

LAMDA Development S.A.



FINANCIAL REPORT

For the six month period ended June 30, 2016

(in accordance with article 5 of the Law 3556/2007)

G.E.MI.:3379701000

37A Kifissias Ave., 15123, Maroussi

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.

Semi-annual financial report's index

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**STATEMENT OF THE BOARD OF DIRECTORS OF
“LAMDA Development S.A.” for the condensed consolidated and company financial statements
for the six month period ended June 30, 2016
(according to the article 5 par.2 of the Law 3556/2007)**

We state to the best of our knowledge, that the semi-annual condensed Consolidated and Company financial statements for the six month period ended June 30, 2016, which have been prepared in accordance with the international accounting standards in effect, reflect fairly the assets, liabilities, equity and the results of LAMDA Development S.A., as well as of the companies that are included in the consolidation taken as a whole.

Furthermore, we state to the best of our knowledge that the Semi-Annual Report of the Board of Directors reflects fairly the development, the performance and the status of LAMDA Development S.A., as well as of the companies that are included in the consolidation taken as a whole, and includes a description of the main risks and uncertainties they confront.

Maroussi, August 30, 2016

The undersigned

<hr/> Anastasios K.Giannitsis Chairman of the BoD	<hr/> Odyssefs E.Athanasίου Chief Executive Officer	<hr/> Dimitrios Ch.Politis Member of the BoD
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**SEMI-ANNUAL BOARD OF DIRECTORS' REPORT OF "LAMDA Development S.A." FOR
THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE SEMI-
ANNUAL PERIOD ENDED JUNE 30, 2016**

Dear Shareholders,

According to the provisions of the laws 3556/2007 and 2190/1920 and the decisions 1/434/3.7.2007 and 7/448/11.10.2007 of the Hellenic Capital Market Commission, we present the semi-annual Board of Directors' report of "LAMDA Development S.A." concerning the Consolidated and Separate Financial Statements for the six-month period ended on June 30, 2016.

FINANCIAL POSITION OF THE GROUP

According to the International Financial Reporting Standards, the main financial results for the Group and the Company for the six-month period that ended 30/06/2016 are the following:

Consolidated results after tax was amount to profit €1.474 thousands compared to losses €14.347 thousands in the comparative period of 2015.

The Company starting from 1/1/2014 applies IFRS 11 according to which the Group will account for joint ventures on an equity basis because it provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.

According to the new presentation method, the Net profit from fair value adjustment on investment property reached €1.202 thousands compared to a negative figure of €10.186 thousands in the respective period of 2015. Also, the Group impaired the value of the inventories by €540 thousands compared to €3.246 thousands in the comparative period of 2015.

Consolidated turnover was increased by 5.4% reaching €22.960 thousands compared to €21.774 thousands in the comparative period of 2015.

The Net Asset Value as exported from the internal information of the Group (Group Management Accounts) that is attributable to the Company's owner reached €407.215 thousands at 30/06/2016 compared to €408.113 thousands at 30/06/2015. It should be noted that the calculation of Net Asset Value takes the deferred tax based on the interest held in the joint ventures into account which due to IFRS 11 are consolidated with the equity method.

<i>(amounts in € thousands)</i>	2016	2015	Variation
NET ASSET VALUE (NAV) (as exported by the internal information of the Group)	407.115	408.113	-0.22%
Shareholders' Equity	359.995	360.773	-0.21%
Earnings before valuations (as exported by the internal information of the Group)	17.942	16.002	12.12%
Fair Value Gains/(Losses) from investment property	1.202	-10.186	-
Profit/(Losses) before tax	4.235	-15.186	-
Net Profit/(Losses) after tax & non-controlling interests	1.490	-14.330	-
Turnover	22.960	21.774	5.4%

Within the first semester of 2016, the sales of the shops presented an increase by 4.3% in relation to the comparative period. "The Mall Athens" recorded an increase in EBITDA by 7.3%. Mediterranean Cosmos" in Pylaia Thessaloniki recorded an increase in EBITDA by 4.5%. "Golden Hall" increased its EBITDA by 11.3%.

The total bank borrowings have not changed significantly during the current period. The financial ratios TOTAL BORROWINGS / TOTAL ASSETS and TOTAL BORROWINGS / EQUITY reached 29.0% and 44.4%.

SIGNIFICANT EVENTS

Acquisition of 66% of ECE-LAMDA HELLAS SA

The Company, in January 2016, announces the acquisition of 66% of the share capital of ECE-LAMDA HELLAS SA (which after the transaction is renamed to “Malls Management Services SA) aiming to the quality upgrading of the property management services of “The Mall Athens” and “Golden Hall”, as well as for cost saving purposes in the above mentioned shopping centers. This action is expected to improve the total operating result of the respective shopping centers for the amount of €1.2m annually. The anticipated improvement of the operating result of the respective shopping centers has shown already a positive effect to their fair value according to the latest valuation of 31/12/2015.

PROSPECTS

The Company observes the performance of the shopping centers through ratios, which, according to international standards, are mainly the customer visits ratio and the ratio of the shopkeepers' turnover. According to these ratios there is an increase in the period of 01/01/2016-30/06/2016 in customer visits by 1.9% in relation to 2015. Also, there is an increase in the shopkeepers' turnover by 4.3%. Also, during the same time the Greek economy and the consuming ratios were negative. A positive sign is that the customer visits ratio and the ratio of the shopkeepers' turnover keep their upwards trend during July 2016. Specifically, the customer visits increased by 7% and the shopkeepers' turnover by 12.2% in relation to the respective period in 2015. The Company is not able to accurately predict the course of business on a short-term basis. The occupancy of the shopping centers in the second semester of 2016 is estimated to be substantially unchanged from the first semester of 2016 which reached 98%.

The level of the borrowings is estimated to remain stable.

SIGNIFICANT RISKS FOR YEAR 2016

Fluctuations in property values

Fluctuations in property values are reflected in the income statement and balance sheet according to their fair value. An increase in yields would have a significant impact on the Group's profitability and assets. However, due to the successful performance of Shopping and Leisure Centers “The Mall Athens”, “Golden Hall” in Maroussi and “Mediterranean Cosmos” in Pylaia Thessaloniki, their market value is less likely to be reduced. In this context, we note that despite the existing factors of increased uncertainty, the values reported provide the best estimate for the Company's investment property. The complete impact of the consequences of the economic situation may affect the value of the Group's investment property in the future.

Credit risk

Income will be significantly affected in case the tenants are unable to fulfil their contractual obligations due to either restriction in their financial activities or instability of the local banking system.

However, the Group has a well-diversified tenant mix consisting mainly of profitable companies with good reputation. The customers' financial condition is monitored on a recurring basis. The Company's management does not expect significant losses from impaired receivables except for those that have been provided for. However, the middle term impact of the imposition of capital controls cannot be accurately assessed

Foreign exchange risk

The Group operates mainly in Greece and the Balkans and is therefore exposed to foreign exchange risk arising from various currencies. The majority of the Group's transactions are carried out in Euro. Foreign exchange risk arises from future commercial transactions as well as the assets, liabilities and net asset value of investments operating in foreign countries.

The Group's standard practice is not to pre-purchase foreign exchange, not to enter into forward foreign exchange contracts with external counterparties and not to enter into currency hedging transactions.

Interest rate risk

The Group's interest rate risk derives mainly from bank loans with floating interest rates based on Euribor. The risk is partially hedged with cash held at floating rates.

The group analyses its interest rate exposure and manages the interest rate risk through refinancing, renewal of existing loans, alternative financing and hedging.

Inflation risk

The Group's exposure to inflation risk is limited as the Group enters into long term operating lease arrangements for a minimum of 6 years that are adjusted annually according to the Consumer Price Index plus margin up to 2%.

Liquidity risk

Company and Group liquidity needs are satisfied in full by the timely forecasting of cash needs in conjunction with the prompt receipt of receivables and by using sufficient and available cash resources.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Cash and cash equivalents are considered assets with high credit risk since the current macroeconomic environment in Greece affects significantly the local banks. We do not anticipate any losses deriving from the banks' credit ratings where the Group holds its accounts.

External factors

The Company has investments in Greece, Romania, Serbia, Bulgaria and Montenegro. The Group can be affected by external factors such as political instability, economic uncertainty and changes in local tax regimes.

PENDING LITIGATION

1. THE MALL ATHENS

1.1 Pending litigation

With regard to the legal issues relating to the particular investment, the following should be noted:

In total, five (5) petitions for annulment have been filed before the Council of State, relating to the area where the Olympic Press Village (or "Olympiako Chorio Typou") and the Shopping Center "The Mall Athens" were built, whose legal owner is the Company's subsidiary "LAMDA OLYMPIA VILLAGE S.A." (hereinafter, "L.O.V."). Specifically:

(a) The first petition for annulment directly contests the validity of Law 3207/2003, which is in lieu of the building permit for all the buildings constructed on this particular area. The petition aims to have the Law declared null and void, on the basis that it is allegedly not compatible with the provisions of the Constitution of the Hellenic Republic. The petition was heard on 03.05.2006 and the Fifth Section of the Council of State sent the case to the court's Plenary Session by means of its decision No 391/2008. The petition was heard before the Plenary Session on 05.03.2010, further to successive postponements of hearings previously scheduled for 05.02.2010, 09.10.2009, 08.05.2009 and 07.11.2008.

By means of decision No 4076/2010 of the Plenary Session, the hearing of the petition was postponed until the issuance of a decision by the Court of Justice of the European Union over another case, in which— according to the Council of State — similar legal issues were raised. The Court issued in decision

in October of 2011, further to which the petition was heard before the Plenary Session of the Council of State on 05.04.2013, following postponements on 11.01.2013 and 01.03.2013. By virtue of its decision No 376/2014, the Plenary Session accepted the said petition and the Court annulled the silent confirmation by the competent planning authority of the Ministry of Environment, Planning & Public Works (namely, DOKK) that the studies of the project submitted to such authority were compliant with article 6 paragraphs 1 and 2 of Law 3207/2003.

The Council of State annulled the aforementioned act, because it identified irregularities of a procedural nature in the issuance of the licenses required for the project. In light of such nature of the identified irregularities, it is estimated that they may be rectified, and LOV has already initiated the procedure required further to the issuance of the said decision. The completion of the above mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

(b) The second petition seeks annulment of the deemed approval of the designs submitted by L.O.V. to the Ministry of Environment, Planning and Public Works, pursuant to article 6 paragraph 2 of Law 3207/2003. By means of its decision No 455/2008, the Fifth (E') Section of the Council of State postponed the hearing of the case, until the issuance of the decision by the Court's Plenary Session on the first petition for annulment. The petition was heard on 02.04.2014, further to a postponement of the hearing previously scheduled for 02.12.2009, 02.06.2010, 03.11.2010, 08.06.2011, 02.11.2011, 11.01.2012, 07.03.2012, 02.05.2012, 07.11.2012, 06.03.2013, 02.10.2013 and 05.02.2014. The Fifth Section issued its decision No 4932/2014, whereby the court cancelled the proceedings.

(c) The third and fourth petitions for annulment seek the annulment of a series of pre-approvals and operating licenses respectively, issued by the Municipality of Maroussi to a number of stores operating in the aforementioned Shopping Center, on the basis that the law on which said pre-approvals and licenses were issued is not compatible with the provisions of the Constitution.

(d) The fifth petition for annulment contests the validity of the decision of the Board of Directors of OEK (Worker's Housing Organization or "Organismos Ergatikis Katoikias"), which authorized the sale to L.O.V. of the plot of land where the Shopping Center was erected. Similar to the foregoing cases, the legal basis of the petition for annulment is the alleged incompatibility of Law 3207/2003 with the provisions of the Constitution.

The last three petitions for annulment have been scheduled to be heard before the Fourth (D) Section of the Council of State on 06.12.2016, further to successive postponements of hearings previously scheduled for 09.01.2007, 23.10.2007, 08.01.2008, 07.10.2008, 16.06.2009, 12.10.2010, 29.03.2011, 14.02.2012, 09.10.2012, 12.02.2013, 04.06.2013, 19.11.2013, 06.05.2014, 11.11.2014, 16.06.2015, 08.12.2015 and 07.06.2016

It is noted that L.O.V. has intervened in all cases as a third party in the proceedings to support the validity of the "acts" contested.

In light of the aforementioned decision of the Court's Plenary Session, the Company's legal advisors believe that the third and fourth petitions for annulment will be accepted.

The fifth petition for annulment will probably be rejected on the grounds that the matter falls outside of the Court's jurisdiction (the decision under annulment not being an enforceable administrative act).

Finally, in the event that any of the above petitions for annulment is accepted, L.O.V. will be entitled to seek redress for any damages it may suffer against the Greek State.

