NBG PANGAEA

NBG PANGAEA R.E.I.C.

INTERIM FINANCIAL REPORT
for the period from January 1 to June 30, 2016

This interim financial report has been translated from the original report that has been prepared in the Greek language. Reasonable care has been taken to ensure that this report represents an accurate translation of the original text. In the event that differences exist between this translation and the original Greek language financial report, the Greek language financial report will prevail over this document.

September 2016

Table of Contents

Certification by Members of the Board of Directors pursuant to article 5 of Law 3556/2007

We, the members of the Board of Directors of the company NBG PANGAEA R.E.I.C. certify that to the best of our knowledge:

(1) The interim condensed financial statements for the six-month period ended June 30, 2016 have been prepared in accordance with IAS 34 and IFRS as adopted by the European Union and present a true and fair view of the items in the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement of the Company and of the companies included in the consolidation.

(2) The Board of Directors report for the six-month period ended June 30, 2016 truly and fairly presents all information required by Article 5, Para 6 of Law 3556/2007.

Athens, September 30, 2016

The Chairman of the BoD	The Chief Executive Officer	The Executive Member of the BoD
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari

Semi-annual Board of Directors Report
of "NBG Pangaea Real Estate Investment Company"
on the Interim Condensed Consolidated and Separate Financial Statements
for the six-month period ended 30.06.2016

In accordance with the provisions of L.3556/2007 and the Decisions no. 1/434/3.7.2007, 7/448/11.10.2007 and 8/754/14.4.2016 of the Hellenic Capital Market Commission, we present below the Board of Directors Report of the Company (hereinafter Board of Directors or BoD) on the Interim Condensed Consolidated and Separate Financial Statements for the period from January 1, 2016 to June 30, 2016 (all amounts are expressed in € thousand, unless otherwise stated).

SIGNIFICANT EVENTS

A. CORPORATE EVENTS

1. On April 13, 2016, the Annual General Meeting of the Company's shareholders, approved the distribution of a total amount of €51,993 thousand (i.e. €0.2035 per share – amount in €), as dividend to its shareholders for the year 2015.

2. On December 28, 2015 the Boards of Directors of the Company (the "Absorbing Company") and its subsidiary "KARELA S.A." (the "Absorbed Company") at their meetings resolved on the commencement of the preparatory works of the merger by absorption of the latter by the first. The envisaged merger took place through the consolidation of assets and liabilities of the above companies, with the combined application of the provisions of articles 68 et seq., and particularly of article 78, par. 2 of the C.L. 2190/1920 and those of Greek law No. 2166/1993, as in force. The Absorbing Company owned 100% of the share capital and voting rights of the Absorbed Company. The December 31, 2015 has been set as the transformation date, whereas the auditing firm PRICEWATERHOUSECOOPERS proceeded to the ascertainment of the soundness of the transformation balance sheet of the Absorbed Company.

   On May 19, 2016 the Boards of Directors of the Absorbing Company and the Absorbed Company approved the Draft Merger Agreement (hereinafter the "DMA") of the latter by the first according to article 69, par. 2 of the C.L. 2190/1920. On May 20, 2016 the DMA was signed by the authorized for this purpose representatives of each company, and was subject to publication according to the provisions of art. 69 par. 3 and 7b of the C.L. 2190/1920.

   On July 28, 2016 the merger by absorption of the Absorbed Company by the Absorbing Company was completed in accordance with the decision with protocol No. 80578/28.07.2016 of the Ministry of Economy, Development and Tourism which was registered on the same day with the General Commercial Register of the abovementioned Ministry. The share capital of the Absorbing Company did not change since there was no need for the Absorbing Company to issue new shares, as the Absorbing Company owned 100% of the shares of the Absorbed Company.

B. INVESTMENTS

During the first semester of 2016, the Group proceeded in total investments in real estate of €5,941 thousand, which contributed to the dispersion of the Group's real estate portfolio, as presented below:

- On June 29, 2016 the Company concluded on the acquisition of a retail property of a total area of approximately 217 sq.m. which is located at 14, Patriarxou Ioakeim and Irodotou str., Athens, for a consideration of €1,570 thousand (not including acquisition expenses of €28 thousand). The property is leased to Vodafone – Panafon S.A.. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €1,621 thousand. The acquisition of the property was financed by the bond loan issued by the Company in August 2014.

- On March 11, 2016, the Company acquired a retail property of a total area of approximately 680 sq.m., which is located at 12, Agiou Nikolaou str., Patra, for a consideration of €2,551 thousand (not including acquisition expenses of €70 thousand). The property is leased to the company Massimo Dutti Hellas S.A., member of Inditex Group. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €2,674 thousand. The acquisition of the property was financed by the bond loan issued by the Company in August 2014.

- On February 26, 2016 the Company acquired a retail property of a total area of approximately 746 sq.m., which is located at 40-42, Chadjimichali Giannari str., Chania, for a consideration of €1,820 thousand (not including acquisition expenses of €71 thousand), financed by the bond loan issued by the Company in August 2014. The property is leased to the company Retail World S.A. (Public). According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to € 1,850 thousand.

Regarding the investments carried out after the date of financial statements, please refer to relevant paragraph below.

FINANCIAL POSITION AND PERFORMANCE OF THE GROUP

As of June 30, 2016, the Group's real estate portfolio consisted of 319 (December 31, 2015: 316) commercial properties (mainly retail and offices), of a total leasable area of 882 thousand sq.m.. Most of the properties are located in prime areas throughout Greece. As of June 30, 2016, the Group also owned five properties in Italy and two properties in Romania. As of June 30, 2016 the fair value of the Group's investment property amounted to €1,460,475 thousand (December 31, 2015: €1,470,079 thousand).

Revenue: Total revenue for the period ended June 30, 2016 amounted to €57,247 thousand, which relates to rental income, compared to €54,907 thousand for the respective period of 2015, representing an increase of 4.3%. The increase on rental income mainly relates to rental income from new properties acquired by the Group during the second half of 2015 and during the current period.

Net gain / (loss) from the fair value adjustment of investment property: During the first semester of 2016, the fair value of investment properties decreased by €16,668 thousand (compared to net loss of €57,909 thousand of the previous period).

Operating Profits / (Losses): Operating profits of the Group for the six-month period ended June 30, 2016 amounted to €32,784 thousand (compared to operating losses of €10,799 thousand of the previous period). Excluding the net gain/ (loss) from the fair value adjustment of investment property (six-month period ended June 30, 2016: net loss of €16,668 thousand, six-month period ended June 30, 2015: net loss of €57,909 thousand) and the expenses regarding the merger through absorption of the company NBG Pangaea REIC by its subsidiary MIG Real Estate REIC (six-month period ended June 30, 2016: €365 thousand, six-month period ended June 30, 2015: €153 thousand), Group's operating profits for the six-month period ended June 30, 2016 amounted to €49,817 thousand compared to €47,263 thousand of the previous period (an increase of 5.4%). The increase is mainly related to the increase of the Group's revenue, as stated above.

Interest income: The Group's total interest income for the six-month period ended June 30, 2016 amounted to €115 thousand compared to €153 thousand of the previous period. The decrease by 24.8% is mainly due to the decrease of interest rates on bank deposits as well as the decrease in cash and cash equivalents because of the new investments in real estate that the Group proceeded during the first semester of 2016 and the second semester of 2015.

Finance costs: The Group's finance costs for the six-month period ended June 30, 2016 amounted to €10,541 thousand (six-month period ended June 30, 2015: €9,825 thousand). The increase by 7.3% is mainly due to the increase of Group's borrowings during the second semester of 2015, the finance cost of which was not included in the results of the first semester of 2015.

Taxes: As a Real Estate Investment Company ("REIC"), in accordance with article 31, par. 3 of L.2778/1999 as in force, the Company is exempted from corporate income tax and is subject to an annual tax based on its investments and cash and cash equivalents. More specifically, the tax is determined by reference to the average fair value of its investment properties and cash and cash equivalents at current prices (as depicted on the Company's biannual investment schedules) at the tax rate of 10% of the aggregate European Central Bank ("ECB") reference rate plus 1% (the taxation formula is as follows: 10% * (ECB reference rate + 1%)). According to the recent amendment introduced by the article 46, par. 2 of L.4389/2016 to article 31, par. 3 of L.2778/1999, the tax for each semester cannot be lower than 0.375% on its average investments, plus cash and cash equivalents, at current prices.

The Company's foreign subsidiaries, Nash S.r.L., Egnatia Properties S.A. and Quadratix Ltd. are taxed on their income, based on a tax rate equal to 31.4% in Italy, 16.0% in Romania and 12.5% in Cyprus, respectively. The Company's subsidiary, Picasso Fund, in Italy, is not subject to income tax. No significant foreign income tax expense was incurred for the six - month period ended June 30, 2016.

At Group level taxes for the six-month period ended June 30, 2016 amounted to €1,477 thousand compared to €586 thousand of the previous period, presenting an increase by 152.0% which is mainly due to the aforementioned amendment of the tax legal framework for REIC companies under which from 01.06.2016 the tax cannot be lower than 0.75% on an annual basis.

Profit / (Loss) for the period: The Group's profit for the six-month period ended June 30, 2016 amounted to €20,881 thousand compared to loss for the period of €21,057 thousand of the previous period. Excluding the net gain / (loss) from the fair value adjustment of investment property, Group's profit for the period amounted to €37,549 thousand for the first semester of 2016, compared to profit for the period of €36,852 thousand of the previous period.

BASIC RATIOS

	30.06.2016	**31.12.2015**
Current ratio (Current assets / Current liabilities)	3.18x	3.96x
Gearing ratio (Borrowings / Total assets)	25.0%	24.6%
LTV (Borrowings / Fair value of properties)	27.1%	27.0%
Net LTV [Net Borrowings (Borrowings less Cash and Cash equivalents) / Fair value of properties]	22.6%	20.8%
Net Asset Value (NAV)	**30.06.2016**	**31.12.2015**
NAV	**1,162,946**	**1,193,612**
No. of shares at year end (in thousands)	255,495	255,495
NAV (per share)	**4.55**	**4.67**

All amounts expressed in € thousand, unless otherwise stated

	From 01.01. to 30.06.2016	30.06.2015	% Change
Profit / (Loss) for the period	20,881	(21,057)	
Plus: Depreciation of property and equipment	12	21	
Plus: Amortization of intangible assets	14	14	
Plus / (Less): Net Finance costs / (Interest Income)	10,426	9,672	
Plus: Taxes	1,477	586	
EBITDA	**32,810**	**(10,764)**	
Plus / (Less): Net non-recurring items	370	62	
Plus / (Less): Net change in fair value of financial instruments at fair value through profit or loss	(451)	(595)	
(Less) / Plus : Net (gain) / loss of fair value adjustment of investment properties	16,668	57,909	
Adjusted EBITDA	**49,397**	**46,612**	**6.0%**

Funds from Operations (FFO)	From 01.01. to 30.06.2016	30.06.2015	% Change
Profit / (Loss) for the period	20,881	(21,057)	
Plus: Depreciation of property and equipment	12	21	
Plus: Amortization of intangible assets	14	14	
Plus / (Less): Net non-recurring expenses / (income)	370	62	
Plus / (Less): Net change in fair value of financial instruments at fair value through profit or loss	(451)	(595)	
(Less) / Plus : Net (gain) / loss of fair value adjustment of investment properties	16,668	57,909	
FFO	**37,494**	**36,354**	**3.1%**

EVENTS AFTER THE DATE OF THESE INTERIM FINANCIAL STATEMENTS

INVESTMENTS

On July 7, 2016 the Company acquired three commercial properties for a total consideration of €4,700 thousand. According to a valuation performed by the statutory independent valuers, the total value of the properties at the date of their acquisition amounted to €5,371 thousand. The acquisitions were financed by the bond loan issued by the Company in August 2014.

More specifically, the Company proceeded with the following acquisitions:

- Retail located at 12 Ermou & Voulis str., Syntagma, with a total area of approximately 369 sq.m.. The property is totally leased to the shoes chain with the distinctive name Five Shoes, which also has additional sale points in Attica.
- Offices located at 7, Kifissias Avenue, Ampelokipoi, with a total area of approximately 1,809 sq.m., and additional 50 parking spaces. The property, at present, is not leased.
- Offices located at 44, Kifissias Avenue, Maroussi, with a total area of approximately 574 sq.m., and additional 15 parking spaces. The offices are leased to Athens Institute of Technology, a nonprofit organization founded by a domestic multinational company, in order to enhance the research and the education and the parking spaces are leased to the company CISCO Systems Hellas S.A..

