LAMDA Development S.A.

Condensed separate and consolidated interim financial statements in accordance with International Financial Reporting Standards («IFRS»)

1 January – 31 March 2014

G.E.MI. :3379701000

(Former S.A. REG.No: 3039/06/B/86/28)

37A Kifissias Ave., 15123, Maroussi

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language.
In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

Statement of financial position

all amounts in € thousands	Note	GROUP 31.03.2014	GROUP 31.12.2013 (1)	COMPANY 31.03.2014	COMPANY 31.12.2013
ASSETS					
Non-current assets					
Investment property	5	388.177	388.177	1.840	1.840
Property, plant and equipment	6	4.663	4.651	214	235
Investments in subsidiaries	7	0	0	212.968	212.478
Investments in joint ventures and associates	7	115.176	115.024	38.256	38.706
Deferred income tax assets		7.105	6.705	1.488	1.076
Trade and other receivables		4.558	4.780	88.371	88.594
		519.679	**519.338**	**343.138**	**342.929**
Current assets					
Inventories		83.410	83.190	-	-
Trade and other receivables		25.674	30.423	21.611	26.358
Current income tax assets		4.578	4.593	3.808	3.794
Cash and cash equivalents	9	35.944	32.586	8.218	7.597
		149.605	**150.791**	**33.637**	**37.750**
Total assets		**669.284**	**670.129**	**376.775**	**380.679**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Ordinary shares		219.953	219.953	219.953	219.953
Other reserves		7.480	9.579	4.933	7.145
Retained earnings		23.059	20.106	(44.514)	(43.969)
		250.492	249.638	180.372	183.129
Non-controlling interests		(87)	(83)	-	-
Total equity		**250.404**	**249.555**	**180.372**	**183.129**
LIABILITIES					
Non-current liabilities					
Borrowings	11	237.907	240.078	65.900	66.350
Deferred income tax liabilities		24.812	23.862	-	-
Retirement benefit obligations		407	407	379	379
Other non-current liabilities		15.832	15.898	19.000	19.000
		278.958	**280.243**	**85.279**	**85.729**
Current liabilities					
Trade and other payables		27.501	28.695	12.324	13.020
Current income tax liabilities		1.183	916	-	-
Derivative financial instruments	10	269	542	-	-
Borrowings	11	110.968	110.179	98.800	98.800
		139.921	**140.331**	**111.124**	**111.820**
Total liabilities		**418.879**	**420.574**	**196.403**	**197.550**
Total equity and liabilities		**669.284**	**670.129**	**376.775**	**380.679**

(1) Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

These condensed consolidated and Company interim financial statements of LAMDA Development SA have been approved for issue by the Company's Board of Directors on May 9, 2014.

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Income Statement

Continuing operations *(all amounts in € thousands)*	Note	GROUP 01.01.2014 to 31.03.2014	GROUP 01.01.2013 to 31.03.2013 (1)	COMPANY 01.01.2014 to 31.03.2014	COMPANY 01.01.2013 to 31.03.2013
Revenue		11.031	13.178	329	322
Cost of inventory sales		(36)	(49)	-	-
Other direct property operating expenses		(3.394)	(3.350)	-	-
Employee benefits expense		(1.633)	(1.971)	(1.192)	(1.307)
Depreciation of property, plant, equipment and intangible assets		(241)	(466)	(23)	(40)
Operating lease payments		(163)	(1.727)	(224)	(266)
Other operating income / (expenses) - net		(989)	(1.708)	(444)	(349)
Operating profit / (loss)		**4.576**	**3.908**	**(1.554)**	**(1.641)**
Finance income		232	566	402	710
Finance costs		(3.750)	(3.847)	(2.017)	(1.987)
Share in profit of joint ventures and associates		601	(6.379)	-	-
Profit / (loss) before income tax		**1.660**	**(5.752)**	**(3.169)**	**(2.918)**
Income tax expense		(986)	(5.885)	412	(715)
Profit / (loss) for the period from continuing operations		**675**	**(11.637)**	**(2.757)**	**(3.633)**
Discontinued operations *(all amounts in € thousands)*					
Profit for the period from discontinued operations		-	187	-	-
Profit / (loss) for the period		**675**	**(11.450)**	**(2.757)**	**(3.633)**
Profit / (loss) attributable to:					
Owners of the parent		678	(11.148)	(2.757)	(3.633)
Non-controlling interests		(3)	(302)	-	-
		675	**(11.450)**	**(2.757)**	**(3.633)**
Earnings per share from continuing and discontinued operations attributable to owners of the parent during the period *(expressed in € per share)*					
Basic earnings per share	16				
- From continuing operations		0,02	(0,28)	(0,07)	(0,09)
- From discontinued operations		0,00	0,00	0,00	0,00
		0,02	**(0,28)**	**(0,07)**	**(0,09)**
Diluted earnings per share	16				
- From continuing operations		0,02	(0,28)	(0,07)	(0,09)
- From discontinued operations		0,00	0,00	0,00	0,00
		0,02	**(0,28)**	**(0,07)**	**(0,09)**

(1) Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

(2) The share in profit of joint ventures and associates of the comparative period 1.1-31.3.2013, embodies mainly the increase in the deferred tax liability of the Group's joint ventures due to the change in tax rate from 20% to 26%.

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Total Comprehensive Income Statement

Continuing operations *(all amounts in € thousands)*	GROUP 01.01.2014 to 31.03.2014	GROUP 01.01.2013 to 31.03.2013	COMPANY 01.01.2014 to 31.03.2014	COMPANY 01.01.2013 έως 31.03.2013
Profit / (loss) for the period from continuing operations	**675**	**(11.637)**	**(2.757)**	**(3.633)**
Profit for the period from discontinued operations	**-**	**187**	**-**	**-**
Cash flow hedges, after tax	202	475	-	139
Currency translation differences	(26)	-	-	-
Items that may be subsequently reclassified to profit or loss	**176**	**475**	**-**	**139**
Total comprehensive (loss) / income for the period	**850**	**(10.976)**	**(2.757)**	**(3.494)**
Profit / (loss) attributable to:				
Owners of the parent	854	(10.674)	(2.757)	(3.494)
Non-controlling interests	(3)	(302)	-	-
	850	**(10.976)**	**(2.757)**	**(3.494)**
Total comprehensive income/(loss) attributable to equity holders of the parent				
Continuing operations	854	(10.860)	(2.757)	(3.494)
Discontinued operations	-	187	-	-
	854	**(10.674)**	**(2.757)**	**(3.494)**

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Statement of changes in equity (Consolidated)

all amounts in € thousands	Attributable to equity holders of the parent				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total		
GROUP						
1 January 2013 (issued)	**219.591**	**11.718**	**64.999**	**296.308**	**4.699**	**301.007**
Adjustments (1)	-	(1.995)	1.995	-	-	-
1 January 2013 (restated)	**219.591**	**9.723**	**66.993**	**296.307**	**4.699**	**301.007**
Total Income:						
Profit/(loss) for the period	-	-	(11.148)	(11.148)	(302)	(11.450)
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	475	-	475	-	475
Currency translation differences	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**475**	**(11.148)**	**(10.674)**	**(302)**	**(10.976)**
Transactions with the shareholders:						
Purchase of treasury shares	(26)	-	-	(26)	-	(26)
Other reserves	-	9	(9)	-	-	-
	(26)	**9**	**(9)**	**(26)**	**-**	**(26)**
31 March 2013	**219.565**	**10.207**	**55.836**	**285.609**	**4.397**	**290.005**
1 January 2014 (issued)	**219.953**	**11.439**	**18.246**	**249.638**	**(83)**	**249.555**
Adjustments (1)	-	(1.860)	1.860	-	-	-
1 January 2014 (restated)	**219.953**	**9.579**	**20.106**	**249.638**	**(83)**	**249.555**
Total Income:						
Profit/(loss) for the period	-	-	678	678	(3)	675
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	202	-	202	-	202
Currency translation differences	-	(26)	-	(26)	-	(26)
Total comprehensive income for the period	**-**	**176**	**678**	**854**	**(3)**	**850**
Transactions with the shareholders:						
Transfer from tax free reserves to retained earnings	-	(2.275)	2.275	-	-	-
31 March 2014	**219.953**	**7.480**	**23.059**	**250.492**	**(87)**	**250.405**

(1) *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Statement of changes in equity (Company)

all amounts in € thousands	Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total equity
COMPANY				
1 January 2013	**219.591**	**7.508**	**(24.619)**	**202.479**
Total Income:				
Loss for the period	-	-	(3.633)	(3.633)
Other comprehensive income for the period:				
Cash flow hedges, after tax	-	139	-	139
Total comprehensive income for the period	**-**	**139**	**(3.633)**	**(3.494)**
Transactions with the shareholders:				
Purchase of treasury shares	(26)	-	-	(26)
31 March 2013	**219.565**	**7.647**	**(28.252)**	**198.959**
1 January 2014	**219.953**	**7.145**	**(43.969)**	**183.129**
Total Income:				
Loss for the period	-	-	(2.757)	(2.757)
Total comprehensive income for the period	**-**	**-**	**(2.757)**	**(2.757)**
Transactions with the shareholders:				
Transfer from tax free reserves to retained earnings	-	(2.212)	2.212	-
Purchase of treasury shares	-	-	-	-
	-	(2.212)	2.212	-
31 March 2014	**219.953**	**4.933**	**(44.514)**	**180.372**

