

# ***LAMDA DEVELOPMENT S.A.***

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

**Condensed consolidated interim financial statements for period ended  
31 March 2007 in accordance with International Financial Reporting  
Standards («IFRS»)**

*These financial statements have been translated from  
the original which were prepared in the Greek language.  
All possible care has been taken to ensure that the  
translation is an accurate representation of the original.  
However, in all matters of interpretation of information,  
views or opinions, the original Greek language version of  
the financial statements take precedence over this  
translation.*

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## Balance Sheet

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		31.03.2007	31.12.2006	31.03.2007	31.12.2006
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	4	439,017,856	439,017,856	5,540,441	5,540,441
Property, plant and equipment	5	52,569,223	48,334,727	870,338	982,819
Intangible assets	6	4,833,315	4,868,297	-	-
Investments in associates	7	1,094,993	957,386	145,523,941	131,440,237
Available-for-sale financial assets		43,125,786	42,427,796	43,125,786	42,427,796
Derivative financial instruments		891,374	31,150	-	-
Deferred income tax assets		231,255	20,574	-	-
Trade and other receivables		75,047,134	75,377,186	53,206,665	49,730,705
		<b>616,810,935</b>	<b>611,034,973</b>	<b>248,267,171</b>	<b>230,121,999</b>
<b>Current assets</b>					
Inventories		56,044,259	58,394,743	-	-
Trade and other receivables		31,308,263	30,452,747	18,892,795	14,414,017
Current income tax assets		1,431,324	2,506,107	1,077,956	1,411,689
Cash and cash equivalents		72,046,230	79,911,287	28,931,591	51,504,302
		<b>160,830,076</b>	<b>171,264,884</b>	<b>48,902,342</b>	<b>67,330,007</b>
<b>Total assets</b>		<b>777,641,011</b>	<b>782,299,856</b>	<b>297,169,513</b>	<b>297,452,006</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the company</b>					
Share capital		235,722,818	235,722,818	235,722,818	235,722,818
Other reserves		24,671,390	23,357,593	22,750,186	22,052,196
Retained earnings / (Accumulated losses)		107,786,498	106,546,237	24,861,030	25,215,307
		<b>368,180,706</b>	<b>365,626,648</b>	<b>283,334,034</b>	<b>282,990,321</b>
Minority interest		42,990,774	42,606,437	-	-
<b>Total equity</b>		<b>411,171,480</b>	<b>408,233,085</b>	<b>283,334,034</b>	<b>282,990,321</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	8	254,081,599	252,924,016	-	-
Deferred income tax liabilities		45,414,912	44,671,236	2,206,778	2,324,871
Derivative financial instruments		-	124,538	-	-
Retirement benefit obligations		303,200	303,200	275,993	275,993
Other non-current liabilities		9,651,597	9,393,342	36,148	36,148
		<b>309,451,308</b>	<b>307,416,333</b>	<b>2,518,919</b>	<b>2,637,012</b>
<b>Current liabilities</b>					
Trade and other payables		41,192,728	43,463,855	11,316,560	11,668,222
Current income tax liabilities		522,363	295,284	-	-
Borrowings	8	15,303,133	22,891,300	-	156,451
		<b>57,018,223</b>	<b>66,650,439</b>	<b>11,316,560</b>	<b>11,824,673</b>
<b>Total liabilities</b>		<b>366,469,531</b>	<b>374,066,771</b>	<b>13,835,479</b>	<b>14,461,685</b>
<b>Total equity and liabilities</b>		<b>777,641,011</b>	<b>782,299,856</b>	<b>297,169,513</b>	<b>297,452,006</b>

The consolidated financial statements of Lamda Development SA for the period ended 31 March 2007 have been approved for issue by the Company's Board of Directors on 16 May 2007.

The notes on pages 7 to 21 are an integral part of these financial statements.

## Income Statement

	Note	GROUP		COMPANY	
		1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Continuing operations</b> ( <i>Amounts in Euro</i> )					
Sales		14,850,345	42,053,564	411,641	1,371,292
Dividend income		872,487	-	872,487	-
Cost of property sales		(2,170,073)	(23,322,078)	-	-
Other direct investment property expenses		(2,592,347)	(3,402,500)	-	-
Employee benefit expense		(1,649,316)	(1,517,386)	(1,380,245)	(1,106,954)
Depreciation of property, plant, equipment and intangible assets		(486,265)	(473,442)	(163,051)	(162,998)
Operating lease payments		(1,624,328)	(1,620,162)	(155,920)	(133,523)
Contractors' cost		(921,426)	(90,354)	(17,948)	(63,297)
Other operating income / (expenses) - net		(1,647,925)	(2,546,465)	(591,158)	(1,950,229)
<b>Operating profit</b>		<b>4,631,152</b>	<b>9,081,175</b>	<b>(1,024,195)</b>	<b>(2,045,709)</b>
Finance costs - net		(2,779,999)	(4,784,965)	551,826	(997,022)
Share of (loss) / profit of associates		137,603	371,907	-	-
<b>Profit / (loss) before income tax</b>		<b>1,988,756</b>	<b>4,668,117</b>	<b>(472,369)</b>	<b>(3,042,730)</b>
Income tax expense		(483,163)	3,708,674	118,092	(39,301)
<b>Profit / (loss) for the period from continuing operations</b>		<b>1,505,593</b>	<b>8,376,792</b>	<b>(354,277)</b>	<b>(3,082,031)</b>
<b>Discontinued operations</b>					
Loss for the period from discontinued operations	18	-	(732,465)	-	-
<b>Profit / (loss) for the period</b>		<b>1,505,593</b>	<b>7,644,327</b>	<b>(354,277)</b>	<b>(3,082,031)</b>
<b>Attributable to:</b>					
Equity holders of the Company		1,240,261	6,563,562	(354,277)	(3,082,031)
Minority interest		265,332	1,080,765	-	-
		<b>1,505,593</b>	<b>7,644,327</b>	<b>(354,277)</b>	<b>(3,082,031)</b>
<b>Earnings per share from continuing operations for profit attributable to the equity holders of the Company during the period</b> (expressed in € per share)					
Basic	13	0.03	0.15	(0.01)	(0.07)
Diluted	13	0.03	0.16	(0.01)	(0.07)
<b>Earnings per share from discontinued operations for profit attributable to the equity holders of the Company during the period</b> (expressed in € per share)					
Basic	13	0.00	(0.21)	0.00	0.00
Diluted	13	0.00	(0.21)	0.00	0.00

The notes on pages 7 to 21 are an integral part of these financial statements.

