Interests	
GROUP					
1 January 2005	234.837.110	4.228.288	(60.211.329)	36.978.541	215.832.610
Currency translation differences	-	154.073	-	-	154.073
Change in subsidiary shareholdings	-	-	(161.463)	(73.801)	(235.264)
Net profit for the period	-	-	(3.131.768)	(2.120.189)	(5.251.957)
31 March 2005	234.837.110	4.382.361	(63.504.560)	34.784.551	210.499.462
01 April 2005	234.837.110	4.382.361	(63.504.560)	34.784.551	210.499.462
Currency translation differences	-	1.544.589	-	-	1.544.589
Transfers between reserves	-	56.520	(56.520)	-	-
Change in subsidiary shareholdings	-	-	1.410.524	(559.862)	850.662
Share capital issue in subsidiary	-	-	-	1.197.000	1.197.000
Sale of Subsidiaries	-	-	-	(1.572.096)	(1.572.096)
Net profit for the period	-	-	83.735.951	9.549.888	93.285.839
Employees share option scheme	1.040.982	-	-	-	1.040.982
31 December 2005	235.878.092	5.983.471	21.585.395	43.399.481	306.846.439
1 January 2006	235.878.092	5.983.471	21.585.395	43.399.481	306.846.439
Currency translation differences	-	(2.720)	-	-	(2.720)
Share capital issue in subsidiary	-	-	-	2.793.000	2.793.000
Net profit for the period	-	-	6.563.563	1.080.765	7.644.327
Deferred tax adjustment	8.174	-	-	-	8.174
31 March 2006	235.886.266	5.980.751	28.148.958	47.273.246	317.289.221

The accompanying notes presented in pages 7 – 15 are an integral part of these Interim Condensed Financial Statements.

Statement of Changes in Equity

<i>Values in Euro</i>	<u>Attributed to the shareholders of the Company</u>			
	Share capital	Other reserves	Retained earnings	Total Equity
COMPANY				
1 January 2005	234.837.110	4.630.689	(58.341.732)	181.126.067
Net profit for the period	-	-	(844.460)	(844.460)
Employees share option scheme	8.602	-	-	8.602
31 March 2005	234.845.712	4.630.689	(59.186.192)	180.290.209
01 April 2005	234.845.712	4.630.689	(59.186.192)	180.290.209
Net profit for the period	-	-	6.322.539	6.322.539
Employees share option scheme	1.032.380	-	-	1.032.380
31 December 2005	235.878.092	4.630.689	(52.863.652)	187.645.128
1 January 2006	235.878.092	4.630.689	(52.863.652)	187.645.128
Net profit for the period	-	-	(3.082.031)	(3.082.031)
Deferred tax adjustment	8.174	-	-	8.174
31 March 2006	235.886.266	4.630.689	(55.945.683)	184.571.270

The accompanying notes presented in pages 7 – 15 are an integral part of these Interim Condensed Financial Statements.

Cash Flow Statement

<i>Amounts in Euro</i>	GROUP		COMPANY	
	1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Cash flows from operating activities				
Cash flows from Operating Activities	8.880.863	(2.952.737)	(1.882.711)	(158.898)
Changes in Working Capital	(68.876.399)	14.169.773	(37.789.941)	(940.118)
Interest Expenses Paid	(4.901.866)	(787.104)	(849.477)	(374.352)
Income Tax Paid	(1.068.859)	(758.029)	-	-
Net Cash Flows from Operating Activities	(65.966.260)	9.671.903	(40.522.129)	(1.473.368)
Cash flows from investing activities				
Purchase of property, plant, equipment and investment property	(1.496.053)	(19.327.804)	(7.581)	(181.858)
Acquisition of shares in investments	-	-	(4.207.000)	-
Proceeds from available-for-sale investments	-	44.124	-	-
Interest received	43.119	130.374	23.107	183
Net cash used in investing activities	(1.452.934)	(19.153.306)	(4.191.474)	(181.675)
Cash flows from financing activities				
Dividends paid to shareholders	(221)	(1.698)	(221)	(1.698)
Borrowings received	210.483.738	20.731.110	59.067.415	5.613.406
Payments of borrowings and capital repayments of finance leases	(141.526.198)	-	-	-
Share capital issue expenses	-	(175.427)	-	-
Proceeds from issuance of shares of subsidiaries	2.793.000	-	-	-
Net cash from financing activities	71.750.320	20.553.985	59.067.194	5.611.708
Net (decrease) / increase in cash and cash equivalents	4.331.125	11.072.582	14.353.592	3.956.666
Cash and cash equivalents at beginning of the period	36.829.823	24.408.860	4.291.681	1.130.951
Cash and cash equivalents at end of the period	41.160.948	35.481.442	18.645.273	5.087.617