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Cash Flow Statement

all amounts in € thousands	Note	GROUP 01.01.2014 to 31.03.2014	GROUP 01.01.2013 έως 31.03.2013 (1)	COMPANY 01.01.2014 to 31.03.2014	COMPANY 01.01.2013 έως 31.03.2013 (1)
Cash flows from operating activities					
Cash generated from / (used in) operations	12	8.153	3.088	2.841	(1.866)
Interest paid		(3.526)	(3.956)	(1.845)	(1.850)
Income tax paid		(251)	(120)	(14)	(66)
Net cash used in operating activities		**4.377**	**(988)**	**982**	**(3.782)**
Cash flows from investing activities					
Purchases of ppe and investment property	5,6	(252)	(81.309)	(3)	(18)
Loans granted from related parties		-	-	-	4.000
Interest received		238	644	131	483
Increase / (decrease) in share capital of investments	7	450	-	(40)	(41.485)
Cash flows from investing activities from discontinued operations		-	(4)	-	-
Net cash (used in) / generated from investing activities		**436**	**(80.669)**	**88**	**(37.020)**
Cash flows from financing activities					
Purchase of treasury shares		-	(26)	-	(26)
Dividends paid to the owners of the parent company		-	(2)	-	(2)
Borrowings transaction costs		-	(917)	-	-
Borrowings granted	11		40.000	-	-
Repayments of borrowings	11	(1.252)	(11.955)	(450)	(9.125)
Capital repayments of finance leases	11	(203)	(201)	-	-
Net cash (used in) / generated from financing activities		**(1.455)**	**26.900**	**(450)**	**(9.153)**
Net increase / (decrease) in cash and cash equivalents		**3.358**	**(54.757)**	**620**	**(49.955)**
Cash and cash equivalents at beginning of the period	9	32.586	110.326	7.597	78.441
Cash and cash equivalents at end of the period from discontinued operations		-	(2.757)	-	-
Cash and cash equivalents at end of the period	9	**35.944**	**52.811**	**8.218**	**28.486**

(1) *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

The notes on pages 8 to 33 form an integral part of this condensed interim financial information.

Notes to the condensed separate and Consolidated interim financial statements

1. General information

These financial statements consist of the separate financial statements of the company LAMDA Development S.A. (the "Company") and the consolidated financial statements of the Company and its subsidiaries (together "the Group") for the period ended March 31, 2014. The names of the subsidiaries are presented in note 7 of these financial statements.

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

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

The Company is incorporated and domiciled in Greece. The address of its registered office is 37^{A} Kifissias Ave., 15123, Maroussi with the Number in the General Electronic Commercial Registry: 3379701000 (former Register of Societes Anonymes Number: 3039/06/B/86/28) and its website address is www.Lamda-development.net. The Company is controlled by Consolidated Lamda Holdings S.A. which is domiciled in Luxembourg and therefore the Group's financial statements are included in its consolidated financial statements. The company Consolidated Lamda Holdings S.A. is controlled by Latsis family.

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

During the current period, the following events have occurred:

- **Participation in contest of HELLINIKON – Hellenic Republic Asset Development Fund (HRADF)**

  LAMDA Development S.A. was the only company that submitted an offer to the Hellenic Republic Asset Development Fund (HRADF) for the contest related to the acquisition of (100%) of the share capital of "Hellinikon SA".

  After completion of the pre-contractual audit by the Court of Auditors, a special purpose entity (the "SPE"), in which the Company shall hold and maintain a shareholding of 33.34% will sign the share transfer contract with the HRADF and the Greek State (the "Agreement"). The Company is obligated to maintain its shareholding in the SPE for a period of at least three years from the actual date of transfer of the shares, referred to above. The Company will also be obligated to sign the Agreement as guarantor as regards timely and full payment of all obligations of the SPE for 27 years from the actual date of transfer of the shares, referred to above. The transfer of the shares will take place at a later stage and once the terms and conditions set out in the Agreement are completed. The deadline for fulfilling the terms and conditions is 2 years from the signing of the Agreement.

  As consideration for the acquisition of shares, the SPE will pay € 915 million within ten years of the transfer of the shares. The timetable for implementing the investment plan will span a total of 25 years from the date of transfer of the shares and is divided into phases. The first three phases will each span 5 year. In terms of the Agreement, the SPE will undertake to invest a total of at least € 4,6 billion during these first three 5-year phases.

  The Company is in discussions with potential investors regarding their participation in each part and stage of this long-term investment project which will evolve based on the progress that will be made in the implementation of the investment plan and the economic and general conditions that will prevail throughout the entire investment process.

- **Increase in the Company's share capital**

The Extraordinary General Meeting of the Company held on 29.04.2014 approved the raising of funds amounting to € 150,000,000, via a share capital increase by the Company. For this purpose, the Company will issue a maximum of 500,000,000 new common registered shares with a nominal value of € 0.30 each.

The number of new shares that will be issued will be established once the issue price for the new shares is determined by the Board of Directors, in terms of the authority given to it by the Extraordinary General Meeting that will have to aim of raising new funds amounting to € 150,000,000. Both the total number of new shares and the corresponding adjustment of the new share capital will be determined by the Board of Directors, in terms of the authority given to it by the Extraordinary General Meeting, upon certification of the payment of the new share capital.

In the placing of new shares, the Extraordinary General Meeting decided to grant pre-emptive rights to the existing shareholders of the Company and in the event that existing shareholders do not exercise these rights to authorize the Board of Directors to grant these rights to domestic and international investors.

These interim consolidated financial statements have been approved for issue by the Board of Directors on May 9, 2014 and are subject to the final approval of LAMDA Development SA's General Meeting of Shareholders.

2. Basis of preparation and summary of significant accounting policies

2.1. Basis of preparation

These separate and consolidated financial statements have been prepared by Management in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and specifically in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". These separate and consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013 which are available on the website address *www.Lamda-development.net*.

The accounting principles that have been used in the preparation and presentation of these interim financial statements are in accordance with those used for the preparation of the Company and Group annual financial statements as of December 31, 2013 with only exception the application of IFRS 11 effective from 1 January 2014. Further information in relation to the effect of IFRS 11 in the financial statements is provided in the note 2.2 Accounting principles as well as in the note 19 Reclassifications of comparatives IFRS 11.

The consolidated financial statements have prepared under the historical cost convention, except for the investment property, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value.

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

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

- **"The Mall Athens" - Lamda Olympia Village S.A.**

As described in detail in note 14 "Contingent liabilities and assets", in January 2104, the Hellenic Council of State approved the petition for annulment of Codified Law 3207/2003, according to the provisions of which the Olympic Press Village (or "Olympiako Chorio Typou") and the Commercial and Leisure Centre "The Mall Athens" were constructed. This decision by the Hellenic Council of State has no impact on the operations of "The Mall Athens" and it is anticipated that the operations will continue unhindered for the foreseeable future. Management is currently in the process of assessing the required actions that have been indicated by the Group's legal advisors in order to cope with this situation and will undertake all necessary actions to this direction.

- **Bank loans**

On 31 March 2014, existing bank loans of the Company and other Group companies amounting to Euro 111.3 million have been classified as current liabilities. According to the loan agreements a bond loan of Euro 97 million of the parent Company is set to be repaid in the period between June 2014 and December 2014.

In addition to the above, the bond loan of Euro 225 million of Lamda Olympian Village S.A. (of which the Group's proportionate share amounts to Euro 112.5 million), and the bond loan of Euro 52.5 million of Singidunum Buildings DOO (of which the Group's proportionate share amounts to Euro 26.3 million) which from 1 January 2014 are not presented in short term liabilities due to the change in accounting presentation (see note 2.2 Accounting principles as well as in the note 19 Reclassifications of comparatives IFRS 11, are set to be repaid in the period between July 2014 and October 2014. For the bond loans of the company Lamda Olympia Village S.A. and Singidunum Buildings DOO the Company does not provide any security.

With respect to the refinancing of the Group's bank loans, Management is at an advanced stage of discussions with all its finance providers and believes that the bank loans will be refinanced successfully prior to them falling due. Specifically with respect to the Company's bond loan amounting to Euro 97 million, the Company has received signed confirmations from all bondholders of their intention to refinance the bond loan subject to the agreement of the refinancing terms and conditions. In respect of the bond loan of Singidunum Buildings DOO, amounting to Euro 52.5 million (of which the Group's proportionate share amounts to Euro 26.3 million), the company is in the process of coming to an agreement for the refinancing terms which, when completed, will result in the repayment date to be set to 23 July 2018.

The factors above have been taken into account by Management when preparing the financial statements for the year ended 31 March 2014 and on the basis of its assessment of these matters and the fact that the Group's major shareholder continues to support the Group in all aspects of its operations, Management has concluded that the Group will meet all its financing and operating requirements in the foreseeable future.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial statements and the amounts of income and expense during the reporting period. Although these estimates are based on the best knowledge of management in relation to the current conditions and actions, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 of the financial statements for the year ended 31 December 2013.

