LAMDA Development S.A.

Consolidated and company financial statements

1 January – 31 December 2008

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

37A Kifissias Ave., 15123, Maroussi

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

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

Index of annual financial statements

The annual financial statements, the auditors' reports and the Board of Directors reports of the companies included in the consolidated financial statements are available on the Company's website www.lamda-development.net.

STATEMENTS OF THE BOARD OF DIRECTORS OF
"LAMDA Development S.A."
ACCORDING TO THE ARTICLE 4, Par.2 OF THE LAW 3556/2007

We state to the best of our knowledge, that the annual financial statements for the year ended on 31 December 2008, which have been prepared in accordance with the international accounting standards in effect, reflect fairly the assets, liabilities, equity and the results of LAMDA Development S.A., as well as of the companies that are included in the consolidation taken as a whole.

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

Athens, 24 March 2009

George K. Papageorgiou Chairman of the BoD	Apostolos S. Tamvakakis Vice Chairman	Evangelos I. Chronis Non executive member of the BoD

ANNUAL BOARD OF DIRECTORS' REPORT OF "LAMDA DEVELOPMENT S.A." FOR THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS FOR THE FISCAL YEAR THAT ENDED ON 31 DECEMBER 2008.

Dear Shareholders,

According to the provisions of the laws 3556/2007 and 2190/1920 and the decisions 1/434/3.7.2007 and 7/448/11.10.2007 of the Hellenic Capital Market Commission, we present the annual Board of Directors' report of "LAMDA Development S.A." concerning the Consolidated and Company Financial Information for the fiscal year that ended on December 31, 2008.

FINANCIAL POSITION OF THE GROUP

According to the International Financial Reporting Standards, the basic Group's and Company's figures for the period from 1/1/2008 to 31/12/2008 are the following:

Consolidated Net Income after tax was €65.617 thousands compared to €70.062 thousand in 2007, whereas net profit for the company's shareholders reached €60.098 thousands compared to €59.620 thousands last year. The main reason for the drop in Group earnings before tax is the reduction in fair value gains (deriving from investment properties) from €65.596 thousands in 2007, to €48.151 thousands in 2008. Fair value gains in 2008 emanated mainly from the new Shopping and Business Center "Golden Hall", inaugurated in 27/11/2008. Fair value gains of "Golden Hall" reached €46.572 thousands, while the remaining investment properties of the Group had no significant change. It must be stated though, that the small increase in the capitalization rates (yields) in 2008 was offset by the improvement of the operational performance and recurring profitability of the Group properties and more specifically the on-going increase in the Shopping Centers' income, despite the effect of the global economic slowdown. The recurring profitability of the Group increased significantly by 25% and reached €29.100 thousands, which partially counterbalanced the increase in the finance expense of the Group from €14.507 thousands in 2007 to €20.353 in the current year.

A decrease of 14% was noticed in the consolidated turnover of LAMDA Development S.A., which reached € 74,8 million compared to € 86.9 million in 2007. This decrease is basically due to the sale of the office complex of the subsidiary LAMDA Olympia Village S.A. during the period ended June 30, 2007. It should be noted that Group's recurring profitability in 2008 is significantly higher compared to 2007.

The total equity, that corresponds to the Company's shareholders, after minority interests, reached € 425.568 thousands compared to € 397.172 thousands in 2007, showing an increase of 6,9%. EFG EUROBANK PROPERTIES share price decline had an unfavorable effect on Group's total equity by € 22.273 thousands. By taking into consideration the intrinsic book value per share, based on the Net Asset Value of the company (NAV per share metric) and by evaluating the volatility ratio of the stock price for the three previous years as well as the share price performance in the beginning of 2009, the Management Team believes that no issue of permanent impairment is supported, as displayed in the Company's participation under as assets available for sale.

(amounts in € thousand)	**Fiscal Year 2008**	**Fiscal Year 2007**	**Variation**
NET ASSET VALUE (NAV)	485.783	454.562	7%
Shareholders' Equity	425.568	397.172	7%
Earnings before valuations	43.255	42.825	-1%
Fair Value Gains	48.151	65.596	-26.6%
Earnings before tax	71.053	93.914	-24.3%
Net Income after tax & minority interest	60.098	59.620	1%
Turnover	74.765	86.892	-14%

SIGNIFICANT EVENTS

Despite the international slowdown in the economic environment as well as the deterioration in the economic activity in Greece, the Group's two Shopping Centers continue to excel. "The Mall Athens" during 2008 had a shopkeeper turnover increase of 4%, while the total revenue from its operations increased by 6,5%. The "Mediterranean Cosmos" in Pylea Thessaloniki had a shopkeeper turnover increase of 12,5%, while the total revenue from its operations increased by 9.8%.

Significant development in the local market is the great improvement in the operating profits of LAMDA TechnOl Flisvos Marina S.A. given that since the end of 2007 the marine and land facilities are 100% leased. It should also be noted that in June the new price list of yachting marine services was approved, thus the financial results of Marina will be further ameliorated in 2009.

On 27/11/2008 the new Shopping and Business Center "Golden Hall" in Marousi was inaugurated. The market value that was determined by the independent surveyors amounted to €122.840 thousands. As it has already been mentioned, the fair value gains were €46.572 thousands. By taking into account, the limited time period that was open in 2008, both the number of visitors and the shopkeepers' turnover is deemed quite satisfactory.

On June 30, 2008 the Group's subsidiary "LAMDA Prime Properties S.A." transferred a land plot of 6,000 sqm. in Kifissia for € 8.385 thousands.

Based on the specific terms of the deal for the transfer of 49.24% of LAMDA Olympia Village to HSBC, the price was adjusted upwards by €17,950 thousands and was further set at the level of €182.965 thousands. On 5/3/2009 HSBC paid the amount of €64.296 thousands. Some other parts of the deal between the two parties are yet to be determined. The transfer of shares mandates a specific procedure for the final closing of the offering price. Nevertheless, the offering price will not be altered significantly.

SIGNIFICANT RISKS

Fluctuations in property values

Fluctuations in property values are reflected in the income statement and balance sheet according to their fair value. An increase in yields would have an important effect on the Group's profitability and assets. However, due to the successful operations of Shopping and Leisure Centers "The Mall Athens" in Maroussi and "Mediterranean Cosmos" in Pylea Thessaloniki, their market value is unlikely to decline.

Credit risk

Income would be greatly affected in case the tenants are unable to fulfil their contractual obligations. However, the Group has a well-diversified tenant mix consisting mainly of blue chip companies in Greece and foreign countries. The customers' financial condition is monitored on a recurring basis. The Company's management does not expect significant losses from non-receivables apart from those for which certain provisions have already been made.

Foreign exchange risk

The Group operates in Balkan countries and is exposed to foreign exchange risk arising from various currencies, primarily the Serbian, Romanian, Montenegrin and Bulgarian currencies.
Since the investments in the above-mentioned countries represent less than 11% of the Group's asset value, the Group is not significantly exposed in this risk category.