## Statement of changes in equity

<i>Amounts in Euro</i>	Attributable to equity holders of the Company			Total equity
	Share capital	Other reserves	Retained earnings	
<b>GROUP</b>				
<b>1 January 2006</b>	<b>235,878,092</b>	<b>5,983,471</b>	<b>21,585,395</b>	<b>306,846,439</b>
Currency translation differences	-	(2,720)	-	(2,720)
Net profit for the period	-	-	6,563,563	7,644,327
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>(2,720)</b>	<b>6,563,563</b>	<b>7,641,607</b>
Shares issued in subsidiaries	-	-	-	2,793,000
Deferred tax adjustment	8,174	-	-	8,174
<b>31 March 2006</b>	<b>235,886,266</b>	<b>5,980,751</b>	<b>28,148,958</b>	<b>317,289,221</b>
<b>1 January 2007</b>	<b>235,722,818</b>	<b>23,357,592</b>	<b>106,546,237</b>	<b>408,233,085</b>
Reserves from evaluation of financial assets available-for-sale	-	697,990	-	697,990
Cash flow hedges	-	619,427	-	738,572
Currency translation differences	-	(3,620)	-	(3,620)
Net income / (expense) recognised directly in equity	-	1,313,798	-	1,432,942
Net profit for the period	-	-	1,240,261	1,505,593
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>1,313,798</b>	<b>1,240,261</b>	<b>2,938,535</b>
Sale of subsidiaries	-	-	-	(140)
<b>31 March 2007</b>	<b>235,722,818</b>	<b>24,671,390</b>	<b>107,786,498</b>	<b>411,171,480</b>

The notes on pages 7 to 21 are an integral part of these financial statements.

## Statement of changes in equity

*Amounts in Euro*

	Share capital	Other reserves	Retained earnings	Total equity
<b>COMPANY</b>				
<b>1 January 2006</b>	<b>235,878,092</b>	<b>4,630,689</b>	<b>(52,863,652)</b>	<b>187,645,129</b>
Net profit for the period	-	-	(3,082,031)	(3,082,031)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>(3,082,031)</b>	<b>(3,082,032)</b>
Deferred tax adjustment	8,174	-	-	8,174
<b>31 March 2006</b>	<b>235,886,266</b>	<b>4,630,689</b>	<b>(55,945,683)</b>	<b>184,571,270</b>
<b>1 January 2007</b>	<b>235,722,818</b>	<b>22,052,196</b>	<b>25,215,307</b>	<b>282,990,321</b>
Reserves from evaluation of financial assets available-for-sale	-	697,990	-	697,990
Net profit for the period	-	-	(354,277)	(354,277)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>697,990</b>	<b>(354,277)</b>	<b>343,713</b>
<b>31 March 2007</b>	<b>235,722,818</b>	<b>22,750,186</b>	<b>24,861,030</b>	<b>283,334,034</b>

The notes on pages 7 to 21 are an integral part of these financial statements.

## Cash Flow Statement

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Cash flows from operating activities:</b>					
Cash generated from operations		4,469,919	(59,723,853)	(5,710,135)	(39,672,651)
Interest paid		(2,815,803)	(4,845,169)	(42,552)	(849,477)
Income tax paid		1,105,505	(1,068,859)	333,734	-
<b>Cash flows from operating activities - net</b>		<b>2,759,621</b>	<b>(65,637,880)</b>	<b>(5,418,953)</b>	<b>(40,522,129)</b>
<b>Cash flows from investing activities:</b>					
Purchases of property, plant, equipment and investment property	5	(4,460,265)	(1,481,818)	(50,569)	(7,581)
Loans granted to related parties	12	(370,217)	-	(3,455,960)	-
Interest received		695,854	45,811	652,394	23,107
Increase in participations	7	-	-	(15,120,000)	(4,207,000)
<b>Cash flows from investing activities - net</b>		<b>(4,134,628)</b>	<b>(1,436,007)</b>	<b>(17,974,135)</b>	<b>(4,191,474)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from issuance of ordinary shares		-	2,793,000	-	-
Proceeds from subsidiaries' share capital decrease	7	-	-	1,036,296	-
Dividends paid to Company's shareholders		(59,467)	(221)	(59,467)	(221)
Borrowings received	8	-	210,333,738	-	59,067,415
Repayments of finance lease capital	8	(133,674)	(129,503)	-	-
Repayments of borrowings	8	(6,296,909)	(141,396,695)	(156,451)	-
<b>Cash flows from financing activities - net</b>		<b>(6,490,051)</b>	<b>71,600,320</b>	<b>820,378</b>	<b>59,067,194</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(7,865,057)</b>	<b>4,526,432</b>	<b>(22,572,711)</b>	<b>14,353,592</b>
Cash and cash equivalents at the beginning of the period		79,911,287	36,359,076	51,504,302	4,291,681
Cash and cash equivalents - discontinued operations	18	-	275,441	-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>72,046,230</b>	<b>41,160,948</b>	<b>28,931,591</b>	<b>18,645,273</b>

The notes on pages 7 to 21 are an integral part of these financial statements.

## Notes upon condensed consolidated interim financial statements

### 1. General information

These financial statements include the condensed interim financial statements of the parent company LAMDA DEVELOPMENT S.A. (the “Company”) and the condensed consolidated interim financial statements of the Company and its subsidiaries (the “Group”). The names of the subsidiaries are presented in note 7 of the financial statements.

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 during 2006 has expanded in other neighbour Balkan countries mainly Romania, Bulgaria, Serbia and its shares are listed in the Athens Stock Exchange.