2.2. Accounting principles

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

Standards and Interpretations effective for the current financial year

IAS 32 (Amendment) "Financial Instruments: Presentation"

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment), which had an impact on the financial statements of the Group. The main provisions are as follows.

IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

This standard becomes effective for annual periods beginning on or after 1 January 2014. The application of this new standard will impact the financial position of the Group by eliminating proportionate consolidation of the joint ventures which are disclosed in note 7. By implementing the new standard, the Group will account for joint ventures on an equity basis. Specifically, the impact of IFRS 11 on the current financial year financial position (which will be the comparative financial year in the financial statements as at 31 December 2013), is estimated to as follows: a decrease in investment property by €207m, a decrease in inventories by €42m, a decrease in borrowings by €144m and an increase in investments in joint ventures by €111m. There will be no significant impact on the Group's net equity or its net loss for the year. The effect of the application of the new standard is analyzed in the note 19 Reclassifications of comparatives IFRS 11.

IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities"

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make.

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets"

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

Standards and Interpretations effective for subsequent periods

IAS 19R (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 July 2014)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. These amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 2 "Share-based payment"

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

IFRS 3 "Business combinations"

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

IFRS 8 "Operating segments"

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

IFRS 13 "Fair value measurement"

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

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

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

IAS 24 "Related party disclosures"

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

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to four IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 "Fair value measurement"

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

IFRS 9 "Financial Instruments"

IFRS 9 replaces part of IAS 39 which deals with the classification and measurement of financial assets and financial liabilities. The IASB ("International Accounting Standards Board") intends to expand IFRS 9 in subsequent phases. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU.

IFRS 9 "Financial Instruments: Hedge accounting and amendments to IFRS 9, IFRS7 and IAS 39"

The IASB has published IFRS 9 Hedge Accounting, the third phase of its replacement of IAS 39 which establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The second amendment requires changes in the fair value of an entity's debt attributable to changes in an entity's own credit risk to be recognised in other comprehensive income and the third amendment is the removal of the mandatory effective date of IFRS 9. These amendments have not yet been endorsed by the EU.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"

The amendment requires additional disclosures on transition from IAS 39 to IFRS 9. The amendment has not yet been endorsed by the EU.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. This interpretation has not yet been endorsed by the EU.

3. Fair value estimation

The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of financial instruments by category as well as the fair value hierarchy levels is disclosed in note 8.

4. Segment information

Primary reporting format – business segments

The Group is organised into two business segments:

(1) Real Estate

(2) Marine Services

At 31 March 2014 and following the change in the consolidation method of the Company's associates in Marine Services, this segment is no more regarded as significant and therefore from now on there will be no specific reference in the Group's segment information.

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

The segment results for the three month period ended 31 March 2014 were as follows:

	Real estate		
Continuing operations *(all amounts in € thousands)*	Greece	Balkans	Total
Revenue from third parties	**11.031**	**-**	**11.031**
EBITDA	**6.687**	**(190)**	**6.497**

The segment results for the three month period ended 31 March 2013 were as follows:

	Real estate		Marine Services	
Continuing operations (all amounts in € thousands)	Greece	Balkans	Greece	Total
Total revenue	**10.832**	**5**	**2.359**	**13.196**
Inter-segment revenue	(19)	-	-	(19)
Revenue from third parties [1]	**10.814**	**5**	**2.359**	**13.178**
EBITDA [1]	**6.722**	**(232)**	**(469)**	**6.021**

[1] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

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

31 March 2014	Real estate		
	Greece	Balkans	Total
Assets per segment	**554.276**	**115.008**	**669.285**
Liabilities per segment	**418.305**	**573**	**418.879**

31 December 2013 [1]	Real estate		
	Greece	Balkans	Total
Assets per segment	**555.441**	**114.688**	**670.130**
Liabilities per segment	**420.090**	**484**	**420.574**

[1] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

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

Continuing operations (all amounts in € thousands)

Reconciliation of total loss for the period	**31.03.2014**	**31.03.2013** [1]
EBITDA	6.497	6.021
Corporate overheads	(1.680)	(1.647)
Depreciation	(241)	(466)
Share of profit / (loss) from associates	601	(6.379)
Finance income	232	566
Finance costs	(3.750)	(3.847)
Profit / (loss) before income tax	**1.660**	**(5.752)**
Income tax	(986)	(5.885)
Profit / (loss) for the period	**675**	**(11.637)**

[1] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

5. Investment property

all amounts in € thousands	GROUP 31.03.2014	GROUP 31.12.2013 (1)	COMPANY 31.03.2014	COMPANY 31.12.2013
1 January 2014	388.177	331.584	1.840	1.840
Usufruct upon the right of exploitation of IBC	-	81.000	-	-
Subsequent expenditure on investment property	-	1.483	-	-
Net loss from fair value adjustment on investment	-	(25.890)	-	-
31 March 2014	**388.177**	**388.177**	**1.840**	**1.840**

(1) The investment property of "The Mall Athens" of the company Lamda Olympia Village S.A. with fair value of €410m (Group's proportion €205m) has been reclassified according to IFRS 11, as presented in note 19 Reclassifications of comparatives IFRS 11.

Bank borrowings are secured on the property "The Mall Athens" owned by the joint venture "LAMDA Olympia Village SA" for the value of €336m. Securities on all investment property of the Group amount to €189m, based on the shareholding in each company consolidated.

The investment property includes property under finance lease that amounts to €7.5m and property under operating lease that amounts to €325m.

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

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

More precisely, 89% of total fair value of the Group's investment property relates to Shopping Centers and 4% to Office Buildings. For both type of property, the valaution was determined using the DCF approach with the following significant assumptions:

- With regards to the Shopping Centers, The Mall Athens has a freehold status, Mediterranean Cosmos is held under a lease that expires in Q4 2035 and Golden Hall, following the recent developments described above, has a 90 year exploitation period. As far as the office buildings are concerned, they are owned by the Group.

- In short, the yields according to the latest valuations at 31 December 20013 are as follows:

	Yield
Malls	
The Mall	7,3%
Mediterranean Cosmos	10,0%
Golden Hall	8,5%
Office buildings	
Cecil, Kefalari	9,0%
Kronos Building, Maroussi	8,9%

- In relation to the annual consideration that every tenant of the Malls pays (Base Consideration – fixed consideration that is set in the contract), it is adjusted annually according to the CPI plus a slight indexation which is differentiated between the tenants. The average CPI that has been used over the period is 2%.

The table below presents two basic scenarios in relation to the impact on the valutions of the following investment properties of an increase in the yields by 25 basis points (+ 0,25%) or a decrease in EBITDA by €1m per Shopping Mall.

Interest held in the Group	**Yield**	**EBITDA / NOI**
all amounts in € thousands	+ 0,25%	- €1m.
The Mall	6,9	6,8
Mediterranean Cosmos	3,8	10,1
Golden Hall	5,7	11,7
Malls	**16,5**	**28,6**
Cecil, Kefalari	0,7	
Kronos Building, Maroussi	0,2	
Office buildings	**0,9**	
Total	**17,4**	**28,6**

6. Property, plant and equipment

all amounts in € thousands	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Assets under construction	Total
GROUP - Cost						
1 January 2013 (1)	**37.748**	**14.476**	**4.935**	**2.529**	**1.947**	**61.634**
Additions	25	-	-	14	252	292
Transfer to held for sale-beginning of period	(7.536)	(343)	(898)	(92)	-	(8.869)
31 March 2013 (1)	**30.236**	**14.133**	**4.036**	**2.452**	**2.199**	**53.057**
1 January 2014 (1)	**909**	**5.341**	**4.446**	**2.485**	**359**	**13.539**
Additions	26	-	4	1	221	252
31 March 2014	**935**	**5.341**	**4.450**	**2.486**	**579**	**13.791**
Accumulated depreciation						
1 January 2013 (1)	**(12.427)**	**(4.490)**	**(3.630)**	**(2.507)**	**-**	**(23.054)**
Depreciation charge	(166)	(152)	(140)	(9)	-	(466)
Transfer to held for sale-beginning of period	1.695	145	699	71	-	2.610
31 March 2013 (1)	**(10.898)**	**(4.497)**	**(3.071)**	**(2.445)**	**-**	**(20.911)**
1 January 2014 (1)	**(324)**	**(2.993)**	**(3.104)**	**(2.467)**	**-**	**(8.887)**
Depreciation charge	(25)	(86)	(122)	(8)	-	(241)
31 March 2014	**(349)**	**(3.079)**	**(3.226)**	**(2.474)**	**-**	**(9.128)**
Closing net book amount at 31 March 2013 (1)	**19.339**	**9.636**	**965**	**6**	**2.199**	**32.146**
Closing net book amount at 31 March 2014	**586**	**2.262**	**1.224**	**12**	**579**	**4.663**

