LAMDA Development S.A.

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

1 January – 30 September 2018

G.E.MI.: 3379701000

37A Kifissias Ave.

15123, Maroussi

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language.

In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

Statement of financial position

		GROUP		COMPANY	
all amounts in € thousands	**Note**	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
ASSETS					
Non-current assets					
Investment property	5	807.500	768.415	1.840	1.840
Property, plant and equipment	6	5.326	4.476	634	647
Investments in subsidiaries	7	-	-	279.317	285.018
Investments in joint ventures and associates	7	27.614	26.542	7.869	8.261
Deferred tax assets		11.188	11.436	10.037	8.348
Derivative financial instruments	13	222	45	-	-
Other non-current receivables		27.673	4.070	8.785	18.576
		879.523	**814.983**	**308.483**	**322.692**
Current assets					
Inventories		9.936	10.226	-	-
Trade and other receivables		36.819	33.984	25.484	27.130
Current tax assets		3.128	3.120	2.982	2.972
Financial instruments held at fair value through profit or loss	9	7.347	28.155	6.751	27.557
Cash and cash equivalents	10	77.424	86.244	24.512	29.894
		134.653	**161.729**	**59.730**	**87.554**
Total assets		**1.014.176**	**976.713**	**368.213**	**410.245**
EQUITY AND LIABILITIES					
Equity					
Share capital and share premium	11	376.800	376.800	376.800	376.800
Other reserves		6.554	6.419	3.007	3.007
Retained earnings/(Accumulated losses)		(43.805)	(70.377)	(176.773)	(148.218)
		339.548	312.842	203.034	231.589
Non-controlling interests		72.834	64.536	-	-
Total equity		**412.382**	**377.377**	**203.034**	**231.589**
LIABILITIES					
Non-current liabilities					
Borrowings	12	215.739	236.125	-	-
Deferred tax liabilities		121.198	105.858	-	-
Employee benefit obligations		1.120	1.120	775	775
Other non-current liabilities		970	1.066	41.509	40.765
		339.026	**344.169**	**42.284**	**41.540**
Current liabilities					
Trade and other payables		48.944	47.787	14.911	13.980
Current tax liabilities		3.244	1.392	-	-
Derivative financial instruments	13	-	225	-	-
Borrowings	12	210.580	205.762	107.985	123.137
		262.768	**255.167**	**122.896**	**137.117**
Total liabilities		**601.794**	**599.335**	**165.180**	**178.657**
Total equity and liabilities		**1.014.176**	**976.713**	**368.213**	**410.245**

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 November 29, 2018.

The notes on pages 9 to 38 form an integral part of this condensed interim financial information.

Income Statement

all amounts in € thousands	Note	GROUP 01.01.2018 to 30.09.2018	GROUP 01.01.2017 to 30.09.2017	COMPANY 01.01.2018 to 30.09.2018	COMPANY 01.01.2017 to 30.09.2017
Revenue		57.709	41.235	2.513	1.686
Dividends		-	-	3.262	420
Net gain/(loss) from fair value adjustment on investment property	5	45.585	135	-	-
Loss from inventory impairment		(170)	(7.338)	-	-
Cost of inventory-land sales		(120)	-	-	-
Other direct property operating expenses		(10.449)	(8.172)	-	-
Employee benefits expense		(5.870)	(6.093)	(4.550)	(4.301)
Depreciation of property, plant and equipment	6	(550)	(618)	(113)	(100)
Operating lease payments		(251)	(427)	(721)	(716)
Gains on disposal of interest held in investments		-	-	-	33.831
Losses from acquisition of interest held in investments		-	(10.733)	-	-
Other operating income / (expenses) - net		(4.256)	(5.237)	(2.858)	(3.833)
Operating profit/(loss)		**81.628**	**2.752**	**(2.466)**	**26.987**
Finance income		299	169	1.113	981
Finance costs		(19.628)	(15.212)	(8.306)	(8.323)
Share of net profit of investments accounted for using the equity method	7	(373)	2.916	-	-
Profit/(loss) before income tax		**61.926**	**(9.376)**	**(9.660)**	**19.645**
Income tax expense		(23.304)	(11.037)	1.690	(4.092)
Profit/(loss) for the period		**38.623**	**(20.413)**	**(7.970)**	**15.554**
Profit/(loss) attributable to:					
Equity holders of the parent		26.601	(22.020)	(7.970)	15.554
Non-controlling interests		12.021	1.608	-	-
		38.623	**(20.413)**	**(7.970)**	**15.554**
Earnings/(losses) per share attributable to the equity holders of the parent during the period (expressed in € per share)					
Basic	18	0,34	(0,28)	(0,10)	0,20
Diluted	18	0,34	(0,28)	(0,10)	0,20

The notes on pages 9 to 38 form an integral part of this condensed interim financial information.

Income Statement

all amounts in € thousands	GROUP 01.07.2018 to 30.09.2018	GROUP 01.07.2017 to 30.09.2017	COMPANY 01.07.2018 to 30.09.2018	COMPANY 01.07.2017 to 30.09.2017
Revenue	19.228	18.355	833	840
Cost of inventory-land sales	(120)	-	-	-
Other direct property operating expenses	(4.147)	(3.377)	-	-
Employee benefits expense	(1.877)	(1.738)	(1.496)	(1.354)
Depreciation of property, plant and equipment	(178)	(234)	(38)	(39)
Operating lease payments	(103)	(81)	(241)	(238)
Losses from acquisition of interest held in investments	-	(10.733)	-	-
Other operating income / (expenses) - net	(1.679)	(1.656)	(1.561)	(1.200)
Operating profit/(loss)	**11.124**	**537**	**(2.504)**	**(1.990)**
Finance income	201	124	1.031	387
Finance costs	(6.355)	(6.984)	(2.655)	(2.917)
Share of net profit of investments accounted for using the equity method	6	(602)	-	-
Profit/(loss) before income tax	**4.976**	**(6.925)**	**(4.128)**	**(4.520)**
Income tax expense	(2.244)	(3.117)	580	(24)
Profit/(loss) for the period	**2.732**	**(10.042)**	**(3.548)**	**(4.544)**
Profit/(loss) attributable to:				
Equity holders of the parent	1.502	(11.114)	(3.548)	(4.544)
Non-controlling interests	1.230	1.072	-	-
	2.732	**(10.042)**	**(3.548)**	**(4.544)**
Earnings/(losses) per share attributable to the equity holders of the parent during the period (expressed in € per share)				
Basic	0,02	(0,14)	(0,05)	(0,06)
Diluted	0,02	(0,14)	(0,05)	(0,06)

The notes on pages 9 to 38 form an integral part of this condensed interim financial information.

Total Comprehensive Income Statement

all amounts in € thousands	01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017	01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017
Profit/(loss) for the period	**38.623**	**(20.413)**	**(7.970)**	**15.554**
Cash flow hedges, after tax	160	225	-	-
Currency translation differences	(3)	64	-	-
Items that may be subsequently reclassified to profit or loss	**157**	**289**	**-**	**-**
Total comprehensive (losses)/income for the period	**38.780**	**(20.124)**	**(7.970)**	**15.554**

Profit/(loss) attributable to:				
Equity holders of the parent	26.708	(21.732)	(7.970)	15.554
Non-controlling interests	12.072	1.608	-	-
	38.780	**(20.124)**	**(7.970)**	**15.554**

The notes on pages 9 to 38 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					
	Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total	Non-controlling interests	Total equity
GROUP						
1 January 2017	**374.863**	**6.545**	**(26.147)**	**355.262**	**(191)**	**355.071**
Total Income:						
Profit/(loss) for the period	-	-	(22.020)	(22.020)	1.608	(20.413)
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	174	-	174	51	225
Currency translation differences	-	64	-	64	-	64
Total comprehensive (losses)/income for the period	**-**	**238**	**(22.020)**	**(21.783)**	**1.659**	**(20.124)**
Transactions with the shareholders:						
Transfer of interest held in participations	-	(865)	4.587	3.722	60.023	63.745
	-	**(865)**	**4.587**	**3.722**	**60.023**	**63.745**
30 September 2017	**374.863**	**5.918**	**(43.580)**	**337.201**	**61.490**	**398.692**
1 January 2018	**376.800**	**6.419**	**(70.377)**	**312.842**	**64.536**	**377.377**
Total Income:						
Profit for the period	-	-	26.601	26.601	12.021	38.623
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	109	-	109	51	160
Currency translation differences	-	(3)	-	(3)	-	(3)
Total comprehensive income for the period	**-**	**107**	**26.601**	**26.708**	**12.072**	**38.780**
Transactions with the shareholders:						
Reserves	-	28	(28)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	(3.778)	(3.778)
Share capital increase in subsidiaries	-	-	-	-	3	3
	-	28	(28)	-	(3.774)	(3.774)
30 September 2018	**376.800**	**6.554**	**(43.805)**	**339.548**	**72.834**	**412.382**

The notes on pages 9 to 38 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) (1)	Total equity
COMPANY				
1 January 2017	**374.863**	**2.999**	**(120.667)**	**257.195**
Total Income:				
Profit for the period	-	-	15.554	15.554
Total comprehensive income for the period	**-**	**-**	**15.554**	**15.554**
30 September 2017	**374.863**	**2.999**	**(105.113)**	**272.749**
1 January 2018 (released)	**376.800**	**3.007**	**(148.218)**	**231.589**
Adjustment IFRS 9	-	-	(20.585)	**(20.585)**
1 January 2018 (adjusted)	**376.800**	**3.007**	**(168.803)**	**211.004**
Total Income:				
Loss for the period	-	-	(7.970)	(7.970)
Total comprehensive losses for the period	**-**	**-**	**(7.970)**	**(7.970)**
30 September 2018	**376.800**	**3.007**	**(176.773)**	**203.034**

(1) At company level "Retained earnings/(Accumulated losses)"has been adjusted according to the amendments of IFRS 9, as mentioned in note 2.2 of the condensed interim financial statements for the period that ended 30.09.2018.

The notes on pages 9 to 38 form an integral part of this condensed interim financial information.