1.2 Potential impact of pending litigation on the existing contracts

(a) In 2006 the Company transferred 50% of the shares it holds in L.O.V. to the company "HSBC PROPERTY INVESTMENTS LUXEMBOURG S.A.R.L.". The relevant agreement provides that, if either of the first two petitions is irrevocably accepted, the purchaser will be entitled to a refund of the amounts, which it will have paid to the seller for the purchase of the above shares, plus the purchaser's share in L.O.V.'s accrued distributable profits and to 75% of its non-distributable reserve funds (provided that they do not relate to the building complex or the office building and disregarding any non-realized profits from reserve funds, which derive from the re-valuation of fixed assets), and shall transfer the shares in question back to the Company. However, in this case, the Company's legal advisors believe

that the course of this agreement over the years decreases the possibility of application of the specific contractual provision. Following a new agreement, dated 20.02.2015, the deadline for the exercise of the said right has been extended to 30.09.2017. Under certain circumstances, related to a potential especially negative course of the company, this right could be exercised prior to the expiration of the deadline.

(b) In addition to the above, L.O.V. sold the office building "ILIDA BUSINESS CENTRE" to the company "EUROBANK Leasing S.A." on 26.06.2007. "EUROBANK Leasing S.A." entered into a financial lease agreement with "Blue Land S.A." regarding the said office building. The respective deed of transfer includes a provision specifying that, if either of the first two petitions is irrevocably accepted on the grounds that Law 3207/2003 is not compatible with the provisions of the Constitution, then the transaction shall be reversed by reinstatement of the property to its original status, in which case the buyer "EUROBANK Leasing" shall be entitled to the full buying price and the ownership of the office building shall return to L.O.V. A joint hearing had been set on 22.03.2016 for the two opposing lawsuits, but was postponed for 11.10.2016; the first one was filed by the Company and L.O.V. and is seeking to have identified that the conditions for the said provision have not been fulfilled and the second one was filed by "EUROBANK Leasing S.A." (and "BLUE LAND S.A." intervened as a third party in the proceedings to support the validity of EUROBANK's claims) and is seeking to have identified that the conditions have been met and that the purchase price be returned to "EUROBANK Leasing S.A.". The Company's legal counsel's assessment, which is also based on the opinions of Professors of the Athens University, is that the said provision of the deed of transfer is not applicable, as it regulates issues that may not be rectified, whereas the Council of State identified matters that could be remedied and, in fact, the Company has already initiated the procedure for such remedy. Further, pursuant to the aforementioned deed of transfer, in the event of any other ruling of the Council of State regarding the said Law's non-compatibility to the Constitution, including the acceptance of the second, fourth or fifth petition, then the purchaser will be entitled to repudiate the contract and demand restoration of the aforementioned actual damages, following the lapse of a period of two years from the date of issuance of the decision on the annulment petitions, on condition that any defects or deficiencies resulting from said decision have not been remedied in the meantime.

(c) In any case, as already mentioned, L.O.V. is entitled to seek redress for any damages it may suffer against the Greek State as a result of the aforementioned petitions for annulment.

2. MEDITERRANEAN COSMOS

With regard to the legal issues relating to the particular investment, the following should be noted:

Contractor "MICHANIKI S.A." undertook a significant part of the construction works for the "Mediterranean Cosmos" Shopping Center in Pylaia, Thessalokini. Both "PYLAIA S.A.", a subsidiary of the Company, and "MICHANIKI S.A." have filed actions and counter-actions, which were jointly heard on 01.04.2009, following a postponement of the hearing initially set for 02.04.2008. The total claims of "PYLAIA S.A." against "MICHANIKI S.A." stand at € 18,340,931.49 (including the amount of € 2,000,000 as compensation for moral distress). On the basis of the actions it has filed, "MICHANIKI S.A." claims the amount of € 34,826,329.14 (including the amount of € 10,000,000 as compensation for moral distress).

By virtue of its decision 8172/2009, the Athens Multi-Member 1st Instance Court:

(i) Rejected the claims of "PYLAIA S.A.", adopting the false reasoning that "PYLAIA S.A." had assigned its claims under the contracts in question (with "MICHANIKI S.A.") to the bondholder agent further to a respective agreement and, therefore, was not entitled to seek redress for its pertinent claims.

(ii) Rejected certain claims of "MICHANIKI S.A." as vague or unfounded and ordered a continuance hearing, to follow the issuance of an expert opinion on certain allegations of one of the actions.

"PYLAIA S.A." had lodged an appeal against the above decision, seeking to reverse it to the extent that it rejected "PYLAIA S.A."s actions as per point (i) above. The appeal was heard before the Athens Court of Appeal on 28.02.2013 (following a postponement of the initial hearing date which was the 27.09.2012) and rejected by virtue of the court's decision No. 3977/ 2013. The court ruled that since "PYLAIA S.A." had assigned its claims from said contracts with "MICHANIKI S.A." to the bondholder agent under respective contract, it was not legally entitled to achieve the satisfaction of those claims. The Company submitted an appeal on points of law in front of the Supreme Court, which was heard on

11.05.2015. The Court recently accepted the appeal of "PYLAIA S.A." by means of its Decision No 208/2016, despite the negative opinion issued by the Judge Rapporteur, and sent the case back to the Court of Appeals for a new hearing. Further to the above and following the submission to the Court of the expert's report which is favorable to "PYLAIA SA", the hearing of the lawsuits of "MICHANIKI SA" had been set on 13.03.2013, was postponed for 27.05.2015 and then cancelled.

In addition, "PYLAIA SA" filed a third lawsuit against "MICHANIKI SA" on 24.12.2010 claiming additional compensation of € 2,073,123.13 (which includes the amount of €500,000 for moral damages). The hearing had been scheduled for 25.02.2015, following a postponement on 21.11.2012, but it was cancelled.

Moreover, on 28.12.2010 "PYLEA S.A." filed the nr13132, 13134 and 13129/2010 lawsuits to the Athens Multi-Member 1st Instance Court against "MICHANIKI SA", the hearing of which took place on 13.02.2013, following a postponement of the hearing of the case on 14.11.2012. Such lawsuits are identical to the previously presented lawsuits, save that they have been filed jointly with the company "EUROHYPO S.A.", to address the event where the Court rules that "PYLAIA SA" is not entitled to file these lawsuits in its name. This is the reason why the hearing of those lawsuits was cancelled on 13.02.2013 and was reenacted so that those lawsuits were scheduled to be heard on 18.03.2015, but the hearing was postponed for 25.01.2017.

Finally, on 09.11.2012 "MICHANIKI S.A." filed a lawsuit before the Athens Multimember Court of First Instance, claiming additional compensation amounting to € 2,293,016.59, namely the amount that "PYLAIA S.A." collected from Alpha Bank by forfeiture of "MICHANIKI S.A."’s bank bonds, and an additional amount of € 500,000.00 as moral damages. The lawsuit was set to be heard on 28.05.2015, but was postponed for 12.10.2017.

In general, pursuant to the assessment of Company’s legal counsels, the substantiated claims of "PYLAIA S.A." against "MICHANIKI S.A." significantly exceed the substantiated counterclaims of the latter against "PYLAIA S.A.".

RELATED-PARTY TRANSACTIONS

The related-party transactions according to IAS 24 of the Company and the Group are disclosed in the note 17 of the consolidated financial statements for the six-month period ended on June 30, 2016.

Maroussi, August 30, 2016

The Board of Directors

<hr/> Anastasios K.Giannitsis Chairman of the BoD	<hr/> Odyssefs E.Athanasίου Chief Executive Officer	<hr/> Dimitrios Ch.Politis Member of the BoD
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Condensed Interim Consolidated and Separate Financial Statements for the six month period ended June 30, 2016

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Statement of financial position

	Note	GROUP		COMPANY	
		30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>					
ASSETS					
Non-current assets					
Investment property	5	380.684	379.362	1.840	1.840
Property, plant and equipment	6	3.857	4.010	396	399
Investments in subsidiaries	7	-	-	198.594	192.290
Investments in joint ventures and associates	7	108.363	106.570	37.518	37.722
Deferred tax assets		17.672	15.947	10.736	9.354
Receivables		2.912	3.347	83.377	86.786
		513.488	509.237	332.462	328.392
Current assets					
Inventories		59.585	61.419	-	-
Trade and other receivables		26.279	25.987	28.496	24.597
Current tax assets		3.246	3.945	3.110	3.159
Financial instruments held at fair value through profit or loss	9	15.720	23.642	15.720	23.642
Cash and cash equivalents	10	99.554	107.173	70.945	76.388
		204.385	222.167	118.271	127.785
Total assets		717.873	731.404	450.733	456.177
EQUITY AND LIABILITIES					
Equity					
Share capital and share premium	11	375.056	377.289	375.056	377.289
Other reserves		6.081	5.807	3.053	3.053
Retained earnings/(Accumulated losses)		(21.143)	(22.323)	(94.692)	(90.971)
		359.995	360.773	283.418	289.371
Non-controlling interest		(185)	(168)	-	-
Total equity		359.810	360.605	283.418	289.371
LIABILITIES					
Non-current liabilities					
Borrowings	12	255.655	269.186	126.285	129.293
Deferred tax liabilities		33.101	31.572	-	-
Derivative financial instruments	13	940	903	-	-
Employee benefit obligations		783	634	578	578
Other non-current liabilities		15.956	15.857	18.968	18.959
		306.435	318.152	145.832	148.830
Current liabilities					
Trade and other payables		26.427	28.961	15.469	15.310
Current tax liabilities		5.603	3.266	-	-
Borrowings	12	19.597	20.419	6.015	2.666
		51.628	52.646	21.483	17.976
Total liabilities		358.063	370.798	167.315	166.806
Total equity and liabilities		717.873	731.404	450.733	456.177

These consolidated and separate interim financial statements of LAMDA Development SA for the six month period ended June 30, 2016 have been approved for issue by the Company's Board of Directors on August 30, 2016.

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Income Statement

	Note	GROUP		COMPANY	
		01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>Continuing operations (all amounts in € thousands)</i>					
Revenue		22.960	21.774	678	640
Dividends		-	-	5.449	2.421
Net profit/(loss) from fair value adjustment on investment property	5	1.202	(10.186)	-	-
Loss from inventory impairment		(540)	(3.246)	-	-
Other direct property operating expenses		(5.011)	(6.113)	-	-
Employee benefits expense		(4.004)	(3.583)	(2.787)	(2.878)
Depreciation of property, plant and equipment	6	(392)	(460)	(55)	(46)
Operating lease payments		(280)	(280)	(484)	(471)
Provision for impairment of investments in subsidiaries		-	-	(2.054)	-
Profits/(losses) from sale/valuation of participations and other financial investments		(135)	(126)	(36)	16
Other operating income / (expenses) - net		(2.313)	(1.941)	(1.338)	(1.214)
Operating profit/(loss)		11.487	(4.161)	(625)	(1.533)
Finance income		58	488	631	891
Finance costs		(7.984)	(7.281)	(5.108)	(4.482)
Share of net profit of investments accounted for using the equity method		675	(4.232)	-	-
Profit/(loss) before income tax		4.235	(15.186)	(5.103)	(5.124)
Income tax expense		(2.761)	839	1.382	1.150
Profit/(loss) for the period		1.474	(14.347)	(3.721)	(3.973)
Profit/(loss) attributable to:					
Equity holders of the parent		1.490	(14.330)	(3.721)	(3.973)
Non-controlling interest		(16)	(17)	-	-
		1.474	(14.347)	(3.721)	(3.973)
Earnings/(losses) per share from continuing operations attributable to the equity holders of the Parent during the period (expressed in € per share)					
Basic earnings/(losses) per share	18	0,02	(0,18)	(0,05)	(0,05)
Diluted earnings/(losses) per share	18	0,02	(0,18)	(0,05)	(0,05)

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Income Statement

	Note	GROUP		COMPANY	
		01.04.2016 to 30.06.2016	01.04.2015 to 30.06.2015	01.04.2016 to 30.06.2016	01.04.2015 to 30.06.2015
<i>Continuing operations (all amounts in € thousands)</i>					
Revenue		11.574	10.954	339	319
Dividends		-	-	5.449	2.421
Net profit/(loss) from fair value adjustment on investment property	5	1.202	(10.186)	-	-
Loss from inventory impairment		(540)	(3.246)	-	-
Other direct property operating expenses		(2.786)	(3.422)	-	-
Employee benefits expense		(2.032)	(1.638)	(1.423)	(1.378)
Depreciation of property, plant and equipment		(204)	(213)	(33)	(30)
Operating lease payments		(108)	(138)	(242)	(235)
Profits/(losses) from sale/valuation of participations and other financial investments		(99)	(111)	(0)	(39)
Other operating income / (expenses) - net		(1.323)	(1.111)	(797)	(557)
Operating profit/(loss)		5.684	(9.110)	3.293	501
Finance income		(3)	144	290	356
Finance costs		(3.968)	(3.575)	(2.555)	(2.181)
Share of net profit of investments accounted for using the equity method		(394)	(5.112)	-	-
Profit/(loss) before income tax		1.320	(17.653)	1.028	(1.324)
Income tax expense		(1.492)	1.949	671	587
Profit/(loss) for the period		(172)	(15.704)	1.699	(737)
Profit/(loss) attributable to:					
Equity holders of the parent		(159)	(15.690)	1.699	(737)
Non-controlling interest		(13)	(13)	-	-
		(172)	(15.704)	1.699	(737)
Earnings/(losses) per share from continuing operations attributable to the equity holders of the Parent during the period (expressed in € per share)					
Basic earnings/(losses) per share		(0,00)	(0,20)	0,02	(0,01)
Diluted earnings/(losses) per share		(0,00)	(0,20)	0,02	(0,01)