As of June 30, 2016, the total receivables of the Company from Marinopoulos S.A. (hereinafter “Marinopoulos”) amounted to €7,783 thousand which related to due rents, plus stump duty, for the operating lease of 7 commercial properties. Under the restructuring plan of the company Marinopoulos, on September 30, 2016 submitted to the competent authorities a rehabilitation agreement according to which a newly established company, 100% controlled by Sklavenitis Group ("NewCo"), undertakes certain rights and obligations of Marinopoulos. The lease contracts for the 7 properties owned by the Company which are leased to Marinopoulos as well as the total liabilities of the latter to the Company for accrued rentals of these properties until the day of the completion of the transaction will be transferred in NewCo. It is also noted that the indirect participation of Marinopoulos in Chris Cash & Carry Ltd, with which the Company has signed an agreement dated June 30, 2016 for the acquisition of two properties in Limassol, Cyprus, will be also transferred in NewCo. According to this agreement, the aforementioned receivables of the Company from rentals will be paid in 36 equal monthly installments within 60 days from the day of the completion of the transaction. Based on the above, on June 30, 2016 the difference between the fair value of these receivables from rentals compared to their amortized cost is not material and therefore a provision for impairment was not required to be recognized in the current period income statement.

There are no other significant events subsequent to the date of the financial statements relating to the Group or the Company for which disclosure is required by International Financial Reporting Standards (hereinafter IFRSs).

SIGNIFICANT RISKS

Fluctuations in property values (price risk)

The Group is exposed to risk from changes in property values and rents which can originate from a) the developments in the real estate market in which the Group operates, b) the characteristics of properties owned by the Group and c) events concerning existing tenants of the Group. The Group minimizes its exposure to this risk, as the majority of the Group's leases consist of long-term operating leases with creditworthy tenants, for a period between 20 and 25 years, while for the majority of the leases the annual rental adjustment is associated with the Consumer Price Index plus a spread of 1.0% and in the event of deflation, there is no negative impact on rents.

The Group is governed by an institutional framework (Law 2778/1999, as in force) under which a) periodic valuation of properties by an independent professional valuer is required, b) a valuation of properties prior to an acquisition or a sale by an independent professional valuer is required, c) development or repair of properties is permitted if the cost of works does not exceed 40% of the final commercial value after the completion of works and d) the value of each property must not exceed 25% of the value of the property portfolio. This framework contributes significantly to prevent or/and timely manage related risks.

Non-performance of tenants (credit risk)

Credit risk relates to cases of default of counterparties to meet their transactional obligations. The Group has concentrations of credit risk with respect to cash and cash equivalents and rental income received from tenants under property operating lease contracts.

No material losses are anticipated as lease agreements are conducted with customers - tenants of sufficient creditworthiness. The Group's maximum exposure mainly results from related party transactions, since the majority of the Group's property portfolio is leased to NBG (59.3% of the total rental income). It is noted that on an annualised basis (i.e. rental income in force as of June 30, 2016 times 12), the abovementioned percentage of NBG amounts to 58.9%.

Inflation risk

The uncertainty over the real value of the Group's investments resulting from a potential increase of inflation in the future. The Group minimizes its exposure to inflation risk as the majority of the Group's leases consist of long-term operating leases with tenants for a period between 20 and 25 years, while for the majority of the leases the annual rental adjustment is associated with the Consumer Price Index plus a spread of 1.0% and in the event of deflation, there is no negative impact on rents.

All amounts expressed in € thousand, unless otherwise stated

Cash flow risk and fair value interest rate risk

The Group has significant interest bearing assets comprising demand deposits and short term bank deposits. Furthermore, the Group's liabilities include borrowings.

The Group is exposed to fluctuations in interest rates prevailing in the market and on its financial position and cash flows. Borrowing costs may increase as a result of such changes and create losses or borrowing costs may be reduced by the occurrence of unexpected events. To reduce the Group's exposure to fluctuations in interest rates of long-term borrowings, the re-pricing dates are limited by contract to a maximum period of six months.

Liquidity risk

The current or prospective risk to earnings and capital arising from the Group's inability to collect outstanding receivables without incurring significant losses. The Group ensures timely the required liquidity in order to meet its liabilities through the regular monitoring of liquidity needs and collection of amounts due from tenants and through the prudent cash management.

Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

According to the common industry practice in Greece, the Group monitors capital on the basis of the gearing ratio (or debt ratio). This ratio is calculated as total borrowings divided by total assets, as depicted in the statement of financial position. The regulatory regime governing Real Estate Investment Companies (hereinafter REICs) in Greece permits Greek REICs to borrow up to 75% of the value of total assets, for acquisitions and improvements on properties.

The goal of the Group's Management is to optimise the Group's capital structure through the effective use of debt financing.

The table below presents the gearing ratio (or debt ratio) as at June 30, 2016 and December 31, 2015.

	Group		**Company**	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Borrowings	396,386	397,114	291,054	240,691
Total assets	1,584,911	1,616,435	1,479,789	1,431,099
Gearing ratio	**25.0%**	**24.6%**	**19.7%**	**16.8%**

External factors and international investments

The Group has investments in Italy, in Romania and in Cyprus. External factors which may affect the financial position and the results of the Group are the economic conditions prevailing in the above-mentioned countries, as well as any changes in the tax framework related to investment property.

RELATED PARTY TRANSACTIONS

All transactions with related parties have been carried out on the basis of the principle of equidistance (under normal market conditions for similar transactions with third parties). The significant transactions with related parties as defined by International Accounting Standard 24 "Related Party Disclosures" (IAS 24) are thoroughly described in Note 20 of the Interim Condensed Financial Statements for the six-month period ended June 30, 2016.

PROSPECTS

During the second half of 2015 was achieved the signing of an agreement with the European Stability Mechanism and the successful recapitalization of the Greek financial institutions and during the first half of 2016 was completed the review from the institutions in regards to a number of milestones. On January 22, 2016 the rating agency Standards and Poor's («S&P») upgraded the Greek sovereign debt by one notch to 'B-', with a stable outlook, referring to the milder than expected recession and progress made in fiscal and reform targets of the program as the key determinants of its rating decision, whereas the other main rating agencies affirmed the previous ratings.

All the above, were significant steps for the restoration of confidence and the activation of investors' interest in commercial real estate and especially for commercial properties with investment characteristics similar to those of our Group's portfolio (investment grade properties). Based on the above developments the commercial real estate sector in which our Group operates presented stabilizing trends which are reflected in the valuation of the Group's investment properties for June 30, 2016.

The Group's rental income for the second half of 2016, is expected to present an increase compared to the first half mainly due to the new investments of the Group in real estate property carried out both in the first half of 2016 and subsequently.

Finally, it is noted that the Company consider the possibility of raising funds from the equity market, as soon as the market conditions permit it, in order: a) to further develop its portfolio and to achieve its goals, which include the possibility of enlarging the existing, high quality, portfolio, mainly in Greece, with the ultimate aim to further create value for its shareholders, and b) to enhance the dispersion of the Company's shareholder base (free float) and the shares' trading in the large-cap category of Athens Stock Exchange in order to attract institutional investors and investment funds to Greece and boost the Greek capital market.

Athens, September 30, 2016

The Chief Executive Officer

Aristotelis Karytinos

TRANSLATION

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the Shareholders of "NBG Pangaea Real Estate Investment Company"

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company "NBG Pangaea Real Estate Investment Company" (the "Company") and its subsidiaries (the "Group" as a whole) as of June 30, 2016 and the related condensed separate and consolidated statements of income and total comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, which together comprise the condensed six month interim financial information and which represent an integral part of the six month financial report provided under Law 3556/2007. Management is responsible for the preparation and presentation of this condensed six month interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed six month interim financial information based on our review.

Scope of review

We conducted our review in accordance with the 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 condensed six month interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Our review has not related any inconsistency or discrepancy in the content of the other information in the six month financial report provided under article 5 of Law 3556/2007 when compared to the accompanying condensed six month interim financial information.

Athens, 30 September 2016

The Certified Auditor Accountant

Beate Randulf
Reg. No. SOEL.37541
Deloitte.
Certified Public Accountants S.A.
3a Fragkoklissias & Granikou Str.
GR-151 25 Maroussi, Athens, Greece
Reg. No. SOEL: E. 120

All amounts expressed in € thousand, unless otherwise stated

	Note	Group 30.06.2016	Group 31.12.2015	Company 30.06.2016	Company 31.12.2015
ASSETS					
Non-current assets					
Investment property	5	1,460,475	1,470,079	1,232,857	1,111,067
Investment in subsidiaries	6	-	-	154,741	210,908
Property and equipment		2,235	3,348	2,394	3,508
Intangible assets		173	187	173	187
Other long-term receivables	7	17,313	17,314	17,313	17,314
		1,480,196	**1,490,928**	**1,407,478**	**1,342,984**
Current assets					
Trade and other receivables	8	39,241	35,074	35,344	26,230
Derivative financial instruments	14	105	-	-	-
Cash and cash equivalents	9	65,369	90,433	36,967	61,885
		104,715	**125,507**	**72,311**	**88,115**
Total assets		**1,584,911**	**1,616,435**	**1,479,789**	**1,431,099**
SHAREHOLDERS' EQUITY					
Share capital	10	766,484	766,484	766,484	766,484
Share premium	10	15,890	15,890	15,970	15,970
Reserves	11	336,917	333,615	336,206	333,435
Retained Earnings / (Losses)		43,866	77,719	49,545	62,830
Equity attributable to Company's shareholders		**1,163,157**	**1,193,708**	**1,168,205**	**1,178,719**
Non-controlling interests		-	-	-	-
Total equity		**1,163,157**	**1,193,708**	**1,168,205**	**1,178,719**
LIABILITIES					
Long-term liabilities					
Borrowings	12	385,181	387,284	282,310	234,495
Retirement benefit obligations		221	213	221	213
Deferred tax liability		186	226	-	-
Other long-term liabilities	13	3,205	3,320	3,128	701
		388,793	**391,043**	**285,659**	**235,409**
Short-term liabilities					
Trade and other payables	15	18,349	18,319	13,774	10,091
Borrowings	12	11,205	9,830	8,744	6,196
Derivative financial instruments	14	1,890	2,779	1,890	-
Current tax liabilities		1,517	756	1,517	684
		32,961	**31,684**	**25,925**	**16,971**
Total liabilities		**421,754**	**422,727**	**311,584**	**252,380**
Total shareholders' equity and liabilities		**1,584,911**	**1,616,435**	**1,479,789**	**1,431,099**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

	Note	Group From 01.01. to		Company From 01.01. to	
		30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Revenue					
Rental income		57,247	54,907	50,891	44,879
		57,247	**54,907**	**50,891**	**44,879**
Net loss from the fair value adjustment of investment property	5	(16,668)	(57,909)	(10,314)	(43,174)
Direct property related expenses		(5,873)	(6,141)	(4,712)	(4,366)
Personnel expenses		(1,099)	(1,036)	(1,099)	(814)
Depreciation of property and equipment		(12)	(21)	(13)	(6)
Amortisation of intangible assets		(14)	(14)	(14)	(14)
Net change in fair value of financial instruments at fair value through profit or loss	14	451	595	451	-
Other income		166	302	894	1,650
Other expenses		(1,414)	(1,482)	(1,121)	(909)
Operating Profit / (Loss)		**32,784**	**(10,799)**	**34,963**	**(2,754)**
Interest income		115	153	100	107
Finance costs		(10,541)	(9,825)	(8,739)	(7,040)
Profit / (Loss) before tax		**22,358**	**(20,471)**	**26,324**	**(9,687)**
Taxes	17	(1,477)	(586)	(1,517)	(632)
Profit / (Loss) for the period		**20,881**	**(21,057)**	**24,807**	**(10,319)**
Attributable to:					
Non-controlling interests		-	(142)	-	-
Company's equity shareholders		**20,881**	**(20,915)**	**24,807**	**(10,319)**
Earnings / (Losses) per share (expressed in € per share) - Basic and diluted	18	0.082	(0.082)	0.097	(0.040)

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Profit / (Loss) for the period	**20,881**	**(21,057)**	**24,807**	**(10,319)**
Other comprehensive income / (expense):				
Items that may not be reclassified subsequently to profit or loss:				
Revaluation reserve	30	-	30	-
Total of items that may not be reclassified subsequently to profit or loss	**30**	**-**	**30**	**-**
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	(7)	(14)	-	-
Cash flow hedges	538	-	-	-
Total of items that may be reclassified subsequently to profit or loss	**531**	**(14)**	**-**	**-**
Other comprehensive income/(expense) for the period	**561**	**(14)**	**30**	**-**
Total comprehensive income/(expense) for the period	**21,442**	**(21,071)**	**24,837**	**(10,319)**
Attributable to:				
Non-controlling interests	-	(142)	-	-
Company's equity shareholders	**21,442**	**(20,929)**	**24,837**	**(10,319)**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