Cash Flow Statement

all amounts in € thousands	Note	GROUP 01.01.2018 to 30.09.2018	GROUP 01.01.2017 to 30.09.2017	COMPANY 01.01.2018 to 30.09.2018	COMPANY 01.01.2017 to 30.09.2017
Cash flows from operating activities					
Cash generated from / (used in) operations	14	11.970	20.226	(9.612)	(10.039)
Interest paid		(18.330)	(15.857)	(6.938)	(6.649)
Income taxes paid		(4.165)	(4.960)	(10)	(75)
Net cash inflow (outflow) from operating activities		**(10.524)**	**(591)**	**(16.560)**	**(16.762)**
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(1.735)	(321)	(99)	(242)
Proceeds from disposal of investment property	5	6.500	5.150	-	-
Dividends received		-	-	3.262	420
Loans to/from related parties	17	-	(360)	(618)	-
Interest received		271	173	268	220
Proceeds from repayment of loans granted to related parties		-	-	168	-
Proceeds from disposal/liquidation of participations		2.963	430	2.963	430
(Purchase)/sale of financial instruments held at fair value through profit or loss		20.539	(28.201)	20.539	(27.917)
Disposal of interest held in investments	7	-	(23.715)	-	(23.715)
Cash and cash equivalents during acquisition		-	26.461	-	-
(Increase)/decrease in the share capital of participations	7	(840)	(5.824)	6.093	(700)
Restricted cash		-	2.113	(5.000)	2.113
Net cash inflow (outflow) from investing activities		**27.699**	**(24.093)**	**27.576**	**(49.390)**
Cash flows from financing activities					
Share capital increase in subsidiaries from non-controlling interests		3	-	-	-
Dividends paid to non-controlling interests		(3.778)	-	-	-
Bond borrowings		32.180	-	25.000	-
Repayment of borrowings granted from related parties	17	-	-	(700)	(700)
Repayment of borrowings	12	(49.036)	(11.895)	(40.698)	(3.349)
Borrowings transaction costs	12	(364)	(1.403)	-	-
Restricted cash		(5.000)	-	-	-
Net cash inflow (outflow) from financing activities		**(25.995)**	**(13.298)**	**(16.398)**	**(4.049)**
Net increase (decrease) in cash and cash equivalents		**(8.820)**	**(37.982)**	**(5.382)**	**(70.200)**
Cash and cash equivalents at the beginning of the period	10	86.244	98.644	29.894	71.703
Cash and cash equivalents at end of the period	10	**77.424**	**60.662**	**24.512**	**1.502**

The notes on pages 9 to 38 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 include 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 nine month period ended September 30, 2018. The names of the subsidiaries are presented in note 7 of these financial statements. The annual financial statements of the Group's subsidiaries for the year that ended at December 30, 2017, have been uploaded at www.lamdadev.com.

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

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

The Company is incorporated and domiciled in Greece. The address of its registered office is 37[A] Kifissias Ave., 15123, Maroussi with the Number in the General Electronic Commercial Registry: 3379701000 and its website address is www.lamdadev.com. The Company Consolidated Lamda Holdings S.A., which is domiciled in Luxembourg, is the main shareholder of the Company as at 30.09.2018 with interest held at 53.82% of the share capital and therefore the Group's financial statements are included in its consolidated financial statements.

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

These condensed consolidated and Company interim financial statements of LAMDA Development SA have been approved for issue by the Company's Board of Directors on November 29, 2018.

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 2017 which are available on the website address www.lamdadev.com.

The accounting principles that have been used in the preparation and presentation of these interim financial statements are in accordance with those used for the preparation of the Company and Group annual financial statements as of December 31, 2017.

The individual figures of the income statement for the period of 01.01.2018-30.09.2018, at Group level, is not comparable to the ones of the respective period of 2017, due to the acquisition of 50% of LAMDA Olympia Village SA in July 2017. Following this acquisition, the Group applies the full method consolidation for LAMDA Olympia Village SA whereas in the first semester of 2017, the consolidation method used was the equity method.

These Company and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and present the financial position, results of operations and cash flows on a going concern basis which assumes that the Company has plans in place to avoid material disruptions to its operations and available financial resources to meet its operating requirements. In this respect Management has concluded that (a) the going concern basis of preparation of these financial statements is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company's accounting policies. The management is undergoing negotiations with the counterparties in relation to the refinancing of the Group short-term loans of €173.8m, a procedure that has not been completed until the date of these financial statements' release (note 12). The negotiations in respect of LAMDA DOMI SA bond loan refinancing have been completed with the contractual documents signed as at November 27, 2018 and the disbursement of Tranche A Bonds is anticipated on November 30, 2018.

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

- **Macroeconomic conditions in Greece**

The macroeconomic and financial environment in Greece shows continuous signs of stability. However, there is still uncertainty as the economy remains vulnerable at external factors. The capital controls that were initially imposed on the country at June 28, 2015, are still in force, but have been loosen. The latest related amendment was put in force at May 31, 2018.

The Group's operations in Greece are significant and the current macroeconomic conditions may affect the Group as follows:

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

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

- **Mediterranean Cosmos - Extension of the long-term lease**

The subsidiary company Pylaia S.A. at August 3, 2018 agreed with the Ecumenical Patriarchate, owner of the land plot on which the Company developed and operate the Mediterranean Cosmos Shopping Centre (the Centre), for the extension of the long-term lease of the said land plot area for 30 additional years, until 2065. The terms of the extension have been agreed since March, 2018. The positive effect of the agreement on the value of the Centre has been quantified by independent valuer and has been included in the results of the first semester 2018.

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

As described in detail in note 16 "Contingent liabilities and assets", in January 2014, the Hellenic Council of State approved the petition for annulment of Codified Law 3207/2003, according to the provisions of which the Olympic Press Village (or "Olympiako Chorio Typou") and the Commercial and Leisure Centre "The Mall Athens" were constructed. This decision by the Hellenic Council of State has no direct impact on the operations of "The Mall Athens" and it is anticipated that the operations will continue unhindered for the foreseeable future. Management has assessed the required actions that have been indicated by the Group's legal advisors as imposed following the decision in order to cope with this situation and therefore has undertaken already all necessary actions to this direction. The completion of the above mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

The factors above have been taken into account by Management when preparing the financial statements for the period ended September 30, 2018. In this uncertain economic environment, management continually assesses the situation and its possible future impact to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations. In note 3 "Financial risk management" of the annual financial statements as of December 31, 2017, there is information on the approach of the total risk management of the Group, as well as on the general financial risk that the Group faces on an ongoing basis.

These consolidated and Company condensed interim financial statements have been prepared under the historical cost convention, except for the investment property, the financial instruments held at fair value through profit or loss and the derivative financial instruments which are presented at fair value.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial statements and the amounts of income and expense during the reporting period. Although these estimates are based on the best knowledge of management in relation to the current conditions and actions, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 of the annual financial statements as of December 31, 2017.

Certain figures of the cash flow statement for the comparative period of 01.01.2017-30.09.2017 have been reclassified for comparative purposes at Group and Company level. Specifically, "Restricted cash" has been transferred to "Cash and cash equivalents" in "Cash flow from investing activities".

2.2. Accounting principles

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1.1.2018. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

<u>Standards and Interpretations effective for the current financial year</u>

IFRS 9 "Financial Instruments"

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model that was applied under IAS 39. IFRS 9 introduces an expected credit loss approach based on information concerning the future that aims at prior credit loss recognition in relation to the approach of the realized impairment loss in accordance according to IAS 39. IFRS 9 includes the choice of an accounting policy continuing the hedge accounting in accordance with IAS 39.

On January 1, 2018, the Group adopted IFRS 9 Financial Instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement, and changes the requirements for the impairment of the Group's financial assets.

As permitted by IFRS 9, the Group has chosen not to restate the information for the prior period and the accounting policies as presented in Note 2 on the Company's Financial Statements for the period ended December 31 2017 apply for the comparative periods. The application of the above standard did not have a significant impact on the Interim Financial Statements of the Group affecting the book value of the Company's receivables from loans to subsidiaries. All assumptions, accounting policies and calculation techniques that have been applied since 01.01.2018 to assess the impact of the initial application of IFRS 9 will continue to be subject to review and improvements.

As IAS 34 requires, the nature and the effectiveness of these changes are presented below.

<u>Changes in significant accounting policies from the application of IFRS 9</u>

As a result of the transition to IFRS 9, from 01.01.2018 the following significant accounting policy replaces the relevant accounting policy 2.9 and 2.13 at Note 2 of the Consolidated and Separate Financial Statements for the year ended 31 December 2017.

Financial assets

Classification and measurement

IFRS 9 keeps to a large extent the existing requirements of IAS 39 for the classification and measurement of Financial Liabilities. However, it eliminates the previous categories of IAS 39 for financial assets: held to maturity, loans and receivables and available-for-sale. In accordance with IFRS 9, financial instruments are subsequently measured at fair value through profit or loss, at amortized cost, or at fair value through other comprehensive income.

The classification is based on two criteria:

- the business model in which the financial asset is held, either the objective is to hold for the purpose of collecting contractual cash flows or the collection of contractual cash flows as well as the sale of financial assets and

- whether the contractual cash flows of the financial asset exclusively consists of a capital and interest repayment on the outstanding balance ("SPPI" criterion).

The Company uses the following categories for measuring financial assets:

Financial assets measured at amortized cost. At this category are classified the financial assets that are retained under the business model with the aim to be held and the collection of contractual cash flows that meet the "SPPI" criterion. This category includes all the Group's financial assets, except for investments in mutual funds and bonds that are measured at fair value through profit or loss.

Financial assets classified in this category mainly include the following assets:

- Cash and cash equivalents
- Trade receivables

Trade receivables are amounts owned to customers for the sale of products or the provision of services within the ordinary course of business. If the receivables are collected inside the normal business cycle of the business, which is not more than one year, they are recorded as current assets, if not, they are presented as non-current assets. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less the provision for impairment.

- Loans to subsidiaries that are included in “Other non-current receivables” and “Trade and other receivables”

It includes non-derivative financial assets with fixed or determinable payments that are not traded on active markets and are not intended to be sold. They are included in current assets, except for those with a maturity of more than 12 months from the Statement of Financial Position date that are included in non-current assets.

Purchases and sales of financial investment assets are recognized at the date of the transaction which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at their fair value including transaction costs and cease to be recognized when the rights to receive cash flows from investments expire or are transferred and the Group has transferred substantially all the risks and rewards of ownership. Loans and receivables are measured subsequent to their initial recognition at amortized cost using the effective interest method.

Financial assets measured at fair value through profit or loss. Investments in mutual funds and bonds are included. These investments do not meet the criteria to be classified at amortized cost as the business model in which they are held aims to sell them within a short period of time. Under IAS 39, the Group's investments in mutual funds were classified as financial assets at fair value through profit or loss.

Following initial recognition, financial assets classified at fair value through profit or loss are measured at fair value including sale or disposal costs. Gains or losses arising from the revaluation of fair value are recognized in total at the income statement at the "Other operating income / expenses (net)" item.

Expected credit losses

The Group has trade and other receivables (including operating leases) as well as other financial assets that are measured at amortized cost and are subject to the new model of expected credit losses in accordance with IFRS 9.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the recognized impairment loss was immaterial.

IFRS 9 requires the Group to adopt the model of expected credit losses for each of the above asset classes.

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment of IAS 39 for recognition of realized losses by recognizing the expected credit losses.