The address of the Company’s registered office is 16 Laodikias & Nimfeou str., 11528, Athens, Greece 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 statements are included in its consolidated financial statements. The company Consolidated Lamda Holdings S.A. is controlled by Latsis family.

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on 16 May 2007.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation

The condensed interim financial statements of LAMDA DEVELOPMENT S.A. cover the period ended 31 March 2007 and have been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2006 which are available on the website address [www.Lamda-development.net](http://www.Lamda-development.net).

#### 2.2 Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2006, as described in the annual financial statements for the year ended 31 December 2006. New standards, amendments and interpretations to published standards that are mandatory for financial year ending 31 December 2006, as they were described in the annual financial statements for the year ended 31 December 2006 either were not relevant to the Group’s operations or did not have a significant impact on the financial statements.

The condensed interim financial statements have 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 statements 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 statements 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.

### 3. Segment information

#### Primary reporting format – business segments

The Group is organised into three business segments:

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

Since Group's subsidiaries LAMDA Shipyards and Marine Services S.A. and ARGONAFTIS M.S.A. were sold, the business segment that refers to shipyards services is regarded as discontinued operation.

The segment results for 3 months ended 31 March 2007 were as follows:

<i>Continuing operations (Amounts in Euro)</i>	<b>Shipyards and</b>		<b>Total</b>
	<b>Real estate</b>	<b>Marine services</b>	
<b>Net sales</b>	<b>13,207,584</b>	<b>1,642,762</b>	<b>14,850,345</b>
Operating profit	5,280,226	(649,074)	4,631,152
Finance costs	(2,557,911)	(222,088)	(2,779,999)
Share of (loss) / profit of associates	137,603	-	137,603
<b>Profit before income tax</b>	<b>149,458,037</b>	<b>(10,717,799)</b>	<b>1,988,757</b>
Income tax expense			(483,163)
<b>Net profit / (loss) for the period from continuing operations</b>			<b>1,505,593</b>

The segment results for 3 months ended 31 March 2006 were as follows:

<i>Continuing operations (Amounts in Euro)</i>	<b>Shipyards and</b>		<b>Total</b>
	<b>Real estate</b>	<b>Marine services</b>	
<b>Net sales</b>	<b>40,645,476</b>	<b>1,408,088</b>	<b>42,053,564</b>
Operating profit	9,684,234	(603,059)	9,081,175
Finance costs	(4,598,389)	(186,576)	(4,784,965)
Share of (loss) / profit of associates	371,907	-	371,907
<b>Profit / (loss) before income tax</b>	<b>5,457,752</b>	<b>(789,635)</b>	<b>4,668,117</b>
Income tax expense			3,708,674
<b>Net profit for the period from continuing operations</b>			<b>8,376,792</b>
<i>Discontinued operations (Amounts in Euro)</i>		<b>Shipyards and Marine services</b>	
<b>Net profit / (loss) for the period from discontinued operations</b>		<b>(732,465)</b>	<b>(732,465)</b>
<b>Net profit for the period</b>			<b>7,644,326</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>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
<b>Balance at the beginning of the period</b>	439,017,856	602,702,993	5,540,441	5,495,441
Revaluation cost	-	7,410,357	-	-
Transfer to Receivables	-	(4,656,854)	-	-
Reversal of provisions for completion costs	-	(1,128,656)	-	-
Additions resulting from subsequent expenditure	-	3,191,373	-	-
Transfer to property, plant and equipment (Note 5)	-	(3,828,488)	-	-
Change in subsidiary consolidation method	-	(223,432,783)	-	-
Decrease in investment property due to sale of subsidiary	-	(3,417,593)	-	-
Transfer to Inventories	-	(20,005,535)	-	-
Fair value adjustment	-	82,183,042	-	45,000
<b>Balance at the end of period</b>	<b>439,017,856</b>	<b>439,017,856</b>	<b>5,540,441</b>	<b>5,540,441</b>

The investment property includes property under finance lease that amounts to € 12,780,000 and property under operating lease that amounts to € 158,499,895.

Bank borrowings are secured with mortgages on land and buildings which amount to €425,200,000 (note 8). Group's proportion on the above mortgages amounts to €209,368,480. Group's proportion on the mortgaged property amounts to €125,509,004.

31 March 2007

## 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 2006</b>	23,691,667	29,029,953	2,496,923	2,334,005	7,339,338	64,891,885
Disposal of subsidiaries and joint ventures	(10,478,394)	(22,514,949)	(767,248)	(20,428)	(677,567)	(34,458,586)
Additions	2,451,500	234,918	141,727	42,478	17,506,983	20,377,606
Disposals	-	-	(35,501)	(128,939)	-	(164,440)
Reclassifications	253,542	3,622,221	-	-	(3,875,763)	-
Reclassifications from investment property (Note 4)	3,828,488	-	-	-	-	3,828,488
<b>31 December 2006</b>	<b>19,746,803</b>	<b>10,372,142</b>	<b>1,835,901</b>	<b>2,227,116</b>	<b>20,292,991</b>	<b>54,474,953</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>20,292,991</b>	<b>54,474,953</b>
Disposal of subsidiaries and joint ventures	2,540,044	-	-	-	-	2,540,044
Additions	-	446	50,516	7,979	1,862,521	1,921,462
Reclassifications	(2,451,500)	-	-	-	2,451,500	-
Reclassifications from inventories	225,514	-	-	-	-	225,514
<b>31 March 2007</b>	<b>20,060,861</b>	<b>10,372,588</b>	<b>1,886,417</b>	<b>2,235,095</b>	<b>24,607,012</b>	<b>59,161,973</b>
<b>Accumulated depreciation</b>						
<b>1 January 2006</b>	(926,190)	(12,478,397)	(1,055,971)	(1,297,486)	-	(15,758,045)
Currency translation differences	-	-	14,481	-	-	14,481
Disposal of subsidiaries and joint ventures	317,102	10,883,851	400,320	11,390	-	11,612,663
Depreciation charge	(847,154)	(399,806)	(423,359)	(479,295)	-	(2,149,614)
Disposals	-	-	20,520	119,769	-	140,289
<b>31 December 2006</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>
<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>(6,140,225)</b>
Depreciation charge	(144,593)	(109,327)	(80,108)	(118,497)	-	(452,525)
<b>31 March 2007</b>	<b>(1,600,835)</b>	<b>(2,103,680)</b>	<b>(1,124,116)</b>	<b>(1,764,119)</b>	<b>-</b>	<b>(6,592,750)</b>
<b>Closing net book amount at 31 December 2006</b>	<b>18,290,561</b>	<b>8,377,789</b>	<b>791,893</b>	<b>581,495</b>	<b>20,292,991</b>	<b>48,334,727</b>
<b>Closing net book amount at 31 March 2007</b>	<b>18,460,026</b>	<b>8,268,908</b>	<b>762,301</b>	<b>470,976</b>	<b>24,607,012</b>	<b>52,569,223</b>