	Group		Company	
	From 01.04. to		From 01.04. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Revenue				
Rental income	28,603	27,607	27,975	22,435
	28,603	**27,607**	**27,975**	**22,435**
Net loss from the fair value adjustment of investment property	(16,215)	(58,824)	(9,922)	(41,472)
Direct property related expenses	(3,316)	(3,190)	(2,801)	(2,425)
Personnel expenses	(533)	(440)	(533)	(360)
Depreciation of property and equipment	(5)	(8)	(5)	(3)
Amortisation of intangible assets	(7)	(7)	(7)	(7)
Net change in fair value of financial instruments at fair value through profit or loss	239	260	451	-
Other income	83	97	-	-
Other expenses	(638)	(914)	(483)	(584)
Operating Profit / (Loss)	**8,211**	**(35,419)**	**14,675**	**(22,416)**
Interest income	49	63	34	47
Finance costs	(5,289)	(5,126)	(5,341)	(3,522)
Profit / (Loss) before tax	**2,971**	**(40,482)**	**9,368**	**(25,891)**
Taxes	(1,087)	(262)	(1,167)	(310)
Profit / (Loss) for the period	**1,884**	**(40,744)**	**8,201**	**(26,201)**
Attributable to:				
Non-controlling interests	-	(63)	-	-
Company's equity shareholders	**1,884**	**(40,681)**	**8,201**	**(26,201)**
Earnings / (Losses) per share (expressed in € per share) - Basic and diluted	0.007	(0.159)	0.032	(0.103)

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	From 01.04. to		From 01.04. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Profit / (Loss) for the period	**1,884**	**(40,744)**	**8,201**	**(26,201)**
Other comprehensive income / (expense):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	70	101	-	-
Cash flow hedges	867	-	-	-
Total of items that may be reclassified subsequently to profit or loss	**937**	**101**	**-**	**-**
Other comprehensive income for the period	**937**	**101**	**-**	**-**
Total comprehensive income / (expense) for the period	**2,821**	**(40,643)**	**8,201**	**(26,201)**
Attributable to:				
Non-controlling interests	-	(59)	-	-
Company's equity shareholders	**2,821**	**(40,584)**	**8,201**	**(26,201)**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

	Note	Attributable to Company's shareholders						
		Share capital	**Share premium**	**Reserves**	**Retained Earnings / (Losses)**	**Total**	**Non-controlling interests**	**Total**
Balance January 1, 2015		**765,193**	**15,890**	**326,953**	**151,038**	**1,259,074**	**1,362**	**1,260,436**
Other comprehensive expense for the period		-	-	(14)	-	**(14)**	**-**	**(14)**
Loss for the period		-	-	-	(20,915)	**(20,915)**	(142)	**(21,057)**
Total comprehensive expense after tax		**-**	**-**	**(14)**	**(20,915)**	**(20,929)**	**(142)**	**(21,071)**
Acquisition of additional shareholding in subsidiaries		**-**	-	-	(2)	**(2)**	(17)	**(19)**
Transfer to reserves		-	-	6,692	(6,692)	**-**	-	**-**
Dividends relating to 2014	16	-	-	-	(109,362)	**(109,362)**	-	**(109,362)**
Balance June 30, 2015		**765,193**	**15,890**	**333,631**	**14,067**	**1,128,781**	**1,203**	**1,129,984**
Movements to December 31, 2015		1,291	-	(16)	63,652	64,927	(1,203)	63,724
Balance December 31, 2015		**766,484**	**15,890**	**333,615**	**77,719**	**1,193,708**	**-**	**1,193,708**
Balance January 1, 2016		**766,484**	**15,890**	**333,615**	**77,719**	**1,193,708**	**-**	**1,193,708**
Other comprehensive income for the period		-	-	561	-	**561**	-	**561**
Profit for the period		-	-	-	20,881	**20,881**	-	**20,881**
Total comprehensive income after tax		**-**	**-**	**561**	**20,881**	**21,442**	**-**	**21,442**
Transfer to reserves		-	-	2,741	(2,741)	-	-	-
Dividends relating to 2015	16	-	-	-	(51,993)	**(51,993)**		**(51,993)**
Balance June 30, 2016		**766,484**	**15,890**	**336,917**	**43,866**	**1,163,157**	**-**	**1,163,157**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Note	Share capital	Share premium	Reserves	Retained Earnings / (Losses)	Total
Balance January 1, 2015		**765,193**	**15,890**	**326,917**	**127,909**	**1,235,909**
Loss for the period		-	-	-	(10,319)	**(10,319)**
Total comprehensive expense after tax		**-**	**-**	**-**	**(10,319)**	**(10,319)**
Transfer to reserves		-	-	6,396	(6,396)	-
Dividends relating to 2014	16	-	-	-	(109,362)	**(109,362)**
Balance June 30, 2015		**765,193**	**15,890**	**333,313**	**1,832**	**1,116,228**
Movements to December 31, 2015		1,291	80	122	60,998	62,491
Balance December 31, 2015		**766,484**	**15,970**	**333,435**	**62,830**	**1,178,719**
Balance January 1, 2016		**766,484**	**15,970**	**333,435**	**62,830**	**1,178,719**
Other comprehensive income for the period		**-**	**-**	30	**-**	**30**
Profit for the period		-	-	-	24,807	**24,807**
Total comprehensive income after tax		**-**	**-**	**30**	**24,807**	**24,837**
Transfer to reserves		-	-	2,741	(2,741)	-
Dividends relating to 2015	16	-	-	-	(51,993)	**(51,993)**
Effect from merger through absorption of KARELA S.A. by the Company		-	-	-	16,642	**16,642**
Balance June 30, 2016		**766,484**	**15,970**	**336,206**	**49,545**	**1,168,205**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

	From 01.01. to	
	30.06.2016	**30.06.2015**
Cash flows from operating activities		
Profit / (Loss) before tax	22,358	(20,471)
Adjustments for:		
- Provisions for employee benefits	6	3
- Other provisions	-	140
- Other gains	-	(97)
- Depreciation of property and equipment	12	21
- Amortization of intangible assets	14	14
- Net loss from the fair value adjustment of investment property	16,668	57,909
- Interest income	(115)	(153)
- Finance cost	10,541	9,825
- Net change in fair value of financial instruments at fair value through profit or loss	(451)	(595)
Changes in working capital:		
- (Increase) / Decrease in receivables	(4,167)	(10,577)
- Increase / (Decrease) in payables	(85)	1,604
Cash flows from operating activities	44,781	37,623
Interest paid	(9,573)	(7,904)
Tax paid	(760)	(809)
Net cash flows from operating activities	**34,448**	**28,910**
Cash flows from investing activities		
Acquisition of investment property	(6,110)	(38,615)
Subsequent capital expenditure on investment property	(115)	(49)
Prepayments for the acquisition of investment property and overseas subsidiaries	-	(36)
Returns of prepayments for the acquisition of property	300	-
Purchases of property and equipment	(19)	(18)
Acquisitions of subsidiaries (net of cash acquired)	-	(4,400)
Interest received	115	165
Net cash flows used in investing activities	**(5,829)**	**(42,953)**
Cash flows from financing activities		
Proceeds from the issuance of bond loans and other borrowed funds	-	79,400
Expenses related to the issuance of bond loans and other borrowed funds	-	(1,163)
Repayment of borrowings	(1,691)	(34,918)
Acquisition of additional shareholding in subsidiaries	-	(17)
Dividends paid	(51,990)	(51,193)
Net cash flows used in financing activities	**(53,681)**	**(7,891)**
Net increase / (decrease) in cash and cash equivalents	**(25,062)**	**(21,934)**
Cash and cash equivalents at the beginning of the period	90,433	125,638
Effect of foreign exchange currency changes on cash and cash equivalents	(2)	3
Cash and cash equivalents at the end of the period	**65,369**	**103,707**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	From 01.01. to	
	30.06.2016	30.06.2015
Cash flows from operating activities		
Profit / (Loss) before tax	26,324	(9,687)
Adjustments for:		
- Provisions for employee benefits	6	-
- Depreciation of property and equipment	13	6
- Amortization of intangible assets	14	14
- Net loss from the fair value adjustment of investment properties	10,314	43,174
- Interest income	(100)	(107)
- Finance costs	8,739	7,040
- Net change in fair value of financial instruments at fair value through profit or loss	(451)	-
Changes in working capital:		
- (Increase) / Decrease in receivables	(8,849)	61,123
- Increase / (Decrease) in payables	(268)	(825)
Cash flows from operating activities	35,742	100,738
Interest paid	(7,999)	(6,169)
Tax paid	(756)	(636)
Net cash flows from operating activities	**26,987**	**93,933**
Cash flows from investing activities		
Acquisition of investment property	(6,110)	-
Subsequent capital expenditure on investment property	(19)	-
Prepayments for the acquisition of investment properties and overseas subsidiaries	-	(36)
Returns of prepayments for the acquisition of property	300	-
Purchases of property and equipment	(19)	(18)
Acquisition of subsidiaries (net of cash acquired)	-	(4,400)
Interest received	100	107
Net cash flows used in investing activities	**(5,748)**	**(4,347)**
Cash flows from financing activities		
Proceeds from the issuance of bond loans and other borrowed funds	-	4,400
Repayment of borrowings	(600)	-
Acquisition of additional shareholding in subsidiaries	-	(17)
Participation in subsidiaries' capital increase	-	(39,048)
Dividends paid	(51,990)	(51,193)
Net cash flows used in financing activities	**(52,590)**	**(85,858)**
Net increase / (decrease) in cash and cash equivalents	**(31,351)**	**3,728**
Cash and cash equivalents at the beginning of the period	61,885	7,193
Effect from merger through absorption of KARELA S.A. by the Company	6,433	-
Cash and cash equivalents at the end of the period	**36,967**	**10,921**

Athens, September 30, 2016

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

NOTE 1: General Information

“NBG PANGAEA REAL ESTATE INVESTMENT COMPANY” (former “MIG REAL ESTATE INVESTMENT COMPANY”) operates in real estate investment market under the provisions of Article 22 of L. 2778/1999, as in force. As Real Estate Investment Company (REIC), the company is supervised by the Hellenic Capital Market Commission. It is also noted that the Company is licensed as alternative investment fund manager according to Law 4209/2013.

The headquarters are located at 6, Karageorgi Servias str., Athens, Greece. The Company is registered with the No. 3546201000 in the General Commercial Companies Registry (G.E.M.I.) and its duration expires on December 31, 2110.

On October 1, 2015, the merger by absorption of NBG Pangaea REIC by its subsidiary MIG Real Estate REIC was completed. In particular, the Boards of Directors of MIG Real Estate REIC and NBG Pangaea REIC, in their meetings held on January 30, 2015, decided to propose to the General Assembly Meetings of their shareholders the merger by absorption (hereinafter "Merger") of NBG Pangaea REIC by its 96.944% subsidiary MIG Real Estate REIC. As transformation date had been set the 31st of January 2015. The Merger was performed according to the provisions of C.L. 2190/1920 and L. 2166/1993 and according to the terms and conditions included in the draft merger agreement signed between the merging companies on August 6, 2015 and was approved by the Extraordinary General Meetings of the merging companies on September 25, 2015. The Merger was approved by the Ministry of Economy, Development and Tourism with its decision No. 100104/01.10.2015 which was registered in the General Commercial Registry of the abovementioned Ministry on October 1, 2015. As a result of the Merger, the company resulted from the Merger (hereinafter “New Company” or “Company”) is named **“NBG PANGAEA REAL ESTATE INVESTMENT COMPANY”**, with the distinctive title **“NBG PANGAEA REIC”**, following the amendment of all articles of the Articles of Association of the former MIG Real Estate REIC and the approval of the new Articles of Association by the Hellenic Capital Market Commission and the competent services of the Ministry of Economy, Development and Tourism.

The Company together with its subsidiaries (hereinafter the “New Group” or “Group”) is considered as absolute continuity of NBG Pangaea REIC Group and operates in real estate investments both in Greece and abroad, such as Italy and Romania.

Following the resolution of the Boards of Directors of the Company (the “Absorbing Company”) and its subsidiary “KARELA S.A.” (the “Absorbed Company”) held on December 28, 2015, on the commencement of the preparatory works of the merger by absorption of the latter by the first, on May 19, 2016 the Boards of Directors of the merging companies approved the draft merger agreement which was signed on May 20, 2016. The Company owned 100% of the share capital and voting rights of the Absorbed Company. The envisaged merger took place through the consolidation of assets and liabilities of the two companies, with the combined application of the provisions of articles 68 et seq., and particularly of article 78, par. 2 of the C.L. 2190/1920 and those of Greek law No. 2166/1993, as in force. December 31, 2015 has been set as the transformation date, whereas the auditing firm PRICEWATERHOUSECOOPERS S.A. proceeded to the ascertainment of the soundness of the transformation balance sheet of the Absorbed Company. On July 28, 2016, the merger by absorption of the company KARELA S.A. by its parent entity NBG PANGAEA REIC was completed in accordance with the decision protocol No. 80578/28.07.2016 of the Ministry of Economy, Development and Tourism which was registered on the same day with the General Commercial Register of the abovementioned Ministry.