<i>Amounts in Euro</i>	GROUP		COMPANY	
	1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Profit for the year	7.644.327	(5.251.957)	(3.082.031)	(844.460)
Adjustments for:				
Tax	(4.106.940)	1.247.696	39.301	29.683
Depreciation of property, plant and equipment	876.413	786.607	162.998	153.916
Interest expenses	4.838.970	656.730	997.022	374.169
Income from investments / Dividends received	(371.907)	(545.167)	-	-
Other non cash flow items	-	153.354	-	127.794
	8.880.863	(2.952.737)	(1.882.711)	(158.898)

<i>Amounts in Euro</i>	GROUP		COMPANY	
	1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Changes in working capital				
Decrease in inventories	21.816.421	2.316.287	-	-
Decrease / (increase) in receivables	7.517.230	14.803.338	(11.188.990)	18.476.808
Increase / (decrease) in payables	(97.955.196)	2.045.503	(26.600.951)	(19.416.926)
Increase / (decrease) in provisions	(1.138)	(5.013.355)	-	-
Increase / (decrease) in retirement benefit obligations	(253.715)	18.000	-	-
	(68.876.399)	14.169.773	(37.789.941)	(940.118)

The accompanying notes presented in pages 7 – 15 are an integral part of these Interim Condensed Financial Statements.

Additional information and notes on the interim financial statements

1. Corporate Information

The interim condensed financial statements include the interim financial statements of LAMDA DEVELOPMENT S.A. (“The Company”) and the interim consolidated financial statements of the Company and its subsidiaries (hereinafter referred as “The Group”). The names of subsidiaries are presented at Note 4 of the financial statements.

The main activities of the Group are the investment, development, and maintenance of pioneering projects in the market of real estate, mooring services, yachts maintenance and marine services.

The Group is activated in Greece, Romania and Serbia and the Company is listed in the Athens Stock Exchange.

The Company’s registered office is in Greece, Laodikias 16 & Nimfaiou, 11528, Athens. The company’s web site is www.Lamda-development.net.

The Company’s Board of Directors has approved the financial statements for publication on 26 May of 2006.

2. Principal Accounting Policies for the preparation of the interim financial statements

The interim condensed financial statements of LAMDA DEVELOPMENT SA on 30 September 2005, cover the 9-month period until September 30, 2005. They were prepared in accordance with the International Financial Reporting Standard (IFRS) 34 “Interim Financial Statements”.

The accounting principles adopted in the preparation and presentation of the interim financial statements are consistent with the same accounting principles adopted for the preparation of the financial statements of the Company and the Group for the year ended December 31, 2005.

The interim financial statements should be acknowledged in combination with the Transition to IFRS Report on 31 December 2005 which is available at Group’s web site www.Lamda-development.net.

The financial statements were prepared under the principle of historical cost convention, modified to include the revaluation of investment property assets, which after the first recognition, are valued in “fair value”.

The preparation of the financial statements in accordance with IFRS requires the application of some important accounting estimates and Management judgment during the accounting principles implementation. Moreover, calculations and assumptions made, have an influence on the mentioned amount of assets and liabilities, the acknowledgement notification of contingent liabilities and receivables at the date of financial statements and the declared amount of income and expenses during the relevant year. Despite the fact that the calculations are based on the best reasonable knowledge of the Management regarding the current situations and actions, the actual results might differ from these calculations.