<i>Amounts in Euro</i>	Land and buildings	Vehicles and machinery	Furniture and other equipment	Software	Assets under construction	Total
<b>COMPANY - Cost</b>						
<b>1 January 2006</b>	155,038	1,182	990,249	2,173,380	3,540	3,323,389
Additions	-	924	46,232	78,333	-	125,489
<b>31 December 2006</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>
<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	-	26,402	19,804	4,363	-	50,569
<b>31 March 2007</b>	<b>155,038</b>	<b>28,509</b>	<b>1,056,285</b>	<b>2,256,076</b>	<b>3,540</b>	<b>3,499,447</b>
<b>Συσσωρευμένες αποσβέσεις</b>						
<b>1 January 2006</b>	(35,112)	(130)	(615,086)	(1,167,458)	-	(1,817,787)
Depreciation charge	(12,403)	(234)	(163,002)	(472,633)	-	(648,272)
<b>31 December 2006</b>	<b>(47,515)</b>	<b>(364)</b>	<b>(778,088)</b>	<b>(1,640,091)</b>	<b>-</b>	<b>(2,466,059)</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	(3,101)	(345)	(40,621)	(118,984)	-	(163,051)
<b>31 March 2007</b>	<b>(50,616)</b>	<b>(710)</b>	<b>(818,709)</b>	<b>(1,759,075)</b>	<b>-</b>	<b>(2,629,109)</b>
<b>Closing net book amount at 31 December 2006</b>	<b>107,523</b>	<b>1,743</b>	<b>258,393</b>	<b>611,622</b>	<b>3,540</b>	<b>982,819</b>
<b>Closing net book amount at 31 March 2007</b>	<b>104,422</b>	<b>27,799</b>	<b>237,576</b>	<b>497,001</b>	<b>3,540</b>	<b>870,338</b>

**6. Intangible assets**

<i>Amounts in Euro</i>	<b>Concessions and similar rights</b>
<b>GROUP - Cost</b>	
<b>1 January 2006</b>	5,468,925
Additions	-
<b>31 December 2006</b>	<u>5,468,925</u>
<b>1 January 2007</b>	5,468,925
Additions	-
<b>31 March 2007</b>	<u>5,468,925</u>
<b>Accumulated depreciation</b>	
<b>1 January 2006</b>	(460,702)
Depreciation charge	(139,926)
<b>31 December 2006</b>	<u>(600,628)</u>
<b>1 January 2007</b>	(600,628)
Depreciation charge	(34,982)
<b>31 March 2007</b>	<u>(635,610)</u>
<b>Closing net book amount at 31 December 2006</b>	<u>4,868,297</u>
<b>Closing net book amount at 31 March 2007</b>	<u>4,833,315</u>

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 associates**

<i>Amounts in Euro</i>	<b>GROUP</b>	
	<u>31.03.2007</u>	<u>31.12.2006</u>
<b>Balance at the beginning of the period</b>	<b>131,440,237</b>	<b>254,645,468</b>
Additions	15,120,000	12,333,393
Share capital issue	-	4,207,000
Disposals / Write off	-	(93,887,218)
Impairment	-	(5,600,000)
Reversal of provision for impairment	-	38,693,042
Transfer to available-for-sale financial assets	-	(26,757,150)
Decrease in share capital of subsidiaries	(1,036,296)	(52,194,298)
<b>Balance at the end of period</b>	<u><b>145,523,941</b></u>	<u><b>131,440,237</b></u>

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

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### COMPANY - 31 March 2007 (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 ΕΡΓΑ ΑΝΑΠΤΥΞΗΣ ΑΕ	169,999	-	169,999	Greece	100.00%
LAMDA ΔΟΜΗ ΑΕ	3,069,999	-	3,069,999	Greece	100.00%
LAMDA PROPERTY MANAGEMENT ΑΕ	209,999	-	209,999	Greece	100.00%
LAMDA HELLIX ΑΕ	80,000	-	80,000	Greece	80.00%
ΠΥΛΑΙΑ ΑΕ	31,674,947	-	31,674,947	Greece	60.10%
LAMDA TECHNOL FLISVOS HOLDING ΑΕ	7,752,949	2,484,000	5,268,949	Greece	45.00%
LAMDA ΑΝΑΔΕΙΞΗ ΑΕ	59,999	-	59,999	Greece	100.00%
LAMDA ΠΡΟΤΥΠΗ ΑΝΑΠΤΥΞΗ ΑΕ	59,999	-	59,999	Greece	100.00%
LAMDA DEVELOPMENT D.O.O. (BEOGRAD)	12,130	-	12,130	Serbia	100.00%
LAMDA DEVELOPMENT ROMANIA SRL	500	-	500	Romania	100.00%
LAMDA DEVELOPMENT SOFIA E.O.O.D.	23,038	-	23,038	Bulgaria	100.00%
ROBIES SERVICES LTD	1,620,000	-	1,620,000	Cyprus	90.00%
LAMDA DEVELOPMENT (NETHERLANDS) BV	13,500,000	-	13,500,000	The Netherlands	100.00%
<b>Investments in subsidiaries</b>			<b>107,571,509</b>		
LAMDA OLYMPIA VILLAGE ΑΕ	32,221,339	-	32,221,339	Greece	49.24%
LAMDA AKINHΤΑ ΑΕ	4,903,594	10	4,903,584	Greece	50.00%
S.C. LAMDA OLYMPIC SRL	1,396,209	838,027	558,181	Romania	50.00%
<b>Investments in joint ventures</b>			<b>37,683,104</b>		
ECE LAMDA HELLAS ΑΕ	204,000	-	204,000	Greece	34.00%
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>269,328</b>		
<b>TOTAL</b>			<b>145,523,941</b>		