As of June 30, 2016, the Group’s and the Company’s number of employees was 26 (December 31, 2015: 27 employees for the Group and the Company, June 30, 2015: 25 employees for the Group and 17 employees for the Company).

The Company's shareholding structure is as follows:

	% participation
• National Bank of Greece S.A. (“NBG”):	32.66%
• Invel Real Estate (Netherlands) II B.V. (“Invel”):	65.49%
• Other shareholders:	1.85%

All amounts expressed in € thousand, unless otherwise stated

It is noted that the percentage ownership of Invel includes the ownership of Anthos Properties S.A. (a subsidiary of Invel) which directly holds 5,365,930 ordinary shares, corresponding to 2.10% of the Company's share capital.

NBG and Invel have entered into a shareholders agreement whereby NBG appoints the majority of the members of the Board of Directors and the Investment Committee and guarantee is provided to NBG for certain other contractual rights, as a result NBG is the controlling shareholder of the Company.

In conclusion, from all the above, it is understood that the dilution of the "old" shareholders' of NBG Pangaea REIC rights due to the Merger was immaterial, the "old" shareholders continue to hold a significant stake, 99.90%, in the share capital of the New Company after the completion of the Merger, and that as a result of the abovementioned agreement, NBG continues to be the controlling shareholder in the Company in accordance with IFRSs (Note 20).

The current Board of Directors has a term of three years which expires upon the election of the new Board of Directors by the Annual General Meeting of Shareholders, which will take place within 2019. The Board of Directors was elected by the Extraordinary General Meeting of Shareholders held on September 25, 2015 and was constituted as a body in its same day meeting.

The current Board of Directors has the following composition:

Christos I. Protopapas	Chairman, Economist – Banker	Non Executive Member
Ioannis P. Kyriakopoulos*	Vice-Chairman A', General Manager, NBG Group CFO	Non Executive Member
Christophoros N. Papachristophorou	Vice-Chairman B', Businessman	Executive Member
Aristotelis D. Karytinos	CEO	Executive Member
Thiresia G. Messari	CFO / COO	Executive Member
Nikolaos M. Iatrou**	Business Executive	Non Executive Member
Athanasios D. Karagiannis***	Investment Advisor	Non-Executive Member
Prodromos G. Vlamis	Associate at the University of Cambridge & Visiting Professor at Athens University of Economics and Business	Independent - Non Executive Member
Spyridon G. Makridakis	Professor at the INSEAD Business School	Independent - Non Executive Member

** Upon resignation of Mr. Vasileios G. Mastrokalos, Mr. Ioannis P. Kyriakopoulos was elected as a member (Vice-Chairman A') of the Board of Directors by virtue of a resolution of the Board of Directors dated September 12, 2016.*

***Upon resignation of Mrs. Anna G. Apostolidou, Mr. Nikolaos M. Iatrou was elected as a member of the Board of Directors by virtue of a resolution of the Board of Directors dated June 14, 2016.*

**** Upon resignation of Mr. Arnaud Dominique Maurice Bertrand Plat, Mr. Athanasios Karagiannis was elected as a member of the Board of Directors by virtue of a resolution of the Board of Directors dated February 2, 2016.*

These consolidated and separate financial statements have been approved by the Company's Board of Directors on September 30, 2016 and are available on the website address http://www.nbgpangaea.gr.

All amounts expressed in € thousand, unless otherwise stated

NOTE 2: Summary of Significant Accounting Policies

2.1 Basis of Preparation

As mentioned in Note 1 above, the Board of Directors of NBG Pangaea REIC and MIG Real Estate REIC with their decisions on January 30, 2015, proposed to the General Assembly Meetings of their shareholders the merger by absorption of the former by the latter. The Transformation Balance Sheet and the Draft Merger Agreement were approved at the meetings of the Boards of Directors held on August 6, 2015, and the General Meetings of both companies held on September 25, 2015. The company NBG PANGAEA REAL ESTATE INVESTMENT COMPANY was derived from the decision of the Ministry of Economy, Development and Tourism regarding the approval of the Merger dated October 1, 2015.

One of the most important principles that IFRSs adopt is that of economic substance over legal form which results in the reflection of economic substance of events and transactions and not merely their legal form. Consequently, in any case, the group financial statements shall not be affected by the merger of companies within the group, but only by the amount of the total shareholding structure's change (change in non-controlling interests in the event that the ratios of the parent entity's shareholders and the subsidiaries' minorities, change after the merger in relation to the respective ratios prior to the merger).

More specifically, the absorption of NBG Pangaea REIC, parent entity, by MIG Real Estate REIC, subsidiary of NBG Pangaea REIC Group, is a legal fact which does not substantially change the function of NBG Pangaea REIC Group, as at group level, the companies had already been consolidated and continue to operate on the same activities as a single entity. At group level, the only change is the conversion of non-controlling in the former MIG Real Estate REIC to shareholders of the New Company. The value of the shares that they held in the former MIG Real Estate REIC, as determined by the exchange ratio indicated below, was the fair value of the consideration for the acquisition of New Group's equity ratio.

From the accounting perspective, the aforementioned exchange was treated according to the provisions of paragraph B96 of IFRS 10 "Consolidated Financial Statements", i.e. as a transaction between shareholders and the difference was directly recognized in the New Group's equity. The dilution of the "old" shareholders' of NBG Pangaea REIC rights due to the Merger was immaterial. The "old" shareholders continue to hold a significant stake, 99.90%, in the share capital of the New Company after the completion of the Merger and NBG continues to be the controlling shareholder in NBG Pangaea as outlined in Note 1 and Note 20 of the interim condensed financial statements. The non-controlling interests of the group before the completion of the merger by absorption are converted into shareholders of the New Company with a percentage of 0.10% via a share capital increase which took place by contribution in kind.

Shareholders of NBG Pangaea (New Company)	99.90% of shares
Non-controlling interests of MIG Real Estate (acquisition of New Company shares by contribution in kind)	0.10% of shares

The exchange ratio for the shareholders of the merging companies is as follows:

- Each shareholder of MIG Real Estate REIC (other than the ones of NBG Pangaea REIC) exchanged 1 common registered voting share with a nominal value of 3.00 Euro each held to company, with 0.591602815 new common registered voting shares of the New Company of new nominal value of 3.00 Euro each.
- Each shareholder of NBG Pangaea REIC exchanged 1 common registered voting share with a nominal value of 4.00 Euro each held to the company with 1.334251532 new common registered voting shares of the New Company of new nominal value of 3.00 Euro each.
- Each shareholder of NBG Pangaea REIC exchanged 1 common redeemable voting share with a nominal value of 4.00 Euro each held to the company with 1.334251532 new common registered voting shares of the New Company of new nominal value of 3.00 Euro each.

For the aforementioned participation ratio in the share capital of the Group's company, an opinion was expressed on the fairness of shares' exchange ratio by Mrs Despina Marinou (R.N. SOEL 17681), member of PRICEWATERHOUSECOOPERS S.A., who concluded that the exchange ratio and consequently the participation ratio in the company's share capital is true and fair, after an estimation of the groups' value with generally accepted valuation methods.

At the level of separate financial statements, the merger is not covered by IFRSs provisions. Specifically, paragraph 2 (c) of IFRS 3 "Business Combinations" states that the specific standard does not apply to business combinations which are under common control. In absence of a standard or an interpretation, under the provisions of paragraph 10 of IAS 8 regarding the Accounting policies, Management decided to depict the specific transaction by applying the method of merger accounting. Upon the completion of the Merger, the "old" shareholders of NBG Pangaea REIC continue to hold a significant stake in the New Company. As a result, while MIG Real Estate REIC is legally the absorbing company, from an accounting perspective, it is considered that NBG Pangaea REIC absorbed MIG Real Estate REIC. Consequently, the comparative figures of the separate financial statements are those that NBG Pangaea REIC had published as of June 30, 2015 and December 31, 2015. As the approval regarding the Merger received by the competent authorities on October 1, 2015, the results of the Company for the six months period ended June 30, 2015, include only the results of NBG Pangaea REIC for the aforementioned period.

Additionally, as already mentioned in Note 1, on July 28, 2016 the merger by absorption of the company KARELA S.A. by the Company was completed. Given that December 31, 2015 has been set as the transformation date the results of the Company for the six-month period ended June 30, 2016 include both the results of the Company and the results of KARELA S.A. for the period 01.01.2016 – 30.06.2016.

The interim condensed financial statements of the Group and the Company for the six-month period ended June 30, 2016 (the "Interim Financial Statements") have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting".

These Interim Financial Statements include selected explanatory notes and do not include all the information required for full annual financial statements. Therefore, the Interim Financial Statements should be read in conjunction with the annual consolidated and separate financial statements of NBG Pangaea REIC as at and for the year ended December 31, 2015, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The amounts are stated in Euro, rounded to the nearest thousand (unless otherwise stated) for ease of presentation.

It is mentioned that where necessary, comparative figures have been adjusted to conform to changes in the current period's presentation. The adjustments made is considered that they do not have material impact in the presentation of financial information.

The Interim Financial Statements have been prepared based on the going concern principle, applying the historical cost convention, except for investment properties and derivative financial instruments, which have been measured at fair value.

2.2 Adoption of International Financial Reporting Standards (IFRS)

2.2.1. New standards, amendments and interpretations to existing standards applied from 1 January 2016:

- **IAS 19 (Amendments) "Defined Benefit Plans: Employee Contributions"** (effective for annual periods beginning on or after February 1, 2015, as endorsed by the EU). Amends the requirements in IAS 19 (2011) "Employee Benefits" for contributions from employees or third parties that are linked to service. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service. If the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by paragraph 70 of IAS 19 for the gross benefit (i.e. either using the plan's contribution formula or on a straight-line basis). There was no impact from the amendment of IAS 19 in the Interim Financial Statements of the Group and the Company.

- **IFRS 11 (Amendments) "Accounting for Acquisitions of Interests in Joint Operations".** The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (e.g. IAS 36 Impairment of Assets regarding impairment testing of a cash-generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. There was no impact from the amendment of IFRS 11 in the Interim Financial Statements of the Group and the Company.

- **IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation".** The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. The presumption can only be rebutted in the following two limited circumstances: a) when the intangible asset is expressed as a measure of revenue; or b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated. Currently, the Group and the Company use the straight-line method for depreciation and amortisation for their property and equipment, and intangible assets respectively. Management believe that the straight line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets.

- **IAS 27 (Amendments) "Consolidated and Separate Financial Statements".** Equity Method in Separate Financial Statements (effective for annual periods beginning on or after January 1, 2016). The amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The Company has not applied this amendment in the Interim Financial Statements of the Company.

- **IAS 1 (Amendments) "Disclosure initiative".** The amendments to IAS 1 clarify that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to all parts of the financial statements. An entity need not provide a specific disclosure provided by an IFRS if the information resulting from that disclosure is not material. In the statement of comprehensive income, the amendments require separate disclosures for the share of other comprehensive income of associates and joint ventures accounted for using the equity method based on whether or not it will be reclassified subsequently to profit or loss. There was no impact from the amendment of IAS 1 in the Interim Financial Statements of the Group and the Company.

- **"Annual Improvements to IFRSs 2010-2012 Cycle".** The following amendments describe the most important changes to six IFRSs as a consequence of the results of 2010-2012 Cycle of the IASB's annual improvements project:
    - **IFRS 2 "Share-based Payment"** – Amends the definitions of "vesting conditions" and "market condition" and adds definitions for "performance condition" and "service condition" which were previously included within the definition of "vesting conditions". Specifically:
        - For "market condition", the amendment indicates that it is a performance condition that relates to the market price or value of the entity's equity instruments or the equity instruments of another entity in the same group. A market condition requires the counterparty to complete a specified period of service.
        - For "performance condition", the amendment specifies that the period over which the performance target is achieved should not extend beyond the service period and that it is defined by reference to the entity's own operations or activities of another entity in the same group.
    - **IFRS 3** "**Business Combinations"** – Requires contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39 or a non-financial asset or liability. Changes in fair value should be recognized in profit or loss.

- **IFRS 8** "**Operating Segments"** – Requires disclosure of the judgments made by management in applying the aggregation criteria to operating segments, including a brief description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have similar economic characteristics. Clarify that reconciliations of the total of the reportable segments' assets to the entity's assets are only required if the segments' assets are regularly reported to the chief operating decision maker.

- **IFRS 13 "Fair Value Measurement"** – Clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis, if the effect of discounting is not material (amends basis for conclusions only).

- **IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets"** – Clarifies that when an item of property and equipment or an intangible asset is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after any impairment losses.

- **IAS 24 "Related Party Disclosures" –** Clarifies that a management entity providing key management personnel services to a reporting entity or to the parent of the reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services.