(1) *Adjusted amounts due to the revised IFRS 11 “Joint arrangements” (see note 19).*

all amounts in € thousands	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Total
COMPANY - Cost					
1 January 2013	**300**	**95**	**1.149**	**2.429**	**3.973**
Additions	-	-	3	15	18
31 March 2013	**300**	**95**	**1.152**	**2.443**	**3.991**
1 January 2014	**300**	**90**	**1.164**	**2.448**	**4.002**
Additions	-	-	2	-	2
31 March 2014	**300**	**90**	**1.166**	**2.448**	**4.005**
Accumulated depreciation					
1 January 2013	**(194)**	**(46)**	**(981)**	**(2.404)**	**(3.625)**
Depreciation charge	(3)	(3)	(29)	(6)	(40)
31 March 2013	**(196)**	**(49)**	**(1.010)**	**(2.410)**	**(3.665)**
1 January 2014	**(205)**	**(53)**	**(1.086)**	**(2.423)**	**(3.768)**
Depreciation charge	(3)	(3)	(14)	(4)	(23)
31 March 2014	**(208)**	**(56)**	**(1.100)**	**(2.427)**	**(3.791)**
Closing net book amount at 31 March 2013	**104**	**46**	**142**	**34**	**326**
Closing net book amount at 31 March 2014	**92**	**34**	**66**	**22**	**214**

7. Investments in subsidiaries, associates and other investments

The Group's structure on March 31, 2014 is as follows:

Company			% interest held
LAMDA Development SA			Parent company
Subsidiaries			
LAMDA Estate Development SA	Greece		100,0%
KRONOS PARKING SA	Greece	Indirect	100,0%
LAMDA Prime Properties SA	Greece		100,0%
PYLAIA SA	Greece	Indirect	100,0%
LAMDA Erga Anaptyxis SA	Greece		100,0%
LAMDA Domi SA	Greece		100,0%
LD Trading SA	Greece		100,0%
LAMDA Waste Management SA	Greece		100,0%
GEAKAT SA	Greece		100,0%
MC Property Management SA	Greece		100,0%
LAMDA Development DOO Beograd	Serbia		100,0%
Property Development DOO	Serbia		100,0%
Property Investments DOO	Serbia		100,0%
LAMDA Development Montenegro DOO	Montenegro		100,0%
LAMDA Development Romania SRL	Romania		100,0%
Robies Proprietati Imobiliare SRL	Romania	Indirect	90,0%
SC LAMDA Properties Development SRL	Romania	Indirect	95,0%
LAMDA Development Sofia EOOD	Bulgaria		100,0%
TIHI EOOD	Bulgaria	Indirect	100,0%
LAMDA Development (Netherlands) BV	Netherlands		100,0%
Robies Services Ltd	Cyprus		90,0%

Company			% interest held
Joint ventures			
LAMDA Olympia Village SA	Greece		50,0%
LAMDA Dogus Marina Investments SA	Greece		50,0%
LAMDA Flisvos Marina SA	Greece	Indirect	27,0%
LAMDA Flisvos Holding SA	Greece	Indirect	35,0%
LAMDA Akinhta SA	Greece		50,0%
LOV Luxembourg SARL	Luxembourg	Indirect	50,0%
Singidunum-Buildings DOO	Serbia	Indirect	50,0%
Lamda Singidunum Netherlands BV	Netherlands	Indirect	50,0%
SC LAMDA Olympic SRL	Romania		50,0%
GLS OOD	Bulgaria	Indirect	50,0%
Associates			
ECE LAMDA HELLAS SA	Greece		34,0%
N.DOXA - LD TRADING LTD	Greece	Indirect	45,0%
ATHENS METROPOLITAN EXPO SA	Greece		11,7%
METROPOLITAN EVENTS	Greece	Indirect	11,7%
Piraeus Metropolitan Center SA	Greece		19,5%
SC LAMDA MED SRL	Romania	Indirect	40,0%
EUROBANK PROPERTY SERVICES SA	Romania		20,0%
ERB PROPERTY SERVICES D.O.O. BEOGRAD	Serbia		20,0%
ERB PROPERTY SERVICES SOFIA A.D.	Bulgaria		20,0%

(a) Investment in subsidiaries

The Company's investments in subsidiaries are analyzed as follows:

Name	Country of incorporation	% interest held	31.03.2014 Carrying amount	31.12.2013 Carrying amount
LAMDA ESTATE DEVELOPMENT SA	Greece	100%	28.183	28.183
LAMDA PRIME PROPERTIES SA	Greece	100%	9.272	9.272
LAMDA ERGA ANAPTYXIS SA	Greece	100%	2.170	2.170
LAMDA DOMI SA	Greece	100%	74.000	74.000
LD TRADING SA	Greece	100%	910	910
PYLAIA SA	Greece	60%	4.035	4.035
LAMDA WASTE MANAGEMENT SA	Greece	100%	150	150
GEAKAT SA	Greece	100%	7.663	7.663
MC PROPERTY MANAGEMENT SA	Greece	75%	745	745
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	323	283
LAMDA DEVELOPMENT D.O.O. (BEOGRAD)	Serbia	100%	942	942
PROPERTY DEVELOPMENT D.O.O.	Serbia	100%	9.551	9.101
PROPERTY INVESTMENTS LTD	Serbia	100%	1	1
LAMDA DEVELOPMENT ROMANIA SRL	Romania	100%	541	541
ROBIES SERVICES LTD	Cyprus	90%	56	56
LAMDA DEVELOPMENT (NETHERLANDS) BV	Netherlands	100%	73.828	73.828
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	600	600
Investment in subsidiaries			**212.969**	**212.479**

The movement in investment in subsidiaries is as follows:

	COMPANY	
all amounts in € thousands	31.03.2014	31.12.2013
1 January 2014	**212.478**	**183.407**
Increase in share capital	490	46.858
Decrease in share capital	-	(1.192)
Provision for impairment	-	(13.500)
Disposal / contribution of investments	-	(3.095)
31 March 2014	**212.968**	**212.478**

The above movements were the result of the the following significant events occurred during the year ended 31 March 2014:

Share capital increase

During the current period, the subsidiaries LAMDA Development Sofia EOOD and Property Development DOO increased their share capital by €40k and €450k respectively.

(b) Company's investments in joint ventures

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

COMPANY			31.03.2014	31.12.2013
Name	Country of incorporation	% interest held	Carrying amount	Carrying amount
LAMDA OLYMPIA VILLAGE SA	Greece	50,00%	28.681	28.681
LAMDA AKINHTA SA	Greece	50,00%	4.454	4.904
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	3.077	3.077
S.C. LAMDA OLYMPIC SRL	Romania	50,00%	1	1
Investment in joint ventures			**36.212**	**36.662**

During the current period, the joint venture of LAMDA Akinhta SA decreased its share capital by €450k.

(c) Group's investment in joint ventures

GROUP			31.03.2014			31.12.2013 [1]		
Name	Country of incorporation	% interest held	Cost	Share in profit	Carrying amount	Cost	Share in profit	Carrying amount
LAMDA OLYMPIA VILLAGE SA	Greece	50,00%	28.681	63.688	**92.369**	28.681	62.629	**91.310**
LAMDA AKINHTA SA	Greece	50,00%	4.454	(504)	**3.950**	4.904	(498)	**4.406**
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	3.077	(1.711)	**1.366**	3.077	(1.493)	**1.584**
SINGIDUNUM-BUILDINGS DOO	Serbia	50,00%	21.883	(10.516)	**11.367**	21.883	(10.199)	**11.684**
GLS OOD	Bulgaria	50,00%	3.591	(1.757)	**1.835**	3.591	(1.753)	**1.839**
S.C. LAMDA OLYMPIC SRL	Romania	50,00%	708	(702)	**6**	708	(702)	**6**
TOTAL			**62.393**	**48.499**	**110.893**	**62.843**	**47.985**	**110.828**

[1] *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

During the current period, the Company's subsidiary LAMDA Development Netherlands BV participated in the establishment of the joint venture Lamda Singidunum Netherlands BV contributing the amount of €20k.