3. Segment Reporting

Primary Information - Business Segments

The Group is divided into three business segments:

- (1) Aviation and Ground Handling Services (only for year 2005)
- (2) Shipyards and Marine Services
- (3) Real Estate

The results of these segments for the 3-month period ended on 31 March 2006 and 31 March 2005 are analyzed as follows:

3 months to 31 March 2006 <i>(Amounts in Euro)</i>	Shipyards and Marine Services	Real Estate	Total
Total gross segment sales	3.395.133	43.459.677	46.854.810
Inter-segment sales	-	(550.637)	(550.637)
Net sales	3.395.133	42.909.040	46.304.173
Operating profit	(1.679.784)	9.684.234	8.004.450
Finance costs	(240.581)	(4.598.388)	(4.838.970)
Share of net result of associates	-	371.907	371.907
Profit before income tax	(1.920.365)	5.457.753	3.537.387
Income tax expense			4.106.940
Net profit			7.644.327

3 months to 31 March 2005 <i>(Amounts in Euro)</i>	Aviation transport services	Shipyards and Marine Services	Real Estate	Total
Total gross segment sales	2.526.000	4.005.840	11.084.795	17.616.635
Inter-segment sales	-	-	(426.437)	(426.437)
Net sales	2.526.000	4.005.840	10.658.358	17.190.198
Operating profit	(200.500)	(2.786.172)	(906.027)	(3.892.699)
Finance costs	(66.500)	(102.734)	(487.495)	(656.729)
Share of net result of associates	11.500	-	533.667	545.167
Profit before income tax	(255.500)	(2.888.906)	(859.855)	(4.004.261)
Income tax expense				(1.247.696)
Net profit				(5.251.957)

The remaining data of the income statement are the following:

3 months to 31 March 2006 <i>(Amounts in Euro)</i>	Shipyards and Marine Services	Real Estate	Total
Depreciation of property, plant and equipment	483.717	342.189	825.906
Amortisation of intangible assets	50.507	-	50.507

3 months to 31 March 2005 <i>(Amounts in Euro)</i>	Aviation transport services	Shipyards and Marine Services	Real Estate	Total
Depreciation of property, plant and equipment	156.000	284.517	296.383	736.900
Amortisation of intangible assets	-	49.707	-	49.707

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Transfers and trading among segments are accomplished in real commercial terms and conditions, according to what is applied to transactions with third parties.

Assets and liabilities of the segments on 31 March 2006 and 31 December 2005 are as follows:

31 March 2006 (<i>Amounts in Euro</i>)	Shipyards and Marine Services	Real Estate	Total
Assets	69.812.508	800.731.850	870.544.358
Liabilities	49.954.814	503.300.323	553.255.137
Equity	19.857.694	297.431.527	317.289.221
Capital expenditure	1.475.571	20.650	1.496.222

31 December 2005 (<i>Amounts in Euro</i>)	Shipyards and Marine Services	Real Estate	Total
Assets	67.615.625	825.040.953	892.656.578
Liabilities	45.738.508	540.071.631	585.810.139
Equity	21.877.117	284.969.322	306.846.439
Capital expenditure	5.242.525	168.586.322	173.828.847

The assets of each segment include mainly tangible and intangible assets, inventories, receivables and cash available.

Segments' liabilities include the operating liabilities.

The capital expenses are consisted of expenses for tangible and intangible assets acquisition.

4. Investments in Consolidated Companies

A) COMPANY

<i>Values in Euro</i>	THE GROUP		THE COMPANY	
	31/03/2006	31/12/2005	31/03/2006	31/12/2005
Balance at the beginning of the period	34.770.662	22.010.567	254.645.469	221.304.547
Additions	-	22.011.008	4.207.000	42.596.414
Disposals	-	(13.201.409)	-	(9.255.493)
Profits from affiliated companies	371.907	3.950.496	-	-
Balance at the end of the period	35.142.569	34.770.662	258.852.469	254.645.469

The Group's participation percentages on investments in non-listed companies are as follows:

Interim financial statements

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31 March 2006 (Amounts in Euro)