There was no impact from these amendments in the Interim Financial Statements of the Group and the Company.

- **"Annual Improvements to IFRSs 2012-2014 Cycle". The amendments impact the following standards:**

- **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. This means that the asset (or disposal group) does not need to be reinstated in the financial statements as if it had never been classified as "held for sale" or "held for distribution" simply because the manner of disposal has changed. The amendment also rectifies an omission in the standard by explaining that the guidance on changes in a plan of sale should be applied to an asset (or disposal group) which ceases to be held for distribution but is not reclassified as "held for sale".

- **IFRS 7 "Financial Instruments: Disclosures" –** There are two amendments to IFRS 7.

1. <u>Servicing contracts</u>

   If an entity transfers a financial asset to a third party under conditions which allow the transferor to derecognise the asset, IFRS 7 requires disclosure of all types of continuing involvement that the entity might still have in the transferred assets. IFRS 7 provides guidance on what is meant by continuing involvement in this context. 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. The amendment is prospective with an option to apply retrospectively. A consequential amendment to IFRS 1 is included to give the same relief to first-time adopters.

2. <u>Interim financial statements</u>

   The amendment 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. The amendment is retrospective.

- **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. The assessment of whether there is a deep market in high-quality corporate bonds is based on corporate bonds in that currency, not corporate bonds in a particular country. Similarly, where there is no deep market in high-quality corporate bonds in that currency, government bonds in the relevant currency should be used. The amendment is retrospective but limited to the beginning of the earliest period presented.

- **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". The amendment further amends IAS 34 to require a cross-reference from the interim financial statements to the location of that information. The amendment is retrospective.

There was no impact from these amendments in the Interim Financial Statements of the Group and the Company.

2.3 Critical Accounting Estimates and Judgments

In preparing these Interim Financial Statements, the significant estimates, judgments and assumptions made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated and separate financial statements for the year ended December 31, 2015.

NOTE 3: Financial Risk Management

3.1 Financial Risk Management

The Group's activities expose it to a variety of financial risks such as market risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: trade and other receivables, cash and cash equivalents, trade and other payables and borrowings. The risk management policy, followed by the Group, focuses on minimizing the impact of unexpected market changes.

The Interim Financial Statements do not include all information regarding the financial risk management and the relevant disclosures required in the annual financial statements and should be read in conjunction with the published consolidated and separate financial statements for the year ended December 31, 2015.

3.2 Fair Value Estimation of Financial Assets and Liabilities

The Group measures the fair value of financial instruments based on a framework for measuring fair value that categorises financial instruments based on three-level hierarchy in accordance with the hierarchy of the inputs used to the valuation technique, as discussed below:

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. More specifically, the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. More specifically if one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

- *Financial instruments carried at fair value*

The table below analyses financial assets and liabilities of the Group carried at fair value, by valuation method, as at June 30, 2016 and December 31, 2015, respectively.

All amounts expressed in € thousand, unless otherwise stated

June 30, 2016		**Valuation hierarchy**		
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	105	-	**105**
Liabilities				
Derivative financial instruments	-	1,890	-	**1,890**

December 31, 2015		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	2,779	-	**2,779**

The derivative financial instruments presented above relate to interest rate swaps. The fair value of interest rate swaps is calculated, using Bloomberg, as the present value of the estimated future cash flows based on observable yield curves. As a result, the derivative financial instruments are included in Level 2.

There were no transfers between Levels 1 and 2, nor any transfers in and out of Level 3 during the period.

The Group's policy is to recognize transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused that transfer.

- *Financial instrument not carried at fair value*

The tables below analyse financial assets and liabilities of the Group not carried at fair value as at June 30, 2016 and December 31, 2015, respectively:

June 30, 2016			
Liabilities	**Level 1**	**Level 2**	**Level 3**
Borrowings	**-**	**-**	**396,386**

December 31, 2015			
Liabilities	**Level 1**	**Level 2**	**Level 3**
Borrowings	**-**	**-**	**397,114**

The liabilities included in the tables above are carried at amortized cost and their carrying value approximates their fair value.

As at June 30, 2016 and December 31, 2015, the carrying value of cash and cash equivalents, trade and other receivables as well as trade and other payables approximate their fair value.

NOTE 4: Segment Reporting

The Group has recognized the following business segments, depending on the origin of the revenues per geography (country) and type of properties:

- Greece - Retail,
- Greece - Offices,
- Greece - Other (include storage space, archives, petrol stations and parking spaces)
- Italy – Offices
- Italy - Retail,
- Italy - Other (relates to a land plot in Italy)
- Romania - Retail
- Romania - Offices

All amounts expressed in € thousand, unless otherwise stated

From 01.01. to 30.06.2016

Country	Greece	Greece	Greece	Italy	Italy	Italy	Romania	Romania	
Segment	**Retail**	**Offices**	**Other**	**Offices**	**Retail**	**Other**	**Retail**	**Offices**	**Total**
Rental income	25,469	24,870	552	5,953	110	-	67	226	57,247
Total segment revenue	**25,469**	**24,870**	**552**	**5,953**	**110**	**-**	**67**	**226**	**57,247**
Net gain / (loss) from the fair value adjustment of investment properties	(12,202)	2,712	(824)	(8,878)	(152)	3,004	185	(513)	**(16,668)**
Direct property related expenses	(1,840)	(2,639)	(232)	(875)	(5)	(232)	(6)	(44)	**(5,873)**
Provision for impairment	-	-	-	-	-	-	-	-	**-**
Total segment operating profit / (loss)	**11,427**	**24,943**	**(504)**	**(3,800)**	**(47)**	**2,772**	**246**	**(331)**	**34,706**
Unallocated operating income									**166**
Unallocated operating expenses									**(2,088)**
Operating Profit / (Loss)									**32,784**
Unallocated interest income									**115**
Unallocated finance costs									**(8,469)**
Allocated finance costs	(14)	(2,058)	-	-	-	-	-	-	**(2,072)**
Profit / (Loss) before tax									**22,358**
Taxes									**(1,477)**
Profit / (Loss) for the period									**20,881**
Segment assets as at June 30, 2016									
Segment assets	650,417	608,564	13,290	168,171	3,131	53,704	1,439	5,010	**1,503,726**
Unallocated assets									**81,185**
Total assets									**1,584,911**
Segment liabilities as at June 30, 2016									
Segment liabilities	5,256	60,883	277	2,339	26	1,785	10	46	**70,622**
Unallocated liabilities									**351,132**
Total liabilities									**421,754**
Non-current assets additions as at June 30, 2016	6,110	19	-	-	-	96	-	-	**6,225**

All amounts expressed in € thousand, unless otherwise stated

From 01.01. to 30.06.2015

Country	**Greece**	**Greece**	**Greece**	**Italy**	**Italy**	**Romania**	**Romania**	**Bulgaria**	
Segment	**Retail**	**Offices**	**Other**	**Offices**	**Other**	**Retail**	**Offices**	**Retail**	**Total**
Rental income	25,733	24,171	515	4,200	-	61	227	-	54,907
Total segment revenue	**25,733**	**24,171**	**515**	**4,200**	**-**	**61**	**227**	**-**	**54,907**
Net gain / (loss) from the fair value adjustment of investment properties	(41,306)	(7,814)	298	8,353	(16,700)	(144)	(596)	-	**(57,909)**
Direct property related expenses	(1,753)	(2,749)	(296)	(807)	(485)	(6)	(37)	(8)	**(6,141)**
Provision for impairment	(87)	-	-	(52)	-	-	-	-	**(139)**
Total segment operating profit / (loss)	**(17,413)**	**13,608**	**517**	**11,694**	**(17,185)**	**(89)**	**(406)**	**(8)**	**(9,282)**
Unallocated operating income									**302**
Unallocated operating expenses									**(1,819)**
Operating Profit / (Loss)									**(10,799)**
Unallocated interest income									**153**
Unallocated finance costs									**(7,018)**
Allocated finance costs	(58)	(2,117)	-	(567)	-	(6)	(59)	-	**(2,807)**
Profit / (Loss) before tax									**(20,471)**
Taxes									**(586)**
Profit / (Loss) for the period									**(21,057)**

All amounts expressed in € thousand, unless otherwise stated

Country	Greece	Greece	Greece	Italy	Italy	Italy	Romania	Romania	
Segment	**Retail**	**Offices**	**Other**	**Offices**	**Retail**	**Other**	**Retail**	**Offices**	**Total**
Segment assets as at December 31, 2015									
Segment assets	652,363	600,507	14,115	176,155	3,286	56,150	1,254	5,522	**1,509,352**
Unallocated assets									**107,083**
Total assets									**1,616,435**
Segment liabilities as at December 31, 2015									
Segment liabilities	1,681	57,790	194	2,352	14	1,637	1,282	5,134	**70,084**
Unallocated liabilities									**352,643**
Total liabilities									**422,727**
Non-current assets additions as at December 31, 2015	-	250	-	82,343	2,388	113	6	43	**85,143**

In relation to the above segment analysis we state that:

(a) There are no transactions between business segments.
(b) Segment assets include investment properties and trade receivables.
(c) Unallocated assets include property and equipment, intangible assets, derivative financial instruments, cash and cash equivalents and other receivables.

Group’s and Company’s rental income is not subject to seasonal fluctuations.

Concentration of customers

NBG and the Hellenic Republic, lessees of the Group, represent, each one individually, more than 10% of Group’s rental income. Rental income from NBG for the six-month period ended June 30, 2016 amounted to €33,934 thousand, i.e. 59.3% and rental income from the Hellenic Republic for the aforementioned period amounted to €5,770 thousand, i.e. 10.1%. On an annualised basis (i.e. rental income in force as of June 30, 2016 times 12), the abovementioned percentage of NBG amounts to 58.9% and of Hellenic Republic to 10.0%.

All amounts expressed in € thousand, unless otherwise stated

NOTE 5: Investment Property

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Balance at the beginning of the period	1,470,079	1,407,659	1,111,067	1,081,049
Additions:				
- Direct acquisition of investment property	6,110	84,731	6,110	-
- Subsequent capital expenditure on investment property	115	412	19	250
- Transfer from property and equipment	1,786	1,000	1,786	-
- Transfer to property and equipment	(947)	-	(947)	-
- Effect from merger	-	-	125,136	43,134
Net gain / (loss) from the fair value adjustment of investment property	(16,668)	(23,723)	(10,314)	(13,366)
Balance at the end of the period	**1,460,475**	**1,470,079**	**1,232,857**	**1,111,067**

Due to the merger by absorption of the company NBG PANGAEA REIC ("Absorbed Company) by its subsidiary MIG Real Estate REIC ("Absorbing Company") and the resulting quasi-universal succession, in accordance with the provisions of article 75 par.1, subpar. a' of C.L. 2190/1920, the Company has automatically substituted the Absorbed Company vis-à-vis all of its rights and obligations, among others over all properties of the latter. Therefore, Investment Property of the Company includes the properties of both the Absorbing Company and the Absorbed Company. The Company is in the process of registering the transfer of the Absorbed Company's properties with the relevant land registries or cadastral offices. Four (4) properties of the Absorbed Company in Athens and one (1) property in Paros of a total fair value of €15,468 thousand as of June 30, 2016 (December 31, 2015: €15,288 thousand) will be subject to a transfer in rem, once the necessary legal and technical procedures are concluded.

Additionally, due to merger through absorption of the company KARELA S.A. by the Company and the resulting quasi-universal succession, in accordance with the provisions of article 75 par.1, subpar. a' of C.L. 2190/1920, the Company has automatically substituted the company KARELA S.A. vis-à-vis all of its rights and obligations, among others over the property of the latter. Therefore, Investment Property of the Company also includes the property of KARELA S.A., the legal transfer of which in the relevant cadastral office took place on August 2, 2016.

On June 29, 2016 the Company concluded on the acquisition of a retail property of a total area of approximately 217 sq.m. which is located at 14, Patriarxou Ioakeim and Irodotou str., Athens, for a consideration of €1,570 thousand (not including acquisition expenses of €28 thousand). The property is leased to Vodafone – Panafon S.A.. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €1,621 thousand. The acquisition of the property was financed by the bond loan issued by the Company in August 2014.

On March 11, 2016 the Company concluded on the acquisition of a retail property, of a total area of approximately 680 sq.m., which is located at 12, Agiou Nikolaou str., Patra, for a consideration of €2,551 thousand (not including acquisition expenses of €70 thousand). The property is leased to the company named Massimo Dutti Hellas S.A., member of Inditex Group. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €2,674 thousand. The acquisition of the property was financed by the bond loan issued by the Company in August 2014.

On February 26, 2016 the Company acquired a retail property of a total area of approximately 1 thousand sq.m., which is located at 40-42, Chadjimichali Giannari str., Chania, for a consideration of €1,820 thousand (not including acquisition expenses of €71 thousand), financed by the bond loan issued by the Company in August 2014. The property is leased to the company Retail World S.A. (Public). According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €1,850 thousand.