Interest rate risk

The Group's interest rate risk derives mainly from bank loans with floating base rate. The continuing interest rate increase lately will result in bigger financial expense.
39% of the Group's borrowings have a fixed base interest rate or are hedged through financial derivative instruments.

Inflation risk

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

Liquidity risk

Liquidity needs are fully satisfied by the on-time forecast of cash needs in conjunction with the prompt collection of receivables and by maintaining adequate credit limits with the banks we do business with.

External factors

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

PENDING LITIGATION

1. THE MALL ATHENS

1.1 Pending litigation

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

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

(a) The first petition for annulment directly contests the validity of Law 3207/2003, which is in lieu of the building permit for all the buildings constructed on this the particular area. The petition aims to have the Law declared null and void, on the basis that it is allegedly not compatible with the provisions of the Constitution of the Hellenic Republic. The petition was heard on 03.02.2006 and the Fifth (E) Chamber of the State Council issued its decision No. 391/2008, whereby the matter was referred to the Plenary Session of the State Council. The hearing has been set for 08.05.2009, further to a postponement of the hearing previously scheduled for 07.11.2008.

(b) The second petition seeks annulment of the deemed approval of the designs submitted by L.O.V. to the Ministry of Environment, Planning and Public Works, pursuant to article 6 paragraph 2 of Law 3207/2003. By means of its decision No 455/2008, the Fifth (E') Chamber of the State Council postponed the hearing of the case, until the issuance of the decision by the Court's Plenary Session on the first petition for annulment. The hearing of the petition has been set for 02.12.2009.

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

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

These last three petitions have been scheduled to be heard before the Fourth (D) Chamber of the State Council on 16.06.2009, further to successive postponements of hearings previously scheduled for 09.01.2007, 23.10.2007, 08.01.2008 and 07.10.2008,.

It is noted that, with the exception of the third petition, L.O.V. has intervened in all other cases as a third party in the proceedings to support the validity of the "acts" contested and shall proceed with intervening in the proceedings of the third petition.

According to the assessment of the Company's legal counsel, should the State Council apply consistently the legal reasoning of its prior rulings, there would not be substantial probability of the first of the above petitions being upheld; on the other hand, such eventual outcome cannot be fully excluded. The outcome of proceedings in respect of the remaining petitions would largely depend on the decision to be issued by the plenary session of the State Council further to its review of the first petition.

Finally, in the event that any of the above petitions is eventually accepted and as a result legal impediments arise in respect of the smooth operation of the Shopping Centre "The Mall Athens", L.O.V. will be entitled to seek redress for any damages it may suffer against the Greek State.

<u>1.2 Potential impact of pending litigation on the existing contracts</u>

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

If any of the third, fourth or fifth petitions for annulment are accepted, L.O.V.may be held liable for breach of contract in accordance with the general provisions of the Greek Civil Code.

(b) In addition to the above, L.O.V. conveyed the office building "ILIDA BUSINESS CENTRE" to the company "BLUE LAND S.A." on 26.06.2007. The respective deed of transfer includes a provision specifying that, if either of the first two petitions is irrevocably accepted, then the purchaser will be entitled to demand reinstatement of the property to its original status and rectification of any actual damages it may have suffered, as such term is defined in the deed of transfer. Moreover, in the event that either the fourth or the fifth petition is accepted, then the purchaser will be entitled to repudiate the contract and demand restoration of the aforementioned actual damages, following the lapse of a period of two years from the date of issuance of the decision on the annulment petitions, on condition that any defects or deficiencies resulting from said decision have not been remedied in the meantime. Lastly, in the event that the third petition is accepted, L.O.V. may be held liable for breach of contract in accordance with the general provisions of the Greek Civil Code.

(c) In any case, as already mentioned, if any of the aforementioned annulment petitions are accepted, the L.O.V. will be entitled to seek redress for any damages it may suffer against the Greek State.

2. FLISVOS MARINA

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

Two petitions for annulment are pending, concerning the approval of the project's environmental terms, which were heard before the Fifth (E') Chamber of the State Council on 04.03.2009. A further petition for annulment is pending against the ministerial decision, whereby the existing harbor basin was delineated, which is set to be heard before the Fifth (E') Chamber of the State Council on 03.06.2009 (further to successive postponements). As part of the hearing of the first two petitions for annulment, issues concerning their admissibility were raised and debated (amongst other matters). It is noted that in all three aforementioned cases the Company's subsidiary "LAMDA TECHNOL FLISVOS MARINA S.A." (hereinafter "LTFM") has intervened as a third party in proceedings before the State Council.

According to the assessment of the Company's legal counsel, it is likely that the petitions for annulment already heard would be dismissed by reason of having been filed post the statutory periods available for this type of remedy. In any case, if any of the above petitions is accepted and as a result legal impediments arise in respect of the smooth operation of the "Flisvos Marina", LTFM will be entitled to seek redress for any damages it may suffer against the Greek State.

3. GOLDEN HALL (former International Broadcasting Centre)

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

3.1. In total, five (5) petitions for annulment have been filed before the State Council, relating to the building formerly known as the International Broadcasting Centre, in part of which the Company's subsidiary "LAMDA DOMI S.A." (hereinafter "LAMDA DOMI") has developed a business and commercial complex (hereinafter the "Complex"). Specifically:

(a) The first petition, which has been filed by associations and residents of the wider area, seeks the annulment of an agreement dated 29.08.2006, executed by and between "OLYMPIC PROPERTIES SA" and "LAMDA DOMI", regarding the development of the Complex.

(b) The second petition, which has also been filed by associations and residents of the wider area, mainly seeks the annulment of joint decision No 101576/22.02.2008 of the Ministers of Environment, Physical Planning and Public Works, and Culture, whereby the environmental terms of the project were approved, as well as the annulment of other related acts.

(c) The third, fourth and fifth petition, which have all been filed by individual local residents, mainly seek the annulment of the aforementioned joint ministerial decision, as well as the annulment of the building permit in respect of the transformation of the building into a business and commercial complex.

All five petitions have been scheduled to be heard before the Plenary Session of the Sate Council on 25.09.2009, further to successive postponements previously scheduled for 07.11.2008 and 06.03.2009. "LAMDA DOMI" has intervened as a third party in the proceedings.

It is noted that the applicants of the first petition also filed a petition for an interlocutory injunction before the State Council, which was rejected by virtue of decision No 1329/2008 of the State Council's Injunctions Committee. Furthermore, the applicants of the third and fifth petitions also filed petitions for interlocutory injunctions, which included respective requests for the issuance of an interim order. Such requests were rejected by a relevant Ruling of the Presiding Judge of the State Council; the petitions for the issuance of interlocutory injunctions were dismissed by virtue of decisions No 1327/2008 and 1328/2008 of the State Council's Injunctions Committee, respectively.