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Total Comprehensive Income Statement

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
Profit/(loss) for the period	1.474	(14.347)	(3.721)	(3.973)
Cash flow hedges, after tax	(26)	63	-	-
Currency translation differences	(10)	(16)	-	-
Items that may be subsequently reclassified to profit or loss	(36)	47	-	-
Total comprehensive income for the period	1.438	(14.300)	(3.721)	(3.973)
Profit/(loss) attributable to:				
Equity holders of the parent	1.454	(14.283)	(3.721)	(3.973)
Non-controlling interest	(16)	(17)	-	-
	1.438	(14.300)	(3.721)	(3.973)

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Statement of changes in equity (Consolidated)

all amounts in € thousands

	Note	Attributable to equity holders of the parent			Non-controlling interests	Total equity
		Share capital	Other reserves	Retained earnings / (Accumulated losses)		
GROUP						
1 January 2015		382.167	5.417	68	(130)	387.522
Total Income:						
Loss for the period		-	-	(14.330)	(17)	(14.347)
Other comprehensive income for the period:						
Cash flow hedges, after tax		-	63	-	-	63
Currency translation differences		-	(16)	-	-	(16)
Total comprehensive income for the period		-	47	(14.330)	(17)	(14.300)
Transactions with the shareholders:						
Reserves		-	618	(618)	-	-
Purchase of treasury shares		(2.148)	-	-	-	(2.148)
		(2.148)	618	(618)	-	(2.148)
30 June 2015		380.018	6.082	(14.879)	(147)	371.074
1 January 2016		377.289	5.807	(22.323)	(168)	360.605
Total Income:						
Profit for the period		-	-	1.490	(16)	1.474
Other comprehensive income for the period:						
Cash flow hedges, after tax		-	(26)	-	-	(26)
Currency translation differences		-	(10)	-	-	(10)
Total comprehensive income for the period		-	(36)	1.490	(16)	1.438
Transactions with the shareholders:						
Reserves		-	310	(310)	-	-
Purchase of treasury shares	11	(2.233)	-	-	-	(2.233)
		(2.233)	310	(310)	-	(2.233)
30 June 2016		375.056	6.081	(21.143)	(185)	359.810

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Statement of changes in equity (Company)

<i>all amounts in € thousands</i>	Note	Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total equity
COMPANY					
1 January 2015		382.167	3.276	(63.952)	321.491
Total Income:					
Loss for the period		-	-	(3.973)	(3.973)
Total comprehensive income for the period		-	-	(3.973)	(3.973)
Transactions with the shareholders:					
Purchase of treasury shares		(2.148)	-	-	(2.148)
30 June 2015		380.018	3.276	(67.926)	315.369
1 January 2016		377.289	3.053	(90.971)	289.371
Total Income:					
Loss for the period		-	-	(3.721)	(3.721)
Total comprehensive income for the period		-	-	(3.721)	(3.721)
Transactions with the shareholders:					
Purchase of treasury shares	11	(2.233)	-	-	(2.233)
30 June 2016		375.056	3.053	(94.692)	283.418

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Cash Flow Statement

	Note	GROUP		COMPANY	
		01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>					
Cash flows from operating activities					
Cash generated from / (used in) operations	14	11.367	7.473	(4.541)	(2.611)
Interest paid		(7.167)	(7.454)	(4.410)	(4.367)
Income taxes paid		158	(36)	-	-
Net cash outflow from operating activities		4.358	(16)	(8.951)	(6.978)
Cash flows from investing activities					
Payments for PPE and investment property	5, 6	(320)	(869)	(52)	(101)
Dividends received		-	-	4.634	5.124
Loans to related parties		-	-	1.166	-
Interest received		58	1.022	34	830
Proceeds from sale of participation		706	403	706	403
(Purchase)/sale of financial instruments held at fair value through profit or loss	9	7.932	(39.995)	7.932	(39.995)
Purchase of share in participations	7	(2.437)	-	(3.600)	-
Increase in the share capital of participations	7	(844)	(40)	(5.080)	(6.420)
Net cash inflow (outflow) from investing activities		5.096	(39.479)	5.742	(40.158)
Cash flows from financing activities					
(Purchase)/sale of treasury shares	11	(2.233)	(2.148)	(2.233)	(2.148)
Repayment of borrowings	12	(10.495)	(42.946)	(0)	(30.750)
Finance lease payments	12	(4.346)	(458)	-	-
Net cash inflow (outflow) from financing activities		(17.073)	(45.553)	(2.233)	(32.898)
Net decrease in cash and cash equivalents					
		(7.619)	(85.048)	(5.442)	(80.035)
Cash and cash equivalents at the beginning of the period	10	107.173	187.636	76.388	157.191
Cash and cash equivalents at end of period	10	99.554	102.589	70.945	77.156

The notes on pages 17 to 42 are an integral part of these interim financial statements.

Notes to the Condensed Consolidated and Company interim financial statements

1. General information

These financial statements consist of the separate financial statements of the company LAMDA Development S.A. (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (together “the Group”) for the period ended June 30, 2016. The names of the subsidiaries are presented in note 7 of these financial statements.

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

The Group operates in Greece, as well as in other neighbouring Balkan countries mainly Romania, Bulgaria, Serbia, Montenegro and the Company’s shares are listed on the Athens Stock Exchange.

The Company is incorporated and domiciled in Greece. The address of its registered office is 37^A Kifissias Ave., 15123, Maroussi with the Number in the General Electronic Commercial Registry: 3379701000 and its website address is www.lamdadev.com. The Company Consolidated Lamda Holdings S.A., which is domiciled in Luxembourg, at 30/06/2016, is the main shareholder of the Company with interest held at 50.87% of the share capital and therefore the Group’s financial statements are included in its consolidated financial statements.

The Group activities, and consequently its revenues are not expected to be substantially impacted by seasonal fluctuations.

These semi-annual consolidated financial statements have been approved for issue by the Board of Directors on August 30, 2016.

2. Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

These separate and consolidated financial statements have been prepared by Management in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and specifically in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. These separate and consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2015 which are available on the website address www.lamdadev.com.

The accounting principles that have been used in the preparation and presentation of these interim financial statements are in accordance with those used for the preparation of the Company and Group annual financial statements as of December 31, 2015.

These Company and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and present the financial position, results of operations and cash flows on a going concern basis which assumes that the Company has plans in place to avoid material disruptions to its operations and available financial resources to meet its operating requirements. In this respect Management has concluded that (a) the going concern basis of preparation of these financial statements is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company’s accounting policies.

On that basis, the following specific matters may impact the operations of the Group in the foreseeable future:

- **Macroeconomic conditions in Greece**

The imposition of capital controls has created an uncertain economic situation, which may affect the Group's business, financial condition and prospects. The Group's operations in Greece are significant and the current macroeconomic conditions may affect the Group as follows:

- Decrease in consumption may impact the amount of shop sales in the shopping centers.
- Possible failure of tenants to fulfil their obligations due to either a reduction in their operating activities or instability of the local banking system.
- Possible further decrease in the fair value of the Group's investment property.

Despite the aforementioned uncertainties, the Group's operations continue without any disruption; however Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Group activities.

- **“The Mall Athens” - Lamda Olympia Village S.A.**

As described in detail in note 16 “Contingent liabilities”, in January 2104, the Hellenic Council of State approved the petition for annulment of Codified Law 3207/2003, according to the provisions of which the Olympic Press Village (or “Olympiako Chorio Typou”) and the Commercial and Leisure Centre “The Mall Athens” were constructed. This decision by the Hellenic Council of State has no direct impact on the operations of “The Mall Athens” and it is anticipated that the operations will continue unhindered for the foreseeable future. Management has assessed the required actions that have been indicated by the Group's legal advisors as imposed following the decision in order to cope with this situation and therefore has undertaken already all necessary actions to this direction. The completion of the above mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

- **Acquisition of 66% of ECE-LAMDA HELLAS SA**

The Company, in January 2016, acquired 66% of the share capital of ECE-LAMDA HELLAS SA, the property management company of “The Mall Athens” and “Golden Hall”. Given that the Company already held 34% of the share capital of the aforementioned company, the Company becomes the holder of 100% of its share capital, which is renamed to “Malls Management Services SA. As a result of the above transaction, the Company acquires full control of the property management of both malls, which is consistent with the Company's strategy of enhancing management services, as well as for cost saving purposes.

The factors above have been taken into account by Management when preparing the financial statements for the period ended June 30, 2016. In note 3 “Financial risk management” of the annual financial statements of 2015, there is information on the approach of the total risk management of the Group, as well as on the general financial risk that the Group faces on an ongoing basis. In this uncertain economic environment, management continually assesses the situation and its possible future impact to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations.

These condensed consolidated and Company interim financial statements have been prepared under the historical cost convention, except for the investment property, the financial instruments held at fair value through profit or loss and the derivative financial instruments which are presented 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 judgement in the process of applying the group's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial statements and the amounts of income and expense during the reporting period. Although these estimates are based on the best knowledge of management in relation to the current conditions and actions, the actual results can eventually differ from these estimates. The areas

involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 of the annual financial statements of 2015.

2.2 Accounting principles

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

Standards and Interpretations effective for the current financial year

IAS 19R (Amendment) "Employee Benefits"

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) "Joint Arrangements"

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'.

IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation"

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 27 (Amendment) "Separate financial statements"

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

IAS 1 (Amendments) "Disclosure initiative"

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

Annual Improvements to IFRSs 2012

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 “Operating segments”

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 “Fair value measurement”

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 “Related party disclosures”

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014

The amendments set out below describe the key changes to four IFRSs.

IFRS 5 “Non-current assets held for sale and discontinued operations”

The amendment clarifies that, when an asset (or disposal group) is reclassified from ‘held for sale’ to ‘held for distribution’, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 “Financial instruments: Disclosures”

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, ‘Disclosure – Offsetting financial assets and financial liabilities’ is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 “Employee benefits”

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 “Interim financial reporting”

The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.

Standards and Interpretations effective for subsequent periods

IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The

Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not yet been endorsed by the EU.

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment entities: Applying the consolidation exception” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.

IAS 12 (Amendments) “Recognition of Deferred Tax Assets for Unrealised Losses” (effective for annual periods beginning on or after 1 January 2017)

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

IAS 7 (Amendments) “Disclosure initiative” (effective for annual periods beginning on or after 1 January 2017)

These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

IFRS 2 (Amendments) “Classification and measurement of Shared-based Payment transactions” (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee’s tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

There are no other new standards or amendments to standards, which are obligatory for financial years that begin during current year.

3. Fair value estimation

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly since the date of these transactions have occurred.
- Level 3: Inputs for the asset or liability that are not based on observable market data using valuation methods and assumptions which does not basically reflect current market assessments (that is, unobservable inputs).

The financial instruments that are measured at fair value are the investment property (note 5), the derivative financial instruments (note 13) and the financial instruments held at fair value through profit or loss (note 9).

4. Segment information

The Group is operating into the business segment of real estate in Greece and in other neighbouring Balkan countries:

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

The segment information for the six month period ended June 30, 2016 was as follows:

<i>all amounts in € thousands</i>	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
Revenue from third parties	20.257	2.698	5	22.960
Net profit/(losses) from fair value adjustment on investment property and inventories	2.550	(1.648)	(240)	662
EBITDA	17.082	(244)	(591)	16.247

The segment information for the six month period ended June 30, 2015 was as follows:

<i>all amounts in € thousands</i>	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
Revenue from third parties	20.225	1.545	5	21.774
Net losses from fair value adjustment on investment property and inventories	(5.070)	(4.638)	(3.724)	(13.432)
EBITDA	9.121	(4.323)	(4.177)	621

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The segment information for the three month period ended June 30, 2016 was as follows:

<i>all amounts in € thousands</i>	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
Revenue from third parties	10.167	1.405	3	11.575
Net profit/(losses) from fair value adjustment on investment property and inventories	2.550	(1.648)	(240)	662
EBITDA	9.030	(347)	(420)	8.263

The segment information for the three month period ended June 30, 2015 was as follows:

<i>all amounts in € thousands</i>	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
<i>01.04.2015 to 30.06.2015</i>				
Revenue from third parties	10.189	762	2	10.954
Net losses from fair value adjustment on investment property and inventories	(5.070)	(4.638)	(3.724)	(13.432)
EBITDA	1.674	(4.539)	(3.934)	(6.800)

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

	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
30 June 2016				
Assets per segment	361.618	263.682	92.573	717.873
Expenditure of non-current assets	135	185	-	320
Liabilities per segment	188.345	168.926	792	358.063

	<u>Real estate</u>			Total
	Greece		Balkans	
	<u>Shopping centers</u>	<u>Other investment property</u>	<u>Other investment property</u>	
31 December 2015				
Assets per segment	359.215	278.247	93.942	731.404
Expenditure of non-current assets	319	883	48	1.251
Liabilities per segment	190.389	178.942	1.468	370.798

The reconciliation of the segments' EBITDA to total loss after tax for the Group is as follows:

<i>all amounts in € thousands</i>	30.06.2016	30.06.2015
Adjusted EBITDA for reportable segments		
EBITDA	16.247	621
Corporate overheads	(4.234)	(4.196)
Depreciation	(392)	(460)
Profits/(losses) from sale/valuation of participations and other financial investments	(135)	(126)
Share of profit / (loss) from joint ventures and associates	675	(4.232)
Finance income	58	488
Finance costs	(7.984)	(7.281)
Profit/(loss) before income tax	4.235	(15.186)
Income tax expense	(2.761)	839
Profit/(loss) for the period	1.474	(14.347)

5. Investment property

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Balance at 1 January	379.362	379.862	1.840	1.840
Subsequent expenditure on investment property	120	44	-	-
Transfer from inventories	-	208	-	-
Net profit/(loss) from fair value adjustment on investment property	1.202	(752)	-	-
Balance at end of period	380.684	379.362	1.840	1.840

Securities on all investment property of the Group amount to €12m.