On February 1, 2016, part of the property which is located at 4, Tzortz str., Athens, of a total area of approximately 1 thousand sq.m., which was included in owneroccupied property, was transferred from property and equipment to investment property. The value of the property at the date of the transfer amounted to €1,786 thousand.

On February 1, 2016, part of the property which is located at 6, Karageorgi Servias str., Athens, of a total area of approximately 390 sq.m. (2nd floor), was transferred from investment property to property and equipment. The value of the property at the date of the transfer amounted to €947 thousand.

Following the binding agreement dated October 10, 2014, on February 11, 2015, the Group acquired an office building of a total gross area of approximately 14 thousand sq.m., located at 6, Cavour str., Rome, Italy for a total consideration of €38,700 thousand (not including acquisition expenses of €925 thousand). The property is leased to the Italian State. According to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €43,986 thousand.

On July 2, 2015, a binding agreement was signed for the acquisition by the Group of a mixed use building (office and retail), of a total gross area of approximately 18 thousand sq.m., located at 5, Cavour str., Rome, Italy for a total consideration of €45,100 thousand (not including acquisition expenses of €1,006 thousand). The property is mainly leased to the Italian State. The above acquisition was completed on July 20, 2015 and according to a valuation performed by the statutory independent valuers, the value of the property at the date of the acquisition amounted to €46,400 thousand.

The Group's borrowings which are secured on investment property are stated in Note 12.

All amounts expressed in € thousand, unless otherwise stated

The Group's investment property is measured at fair value. The table below presents the Group's investment property per business segment and geographical area:

Country	**Greece**	**Greece**	**Greece**	**Italy**	**Italy**	**Italy**	**Romania**	**Romania**	**30.06.2016**	**31.12.2015**
Segment	**Retail**	**Offices**	**Other**[1]	**Offices**	**Retail**	**Other**[2,3]	**Retail**	**Offices**	**Total**	**Total**
Level	3	3	3	3	3	3	3	3		
Fair value at the beginning of the period	**631,318**	**591,852**	**13,033**	**173,457**	**3,243**	**50,400**	**1,254**	**5,522**	**1,470,079**	**1,407,659**
Additions:										
Direct acquisition of investment property	6,110	-	-	-	-	-	-	-	**6,110**	**84,731**
Subsequent capital expenditure on investment property	-	19	-	-	-	96	-	-	**115**	**412**
Transfer from property and equipment	-	1,786	-	-	-	-	-	-	**1,786**	**1,000**
Transfer to property and equipment	-	(947)	-	-	-	-	-	-	**(947)**	**-**
Net gain / (loss) from the fair value adjustment of investment property	(12,202)	2,712	(824)	(8,878)	(152)	3,004	185	(513)	**(16,668)**	**(23,723)**
Fair value at the end of the period	**625,226**	**595,422**	**12,209**	**164,579**	**3,091**	**53,500**	**1,439**	**5,009**	**1,460,475**	**1,470,079**

The Group's policy is to recognize transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the period, there were no transfers into and out of Level 3.

In accordance with existing Greek REIC legislation, property valuations are supported by appraisals performed by independent professionally qualified valuers for June 30 and December 31 each year. The investment property valuation for the consideration of the fair value is performed taking into consideration the high and best use of each property given the legal status, technical characteristics and the allowed uses for each property. In accordance with existing Greek REIC legislation JMD 26294/B1425/19.7.2000, valuations are based on at least two methods.

[1] The segment «Other» in Greece includes storage space, archives, petrol stations and parking spaces.

[2] The segment «Other» in Italy relates to land.

[3] It is noted that regarding the fair value of land plot in Italy, under the existing agreement, the Company is entitled to receive compensation from the previous owner in case of loss from the sale of land and provided certain conditions are met.

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurements of investment property as of 30.06.2016 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Retail	625,226	15%-20% sales comparison and 80%-85% discounted cash flows (DCF)	3,241	8.45% - 11.87%	7.00% - 9.50%
Greece	Offices	595,422	15%-20% sales comparison and 80%-85% DCF	3,291	8.19% - 11.79%	7.50% - 10.00%
Greece	Other[1]	12,209	15%-20% sales comparison and 80%-85% DCF	56	10.30% - 17.40%	8.50% - 15.00%
Italy	Offices	164,579	0% sales comparison and 100% DCF (see note below)	936	5.89% - 7.35%	5.25% - 6.29%
Italy	Retail	3,091	0% sales comparison and 100% DCF (see note below)	18	5.89%	5.25%
Italy	Other[2]	53,500	100% sales comparison and 0% residual method (see note below)	-	-	-
Romania	Retail	1,439	20% sales comparison and 80% DCF	9	8.75% - 10.25%	8.00% - 9.50%
Romania	Offices	5,009	20% sales comparison and 80% DCF	34	8.41% - 8.75%	8.00%

The last valuation of the Group's properties was performed at June 30, 2016 by independent valuers, as stipulated by the relevant provisions of L.2778/1999, as in force. For the Group's portfolio the comparative method and the discounted cash flow (DCF) method were used. For properties in Italy, which constitute commercial properties (offices and retail), the independent valuers used two methods, according to the data depicted in the above table. According to the valuers' reports, the fair value of these properties is based on the latter method (DCF), as a) the method of discounted cash flows reflects more effectively the manner in which investment properties, as the appraised ones, transact in the market and represents the common appraisal practice and b) the value derived by using the comparative method is very close to the one derived by using the DCF method.

Specifically for the property in Torvaianica area, in the municipality of Pomezia, Rome, which is a land plot with development potential, the comparative method and the residual method were used according to the the data depicted in the above table. According to the valuer's report, the fair value of the property in based on the comparative method, as, a) the residual method requires the adoption of the optimal scenario of development of the whole land plot, which is more sensitive to the parameters which are adopted and b) the value derived by using the residual method is very close to the one derived by using the comparative method. It is noted that in cases of similar properties (land plots with development potential), the choice of the valuation method is even more dependent on the valuer's judgment.

[1] The segment «Other» in Greece includes storage space, archives, petrol stations and parking spaces.
[2] The segment «Other» in Italy relates to land.

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurements of investment property as of 31.12.2015 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Retail	631,318	15%-20% sales comparison and 80%-85% discounted cash flows (DCF)	3,367	8.40% - 11.60%	6.75% - 10.00%
Greece	Offices	591,852	15%-20% sales comparison and 80%-85% DCF	3,619	8.60% - 11.70%	7.20% - 10.30%
Greece	Other[1]	13,033	15%-20% sales comparison and 80%-85% DCF	53	9.90% - 12.10%	8.00% - 10.00%
Italy	Offices	173,457	0% sales comparison and 100% DCF (see note below)	963	5.75% - 8.00%	4.50% - 7.00%
Italy	Retail	3,243	0% sales comparison and 100% DCF (see note below)	19	5.75%	5.00%
Italy	Other[2]	50,400	0% sales comparison and 100% DCF (see note below)	-	-	-
Romania	Retail	1,254	20% sales comparison and 80% DCF	10	9.80% - 12.10%	8.00% - 10.50%
Romania	Offices	5,522	20% sales comparison and 80% DCF	35	9.80%	8.00%

The abovementioned valuation had as a result a net loss from fair value adjustment of investment property amounted to €16,668 thousand (six-month period ended June 30, 2015: net loss of €57,909 thousand).

Were the discount rate as at June 30, 2016, used in the DCF analysis, to increase or decrease by +/-10% from Management estimates, the carrying amount of investment property would be an estimated €92,712 thousand lower or €109,475 thousand higher, respectively (December 31, 2015: €97,711 thousand lower or €114,495 thousand higher, respectively).

Were the capitalization rate as at June 30, 2016, used in the DCF analysis, to increase or decrease by +/-10% from Management estimates, the carrying amount of investment property would be an estimated €59,354 thousand lower or €71,873 thousand higher, respectively (December 31, 2015: €50,991 thousand lower or €62,103 thousand higher, respectively).

Were the sales price as at June 30, 2016, used in the valuation to determine the fair value of the land plot in Italy to increase or decrease by +/-10% from Management estimates, the carrying amount of investment property would be an estimated €5,345 thousand lower or €5,345 thousand higher, respectively (December 31, 2015: €22,800 thousand lower or €22,800 thousand higher, respectively).

[1] The segment «Other» in Greece includes storage space, archives, petrol stations and parking spaces.

[2] The segment «Other» in Italy relates to land.

All amounts expressed in € thousand, unless otherwise stated

NOTE 6: Investment in Subsidiaries

Subsidiaries	Country of incorporation	Unaudited tax years	Group 30.06.2016	Group 31.12.2015	Company 30.06.2016	Company 31.12.2015	Consolidation Method
Nash S.r.L.	Italy	2011 – 2015	100.00%	100.00%	100.00%	100.00%	Full Consolidation
Picasso Fund	Italy	2011 – 2015	100.00%	100.00%	100.00%	100.00%	Full Consolidation
Egnatia Properties S.A.	Romania	2011 – 2015	99.96%	99.96%	99.96%	99.96%	Full Consolidation
Quadratix Ltd. (1)	Cyprus	-	100.00%	100.00%	100.00%	100.00%	Full Consolidation

(1) This subsidiary incorporated on December 11, 2015, for the acquisition of properties in Cyprus. The share capital of the subsidiary as of June 30, 2016 and December 31, 2015 amounted to €2 thousand.

NOTE 7: Other Long-Term Assets

Following the preliminary agreement dated April 17, 2015, on June 30, 2016 the Company signed an updated agreement with Chris Cash & Carry Ltd for the acquisition of those properties in Limassol, Cyprus, mainly consisting of a supermarket (of approximately 11 thousand sq.m.) and offices (of approximately 1 thousand sq.m.) (hereinafter "The Properties to be Sold"), agreement which is legally registered in the relevant cadastral office and according to which the consideration for the acquisition of the Properties to be Sold is amounting to €20,000 thousand. The Company has already paid €5,000 thousand as part of the consideration, and offset a further amount of €5,700 thousand which had already paid under the preliminary agreement dated September 30, 2015 for the acquisition of 2 properties in Limassol and 1 property in Nicosia, Cyprus, since the transaction is no longer completed. The completion of the transaction requires, among others, the legal and technical settlement of the Properties to be Sold. The agreement provides for the lease of the whole property to Chris Cash & Carry Ltd, with a 25-year duration.

On September 30, 2015, the Company entered into a preliminary agreement with Stirling Properties Bulgaria EOOD and other entities related to it, for the purchase of the companies named "Plaza West A.D." and "Plaza West 2 A.D.", which own an area of approximately 23 thousand sq.m. of the shopping mall West Plaza in Sofia, Bulgaria, for a consideration of €33,000 thousand. The signing of the final agreement was conditional, among others, on the successful and time demanding completion of construction and commencement of the shopping mall's operation. It is noted that the Company has received, among others, a corporate guarantee (joint liability) from Marinopoulos Holding Sarl, located in Luxembourg. Moreover, under the preliminary agreement dated September 30, 2015, the Company has established the following pledges, which are still in place: pledges over the shares of Plaza West A.D. and Plaza West 2 A.D. and enterprise pledges of Plaza West A.D. and Plaza West 2 A.D., which also includes (the enterprise pledge) the real estate assets owned by the companies.

NOTE 8: Trade and Other Receivables

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Trade receivables	24,525	14,641	21,014	11,791
Trade receivables from related parties (Note 20)	2	89	2	89
Receivables from Greek State	8,097	8,092	8,097	8,089
Prepaid expenses	2,149	2,346	2,025	2,113
Other receivables	3,478	8,915	3,216	3,157
Other receivables from related parties (Note 20)	990	991	990	991
Total	**39,241**	**35,074**	**35,344**	**26,230**

Trade receivables of the Company and the Group as at June 30, 2016 include provisions for doubtful receivables amounting to €126 thousand (December 31, 2015: €126 thousand).

As at June 30, 2016, the total trade receivables of the Group and the Company from the company Marinopoulos S.A. amount to €7,783 thousand and relate to due rents, plus stump duty, for the operating lease of seven commercial properties. Given that, according to the rehabilitation agreement of Marinopoulos, this amount will be paid in 36 equal monthly installments within 60 days from the day of the completion of the transaction and the difference between the fair value of these receivables compared to their amortized cost as of June 30, 2016 is not material, it was not required to recognize any provision for impairment in the current period income statement (Note 21).