Name	Cost	Impairment	Carrying amount	Country of incorporation	% interest held
<i>Values in Euro</i>					
LAMDA ESTATE DEVELOPMENT AE	52.654.314	13.163.962	39.490.352	Greece	100,00%
LAMDA PRIME PROPERTIES	12.331.598	-	12.331.598	Greece	100,00%
LAMDA ΕΡΓΑ ΑΝΑΠΤΥΞΗΣ ΑΕ	69.999	-	69.999	Greece	100,00%
LAMDA ΔΟΜΗ ΑΕ	69.999	-	69.999	Greece	100,00%
LAMDA PROPERTY MANAGEMENT AE	209.999	-	209.999	Greece	100,00%
LAMDA OLYMPIA VILLAGE AE	160.560.916	38.693.042	121.867.874	Greece	98,48%
LAMDA HELLIX AE	510.000	-	510.000	Greece	85,00%
LAMDA SHIPYARDS & MARINE SERVICES AE	16.538.188	1.036.607	15.501.581	Greece	75,00%
ΠΥΛΑΙΑ ΑΕ	31.674.947	-	31.674.947	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING AE	6.807.949	2.484.000	4.323.949	Greece	45,00%
LAMDA AKINHΤΑ ΑΕ	4.168.594	10	4.168.584	Greece	50,00%
LAMDA OLYMPIC SRL	2.432.505	838.027	1.594.477	Romania	50,00%
EFG EUROBANK PROPERTIES AE	26.757.150	-	26.757.150	Greece	13,20%
ECE LAMDA HELLAS AE	204.000	-	204.000	Greece	34,00%
LAMDA DEVELOPMENT BEOGRAD	12.130	-	12.130	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA ΕΠΕ	500	-	500	Romania	100,00%
EFG PROPERTIES ROMANIA	29.989	-	29.989	Romania	20,00%
EFG PROPERTIES SOFIA	15.340	-	15.340	Bulgaria	20,00%
EFG PROPERTIES BEOGRAD	20.000	-	20.000	Serbia	20,00%
	315.068.117	56.215.648	258.852.469		

31 December 2005 (Amounts in Euro)

Name	Cost	Impairment	Carrying amount	Country of incorporation	% interest held
<i>Values in Euro</i>					
LAMDA ESTATE DEVELOPMENT AE	52.654.314	13.163.962	39.490.352	Greece	100,00%
LAMDA PRIME PROPERTIES	12.331.598	-	12.331.598	Greece	100,00%
LAMDA ΕΡΓΑ ΑΝΑΠΤΥΞΗΣ ΑΕ	69.999	-	69.999	Greece	100,00%
LAMDA ΔΟΜΗ ΑΕ	69.999	-	69.999	Greece	100,00%
LAMDA PROPERTY MANAGEMENT AE	209.999	-	209.999	Greece	100,00%
LAMDA OLYMPIA VILLAGE AE	160.560.916	38.693.042	121.867.874	Greece	98,48%
LAMDA HELLIX AE	510.000	-	510.000	Greece	85,00%
LAMDA SHIPYARDS & MARINE SERVICES AE	16.538.188	1.036.607	15.501.581	Greece	75,00%
ΠΥΛΑΙΑ ΑΕ	27.467.947	-	27.467.947	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING AE	6.807.949	2.484.000	4.323.949	Greece	45,00%
LAMDA AKINHΤΑ ΑΕ	4.168.594	10	4.168.584	Greece	50,00%
LAMDA OLYMPIC SRL	2.432.505	838.027	1.594.477	Romania	50,00%
EFG EUROBANK PROPERTIES AE	26.757.150	-	26.757.150	Greece	13,20%
ECE LAMDA HELLAS AE	204.000	-	204.000	Greece	34,00%
LAMDA DEVELOPMENT BEOGRAD	12.130	-	12.130	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA ΕΠΕ	500	-	500	Romania	100,00%
EFG PROPERTIES ROMANIA	29.989	-	29.989	Romania	20,00%
EFG PROPERTIES SOFIA	15.340	-	15.340	Bulgaria	20,00%
EFG PROPERTIES BEOGRAD	20.000	-	20.000	Serbia	20,00%
	310.861.117	56.215.648	254.645.469		

The parent company took place in share capital increase of PYLEA SA by disbursing an amount of € 4.207.000 during the first quarter of 2006 and an amount of €20.674.400 during the year of 2005. This increase of share capital was covered by the existing shareholders according to the proportion of participation in the share capital of PYLEA SA.