(d) Other investments of the Company and the Group

The Group has the following other investments:

GROUP			31.03.2014			31.12.2013 [1]		
Name	Country of incorporation	% interest held	Cost	Share in profit	Carrying amount	Cost	Share in profit	Carrying amount
ECE LAMDA HELLAS SA	Greece	34,00%	204	740	**944**	204	650	**854**
N.DOXA - LD TRADING LTD (Indirect)	Greece	45,00%	225	(225)	**-**	225	(225)	**-**
ATHENS METROPOLITAN EXPO SA	Greece	11,67%	1.559	-	**1.559**	1.559	-	**1.559**
PIRAEUS METROPOLITAN CENTER SA	Greece	19,50%	140	-	**140**	140	-	**140**
EUROBANK PROPERTY SERVICES SA	Romania	20,00%	30	56	**86**	30	56	**86**
ERB PROPERTY SERVICES SOFIA A.D.	Bulgaria	20,00%	15	372	**387**	15	371	**387**
ERB PROPERTY SERVICES D.O.O. BEOGRAD	Serbia	20,00%	20	87	**107**	20	90	**110**
LOV LUXEMBOURG SARL (Indirect)	Luxembourg	25,00%	75	-	**75**	75	-	**75**
S.C. LAMDA MED SRL (Indirect)	Romania	40,00%	1	984	**986**	1	984	**986**
TOTAL			**2.270**	**2.014**	**4.284**	**2.270**	**1.927**	**4.197**

[1] *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

The movement of the investment in other companies is as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.03.2014	31.12.2013 [1]	31.03.2014	31.12.2013
1 January 2014	**4.197**	**4.854**	**2.043**	**2.028**
Increase in share capital	-	83	-	16
Share in profit	87	(27)	-	-
Dividends effect	-	(714)	-	-
31 March 2014	**4.284**	**4.197**	**2.043**	**2.043**

[1] *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

8. Financial instruments by category

all amounts in € thousands	Fair Value Hierarchy (note 3.3)	GROUP 31.03.2014	GROUP 31.12.2013	COMPANY 31.03.2014	COMPANY 31.12.2013
Assets					
Trade and other receivables		14.391	14.524	481	126
Less: provision for impairment of trade receivables		(7.703)	(7.836)	-	-
Trade receivables - net	3	**6.687**	**6.688**	**481**	**126**
Other receivables	3	2.586	2.702	415	717
Receivables and loans to related parties	3	2.651	2.341	92.456	92.313
Receivables from disposal of investment	3	2.712	2.925	2.712	2.925
Restricted cash	1	12.516	17.508	12.516	17.508
Cash and cash equivalents	1	35.944	32.586	8.218	7.597
Total		**63.096**	**64.749**	**116.797**	**121.188**

GROUP

all amounts in € thousands	Fair Value Hierarchy (note 3.3)	31.03.2014 Derivatives used for hedging	31.03.2014 Liabilities at amortized cost	31.03.2014 Total	31.12.2013 Derivatives used for hedging	31.12.2013 Liabilities at amortized cost	31.12.2013 Total
Liabilities							
Borrowings	3	-	348.875	**348.875**	-	350.256	**350.256**
Finance lease liabilities	3	-	6.139	**6.139**	-	6.343	**6.343**
Derivative financial instruments	3	269	-	**269**	542	-	**542**
Trade and other payables (excluding payables to public sector)	3	-	32.511	**32.511**	-	33.933	**33.933**
Interest payable	3	-	1.500	**1.500**	-	1.351	**1.351**
Total		**269**	**389.026**	**389.295**	**542**	**391.882**	**392.424**

COMPANY

all amounts in € thousands		31.03.2014 Derivatives used for hedging	31.03.2014 Liabilities at amortized cost	31.03.2014 Total	31.12.2013 Derivatives used for hedging	31.12.2013 Liabilities at amortized cost	31.12.2013 Total
Liabilities							
Borrowings	3	-	164.700	**164.700**	-	165.150	**165.150**
Trade and other payables (excluding payables to public sector)	3	-	30.092	**30.092**	-	30.037	**30.037**
Interest payable	3	-	448	**448**	-	454	**454**
Total		**-**	**195.240**	**195.240**	**-**	**195.641**	**195.641**

[1] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

9. Cash and cash equivalents

all amounts in € thousands	GROUP 31.03.2014	GROUP 31.12.2013 [1]	COMPANY 31.03.2014	COMPANY 31.12.2013
Cash at banks	10.606	11.707	1.382	760
Cash in hand	298	392	6	8
Short-term bank deposits	25.040	20.487	6.830	6.830
Total	**35.944**	**32.586**	**8.218**	**7.597**

[1] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

Cash and cash equivalents include the above for the purposes of the cash flow statement.

No significant losses are expected in view of the credit rating of the banks where the Group keeps its cash and cash equivalents.

10. Derivative financial instruments

	GROUP				COMPANY			
	31.03.2014		31.12.2013		31.03.2014		31.12.2013	
all amounts in € thousands	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps - cash flow hedges	-	269	-	542	-	-	-	-
Total	**-**	**269**	**-**	**542**	**-**	**-**	**-**	**-**
Non-current	-	-	-	-	-	-	-	-
Current	-	269	-	542	-	-	-	-
Total	**-**	**269**	**-**	**542**	**-**	**-**	**-**	**-**

The above derivative financial instruments relate to interest rate swaps.

The derivative financial instruments are recognised as non-current liabilities in the statement of financial position when the remaining period to maturity exceeds 12 months.

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

The nominal value of borrowings that are hedged as at 31 March 2014 was €42m. The interest rate swaps have been measured at fair value estimated by the counterparty bank. As at 31 March 2014 the long-term borrowings floating rates hedged by interest rate swaps ranged at 3-month Euribor plus margin 4.0%.

11. Borrowings

	GROUP		COMPANY	
all amounts in € thousands	31.03.2014	31.12.2013 (1)	31.03.2014	31.12.2013
Non-current				
Bond borrowings	232.801	234.772	65.900	66.350
Finance lease liabilities	5.106	5.305	-	-
Total non-current	**237.907**	**240.078**	**65.900**	**66.350**
Current				
Bond borrowings	109.935	109.142	98.800	98.800
Finance lease liabilities	1.034	1.037	-	-
Total current	**110.968**	**110.179**	**98.800**	**98.800**
Total borrowings	**348.875**	**350.256**	**164.700**	**165.150**

The movements in borrowings are as follows:

12 months ended 31 December 2013 *(amounts in € thousands)*	GROUP	COMPANY
Balance at 1 January 2013 (1)	360.660	178.125
Bond borrowings	40.000	-
Disposal of investments / Change in consolidation method	(24.673)	-
Borrowings transaction costs	(1.155)	-
Amortization of borrowings transaction costs	276	(12.975)
Borrowings repayments	(23.879)	-
Capital repayments of finance leases	(973)	-
Balance at 31 December 2013	**350.256**	**165.150**

3 months ended 31 March 2014 *(amounts in € thousands)*	GROUP	COMPANY
Balance at 1 January 2014	350.256	165.150
Amortization of borrowings transaction costs	74	-
Borrowings repayments	(1.252)	(450)
Capital repayments of finance leases	(203)	-
Balance at 31 March 2014	**348.875**	**164.700**

[(1)] Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).

Borrowings are secured by mortgages on the Group's land and buildings (note 5), by additional pledges of each subsidiary's shares and by assignment of receivables of subsidiaries which have borrowings and insurance claims.

Amortization of borrowings transaction costs of €1.3m are included in the total borrowings as at 31 March 2014, out of which €0.3m is applied to current borrowings whereas the rest €1m is applied to non-current borrowings.

The maturity of non-current borrowings is as follows:

	GROUP		COMPANY	
all amounts in € thousands	**31.03.2014**	**31.12.2013 [(1)]**	**31.03.2014**	**31.12.2013**
Between 1 and 2 years	51.426	14.854	33.900	1.800
Between 2 and 5 years	136.999	175.745	32.000	64.550
Over 5 years	49.482	49.478	-	-
	237.907	**240.078**	**65.900**	**66.350**

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

The effective weighted average interest rates at March 31, 2014 are as follows:

	GROUP	COMPANY
Current bond borrowings	4,13%	4,26%
Non-current bond borrowings	3,74%	4,22%

At 31/3/2014, the average base effective interest rate of the Group is 0.62% and the average bank spread is 3.25%. Therefore, the Group's total effective interest rate is 3.87%.

The Company's bond loans have the following financial covenants: at Company level (Issuer) the total borrowings (current and non-current) to total equity should not exceed 1.5 and at Group level the total borrowings to total equity should not exceed 3. In addition, for a specific bond loan of the parent Company there is an additional covenant: The interest Cover Ratio at Group level should not exceed 1,25 which is also satisfied. Moreover, the syndicated loan of €87m, granted by the following banking institutions: Eurobank Ergasias, Alpha Bank, National Bank of Greece, HSBC has the following covenants: Loan to Value < 60% and Debt Service Coverage Ratio > 120.

Finance leases

	GROUP		COMPANY	
all amounts in € thousands	**31.03.2014**	**31.12.2013**	**31.03.2014**	**31.12.2013**
Finance lease liabilities- minimum lease payments				
Not later than 1 year	1.139	1.088	-	-
Later than 1 year but not later than 5 years	5.172	5.343	-	-
Total	**6.311**	**6.432**	-	-
Less: Future finance charges on finance leases	(172)	(89)	-	-
Present value of finance lease liabilities	**6.139**	**6.343**	-	-

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

all amounts in € thousands	31.03.2014	31.12.2013	31.03.2014	31.12.2013
Not later than 1 year	1.034	1.037	-	-
Between 1 and 5 years	5.106	5.305	-	-
Total	**6.139**	**6.343**	**-**	**-**

12. Cash generated from operations

		GROUP		COMPANY	
all amounts in € thousands	Note	01.01.2014 to 31.03.2014	01.01.2013 to 31.03.2013 (1)	01.01.2014 to 31.03.2014	01.01.2013 to 31.03.2013
Profit/(loss) for the period from continuing operations		675	(11.637)	(2.757)	(3.633)
Profit for the period from discontinued operations		-	187	-	-
Adjustments for:					
Tax		986	5.885	(412)	715
Depreciation of property, plant and equipment	6	241	466	23	41
Provision for impairment of trade receivables		-	280	-	-
Share of profit from associates	7	(601)	6.379	-	-
Interest income		(232)	(566)	(402)	(710)
Interest expense		3.750	3.847	2.017	1.987
		4.817	**4.839**	**(1.531)**	**(1.599)**
Changes in working capital:					
(Increase) / decrease in inventories		(220)	36	-	-
(Increase) / decrease in receivables		4.965	71	5.241	(211)
Decrease in payables		(1.409)	(2.361)	(869)	(55)
Cash flows from operating activities from discontinued operations		-	504	-	-
		3.336	**(1.751)**	**4.372**	**(267)**
Cash generated from / (used in) operations		**8.153**	**3.088**	**2.841**	**(1.866)**

(1) *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

13. Commitments

Capital commitments

There is no capital expenditure that has been contracted for but not yet incurred at the balance sheet date.