The investment property includes property operating lease that amounts to €147.5m.

The fair value for all investment property was determined on the basis of its highest and best use by the Group taking into account each property's use which is physically possible, legally permissible and financially feasible. This estimate is based on the physical characteristics, the permitted use and the opportunity cost for each investment of the Group.

Investment property is valued each semester by independent qualified valuers using the Discounted Cash Flows (DCF) method. The cash flows are based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (where possible) external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect each tenant's sector (food and restaurants, electronic appliances, apparel etc.) as well as the current market assessments of the uncertainty in the amount and timing of the cash flows. In some cases, where necessary, the valuation is based on the Comparative Method. The aforementioned valuation methods come under hierarchy level 3 as described in note 3.

More precisely, taking into consideration the investment property of "The Mall Athens" of the joint venture Lamda Olympia Village SA, which is disclosed in the financial statements using the equity method as described in note 7), 91% of total fair value of the Group's investment property relates to Shopping Centres and 4% to Office Buildings. For both type of property, the valuation was determined using the DCF approach with the following significant assumptions:

- With regards to the Shopping Centres, The Mall Athens has a freehold status, Mediterranean Cosmos is held under a lease that expires in Q4 2035 and Golden Hall has a 88 year exploitation period. As far as the office buildings are concerned, they are owned by the Group.
- In short, the yields according to the latest valuations at June 30, 2016 are as follows:

	Yield
Malls	
The Mall Athens	7,3%
Med.Cosmos	10,4%
Golden Hall	8,9%
Office buildings	
Cecil, Kefalari	9,0%
Kronos Building, Maroussi	8,7%

- In relation to the annual consideration that every tenant of the Malls pays (Base Consideration – fixed consideration that is set in the contract), it is adjusted annually according to the CPI plus a slight indexation which is differentiated between the tenants. The average CPI that has been used over the period is 1.75%.

The most significant valuation assumptions of the investment property are the assumption regarding the future EBITDA (including the estimations related to the future monthly lease) of each investment property as well as the estimated yields that are applied for the investment property's valuation. As a result, the table below presents two basic scenarios in relation to the impact on the valuations of the

following investment properties of an increase in the yields by 25 basis points (+ 0,25%) or a decrease in EBITDA by €1m per Shopping Mall.

<i>Interest held in the Group</i> <i>all amounts in € millions</i>	Yield +0,25%	EBITDA/NOI €-1m
The Mall Athens	-6,4	-6,8
Med.Cosmos	-3,5	-9,6
Golden Hall	-5,6	-11,1
Malls	-15,5	-27,6
Cecil, Kefalari	-0,4	
Kronos Building, Maroussi	-0,2	
Office buildings	-0,6	
Total	-16,1	-27,6

The above mentioned valuations of the investment property as at June 30, 2016 have taken into account the uncertainty of the current economic conditions in Greece (as described in note 2.1). It has to be noted that this situation is unprecedented and therefore the consequences cannot be accurately assessed at this point. In this context, we note that despite the existence of an increased level of valuation uncertainty, the values reported provide the best estimate for the Group's investment property. Management will observe the trends that will be formed in the investment property market in the next few months since the complete impact of the consequences of the economic situation in Greece may affect the value of the Group's investment property in the future.

6. Property, plant and equipment

<i>all amounts in € thousands</i>	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Total
GROUP - Cost					
1 January 2015	654	5.223	4.340	2.504	13.363
Additions	38	55	48	16	869
Disposals / Write-offs	(81)	(4)	(2)	-	(86)
30 June 2015	611	5.274	4.386	2.520	14.146
1 January 2016	640	5.270	4.169	2.677	14.098
Additions	-	18	48	28	200
Disposals / Write-offs	-	-	(14)	-	(14)
Purchase of share in participations (note 7)	65	-	67	9	141
30 June 2016	705	5.288	4.269	2.715	14.425
Accumulated depreciation					
1 January 2015	(296)	(3.298)	(3.479)	(2.472)	(9.545)
Depreciation charge	(65)	(168)	(214)	(13)	(460)
Disposals / Write-offs	81	2	2	-	84
30 June 2015	(280)	(3.464)	(3.692)	(2.484)	(9.921)
1 January 2016	(298)	(3.634)	(3.624)	(2.532)	(10.088)
Depreciation charge	(20)	(163)	(182)	(27)	(392)
Disposals / Write-offs	-	-	14	-	14
Purchase of share in participations (note 7)	(35)	-	(59)	(8)	(102)
30 June 2016	(354)	(3.797)	(3.851)	(2.566)	(10.568)
Closing net book amount at 30 June 2015	331	1.810	694	36	4.226
Closing net book amount at 30 June 2016	352	1.491	418	148	3.857

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all amounts in € thousands

	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Total
COMPANY - Cost					
1 January 2015	300	90	1.212	2.466	4.068
Additions	38	6	41	16	101
Disposals / Write-offs	-	(4)	-	-	(4)
30 June 2015	338	92	1.253	2.482	4.165
1 January 2016	367	88	1.076	2.639	4.171
Additions	-	5	20	27	52
30 June 2016	367	93	1.096	2.666	4.222
Accumulated depreciation					
1 January 2015	(217)	(64)	(1.155)	(2.454)	(3.889)
Depreciation charge	(6)	(5)	(27)	(8)	(46)
Disposals / Write-offs	-	2	-	-	2
30 June 2015	(223)	(68)	(1.182)	(2.462)	(3.933)
1 January 2016	(229)	(68)	(971)	(2.504)	(3.771)
Depreciation charge	(6)	(4)	(24)	(21)	(55)
30 June 2016	(234)	(71)	(995)	(2.525)	(3.826)
Closing net book amount at 30 June 2015	115	24	71	21	231
Closing net book amount at 30 June 2016	132	22	101	141	396

7. Investments in subsidiaries, associates and other investments

The Group's structure on June 30, 2016 is as follows:

<u>Company</u>	<u>Country of Incorporation</u>	<u>% interest held</u>	<u>Company</u>	<u>Country of Incorporation</u>	<u>% interest held</u>
LAMDA Development SA - Parent	Greece				
Subsidiaries					
LAMDA Estate Development SA	Greece	100,0%	LAMDA Development Sofia EOOD	Bulgaria	100,0%
KRONOS PARKING SA	Greece	Indirect 100,0%	TIHI EOOD	Bulgaria	Indirect 100,0%
LAMDA Prime Properties SA	Greece	100,0%	Hellinikon Global I SA	Luxembourg	100,0%
PYLAIA SA	Greece	Indirect 100,0%	LAMDA Development (Netherlands) BV	Netherlands	100,0%
LAMDA Erga Anaptysis SA	Greece	100,0%	Lamda Singidunum Netherlands BV	Netherlands	Indirect 100,0%
LAMDA Domi SA	Greece	100,0%	Robies Services Ltd	Cyprus	90,0%
LD Trading SA	Greece	100,0%	Joint ventures		
LAMDA Leisure SA	Greece	100,0%	LAMDA Olympia Village SA	Greece	50,0%
GEAKAT SA	Greece	100,0%	Lamda Dogus Marina Investments SA	Greece	50,0%
MC Property Management SA	Greece	100,0%	LAMDA Flisvos Marina SA	Greece	Indirect 32,2%
MALLS MANAGEMENT SERVICES SA	Greece	100,0%	LAMDA Flisvos Holding SA	Greece	Indirect 41,7%
LD Trading Food Services single-member LTD	Greece	Indirect 100,0%	LAMDA Akinhta SA	Greece	50,0%
LAMDA Development DOO Beograd	Serbia	100,0%	LOV Luxembourg SARL	Luxembourg	Indirect 50,0%
Property Development DOO	Serbia	100,0%	Singidunum-Buildings DOO	Serbia	Indirect 55,2%
Property Investments DOO	Serbia	100,0%	GLS OOD	Bulgaria	Indirect 50,0%
LAMDA Development Montenegro DOO	Montenegro	100,0%	Associates		
LAMDA Development Romania SRL	Romania	100,0%	ATHENS METROPOLITAN EXPO SA	Greece	11,7%
Robies Proprietati Imobiliare SRL	Romania	Indirect 90,0%	METROPOLITAN EVENTS	Greece	Indirect 11,7%
SCLAMDA Properties Development SRL	Romania	Indirect 95,0%	SCLAMDA MED SRL	Romania	Indirect 40,0%

Notes on the above mentioned participations:

- The country of the establishment is the same with the country of operating.
- The interest held corresponds to equal voting rights.

- The investments in joint ventures correspond to the Group's strategic investments mainly due to the exploitation of investment property inside Greece and abroad.
- The investments in associates do not have significant impact to the Group's operations and results however they are consolidated with the equity method since the Group has control over their operations.
- The Group has contingencies in respect of bank guarantees as well as pledged shares deriving from its borrowings.
- The Company, in January 2016, acquired 66% of the share capital of ECE-LAMDA HELLAS SA. Given that the Company already held 34% of the share capital of ECE-LAMDA HELLAS SA, the Company becomes the holder of 100% of the share capital of the aforementioned company, which is renamed to "Malls Management Services SA. During the current period, the Company received the amount of €2.580k as dividend from the company Malls Management Services SA, and therefore decreased the acquisition cost of the participation equally.
- The Group increased its participation in the joint-venture Singidunum Buildings DOO from 50% to 55.2%, however the control remains 50%-50% between the two shareholders according to the terms of the current shareholders agreement.

(a) Investments of the Company in subsidiaries

The Company's investment in subsidiaries is as follows:

all amounts in € thousands

Name	Country of incorporation	% interest held	30.06.2016			31.12.2015		
			Cost	Impairment	Carrying amount	Cost	Impairment	Carrying amount
LAMDA ESTATE DEVELOPMENT SA	Greece	100%	52.047	23.974	28.072	47.647	23.974	23.672
LAMDA PRIME PROPERTIES SA	Greece	100%	9.272	-	9.272	9.272	-	9.272
LAMDA ERGA ANAPTYXIS SA	Greece	100%	6.970	-	6.970	6.370	-	6.370
LAMDA DOMI SA	Greece	100%	77.075	-	77.075	77.075	-	77.075
LD TRADING SA	Greece	100%	910	910	-	910	910	-
PYLAIA SA	Greece	60%	4.035	-	4.035	4.035	-	4.035
LAMDA LEISURE SA	Greece	100%	1.050	-	1.050	1.050	-	1.050
GEAKAT SA	Greece	100%	14.723	10.030	4.693	14.723	10.030	4.693
MC PROPERTY MANAGEMENT SA	Greece	100%	745	-	745	745	-	745
MALLS MANAGEMENT SERVICES SA	Greece	100%	1.224	-	1.224	-	-	-
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	363	323	40	363	323	40
LAMDA DEVELOPMENT D.O.O. (BEOGRAD)	Serbia	100%	942	942	-	942	942	-
PROPERTY DEVELOPMENT D.O.O.	Serbia	100%	11.035	10.955	80	10.955	10.955	-
PROPERTY INVESTMENTS LTD	Serbia	100%	1	-	1	1	-	1
LAMDA DEVELOPMENT ROMANIA SRL	Romania	100%	741	741	-	741	741	-
ROBIES SERVICES LTD	Cyprus	90%	1.724	1.600	124	1.724	1.600	124
LAMDA DEVELOPMENT (NETHERLANDS) BV	Netherlands	100%	75.178	10.000	65.178	75.178	10.000	65.178
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	670	670	-	670	670	-
HELLINIKON GLOBAL I SA	Luxembourg	100%	36	-	36	36	-	36
Investment in subsidiaries			258.739	60.145	198.594	252.435	60.145	192.290

The movement in investment in subsidiaries is as follows:

all amounts in € thousands

	COMPANY	
	30.06.2016	31.12.2015
Balance at 1 January	192.290	199.840
Additions	3.804	-
Increase in share capital	5.080	88.674
Decrease in share capital	-	(80.000)
Provision for impairment	-	(16.224)
Dividends effect	(2.580)	-
Balance at end of period	198.594	192.290

The above movements were the result of the following significant events occurred during the period ended June 30, 2016:

Share capital increase/decrease

During the current period, the subsidiaries LAMDA Estate Development SA, LAMDA Erga Anaptyxis SA and Property Development DOO increased their share capital by €4.4m, €0.6m and €80k respectively.

