

## LAMDA Development: First Quarter 2010 Financial Results

### INCREASE IN NET PROFIT by 27%

**Group Recurring EBITDA** increased to €13,9 million compared to €12,8 million in the first quarter of 2009, showing an increase of 8%. This increase is attributed to the marginal improved operational performance of our malls "The Mall Athens", "Mediterranean Cosmos" and "Golden Hall" despite the unfavorable economic environment, as well as to Flisvos Marina continuing profitability and the increase in dividends and participations derived from our shareholding in Eurobank Properties.

The successful operation of our shopping centres is mainly attributed to the fact that they have become a reference and destination point among the consumer public. Shopkeepers have the advantage of lower rentals compared to high street rents and enjoy major support in marketing, promotion and communication activities. As a result the commercial centers enjoy occupancy levels at 100%. It is worth taking notice that the aggregate shopkeepers' turnover of our shopping centers is still higher versus last year. This constitutes the proof that the trend is in favor of friendly and well organized big shopping centers facilities.

In "**The Mall Athens**" the recurring profitability remained flat. Despite the unfavourable economic environment and the significant drop in retail spending throughout the country, shopkeepers' turnover in "The Mall Athens" remained at last year level. The operational performance of "**Mediterranean Cosmos**" in Thessaloniki is also quite satisfactory given the slight increase in shopkeepers' turnover by 3,5% compared to Q1 2009 and the 2,1 million customer visits, an increase of 1,3%. In addition, recurring EBITDA was also increased by 2%. The operation of "**Golden Hall**" has been quite satisfactory. "Golden Hall" is fully leased to well-established and renowned international and Greek brand names. Recurring profitability was flat, while shopkeepers' turnover posted a remarkable increase of 22%.

**Flisvos Marina** recurring profitability has increased by 12,5% versus last year. The existing berths are fully leased while the completion of the marine infrastructure expansion offered 50 new berthing facilities, reaching a total of 300 berths. This additional capacity shall naturally contribute to the increase in turnover and profitability in 2010. It is important to underline that about 50% of the 300 berths can be used by mega yachts with over 30 meters length, an advantage that only Flisvos Marina enjoys in Greece. The on-land commercial development continues to attract increased footfall that approximates 15.000 visitors per day during the weekend and has become a reference point among the public in the seaside part of Athens.

Moreover, the **dividends and participations** revenue is higher by €0,7 million mainly because of the higher dividend collected from Eurobank Properties REIC, a result of its continuing strong performance and our investment decision to continue increasing our position in subject company. On 31/03/2010 the total number of shares LAMDA Development owned amounted to 8.475.782 (a shareholding of 13,9% versus 12,9% on 31/03/2009).

Finally, it should be stressed that **Group overheads** are 11% lower as a result of our on-going cost control policy, a goal that is of vital importance to the Group.

The following table summarizes the **Group's Recurring EBITDA**:

(amount in € mil.)	Q1 2010	Q1 2009	%
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"The Mall Athens"	4,2	4,2	-
"Mediterranean Cosmos"	3,8	3,7	2,7%
"Golden Hall"	2,1	2,1	-
Offices & Flisvos Marina	1,8	1,8	-
Other Services – Dividends & Participations	4,4	3,7	18,9%
Overheads	-2,4	-2,7	11,1%
<b>Recurring EBITDA</b>	<b>13,9</b>	<b>12,8</b>	<b>8,6%</b>

**Consolidated Net Profit** after tax and minority interest reached €6,1 million compared to €4,8 million in the first quarter of 2009, increased by 27%. This increase is mainly attributed to the increase in recurring EBITDA by €1,1 million as well as to the savings in net interest expense by €1 million due to lower interest rates. As a result of the above factors, there was an increase in taxes by €0,5 million.

**Net Asset Value** before Taxes reached €496,6 million (€12,2 per share) compared to €502 million on 31/12/2009. The slight decrease in the Net Asset Value is owed to a lower valuation of our shareholding in Eurobank Properties by €10,4 million which is partially counterbalanced by the increase in net profit .

### Summary of consolidated financial figures

(amount in € mil.)	Q1 2010	Q1 2009	%
<b>Recurring EBITDA</b>	<b>13,9</b>	<b>12,8</b>	<b>8,6%</b>
Fair value gains	0	0	-
Other income – expense	-0,2	-0,1	-
EBITDA	13,7	12,7	7,9%
Net profit	6,1	4,8	27,1%
<b>NET ASSET VALUE</b>	<b>496,6</b>	<b>502,0</b>	<b>-1,0%</b>
Net Asset Value per share	12,2	12,3	

**LAMDA Development stock** is still trading at a significant discount compared to its Net Asset Value. More specifically, with a share price of €3,95 on May 21, 2010 **the discount** was 67% compared to a Net Asset Value per share of €12,2. It must also be noted that treasury shares represent 7,4% of total capital with an average purchase price of €5,69.

The **Net Loan to Value Ratio (Net LTV)** of the Group's investment portfolio was 43%. The Group has secured **significant liquidity** that exceeds **€200 million** with the intention to finance the development plan and potential investment opportunities that may arise in the near future as a result of the economic downturn.

Finally, LAMDA Development consolidated **Group Turnover** is comprised of the following segments:

(amount in € mil.)	Q1 2010	Q1 2009	%
Real Estate Leasing Revenues	15,0	14,1	6,4%
Real Estate Sales	0,4	0	-
Other Real Estate Services	4,8	5,4	-11,1%
<b>Total Turnover</b>	<b>20,2</b>	<b>19,5</b>	<b>3,6%</b>

**The Group's major growth and strategic goals can be summarized as follows:**

- Further improvement with a long-term perspective in recurring profitability.
- Intensify required actions to expedite detailed planning permissions and finalize business plan for our two major development projects in Belgrade, Serbia.
- New investments in South-eastern Europe and Turkey in developments and acquisitions that relate to commercial uses (malls, outlets, big boxes). Continuous review of the Group's strategy and risks towards new investments in view of the recent market and economic developments in our target area of interest.
- Prudent management of Group's capital structure and liquidity.
- Further exploit international and local corporate strategic alliances.

The summary of the financial figures of the first quarter 2010 will be published in the newspaper Imerisia on 28/05/2010 and will be posted on the company's website ([www.lamda-development.net](http://www.lamda-development.net)) and on the website of the Athens Exchange.