Trade and Other receivables

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses. The provision for impairment is always measured in an amount equal to the expected credit losses over the life of the receivable. For the purposes of determining the expected credit losses in relation to trade and other receivables, the Group uses a credit loss provisioning table based on the maturity of the outstanding claims. Credit loss projections are based on historical data taking into account future factors in relation to debtor and the economic environment. The adoption of the above standard did not have a significant impact on the interim financial statements of the Company and the Group due to the guarantees received, the strict policy forecasts and the historically low losses incurred. All assumptions, accounting policies and calculation techniques applied for the calculation of expected credit losses will continue to be subject of review and improvement.

Loans to subsidiaries

Expected credit losses are recognized on the basis of the following:

- expected 12-month credit losses are recognized on initial recognition, reflecting part of the cash flow losses, during the lifetime, that will arise if there is a breach within 12 months after the reporting date weighted by the probability of default. The requirements of this category are referred to as in step 1.

- expected credit losses, over the lifetime, are recognized in the event of a significant increase in credit risk detected subsequent to the initial recognition of the financial instrument, reflecting cash flow deficiencies arising from all probable default events over the lifetime of a financial instrument, weighted with the probability of default. The requirements of this category are referred to as in step 2.

- expected credit losses, over the lifetime, are always recognized for receivables with impaired credit value and are reported as in step 3. A financial asset is considered impaired when one or more events have occurred that have a detrimental effect on its estimated future cash flows financial asset.

The impact of IFRS 9 on credit losses of loans to subsidiaries in the statement of financial position as at 1 January 2018 was a decrease of €20.6m in the “Retained earnings” account, a decrease of €10.2m in “Other non-current receivables” account and a decrease of €10.4m in the “Trade and other receivables” account.

Other financial assets measured at amortized cost

For the other financial assets of the Group measured at amortized cost, the general approach is used. These financial assets are considered to be low credit risk and any provision for impairment is limited to the expected credit losses over the next 12 months. The adoption of IFRS 9 had no significant impact on the interim financial statements of the Company and the Group.

Effect of the adoption of IFRS 9 on Statements of Financial Position

The adoption of IFRS 9 on 1 January 2018 had a negative impact on the Company's equity due to changes of impairment receivables of € 20,585k and at the same time did not have any material effect on the Group's equity. The Company chose not to adjust the comparative figures and recognize any differences between the previous carrying amount and the new carrying amount at the opening balance of retained earnings as at 1 January 2018. Therefore, the adjustments arising from the new provisions for impairment are not included in the revised statement of financial position at 31 December 2017 and are recognized in the opening balance sheet as of 1 January 2018.

The table below presents the adjustments identified separately at each item on 1 January 2018. Items not affected by the impairment requirements of IFRS 9 are not included. As a result, the totals and sub-totals presented cannot be recalculated on the basis of the amounts provided.

	COMPANY		
	31.12.2017	**01.01.2018**	**01.01.2018**
all amounts in € thousands	**As released (IAS 39)**	**Impact (IFRS 9)**	**As adjusted (IFRS 9)**
ASSETS			
Non-current assets			
Other non-current receivables	18.576	-10.200	8.376
Total non-current assets	**322.692**	**-10.200**	**312.492**
Current assets			
Trade and other receivables	27.130	-10.385	16.745
Financial instruments held at fair value through profit or loss	27.557	-	27.557
Cash and cash equivalents	29.894	-	29.894
Total current assets	**87.554**	**-10.385**	**74.196**
Total assets	**410.245**	**-20.585**	**389.661**
EQUITY			
Retained earnings/(Accumulated losses)	-148.218	-20.585	-168.803
Total equity	**231.589**	**-20.585**	**211.004**
Total equity and liabilities	**410.245**	**-20.585**	**389.661**

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

IFRS 15 applies to all revenue arising from contracts with customers, unless such contracts fall within the scope of other standards. The new standard establishes a five-step model to measure revenue from customer contracts. These steps are the following:

a) Definition of the contract. b) Definition of the contract's performance obligations. c) Definition of the transaction price. d) Allocation of the transaction price to the contract's performance obligations. e) Revenue recognition when the entity fulfills the contract's performance obligations.

The underlying principle is that an entity recognizes revenue in order to reflect the transfer of the goods or services to customers to the amount it is entitled to in exchange for those goods or services. It also includes the principles for defining and measuring revenue. In addition, according to the new standard, revenue is recognized when the customer acquires control of the goods or services transferred, by determining the time of the transfer of the control at a particular time or in a future time horizon.

The adoption of the standard did not have any significant impact on the Group's Interim Financial Information, as the recognition of the main sources of revenue, (relating to rental income, parking income and property management income), is not affected by the adoption of IFRS 15.

IAS 40 (Amendments) "Transfers of Investment Property"

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence.

IFRIC 22 "Foreign currency transactions and advance consideration"

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts.

Annual Improvements to IFRS 2014 (2014 – 2016 Cycle)

IAS 28 "Investments in associates and Joint ventures"

The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Standards and Interpretations effective for subsequent periods

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

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group in investigating the effect of this standard on its financial statements.

IAS 28 (Amendments) "Long term interests in associates and joint ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that companies account for long-term interests in an associate or joint venture - to which the equity method is not applied—using IFRS 9. The amendments have not yet been endorsed by the EU.

IFRIC 23 "Uncertainty over income tax treatments" (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has not yet been endorsed by the EU.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement" (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendments have not yet been endorsed by the EU.

IFRS 3 (Amendments) "Definition of a business" (effective for annual periods beginning on or after 1 January 2020)

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. The amendments have not yet been endorsed by the EU.

IAS 1 and IAS 8 (Amendments) "Definition of a material" (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 3 "Business combinations"

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"

The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

There are no other new standards or amendments to standards, which are mandatory for periods beginning during the current period and subsequent periods that may have significant impact on the Group's financial statements.

3. Financial risk management and fair value estimation

A) Financial risk management

The Group's activities expose it to a variety of financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements as at 31 December 2017 and so they should be read in conjunction with them. There have been no changes in the risk management policies since December 31, 2017.

Liquidity Risk

At September 30, 2018 the short-term loans refer mainly to the syndicate bond loan of the Company (amount of €108.2m) as well as the subsidiaries LAMDA Domi SA (amount of €60.3m) and LAMDA Prime Properties SA (amount of €5.3m), dates of repayment from November 2018 until December 2018. The negotiations in respect of LAMDA DOMI SA bond loan refinancing have been completed with the contractual documents signed as at November 27, 2018 and the disbursement of Tranche A Bonds is anticipated on November 30, 2018. The management is undergoing negotiations with the counterparties in relation to the refinancing of the other short-term loans, a procedure that has not been completed until the date of these financial statements' release. The management argues that the procedure will be completed successfully.

B) Fair value estimation

The Group and the Company use the following hierarchy for determining and disclosing the fair value of the assets and liabilities by valuation method.

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

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly and includes quoted prices for identical or similar assets or liabilities.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

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

4. Segment information

The Group is operating into the business segment of real estate in Greece and in other neighbouring Balkan countries. The BoD (which is responsible for the decision making) defines the segments according to the use and of the investment property and their geographical location.

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.

A) Group's operating segments

The segment results for the nine month period ended 30 September 2018 were as follows:

	Real estate					
all amounts in € thousands	GREECE		BALKANS	Administrative and Management Services	Eliminations among segments	Total
	Shopping centers	Other investment property	Other investment property			
Revenue from third parties	57.026	734	125	1.058	(1.235)	**57.709**
Net gain/(loss) from fair value adjustment on investment property	45.650	(135)	(100)	-		**45.415**
Other direct property operating expenses	(12.417)	(597)	-	-	2.565	**(10.449)**
Other	(746)	(200)	(461)	(7.760)	(1.330)	**(10.497)**
Share of profit / (loss) from joint ventures and associates	-	418	(1.580)	789	-	**(373)**
EBITDA	89.513	220	(2.016)	(5.913)	-	**81.805**

The segment results for the nine month period ended 30 September 2017 were as follows:

all amounts in € thousands	**Real estate** GREECE		BALKANS	**Administrative and Management Services**	**Eliminations among segments**	**Total**
	Shopping centers	**Other investment property**	**Other investment property**			
Revenue from third parties	39.110	1.131	6	2.027	(1.038)	**41.235**
Net gain/(loss) from fair value adjustment on investment property	1.320	(985)	(7.538)	-		**(7.203)**
Other direct property operating expenses	(9.717)	(567)	-	-	2.112	**(8.172)**
Other	(6.722)	(210)	4.303	(8.055)	(1.074)	**(11.758)**
Share of profit / (loss) from joint ventures and associates	3.661	797	(1.552)	10	-	**2.916**
EBITDA	27.652	167	(4.781)	(6.019)	-	**17.019**

The segment results for the three month period ended 30 September 2018 were as follows:

all amounts in € thousands	**Real estate** GREECE		BALKANS	**Administrative and Management Services**	**Eliminations among segments**	**Total**
	Shopping centers	**Other investment property**	**Other investment property**			
Revenue from third parties	18.905	255	122	358	(413)	**19.228**
Other direct property operating expenses	(4.686)	(354)	-	-	893	**(4.147)**
Other	(549)	(58)	(211)	(2.481)	(480)	**(3.779)**
Share of profit / (loss) from joint ventures and associates	-	232	(1.055)	829	-	**6**
EBITDA	13.671	75	(1.144)	(1.294)	-	**11.309**

The segment results for the three month period ended 30 September 2017 were as follows:

all amounts in € thousands	**Real estate** GREECE		BALKANS	**Administrative and Management Services**	**Eliminations among segments**	**Total**
	Shopping centers	**Other investment property**	**Other investment property**			
Revenue from third parties	18.194	369	2	193	(403)	**18.355**
Other direct property operating expenses	(4.108)	(338)	-	-	1.070	**(3.377)**
Other	(6.628)	(47)	4.427	(561)	(667)	**(3.475)**
Share of profit / (loss) from joint ventures and associates	-	-	(602)	-	-	**(602)**
EBITDA	7.458	(16)	3.827	(368)	-	**10.902**

It is noted that the analysis of the operating results per segment has been enriched with additional information with regard to administrative and management services which are not related to the motoring of the operating segments in Greece and Balkans.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

all amounts in € thousands	**Real estate** GREECE		BALKANS		**Total**
	Shopping centers	**Other investment property**	**Other investment property**	**Administrative and Management Services**	
30 September 2018					
Assets per segment	**847.578**	**39.746**	**29.793**	**97.059**	**1.014.176**
Expenditure of non-current assets	1.626	1	7	101	1.735
Liabilities per segment	**467.729**	**7.802**	**377**	**125.886**	**601.794**

all amounts in € thousands	**Real estate** GREECE		BALKANS		**Total**
	Shopping centers	**Other investment property**	**Other investment property**	**Administrative and Management Services**	
31 December 2017					
Assets per segment	**786.281**	**47.832**	**26.972**	**115.629**	**976.713**
Expenditure of non-current assets	555	4	3	331	893
Liabilities per segment	**437.284**	**8.358**	**358**	**153.335**	**599.335**