According to the assessment of the Company's legal counsel, should the State Council apply consistently the legal reasoning of its prior rulings relating to the admissibility of this type of legal remedy, it would not be probable that the first petition would be upheld. Furthermore, the second petition is likely to be rejected on the grounds that it was filed post the statutory period allowed for launch of this remedy. Furthermore, taking into account the fact that the works which constitute the object of the contested permits have been completed, it is possible that proceedings may be terminated by reason of expiration of the contested acts. The third, fourth and fifth petitions for annulment contest in essence the approval of the environmental terms of the project. According to the assessment of the Company's legal counsel, there exists an elevated possibility that the petitions would be rejected as unsubstantiated, on the grounds that Law 3342/2005 did not in fact impose less favourable environmental terms in relation to the previous legal status.

3.2. Furthermore, there are two petitions pending before the Athens Adminstrative Court of Appeals filed by J. Klapakis and D. Klapakis, respectively, which contest the validity of the original building permit for the erection of the International Broadcasting Centre (Permit No 75/29.05.2003) and of the permit for demolishing and strengthening of the building structure of the main part of the International Broadcasting Centre (Permit No 5/2007), on the basis that said permits and Law 3342/2005 were allegedly not compatible with the provisions of the Constitution of the Hellenic Republic.

Furthermore, the applicant of the first petition also filed a petition for an interlocutory injunction, which included a request for the issuance of an interim order for the suspension of the execution of works pursuant to the second permit described hereinabove. Such request was rejected by a relevant Ruling of the Presiding Judge of the Athens Administrative Court of Appeals Ms. Ekaterini Balda, whereas the petition for the issuance of an interlocutory injunction was rejected by means of decision No 178/2008 of said Court. The hearing of the first petition for annulment has been set for 06.05.2009, further to a postponement of the hearing originally scheduled for 04.03.2009, and the hearing of the second petition has not yet been set. LAMDA DOMI shall intervene in the proceedings as a third party.

According to the assessment of the Company's legal counsel, it is probable that said petitions would be rejected, on the grounds that they were filed post the statutory period available for exercise of this type of remedy. Furthermore and as far as the merits of the cases are concerned, the argument that Law 3342/2005 did not impose less favourable environmental terms in relation to the previous legal status is likely to be accepted by the Administrative Court of Appeals, contrary to applicants' allegations.

3.3. In each case, in the event that any of the above petitions is eventually accepted and as a result legal impediments arise in respect of the development of the Complex, LAMDA DOMI will be entitled to seek redress for any damages it may suffer against the Greek State and to initiate a process for the issuance of ex-post approval of works by procuring the issuance of pertinent administrative acts.

4. MEDITERRANEAN COSMOS

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

Contractor "MICHANIKI S.A." undertook a significant part of the construction works for the "Mediterranean Cosmos" Shopping Center in Pylea, Thessalokini. Both "PYLEA S.A.", a subsidiary of the Company, and "MICHANIKI S.A." have filed contrary actions, which have been scheduled to be heard on 01.04.2009, following a postponement of the hearing initially set for 02.04.2008. The total claims of "PYLAIA S.A." against "MICHANIKI S.A." stand at € 18,340,931.49 (including the amount of € 2,000,000 as compensation for moral distress). On the basis of the actions it has filed, "MICHANIKI S.A." claims the amount of € 34.755.038,78 (including the amount of € 10,000,000 as compensation for moral distress).

It is noted that, pursuant to the assessment of Company's legal counsel, the substantiated claims of "PYLAIA S.A." against "MICHANIKI S.A." exceed by a significant measure the counterclaims of the latter against "PYLAIA S.A." that could be judicially affirmed as being substantiated on the merits.

RELATED-PARTY TRANSACTIONS

The related-party transactions according to IAS 24 of the Company and the Group are disclosed in the note 30 of the consolidated financial statements for the year ended on 31 December 2008.

Athens, 24 March 2009

Georgios K. Papageorgiou	Apostolos S. Tamvakakis	Evangelos Chronis
Chairman of the Board	Vice-Chairman of the Board	Member of the BoD

Explanatory Report of the Board of Directors of Lamda Development S.A. (par.7 & 8, article 4, Law 3556/2007)

1. Structure of the Company's share capital

The Company's share capital amounts to euros 13,208,985, divided into 44,029,950 shares, with a nominal value of 0.30 euros each. All shares are listed for trading in the Securities Market of the Athens Exchange (under "Large Capitalization" classification).

The shares of the Company are common registered with a voting right. Each share of the Company embodies all the rights and the obligations that are specified by the Law and the Company's Articles of Association. The liability of the shareholders is limited to the nominal value of the shares they hold.

2. Restrictions on the transfer of shares of the Company

The Company shares may be transferred as provided by the law and the Articles of Association provide no restrictions as regards the transfer of shares.

3. Significant direct or indirect participations in accordance with the provisions of articles 9 – 11 of L. 3556/2007

On 31.12.2008, the following shareholders held directly or indirectly, more than 5% of the share capital of the Company, in accordance with the provisions of articles 9-11 of L.3556/2007:

Shareholder	**Percentage of Share Capital 31.12.2008**
Consolidated Lamda Holdings S.A.	55.81%
Bank Efg Eurobank Ergasias S.A.	5.59%

No other physical or legal entity possesses more than 5% of the share capital of the Company, on the above date.

4. Shares providing special control rights

None of the Company's shares carry special control rights.

5. Voting rights restrictions

No restrictions of voting rights are foreseen in the Articles of Association of the Company.

6. Agreements among the shareholders of the Company

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights, nor is there any provision in the Articles of Association providing the possibility of such agreements.

7. Rules governing the appointment and replacement of the members of the Board of Directors, as well as for amendment of the Article of Association deviating from those provided for in Codified Law 2190/1920

The rules set out in the Articles of Association of the Company on the appointment and replacement of the members of the Board of Directors, as well as for the amendment of the provisions of its Articles of

Association not deviate from those provided in the C.L. 2190/1920, prior to its amendment by L.3604/2007.

8. Authority of the Board of Directors or certain of its members regarding the issuance of new shares or the purchase of own shares pursuant to article 16 of Codified Law 2190/1920

A. According to the provisions of article 13, paragraph 1 of the C.L. 2190/1920 and in combination with the provisions of article 6 of the Articles of Association of the Company, within five years since the relative decision of the General Meeting of the Shareholders with which an increase in the share capital is conducted, the Board of Directors has the right by a 2/3 majority decision of its members, to increase the share capital by issuing new shares. The amount of the increase cannot exceed the amount of the share capital that has already been paid in, at the date the relative decision was made by the General Meeting. The abovementioned authority of the Board of Directors may be renewed by the General Meeting of the shareholders for a time period that does not exceed five years for each renewal.