Operating lease commitments

The Group leases tangible assets, land, buildings, vehicles and mechanical equipment under operating leases. Total future lease payments under operating leases are as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.03.2014	31.12.2013 (1)	31.03.2014	31.12.2013
No later than 1 year	3.254	3.331	840	843
Later than 1 year and not later than 5 years	13.859	14.170	3.469	3.451
Later than 5 years	82.887	86.311	1.654	1.884
Total	**100.000**	**103.813**	**5.963**	**6.178**

(1) *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

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

14. Contingent liabilities and assets

The Group and the Company have contingencies in respect of bank guarantees, other guarantees and other matters arising in the ordinary course of business, for which no significant additional liabilities are expected to arise as follows:

	GROUP		COMPANY	
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
Liabilities *(all amounts in € thousands)*				
Letters of guarantee to creditors	21.726	6.726	16.603	1.603
Letters of guarantee to customers securing contract performance	19	19	-	-
Mortgages over land & buildings	188.900	188.900	-	-
Guarantees to banks	57.192	62.192	43.632	43.632
Total	**267.837**	**257.837**	**60.236**	**45.236**

Other Liabilities include pledged shares of subsidiaries. According to the terms of the pledge, the assigned right of the pledge extends to the potential income from such shares.

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

- The Company has not been audited by tax authorities for the years 2009 and 2010. For further information regarding the Group's unaudited fiscal years refer to note 17. As a result, the Group’s tax obligations have not been finalized.

- At the subsidiary company LAMDA Olympia Village (ex DIMEPA) a property transfer tax of €10,1m approximately has been imposed. The Company has taken recourse to the administrative courts, paying the amount of €836k during 2005, €146k approximately during 2006 and €27k during 2007 (which is included in Deposits and Other Debtors). Out of the 40 recourses which have been filed, eight (8), amounting to €5,1m, have been accepted, one (1) amounting to €100k has been partially accepted, thirty-one (31) have been rejected and for one (1) the decision is still pending. Following the rejection of the latter recourses on first instance, the Company had to pay €2.9 in 2012. Against all the recourses that have been rejected or have been partially accepted the Company has filed or is about to file appeals (with the exception of one recourse where an appeal cannot be filed, due to the amount of the litigation). If the outcome of the case is negative, according to the share sale agreement between the Municipality of Amaroussion and the Company, the total obligation will be on the Municipality, as it relates to transfers of properties before the acquisition of the shares of the subsidiary by the Company.

- Five (5) petitions for annulment have been filed and were pending before the Council of State for the subsidiary company “LAMDA Olympia Village SA”, in relation to the plot of land where the Olympic Press Village (or “Olympiako Chorio Typou”) and the Commercial and Leisure Centre “The Mall Athens” were built. More specifically: the first of these petitions was heard on 3.5.2006 and the decision no 391/2008 of the Fifth Chamber of the Council of State was issued committing for the Plenary Session of the Council of State. Further to successive postponements the case was heard on 5.3.2010. By virtue of its decision No 376/2014, the Plenary Session accepted the said petition and the Court annulled the silent confirmation by the competent planning authority of the Ministry of Environment, Planning & Public Works (namely, DOKK) that the studies of the project submitted to such authority were compliant with article 6 paragraphs 1 and 2 of Law 3207/2003. The Council of State annulled the aforementioned act, because it identified irregularities of a procedural nature in the issuance of the licenses required for the project. In light of such nature of the identified irregularities, it is estimated that they may be rectified, pursuant to the procedure required further to the issuance of the said decision.

- The second petition was heard on 02.04.2014, further to successive postponements, and the issuance of a decision is still pending. In light of the aforementioned decision of the Court’s Plenary Session, the Company’s legal advisors believe that said petition will be rejected due to the lack of an object of litigation. The hearing for the remaining three petitions had been set on 06.05.2014 (again, further to successive postponements) but it has been postponed again for 11.11.2014. In light of the aforementioned decision of the Court's Plenary Session, the Company's legal advisors believe that the third and fourth petitions for annulment will be accepted. The fifth petition for annulment will probably be rejected on the grounds that the matter falls outside of the Court's jurisdiction (the decision under annulment not being an enforceable administrative act).

- Contractor "MICHANIKI SA" undertook a significant part of the construction works for the "Mediterranean Cosmos" shopping centre in Pylaia, Thessaloniki. Both "PYLAIA SA", a subsidiary of the Company, and "MICHANIKI SA" have filed actions and counter-actions against each other, which were jointly heard on 1.4.2009. The Athens Multimember Court of 1st Instance issued decision 8172/2009 according to which the actions of "PYLAIA SA" were rejected whereas an expert was appointed in relation to the actions of "MICHANIKI SA". "PYLAIA SA" appealed against that decision and the hearing of the appeal took place, following postponements, on 28.02.2013 before the Athens Court of Appeal. The Athens Court of Appeal issued decision No. 3977/ 2013 which rejected the appeal of "PYLAIA S.A.". The Company will submit an appeal on points of law before the Supreme Court. Additionally, the hearing of the actions of "MICHANIKI SA" will take place on 27.05.2015, following a postponement, which was decided at the hearing of the case on 13.03.2013, following the submission to the Court of the expert's report which is favorable to "PYLAIA SA". Moreover, "PYLAIA SA" filed an action against "MICHANIKI SA" on 24.12.2010 for additional compensation from the above causes, the hearing of which has been set, following postponements, on 25.02.2015. Finally, "MICHANIKI S.A." filed a new lawsuit seeking compensation for amounts that "PYLAIA S.A." had collected from Alpha Bank by forfeiture of "MICHANIKI S.A."'s bank bonds. The lawsuit is set to be heard on 28.05.2015. The amount of total claims of "PYLAIA SA" against "MICHANIKI SA" is €20m (which includes the amount of €2,5m for moral damages), while "MICHANIKI SA" with said actions claims the amount of €37m (including the amount of €10.5m in compensation for moral damages). In any case, the Company's legal advisors believe that the legitimate claims of "PYLAIA SA" against "MICHANIKI SA" significantly exceed the legitimate claims of the latter against "PYLAIA SA".

- Regarding the expropriation procedure of SINGIDUNUM-BUILDINGS, part of the land acquired by SINGIDUNUM-BUILDINGS was expropriated on behalf of JP PUTEVI SRBIJE, which is a public company. As in the procedure before the competent municipality, an agreement between SINGIDUNUM-BUILDINGS and JP PUTEVI SRBIJE could not be reached, the procedure was transferred to the Municipal court. Basically, there were two separate court procedures, both of which were ruled in favour of SINGIDUNUM-BUILDINGS. First instance decisions obliged JP PUTEVI SRBIJE to compensate SINGIDUNUM-BUILDINGS with the amounts of 95m rsd (€838 th) and 279m rsd (€2.5m). The court procedure for 95m rsd (€838 th) has been finally ruled and executed, meaning that the second instance court confirmed the first instance decision, and JP PUTEVI SRBIJE has executed it in total. At this moment the second instance decision for the amount of 279m rsd (€2.5m) is awaited, as it is in the competence of the High court of Belgrade. Having in mind the identical factual and legal situation of both cases, a positive decision in this case is expected as well.

- "Public Properties Company S.A." (hereinafter "PPC"), which had leased at the past the International Broadcasting Center (IBC) to the subsidiary company "LAMDA DOMH S.A." (hereinafter "LAMDA DOMI"), has filed before the Athens One-member Court of First Instance an action for payment of an amount of Euro 2,5 million for due rents. The hearing of the said action will take place on 12.12.2014. LAMDA DOMI has already included in its financial statements respectively a provision for Euro 1,4 million but does not acknowledge the total amount that PPC claims as due. Taking into account all the circumstances of the case, the legal advisors of the Company estimate that the coverage of the said claim on the basis of the respective provision of the financial statements is quite possible.

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

15. Related party transactions

The Group of "EFG Eurobank Ergasias SA" is not included (after 28/2/2013) in LAMDA Development SA Group related parties as at 31/12/2013, following the acquisition of the majority of its shares as well as its control from the Hellenic Financial Stability Fund.