All amounts expressed in € thousand, unless otherwise stated

Receivables from Greek State mainly relate to capital accumulation tax paid by NBG Pangaea at April 14, 2010, September 16, 2014 and September 17, 2014. Upon payment of this tax, the Company expressed its reservation on the obligation to pay the tax and at the same time it requested the refund of this amount as a result of paragraph 1, article 31 of L.2778/1999, which states that "the shares issued by a REIC and the transfer of properties to a REIC are exempt of any tax, fee, stamp duty, levies, duties or any other charge in favour of the State, public entities and third parties in general". Regarding the payment of the aforementioned tax, because of the lack of response of the relevant authority after a three months period, the Company filed an appeal. The Company's Management, based on the advice of its legal advisors, believes that the reimbursement of the amounts is in essence certain.

Prepaid expenses at June 30, 2016 mainly relate to legal expenses.

The analysis of other receivables is as follows:

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Receivables from Italian State	161	5,708	-	-
Pledged deposits	3,169	3,017	3,169	3,017
Other	148	190	47	140
Total	**3,478**	**8,915**	**3,216**	**3,157**

Receivables from Italian State as at December 31, 2015 mainly relate to VAT receivable deriving from the acquisition of the property of the subsidiary Nash S.r.L. On April 27, 2016, the Group received from the Italian Tax Authorities the amount of €5,598 thousand.

Pledged deposits mainly relate to deposits pledged in accordance with the terms of the bond loan agreement dated August 11, 2014 as amended on August 20, 2014 (Note 12).

NOTE 9: Cash and Cash Equivalents

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Cash in hand	1	1	1	1
Sight and time deposits	65,368	90,432	36,966	61,884
Total	**65,369**	**90,433**	**36,967**	**61,885**

Sight and time deposits of the Group and the Company include restricted cash amounting to €5,417 thousand and €3,867 thousand, respectively (December 31, 2015: €7,400 thousand and €0 thousand, respectively), in accordance with the provisions of the loan agreements.

NOTE 10: Share Capital & Share Premium

			Group	Company
	No. of shares	**Share Capital**	**Share Premium**	**Share Premium**
Balance at January 1, 2015	**191,298,329**	**765,193**	**15,890**	**15,890**
Share capital increase as a result of the Merger (NBG Pangaea REIC and MIG Real Estate REIC)	64,196,205	1,291	-	-
Effect from Merger (NBG Pangaea REIC and MIG Real Estate REIC)	-	-	-	80
Balance at December 31, 2015 & June 30, 2016	**255,494,534**	**766,484**	**15,890**	**15,970**

All amounts expressed in € thousand, unless otherwise stated

The total paid up share capital of the Company as of June 30, 2016 and December 31, 2015, amounted to €766,484 thousand divided into 255,494,534 common shares with voting rights with a par value of €3.00 per share.

On September 25, 2015, the Extraordinary General Meeting of the shareholders of NBG Pangaea REIC and MIG Real Estate REIC approved, among others, the merger of the two companies, according to the provisions of articles 69 et seq. of C.L. 2190/1920 and the L. 2166/1993, as in force. Based on the exchange ratio, as mentioned in Note 2, upon the completion of the Merger, the "old" shareholders of NBG Pangaea hold 255,240,088 shares of the New Company and the shareholders who held 430,055 shares of MIG Real Estate REIC, now hold 254,446 shares of the New Company.

Regarding the merger by absorption of KARELA S.A. by the Company, it is noted that the share capital of the Company did not change since there was no need for the Company to issue new shares, as the Company owned 100% of the shares of the company KARELA S.A..

The Company does not hold own shares.

NOTE 11: Reserves

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Statutory reserve (art. 44 of the C.L. 2190/1920)	12,419	9,678	12,140	9,399
Special reserve	323,987	323,987	323,987	323,987
Other reserves	30	-	84	54
Defined benefit plan	(30)	(30)	(5)	(5)
Foreign exchange differences	124	131	-	-
Cash flow hedges	387	(151)	-	-
	336,917	**333,615**	**336,206**	**333,435**

According to article 44 of C.L.2190/1920, as in force, the Company is required to withhold from its net profit a percentage of 5% per year as statutory reserve until the total statutory reserve amounts to the 1/3 of the paid share capital. The statutory reserve cannot be distributed throughout the entire life of the Company.

Special reserve amounting to €323,987 thousand relates to the decision of the Extraordinary General Meeting of the Company's Shareholders held on August 3, 2010 to record the difference between the fair value and the tax value of the contributed properties at September 30, 2009 by NBG, established upon the incorporation of the Company.

NOTE 12: Borrowings

All borrowings have variable interest rates. The Group is exposed to fluctuations in interest rates prevailing in the market and which affect its financial position and its cash flows. Cost of debt may increase or decrease as a result of such fluctuations.

It is noted that in accordance with the terms of loans, the Group has entered into interest rate swaps for hedging the Group's exposure to variations in variable rate (Note 14).

On June 30, 2015, the subsidiary Picasso Fund signed a loan agreement with the bank "Banca IMI S.p.A", totally amounted to €102,000 thousand, bearing interest of 6-month EURIBOR plus a margin of 2.65%. An amount of €75,000 thousand relates to refinancing of two properties owned by the subsidiary in Rome and Milan (and repayment of existing loans from the bank "Banca Monte dei Paschi di Sienna SpA" amounted to €33,572 thousand), as well as financing of the acquisition of property located on 6, Cavour str., Rome, Italy (which was acquired by the subsidiary on February 11, 2015 (Note5)). Moreover, an amount of €27,000 thousand relates to the financing of the acquisition of a property located on 5, Cavour str., Rome, Italy (which was acquired by the subsidiary on July 20, 2015 (Note 5)).

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Long term				
Bond loans	282,308	283,548	282,310	234,495
Other borrowed funds	102,873	103,736	-	-
Long term borrowings	**385,181**	**387,284**	**282,310**	**234,495**
Short term				
Bond loans	6,131	4,755	6,136	3,587
Other borrowed funds	5,074	5,075	2,608	2,609
Short term borrowings	**11,205**	**9,830**	**8,744**	**6,196**
Total	**396,386**	**397,114**	**291,054**	**240,691**

As of June 30, 2016, short-term borrowings of the Group and the Company include an amount of €2,214 thousand which relates to accrued interest expense on the bond loans (December 31, 2015: €2,387 thousand and €2,378 thousand, respectively) and an amount of €307 thousand for the Group and €38 thousand for the Company, which relate to accrued interest expense on other borrowed funds (December 31, 2015: €308 thousand and €39 thousand, respectively).

The maturity of the Group's borrowings is as follows:

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Up to 1 year	11,205	9,830	8,744	6,196
From 1 to 5 years	379,871	381,904	282,310	234,495
More than 5 years	5,310	5,380	-	-
Total	**396,386**	**397,114**	**291,054**	**240,691**

The contractual re-pricing dates are limited to a maximum period up to 6 months.

The Group is not exposed to foreign exchange risk in relation to the borrowings, as all borrowings are denominated in the functional currency.

The borrowings are secured on properties. More specifically:

- Nine properties of the Company in Attica, 8 in Athens and 1 in Piraeus, have prenotations of mortgage in favour of Alpha Bank S.A., each for an amount of €9,880 thousand. The outstanding balance of the bond loan as of June 30, 2016 amounted to €3,406 thousand and the fair value of the nine properties as of June 30, 2016 amounted to €9,521 thousand.
- In accordance with the terms of the bond loan program dated August 11, 2014, as amended on August 20, 2014, for the issuance of the bonds totally amounting to €237,500 thousand, the Company registered mortgages on 77 properties in Greece (included the owneroccupied property located at 6, Karageorgi Servias str., Athens) in favour of Alpha Bank S.A. (bondholder agent) as collateral for all Company's obligations under the financing documents, each for an amount of €250,000 thousand. The fair value of the 77 properties as of June 30, 2016 amounted to €540,258 thousand.
- On one property of the Company (owned by KARELA S.A. which was absorbed by the Company) a prenotation of mortgage was established in favour of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €106,000 thousand. The outstanding balance of the bond loan as of June 30, 2016 amounted to €50,312 thousand and the fair value of the property as of June 30, 2016 amounted to €125,499 thousand. In addition, all rights of the Company, arising from the lease with Cosmote, have been assigned in a favour of the bondholders.
- The properties owned by subsidiary Picasso Fund are burdened with first class mortgage in favour of Banca IMI S.p.A. for an amount of €204,000 thousand. The outstanding balance of the loan as of June 30, 2016 amounted to €98,589 thousand and the fair value of the properties amounted to €167,670 thousand. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender.

All amounts expressed in € thousand, unless otherwise stated

NOTE 13: Other Long-Term Liabilities

	Group		Company	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Long-term guarantees	3,205	3,320	3,128	701
Total	**3,205**	**3,320**	**3,128**	**701**

The increase in "Long-term guarantees" of the Company as at June 30, 2016 in comparison to December 31, 2015 is due to the merger through absorption of KARELA S.A. by the Company, therefore as at June 30, 2016 an amount of €2,542 thousand is included, which relates to guarantee paid from the tenant of the property of KARELA S.A. (which was absorbed by the Company) according to the terms of the lease agreement.

NOTE 14: Derivative Financial Instruments

	Group 30.06.2016			Company 30.06.2016		
	Notional amount	Fair value Assets	Fair value Liabilities	Notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives - OTC	47,872	-	1,890	47,872	-	1,890
Derivatives held for cash flow hedging						
Interest rate derivatives - OTC	79,968	105	-	-	-	-
Total	**127,840**	**105**	**1,890**	**47,872**	**-**	**1,890**

	Group 31.12.2015			Company 31.12.2015		
	Notional amount	Fair value Assets	Fair value Liabilities	Notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives - OTC	47,872	-	2,347	-	-	-
Derivatives held for cash flow hedging						
Interest rate derivatives - OTC	80,784	-	432	-	-	-
Total	**128,656**	**-**	**2,779**	**-**	**-**	**-**

Derivative financial instruments comprise interest rate swaps and these derivative instruments transacted as effective economic hedges under the Management's positions.

Credit risk

The Group calculates a separate Credit Valuation Adjustment ("CVA") for each counterparty to which the Group has exposure. The CVA is estimated considering expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA calculation is based on expected loss rates derived from CDS rates observed in the market, or, if there are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied.

With respect to own credit risk, the Group estimates a Debit Value Adjustment ("DVA") by applying a methodology symmetric to the one applied for CVA.

All amounts expressed in € thousand, unless otherwise stated

Cash flow hedges

As at June 30, 2016, the Group's cash flow hedges consist of interest rate swaps, used to hedge the variability in cash flows of the Group's borrowings that are attributable to changes in the market interest rates. For the six-month period ended June 30, 2016, the Group recognised in other comprehensive income a gain on cash flow hedging derivatives of €538 thousand (six-month period ended June 30, 2015: €0 thousand), while there were no terminated hedge relationships and consequently no amount was reclassified from other comprehensive income into the income statement (six-month period ended June 30, 2015: €0 thousand).

During the six-month period ended June 30, 2016 and June 30, 2015, there was no effect in the income statement from hedge ineffectiveness.

Additionally, during the six-month period ended June 30, 2016, the fair value gain on derivatives held for trading for the Group and the Company amounted to €451 thousand (six-month period ended June 30, 2015: gain €595 thousand and €0 thousand for the Group and the Company, respectively).

These derivative liabilities relate to gross amount and have not been offset by derivative assets, however they are subject to major or similar netting agreements, which while not meeting the criteria established by the applicable accounting standard for offset in the statement of financial position, they provide the right to offset the relevant amounts in the event of default of the agreed terms of one of the counterparties (whether due to bankruptcy, default or handling).

NOTE 15: Trade and Other Payables

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Trade payables	397	1,860	153	1,599
Amounts due to related parties (Note 20)	144	442	146	396
Taxes – levies	11,330	6,507	9,285	4,261
Deferred revenues	5,164	5,142	2,889	2,884
Other payables and accrued expenses	1,314	4,367	1,301	951
Total	**18,349**	**18,319**	**13,774**	**10,091**

Trade and other payables are short term and do not bare interest.

The analysis of taxes – levies is as follows:

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Stamp duty on leases	4,013	2,584	4,013	2,584
Unified Property Tax (ENFIA)	3,424	86	3,424	-
Special Real Estate Levy (EETA) and Special Electricity Powered Surfaces Levy (EETHDE)	1,388	1,388	1,388	1,388
Foreign real estate tax	1,742	1,547	-	-
Other	763	902	460	289
Total	**11,330**	**6,507**	**9,285**	**4,261**

Taxes and levies as of June 30, 2016 and December 31, 2015 include provision for Special Real Estate Levy (EETA) of L.4152/2013 and for Electricity Powered Surfaces Levy (EETHDE) of L.4021/2011 totally amounted to €1,388 thousand. It is noted that the Unified Property Tax (ENFIA) from January 1, 2014 replaced the Real Estate Tax of L.3842/2010 and the EETA of L. 4152/2013 (ex EETHDE of L.4021/2011).

Deferred revenues mainly relate to rental income owed by the Hellenic Republic, as per the relevant lease agreements, for the period following June 30, 2016 and December 31, 2015, respectively.