Acquisition of interest held in participation

The Company, in January 2016, acquired 66% of the share capital of the associated company ECE-LAMDA HELLAS SA paying €3.6m. Given that the Company already held 34% of the share capital of ECE-LAMDA HELLAS SA, the Company becomes the holder of 100% of the share capital of the aforementioned company, which is renamed to "Malls Management Services SA. During the second quarter of 2016, the aforementioned company distributed a dividend in the amount of €2.580k.

(b) Investments of the Company and the Group in joint ventures

The Company's investment in joint ventures is as follows:

COMPANY			30.06.2016	31.12.2015
Name	Country of incorporation	% interest held	Carrying amount	Carrying amount
LAMDA OLYMPIA VILLAGE SA	Greece	50,00%	28.681	28.681
LAMDA AKINHHTA SA	Greece	50,00%	3.181	3.181
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	4.022	4.022
Investment in joint-ventures			35.884	35.884

The Group's investment in joint ventures is as follows:

GROUP			30.06.2016			31.12.2015		
Name	Country of incorporation	% interest held	Cost	Share in profit / (loss)	Carrying amount	Cost	Share in profit / (loss)	Carrying amount
LAMDA OLYMPIA VILLAGE SA	Greece	50,00%	28.681	58.477	87.158	28.681	56.950	85.631
LAMDA AKINHHTA SA	Greece	50,00%	4.454	(1.538)	2.916	4.454	(1.270)	3.185
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	4.022	(2.747)	1.275	4.022	(2.583)	1.439
SINGIDUNUM-BUILDINGS DOO	Serbia	55,19%	26.456	(14.917)	11.539	24.138	(14.403)	9.735
GLS OOD	Bulgaria	50,00%	3.631	(2.447)	1.184	3.631	(2.410)	1.221
TOTAL			67.244	36.828	104.072	64.925	36.284	101.210

The movement of the Company and the Group in investment in joint ventures is as follows:

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Balance at 1 January	101.210	106.803	35.884	35.609
Increase in share capital	2.319	3.239	-	945
Share in profit/(loss)	543	(8.838)	-	-
Provision for impairment	-	-	-	(670)
Liquidation of participations	-	6	-	-
Balance at end of period	104.072	101.210	35.884	35.884

Notes on the above mentioned joint ventures:

- The Company starting from 1/1/2014 applies IFRS 11 according to which the Group will account for joint ventures on an equity basis because it provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form
- The Group's most significant joint-ventures is LAMDA Olympia Village SA and Singidunum Buildings DOO as follows:

- **LAMDA Olympia Village SA**

Statement of financial position

	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>		
Investment property	384.000	387.050
Other non-current assets	37.370	37.348
Trade and other receivables	8.885	8.554
Cash and cash equivalents	18.865	17.257
	449.119	450.209
Deferred income tax liabilities	63.955	63.800
Other non-current liabilities	590	590
Short-term borrowings	200.000	204.000
Trade and other payables	10.258	10.557
	274.803	278.947
Total equity	174.316	171.262
Total equity (Group's interest 50%)	87.158	85.631

Income statement

	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>		
Revenue	15.903	15.961
Net loss from fair value adjustment on investment property	(3.050)	(11.320)
Other operating income / (expenses) - net	(2.837)	(3.721)
Finance costs - net	(5.542)	(5.900)
Profit/(loss) before income tax	4.474	(4.980)
Income tax expense	(1.420)	1.318
Profit/(loss) for the period	3.053	(3.663)
Profit/(loss) for the period (Group's interest 50%)	1.527	(1.831)

Cash flow statement

	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>		
Cash flows from operating activities	6.345	6.807
Cash flows to investing activities	(66)	(169)
Cash flows to financing activities	(4.671)	(15.000)
Net increase/(decrease) in cash and cash equivalents	1.608	(8.362)

In relation to “Lamda Olympia Village” joint venture, following a repayment of €2m in April 2016 (Group's interest in joint venture), it has been agreed with the bondholders an extension till 27/1/2017, so that a long term agreement can be finalized within 2016. As at the date of the approval of these financial statements, the remaining principal of the bond loan amounted to €100m (amounts are quoted at 50% based on current ownership percentage).

Bank borrowings are secured on the property “The Mall Athens” owned by the joint venture “LAMDA Olympia Village SA” for the value of €336m.

Also, regarding the joint-venture LAMDA Olympia Village SA there is a reference in note 16 Contingent liabilities and assets regarding the decision by the Council of State which accepted the petition for annulment according to the Law 3207/2003 in relation to the plot of land where the Commercial and Leisure Centre “The Mall Athens” was built. The note 16 describes in full details the course of action for this case.

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- **Singidunum Buildings DOO**

Statement of financial position	55,19%	50%
	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>		
Inventories	73.267	73.267
Receivables	328	6
Cash and cash equivalents	14	442
	73.609	73.715
Short-term borrowings	52.520	52.555
Trade and other payables	182	1.691
	52.701	54.246
Total equity	20.908	19.469
(Group's interest)	55,19%	50%
Total equity	11.539	9.735
Income statement		
	01.01.2016 to	01.01.2015 to
	30.06.2016	30.06.2015
<i>all amounts in € thousands</i>		
Net loss from fair value adjustment on investment property	-	(2.363)
Other operating income / (expenses) - net	(125)	(52)
Finance costs - net	(805)	(1.536)
Loss before income tax	(931)	(3.951)
Income tax expense	-	-
Loss for the period	(931)	(3.951)
(Group's interest)	55,19%	50,00%
Loss for the period	(514)	(1.976)
Cash flow statement		
	01.01.2016 to	01.01.2015 to
	30.06.2016	30.06.2015
<i>all amounts in € thousands</i>		
Cash flows from operating activities	(828)	187
Cash flows to investing activities	-	-
Cash flows to financing activities	400	161
Net increase/(decrease) in cash and cash equivalents	(428)	348

The Group increased its participation in the joint-venture Singidunum Buildings DOO from 50% to 55.2%, however the control remains 50%-50% between the two shareholders according to the terms of the current shareholders agreement. As a result, the Group continues to consolidate the above mentioned company with the equity method.

(c) **Investments of the Company and the Group in associates**

The Group participates in the following other companies' equity:

GROUP Name	Country of incorporation	% interest held	30.06.2016			31.12.2015		
			Cost	Share in profit/ (loss)	Carrying amount	Cost	Share in profit/ (loss)	Carrying amount
MALLS MANAGEMENT SERVICES SA (former ECE- LAMDA HELLAS SA)	Greece	34,00%	-	-	-	204	952	1.156
LD Trading Food Services single-member LTD (Indirect)	Greece	45,00%	516	(516)	-	516	(516)	-
ATHENS METROPOLITAN EXPO SA	Greece	11,67%	1.559	-	1.559	1.559	-	1.559
LOV LUXEMBOURG SARL	Luxembourg	25,00%	75	-	75	75	-	75
S.C. LAMDA MED SRL (Indirect)	Romania	40,00%	1.673	984	2.657	1.673	897	2.570
TOTAL			3.823	469	4.291	4.027	1.334	5.360

The movement of the Group and the Company in associates is as follows:

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Balance at 1 January	5.360	5.216	1.838	1.888
Disposals	-	(191)	-	(50)
Share in profit/(loss)	87	336	-	-
Change in interest held	(1.156)	-	(204)	-
Balance at end of period	4.291	5.360	1.634	1.838

Notes on the above mentioned associates:

- Although the associates do not have a significant impact in the Group's operations and results, they are consolidated with equity method because the Group exercises control over their operations.
- The change in interest held is related to the acquisition of the remaining 66% of the company MALLS MANAGEMENT SERVICES SA (former ECE-LAMDA HELLAS SA). The participation in this company hereafter is presented in the subsidiaries.

8. Financial instruments by category

GROUP - 30.06.2016			GROUP - 30.06.2016		
Financial assets	Loans and receivables	Financial instruments held at fair value through profit or loss	Financial liabilities	Derivatives used for hedging	Liabilities at amortized cost
<i>all amounts in € thousands</i>			<i>all amounts in € thousands</i>		
Trade and other receivables	3.211	-	Borrowings	-	275.252
Restricted cash	12.588	-	Derivative financial instruments	940	-
Loans to related parties	54	-	Trade and other payables	-	3.382
Interest receivable	112	-	Liabilities to related parties	-	150
Cash and cash equivalents	99.554	-	Loans from related parties	-	17.585
Other financial receivables	666	15.720	Interest payable	-	738
Receivables from related parties	574	-	Other financial payables	-	11.696
Total	116.759	15.720	Total	940	308.803

COMPANY - 30.06.2016			COMPANY - 30.06.2016	
Financial assets	Loans and receivables	Financial instruments held at fair value through profit or loss	Financial liabilities	Liabilities at amortized cost
<i>all amounts in € thousands</i>			<i>all amounts in € thousands</i>	
Trade and other receivables	200	-	Borrowings	132.300
Restricted cash	12.588	-	Trade and other payables	192
Receivables from related parties	455	-	Loans from related parties	21.596
Loans to related parties	91.928	-	Interest payable	638
Cash and cash equivalents	70.945	-	Other financial payables	9.195
Other financial receivables	666	15.720		
Total	176.782	15.720	Total	163.922

GROUP - 31.12.2015			GROUP - 31.12.2015		
Financial assets	Loans and receivables	Financial instruments held at fair value through profit or loss	Financial liabilities	Derivatives used for hedging	Liabilities at amortized cost
<i>all amounts in € thousands</i>			<i>all amounts in € thousands</i>		
Trade and other receivables	3.391	-	Borrowings	-	285.257
Restricted cash	12.588	-	Finance lease liabilities	-	4.348
Loans to related parties	1.536	-	Derivative financial instruments	903	-
Interest receivable	236	-	Trade and other payables	-	4.325
Cash and cash equivalents	107.173	-	Liabilities to related parties	-	1.327
Other financial receivables	1.374	23.642	Loans from related parties	-	17.228
			Interest payable	-	769
			Other financial payables	-	12.606
Total	126.298	23.642	Total	903	325.860

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COMPANY - 31.12.2015	Loans and receivables	Financial instruments held at fair value through profit or loss	COMPANY - 31.12.2015	Liabilities at amortized cost
Financial assets			Financial liabilities	
<i>all amounts in € thousands</i>			<i>all amounts in € thousands</i>	
Trade and other receivables	195	-	Borrowings	131.959
Restricted cash	12.588	-	Trade and other payables	164
Receivables from related parties	95	-	Liabilities to related parties	4
Loans to related parties	94.550	-	Loans from related parties	21.224
Interest receivable	65	-	Interest payable	655
Cash and cash equivalents	76.388	-	Other financial payables	9.379
Other financial receivables	1.374	23.642		
Total	185.255	23.642	Total	163.385

9. Financial instruments held at fair value through profit or loss

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Bonds - Euro	8.724	15.651	8.724	15.651
Money market funds	6.996	7.991	6.996	7.991
	15.720	23.642	15.720	23.642

Above financial instruments relate to the placement of the Company's cash in various financial counterparties with high ratings and are measured at fair value through income statement. During the first semester of 2016, the Company liquidated bonds in the amount of €6.9m. The Company has recognized a loss from the above mentioned liquidation of €53k.

The above mentioned financial instruments are categorized under hierarchy 1 as described in note 3.

10. Cash and cash equivalents

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Cash at bank	98.551	106.516	70.845	76.275
Cash in hand	503	657	100	113
Short-term bank deposits	500	-	-	-
Total	99.554	107.173	70.945	76.388

The Company has proceeded with selected placement of its cash in prime investment grade money market funds and supranational bonds with various financial counterparties with high ratings. Subject amounts are readily available upon demand. €15.7m was placed in financial instruments as illustrated in note 9. The cash and cash equivalents at 30/6/2016 are mainly placed in bank institutions as well as in prime investment grade money market funds and supranational bonds, as described in note 9.

No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts. The above comprise the cash and cash equivalents used for the purposes of the cash flow statement.

11. Share capital

<i>all amounts in € thousands</i>	Number of shares (thousands)	Ordinary shares	Share premium	Treasury shares	Total
1 January 2015	79.255	23.917	360.007	(1.757)	382.167
Change in deferred tax rate	-	-	102	-	102
Purchase of treasury shares	(1.279)	-	-	(4.980)	(4.980)
31 December 2015	77.976	23.917	360.110	(6.737)	377.289
1 January 2016	77.976	23.917	360.110	(6.737)	377.289
Purchase of treasury shares	(575)	-	-	(2.233)	(2.233)
30 June 2016	77.401	23.917	360.110	(8.970)	375.056

The share capital of the Company amounts to €23,916,532.50 divided by 79,721,775 shares of nominal value €0.30 each. All the Company's shares are listed on the Athens Stock Exchange.

The Company during the first semester of 2016 purchased gradually 574,803 treasury shares with total cost €2.233k, and average price (before expenses and other commissions) €3.87 per share, in accordance to the decision of the Annual Shareholders Meeting on 18/6/2013 and 16/6/2015 which approved the purchase of treasury shares up to 10% on the total amount of shares in issue, in accordance with article 16 of Codified Law 2190/1920. At 30/6/2016 the Company's treasury shares amount to 2.320.397 shares and represents 2.91% of the Company's issued share capital with average price (after expenses and other commissions) €3.87 per share.