The following transactions were carried out with related parties:

	GROUP		COMPANY	
all amounts in € thousands	01.01.2014 to 31.03.2014	01.01.2014 to 31.03.2014 (1)	01.01.2014 to 31.03.2014	01.01.2014 to 31.03.2014 (1)
i) Sales of goods and services				
- sales of services	181	240	285	287
	181	**240**	**285**	**287**
ii) Purchases of goods and services				
- purchases of services	1.205	1.247	215	278
	1.205	**1.247**	**215**	**278**
iii) Key management compensation				
- salaries and other short-term employee benefits	129	134	129	134
	129	**134**	**129**	**134**

iv) Period-end balances from sales-purchases of goods/servises

	GROUP		COMPANY	
all amounts in € thousands	31.03.2014	31.12.2013 (1)	31.03.2014	31.12.2013 (1)
Receivables from related parties:				
- parent	165	91	-	-
- associates	1.493	1.173	509	153
	1.658	**1.263**	**509**	**153**
Payables to related parties:				
- parent	8	-	-	-
- associates	2.010	2.101	11	9
	2.018	**2.101**	**11**	**9**
v) Loans to associates:				
Balance at the beginning of the period	**1.778**	**1.707**	**92.160**	**90.965**
Interest charged	18	72	295	1.195
Balance at the end of the period	**1.796**	**1.778**	**92.456**	**92.160**
vi) Loans from associates:				
Balance at the beginning of the period	**15.795**	**88.787**	**19.752**	**49.665**
Derecognition of related party (1)	-	(73.708)	-	(34.586)
Loans granted during the period	-	-	-	4.000
Borrowings transaction costs	-	-	-	(96)
Amortization of borrowings transaction costs	-	-	5	18
Interest paid	-	-	(44)	(115)
Interest charged	177	717	222	867
Balance at the end of the period	**15.972**	**15.795**	**19.935**	**19.752**

(1) *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

Services from and to related parties, as well as sales and purchases of goods, are based on the price lists in force with non-related parties. The Group loans to and from related parties are included in note 11.

16. Earnings per share

Basic

Basic earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares outstanding during the period

Continuing operations	**GROUP**		**COMPANY**	
all amounts in € thousands	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**
Profit / (loss) attributable to equity holders of the Company	**678**	**(11.298)**	**(2.757)**	**(3.633)**
Weighted average number of ordinary shares in issue	40.915	40.784	40.915	40.784
Basic profit / (losses) per share *(in € per share)*	**0,02**	**(0,28)**	**(0,07)**	**(0,09)**

Discontinued operations	**GROUP**		**COMPANY**	
all amounts in € thousands	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**
Profit attributable to equity holders of the Company	**-**	**149**	**-**	**-**
Weighted average number of ordinary shares in issue	-	40.784	-	-
Basic profit per share *(in € per share)*	**0,00**	**0,00**	**0,00**	**0,00**

Diluted

Continuing operations	**GROUP**		**COMPANY**	
all amounts in € thousands	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**
Profit / (loss) used to determine dilluted earnings per share	**678**	**(11.298)**	**(2.757)**	**(3.633)**
Weighted average number of ordinary shares in issue	40.915	40.784	40.915	40.784
Adjustment for share options:				
Employees share option scheme	123	196	123	196
Weighted average number of ordinary shares for dilluted earnings per share	**41.038**	**40.981**	**41.038**	**40.981**
Diluted profit / (losses) per share *(in € per share)*	**0,02**	**(0,28)**	**(0,07)**	**(0,09)**

Discontinued operations	**GROUP**		**COMPANY**	
all amounts in € thousands	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**	**01.01.2014 to 31.03.2014**	**01.01.2013 to 31.03.2013**
Profit used to determine dilluted earnings per share	**-**	**149**	**-**	**-**
Weighted average number of ordinary shares in issue	-	40.784	-	-
Adjustment for share options:				
Employees share option scheme	-	196	-	-
Weighted average number of ordinary shares for dilluted earnings per share	**-**	**40.981**	**-**	**-**
Diluted profit per share *(in € per share)*	**0,00**	**0,00**	**0,00**	**0,00**

[(1)] *Adjusted amounts due to the revised IFRS 11 "Joint arrangements" (see note 19).*

There were no dilutive potential ordinary shares. Therefore, the diluted earnings per share are the same as the basic earnings per share for all periods presented.

17. Income tax expense and fiscal years unaudited by the tax authorities

The income tax expense is based on the Management estimations of the weighted average tax rate that is expected to be applicable to profits throughout the year. Due to the increased transactions during to the ordinary course of business, the ultimate tax determination is uncertain. The Group's companies are subject to income taxes in numerous jurisdictions. In addition, the tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Romania 16%, Serbia 10%, Bulgaria 10%, Montenegro 9% and Netherlands 25.5%.

For conservative purposes, the Group has not recognized deferred tax asset for tax losses of €48m. Also, the Company has not recognized deferred tax asset for tax losses of €3.6m.

Audit Tax certificate

From the 2011 financial year and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by paragraph 5 of Article 82 of L.2238/1994. This "Annual Tax Certificate" must be issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm.

Greek consolidated companies of LAMDA Group at 31/03/2014

LAMDA Development SA	
LAMDA Olympia Village SA	KRONOS PARKING SA
PYLAIA SA	LAMDA Erga Anaptyxis SA
LAMDA Domi SA	LAMDA Flisvos Holding SA
LAMDA Flisvos Marina SA	LAMDA Waste Management SA
LAMDA Prime Properties SA	GEAKAT SA
LAMDA Estate Development SA	ECE LAMDA HELLAS SA
LAMDA Akinhta SA	MC Property Management SA
LAMDA Dogus Marina Investments SA	ATHENS METROPOLITAN EXPO SA
LD Trading SA	Piraeus Metropolitan Center SA

In relation to the financial year that ended at 31/12/2013 for the Company and the Greek Group companies (except those that are not subject to audit) as they are described above, the tax audit is still in progress by PricewaterhouseCoopers S.A. and the respective tax certificate will be issued according to the deadlines of the law, after the financial statements of the first quarter of 2014 are issued. Respectively, the tax audit for Athens Metropolitan Expo SA is performed by Audit Services SA whereas for Piraeus Metropolitan Center SA is performed by ICRA International Audit SACAA.

Unaudited tax years

Company	Fiscal years unaudited by the tax authorities	Company	Fiscal years unaudited by the tax authorities
LAMDA Development SA	2009-2010	N.DOXA - LD TRADING LTD	2012-2013
LAMDA Olympia Village SA	2008-2010	LAMDA Development DOO Beograd	2003-2013
PYLAIA SA	2010	Property Development DOO	2010-2013
LAMDA Domi SA	2010	Property Investments DOO	2008-2013
LAMDA Flisvos Marina SA	2007-2010	LAMDA Development Romania SRL	2010-2013
LAMDA Prime Properties SA	2010	LAMDA Development Sofia EOOD	2006-2013
LAMDA Estate Development SA	2010	SC LAMDA MED SRL	2005-2013
LD Trading SA	2010	EUROBANK PROPERTY SERVICES SA	2005-2013
KRONOS PARKING SA	2010	ERB PROPERTY SERVICES D.O.O. BEOGRAD	2005-2013
LAMDA Erga Anaptyxis SA	2010	ERB PROPERTY SERVICES SOFIA A.D.	2005-2013
LAMDA Flisvos Holding SA	2010	LAMDA Development Montenegro DOO	2007-2013
LAMDA Waste Management SA	2010	LAMDA Development (Netherlands) BV	2008-2013
GEAKAT SA	2010	Robies Services Ltd	2007-2013
ECE LAMDA HELLAS SA	2010	Robies Proprietati Imobiliare SRL	2007-2013
MC Property Management SA	2010	SC LAMDA Properties Development SRL	2007-2013
LAMDA Akinhta SA	2010	SC LAMDA Olympic SRL	2002-2013
LAMDA Dogus Marina Investments SA	2013	Singidunum-Buildings DOO	2007-2013
ATHENS METROPOLITAN EXPO SA	2010	GLS OOD	2006-2013
METROPOLITAN EVENTS	2012-2013	LOV Luxembourg SARL	2013
Piraeus Metropolitan Center SA	2010	TIHI EOOD	2008-2013

For the unaudited tax years, there is a possibility of additional tax imposition and added increment, at the time that they are audited and finalized.

The Group provides, when considered appropriate, and on a company by company basis for possible additional taxes that may be imposed by the tax authorities. The total amount of the cumulative provision made for the Group's and Company's unaudited, by the tax authorities, years amount to €1,4m and €0,7m respectively.

18. Number of employees

Number of employees at the end of the period: Group 148, Company 64 (three month period ended 31 March 2013: Group 210, Company 6) from which there are no seasonal (three month period ended 31 March 2013: Group 0, Company 0).

19. Reclassifications of comparatives IFRS 11

This standard becomes effective for annual periods beginning on or after 1 January 2014. The application of this new standard will impact the financial position of the Group by eliminating proportionate consolidation of the joint ventures which are disclosed in note 7. By implementing the new standard, the Group will account for joint ventures on an equity basis. Specifically, the impact of IFRS 11 on the previous financial year’s financial position (which will be the comparative financial year in the financial statements as at 31 December 2013), is estimated to as follows: a decrease in investment property by €207m, a decrease in inventories by €42m, a decrease in borrowings by €144m and an increase in investments in joint ventures by €111m. There will be no significant impact on the Group’s net equity or its net loss for the period.