The Group participates in the following companies' equity:

Name	GROUP - Investments in associates			Country of incorporation	% interest held
	Cost	Share in profit / (loss)	Carrying amount		
ECE LAMDA HELLAS ΑΕ	204,000	160,353	364,353	Greece	34.00%
EFG PROPERTY SERVICES SA	29,989	60,986	90,975	Romania	20.00%
EFG PROPERTY SERVICES SOFIA A.D.	15,339	95,348	110,687	Bulgaria	20.00%
EFG PROPERTY SERVICES D.O.O. BEOGRAD	20,000	41,160	61,160	Serbia	20.00%
MC ΔΙΑΧΕΙΡΙΣΗ ΑΚΙΝΗΤΩΝ Α.Ε.	40,000	126,500	166,500	Greece	25.00%
4K ΑΝΑΠΤΥΞΗ ΑΚΙΝΗΤΟΥ ΑΕ	534,000	(232,682)	301,318	Greece	30.00%
S.C. LAMDA MED SRL	489	(489)	0	Romania	40.00%
<b>TOTAL</b>			<b>1,094,993</b>		

During the 3 months period ended 31 March 2007 the following significant events have occurred:

#### Share capital decrease

S.C. LAMDA OLYMPIC SRL, subsidiary by 50%, proceeded to share capital decrease of € 2,072,592. As a result the Company's participation was decreased by € 1,036,296.

#### Other

The Company, during January 2007, proceeded in the acquisition of 90% of the share capital of Robies Services Ltd with registered office in Nicosia, which owns 100% of Robies Proprietati Imobiliare SRL with registered office in Bucharest that holds a 95.000 sqm plot of land in the western part of Bucharest. The total price of the above transaction is € 2.6m.

Also, during the first quarter of 2007, the Company established LAMDA Development (Netherlands) BV with registered office in Amsterdam and share capital € 13.5 m.

## 8. Borrowings

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
<b>Non-current borrowings</b>				
Bank borrowings	30,000,000	30,000,000	-	-
Bonds	212,552,000	212,552,000	-	-
Finance lease liabilities	11,529,599	10,372,016	-	-
<b>Total non-current borrowings</b>	<b>254,081,599</b>	<b>252,924,016</b>	-	-
<b>Current borrowings</b>				
Bank borrowings	128,411	266,106	-	156,451
Bonds	14,507,200	20,666,414	-	-
Finance lease liabilities	667,522	1,958,779	-	-
<b>Total current borrowings</b>	<b>15,303,133</b>	<b>22,891,300</b>	-	<b>156,451</b>
<b>Total borrowings</b>	<b>269,384,732</b>	<b>275,815,316</b>	-	<b>156,451</b>

The movements in borrowings are as follows:

<i>Amounts in Euro</i>	GROUP	COMPANY
	<b>Balance at 1 January 2006</b>	362,721,855
Bank borrowings	126,584,492	106,082,073
Bonds	156,304,814	30,000,000
Change in subsidiary consolidation method	(99,508,784)	-
Sale of subsidiary	(12,186,072)	-
Repayments of borrowings	(257,463,726)	(188,266,316)
Repayments of finance lease	(637,265)	-
<b>Balance at 31 December 2006</b>	<b>275,815,315</b>	<b>156,452</b>
	<b>GROUP</b>	<b>COMPANY</b>
<b>Balance at 1 January 2007</b>	275,815,316	156,451
Bank borrowings	22,312	-
Repayments of borrowings	(6,319,221)	(156,451)
Repayments of finance lease	(133,674)	-
<b>Balance at 31 March 2007</b>	<b>269,384,732</b>	-

Borrowings are secured by mortgages on the Group's land and buildings (note 4 and 5). Borrowings' fair value is equal to their carrying amounts.

The maturity of non-current borrowings is as follows:

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
Between 1 and 2 years	3,269,011	3,766,502	-	-
Between 2 and 5 years	21,807,033	23,299,506	-	-
Over 5 years	229,005,554	225,858,008	-	-
	<b>254,081,599</b>	<b>252,924,016</b>	-	-

The effective weighted average interest rates at the balance sheet date are as follows:

	<u>GROUP</u>	<u>COMPANY</u>
Bank borrowings (current)	6.88%	0.00%
Bonds (current)	4.78%	0.00%
Bank borrowings (non-current)	6.46%	0.00%
Bonds (non-current)	5.13%	0.00%

### Finance leases

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

<i>Amounts in Euro</i>	31.03.2007	31.12.2006	31.03.2007	31.12.2006
<b>Finance lease liabilities - minimum lease payments</b>				
Not later than 1 year	1,486,909	1,503,574	-	-
Later than 1 year but not later than 5 years	6,082,802	6,006,439	-	-
Over 5 years	10,618,253	10,862,647	-	-
<b>Total</b>	<b>18,187,964</b>	<b>18,372,660</b>	-	-
Less: future finance charges on finance leases	(5,990,843)	(6,041,864)	-	-
<b>Present value of finance lease liabilities</b>	<b>12,197,121</b>	<b>12,330,795</b>	-	-

<i>Amounts in Euro</i>	31.03.2007	31.12.2006	31.03.2007	31.12.2006
Not later than 1 year	667,522	669,229	-	-
Later than 1 year but not later than 5 years	3,196,044.50	3,157,652	-	-
Over 5 years	8,333,554.34	8,503,914	-	-
<b>Total</b>	<b>12,197,121</b>	<b>12,330,795</b>	-	-