B. According to the provisions of article 13, paragraph 13 of the C.L. 2190/1920, by virtue of a decision of the General Meeting, which is made by increased quorum and majority, according to the provisions of articles 29 paragraph 3 & 4 and 31 paragraph 2 of the C.L. 2190/1920, a stock option plan may be introduced in favour of members of the Board of Directors and personnel of the Company, and of affiliated companies, in the form of the option to purchase shares, according to the specific terms of this decision, a summary of which is subject to the requirements of publication set out in article 7b of C.L. 2190/1920. The decision of the General Meeting especially specifies the maximum number of shares that can be issued, which cannot exceed 10% of the existing shares, the price and the terms of distribution of the shares to the beneficiaries. The Board of Directors decides on any other relevant details not otherwise determined by the General Meeting, issues the stock option certificates and the shares to the beneficiaries who have exercised their option, increasing respectively the capital and certifying the relative increase of it, according to article 11 of the C.L. 2190/1920.

Pursuant to the above provisions, the Annual General Meeting of the σhareholders, which was held on 23.06.2006, decided the distribution of stock option certificates for the purchase of up to 1,500,000 shares of the Company that is 3.41% of the total share capital within the next five years, to members of the personnel. Criterion for the participation in this reward programme is the contribution to the Company's mission as well as to LAMDA Development group of companies' mission, in combination with the position and the operational liability level of each employee.
In execution to the abovementioned decision:
a. The Board of Directors on its meeting on 07.06.2007 decided the distribution of certificates for the purchase of 138.490 shares to 13 beneficiaries. The exercise price per share amounts to 7.5 euros.
b. The Board of Directors on its meeting on 17.12.2008 decided the distribution of certificates for the purchase of 507.750 shares to 27 beneficiaries. The exercise price per share amounts to 2.5 euros.
It is notes that the exercise of the options may take place after a period of three years from the end of the fiscal year, which those options concern, in accordance with the terms of the programme dated 01.06.2007.

C. Pursuant to the provisions of article 16 of the C.L. 2190/1920, as it applies, subject to prior approval by the General Meeting of the Shareholders, the Company may acquire its own shares, under the responsibility of the Board of Directors, provided that the par value of the shares acquired, including the shares previously acquired and still held by the Company, does not exceed the one tenth (1/10) of its paid-up share capital. The resolution of the General Meeting must also set the terms and conditions of the acquisitions, the maximum number of shares that may be acquired, the effective period of the approval granted, which may not exceed 24 months, and, in the case of acquisition for value, the maximum and minimum consideration.

In implementation of the above provisions the Annual General Meeting of the Shareholders of the Company, on 22.05.2008 decided on the purchase of own shares at the time within a period of 12 months, i.e. from 27.05.2008 until 22.05.2009, up to 10% of its paid-up share capital, at a maximum purchase price of 18 euros per share and a minimum purchase price of 2 euros per share and instructed the Board of Directors to implement this decision in cases where it deemed necessary. The Board of Directors of the Company during its meetings on 22.05.2008 and 17.02.2009 decided that the Company may proceed to the materialization of the abovementioned decision.

9. Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer

The Company has no agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer.

10. Every agreement that the Company has concluded with members of its Board of Directors or with its employees, which foresees compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment due to a public offer

The Company has no agreements with members of the Board of Directors or with its employees, which foresee compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment as a result of a public offer.

Athens, 24 March 2009

________________________	________________________	________________________
George K. Papageorgiou	Apostolos S. Tamvakakis	Evangelos I. Chronis
Chairman of the Board of Directors	Vice Chairman of the Board of Directors	Member Of the Board of Directors

Report of the certified auditor – accountant

[Translation from the original text in Greek]

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of LAMDA Development S.A. (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group") which comprise the company and consolidated balance sheet as of 31 December 2008 and the company and consolidated income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the system of internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2008, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference on Other Legal Matters

We verified the consistency of the Board of Directors' report with the accompanying financial statements, in accordance with the articles 43a, 107 and 37 of Law 2190/1920.

Athens, 26 March 2009

THE CERTIFIED AUDITOR

PricewaterhouseCoopers S.A.

268 Kifissias Avenue, 152 32 Athens

SOEL Reg. No. 113

Constantinos Michalatos

SOEL Reg. No. 17701

PRICEWATERHOUSECOOPERS

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Balance Sheet

Amounts in Euro	Note	GROUP 31.12.2008	GROUP 31.12.2007	COMPANY 31.12.2008	COMPANY 31.12.2007
ASSETS					
Non-current assets					
Investment property	6	622.593.501	505.473.951	1.840.441	1.840.441
Property, plant and equipment	7	152.967.196	163.572.235	665.450	427.867
Intangible assets	8	4.588.445	4.728.371	-	-
Investments in subsidiaries	9	-	-	157.143.893	173.727.441
Investments in associates	9	4.343.155	1.561.148	1.633.628	388.328
Available-for-sale financial assets	10	38.675.192	56.711.655	38.675.192	56.711.655
Derivative financial instruments	11	71.180	1.147.290	-	-
Deferred income tax assets	12	486.870	551.118	-	-
Trade and other receivables	14	14.060.150	23.840.421	70.517.735	61.115.108
		837.785.689	**757.586.188**	**270.476.339**	**294.210.840**
Current assets					
Inventories	13	45.799.428	48.132.708	-	-
Trade and other receivables	14	116.079.032	86.460.911	75.011.406	65.292.177
Current income tax assets		6.308.522	5.972.960	6.299.923	5.965.503
Cash and cash equivalents	15	177.180.235	46.199.924	112.235.798	3.337.105
		345.367.218	**186.766.502**	**193.547.126**	**74.594.785**
Total assets		**1.183.152.907**	**944.352.690**	**464.023.465**	**368.805.625**
EQUITY					
Capital and reserves attributable to equity holders of the company					
Ordinary shares	16	225.769.764	235.281.883	225.769.764	235.281.883
Other reserves	17	(18.460.631)	6.250.706	(18.871.879)	2.929.004
Retained earnings		218.259.167	155.639.135	20.893.014	12.464.733
		425.568.300	397.171.724	227.790.899	250.675.620
Minority interest in equity		42.291.820	54.842.223	-	-
Total equity		**467.860.120**	**452.013.947**	**227.790.899**	**250.675.620**
LIABILITIES					
Non-current liabilities					
Borrowings	19	513.574.512	349.026.928	215.000.000	103.000.000
Deferred income tax liabilities	12	66.031.895	64.755.661	7.114.007	2.331.583
Derivative financial instruments	11	2.062.966	-	-	-
Retirement benefit obligations	20	432.291	368.545	374.364	326.589
Other non-current liabilities	21	2.448.717	1.745.642	-	36.148
		584.550.382	**415.896.775**	**222.488.371**	**105.694.320**
Current liabilities					
Trade and other payables	21	62.446.557	45.899.509	13.744.195	12.435.686
Current income tax liabilities		1.327.859	3.491.698	-	-
Borrowings	19	66.967.990	27.050.759	-	-
		130.742.406	**76.441.967**	**13.744.195**	**12.435.686**
Total liabilities		**715.292.788**	**492.338.743**	**236.232.566**	**118.130.005**
Total equity and liabilities		**1.183.152.907**	**944.352.690**	**464.023.465**	**368.805.625**

These consolidated and Company financial statements of LAMDA Development SA for the year ended 31 December 2008 have been approved for issue by the Company's Board of Directors on March 24, 2009.