12. Borrowings

<i>all amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Non-current				
Bond borrowings	255.655	269.186	126.285	129.293
Finance lease liabilities	-	-	-	-
Total non-current	255.655	269.186	126.285	129.293
Current				
Bond borrowings	19.597	16.071	6.015	2.666
Finance lease liabilities	-	4.348	-	-
Total current	19.597	20.419	6.015	2.666
Total borrowings	275.252	289.605	132.300	131.959

The movements in borrowings are as follows:

12 months ended 31 December 2015 (<i>amounts in € thousand</i>)	GROUP	COMPANY
Balance at 1 January 2015	338.476	164.700
Bond borrowings	133.950	133.950
Borrowings transaction costs - new	(2.048)	(2.048)
Borrowings transaction costs - amortization	354	57
Borrowings repayments	(180.121)	(164.700)
Finance lease repayments	(1.006)	-
	289.605	131.959

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6 months ended 30 June 2016 (amounts in € thousands)	GROUP	COMPANY
Balance at 1 January 2016	289.605	131.959
Borrowings transaction costs - amortization	490	341
Borrowings repayments	(10.495)	-
Finance lease repayments	(4.348)	-
Balance at 30 June 2016	275.252	132.300

Borrowings are secured by mortgages on the Group's land and buildings (note 5), and in some cases by additional pledges of parent company's shares as well as and/or by assignment of subsidiaries' receivables (note 7) and insurance compensations. Regarding the Company's new syndicated bond loan for an amount up to €164.7m that was signed on 26/11/2015, the securities that have been agreed comprise of mortgages on Group assets as well as share pledges on specific Group participations.

Amortization of borrowings transaction costs of €2.3 are included in the total borrowings as at June 30, 2016, out of which €1.0m is applied to current borrowings whereas the rest €1.3m is applied to non-current borrowings.

Finance leases

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>				
Finance lease liabilities- minimum lease payments				
Not later than 1 year	-	4.348	-	-
Later than 1 year but not later than 5 years	-	-	-	-
Total	-	4.348	-	-
Less: Future finance charges on finance leases	-	-	-	-
Present value of finance lease liabilities	-	4.348	-	-

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

	30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>				
Not later than 1 year	-	4.348	-	-
Between 1 and 5 years	-	-	-	-
Total	-	4.348	-	-

The maturity of non-current borrowings is as follows:

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>				
Between 1 and 2 years	83.967	20.467	9.364	6.015
Between 2 and 5 years	171.688	248.720	116.922	123.278
Over 5 years	-	-	-	-
	255.655	269.186	126.285	129.293

The Group at 17/2/2016 acquired the 80% of joint ownership in 86 premises located in the office building Kronos Business Center in Maroussi, by its 100% subsidiary LAMDA Estate Development S.A., following the exercise of the repurchase option upon the expiration of the financial lease with Hellas Capital Leasing S.A. The residual value paid on the signing date of the transfer contract for the abovementioned premises, amounts to €4.3m, according to the relevant term of the financial lease. It should be noted that the exercise of the repurchase option following the expiration of the financial lease, does not affect the total value of the investment portfolio, since the fair value of subject property has already been included in the portfolio.

The fair value estimation of the total borrowings is based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The effective weighted average interest rates at 30/06/2016 are as follows:

	GROUP	COMPANY
Current bond borrowings	4,20%	5,00%
Non-current bond borrowings	4,25%	5,00%

At 30/06/2016, the average base effective interest rate of the Group is 0.05% and the average bank spread is 4.15%. Therefore, the Group total effective borrowing rate stands at 4.20%.

The Company's bond loans have the following financial covenants: at Company level (Issuer) the total borrowings (current and non-current) to total equity should not exceed 1.2 and at Group level the total borrowings to total equity should not exceed 2.5 and the ratio of total net debt to investment portfolio must be $\leq 75\%$.

At Group level, the Company's subsidiary LAMDA DOMI SA's syndicated loan of current balance €70.8m, granted by the following banking institutions: Eurobank Ergasias, Alpha Bank, National Bank of Greece and HSBC has the following covenants: Loan to value <60% and Debt Service Ratio >120%. Also, the bond loan of the Company's subsidiary PYLAIA SA granted by Hypothekenbank Frankfurt, of current balance €64.8m has the following covenants: Loan to value <80% and Debt Service Ratio >120%.

At June 30, 2016, all above mentioned ratios are satisfied at Group and Company level.

Regarding the subsidiaries, they proceeded to total payments of €10.5m within current reporting period, as described in their bond loan contracts.

13. Derivative financial instruments

	GROUP				COMPANY			
	30.06.2016		31.12.2015		30.06.2016		31.12.2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<i>all amounts in € thousands</i>								
Interest rate swaps - cash flow hedges	-	940	-	903	-	-	-	-
Total	-	940	-	903	-	-	-	-
Non-current	-	940	-	903	-	-	-	-
Current	-	-	-	-	-	-	-	-
Total	-	940	-	903	-	-	-	-

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

The nominal value of interest rate swaps that are hedged as at 30/6/2016 was €41.9m, for the Company's subsidiary LAMDA DOMI SA, and their maturity date is June 2018. The interest rate swaps have been measured at fair value stated by the counterpart bank. As at 30/6/2016 the long-term borrowings floating rates are secured with interest risk derivatives (swaps) ranged according to 3-month Euribor plus 5.68%.

The total fair value of the derivative financial instrument, which is described under hierarchy 2 in note 3, is presented in the statement of financial position as long-term liability since the remaining duration of the loan agreement which is hedged, exceeds 12 months.

The movement in fair value is related to the effective portion of the cash flow hedge and is recognised in special reserves in equity. The effectiveness test of the cash flow hedges is based on discounted cash flows according to the forward rates (3-month Euribor) and their volatility rating.

14. Cash generated from operations

	Note	GROUP		COMPANY	
		01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>					
Profit/(loss) for the period		1.474	(14.347)	(3.721)	(3.973)
<u>Adjustments for:</u>					
Tax		2.761	(839)	(1.382)	(1.150)
Depreciation of property, plant and equipment	6	392	460	55	46
Share of profit from associates	7	(675)	4.232	-	-
Dividends income		-	-	(5.449)	(2.421)
Provision for impairment of investments in subsidiaries		-	-	2.054	-
Profits/(losses) from sale of participations in associates and other financial investments		135	126	36	(16)
Interest income		(58)	(488)	(631)	(891)
Interest expense		7.984	7.281	5.108	4.482
Provision for inventory impairment		540	3.246	-	-
Net profit/(loss) from fair value adjustment on investment property	5	(1.202)	10.186	-	-
Other non cash income / (expense)		(69)	-	-	-
		11.282	9.857	(3.930)	(3.923)
Changes in working capital:					
Decrease/(increase) in inventories		1.294	(60)	-	-
(Increase)/decrease in receivables		723	2.314	(471)	1.470
Decrease in payables		(1.933)	(4.637)	(140)	(158)
		85	(2.384)	(611)	1.312
Cash flows from operating activities from discontinued operations		11.367	7.473	(4.541)	(2.611)

15. Commitments**Capital commitments**

There are not any capital commitments that have not been executed at the balance sheet date.

Operating lease commitments

The group leases intangible assets mainly buildings and mechanical equipment under operating leases. Total future lease payments under operating leases are as follows:

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>				
No later than 1 year	3.323	3.290	915	903
Later than 1 year and not later than 5 years	13.880	13.721	3.308	3.711
Later than 5 years	61.911	63.689	-	3
Total	79.114	80.701	4.224	4.617

The Group has no contractual obligations for repair and maintenance services of its investment property.

16. 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 liabilities are expected to arise as follows:

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Liabilities (all amounts in € thousands)				
Letters of guarantee relating to obligations	33.143	33.541	30.004	30.004
Total	33.143	33.541	30.004	30.004
Assets (all amounts in € thousands)				
Letters of guarantee relating to receivables from tenants	21.986	21.590	-	-
Total	21.986	21.590	-	-

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

- Tax audit for the Company is being conducted by the tax authorities for the fiscal years 2009 and 2010. For further information regarding the Group's unaudited fiscal years refer to note 19. As a result, the Company's and Group's tax obligations have not been defined permanently.
- A property transfer tax of €10,1m approximately has been imposed on the societe anonyme LAMDA Olympia Village (former DIMEPA); said company falls within the definition of the Joint Venture, as such is set out in IFRS 11 and shall be referred to as the "Joint Venture". Out of the forty (40) recourses which have been filed respectively, eight (8), amounting to €5,1m, have been accepted by the Administrative Court of Appeals; while the corresponding to them appeals on points of law of the Hellenic Republic have been rejected. As for the remaining thirty-two (32) recourses, thirty-one (31) have been rejected by first degree courts and one (1), amounting to €100k, has been partially accepted. The Joint Venture has filed appeals against all these rejecting decisions, with one exception where an appeal could not be filed, due to the amount of the litigation; the Joint Venture has also appealed against the decision partially accepting recourse. Out of these thirty-one (31) appeals: eighteen (18) were initially rejected by the second degree court, but the Joint Venture filed appeals on points of law before the Council of State, sixteen (16) of which were accepted, whereas the rest two (2) were rejected due to the amount of the litigation. Hence, these sixteen (16) cases were brought before the Administrative Court of Appeals again and their hearing is scheduled, after postponements, for 05.12.2016. Another twelve (12) appeals have been also rejected; the Joint Venture has filed appeals on points of law for six (6) of them, where such an appeal is allowed taking into account the amount of the litigation. Finally, one (1) appeal was heard on 09.09.2015 and the issuance of a decision is pending. Consequently out of the forty (40) recourses eight (8), amounting totally to €5,1m, have been irrevocably accepted in favor of the Joint Venture, while another nine (9), amounting totally to €480k, have been irrevocably rejected in favor of the Hellenic Republic.

During the whole term of this litigation, the Joint Venture has been obliged to pay to the Hellenic Republic the amount of approximately €836k during 2005, €146k during 2006, €27k during 2007, €2.9m in 2012, €2.2m in 2013, €983k in 2014 and €235k in 2015 (which are registered in the property transfer tax). 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 Joint Venture's shares.

Additionally, the Joint Venture had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights with regard to this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted and the re-calculation of the owed property tax was ordered, which led to the returning to the Joint Venture of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected the Joint Venture's appeal and accepted the Hellenic Republic's appeal; consequently the case was again relegated to the Administrative Court of Appeals; the new hearing took place on 05.10.2015 and decision number 1520/2016 of the Athens Administrative Court of Appeals was issued, pursuant to which the issue of a final

decision was postponed, the Tax Office of N. Ionia is obligated to carry out an audit in order to determine the market value of the property and to compile a report, which it will submit within 90 days from the service of the decision, and the Joint Venture is obligated to adduce counter-evidence, if it holds comparable data from appraisals of similar property offers. This decision has not yet, to this day, been communicated to the Joint Venture.

- Five (5) petitions for annulment have been filed and were pending before the Council of State related to the Joint Venture, regarding the plot of land where the Maroussi Media Village (or “Olympiako Chorio Typou”) and the Commercial and Leisure Centre “The Mall Athens” were built. More specifically: the first of these petitions was heard on 3.5.2006 and the decision no 391/2008 of the Fifth Chamber of the Council of State was issued committing for the Plenary Session of the Council of State. Further to successive postponements the case was heard on 05.04.2013. By virtue of its decision No 376/2014, the Plenary Session accepted the said petition and the Court annulled the silent confirmation by the competent planning authority of the Ministry of Environment, Planning & Public Works (namely, DOKK) that the studies of the project submitted to such authority were compliant with article 6 paragraphs 1 and 2 of Law 3207/2003. The Council of State annulled the aforementioned act, because it identified irregularities of a procedural nature in the issuance of the licenses required for the project. In light of such nature of the identified irregularities, it is estimated that they may be rectified, and the Joint Venture has already initiated the procedure required further to the issuance of the said decision. The completion of the above mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.
- The second petition was heard on 02.04.2014, further to successive postponements, and the Fifth Section issued its Decision No. 4932/2014, whereby the Court cancelled the proceedings. The hearing for the remaining three petitions had been set for 06.12.2016 (again, further to successive postponements). The third and fourth petitions for annulment seek the annulment of a series of pre-approvals and operating licenses respectively, issued by the Municipality of Maroussi to a number of stores operating in the aforementioned Shopping Center, on the basis that the law on which said pre-approvals and licenses were issued is not compatible with the provisions of the Constitution. In light of the aforementioned decision of the Court’s Plenary Session, the Company’s legal advisors believe that the third and fourth petitions for annulment will be accepted. The fifth petition for annulment will probably be rejected on the grounds that the matter falls outside of the Court’s jurisdiction (since the decision under annulment is the decision of the Board of Directors of OEK (Worker’s Housing Organization or “Organismos Ergatikis Katoikias”) which is not an enforceable administrative act).
- In addition to the above, the Joint Venture sold the office building “ILIDA BUSINESS CENTRE” to the company “EUROBANK Leasing S.A.” on 26.06.2007. “EUROBANK Leasing S.A.” entered into a financial lease agreement with “Blue Land S.A.” regarding the said office building. The respective deed of transfer includes a provision specifying that, if either of the first two petitions is irrevocably accepted on the grounds that Law 3207/2003 is not compatible with the provisions of the Constitution, then the transaction shall be reversed by reinstatement of the property to its original status, in which case the buyer “EUROBANK Leasing” shall be entitled to the full buying price and the ownership of the office building shall return to the Joint Venture. A joint hearing had been set on 22.03.2016 for the two opposing lawsuits, but was postponed for 11.10.2016; the first one was filed by the Company and the Joint Venture and is seeking to have identified that the conditions for the said provision have not been fulfilled and the second one was filed by “EUROBANK Leasing S.A.” (and “BLUE LAND S.A.” intervened as a third party in the proceedings to support the validity of EUROBANK’s claims) and is seeking to have identified that the conditions have been met and that the purchase price be returned to “EUROBANK Leasing S.A.”. The Company’s legal counsel’s assessment, which is also based on the opinions of Professors of the Athens University, is that the said provision of the deed of transfer is not applicable, as it regulates issues that may not be rectified, whereas the Council of State identified matters that could be remedied and, in fact, the Company has already initiated the procedure for such remedy.