## 9. Cash generated from operations

	<u>GROUP</u>		<u>COMPANY</u>	
<i>Amounts in Euro</i>	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
Profit / (loss) for the period	1,505,593	8,376,792	(354,277)	(3,082,031)
Adjustments for:				
Tax	483,163	(3,708,674)	(118,092)	39,301
Depreciation of property, plant and equipment	451,283	438,460	163,051	162,998
Depreciation of intangible assets	34,982	34,982	-	-
Share of (loss) / profit of associates	(137,603)	(371,907)	-	-
Proceeds from dividends	(872,487)	-	(872,487)	-
Interest income	(657,804)	(40,427)	(594,378)	(23,107)
Interest expense	3,437,803	4,825,392	42,552	1,020,129
Other non cash income / (expense)	(18,073)	-	219,484	-
	<b>4,226,858</b>	<b>9,554,617</b>	<b>(1,514,148)</b>	<b>(1,882,710)</b>
<b>Changes in working capital:</b>				
Decrease in inventories	2,124,970	21,845,770	-	-
(Increase) / decrease in receivables	717,240	6,544,718	(3,903,792)	(11,188,990)
Decrease in payables	(2,599,149)	(97,415,243)	(292,195)	(26,600,951)
Increase / (decrease) in retirement benefit obligations	-	(253,715)	-	-
	<b>243,061</b>	<b>(69,278,471)</b>	<b>(4,195,987)</b>	<b>(37,789,941)</b>
<b>Cash generated from operations</b>	<b>4,469,919</b>	<b>(59,723,853)</b>	<b>(5,710,135)</b>	<b>(39,672,651)</b>

## 10. 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 mainly buildings and mechanical equipment under operating leases under non-cancellable operating leases. Total future lease payments under such operating leases were as follows:

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
Not later than 1 year	16,511,605	16,520,901	348,343	379,755
Later than 1 year but not later than 5 years	71,068,689	71,014,277	903,981	946,049
Later than 5 years	988,208,120	989,003,149	519,819	564,371
	<b>1,075,788,414</b>	<b>1,076,538,327</b>	<b>1,772,143</b>	<b>1,890,175</b>

On 29/08/2006 LAMDA DOMI S.A., 100% Group's subsidiary, leased from Olympiaka Akinita S.A. part of International Broadcast Centre with a view to develop it as trading and business centre. The leasing duration determined to 40 years. The consideration was designated to € 7.250.000 for the first leasing year. The consideration will be adjusted yearly according to consumer price index plus 2% for the first 15 years, while for the remaining years it will be adjusted only by the consumer price index.

The comparative figures of 31 December 2006 does not take the annual adjustment of the above-mentioned leases into account.

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

## 11. Contingent liabilities

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 losses are expected to arise, as follows:

<i>Liabilities (Amounts in Euro)</i>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
Letters of guarantees to creditors	12,994,591	18,778,262	4,004,402	4,004,402
Letters of guarantees to customers securing contract performance	23,821,182	23,670,908	-	-
Mortgages over land and buildings	209,368,480	425,200,000	-	-
Guarantees to banks on behalf of subsidiaries	183,740,000	180,340,000	182,990,000	180,340,000
Other	112,090,722	112,090,722	112,090,722	112,090,722
	<b>542,014,975</b>	<b>760,079,893</b>	<b>299,085,124</b>	<b>296,435,124</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 € 51.2 m 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 is being under tax audit for the years 2004, 2005 and 2006. LAMDA Prime Properties has 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.



- At the subsidiary company LAMDA Olympia Village (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 (which is included in Deposits and Other Debtors). Management believes that the tax assessment is without basis due to the specific legal provisions applicable to Olympic Games work projects. In any event, if the outcome of the case is unfavourable, according to the share sale agreement between the Municipality of Amaroussion and the Company, the total obligation will be borne by the Municipality, as it relates to transfer of properties before the acquisition of the shares of Lamda Olympia Village by Lamda Development SA.
- There are disagreements between Company's subsidiary "PYLAIA S.A." and the constructing company "MHXANIKH S.A.", concerning the evaluation of constructing company's works at the trading center of "PYLAIA", the imposition of penalties due to "MHXANIKH S.A." partial and final delay of the undertaken project's completion, and the compensation that "PYLAIA S.A." is entitled to receive because of working imperfection / deficiency for "MHXANIKH S.A." Neither lawsuit nor agreements about the height of claims have been made. "PYLAIA S.A." legal consultants estimate that their claims are far greater than "MHXANIKH S.A." 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 June 2007. The Group foresees a favorable outcome on these cases.

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

## 12. Related party transactions

In Group's related parties, apart from the ones related to it, Group EFG Eurobank Ergasias is included.

The following transactions were carried out with related parties.

<i>Amounts in Euro</i>	GROUP		COMPANY	
	01.01.2007 to 31.03.2007	01.01.2006 to 31.03.2006	01.01.2007 to 31.03.2007	01.01.2006 to 31.03.2006
<b>i) Sales of goods and services</b>				
- sales of services	704,951	995,971	401,741	1,336,742
<b>ii) Purchases of goods and services</b>				
- purchases of goods and services	926,683	53,111	105,159	3,139
<b>iii) Dividend income</b>	872,487	-	872,487	-
<b>iv) Benefits to management</b>				
- salaries and other short term employment benefits	173,514	140,553	173,514	71,537
- sales of services to management	1,865	-	-	-
	175,379	140,553	173,514	71,537