The notes on pages 17 to 59 are an integral part of these financial statements.

Income Statement

Continuing operations (*Amounts in Euro*)	Note	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Revenue		74.765.116	86.892.111	2.657.107	1.832.515
Dividends		1.998.121	1.670.189	6.983.156	1.978.309
Fair value gains of investment property	6	48.151.456	65.596.161	-	20.000
Reversal of provision for impairment	9			-	-
Cost of inventory sales		(7.647.441)	(28.352.647)	-	-
Other direct investment property expenses	22	(14.936.378)	(7.829.746)	-	-
Employee benefit expense	24	(9.552.671)	(7.878.866)	(7.294.655)	(6.197.615)
Depreciation of property, plant, equipment and intangible assets	7 , 8	(1.929.009)	(2.024.104)	(232.054)	(620.377)
Operating lease payments		(5.955.494)	(6.590.358)	(687.946)	(657.214)
Contracting cost		(4.484.838)	(5.588.896)	(20.371)	(54.528)
Profit from participations sale in associates		17.950.093	19.005.836	17.950.093	19.000.000
Other operating income / (expenses) - net	23	(9.212.734)	(7.481.824)	(4.419.428)	(19.096.198)
Operating profit		**89.146.220**	**107.417.856**	**14.935.902**	**(3.795.108)**
Finance income	25	8.298.632	2.129.821	8.104.310	2.874.253
Finance costs	25	(28.651.719)	(16.637.086)	(9.982.976)	(1.783.191)
Share of profit of associates	9	2.260.017	1.003.447	-	-
Profit / (loss) before income tax		**71.053.149**	**93.914.038**	**13.057.235**	**(2.704.046)**
Income tax expense	26	(5.436.415)	(23.851.748)	(4.628.954)	75.294
Profit / (loss) for the year		**65.616.735**	**70.062.290**	**8.428.282**	**(2.628.752)**
Attributable to:					
Equity holders of the Company		60.097.592	59.619.925	8.428.282	(2.628.752)
Minority interest		5.519.142	10.442.365	-	-
		65.616.734	**70.062.290**	**8.428.282**	**(2.628.752)**
Earnings/(losses) per share from continuing operations for profit attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic	31	1,38	1,35	0,19	(0,06)
Diluted	31	1,37	1,35	0,19	(0,06)

The notes on pages 17 to 59 are an integral part of these financial statements.

Statement of changes in equity

Amounts in Euro	Share capital	Other reserves	Retained earnings/(losses)	Minority interests	Total equity
	Attributable to equity holders of the Company				
GROUP					
1 January 2007	**235.722.818**	**23.357.593**	**106.546.237**	**42.606.437**	**408.233.085**
Reserves from revaluation of available-for-sale financial assets	-	(19.369.211)	-	-	(19.369.211)
Cash flow hedges	-	504.001	-	272.593	776.595
Currency translation differences	-	(1.742.935)	-	941	(1.741.994)
	-	(20.608.145)	-	273.535	(20.334.611)
Net income recognised directly in equity	**-**	**-**	**59.619.925**	**10.442.365**	**70.062.290**
Total recognised income for the year	**-**	**-**	**59.619.925**	**10.442.365**	**70.062.290**
Transfer (from) / to retained earnings	-	461.496	(461.496)	6.393	6.393
Transfers between reserves	-	3.040.847	-	-	3.040.847
Acquisition of subsidiaries	-	-	-	145	145
Change in subsidiary shareholdings	-	(1.085)	56.290	(524.151)	(468.945)
Increase in subsidiary share capital	-	-	-	2.087.500	2.087.500
Dividends relating to 2006 approved by the shareholders	-	-	(10.121.822)	(50.000)	(10.171.822)
Treasury shares purchased	(440.934)	-	-	-	(440.934)
	(440.934)	3.501.259	(10.527.028)	1.519.886	(5.946.817)
31 December 2007	**235.281.883**	**6.250.706**	**155.639.135**	**54.842.223**	**452.013.947**
1 January 2008	**235.281.883**	**6.250.706**	**155.639.135**	**54.842.223**	**452.013.947**
Reserves from revaluation of available-for-sale financial assets	-	(22.273.209)	-	-	(22.273.209)
Cash flow hedges	-	(1.117.207)	-	(741.707)	(1.858.914)
Currency translation differences	-	729.194	-	12.512	741.705
	-	(22.661.223)	-	(729.195)	(23.390.418)
Net income recognised directly in equity	-	-	60.097.592	5.519.142	65.616.734
Total recognised income for the year	**-**	**(22.661.223)**	**60.097.592**	**4.789.947**	**42.226.316**
Transfer (from) / to retained earnings	-	272.389	(272.389)	-	-
Transfers between reserves	-	(2.322.502)	2.794.828	-	472.326
Decrease in subsidiary share capital	-	-	-	(15.956.010)	(15.956.010)
Increase in subsidiary share capital	-	-	-	98.000	98.000
Dividends relating to 2007 approved by the shareholders	-	-	-	(1.482.339)	(1.482.339)
Treasury shares purchased	(9.512.119)	-	-	-	(9.512.119)
	(9.512.119)	(2.050.113)	2.522.440	(17.340.349)	(26.380.142)
31 December 2008	**225.769.764**	**(18.460.631)**	**218.259.167**	**42.291.820**	**467.860.120**

The notes on pages 17 to 59 are an integral part of these financial statements.

Statement of changes in equity

Amounts in Euro	Share capital	Other reserves	Retained earnings/(losses)	Minority interests	Total equity
COMPANY					
1 January 2007	**235.722.817**	**22.052.196**	**25.215.307**	**-**	**282.990.321**
Reserves from revaluation of available-for-sale financial assets	-	(19.369.211)	-	-	(19.369.211)
	-	(19.369.211)	-	-	(19.369.211)
Net expense recognised directly in equity	**-**	**-**	**(2.628.752)**	**-**	**(2.628.752)**
Transfers between reserves	-	246.019	-	-	246.019
Treasury shares purchased	(440.934)	-	-	-	(440.934)
Dividends relating to 2006 approved by the shareholders	-	-	(10.121.822)	-	(10.121.822)
	(440.934)	246.019	(10.121.822)	-	(10.316.737)
31 December 2007	**235.281.883**	**2.929.004**	**12.464.733**	**-**	**250.675.620**
1 January 2008	**235.281.883**	**2.929.004**	**12.464.733**	**-**	**250.675.620**
Reserves from revaluation of available-for-sale financial assets	-	(22.273.209)	-	-	(22.273.209)
Net income recognised directly in equity	**-**	**-**	**8.428.282**	**-**	**8.428.282**
Transfers between reserves	-	472.326	-	-	472.326
Treasury shares purchased	(9.512.119)	-	-	-	(9.512.119)
	(9.512.119)	472.326	-	-	(9.039.793)
31 December 2008	**225.769.764**	**(18.871.879)**	**20.893.014**	**-**	**227.790.899**

The notes on pages 17 to 59 are an integral part of these financial statements.