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

all amounts in € thousands		
Adjusted EBITDA for reportable segments	**30.09.2018**	**30.09.2017**
EBITDA	81.805	17.019
Depreciation	(550)	(618)
Losses from acquisition of interest held in participations	-	(10.733)
Finance income	299	169
Finance costs	(19.628)	(15.212)
Profit/(loss) before income tax	**61.926**	**(9.376)**
Income tax expense	(23.304)	(11.037)
Profit/(loss) for the period	**38.623**	**(20.413)**

B) Geographical segments

The segment information for the three month period ended 31 March 2018 were as follows:

30 September 2018 *all amounts in € thousands*	**Total revenue**	**Non-current assets**
Greece	57.584	856.345
Balkans	125	23.178
	57.709	**879.523**

The segment information for the three month period ended 31 December 2017 were as follows:

31 December 2017 *all amounts in € thousands*	**Total revenue**	**Non-current assets**
Greece	62.172	793.347
Balkans	25.007	21.637
	87.179	**814.983**

5. Investment property

	GROUP		**COMPANY**	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Balance at 1 January	768.415	379.955	1.840	1.840
Acquisition of interest held in participations	-	381.900	-	-
Disposals	(6.500)	(5.150)	-	-
Net gain/(loss) from fair value adjustment on investm	45.585	11.710	-	-
Balance at the end of the period	**807.500**	**768.415**	**1.840**	**1.840**

The investment property includes property operating lease that amounts to €181.3m and is related to the Mediterranean Cosmos Shopping Centre.

The significant increase in the fair value of the investment property by 45.6m in relation to 31.12.2017 is attributed to the further improvement of the Group's shopping centers' profitability, as well as the positive change in the discount rates. But above all, the material increase is due to the positive effect of the agreement that the subsidiary company Pylaia S.A. signed with the Ecumenical Patriarchate, owner of the land plot on which the Company developed and operate the Mediterranean Cosmos Shopping Centre (the Centre), to the extension of the long-term lease of the said land plot area for 30 additional years, until 2065. The above mentioned agreement improved the value of the shopping center by €28.8m.

In the first quarter of 2018, the Group announces the sale of the ownership that its 100% subsidiary LAMDA Estate Development S.A. held in the office building Kronos Business Center in Maroussi, for a total consideration of €6.5m.

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

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

More precisely, at 30.06.2018, 96% of total fair value of the Group's investment property relates to Shopping Centres and 2% to Office Buildings. For both type of property, the valuation was determined using the DCF approach with the following significant assumptions:

- With regards to the Shopping Centres, The Mall Athens has a freehold status, Mediterranean Cosmos is held under a lease that expires in 2065 and Golden Hall has an 86 year exploitation period. As far as the office buildings are concerned, they are owned by the Group.

- In short, the yields according to the latest valuations at June 30, 2018 are as follows:

	Discount rate 30.06.2018	Discount rate 31.12.2017
Malls		
The Mall Athens	9,00%	9,50%
Med.Cosmos	9,75%	10,75%
Golden Hall	9,50%	9,75%
Office buildings		
Cecil, Kefalari	9,25%	9,25%

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

The most significant valuation assumptions of the investment property are the assumption regarding the future EBITDA (including the estimations related to the future monthly lease) of each investment property as well as the estimated yields that are applied for the investment property's valuation. As a result, the table below presents two basic scenarios in relation to the impact on the valuations of the following investment properties of an increase or a decrease in the yields by 25 basis points (+ 0,25%) per Shopping Mall and office building.

(all amounts in € millions)	Discount rate +0,25%	Discount rate -0,25%
The Mall Athens	-6,2	6,3
Med.Cosmos	-2,8	2,8
Golden Hall	-3,4	3,5
Malls	**-12,3**	**12,5**
Cecil, Κεφαλάρι	-0,2	0,2
Office buildings	**-0,2**	**0,2**
Total	**-12,5**	**12,7**

The above mentioned valuations of the investment property as at 30 June 2018 have taken into account the uncertainty of the current economic conditions in Greece (as described in note 2.1). It has to be noted that this situation is unprecedented and therefore the consequences cannot be accurately assessed at this point. In this context, we note that despite the existence of an increased level of valuation uncertainty, the values reported provide the best estimate for the Group's investment property. Management will observe the trends that will be formed in the investment property market in the next few months since the complete impact of the consequences of the economic situation in Greece may affect the value of the Group's investment property in the future.

On the amount of €807.5m of the total investment property, there are real estate liens and pre-notices over these assets.

6. Property, plant and equipment

all amounts in € thousands	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Assets under construction	Total
GROUP - Cost						
1 January 2017	**705**	**5.287**	**4.449**	**2.780**	**1.557**	**14.778**
Additions	-	101	167	36	15	321
Disposals / Write-offs	-	(4)	(12)	-	-	(17)
Acquisition of interest held in participations	80	809	2.755	90	-	3.733
30 September 2017	**785**	**6.193**	**7.359**	**2.906**	**1.572**	**18.815**
1 January 2018	**798**	**6.196**	**7.887**	**2.931**	**1.575**	**19.387**
Additions	38	187	324	28	1.158	1.735
Disposals / Write-offs	-	-	(1)	-	-	(1)
Transfer to income statement	-	-	-	-	(335)	(335)
30 September 2018	**836**	**6.383**	**8.211**	**2.959**	**2.398**	**20.787**
Accumulated depreciation						
1 January 2017	**(374)**	**(3.958)**	**(4.087)**	**(2.598)**	**-**	**(11.017)**
Depreciation charge	(32)	(247)	(305)	(34)	-	(618)
Disposals / Write-offs	-	4	12	-	-	17
Acquisition of interest held in participations	(37)	(761)	(2.266)	(75)	-	(3.139)
30 September 2017	**(442)**	**(4.962)**	**(6.646)**	**(2.707)**	**-**	**(14.756)**
1 January 2018	**(454)**	**(5.051)**	**(6.690)**	**(2.717)**	**-**	**(14.912)**
Depreciation charge	(35)	(260)	(207)	(48)	-	(550)
Disposals / Write-offs	-	-	1	-	-	1
30 September 2018	**(489)**	**(5.310)**	**(6.896)**	**(2.766)**	**-**	**(15.461)**
Closing net book amount at 30 September 2017	**342**	**1.232**	**714**	**199**	**1.572**	**4.059**
Closing net book amount at 30 September 2018	**346**	**1.073**	**1.315**	**194**	**2.398**	**5.326**

all amounts in € thousands	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Total
COMPANY - Cost					
1 January 2017	**367**	**93**	**1.181**	**2.675**	**4.316**
Additions	-	101	106	35	242
Disposals / Write-offs	-	(4)	(2)	-	(6)
30 September 2017	**367**	**190**	**1.284**	**2.711**	**4.552**
1 January 2018	**367**	**190**	**1.392**	**2.736**	**4.685**
Additions	-	(0)	72	27	99
Disposals / Write-offs	-	-	(1)	-	(1)
30 September 2018	**367**	**190**	**1.464**	**2.763**	**4.783**
Accumulated depreciation					
1 January 2017	**(240)**	**(75)**	**(1.080)**	**(2.550)**	**(3.945)**
Depreciation charge	(9)	(6)	(59)	(27)	(100)
Disposals / Write-offs	-	4	2	-	6
30 September 2017	**(249)**	**(76)**	**(1.136)**	**(2.577)**	**(4.038)**

1 January 2018	**(252)**	**(82)**	**(1.117)**	**(2.586)**	**(4.038)**
Depreciation charge	(9)	(15)	(46)	(42)	(113)
Disposals / Write-offs	-	-	1	-	1
30 September 2018	**(261)**	**(97)**	**(1.163)**	**(2.628)**	**(4.150)**
Closing net book amount at 30 September 2017	**118**	**114**	**148**	**134**	**513**
Closing net book amount at 30 September 2018	**106**	**92**	**301**	**135**	**634**

7. Investments in subsidiaries, joint ventures and associates

The Group's structure on September 30, 2018 is as follows:

Company	3 Country of Incorporation		% interest held
LAMDA Development SA - Parent	Greece		
Subsidiaries			
PYLAIA SA	Greece	Indirect	68,3%
LAMDA Domi SA	Greece	Indirect	68,3%
LAMDA Malls SA	Greece		68,3%
LAMDA Olympia Village SA	Greece		100,0%
LAMDA Estate Development SA	Greece		100,0%
LAMDA Prime Properties SA	Greece		100,0%
LAMDA ILIDA OFFICE SA	Greece		100,0%
MALLS MANAGEMENT SERVICES SA	Greece		100,0%
MC Property Management SA	Greece		100,0%
KRONOS PARKING SA	Greece	Indirect	100,0%
LAMDA Erga Anaptyxis SA	Greece		100,0%
LAMDA Leisure SA	Greece		100,0%
GEAKAT SA	Greece		100,0%
LD Trading SA	Greece		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%

Company	Country of Incorporation		% interest held
Robies Proprietati Imobiliare SRL	Romania	Indirect	90,0%
LAMDA Development Sofia EOOD	Bulgaria		100,0%
TIHI EOOD	Bulgaria	Indirect	100,0%
LOV Luxembourg SARL	Luxembourg	Indirect	100,0%
Hellinikon Global I SA	Luxembourg		100,0%
LAMDA Development (Netherlands) BV	Netherlands		100,0%
Lamda Singidunum Netherlands BV	Netherlands	Indirect	100,0%
Robies Services Ltd	Cyprus		90,0%
Joint ventures			
Lamda Dogus Marina Investments SA	Greece		50,0%
LAMDA Flisvos Marina SA	Greece	Indirect	32,2%
LAMDA Flisvos Holding SA	Greece	Indirect	41,7%
LAMDA Akinhta SA	Greece		50,0%
Singidunum-Buildings DOO	Serbia	Indirect	69,2%
GLS OOD	Bulgaria	Indirect	50,0%
Associates			
ATHENS METROPOLITAN EXPO SA	Greece		11,7%
METROPOLITAN EVENTS	Greece	Indirect	11,7%
SC LAMDA MED SRL	Romania	Indirect	40,0%

Notes on the above mentioned participations:

- The country of the establishment is the same with the country of operating.
- The interest held corresponds to equal voting rights.
- The investments in joint ventures correspond to the Group's strategic investments mainly due to the exploitation of investment property inside Greece and abroad.
- The investments in associates do not have significant impact to the Group's operations and results however they are consolidated with the equity method since the Group has control over their operations.
- The Group has contingencies in respect of bank guarantees as well as pledged shares deriving from its borrowings.