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

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31.03.2007	31.12.2006	31.03.2007	31.12.2006
Receivables from related parties:				
- parent	1,058,808	162,966	-	-
- associates	404,360	299,589	5,535,429	3,616,020
	<b>1,463,169</b>	<b>462,556</b>	<b>5,535,429</b>	<b>3,616,020</b>
Receivables from related parties dividends:				
- parent	-	-	-	-
- associates	872,487	-	872,487	-
	<b>872,487</b>	<b>-</b>	<b>872,487</b>	<b>-</b>
Payables to associates:				
- parent	10,241	33,788	-	-
- associates	3,260,594	3,954,051	86,424	109,970
	<b>3,270,835</b>	<b>3,987,839</b>	<b>86,424</b>	<b>109,970</b>
<b>vi) Loans to associates:</b>				
Balance at the beginning of the period	7,288,263	192,700	17,410,766	618,745
Change in subsidiary consolidation method	-	11,889,844	-	-
Sale of subsidiaries to associates	-	411,445	-	-
Loans given during the period	370,217	750,000	3,455,960	50,511,440
Loans repaid during the period	-	(6,091,200)	-	(34,250,000)
Interest repaid	(127,154)	-	(486,611)	(403,571)
Interest charged	104,173	135,474	213,317	934,152
<b>Balance at the end of the period</b>	<b>7,635,500</b>	<b>7,288,263</b>	<b>20,593,432</b>	<b>17,410,766</b>
<b>vii) Loans from associates:</b>				
Balance at the beginning of the period	39,392,000	123,047,912	-	18,320,689
Change in subsidiary consolidation method	-	(52,790,400)	-	-
Loans received during the period	-	88,854,000	-	47,000,000
Loans repaid during the period	-	(119,719,512)	-	(65,320,689)
Interest paid	(503,679)	(2,922,979)	-	(2,411,841)
Interest charged	418,736	2,922,979	-	2,411,841
<b>Balance at the end of the period</b>	<b>39,307,057</b>	<b>39,392,000</b>	<b>-</b>	<b>-</b>
<b>viii) Cash at bank - related parties</b>	<b>21,184,418</b>	<b>11,749,381</b>	<b>6,729,378</b>	<b>382,742</b>

Services from and to related parties, as well as sales and purchases of goods, take place on the basis of the price lists in force with non related parties.

Loans that concern Group loans from banks – related parties and are included in note 8.

## 13. 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	
	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Continuing operations</b>				
<i>Amounts in Euro</i>				
Profit / (loss) attributable to equity holders of the Company	1,240,261	7,112,912	(354,277)	(3,082,031)
Weighted average number of ordinary shares in issue	44,007,922	44,029,950	44,007,922	44,029,950
Basic earnings / (losses) per share (€ per share)	0.03	0.15	(0.01)	(0.07)

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

### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	GROUP		COMPANY	
	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Continuing operations</b>				
<i>Amounts in Euro</i>				
Profit used to determine diluted earnings per share	1,240,261	7,112,912	(354,277)	(3,082,031)
Weighted average number of ordinary shares in issue	44,007,922	44,029,950	44,007,922	44,029,950
<b>Adjustment for share option:</b>				
Employees share option scheme	-	-	-	-
<b>Weighted average number of ordinary shares for diluted earnings per share</b>	<b>44,007,922</b>	<b>44,029,950</b>	<b>44,007,922</b>	<b>44,029,950</b>
Diluted earnings / (losses) per share (€ per share)	0.03	0.16	(0.01)	(0.07)

Basic and diluted earnings per share for discontinued operations are as follows:

	GROUP		COMPANY	
	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Discontinued operations</b>				
<i>Amounts in Euro</i>				
Profit / (loss) attributable to equity holders of the Company	-	(549,349)	-	-
Weighted average number of ordinary shares in issue	-	2,593,363	-	-
Basic and diluted earnings / (losses) per share (€ per share)	0.00	(0.21)	0.00	0.00

## 14. 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 of the Company throughout the year. The estimated annual weighted average tax rate for 2007 is 25% (the respective estimated rate for the first quarter of 2006 was 29%).

## 15. Number of employees

Number of employees at the end of period: Group 132, Company 81 (3 months to 31 March 2006: Group 203, Company 84).

## 16. Events after the balance sheet date

On 4 April 2007, the subsidiary LAMDA Development (Netherlands) BV with registered office in Amsterdam paid € 10.3m for the acquisition of 100% of TIHI E.O.O.D. share capital with registered office in Sofia, and then proceeded in € 3m share capital decrease.

The Company in April 2007 established the company LAMDA Development Montenegro D.O.O. with registered office in Montenegro, Serbia which proceeded in the acquisition of land in the city of Budva.

The total plot of land is 10,500 sqm approximately and is intended to be developed as an exclusive second home resort. The land acquisition cost amounted to € 3.7m.

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

## 17. Seasonality

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

## 18. Discontinued operations

On 4/9/2006 the Company transferred the total amount of shares that owned in LAMDA Shipyards and Marine Services S.A. and as a result is no longer consolidated. In addition, on 14/4/2006 the aforementioned subsidiary had transferred subsidiary ARGONAFITIS M.S.A. total amount of shares. Consequently, the Group does no longer activate in shipyards services.

The results of discontinued operations were as follows:

	GROUP		COMPANY	
	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
<b>Discontinued operations</b>				
Income	-	1,987,046	-	-
Employee benefit expense		(1,881,805)		
Depreciation of property, plant and equipment		(402,970)		
Other operating income / (expenses) - net		(778,995)		
Finance costs - net		(54,005)		
<b>Profit / (loss) before tax from discontinued operations</b>	-	<b>(1,130,730)</b>	-	-
Income tax expense	-	398,265	-	-
<b>Net profit / (loss) after tax from discontinued operations</b>	-	<b>(732,465)</b>	-	-

The cash flow of discontinued operations were as follows:

	GROUP		COMPANY	
	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006	1.1.2007 to 31.03.2007	1.1.2006 to 31.03.2006
Cash flows from operating activities	-	(328,381)	-	-
Cash flows from investing activities	-	(16,927)	-	-
Cash flows from financing activities	-	150,000	-	-
<b>Total cash flows</b>	-	<b>(195,307)</b>	-	-

## 19. Reclassifications of comparatives

The elements of income statement and cash flow of previous year have been reclassified in order for the results to be comparative with the current period due to the transfer of the total amount of shares that owned in LAMDA Shipyards and Marine Services S.A. and its subsidiary ARGONAFITIS M.S.A. Also, with a view to providing investors with additional information, supplementary analysis in income statement is provided. The reclassifications had no effect on profits attributable to the shareholders or minorities.