Cash Flow Statement

		GROUP		COMPANY	
Amounts in Euro	Note	1.1.2008 to 31.12.2008	1.1.2007 to 31.12.2007	1.1.2008 to 31.12.2008	1.1.2007 to 31.12.2007
Cash flows from operating activities					
Cash generated from operations	27	50.454.080	32.869.313	(7.259.347)	(9.042.224)
Interest paid		(26.164.741)	(14.133.234)	(9.772.200)	(957.854)
Income tax paid		(6.242.582)	(5.419.179)	(334.420)	(4.553.814)
Net cash generated from operating activities		**18.046.756**	**13.316.900**	**(17.365.966)**	**(14.553.893)**
Cash flows from investing activities					
Purchases of property, plant, equipment and investment property	7 , 8	(73.124.073)	(122.627.968)	(472.489)	(184.658)
Proceeds from sale of property, plant and equipment (PPE)		8.424.897	-	3.720.200	-
Dividends received		2.721.412	2.838.562	6.983.156	1.978.309
Loans granted to related parties	30	(2.650.000)	(439.634)	(540.000)	(77.581.987)
Loan repayments received from related parties	30	50.000	5.467.111	-	10.670.265
Interest received		5.702.266	1.323.399	2.998.217	1.149.208
Purchases of available-for-sale financial assets	10	(4.236.746)	(33.653.070)	(4.236.746)	(33.653.070)
Proceeds from sale of participations	9	-	11.987.953	-	11.655.117
Increase in participations	9	(1.245.300)	(556.267)	(11.977.800)	(46.023.063)
Increase in assets due to acquisition of subsidiaries		-	(293.409)	-	-
Net cash used in investing activities		**(64.357.545)**	**(135.953.322)**	**(3.525.463)**	**(131.989.878)**
Cash flows from financing activities					
Purchase of treasury shares	16	(9.512.119)	(440.934)	(9.512.119)	(440.934)
Costs on issuance of bond loans		(370.923)	(1.021.464)	-	-
Proceeds from issuance of ordinary shares in subsidiaries	9	98.000	290.000	-	-
Proceeds / (payments) from decrease in ordinary shares of subsidiaries	9	(15.956.010)	-	27.316.048	6.152.031
Dividends paid to Company's shareholders	32	(13.807)	(10.178.071)	(13.807)	(10.178.071)
Dividends paid to minority interests		(1.482.339)	(50.000)	-	-
Borrowings received and refinancing	19	260.837.908	122.001.758	140.000.000	103.000.000
Repayments of capital repayments of finance leases	19	(736.831)	(685.913)	-	-
Repayments of borrowings	19	(55.572.778)	(20.990.318)	(28.000.000)	(156.451)
Net cash used in financing activities		**177.291.101**	**88.925.057**	**129.790.122**	**98.376.575**
Net (decrease) / increase in cash and cash equivalents		130.980.311	(33.711.364)	108.898.693	(48.167.196)
Cash and cash equivalents at beginning of year	15	46.199.924	79.911.287	3.337.105	51.504.302
Cash and cash equivalents at end of year	15	**177.180.235**	**46.199.924**	**112.235.798**	**3.337.105**

The notes on pages 17 to 59 are an integral part of these financial statements.

Notes to the consolidated and Company financial statements

1. General information

These financial statements include the annual financial statements of the company LAMDA Development S.A. (the "Company") and the consolidated annual financial statements of the Company and its subsidiaries (together "the Group"). The names of the subsidiaries are presented in note 9 of the financial statements.

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

The Group is activated in Greece, as well as in other neighbour Balkan countries mainly Romania, Bulgaria, Serbia, Montenegro and its shares are listed on the Athens Stock Exchange. On November 28, 2008 the new shopping and business centre of the Group, Golden Hall, in Maroussi, opened its doors officially to the public.

The Company is incorporated and domiciled in Greece. The address of its registered office is 37A Kifissias Ave., 15123, Maroussi and its website address is *www.Lamda-development.net*. The company is controlled by Consolidated Lamda Holdings S.A. which is domiciled in Luxembourg and therefore Group's financial statements are included in its consolidated financial statements. The company Consolidated Lamda Holdings S.A. is controlled by Latsis family.

These financial statements have been approved for issue by the Board of Directors on March 24, 2009.

2. Summary of significant accounting policies

2.1 Basis of preparation

These Company and consolidated financial statements have been prepared by management in accordance with the 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 IFRS that have been issued by the International Accounting Standards Board (IASB).

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 accounting policies. 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.

The preparation of the Financial Statements, in conformity with IFRS, requires the use of certain estimates and assumptions which affect the balances of the assets and liabilities, the contingencies disclosure as at the balance sheet date of the financial statements and the amounts of income and expense relating to the reporting year. These estimates are based on the best knowledge of the Company's and Group's management in relation to the current conditions and actions.

2.2 New standards, amendments to standards and interpretation

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

a) Standards effective for year ended 31 December 2008

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" and IFRS 7 (Amendment) "Financial instruments: Disclosures" – Reclassification of Financial Assets (effective prospectively from 1 July 2008)

This amendment permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendment also permits an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. This amendment will not have any impact on the Group's financial statements.

a) Interpretations effective for year ended 31 December 2008

IFRIC 11 – IFRS 2: Group and Treasury share transactions (effective for annual periods beginning on or after 1 March 2007)

This interpretation clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

IFRIC 12 – Service Concession Arrangements (effective for annual periods beginning on or after 1 January 2008)

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for annual periods beginning on or after 1 January 2008)

This interpretation applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

c) Standards effective after year ended 31 December 2008

IAS 1 (Revised) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 January 2009)

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The key changes are: the requirement that the statement of changes in equity include only transactions with shareholders, the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income", and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period. The Group will apply these amendments and make the necessary changes to the presentation of its financial statements in 2009.

IAS 23 (Amendment) "Borrowing Costs" (effective for annual periods beginning on or after 1 January 2009)

This standard replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group will apply IAS 23 from 1 January 2009.