(a) Investments of the Company in subsidiaries

The Company's investment in subsidiaries is as follows:

all amounts in € thousands			30.09.2018			31.12.2017		
Name	**Country of incorporation**	**% interest held**	**Cost**	**Impairment**	**Carrying amount**	**Cost**	**Impairment**	**Carrying amount**
LAMDA OLYMPIA VILLAGE SA	Greece	100%	131.839	-	131.839	131.839	-	131.839
LAMDA MALLS SA	Greece	68,3%	51.496	-	51.496	51.496	-	51.496
LAMDA ESTATE DEVELOPMENT SA	Greece	100%	46.184	25.024	21.160	52.047	25.024	27.022
LAMDA PRIME PROPERTIES SA	Greece	100%	9.272	-	9.272	9.272	-	9.272
LAMDA ILIDA OFFICE SA	Greece	100%	100	-	100	-	-	-
GEAKAT SA	Greece	100%	14.923	10.030	4.893	14.923	10.030	4.893
LAMDA ERGA ANAPTYXIS SA	Greece	100%	9.070	-	9.070	9.070	-	9.070
LD TRADING SA	Greece	100%	1.110	910	200	1.110	910	200
LAMDA LEISURE SA	Greece	100%	1.050	-	1.050	1.050	-	1.050
MC PROPERTY MANAGEMENT SA	Greece	100%	745	-	745	745	-	745
MALLS MANAGEMENT SERVICES SA	Greece	100%	1.224	-	1.224	1.224	-	1.224
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	363	363	-	363	363	-
LAMDA DEVELOPMENT D.O.O. (BEOGRAD)	Serbia	100%	-	-	-	992	992	-
PROPERTY DEVELOPMENT D.O.O.	Serbia	100%	11.685	11.685	-	11.685	11.685	-
PROPERTY INVESTMENTS LTD	Serbia	100%	1	-	1	1	-	1
LAMDA DEVELOPMENT ROMANIA SRL	Romania	100%	741	741	-	741	741	-
ROBIES SERVICES LTD	Cyprus	90%	1.760	1.724	36	1.724	1.724	-
LAMDA DEVELOPMENT (NETHERLANDS) BV	Netherlands	100%	75.178	27.200	47.978	75.178	27.200	47.978
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	800	800	-	800	800	-
LOV LUXEMBOURG SARL (indirect)	Luxembourg	100%	218	-	218	193	-	193
HELLINIKON GLOBAL I SA	Luxembourg	100%	36	-	36	36	-	36
Investment in subsidiaries			**357.793**	**78.476**	**279.317**	**364.487**	**79.468**	**285.018**

The movement in investment in subsidiaries is as follows:

	COMPANY	
all amounts in € thousands	**30.09.2018**	**31.12.2017**
Balance at 1 January	**285.018**	**190.500**
Additions	100	300
Increase/(decrease) in share capital	(5.801)	400
Provision for impairment	-	(8.300)
Acquisition of interest held in participations	-	131.839
Disposal of interest held in participations	-	(29.914)
Change of interest held in participations	-	193
Balance at the end of the period	**279.317**	**285.018**

Decrease/Increase in share capital

The subsidiary LAMDA Estate Development S.A. decreased its share capital by €5.9m whereas the Company increased the share capital in the company LOV Luxembourg SARL and ROBIES SERVICES LTD by €25k and €36k respectively. Also, the Company incorporated LAMDA ILIDA OFFICE SA with the amount of €100k as share capital. In addition, the liquidation of the company LAMDA Development D.O.O. (Beograd), a fully impaired participation of the Company, was completed.

Non-controlling interests

The Group's non-controlling interests amount to €72.8m at 30.09.2018 (31.12.2017: €64.5m) out of which €73.0m comes from the subsidiary LAMDA MALLS SA which was incorporated in 2017. Non-controlling interests represent 31.7% on the LAMDA MALLS SA Group's equity, which subsidiaries by 100% are LAMDA DOMI SA and PYLAIA SA.

The main financial statements of LAMDA MALLS SA's sub-Group are presented below:

LAMDA MALLS SA

Statement of financial position

	GROUP	
	30.09.2018	**31.12.2017**
all amounts in € thousands		
Investment property	376.850	339.750
Other non-current assets	13.804	3.048
Receivables	5.922	9.881
Cash and cash equivalents	31.381	25.753
	427.957	**378.433**
Deferred income tax liabilities	49.096	37.750
Long-term borrowings	41.635	56.943
Other non-current liabilities	135	358
Short-term borrowings	90.525	69.657
Trade and other payables	16.167	9.525
	197.558	**174.232**
Total equity	**230.399**	**204.200**

Income statement

	GROUP	
all amounts in € thousands	**01.01.2018 to 30.09.2018**	**31.05.2017 to 30.09.2017**
Revenue	32.484	13.872
Net gains from fair value adjustment on investment property	37.100	1.320
Other operating income / (expenses) - net	(11.186)	(5.579)
Finance costs - net	(4.219)	(2.082)
Profit before income tax	**54.179**	**7.531**
Income tax expense	(16.223)	(2.425)
Profit for the period	**37.956**	**5.106**

Comprehensive income statement

	GROUP	
all amounts in € thousands	**01.01.2018 to 30.09.2018**	**31.05.2017 to 30.09.2017**
Profit for the period	37.956	5.106
Other	-	-
Other comprehensive income for the period	37.956	5.106
Total comprehensive income for the period	**37.956**	**5.106**

Cash flow statement

	GROUP	
all amounts in € thousands	**01.01.2018 to 30.09.2018**	**31.05.2017 to 30.09.2017**
Cash flows from operating activities	7.638	4.655
Cash flows to investing activities	(1.440)	(23)
Cash flows to financing activities	(570)	(3.042)
Net increase in cash and cash equivalents	**5.628**	**1.589**

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

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

COMPANY			30.09.2018			31.12.2017		
Name	Country of incorporation	% interest held	Cost	Impairment	Carrying amount	Cost	Impairment	Carrying amount
LAMDA AKINHTA SA	Greece	50,00%	4.454	1.773	2.681	4.454	1.773	2.681
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	4.022	-	4.022	4.022	-	4.022
Investment in joint-ventures			**8.476**	**1.773**	**6.703**	**8.476**	**1.773**	**6.703**

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

GROUP			30.09.2018			31.12.2017		
Name	Country of incorporation	% interest held	Cost	Share in profit/(loss)	Carrying amount	Cost	Share in profit/(loss)	Carrying amount
LAMDA AKINHTA SA	Greece	50,00%	4.454	(1.839)	**2.615**	4.454	(1.787)	**2.668**
LAMDA DOGUS MARINA INVESTMENTS SA	Greece	50,00%	4.022	(1.527)	**2.496**	4.022	(1.995)	**2.027**
SINGIDUNUM-BUILDINGS DOO	Serbia	69,19%	36.595	(18.529)	**18.066**	34.590	(17.651)	**16.939**
GLS OOD	Bulgaria	50,00%	3.631	(2.638)	**993**	3.631	(2.638)	**993**
TOTAL			**48.703**	**(24.533)**	**24.170**	**46.698**	**(24.071)**	**22.627**

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

	GROUP		COMPANY	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Balance at 1 January	**22.627**	**105.394**	**6.703**	**35.484**
Increase in share capital	2.005	7.299	-	-
Share in profit/(loss)	(462)	2.365	-	-
Provision for impairment	-	-	-	(100)
Acquisition of interest held in investments/change in consolidation method	-	(92.432)	-	(28.681)
Balance at the end of the period	**24.170**	**22.627**	**6.703**	**6.703**

Notes on the above mentioned **joint ventures**:

- The Company starting from 1/1/2014 applies IFRS 11 according to which the Group will account for joint ventures on an equity basis because it provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form
- The Group increased its participation in the joint-venture Singidunum Buildings DOO from 67.16% at 31.12.2017 to 69.19% at 30.09.2018, however the control remains 50%-50% between the two shareholders according to the terms of the current shareholders agreement
- The Group's most significant joint-venture is Singidunum Buildings DOO as follows:

Singidunum Buildings DOO

Statement of financial position	69,19%	67,16%
	30.09.2018	**31.12.2017**
all amounts in € thousands		
Inventories - land	73.507	73.267
Receivables	43	14
Cash and cash equivalents	126	113
	73.676	**73.395**
Long-term borrowings	42.520	42.520
Short-term borrowings	5.000	5.000
Trade and other payables	45	652
	47.565	**48.172**
Total equity	**26.111**	**25.223**
(Group's interest)	**69,19%**	**67,16%**
Total equity	**18.066**	**16.940**

Income statement		
	01.01.2018 to	**01.01.2017 to**
all amounts in € thousands	**30.09.2018**	**30.09.2017**
Net loss from fair value adjustment on investment property	-	(743)
Other operating income / (expenses) - net	(86)	(195)
Finance costs - net	(1.028)	(1.238)
Loss before income tax	**(1.114)**	**(2.176)**
Income tax expense		
Loss for the period	**(1.114)**	**(2.176)**
(Group's interest)	**69,19%**	**66,67%**
Loss for the period	**(771)**	**(1.451)**

Comprehensive income statement		
	01.01.2018 to	**01.01.2017 to**
all amounts in € thousands	**30.09.2018**	**30.09.2017**
Loss for the period	(771)	(1.451)
Currency translation differences	-	-
Other comprehensive income for the period	(771)	(1.451)
Total comprehensive income for the period	**(771)**	**(1.451)**

Cash flow statement		
	01.01.2018 to	**01.01.2017 to**
all amounts in € thousands	**30.09.2018**	**30.09.2017**
Cash flows from operating activities	(1.147)	(1.741)
Cash flows to investing activities	(240)	-
Cash flows to financing activities	1.400	1.384
Net increase/(decrease) in cash and cash equivalents	**13**	**(357)**

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

The Group participates in the following associates' equity:

GROUP			30.09.2018			31.12.2017		
Name	**Country of incorporation**	**% interest held**	**Cost**	**Share in profit/(loss)**	**Carrying amount**	**Cost**	**Share in profit/(loss)**	**Carrying amount**
ATHENS METROPOLITAN EXPO SA	Greece	11,67%	1.167	-	**1.167**	1.559	-	**1.559**
S.C. LAMDA MED SRL (Indirect)	Ρουμανία	40,00%	1.164	1.114	**2.277**	1.332	1.025	**2.356**
TOTAL			**2.331**	**1.114**	**3.444**	**2.890**	**1.025**	**3.915**

The movement of associates is as follows:

	GROUP		COMPANY	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Balance at 1 January	**3.915**	**4.063**	**1.558**	**1.651**
Share in profit/(loss)	89	145	-	-
Decrease in share capital	(560)	(200)	(392)	-
Change in interest held in participations	-	(93)	-	(93)
Balance at the end of the period	**3.444**	**3.915**	**1.166**	**1.558**

Notes on the above mentioned associates:

- Although the associates do not have a significant impact in the Group's operations and results, they are consolidated with equity method because the Group exercises control over their operations.
- The companies SC LAMDA MED SRL and ATHENS METROPOLITAN EXPO SA decreased their share capital in the amount of €168k (Group level) and €392k (Group level) in the nine month period of 2018.
- At Company level, the change in interest held in participations refers to LOV Luxembourg SARL which following the purchase of 25% is categorized as a subsidiary.