Income statement

	Note	GROUP			COMPANY		
		1.1.2006 to 31.3.2006			1.1.2006 to 31.3.2006		
		Difference	Published	Reclassified	Difference	Published	Reclassified
<b>Continuing operations (Amounts in Euro)</b>							
Sales	a, b	4,250,609	46,304,173	42,053,564	-	1,371,292	1,371,292
Cost of sales	a, c	(31,524,008)	(31,524,008)	-	(823,008)	(823,008)	-
<b>Gross profit</b>		<b>14,780,165</b>	<b>14,780,165</b>	<b>-</b>	<b>(823,008)</b>	<b>548,284</b>	<b>1,371,292</b>
Administrative expenses	a, c	(7,321,764)	(7,321,764)	-	(2,591,064)	(2,591,064)	-
Cost of property sales	a, c	23,322,078	-	(23,322,078)	-	-	-
Other direct investment property expenses	b, c	3,402,500	-	(3,402,500)	-	-	-
Employee benefit expense	a, c	1,517,386	-	(1,517,386)	1,106,954	-	(1,106,954)
Depreciation of property, plant, equipment and intangible assets	a, c	473,442	-	(473,442)	162,998	-	(162,998)
Operating lease payments	c	1,620,162	-	(1,620,162)	133,523	-	(133,523)
Contractors' cost	c	90,354	-	(90,354)	63,297	-	(63,297)
Other operating income / (expenses) - net	a, c	3,092,513	546,048	(2,546,465)	1,947,300	(2,929)	(1,950,229)
<b>Operating profit</b>		<b>(1,076,725)</b>	<b>8,004,450</b>	<b>9,081,175</b>	<b>-</b>	<b>(2,045,709)</b>	<b>(2,045,709)</b>
Finance costs - net	a	(54,005)	(4,838,970)	(4,784,965)	-	(997,022)	(997,022)
Share of (loss) / profit of associates		-	371,907	371,907	-	-	-
<b>Profit / (loss) before income tax</b>		<b>(1,130,730)</b>	<b>3,537,388</b>	<b>4,668,117</b>	<b>-</b>	<b>(3,042,730)</b>	<b>(3,042,730)</b>
Income tax expense	a	398,266	4,106,940	3,708,674	-	(39,301)	(39,301)
<b>Profit / (loss) for the period</b>		<b>(732,465)</b>	<b>7,644,327</b>	<b>8,376,792</b>	<b>-</b>	<b>(3,082,031)</b>	<b>(3,082,031)</b>
<b>Discontinued operations</b>							
Loss for the period from discontinued operations	a	732,465	-	(732,465)	-	-	-
<b>Profit / (loss) for the period</b>		<b>-</b>	<b>7,644,327</b>	<b>7,644,327</b>	<b>-</b>	<b>(3,082,031)</b>	<b>(3,082,031)</b>
<b>Attributable to:</b>							
Equity holders of the Company		-	6,563,562	6,563,562	-	(3,082,031)	(3,082,031)
Minority interest		-	1,080,765	1,080,765	-	-	-
		<b>-</b>	<b>7,644,327</b>	<b>7,644,327</b>	<b>-</b>	<b>(3,082,031)</b>	<b>(3,082,031)</b>
<b>Earnings per share from continuing operations for profit attributable to the equity holders of the Company during the period (expressed in € per share)</b>							
Basic	a	(0.00)	0.15	0.15	(0.00)	(0.07)	(0.07)
Diluted	a	(0.01)	0.15	0.16	(0.00)	(0.07)	(0.07)

- a) Reclassifications of income statement elements that concern discontinued operations (note 18).
- b) Transfer of € 2,263,563 from Sales to Other direct investment property expenses in consolidated financial statements.
- c) Transfer of € 31,524,008 and € 823,008 from Cost of sales to Other operating income / (expense) net in consolidated and company financial statements as follows:

Amounts in Euro	GROUP	COMPANY
Cost of property sales	23,322,078	-
Other direct investment property expenses	3,318,098	-
Employee benefit expense	818,864	590,322
Operating lease payments	1,571,327	129,234
Contractors' cost	90,355	63,297
Other operating income / (expenses) - net	785,889	40,155
Discontinued operations	1,617,396	-
	<b>31,524,008</b>	<b>823,008</b>

Transfer of € 7,321,764 and € 2,593,993 from Administrative expenses to Other operating income / (expense) net in consolidated and company financial statements as follows:

## Financial statements

31 March 2007

	GROUP	COMPANY
<i>Amounts in Euro</i>		
Other direct investment property expenses	2,347,966	-
Employee benefit expense	698,523	516,633
Depreciation of property, plant, equipment and intangible assets	473,442	162,998
Operating lease payments	48,835	4,289
Other operating income / (expenses) - net	2,306,624	1,907,145
Discontinued operations	1,446,374	-
	7,321,764	2,591,064

### Cash flow

All the reclassifications in cash flow derive from discontinued operations.

	GROUP			COMPANY		
	1.1.2006 to 31.3.2006		1.1.2006 to 31.03.2006	1.1.2006 to 31.3.2006		1.1.2006 to 31.03.2006
	Difference	Published	Reclassified	Difference	Published	Reclassified
<i>Amounts in Euro</i>						
Cash flows from operating activities - net	(328,381)	(65,966,261)	(65,637,880)	-	(40,522,128)	(40,522,128)
Cash flows from investing activities - net	(16,927)	(1,452,934)	(1,436,007)	-	(4,191,474)	(4,191,474)
Cash flows from financing activities - net	150,000	71,750,320	71,600,320	-	59,067,194	59,067,194
Net (decrease) / increase in cash and cash equivalents	(195,307)	4,331,125	4,526,432	-	14,353,592	14,353,592
Cash and cash equivalents at the beginning of the period	470,747	36,829,823	36,359,076	-	4,291,681	4,291,681
Cash and cash equivalents - discontinued operations	(275,441)	-	275,441	-	-	-
Cash and cash equivalents at the end of the period	-	41,160,948	41,160,948	-	18,645,273	18,645,273