IAS 32 (Amendment) "Financial Instruments: Presentation" and IAS 1 (Amendment) "Presentation of Financial Statements" – Puttable Financial Instruments (effective for annual periods beginning on or after 1 January 2009)

The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The Group does not expect these amendments to impact the financial statements of the Group.

IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items (effective for annual periods beginning on or after 1 July 2009)

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not applicable to the Group as it does not apply hedge accounting in terms of IAS 39.

IFRS 1 (Amendment) "First time adoption of IFRS" and IAS 27 (Amendment) "Consolidated and separate financial statements" (effective for annual periods beginning on or after 1 January 2009)

The amendment to IFRS 1 allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. As the parent company and all its subsidiaries have already transitioned to IFRS , the amendment will not have any impact on the Group's financial statements.

IFRS 2 (Amendment) "Share Based Payment" – Vesting Conditions and Cancellations (effective for annual periods beginning on or after 1 January 2009)

The amendment clarifies the definition of "vesting condition" by introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group does not expect that these amendments will have an impact on its financial statements.

IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group will apply these changes from their effective date.

IFRS 8 "Operating Segments" (effective for annual periods beginning on or after 1 January 2009)

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 8 from 1 January 2009.

d) Interpretations effective after year ended 31 December 2008

IFRIC 13 – Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008)

This interpretation clarifies the treatment of entities that grant loyalty award credits such as ''points'' and ''travel miles'' to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

IFRIC 15 - Agreements for the construction of real estate (<u>effective for annual periods beginning on or after 1 January 2009</u>)

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Group's operations.

IFRIC 16 - Hedges of a net investment in a foreign operation (<u>effective for annual periods beginning on or after 1 October 2008</u>)

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group as the Group does not apply hedge accounting for any investment in a foreign operation.

<u>*e) Amendments to standards that form part of the IASB's annual improvements project*</u>

The amendments set out below describe the key changes to IFRSs following the publication in May 2008 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2009.

IAS 1 (Amendment) "Presentation of financial statements"

The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39 "Financial instruments: Recognition and measurement" are examples of current assets and liabilities respectively. The Group will apply this amendment from 1 January 2009 but it is not expected to have an impact on the Group's financial statements.

IAS 16 (Amendment) "Property, plant and equipment" (and consequential amendment to IAS 7 "Statement of cash flows")

This amendment requires that entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to IAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The amendment will not have an impact on the Group's operations because none of the companies in the Group have ordinary activities that comprise renting and subsequently selling assets.

IAS 19 (Amendment) "Employee benefits"

The changes to this standard are as follows:

- A plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation.
- The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation.

- The distinction between short term and long term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered.
- IAS 37, 'Provisions, contingent liabilities and contingent assets', requires contingent liabilities to be disclosed, not recognised. IAS 19 has been amended to be consistent.

The Group will apply theses amendments from 1 January 2009. It is not expected that these amendments will have an impact on the Group financial statements.

IAS 20 (Amendment) "Accounting for government grants and disclosure of government assistance"

The amendment requires that the benefit of a below-market rate government loan is measured as the difference between the carrying amount in accordance with IAS 39 "Financial instruments: Recognition and measurement" and the proceeds received with the benefit accounted for in accordance with IAS 20. The amendment will not have an impact on the Group's operations as there are no loans received from the government.

IAS 27 (Amendment) "Consolidated and separate financial statements"

This amendment states that where an investment in a subsidiary that is accounted for under IAS 39 "Financial instruments: Recognition and measurement" is classified as held for sale under IFRS 5 "Non-current assets held for sale and discontinued operations" that IAS 39 would continue to be applied. The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in a subsidiary to be recorded at cost in the standalone accounts.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

In terms of this amendment, an investment in associate is treated as a single asset for the purposes of impairment testing and any impairment loss is not allocated to specific assets included within the investment. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. The Group will apply this amendment from 1 January 2009.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in associate is accounted for in accordance with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 28 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in an associate to be equity accounted in the Group's consolidated accounts.

IAS 29 (Amendment) "Financial reporting in hyperinflationary economies"

The guidance in this standard has been amended to reflect the fact that a number of assets and liabilities are measured at fair value rather than historical cost. The amendment will not have an impact on the Group's operations, as none of the Group's subsidiaries or associates operate in hyperinflationary economies.

IAS 31 (Amendment) "Interests in joint ventures" and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in joint venture is accounted for in accordance with with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 31 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's operations as there are no interests held in joint ventures accounted for in terms of IAS 39.

IAS 36 (Amendment) "Impairment of assets"

This amendment requires that were fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group will apply this amendment and provide the required disclosure where applicable for impairment tests from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment states that a payment can only be recognised as a prepayment if that payment has been made in advance of obtaining right of access to goods or receipt of services. This amendment effectively means that once the Group has access to the goods or has received the services then the payment has to be expensed. The Group will apply this amendment from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment deletes the wording that states that there is "rarely, if ever" support for use of a method that results in a lower rate of amortisation than the straight line method. The amendment will not currently have an impact on the Group's operations as all intangible assets are amortised using the straight line method.

IAS 39 (Amendment) "Financial instruments: Recognition and measurement"

The changes to this standard are as follows:

- It is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge.
- The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit-taking is included in such a portfolio on initial recognition.
- The current guidance on designating and documenting hedges states that a hedging instrument needs to involve a party external to the reporting entity and cites a segment as an example of a reporting entity. This means that in order for hedge accounting to be applied at segment level, the requirements for hedge accounting are currently required to be met by the applicable segment. The amendment removes this requirement so that IAS 39 is consistent with IFRS 8, 'Operating segments' which requires disclosure for segments to be based on information reported to the chief operating decision maker.
- When re-measuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) is used.

The Group will apply the IAS 39 (Amendment) from 1 January 2009. It is not expected to have an impact on the Group's financial statements.

IAS 40 (Amendment) "Investment property" (and consequential amendments to IAS 16 "Property, plant and equipment")

The amendment states that property that is under construction or development for future use as investment property is within the scope of IAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable. The amendment will not have an impact on the Group's operations, as there are no investment properties are held by the Group.

IAS 41 (Amendment) "Agriculture"

This amendment requires the use of a market-based discount rate where fair value calculations are based on discounted cash flows and the removal of the prohibition on taking into account biological transformation when calculating fair value. The amendment will not have an impact on the Group's operations as no agricultural activities are undertaken.

IFRS 5 (Amendment) "Non-current assets held for sale and discontinued operations" (and consequential amendment to IFRS 1 "'First-time adoption") (effective for annual periods beginning on or after 1 July 2009)

The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control, and relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to IFRS 1 states that these amendments are applied prospectively from the date of transition to IFRS. The Group will apply this amendment prospectively to all partial disposals of subsidiaries from 1 January 2010.

2.3 Consolidated financial statements

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern, directly or indirectly, the financial and operating policies.