Further, pursuant to the aforementioned deed of transfer, in the event of any other ruling of the Council of State regarding the said Law’s non-compatibility to the Constitution, including the acceptance of the second, fourth or fifth petition, then the purchaser will be entitled to repudiate

the contract and demand restoration of the aforementioned actual damages, following the lapse of a period of two years from the date of issuance of the decision on the annulment petitions, on condition that any defects or deficiencies resulting from said decision have not been remedied in the meantime.

- Contractor "MICHANIKI SA" undertook a significant part of the construction works for the "Mediterranean Cosmos" shopping centre in Pylaia, Thessaloniki. Both "PYLAIA SA", a subsidiary of the Company, and "MICHANIKI SA" have filed actions and counter-actions against each other, which were jointly heard on 1.4.2009. The Athens Multimember Court of 1st Instance issued decision 8172/2009 according to which the actions of "PYLAIA SA" were rejected whereas an expert was appointed in relation to the actions of "MICHANIKI SA". "PYLAIA SA" appealed against that decision and the hearing of the appeal took place, following postponements, on 28.02.2013 before the Athens Court of Appeal. The Athens Court of Appeal issued decision No. 3977/2013 which rejected the appeal of "PYLAIA S.A.". The Company submitted an appeal on points of law before the Supreme Court, which was heard on 11.05.2015. The Court accepted the appeal of "PYLAIA S.A." by means of its Decision No 208/2016, despite the negative opinion issued by the Judge Rapporteur, and sent the case back to the Court of Appeals for a new hearing. Moreover, on 28.12.2010 the "PYLEA SA" filed lawsuits No 13132, 13134 and 13129/2010 before the Athens Multi-Member 1st Instance Court against "MICHANIKI SA", the hearing of which took place on 13.02.2013, following a postponement on 14.11.2012. Such lawsuits are identical to the previously presented lawsuits, save that they have been filed jointly with the company "EUROHYPO S.A." to address the event where the Court rules that "PYLAIA SA" is not entitled to file these lawsuits in its name. For this reason, the hearing of such lawsuits was cancelled on 13.02.2013 and has now been reenacted so that those lawsuits were scheduled to be heard on 18.03.2015, when hearing was postponed for 25.01.2017.

Additionally, further to the submission before the Court of the expert's report, which is favorable to "PYLAIA SA", the hearing of the actions of "MICHANIKI SA" had been set for 27.05.2015 (after postponement of 13.03.2013), but it was cancelled. Moreover, "PYLAIA SA" filed an action against "MICHANIKI SA" on 24.12.2010 for additional compensation from the above causes, the hearing of which had been set, following postponements, on 25.02.2015, but it was cancelled. Finally, "MICHANIKI S.A." filed a new lawsuit seeking compensation for amounts that "PYLAIA S.A." had collected from Alpha Bank by forfeiture of "MICHANIKI S.A." bank bonds. The lawsuit was set to be heard on 28.05.2015, but was postponed for 12.10.2017. The amount of total claims of "PYLAIA SA" against "MICHANIKI SA" is €20m (which includes the amount of €2,5m for moral damages), while "MICHANIKI SA" with said actions claims the amount of €37m (including the amount of €10.5m in compensation for moral damages). In any case, the Company's legal advisors believe that the legitimate claims of "PYLAIA SA" against "MICHANIKI SA" significantly exceed the legitimate claims of the latter against "PYLAIA SA".

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

17. Related party transactions

The following transactions were carried out with related parties:

	GROUP		COMPANY	
	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>				
i) Sales of goods and services				
- subsidiaries	-	-	486	427
- joint ventures	1.283	141	108	107
- associates	-	63	34	34
	1.283	204	628	567

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ii) Purchases of goods and services

- subsidiaries	-	-	454	450
- joint ventures	176	173	-	-
- associates	-	889	-	-
	176	1.063	454	450

iii) Dividend income

- subsidiaries	-	-	8.029	2.421
	-	-	8.029	2.421

During the current period, the Company received the amount of €2.580k as dividend from the company Malls Management Services SA, and therefore decreased the acquisition cost of the participation equally.

iv) Benefits to management

- salaries and other short-term employment benefits	292	274	292	274
	292	274	292	274

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

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
<i>all amounts in € thousands</i>				
Receivables from related parties:				
- subsidiaries	-	-	278	86
- joint ventures	-	-	146	10
- associates	574	-	31	-
	574	-	455	95
Receivables from dividends from related parties:				
- subsidiaries	-	-	-	-
	-	-	-	-
Payables to related parties:				
- subsidiaries	-	-	-	4
- associates	150	1.327	-	-
	150	1.327	-	4

vii) Loans to associates:

Balance at the beginning of the period	1.536	54	94.550	93.355
Loans granted during the period	400	1.475	-	-
Loan repayments/Transfer to share capital	(1.875)	-	-	-
Interest repayments/Transfer to share capital	(19)	-	-	-
Loan repayments	-	-	(1.166)	-
Loan impairment	-	-	(2.054)	-
Interest charged	12	7	596	1.195
Balance at the end of the period	54	1.536	91.926	94.550

At Company level, the loans to related parties refer to loans of initial capital €81.3m that the parent company has granted to its subsidiaries LAMDA Development Romania SRL, LAMDA Development Sofia EOOD, Robies Services Ltd, LAMDA Development Montenegro DOO and Property Development DOO. During the period, the Company's subsidiary LAMDA Development Beograd DOO repaid a loan of €1.166k to the parent company whereas the remaining part was fully impaired in the Company's receivables.

vii) Loans from associates:

Balance at the beginning of the period	17.228	16.512	21.224	20.491
Borrowings transaction costs - amortization	-	-	9	18
Interest paid	-	-	(81)	(181)
Interest charged	357	717	444	895
Balance at the end of the period	17.585	17.228	21.596	21.224

At Company level, the loans from associates refer to loans of initial capital €19m that the parent company has granted to its subsidiary LAMDA Prime Properties SA and the joint venture LOV Luxembourg SARM. At Group level, the loans from associates refer to loans of initial capital €15m that the parent company has granted to the joint venture LOV Luxembourg SARM.

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

18. 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	
	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>				
Earnings/(loss) attributable to equity holders of the Company	1.490	(14.330)	(3.721)	(3.973)
Weighted average number of ordinary shares in issue	77.642	78.928	77.642	78.928
Basic earnings/(losses) per share (<i>in € per share</i>)	0,02	(0,18)	(0,05)	(0,05)

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

	GROUP		COMPANY	
	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015	01.01.2016 to 30.06.2016	01.01.2015 to 30.06.2015
<i>all amounts in € thousands</i>				
Profit/(loss) used to determine diluted earnings per share	1.490	(14.330)	(3.721)	(3.973)
Weighted average number of ordinary shares in issue	77.642	78.928	77.642	78.928
Adjustment for share options:				
Employees share option scheme	-	50	-	50
Weighted average number of ordinary shares for diluted earnings per share	77.642	78.979	77.642	78.979
Diluted earnings/(losses) per share (<i>in € per share</i>)	0,02	(0,18)	(0,05)	(0,05)

Diluted earnings / (losses) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has only one category of dilutive potential ordinary shares i.e. share options. For these share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference that arises is added to the denominator as issuance of common shares with no exchange value. Finally, no adjustment is made in the earnings (numerator).

19. Income tax expense

According to tax law, the corporate income tax rate of legal entities in Greece is set at 29% and intragroup dividends are exempt from both income tax, as well as withholding tax provided that the parent entity holds a minimum participation of 10% for two consecutive years.

In addition, the tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Greece 29%, Romania 16%, Serbia 10%, Bulgaria 10%, Montenegro 9% and Netherlands 25.5%.

Under Greek tax regulations, an income tax advance calculation on each year's current income tax liability is paid to the tax authorities. Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

The unaudited tax years for the Company and the Group's companies are as follows:

Unaudited tax years

<u>Company</u>	<u>Fiscal years unaudited by the tax authorities</u>	<u>Company</u>	<u>Fiscal years unaudited by the tax authorities</u>
LAMDA Development SA	2009-2010, 2015		
LAMDA Olympia Village SA	2015	LD Trading Food Services single-member LTD	2012-2015
PYLAI A SA	2010, 2015	METROPOLITAN EVENTS	2012-2015
LAMDA Domi SA	2010, 2015	LAMDA Development DOO Beograd	2003-2015
LAMDA Flisvos Marina SA	2010, 2015	Property Development DOO	2010-2015
LAMDA Prime Properties SA	2010, 2015	Property Investments DOO	2008-2015
LAMDA Estate Development SA	2010, 2015	LAMDA Development Romania SRL	2010-2015
LD Trading SA	2010, 2015	LAMDA Development Sofia EOOD	2006-2015
KRONOS PARKING SA	2010, 2014, 2015	SC LAMDA MED SRL	2005-2015
LAMDA Erga Anaptyxis SA	2010, 2014, 2015	LAMDA Development Montenegro DOO	2007-2015
LAMDA Flisvos Holding SA	2010, 2014, 2015	LAMDA Development (Netherlands) BV	2008-2015
LAMDA Leisure SA	2010, 2014, 2015	Robies Services Ltd	2007-2015
GEAKAT SA	2010, 2014, 2015	Robies Proprietati Imobiliare SRL	2007-2015
MALLS MANAGEMENT SERVICES SA	2010, 2015	SC LAMDA Properties Development SRL	2007-2015
MC Property Management SA	2010, 2015	Singidunum-Buildings DOO	2007-2015
LAMDA Akinhta SA	2010, 2014, 2015	GLS OOD	2006-2015
LAMDA Dogus Marina Investments SA	2015	LOV Luxembourg SARL	2013-2015
ATHENS METROPOLITAN EXPO SA	2010, 2015	TIHI EOOD	2008-2015

From the 2011 financial year and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by Article 82 of L.2238/1994 (the article 65a of L.4174/2013 is applied to the fiscal years starting from 1 January 2014), which is issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. For the fiscal year 2015 tax audit is carried out by PriceWaterhouseCoopers SA., and the relevant tax certificate according to article 65a of law 4174/2013 as it's already applying, and after the authorization of the public decision of general secretariat for public revenue of the Ministry of Economics POL 1124/2015 (FEK 1196/22.06.2015), is expected to be issued after the publication of the financial statements for the fiscal year 2015.

In relation to the deferred tax assets for tax losses, the Management estimates the anticipated future profitability of the Company, as well as its subsidiaries and at the level that the future results will not be sufficient to cover the tax losses, no deferred tax asset has been recognized. The Company has not recognized deferred tax asset for cumulative tax losses of €28m (31/12/2015: €33m). The Group has not recognized deferred tax asset for cumulative tax losses of €64m (31/12/2015: €68m).

Currently, the Company is under tax audit from the Greek Tax Authorities for the years 2009 and 2010. The Group provides, when considered appropriate, and on a company by company basis for possible additional taxes that may be imposed by the tax authorities. The total amount of the cumulative provision made for the Group's and Company's unaudited, by the tax authorities, years amount to €1,1m and €0,7m respectively.

20. Number of employees

Number of employees at the end of the period: Group 141, Company 66 (six month period ended June 30, 2015: Group 138, Company 67) from which there are no seasonal (six month period ended June 30, 2015: Group 0, Company 0).

21. Events after the financial position date

There are no other events after the balance sheet date considered to be material to the financial position of the Company.

Translation from the original text in Greek

Report on Review of Interim Financial Information

To the Shareholders of “LAMDA Development S.A.”

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of “LAMDA Development S.A. (the “Company”) as of 30 June 2016 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information has not been prepared, in all material respects, in accordance with IAS 34.

Reference to Other Legal and Regulatory Requirements

Our review has not revealed any inconsistency or discrepancy of the other of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



PricewaterhouseCoopers
Auditing Company S.A.
268 Kifissias Avenue
Halandri 15232
Athens, Greece
SOEL Reg No 113

Athens, 30 August 2016
The Certified Auditor Accountant

Despoina Marinou
SOEL Reg No 17681



LAMDA DEVELOPMENT S.A.

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.

Company's number in the General Electronic Commercial Registry: 3379701000
 Registered offices: 37A Kifissias Ave., 151 23 Maroussi
FINANCIAL DATA AND INFORMATION for the period 1 January 2016 - 30 June 2016
 In accordance with 4/507/28.04.2009 resolution of the Greek Capital Market Committee.