8. Financial instruments by category

GROUP - 30.09.2018

Financial assets	**Loans and receivables**	**Financial instruments held at fair value through profit or loss**
all amounts in € thousands		
Trade and other receivables	3.317	-
Restricted cash	15.538	-
Cash and cash equivalents	77.424	-
Derivative financial instruments	-	222
Other financial receivables	12.140	7.347
Total	**108.419**	**7.569**

GROUP - 30.09.2018

Financial liabilities	**Liabilities at amortized cost**
all amounts in € thousands	
Borrowings	426.319
Trade and other payables	4.425
Interest payable	2.231
Other financial payables	18.301
Total	**451.276**

COMPANY - 30.09.2018

Financial assets	**Loans and receivables**	**Financial instruments held at fair value through profit or loss**
all amounts in € thousands		
Trade and other receivables	34	-
Restricted cash	15.538	-
Loans to related parties	8.754	-
Other financial receivables	6.198	6.751
Receivables from related parties	999	-
Total	**31.523**	**6.751**

COMPANY - 30.09.2018

Financial liabilities	**Liabilities at amortized cost**
all amounts in € thousands	
Borrowings	107.985
Trade and other payables	343
Loans from related parties	41.556
Interest payable	36
Other financial payables	12.148
Liabilities to related parties	-
Total	**162.068**

GROUP - 31.12.2017

Financial assets	**Loans and receivables**	**Financial instruments held at fair value through profit or loss**
all amounts in € thousands		
Trade and other receivables	4.074	-
Restricted cash	10.538	-
Loans to related parties	657	-
Cash and cash equivalents	86.244	-
Derivative financial instruments	-	45
Other financial receivables	7.001	28.155
Receivables from disposal of participation	2.956	-
Total	**111.469**	**28.200**

GROUP - 31.12.2017

Financial liabilities	**Derivatives used for hedging**	**Liabilities at amortized cost**
all amounts in € thousands		
Borrowings	-	441.887
Derivative financial instruments	225	-
Trade and other payables	-	6.696
Interest payable	-	2.585
Other financial receivables	-	15.340
Total	**225**	**466.509**

COMPANY - 31.12.2017		
Financial assets	**Loans and receivables**	**Financial instruments held at fair value through profit or loss**
all amounts in € thousands		
Trade and other receivables	66	-
Restricted cash	10.538	0
Loans to related parties	28.926	0
Other financial receivables	1.059	27.557
Receivables from disposal of participation	2.956	0
Total	**43.545**	**27.557**

COMPANY - 31.12.2017	
Financial liabilities	**Liabilities at amortized cost**
all amounts in € thousands	
Borrowings	123.137
Trade and other payables	349
Loans from related parties	40.808
Interest payable	701
Other financial receivables	9.110
Liabilities to related parties	70
Total	**174.175**

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

	GROUP		**COMPANY**	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Bonds - Euro	6.751	27.557	6.751	27.557
Money market funds	596	598	-	-
	7.347	**28.155**	**6.751**	**27.557**

Above financial instruments relate to the placement of the Company's cash in various financial counterparties with high ratings and are measured at fair value through income statement. The Company during 2018 liquidated bonds an amount of €21m. The Company has recognized a loss from the above mentioned liquidation/valuation of €267k in the income statement.

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

10. Cash and cash equivalents

	GROUP		**COMPANY**	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Cash at bank	76.690	85.220	24.443	29.835
Cash in hand	735	1.024	69	59
Total	**77.424**	**86.244**	**24.512**	**29.894**

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

11. Share capital

all amounts in € thousands	**Number of shares** *(thousands)*	**Ordinary shares**	**Share premium**	**Treasury shares**	**Total**
1 January 2017	**77.356**	**23.917**	**360.110**	**(9.163)**	**374.863**
Sale of treasury shares	500	-	-	1.937	1.937
31 December 2017	**77.856**	**23.917**	**360.110**	**(7.227)**	**376.800**
1 January 2018	**77.856**	**23.917**	**360.110**	**(7.227)**	**376.800**
Movement of the period	-	-	-	-	-
30 September 2018	**77.856**	**23.917**	**360.110**	**(7.227)**	**376.800**

The share capital of the Company amounts to €23,916,532.50 divided by 79,721,775 shares of nominal value €0.30 each. All the Company's shares are listed on the Athens Stock Exchange. At 30.09.2018 the Company's treasury shares amount to 1.866.007 shares and represents 2.34% of the Company's issued share capital with average price (after expenses and other commissions) €3.87 per share.

12. Borrowings

	GROUP		COMPANY	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Non-current				
Bond borrowings	215.739	236.125	-	-
Total non-current	**215.739**	**236.125**	**-**	**-**
Current				
Bond borrowings	210.580	205.762	107.985	123.137
Total current	**210.580**	**205.762**	**107.985**	**123.137**
Total borrowings	**426.319**	**441.887**	**107.985**	**123.137**

The movements in borrowings are as follows:

12 months ended 31 December 2017 *(amounts in € thousanc*	GROUP	COMPANY
Balance at 1 January 2017	268.607	128.714
Acquisition of additional interest in investments (note 8)	193.000	-
Borrowings transaction costs - amortization	2.254	1.204
Borrowings transaction costs	(3.093)	(83)
Borrowings repayments	(18.882)	(6.698)
Balance at 31 December 2017	**441.887**	**123.137**

9 months ended 30 September 2018 *(amounts in € thousands)*	GROUP	COMPANY
Balance at 1 January 2018	441.887	123.137
Bond borrowings	25.000	25.000
Overdraft account	7.180	-
Borrowings transaction costs - amortization	1.652	546
Borrowings transaction costs	(364)	-
Borrowings repayments	(49.036)	(40.698)
Balance at 30 September 2018	**426.319**	**107.985**

Borrowings are secured by mortgages on the Group's land and buildings (note 5), and in some cases by additional pledges of parent company's shares as well as and/or by assignment of subsidiaries' receivables (note 7) and insurance compensations. Regarding the Syndicated Bond Loan of the Company, pledges over certain assets and shares of Group companies incur. The Bond Loan Facility has a three-year tenor and is comprised of two Tranches. Tranche A of €133.95m, drawn-down on 30th November 2015 and Tranche B of €25m, drawn-down on 27th June 2018. From Tranche B an amount of €15m utilized for repayment of Tranche A while an amount of €5m has been credited at a pledged account for the purpose of serving the principal repayment schedule of the company's Singidunum Buildings DOO Bond Loan.

Amortization of borrowings transaction costs of €1.9m are included in the total borrowings as at September 30, 2018, out of which €1.2m is applied to current borrowings whereas the rest €0.7m is applied to non-current borrowings.

The maturity of non-current borrowings is as follows:

	GROUP		COMPANY	
all amounts in € thousands	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Between 1 and 2 years	215.739	22.070	-	-
Between 2 and 5 years	-	214.055	-	-
Over 5 years	-	-	-	-
Total	**215.739**	**236.125**	**-**	**-**

The carrying amount of the loans with floating rate approaches their fair value as it is presented in the statement of financial position.

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

The effective weighted average interest rates at 30.09.2018 are as follows:

	GROUP	COMPANY
Current bond borrowings	5,32%	6,00%
Non-current bond borrowings	4,58%	-

At 30.09.2018, the average base effective interest rate of the Group is -0.05% and the average bank spread is 4.84%. Therefore, the Group total effective borrowing rate stands at 4.79% at 30.09.2018.

Within current reporting period of 2018, regarding the subsidiaries, they proceeded to total payments of €49.0m as described in their bond loan contracts, out of which €15m were from the drawn-down of Tranche B of the Company's Syndicated Bond Loan. Also, the subsidiary Pylaia SA has signed for an overdraft account of €7.2m.

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

At Group level, at 30.09.2018 the Company's subsidiary LAMDA DOMI SA's syndicated loan of current balance €60.3m, granted by the following banking institutions: Eurobank Ergasias, Alpha Bank, National Bank of Greece and HSBC has the following covenants: Loan to value <60% and Debt Service Ratio >120%. Also, the bond loan of the Company's subsidiary PYLAIA SA granted by Eurobank Ergasias, of current balance €64.8m has the following covenants: Loan to value <80% and Debt Service Ratio >120%. Moreover, LAMDA OLYMPIA VILLAGE SA's bond loan of current balance €182.4m, granted by HSBC and Eurobank Ergasias has the following covenants: Loan to value <65% and Debt Service Cover ratio >110%.At September 30, 2018, all above mentioned ratios are satisfied at Group and Company level.

At 30.09.2018 the short-term borrowings include the following liabilities that expire in 2018:

- The Company's bond loan, amount of approximately €108.2m (the balance following the scheduled repayment of 30.10.2018 is €96.1m), repayment date November 2018.
- The bond loan of the subsidiary LAMDA DOMI S.A, amount of approximately €60.3m, repayment date November 2018.
- The loan of the subsidiary LAMDA Prime Properties S.A., amount of approximately €5.3m, repayment date December 2018.

The Management is undergoing negotiations with the counterparties in relation to the refinancing of the above mentioned short-term loans, a procedure that has not been completed until the date of these financial statements' release.

More specific, the course of the refinancing procedures at the date of these financial statements' approval is the following:

- In relation to the Company's syndicate bond loan, the Management, has applied for an extension until at least 28.02.2019 and expects a positive reply from the bondholders. The extension was regarded as necessary due to the complicity of the specific syndicate bond loan and will allow a more efficient negotiation for the rest of the programme's terms.
- The negotiations in respect of LAMDA DOMI SA bond loan refinancing have been completed with the contractual documents signed as at November 27, 2018 and the disbursement of Tranche A Bonds is anticipated on November 30, 2018.
- The discussions regarding the loan of LAMDA Prime Properties S.A. (which owns the building Cecil at Kefalari) are at an early stage. However, the Management expects that the loan will be refinanced successfully before its expiration.