The effect of the application of the new standard is analyzed as follows:

Statement of financial position	GROUP			GROUP		
all amounts in € thousands	31.12.2013 (issued)	Impact of IFRS 11	31.12.2013 (restated)	01.01.2013 (issued)	Impact of IFRS 11	01.01.2013 (restated)
ASSETS						
Non-current assets						
Investment property	594.959	(206.782)	388.177	550.863	(219.279)	331.584
Property, plant and equipment	11.732	(7.081)	4.651	38.875	(297)	38.579
Investments in joint ventures and associates	4.121	110.903	115.024	4.854	124.337	129.192
Deferred income tax assets	7.032	(327)	6.705	5.434	(231)	5.203
Trade and other receivables	19.892	(15.111)	4.780	14.851	(13.996)	855
	637.737	**(118.399)**	**519.338**	**614.878**	**(109.465)**	**505.413**
Current assets						
Inventories	125.678	(42.488)	83.190	130.194	(43.138)	87.056
Trade and other receivables	33.547	(3.124)	30.423	29.202	(3.284)	25.918
Current income tax assets	4.604	(12)	4.593	3.637	(142)	3.495
Cash and cash equivalents	42.864	(10.278)	32.586	116.387	(6.062)	110.326
	206.693	**(55.902)**	**150.791**	**279.420**	**(52.627)**	**226.794**
Total assets	**844.430**	**(174.300)**	**670.129**	**894.298**	**(162.091)**	**732.207**
EQUITY AND LIABILITIES						
Equity attributable to equity holders of the parent						
Ordinary shares	219.953	-	219.953	219.591	-	219.591
Other reserves	11.439	(1.860)	9.579	11.718	(1.995)	9.723
Retained earnings/(accumulated losses)	18.246	1.860	20.106	64.999	1.995	66.994
	249.638	-	249.638	296.308	-	296.308
Non-controlling interests	(83)	-	(83)	4.699	-	4.699
Total equity	**249.555**	**-**	**249.555**	**301.007**	**-**	**301.007**
LIABILITIES						
Non-current liabilities						
Borrowings	240.078	-	240.078	427.091	(112.142)	314.949
Deferred income tax liabilities	53.803	(29.941)	23.862	46.218	(24.925)	21.294
Derivative financial instruments	-	-	-	1.680	-	1.680
Retirement benefit obligations	421	(14)	407	435		435
Other non-current liabilities	9.025	6.872	15.898	10.775	6.800	17.576
	303.326	**(23.083)**	**280.243**	**486.199**	**(130.266)**	**355.933**
Current liabilities						
Trade and other payables	35.389	(6.695)	28.695	34.159	(5.565)	28.595
Current income tax liabilities	1.191	(276)	916	681	-	681
Derivative financial instruments	542	-	542	283	-	283
Borrowings	254.426	(144.247)	110.179	71.970	(26.260)	45.710
	291.549	**(151.219)**	**140.331**	**107.094**	**(31.825)**	**75.268**
Total liabilities	**594.875**	**(174.300)**	**420.574**	**593.293**	**(162.091)**	**431.201**
Total equity and liabilities	**844.430**	**(174.300)**	**670.129**	**894.298**	**(162.091)**	**732.207**

Income statement	GROUP			GROUP		
	01.01.2013 to 31.03.2013	Impact of	01.01.2013 to 31.03.2013	01.12.2013 to 31.12.2013	Impact of	01.12.2013 to 31.12.2013
Continuing operations *(all amounts in € thousands)*	(issued)	IFRS 11	(restated)	(issued)	IFRS 11	(restated)
Revenue	17.432	(4.255)	13.178	64.489	(19.808)	44.681
Net loss from fair value adjustment on investment property	-	-	-	(38.581)	12.692	(25.890)
Provision for inventory impairment		-	-	(4.833)	100	(4.733)
Cost of inventory sales	(49)	-	(49)	(227)	-	(227)
Other direct property operating expenses	(4.578)	1.229	(3.350)	(21.183)	5.261	(15.922)
Employee benefits expense	(1.985)	14	(1.971)	(8.505)	379	(8.125)
Depreciation of property, plant, equipment and intangible ass	(500)	35	(466)	(1.552)	328	(1.224)
Operating lease payments	(1.899)	173	(1.727)	(2.585)	1.484	(1.102)
Profits from disposal of associates	-	-	-	175	(62)	112
Other operating income / (expenses) - net	(1.602)	(106)	(1.708)	(7.175)	1.676	(5.499)
Operating profit / (loss)	**6.818**	**(2.911)**	**3.908**	**(19.977)**	**2.049**	**(17.928)**
Finance income	746	(180)	566	2.439	(764)	1.675
Finance costs	(5.595)	1.748	(3.847)	(22.639)	7.514	(15.126)
Share in profit of joint ventures and associates	195	(6.574)	(6.379)	(102)	(14.672)	(14.775)
Profit / (loss) before income tax	**2.164**	**(7.917)**	**(5.752)**	**(40.280)**	**(5.874)**	**(46.153)**
Income tax expense	(13.801)	7.917	(5.885)	(9.049)	5.874	(3.175)
Profit / (loss) for the period from continuing operations	**(11.637)**	**-**	**(11.637)**	**(49.329)**	**-**	**(49.329)**
Discontinued operations *(all amounts in € thousands)*						
Profit for the period from discontinued operations	187	-	187	698	-	698
Profit / (loss) for the period	**(11.450)**	**-**	**(11.450)**	**(48.631)**	**-**	**(48.631)**
Profit / (loss) attributable to:						
Owners of the parent	(11.148)	-	(11.148)	(48.599)	-	(48.599)
Non-controlling interests	(302)	-	(302)	(32)	-	(32)
	(11.450)	**-**	**(11.450)**	**(48.631)**	**-**	**(48.631)**

Cash flow	GROUP			GROUP		
all amounts in € thousands	01.01.2013 to 31.03.2013	Impact of	01.01.2013 to 31.03.2013	01.12.2013 to 31.12.2013	Impact of	01.12.2013 to 31.12.2013
	(issued)	IFRS 11	(restated)	(issued)	IFRS 11	(restated)
Net cash used in operating activities	**14**	**1.002**	**(988)**	**(78)**	**4.034**	**(4.112)**
Net cash (used in) / generated from investing activities	**(80.707)**	**(38)**	**(80.669)**	**(77.647)**	**39**	**(77.686)**
Net cash (used in) / generated from financing activities	**26.900**	**-**	**26.900**	**13.862**	**(432)**	**14.294**
Net increase / (decrease) in cash and cash equivalents	**(53.794)**	**963**	**(54.757)**	**(63.863)**	**3.640**	**(67.503)**

20. Events after the balance sheet date

At the Extraordinary General Meeting of shareholders of the Company, which held a meeting on 29 April 2014 decided the increase of the share capital of the Company with a view to raising funds up to one hundred and fifty million Euro (€150,000,000.00) by payment in cash and through the issuance of up to 500.000.000 new common, registered, voting shares with a nominal value €0.30 each, and with preemptive rights of the existing shareholders in accordance with the relevant provisions of c.l. 2190/1920 and the Company's Articles of Association. Also,the afore-mentioned Extraordinary General Meeting, decided the granting of authorization to the Board of Directors in accordance with article 13 par. 6 of c.l. 2190/1920 in order to determine the subscription price of the New Shares, within a deadline not exceeding one (1) year. The time limit for the payment of the share capital increase shall last four (4) months from the date of the determination of the subscription price by the Board of Directors and such time limit may be further extended by one (1) month, in accordance with article 11 par. 4 of c.l. 2190/1920.

Also, at the afore-mentioned Extraordinary General Meeting of shareholders of the Company, the Consolidated Lamda Holdings S.A., as the main shareholder of the Company with interest held at 61.88% of the share capital and the preemptive rights, stated (according to the article 4.1.4.1.2 of the Athens Stock Exchange Regulations) in relation to the imminent share capital increase of the Company that intends to:

- Exercise the preemptive rights that corresponds to their participation in total,
- Cover the shares that might not be exercised after the end of the period of exercising the preemptive rights and the actions that the BoD is going to take for the exercise of those shares, and
- To maintain its participation in the Company and at least for the period that are determined by the above mentioned Athens Stock Exchange Regulations.

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

Report on Review of Interim Financial Information

To the Shareholders of "LAMDA Development S.A."

Introduction

We have reviewed the accompanying condensed company and consolidated balance sheet of "LAMDA Development S.A." as of 31 March 2014 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the three-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

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

Conclusion

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

Emphasis of matter

We draw attention to Note 2 of the interim condensed financial information that discloses various matters that the Group is facing and which also describes Management's assessment of these matters. These matters relate to uncertainties in which a potential negative outcome, whether cumulatively or individually, could have an impact on the Group's activities.

Our conclusion is not qualified with respect to the matter described above.

Athens, 9 May 2014
The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
268 Kifissias Avenue,
153 32 Halandri
Athens, Greece
SOEL Reg No 113

Konstantinos Michalatos
SOEL Reg No 17701