The decrease of Group's "Other payables and accrued expenses" as at June 30, 2016 compared to December 31, 2015 relates to the fact that on December 31, 2015 an amount of €3,386 thousand was included, related to lease advance which was totally offset by rents within the first six months of 2016.

NOTE 16: Dividends per Share

Dividends are not recorded if they have not been approved by the Annual Shareholders Meeting.

On April 13, 2016, the Annual General Meeting of the Company's shareholders, approved the distribution of a total amount of €51,993 thousand (i.e. €0.2035 per share – amount in €) as dividend to its shareholders for the year 2015. The commencement date of dividend payment was April 22, 2016 as set by the Annual General Meeting of the Company's shareholders.

On April 24, 2015, the Annual General Meeting of shareholders of NBG Pangaea REIC, approved the distribution of a total amount of €109,362 thousand of the net profit of the year 2014 (i.e. €0.5717 per share – amount in €), as a dividend to the shareholders. This amount includes the interim dividend amounted to €58,169 thousand (i.e. €0.3041 per share – amount in €), which has been approved by the Board of Directors of NBG Pangaea REIC, on November 25, 2014 and paid in 2014.

NOTE 17: Taxes

	Group		**Company**	
	From 01.01. to		**From 01.01. to**	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
REICs' tax	1,517	762	1,517	632
Deferred tax	(40)	(176)	-	-
Total	**1,477**	**586**	**1,517**	**632**

As a REIC, in accordance with article 3, par. 3 of L.2778/1999, as in force, the Company is subject to an annual tax determined by reference to the fair value of its investment properties and cash and cash equivalents (as depicted on the Company's biannual investment schedule) at the tax rate of 10.0% of the European Central Bank reference rate plus 1.0% (the taxation formula is as follows: 10.0% * (ECB reference rate + 1.0%)). The above tax relieves the Company and its shareholders of any further tax liabilities. It is noted that in accordance with par. 2 of article 45 of L.4389/2016 a minimum tax threshold of 0.375% on its average investments plus cash was imposed for each semester (i.e. 0.75% annually) from 01.06.2016.

The Company's foreign subsidiaries, Nash S.r.L., Egnatia Properties S.A. and Quadratix Ltd. are taxed on their income, assuming a tax rate of 31.4% in Italy, 16.0% in Romania and 12.5% in Cyprus, respectively. The Company's subsidiary, Picasso Fund, in Italy, is not subject to income tax.

NOTE 18: Earnings / (Losses) per Share

Basic earnings / (losses) per share ratio is calculated by dividing the profit / (loss) for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Group		**Company**	
Period ended June 30	**2016**	**2015**	**2016**	**2015**
Profit / (Loss) attributable to equity shareholders	20,881	(20,915)	24,807	(10,319)
Weighted average number of ordinary shares in issue (thousands)	255,495	255,451	255,495	255,451
Earnings / (Losses) per share (expressed in € per share) - Basic and diluted	**0.082**	**(0.082)**	**0.097**	**(0.040)**

The weighted average number of ordinary shares in issue for the six-month period ended June 30, 2015 has been adjusted according to exchange ratio (Note 2) for comparative purposes with the six-month period ended June 30, 2016.

There were no dilutive potential ordinary shares. Therefore, the dilutive earnings / (losses) per share is the same as the basic earnings / (losses) per share for all periods presented.

NOTE 19: Contingent Liabilities and Commitments

Group companies have not yet been audited for tax purposes for certain financial years and accordingly their tax obligations for those years may not be considered final. Additional taxes and penalties may be imposed as a result of such tax audits, however the amount cannot be determined. As at June 30, 2016 and December 31, 2015 the Group has not accounted for provisions for unaudited tax years. It is estimated that additional taxes and penalties that may be imposed will not have a material effect on the statement of financial position of the Group and the Company.

The tax authorities have not audited the books and records of NBG Pangaea REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011, 2012, 2013 and 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm “Deloitte Certified Public Accountants S.A.” (“the statutory auditor”), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on July 19, 2012, September 30, 2013, July 10, 2014 and September 30, 2015 respectively. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The tax authorities have not audited the books and records of MIG Real Estate REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011, 2012, 2013 and 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on July 25, 2012, September 23, 2013, July 7, 2014 and September 30, 2015 respectively. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The year 2015 of the Company has been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm “Deloitte Certified Public Accountants S.A.” (“the statutory auditor”), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificate was issued with no qualifications on September 30, 2016. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The tax authorities have not audited the books and records of KARELA S.A. for the years 2010-2013 and consequently the tax obligations for those years are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, the Management estimates that they will not have a material effect on the financial position of the company. The financial years 2014 and 2015 have been audited by the elected under C.L. 2190/1920 statutory auditor, in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on September 28, 2015 and September 30, 2016 respectively. According to POL. 1006/05.01.2016, the companies for which a tax certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the company.

All amounts expressed in € thousand, unless otherwise stated

In the context of the acquisition of the 14 properties portfolio by HRADF, the Company undertook the commitment to perform any improvements required. As of June 30, 2016, the remaining amount of these capital expenditure commitments amounted to €2,192 thousand (incl. VAT) (December 31, 2015: €2,243 thousand (incl. VAT) according to management estimates).

In the context of the credit agreement to open a current account with Alpha Bank S.A., the Company provided specific and irrevocable power of attorney, authorization and right to lawyers acting for Alpha Bank S.A. so that they may attend and represent the Company before any competent court for the purpose of the registration of mortgage pre-notation amounting to €55,440 thousand into fourteen (14) Company's properties in Greece, which were the subject of the tender "sale and leaseback" by HRADF, in favour of Alpha Bank S.A.. The power of attorney shall expire automatically, either with the full and complete settlement of all Company's obligations under the credit agreement, or the moment that Alpha Bank S.A. covers entirely the debentures of a bond loan, as it may be issued in the future by the Company, and it will be subject to full and complete settlement of any amount under the aforementioned credit agreement.

There are no pending lawsuits against the Group, nor other contingent liabilities resulting from commitments at June 30, 2016, which would affect the Group's financial position.

NOTE 20: Related Party Transactions

Upon the legal conclusion of the Merger, National Bank of Greece S.A. (parent entity), holds 32.66% of the Company's share capital and controls the Company, based on an agreement signed between the shareholders (Note 1 and 2). More specifically, according to the shareholders' agreement, NBG appoints the majority of the members of the Board of Directors and the Investment Committee and guarantees are provided to NBG for certain other contractual rights. As a result of this shareholders' agreement, NBG is the controlling shareholder of the Company under IFRSs.

All transactions with related parties have been carried out on the basis of the "arm's length" principle, i.e. under normal market conditions for similar transactions with third parties. The transactions with related parties are presented below:

i. Balances arising from transactions with related parties

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Trade receivables from related parties				
Parent company	-	82	-	82
Subsidiaries	-	3	-	3
Other shareholders	1	2	1	2
Companies related to other shareholders	1	2	1	2
	2	**89**	**2**	**89**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Other receivables from related parties				
Parent company	-	1	-	1
Other shareholders	990	990	990	990
	990	**991**	**990**	**991**

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Prepaid expenses				
NBG Securities, a company of NBG Group	75	75	75	75
Hellenic National Insurance Company, a company of NBG Group	79	266	78	215
	154	**341**	**153**	**290**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Cash and cash equivalents				
Parent company	9,643	27,023	9,643	27,023
	9,643	**27,023**	**9,643**	**27,023**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Amounts due to related parties				
Parent company	88	102	88	102
Hellenic National Insurance Company, a company of NBG Group	55	88	55	40
NBG Securities, a company of NBG Group	-	246	-	246
Ethniki Leasing, a company of NBG Group	1	6	1	6
Quadratix Ltd, Company's subsidiary	-	-	2	2
	144	**442**	**146**	**396**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Other Liabilities				
Parent company	17	-	17	-
Hellenic National Insurance Company, a company of NBG Group	20	-	20	-
Companies related to other shareholders	550	560	550	560
	587	**560**	**587**	**560**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Borrowings				
Parent company [1]	9,348	9,332	9,348	-
	9,348	**9,332**	**9,348**	**-**

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
Derivative financial instruments – Liabilities				
Parent company	336	415	336	-
	336	**415**	**336**	**-**

[1] The movement at company level is due to merger of NBG Pangaea REIC with its former subsidiary KARELA S.A. (Note 1 and 2).

All amounts expressed in € thousand, unless otherwise stated

ii. Rental income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Parent company	33,934	34,203	33,934	34,203
Other companies of NBG Group [1]	19	79	19	79
Other shareholders	1	1	1	1
Companies related to other shareholders	1	1	1	1
Total	**33,955**	**34,284**	**33,955**	**34,284**

iii. Other direct property relates expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Hellenic National Insurance Company, a company of NBG Group	219	211	217	161
Companies related to other shareholders	673	1,012	673	1,012
Total	**892**	**1,223**	**890**	**1,173**

iv. Net change in fair value of financial instruments at fair value through profit or loss

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Parent company	79	109	79	-
Total	**79**	**109**	**79**	**-**

v. Personnel Expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Hellenic National Insurance Company, a company of NBG Group	17	5	17	4
Total	**17**	**5**	**17**	**4**

vi. Other income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Picasso Fund, Company's subsidiary	-	-	893	-
Other shareholders	-	-	-	1,650
Total	**-**	**-**	**893**	**1,650**

[1] Ethniki Factors, Ethniki Leasing, National Insurance Brokers.

All amounts expressed in € thousand, unless otherwise stated

vii. Other expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Parent company	22	19	22	19
Ethniki Leasing, a company of NBG Group	20	2	20	2
Total	**42**	**21**	**42**	**21**

viii. Interest income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Parent company	83	107	83	107
Total	**83**	**107**	**83**	**107**

ix. Finance costs

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Parent company	244	366	244	7
UBB, a company of NBG Group	26	22	26	22
Total	**270**	**388**	**270**	**29**

x. Due to key management

	Group		Company	
	30.06.2016	**31.12.2015**	**30.06.2016**	**31.12.2015**
BoD, its committees and Senior Management compensation	42	-	42	-
Retirement benefit obligations	9	10	9	10
Total	**51**	**10**	**51**	**10**

xi. Key management compensation

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
BoD, its committees and Senior Management compensation	678	654	678	534
Total	**678**	**654**	**678**	**534**

xii. Commitment and contingent liabilities

There are no commitments and contingent liabilities between the Company and related parties.

NOTE 21: Events after the Date of Financial Statements as at June 30, 2016

On July 7, 2016 the Company acquired three commercial properties for a total consideration of €4,700 thousand. According to a valuation performed by the statutory independent valuers, the total value of the properties at the date of the acquisition amounted to €5,371 thousand. The acquisitions were financed by the bond loan issued by the Company in August 2014.

More specifically, the Company proceeded with the following acquisitions:

- Retail located at 12 Ermou & Voulis str., Syntagma, with a total area of approximately 369 sq.m.. The property is totally leased to the shoes chain with the distinctive name Five Shoes, which also has additional sale points in Attica.
- Offices located at 7, Kifissias Avenue, Ampelokipoi, with a total area of approximately 1,809 sq.m., and additional 50 parking spaces. The property, at present, is not leased.
- Offices located at 44, Kifissias Avenue, Maroussi, with a total area of approximately 574 sq.m., and additional 15 parking spaces. The offices are leased to Athens Institute of Technology, a nonprofit organization founded by a domestic multinational company, in order to enhance the research and the education and the parking spaces are leased to the company CISCO Systems Hellas S.A..

As of June 30, 2016, the total receivables of the Company from the company Marinopoulos amounted to €7,783 thousand which related to due rents, plus stump duty, for the operating lease of 7 commercial properties (Note 8). Under the restructuring plan of Marinopoulos, on September 30, 2016 submitted to the competent authorities a rehabilitation agreement according to which a newly established company, 100% controlled by Sklavenitis Group ("NewCo"), undertakes certain rights and obligations of Marinopoulos. The lease contracts for the 7 properties owned by the Company which are leased to Marinopoulos as well as the total liabilities of the latter to the Company for accrued rentals of these properties until the day of the completion of the transaction will be transferred in NewCo. It is also noted that the indirect participation of Marinopoulos in Chris Cash & Carry Ltd, with which the Company has signed an agreement dated June 30, 2016 for the acquisition of two properties in Limassol, Cyprus, will be also transferred in NewCo. According to this agreement, the aforementioned receivables of the Company from rentals will be paid in 36 equal monthly installments within 60 working days from the day of the completion of the transaction. Based on the above, on June 30, 2016 the difference between the fair value of these receivables from rentals compared to their amortized cost is not material and therefore a provision for impairment was not required to be recognized in the current period income statement.

There are no other significant events subsequent to the date of the financial statements relating to the Group or the Company for which disclosure is required by the IFRSs.