13. Derivative financial instruments

	GROUP				COMPANY			
	30.09.2018		31.12.2017		30.09.2018		31.12.2017	
all amounts in € thousands	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Derivatives held at fair value through profit or loss (Cap)	222	-	45	-	-	-	-	-
Interest rate swaps - cash flow hedges (IRS)	-	-	-	225	-	-	-	-
Total	**222**	**-**	**45**	**225**	**-**	**-**	**-**	**-**
Non-current	222	-	45	-	-	-	-	-
Current	-	-	-	225	-	-	-	-
Total	**222**	**-**	**45**	**225**	**-**	**-**	**-**	**-**

As at 30.09.2018 the Interest Rate Swaps of LAMDA DOMI S.A. have matured. With respect to derivatives at fair value those are Interest Rate Caps for the purpose of hedging the interest rate risk of the Bond Loan of the subsidiary Company Lamda Olympia Village S.A. at a nominal value of €160 m. The change in the fair value has been recognized in the income statement.

The total fair value of the derivative financial instrument, which is described under hierarchy 2 in note3, is presented in the statement of financial position as long-term liability since the remaining duration of the loan agreement which is hedged, exceeds 12 months.

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

14. Cash generated from operations

		GROUP		COMPANY	
all amounts in € thousands	**Note**	**01.01.2018 to 30.09.2018**	**01.01.2017 to 30.09.2017**	**01.01.2018 to 30.09.2018**	**01.01.2017 to 30.09.2017**
Profit/(loss) for the period		38.623	(20.413)	(7.970)	15.554
Adjustments for:					
Tax		23.304	11.037	(1.690)	4.092
Depreciation of property, plant and equipment	6	550	618	113	100
Share of profit from associates	7	373	(2.916)	-	-
Dividend income		-	-	(3.262)	(420)
Provision for impairment of receivables from subsidiaries	17	-	-	869	-
(Gains)/losses from disposal/acquisition of interest held in investments		-	10.733	-	(33.831)
Losses on sale/valuation of financial instruments/derivatives		92	258	267	257
Finance income		(299)	(169)	(1.113)	(981)
Finance costs		19.628	15.212	8.306	8.323
Provision for inventory impairment		170	7.338	-	-
Net gains/(losses) from fair value adjustment on investment property	5	(45.585)	(135)	-	-
Other non cash income / (expense)		233	-	2	(88)
		37.088	**21.564**	**(4.477)**	**(6.995)**
Changes in working capital:					
(Increase)/decrease in inventories		120	(13)	-	-
(Increase)/decrease in receivables		(27.727)	(72)	(6.685)	(860)
Increase/(decrease) in payables		2.490	(1.253)	1.550	(2.184)
		(25.118)	**(1.338)**	**(5.135)**	**(3.043)**
Cash generated from / (used in) operations		**11.970**	**20.226**	**(9.612)**	**(10.039)**

15. Commitments

Capital commitments

At September 30, 2018 there is capital expenditure of €0.40m 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	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
No later than 1 year	3.705	3.395	945	944
Later than 1 year and not later than 5 years	15.159	13.889	1.206	1.919
Later than 5 years	273.471	53.408	-	-
Total	**292.334**	**70.692**	**2.151**	**2.863**

The significant change at the total operating lease commitments is the prolongation of the agreement with the Ecumenical Patriarchate, owner of the land plot on which the Company developed and operates the Mediterranean Cosmos Shopping Centre, for the extension of the long-term lease of the said land plot area for 30 additional years, until 2065.

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

16. Contingent liabilities

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

	GROUP		COMPANY	
Liabilities (*all amounts in € thousands)*	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Letters of guarantee relating to obligations	39.047	36.258	30.004	30.004
Total	**39.047**	**36.258**	**30.004**	**30.004**
Assets (*all amounts in € thousands)*				
Letters of guarantee relating to receivables from tenants	40.303	39.929	-	-
Total	**40.303**	**39.929**	-	-

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

- 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. As a result, the Group's tax obligations have not been defined permanently. For details regarding the unaudited tax years for the rest of the Group companies, please see note 19.

- A property transfer tax of €10,1m approximately has been imposed on the societe anonyme LAMDA Olympia Village (former DIMEPA, hereinafter referred to as LOV); Out of the forty (40) recourses which have been filed respectively, thirty one (31), amounting to €9.6m, have been irrevocably accepted either by the Council of State (six of them) or by the Administrative Court of Appeals, as either the corresponding to them appeals on points of law of the Hellenic Republic have been rejected (for eight of them) or the Hellenic Republic did not even file an appeal on points of law (for the remaining seventeen); the remaining nine (9) recourses have been irrevocably rejected in favor of the Hellenic Republic, since due to the amount of the litigation either an appeal (one case) or an appeal on points of law (six cases) could not be filed or because the filed appeal on points of law was rejected (two cases).

  During the whole term of this litigation, LOV has been obliged to pay to the Hellenic Republic the amount of approximately €836k during 2005, €146k during 2006, €27k during 2007, €2.9m in 2012,

€2.2m in 2013, €983k in 2014 and €235k in 2015 (which remained as a claim against the Hellenic Republic). Until 30.09.2018 the total amount of €6.5m has been returned to the Company on the basis of the appeals which have been irrevocably accepted. 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 LOV's shares.

- Additionally, LOV had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights with regard to this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to LOV of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV's appeal and accepted the Hellenic Republic's appeal; consequently the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property; after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, LOV had to pay transfer tax of approximately €16,3m. An appeal on points of law has been filed and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging re-calculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability.

- Five (5) petitions for annulment have been filed and were pending before the Council of State related to LOV, regarding the plot of land where the Maroussi Media Village (or "Olympiako Chorio Typou") and the Commercial and Leisure Centre "The Mall Athens" were built. More specifically: the first of these petitions was heard on 3.5.2006 and the decision no 391/2008 of the Fifth Chamber of the Council of State was issued committing for the Plenary Session of the Council of State. Further to successive postponements the case was heard on 05.04.2013. By virtue of its decision No 376/2014, the Plenary Session accepted the said petition and the Court annulled the silent confirmation by the competent planning authority of the Ministry of Environment, Planning & Public Works (namely, DOKK) that the studies of the project submitted to such authority were compliant with article 6 paragraphs 1 and 2 of Law 3207/2003. The Council of State annulled the aforementioned act, because it identified irregularities of a procedural nature in the issuance of the licenses required for the project. In light of such nature of the identified irregularities, it is estimated that they may be rectified, and LOV has already initiated the procedure required further to the issuance of the said decision. The completion of the above mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

- The second petition was heard on 02.04.2014, further to successive postponements, and the Fifth Section issued its Decision No. 4932/2014, whereby the Court cancelled the proceedings. The hearing for the third and fourth petitions took place on 24.04.2018 (again, further to successive postponements). The third and fourth petitions for annulment seek the annulment of a series of pre-approvals and operating licenses respectively, issued by the Municipality of Maroussi to a number of stores operating in the aforementioned Shopping Center, on the basis that the law on which said pre-approvals and licenses were issued is not compatible with the provisions of the Constitution. In light of the aforementioned decision of the Court's Plenary Session, the Company's legal advisors believe that the third and fourth petitions for annulment will be accepted. The fifth petition for annulment, which was heard on 21.03.2017, will probably be rejected on the grounds that the matter falls outside of the Court's jurisdiction (since the decision under annulment is the decision of the Board of Directors of OEK (Worker's Housing Organization or "Organismos Ergatikis Katoikias") which is not an enforceable administrative act).

- In addition to the above, LOV sold the office building "ILIDA BUSINESS CENTRE" to the company "EUROBANK Leasing S.A." on 26.06.2007. "EUROBANK Leasing S.A." entered into a financial lease agreement with "Blue Land S.A." regarding the said office building. The respective deed of transfer includes a provision specifying that, if either of the first two petitions is irrevocably accepted on the grounds that Law 3207/2003 is not compatible with the provisions of the Constitution, then the transaction shall be reversed by reinstatement of the property to its original status, in which case the buyer "EUROBANK Leasing" shall be entitled to the full buying price and the ownership of the office building shall return to LOV. Two opposing lawsuits have been filed; the first one was filed by the Company and LOV and is seeking to have identified that the conditions for the said provision have not been fulfilled and the second one was filed by "EUROBANK Leasing S.A." (and "BLUE LAND S.A." intervened as a third party in the proceedings to support the validity of EUROBANK's claims) and is seeking to have identified that the conditions have been met and that the purchase price be returned to "EUROBANK Leasing S.A.". The case was heard (further to postponement) on 11.10.2016. The Multimember First Instance Court issued decision No, 1522/2017, whereby the Company's and the LOV's lawsuit was rejected and the opposing lawsuit filed by Eurobank Leasing was partially accepted.

The Company and LOV filed appeal No. 572531/504467/2017, the hearing of which had originally been set for 19.04.2018, but was postponed for a joint hearing together with the appeal filed by "EUROBANK Leasing S.A." (No. 573006/50450/2017), as well as with the intervention of "BLUE LAND S.A." in favour of Eurobank Leasing on 03.05.2018, and, following further postponement, the hearing of all the above has been set for 11.10.2018. During the said hearing, the litigation was declared terminated due to an out-of-court settlement between the Company, LOV and "EUROBANK Leasing S.A.", whereby all parties thereto waived their appeals. Pursuant to the settlement agreement, LOV acknowledged ownership of the building and paid the amount of € 54,160,000 to "EUROBANK Leasing S.A." in full and final settlement of the latter's relevant claims against the Company and LOV (as such arose from decision No. 1522/2017 of the Multimember First Instance Court of Athens and "EUROBANK Leasing S.A." aforementioned lawsuit)

- Contractor "MICHANIKI SA" undertook a significant part of the construction works for the "Mediterranean Cosmos" shopping centre in Pylaia, Thessaloniki. Both "PYLAIA SA", a subsidiary of the Company, and "MICHANIKI SA" have filed actions and counter-actions against each other, which were jointly heard on 1.4.2009. The Athens Multimember Court of 1st Instance issued decision 8172/2009 according to which the actions of "PYLAIA SA" were rejected whereas an expert was appointed in relation to the actions of "MICHANIKI SA". "PYLAIA SA" appealed against that decision and the hearing of the appeal took place, following postponements, on 28.02.2013 before the Athens Court of Appeal. The Athens Court of Appeal issued decision No. 3977/2013 which rejected the appeal of "PYLAIA S.A.". The Company submitted an appeal on points of law before the Supreme Court, which was heard on 11.05.2015. The Court accepted the appeal of "PYLAIA S.A." by means of its Decision No 208/2016, despite the negative opinion issued by the Judge Rapporteur, and sent the case back to the Court of Appeals for a new hearing. That hearing in the Court of Appeals has been set for 26.10.2017, when it was postponed for 07.02.2019. Moreover, on 28.12.2010 the "PYLEA SA" filed lawsuits No 13132, 13134 and 13129/2010 before the Athens Multi-Member 1st Instance Court against "MICHANIKI SA", the hearing of which took place on 13.02.2013, following a postponement on 14.11.2012. Such lawsuits are identical to the previously presented lawsuits, save that they have been filed jointly with the company "EUROHYPO S.A." to address the event where the Court rules that "PYLAIA SA" is not entitled to file these lawsuits in its name. For this reason, the hearing of such lawsuits was cancelled on 13.02.2013 and had been reenacted so that those lawsuits were scheduled to be heard on 18.03.2015, when hearing was postponed for 25.01.2017 and then again cancelled. A new hearing for these lawsuits was set for 21.02.2018 and then again cancelled.