The financial information listed below is aiming to provide a general awareness about the financial position and the financial results of LAMDA DEVELOPMENT S.A. Consequently, it is recommended to the reader, before any investment decision or transaction performed with the Company, to visit the website of the Company where the financial statements are available with the certified auditor's report.

Company's data
Supervising authority: Ministry of Economy, Infrastructure, Marine and Tourism
Company's web site: www.lamdadev.com
Date of approval of the financial statements by the Board of Directors: August 30, 2016
The certified auditor: Despoina Marinou (SOEL Reg. No 17681)
Auditing firm: PricewaterhouseCoopers SA
Type of auditors opinion: Unqualified

Board of Directors
Chairman of the Board: Anastasios K. Giannitsis
Vice Chairman: Evangelos I. Chronis
Chief Executive Officer: Odyssefs E. Athanasiou
Members: Photios S. Antonatos, Evgenia G. Paizi, Dimitrios Ch. Politis, Georgios K. Gerardos, Odyssefs P. Kyriacopoulos

STATEMENT OF FINANCIAL POSITION (Amounts in € thousands)					STATEMENT OF COMPREHENSIVE INCOME (Amounts in € thousands)								
	GROUP		COMPANY		(Continuing operations)	GROUP		COMPANY		GROUP		COMPANY	
	30/06/2016	31/12/2015	30/06/2016	31/12/2015		1/1-30/6/2016	1/1-30/6/2015	1/1-30/6/2016	1/1-30/6/2015	1/4-30/6/2016	1/4-30/6/2015	1/4-30/6/2016	1/4-30/6/2015
ASSETS					Revenues from investment property	21.046	20.299	-	-	10.556	10.221	-	-
Investment property	380.684	379.362	1.840	1.840	Revenues from services and other revenues	1.914	1.475	678	640	1.018	732	339	319
Owner occupied property, plant and equipment	3.857	4.010	396	399	Fair value gains / (losses) of investment property and other assets	662	(13.432)	(2.054)	-	662	(13.432)	-	-
Investments in subsidiaries, joint ventures and associates	108.363	106.570	236.112	230.012	Gain/(Loss) from sale of investment property	-	-	-	-	-	-	-	-
Other non-current assets	20.584	19.294	94.113	96.140	Minus: Operating expenses	(5.011)	(6.113)	-	-	(2.786)	(3.422)	-	-
Inventories	59.585	61.419	-	-	Gross revenue	18.610	2.229	(1.376)	640	9.450	(5.900)	339	319
Trade and other receivables	29.526	29.932	31.606	27.755	Profit / (loss) before interest and taxes	11.621	(4.035)	(6.038)	(3.969)	5.783	(8.999)	(2.156)	(1.881)
Financial instruments held at fair value through profit or loss	15.720	23.642	15.720	23.642	Profit / (loss) before income tax	4.235	(15.186)	(5.103)	(5.124)	1.320	(17.653)	1.028	(1.324)
Cash and cash equivalents	99.554	107.173	70.945	76.388	Profit / (loss) after taxes (A)	1.474	(14.347)	(3.721)	(3.973)	(172)	(15.704)	1.699	(737)
TOTAL ASSETS	717.873	731.404	450.733	456.177	Profit / (loss) attributable to:								
EQUITY AND LIABILITIES					- Equity holders of the company	1.490	(14.330)	(3.721)	(3.973)	(159)	(15.690)	1.699	(737)
Share capital	23.917	23.917	23.917	23.917	- Non-controlling interests	(16)	(17)	-	-	(13)	(13)	-	-
Share premium	360.110	360.110	360.110	360.110	Other comprehensive income / (loss) after tax (B)	(36)	47	-	-	27	76	-	-
Treasury shares	(8.970)	(6.737)	(8.970)	(6.737)	Total other comprehensive income / (loss) after tax (A)+(B)	1.438	(14.300)	(3.721)	(3.973)	(145)	(15.628)	1.699	(737)
Other equity components	(15.062)	(16.516)	(91.639)	(87.918)	Profit / (loss) attributable to:								
Total share capital and reserves (a)	359.995	360.773	283.418	289.371	- Equity holders of the company	1.454	(14.283)	(3.721)	(3.973)	(132)	(15.615)	1.699	(737)
Non-controlling interests (b)	(185)	(168)	-	-	- Non-controlling interests	(16)	(17)	-	-	(13)	(13)	-	-
Total equity (c) = (a) + (b)	359.810	360.605	283.418	289.371	Earnings per share after taxes (expressed in € per share)								
Long-term borrowings	255.655	269.186	126.285	129.293	- Basic	0,0192	(0,1816)	(0,0479)	(0,0503)	(0,0020)	(0,1988)	0,0217	(0,0094)
Deferred tax liabilities	33.101	31.572	-	-	- Diluted	0,0192	(0,1814)	(0,0479)	(0,0503)	(0,0020)	(0,1986)	0,0217	(0,0094)
Other non-current liabilities	17.679	17.394	19.546	19.537	Profit / (loss) before interest, taxes, depreciation and amortisation	12.013	(3.575)	(5.984)	(3.923)	5.987	(8.786)	(2.123)	(1.852)
Short-term borrowings	19.597	20.419	6.015	2.666									
Other short-term liabilities	32.030	32.227	15.469	15.310									
Total liabilities (d)	358.063	370.798	167.315	166.806									
TOTAL EQUITY AND LIABILITIES (c) + (d)	717.873	731.404	450.733	456.177									

STATEMENT OF CHANGES IN EQUITY (Amounts in € thousands)					ADDITIONAL DATA AND INFORMATION								
	GROUP		COMPANY			GROUP	COMPANY	GROUP	COMPANY	GROUP	COMPANY	GROUP	COMPANY
	30/06/2016	30/06/2015	30/06/2016	30/06/2015									
Equity at the beginning of the period (1/1/2016 and 1/1/2015 respectively)	360.605	387.522	289.371	321.491	1. The Company has been audited by tax authorities until the fiscal year of 2008. Currently, the Company is under tax audit from the Greek Tax Authorities for the years 2009 and 2010. For further information regarding the Company's and Group's unaudited fiscal years refer to note 19 of the interim financial statements for the period ended 30/06/2016.								
Total comprehensive income after tax (continuing operations)	1.438	(14.300)	(3.721)	(3.973)	2. The accounting principles adopted in the preparation and presentation of the interim financial statements for the period ended 30/06/2016 are consistent with the same accounting principles adopted for the annual financial report of the Company and the Group for the year 2015.								
Purchase of treasury shares	(2.233)	(2.148)	(2.233)	(2.148)	3. The company Consolidated Lamda Holdings SA, registered in Luxembourg, participates in Company's share capital by 50,87% as at June 30, 2016 and therefore the Group's financial statements are included in Consolidated Lamda Holdings SA's consolidated financial statements by the full consolidation method.								
Equity at the end of the period (30/06/2016 and 30/06/2015 respectively)	359.810	371.074	283.418	315.369	4. Companies included in the consolidated financial statements together with names, country of establishment, participation interest, directly and indirectly, and method of consolidation are presented in note 7 of the interim financial statements for the period ended 30/06/2016.								

CASH FLOW STATEMENT - Indirect Method (Amounts in € thousands)				
	GROUP		COMPANY	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Cash flows from operating activities				
Profit/(losses) before taxes from continuing operations	4.235	(15.186)	(5.103)	(5.124)
Adjustments for:				
Net gains/(losses) from fair value adjustment on investment property and other asset	(662)	13.432	2.054	-
Depreciation	392	460	55	46
Provisions	-	-	-	-
Results (income, expenses, gains and losses) of investment operations	(540)	4.358	(5.413)	(2.436)
Finance costs - net	7.926	6.793	4.478	3.591
Other non-cash flow items	(69)	-	-	-
Changes in working capital :				
(Increase)/decrease in inventories	1.294	(60)	-	-
(Increase)/decrease in receivables	723	2.314	(471)	1.470
Decrease in payables	(1.933)	(4.637)	(140)	(158)
Minus:	-	-	-	-
Interest paid	(7.167)	(7.454)	(4.410)	(4.367)
Income tax paid	158	(36)	-	-
Cash inflow (outflow) from operating activities - net	4.358	(16)	(8.951)	(6.978)
Cash flows from investing activities				
Purchases of property, plant and equipment and investment properties	(320)	(869)	(52)	(101)
(Purchase) sale of financial instruments held at fair value through profit or loss	7.932	(39.995)	7.932	(39.995)
Dividends received	-	-	4.634	5.124
Interest received	58	1.022	34	830
Loans to related parties	-	-	1.166	-
Purchase of share in participations	(2.437)	-	(3.600)	-
Proceeds from sale of participations	706	403	706	403
Increase (decrease) in share capital of participations	(844)	(40)	(5.080)	(6.420)
Cash inflow (outflow) from investing activities - net	5.096	(39.479)	5.742	(40.158)
Cash flows from financing activities				
Purchase of treasury shares	(2.233)	(2.148)	(2.233)	(2.148)
Repayments of borrowings	(10.495)	(42.946)	-	(30.750)
Capital repayments of finance leases	(4.346)	(458)	-	-
Cash outflow from financing activities - net	(17.073)	(45.553)	(2.233)	(32.898)
Net decrease in cash and cash equivalents	(7.619)	(85.048)	(5.442)	(80.035)
Cash and cash equivalents at the beginning of the period	107.173	187.636	76.388	157.191
Cash and cash equivalents at the end of the period	99.554	102.589	70.945	77.156

(Amounts in € thousands)	GROUP	COMPANY
a) Revenues	1.283	628
b) Expenses	176	454
c) Dividend income	-	8.029
d) Receivables	628	92.381
e) Payables	17.735	21.596
f) Transactions and gross salaries of BoD members and key management	292	292
g) Receivables from BoD members and key management personnel	-	-
h) Payables to BoD members and key management personnel	-	-

	Maroussi August 30, 2016	
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	FINANCIAL DIRECTOR
ANASTASIOS K. GIANNITSIS I.D.No H865601	ODYSSEFS E. ATHANASIOU I.D.No AB510661	VASSILIOS A. BALOUMIS I.D.No AK130062

Use of proceeds

LAMDA DEVELOPMENT S.A. HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A. G.E.C.R.3379701000 REGISTERED OFFICE: 37A Kifissias Ave., 151 23 Maroussi			
<p>It is hereby notified, in accordance with the decision of 18.7.2014 of the Stock Markets Steering Committee, that from the Company's Share Capital Increase through payment in cash and by pre-emption right in favor of the existing shareholders, at a ratio of 0.794691552779231 new shares for every existing share based on the Resolution of the Company's Extraordinary General Meeting on 29.4.2014, raised €146.1 million (total amount of €150 million less issuance costs of €3.9 million). From the Share Capital increase, 35,294,117 new common shares with voting rights were issued at an issuance price of €4.25 each and of nominal value of €0.30 each, which were listed for trading on the Athens Exchange on 22.7.2014. The Company's Share Capital Increase was certified by the Company's Board of Directors Meeting on 17.7.2014. Until 31.12.2015 the proceeds from the Share Capital Increase were distributed in accordance with the Prospectus, as it was amended with the BoD decision of 22.05.2015 in conjunction with the Resolution of the Company's Annual General Meeting on 16.06.2015, as follows:</p>			
TIME SCHEDULE FOR THE USE OF PROCEEDS FROM THE SHARE CAPITAL INCREASE			
(Amounts in thousand €)	SHARE CAPITAL INCREASE PROCEEDS (after the deduction of issuance costs)	Total Invested 31.12.2015	Remaining Balance to be invested
Development of the western part of IBC building	25.000	3.875	21.125
Payment of operating expenses, interest expense, loan amortization and subsidiaries overheads	25.000	25.000	0
Investments in properties and investments in acquisition of LAMDA subsidiaries' debt in the secondary market	89.083	3.600	85.483
Purchase of treasury shares	7.000	2.233	4.767
Total	146.083	34.708	111.375
Notes:			
<ol style="list-style-type: none"> 1. Within this period, the Company proceeded to a Share Capital Increase in the subsidiary Company "LAMDA ERGA ANAPTYXIS S.A. of €3.600k for studies relating to the former Hellinikon Airport project. 2. Within this period, the Company proceeded to a Share Capital Increase in the subsidiary Company "LAMDA DOMI S.A." and "LAMDA Leisure SA" in the total amount of €3.875k, with the purpose of research elaboration regarding the development of the western part of IBC building. 3. The Company within this period, purchased treasury shares in the amount of €2.233k. 4. The Company during current period repaid €30.750k bond loans that were replaced with the same amount committed Tranche of the signed medium term secured in rem syndicated bond loan. The remaining amount of € 111,375k on 30.06.2016 was placed in short term investments (time deposits) as well as in prime investment grade money market funds and supranational bonds. 			
Maroussi, August 30, 2016			
The Chairman of the Board of Directors	The Chief Executive Officer	The Financial Director	
ANASTASIOS K. GIANNITSIS I.D.No H865601	ODYSSEFS E. ATHANASIOU ID Number AB510661	VASSILIOS A. BALOUMIS ID Number AK130062	