On 28 June 2005, LAMDA Development S.A. sold the 100% of share capital held in the affiliated company Swissport Lamda, corresponding to the 50% of company's total share capital. The Company had null book value for LAMDA Development S.A. The agreement was realized in the frame of focusing the Company's

activities sector on the real estate development. On 28 June 2005, the Company transferred its participation in SWISSPORT LAMDA HELLAS SA. Consequently, SWISSPORT LAMDA HELLAS SA and its subsidiary companies SWISSPORT HELLAS GARGO SA and WSW SKYCAP SERVICES SA, are consolidated in the income statement until the date of share transfer.

On 10 August 2005, the parent company transferred 16.7% of EFG Eurobank Properties SA total share capital, thus reducing its participation to the aforementioned company from 29.9% to 3.2% of the total of EFG Eurobank Properties SA shares. The above percentage was sold to EFG Eurobank Ergasias S.A. at the price of € 12.497.916 which was adjusted upwards by €4.922.994 according to the terms of agreement between the parties. Afterwards, the parent company participated in the share capital increase of the above company, by disbursing the amount of € 21.114.486, without changing its participation percentage.

Moreover, during year 2005, the Company participated with a percentage of 20% in EFG Properties Romania , EFG Properties Sofia and EFG Properties Beograd companies constitution, by disbursing a total amount of €538.200. Finally, during 2005, the affiliated company LAMDA OLYMPIC SRL decreased its share capital and as a result parent company's participation was decreased by €1.575.750.

The Company continues to consolidate EFG Eurobank Properties SA under equity method after the aforementioned sale, despite the fact that it participates with a percentage lower of 20%, since management retains significant influence over the company.

The Company participates with a percentage of 100% (Direct participation) in the companies LAMDA DEVELOPMENT DOO BEOGRAD, and LAMDA DEVELOPMENT ROMANIA, which are not consolidated due to non-significant value.

5. Undertaken Obligations

Capital Liabilities

There are no significant capital expenses undertaken but not fulfilled at the date of Balance sheet.

Operating Leasing Liabilities

The Group leases mechanical equipment under operating leasing contracts. The amounts payable in the future related to operating leasing are as follows:

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2006	31.12.2005	31.03.2006	31.12.2005
Not later than 1 year	6.379.362	9.350.559	449.066	289.313
Later than 1 year but not later than 5 years	23.062.835	24.911.714	218.766	882.235
Later than 5 years	218.803.200	224.770.995	-	136.217
	248.245.397	259.033.268	667.832	1.307.765

There are no undertaken obligations for repair and maintenance expenses related to group's investment property.

6. Contingent Liabilities / Receivables

The Group has contingent liabilities and receivables concerning banks, other guarantees and other issues arisen within the frame of Group's ordinary activities, as follows:

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Liabilities				
Letters of guarantee to creditors	47.812.292	32.954.402	22.226.751	32.954.402
Letters of guarantee to customers securing contract performance	788.658	763.908	-	-
Mortgages over land & buildings	442.045.341	16.500.000	-	-
Guarantees to banks on behalf of subsidiaries	197.250.000	141.658.357	197.250.000	141.658.357
Other	79.815.775	10.272.580	79.815.775	10.272.580
	767.712.066	202.149.247	299.292.526	184.885.339

Other liabilities, presented above, 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.

We note that included in the above contingent liabilities are assurances for contingent liabilities which were given after the balance sheet date and which concern the issue of new bonds by a subsidiary company.

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

- At the subsidiary LAMDA Technol Flisvos 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 waterbase has been surveyed. Those requests are expected to be judged during June 2006. 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.
- The account "Trade and other receivables" includes the amount of €41,5 m. concerning receivables from the Greek State for reimbursement of construction cost of VAT for the Shopping Centers.

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

No additional expenses from contingent liabilities are expected to arise.

7. Existing Liens or Encumbrances

The long-term loans are secured with liens and pre-notice on the Group's land and buildings with total cost €442.045.341

8. Transactions with related parties

The following transactions concern transactions with related parties.