Additionally, further to the submission before the Court of the expert's report, which is favorable to "PYLAIA SA", the hearing of the actions of "MICHANIKI SA" had been set for 27.05.2015 (after postponement of 13.03.2013), but it was cancelled. The case was finally heard on 10.10.2018. Moreover, "PYLAIA SA" filed an action against "MICHANIKI SA" on 24.12.2010 for additional compensation from the above causes, the hearing of which had been set, following postponements, on 25.02.2015, but it was cancelled. Given the outcome of the hearing before the Supreme Court, it is likely that a new hearing will be set for said action as well. Finally, "MICHANIKI S.A." filed a new lawsuit seeking compensation for amounts that "PYLAIA S.A." had collected from Alpha Bank by forfeiture of "MICHANIKI S.A." bank bonds. The lawsuit was set to be heard on 28.05.2015, but was postponed for 12.10.2017, when it was cancelled. The amount of total claims of "PYLAIA SA" against "MICHANIKI SA" is €20m (which includes the amount of €2,5m for moral damages), while "MICHANIKI SA" with said actions claims the amount of €37m (including the amount of €10.5m in compensation for moral damages). In any case, the Company's legal advisors believe that the legitimate claims of "PYLAIA SA" against "MICHANIKI SA" significantly exceed the legitimate claims of the latter against "PYLAIA SA".

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

17. Related party transactions

The following transactions were carried out with related parties:

	GROUP		COMPANY	
all amounts in € thousands	01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017	01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017
i) Sales of goods and services				
- subsidiaries	-	-	2.363	1.437
- joint ventures	95	1.321	44	124
- associates	-	-	51	51
	95	**1.321**	**2.458**	**1.612**
ii) Purchases of goods and services				
- subsidiaries	-	-	717	700
- joint ventures	-	185	-	-
- companies which controlling interests belong to Latsis family	1.119	-	-	-
	1.119	**185**	**717**	**700**
iii) Dividend income				
- subsidiaries	-	-	3.262	420
	-	**-**	**3.262**	**420**
iv) Benefits to management				
- salaries and other short-term employment benefits	444	432	444	432
	444	**432**	**444**	**432**
v) Income from interest				
- subsidiaries	2	24	831	850
	2	**24**	**831**	**850**
vi) Cost of interest				
- subsidiaries	-	355	1.544	734
	-	**355**	**1.544**	**734**

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

	GROUP		COMPANY	
all amounts in € thousands	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Receivables from related parties:				
- subsidiaries	-	-	960	-
- joint ventures	39	-	18	-
- associates	-	-	21	-
	39	**-**	**999**	**-**
Payables to related parties:				
- subsidiaries	-	-	-	70
- companies which controlling interests belong to Latsis family	302	-	-	-
	302	**-**	**-**	**70**

	GROUP		COMPANY	
	30.09.2018	**31.12.2017**	**30.09.2018**	**31.12.2017**
viii) Loans to associates:				
Balance at the beginning of the period (released)	**657**	**1.111**	**28.926**	**86.414**
Adjustment IFRS 9	-	-	(20.585)	-
Balance at the beginning of the period (adjusted) (1)	**657**	**1.111**	**8.342**	**86.414**
Loans granted during the period	-	360	618	-
Loan repayments/Transfer to share capital	(588)	(825)	-	-
Interest repayments/Transfer to share capital	(72)	(17)	-	-
Loan repayments	-	-	(168)	(24.300)
Loan and interest impairment	-	-	(869)	(34.318)
Interest charged	2	28	831	1.130
Balance at the end of the period	**-**	**657**	**8.754**	**28.926**

(1) At company level "Loans to associates"of 31.12.2017 has been adjusted according to the amendments of IFRS 9, as mentioned in note 2.2 of the condensed interim financial statements for the period that ended 30.06.2018.

At Company level, the loans to associates refer to loans of initial capital €57.4m, less impairment €49.3m, that the parent company has granted to its subsidiaries LAMDA Development Romania SRL, LAMDA Development Sofia EOOD, Robies Services Ltd, LAMDA Development Montenegro DOO and Property Development DOO.

	GROUP		COMPANY	
ix) Loans from associates:	**30.09.2018**	**31.12.2017**	**30.09.2018**	**31.12.2017**
Balance at the beginning of the period	**-**	**17.947**	**40.808**	**21.974**
Loans received during the year	-	-	-	18.243
Loan repayments	-	-	(700)	(700)
Acquisition of interest held in investments	-	(18.302)	-	-
Borrowings transaction costs - amortization	-	-	5	18
Interest paid	-	-	(101)	(141)
Interest charged	-	355	1.544	1.414
Balance at the end of the period	**-**	**-**	**41.556**	**40.808**

At Company level, the loans from associates refer to loans of initial capital €36m that the parent company has granted to its subsidiary LAMDA Prime Properties SA and the joint venture LOV Luxembourg SARL. In 2018, the Company repaid the amount of €700k to its subsidiary LAMDA Prime Properties SA. At Group level, following the acquisition of 25% of LOV Luxembourg SARL and 50% of LAMDA OLYMPIA VILLAGE SA, there are no more loans from associates.

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

18. Earnings per share

Basic

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

	GROUP		COMPANY	
all amounts in € thousands	**01.01.2018 to 30.09.2018**	**01.01.2017 to 30.09.2017**	**01.01.2018 to 30.09.2018**	**01.01.2017 to 30.09.2017**
Loss attributable to equity holders of the Company	**26.601**	**(22.020)**	**(7.970)**	**15.554**
Weighted average number of ordinary shares in issue	77.856	77.356	77.856	77.356
Basic earnings/(losses) per share *(in € per share)*	**0,34**	**(0,28)**	**(0,10)**	**0,20**

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

all amounts in € thousands	GROUP 01.01.2018 to 30.09.2018	GROUP 01.01.2017 to 30.09.2017	COMPANY 01.01.2018 to 30.09.2018	COMPANY 01.01.2017 to 30.09.2017
Profit/(loss) used to determine dilluted earnings/(losses) per share	**26.601**	**(22.020)**	**(7.970)**	**15.554**
Weighted average number of ordinary shares in issue	77.856	77.356	77.856	77.356
Adjustment for share options:				
Employees share option scheme	-	-	-	-
Weighted average number of ordinary shares for dilluted earnings per share	**77.856**	**77.356**	**77.856**	**77.356**
Diluted earnings/(losses) per share *(in € per share)*	**0,34**	**(0,28)**	**(0,10)**	**0,20**

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

19. Income tax expense

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

In addition, the tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Greece 29%, Romania 16%, Serbia 15%, Bulgaria 10%, Montenegro 9% and Netherlands 25.5%.

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

Tax certificate and unaudited tax years

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

Company	Fiscal years unaudited by the tax authorities	Company	Fiscal years unaudited by the tax authorities
LAMDA Development SA	2012-2017		
LAMDA Olympia Village SA	2012-2017	ATHENS METROPOLITAN EXPO SA	2012-2017
PYLAIA SA	2012-2017	METROPOLITAN EVENTS	2012-2017
LAMDA Domi SA	2012-2017	Property Development DOO	2010-2017
LAMDA Flisvos Marina SA	2012-2017	Property Investments DOO	2008-2017
LAMDA Prime Properties SA	2012-2017	LAMDA Development Romania SRL	2010-2017
LAMDA Estate Development SA	2012-2017	LAMDA Development Sofia EOOD	2006-2017
LD Trading SA	2012-2017	SC LAMDA MED SRL	2005-2017
KRONOS PARKING SA	2012-2017	LAMDA Development Montenegro DOO	2007-2017
LAMDA Erga Anaptyxis SA	2012-2017	LAMDA Development (Netherlands) BV	2008-2017
LAMDA Flisvos Holding SA	2012-2017	Robies Services Ltd	2007-2017
LAMDA Leisure SA	2012-2017	Robies Proprietati Imobiliare SRL	2007-2017
GEAKAT SA	2012-2017	Singidunum-Buildings DOO	2007-2017
MALLS MANAGEMENT SERVICES SA	2012-2017	GLS OOD	2006-2017
MC Property Management SA	2012-2017	LOV Luxembourg SARL	2013-2017
LAMDA Akinhta SA	2012-2017	TIHI EOOD	2008-2017
LAMDA Dogus Marina Investments SA	2012-2017		

For the year ended 31 December 2011 and onwards as the Law 4174/2013 (article 65A) currently stands (and as Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before

1 January 2016, the Greek societes anonymes and limited liability companies whose annual financial statements are audited compulsorily, were required to obtain an 'Annual Tax Certificate', which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements. For fiscal years starting from 1 January 2016 and onwards, the 'Annual Tax Certificate' is optional, however the Group will obtain such certificate. In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within which the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company.

Regarding the Greek companies of the Group that are subject to tax certificate, the tax audit for the fiscal year 2017 was completed by PriceWaterhouseCoopers SA and the relevant tax certificates have been issued.

Up to 31.12.2016 the Company and PYLEA SA have been officially served with audit mandate by the competent Greek tax authorities for the year 2010. Consequently, the State is not anymore entitled, due to the lapse of the statute of limitation, to issue assessment sheets and assessment acts for taxes, duties, contributions and surcharges for the years up to 2010, pursuant to the following provisions: (a) para. 1 art. 84 of Law 2238/1994 (unaudited cases of Income taxation), (b) para. 1 art. 57 of Law 2859/2000 (unaudited cases of Value Added Tax), and, (c) para. 5 art. 9 of Law 2523/1997 (imposition of penalties for income tax cases).

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. As a result, the Group's tax obligations have not been defined permanently. The total amount of the cumulative provision made for the Group's and Company's unaudited, by the tax authorities, years amount to €0.2m and €0m respectively.

20. Number of employees

Number of employees at the end of the period: Group 234, Company 83 (nine month period ended 30 September 2017: Group 224, Company 75) from which there are no seasonal (nine month period ended 30 September 2017: Group 0, Company 0).

21. Events after the balance sheet date

In October 2018, the return of the ownership of the office building "ILIDA BUSINESS CENTER" to LAMDA Olympia Village SA was completed. Thereinafter, LOV, via notarial deed, has transferred to "LAMDA ILIDA OFFICE SA" some use rights (νομή) and pre-agreed to transfer to "LAMDA ILIDA OFFICE SA" the ownership of the office building in the future. The impact of the above mentioned transaction to the Group's results has already been recognized through a provision at 31.12.2017.

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