<i>Amounts in Euro</i>	GROUP		COMPANY	
	1.1.2005 to 31.03.2006	1.1.2005 to 31.03.2005	1.1.2005 to 31.03.2006	1.1.2005 to 31.03.2005
i) Sales of goods and services				
Sales of services	995.971	1.974.769	1.336.742	1.321.000
	995.971	1.974.769	1.336.742	1.321.000
ii) Purchases of goods and services				
Purchases of services	53.111	43.121	3.139	29.000
	53.111	43.121	3.139	29.000
iii) Benefits to management				
Salaries and other short-term employment benefits	140.553	144.838	71.537	79.094
	140.553	144.838	71.537	79.094
iv) Period end balances from sales-purchases of goods/services				
<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2006	31.12.2005	31.03.2006	31.12.2005
Receivables from related parties:				
-Associates	200.530	-	16.440.530	5.900.341
Liabilities to related parties:				
-Associates	21.608	-	88.853	60.141
v) Loans to associates:				
Balance at beginning of the period	-	-	618.745	-
Loans given during the period	-	185.400	600.000	600.000
Loans repaid during the period	-	-	-	-
Interest charged	-	7.300	14.600	18.745
Balance at end of the period	-	192.700	1.233.345	618.745
vi) Loans from associates:				
Balance at beginning of the period	123.047.912	83.923.569	18.320.689	13.909.865
Loans given during the period	49.703.963	47.000.000	44.000.000	5.000.000
Loans repaid during the period	(108.198.705)	(8.754.241)	(4.003.692)	(1.373.641)
Interest charged	198.705	3.961.917	3.692	784.465
Balance at end of the period	64.751.875	123.047.912	58.320.689	18.320.689

Services provided from and for related parties, in addition to sales and purchases of goods, follow the pricelist for non-related parties.

9. Significant changes during the year

The parent company has undertaken new loans in order to reimburse its liabilities, which during the first quarter were significantly decreased.

The Group rescheduled the bank borrowing in order to convert loans from short-term to long-term. Moreover, a new loan was undertaken in order to reimburse liabilities deriving from the transfer of properties to Lamda Olympia Village AE (subsidiary company).

Finally, inventories of the Group were significantly decreased as a significant number of houses, included in Lamda Olympia Village AE's inventory, was transferred.

10. Earnings after tax, per share

Basic and Diluted

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Profit / (loss) attributable to equity holders of the Company	6.563.562	(3.131.768)	(3.082.031)	(844.460)
Weighted average number of ordinary shares in issue	44.029.950	43.592.950	44.029.950	43.592.950
Basic earnings / (losses) per share (Euro per share)	0,149	(0,072)	(0,070)	(0,019)

The basic and diluted earnings per share are calculated by dividing profit attributable to Company's shareholders, with the weighted average number of ordinary shares during the period.

We note that the increase of share capital that emanates from the employee share option scheme takes place on 31 December of each year and consequently does not influence the weighted average number of shares

11. Unaudited tax years

The parent company and LAMDA SHIPYARDS & MARINE SERVICES SA, have been audited by tax authorities year end 2002, whereas in both companies regular tax auditing is in process. LAMDA ESTATE DEVELOPMENT SA has been tax audited until the year-end 2003. EFG Eurobank Properties (related company) and LAMDA Prime Properties have been tax audited until 2004. The rest of the subsidiaries of the group have not been audited for tax purposes since 2003. Consequently, the tax obligations of the group have not been defined permanently.

12. Number of company's employees

The number of company's employees was at the end of the current period, 203 for the Group in total of which 84 for the Company.

13. Post balance sheet events

At April 14th, 2006 LAMDA SHIPYARDS & MARINE SERVICES SA transferred the total share capital of its subsidiary company ARGONAUTIS SA at the price of € 5,2 m.

At March 16th, 2006 the parent company received an additional amount of € 4,9 m. as price for the transfer of 16,7% of EFG Eurobank Properties SA total share capital, which was realized during August 2005.

Besides the aforementioned events and the contingent liabilities presented at Note 6, no other events, having significant effects on the financial statements, have arisen after the date of Balance sheet.

14. Rounding

Differences between amounts presented in the financial statements and corresponding amounts in the notes results from rounding differences.

THE CHAIRMAN OF THE BOARD OF DIRECTORS
& CHIEF EXECUTIVE OFFICER

THE GENERAL MANAGER

THE DIRECTOR OF FINANCE
AND ADMINISTRATION

THE FINANCIAL DIRECTOR

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