Subsidiaries are fully consolidated (full consolidation) from the date on which control is transferred to the Group and they are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

When the Group increases its shareholding in a subsidiary, the difference between the price paid and the book value of the net assets of that subsidiary is recorded directly in equity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The Company accounts for its investment in subsidiaries, in its stand alone accounts, on the cost less impairment basis.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, (net of any accumulated impairment loss).

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed to ensure consistency with the policies adopted by the Group.

Investments in associates are accounted for in the Company financial statements at the cost less impairment basis.

(c) Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate consolidation.

The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the Group's purchase of assets from the joint venture until it resells the assets to an independent party. A loss on such a transaction is recognised immediately if it provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

Accounting policies of joint ventures have been changed to ensure consistency with the policies adopted by the Group.

Investments in joint ventures are accounted for in the financial statements of the Company at the cost less impairment basis.

2.4 Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

The nature and the source of the Group's income are used as the basis of determining its primary and secondary segments. The Group has concluded that its primary segment should be based on the nature of its products and services and its secondary segment should be based on the geographic location of its operations.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in Euros, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

ii. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions) and

iii. All resulting exchange differences are recognised as a separate component of equity and transferred in Income Statement with the sale of those entities.

Exchange differences arising from the translation of the net investment in foreign entities' are recognised in equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.6 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property comprises freehold land, freehold buildings, land held under operating lease and buildings held under finance lease. Land held under operating lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed semi-annually by independent external valuers in accordance with the guidance issued by the International Valuation Standards Committee. In the other interim three-month periods, the revaluation is based on Management estimations taking the existing market conditions at the reporting period into account.

Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases, income from concession arrangements and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property. Others, including contingent rental payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they arise.

Changes in fair values are recorded in the income statement at year end.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete. At that time, it is reclassified and subsequently accounted for as investment property. Any difference between fair value and book value is recognised in the income statement.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under IAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

2.7 Property, plant and equipment

All property, plant and equipment ("PPE") is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Costs required for the development and improvement of the computer software programmes are capitalised.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use.

Borrowing costs are capitalised to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. All other borrowing costs are expensed as incurred (See note 2.16).

Land is not depreciated. Depreciation on PPE is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, in order to write down the cost in its residual value. The expected useful life of property, plant and equipment is as follows:

- Buildings (and leasehold improvements)	20	years
- Transportation equipment, machinery, technical installations & other equipment	5 – 15	years

- Furniture and fittings	5 – 6	years
- Software	up to 5	years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

When the carrying amount of the asset is higher than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in the income statement (Note 2.9).

In case of sale of property, plant and equipment, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the income statement.

2.8 Intangible Assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of subsidiaries and joint ventures is included in 'intangible assets'. Goodwill on acquisitions of associates is included in 'investments in associates'.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units which represent each entity for the purpose of impairment testing.

(b) Concessions and rights

Concessions and industrial rights refer to rights of use and are carried at cost less any depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate the cost of each asset to its estimated useful life, which is 40 years.

2.9 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised as an expense to the Income Statement, when they occur.

2.10 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-for-sale, investment in subsidiaries, derivative financial instruments and hedging activities. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value through profit or loss

This category has three sub-categories: financial assets held for trading, those designated at fair value through profit or loss at inception and derivatives. Assets in this category are classified as current if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. Also, the derivative financial instruments are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the above categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus the transaction costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses from changes in the fair value of the “financial assets at fair value through profit or loss” category are recognised in the income statement in the period in which they arise.

Unrealized gains or losses from changes in fair value of financial assets that classified as available for sale are recognized in revaluation reserves. In case of sale or impairment of available for sale financial assets, the accumulated fair value adjustments are transferred to profit or loss.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis refined to reflect the issuer’s specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(d) Investments in subsidiaries

Investment in subsidiaries is stated at cost less impairment, in the financial statements of the Company. Impairment loss is recognised in the income statement.

2.11 Derivative financial instruments and hedging activities

The Group uses derivative financial instruments to hedge the risks related to future rate fluctuation. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The Group designates certain derivatives as cash flow hedges. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in Group's results (income statement). Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (when the forecast sale that is hedged takes place).

Certain derivative instruments that are not qualify as hedging instruments and no longer meet the criteria for hedge accounting, are classified as derivatives available for sale and accounted for at fair value through profit or loss. Changes in the fair value of any of these derivative instruments are recognized immediately in the income statement within 'Other operating income / (expenses) - net'.

The Group designates certain derivative financial instruments as:

1) derivatives at fair value through the income statement, or

2) hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Differences between cost and net realisable value are recognised as losses in the income statement when they arise.

Cost is determined using the weighted average method. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

Properties that are being developed for future sale are reclassified as inventories at their carrying amount at the balance sheet date.

2.13 Trade receivables

Trade receivables, which in general have 0-90 days' letter of credit, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Significant financial difficulties, probability that the debtor will enter bankruptcy or financial reorganisation and the delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised as expense in the income statement within 'Other operating income / (expenses) – net'.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less and low risk.

2.15 Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown after the reduction of the relative income tax in reduction to the product of issue. Incremental costs directly attributable to the issue of new shares for the acquisition of other entities are included in the cost of acquisition of the new company.

2.16 Trade and other payables

Trade payables that are paid in a regular basis of 30-90 days are recognised at the cost that coincides with the fair value of the future payment for the purchases of goods and services that were rendered.

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 Deferred income tax

Current income tax is calculated using the financial statements of every company included in the consolidated financial statements, along with the applicable tax law in the respective countries. The income tax charge consists of the current income tax calculated upon the results of the Group companies, as they have been reformed in their taxation return applying the applicable tax rate.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.19 Employee benefits

(a) Short-term benefits

Short-term employee benefits in cash and in items are recognized as an expense when they become accrued.

Right of leave provision

The right of annual leave and long-service leave for employees are recognized when these result. A provision is recognized for the estimated obligation of annual leave and long-service leave as result of services that were offered up until the balance sheet date.

(b) Retirement benefits

The Group participates in retirement schemes in accordance with the Greek legislation by paying into publicly administered social security funds on a mandatory basis. Benefits after retirement include both defined contribution plans and defined benefits plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate social security fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

A defined benefit plan comprise retirement benefit plans according to which the Group pays to the employee an amount upon retirement that is based on the employee's period of service, age and salary.

The liability in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date together with adjustments for actuarial gains/ losses and past service cost. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans, which exceed 10% of the compounded obligation, are charged or credited to income over the average remaining service lives of the related employees.

Past service costs are recognised in the profit and loss account; with the exception of movements in the related obligation that are based on the average remaining service lives of the related employees. In this instance the past service cost are amortised to the profit and loss account on a straight-line basis over the vesting period.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

In case of termination of employment where there is inability to determine the number of employees that will make use of these benefits, the latter are not accounted for but disclosed as a contingent liability.

(d) Share-based compensation

The Group operates a share option compensation plan. The fair value of the services of the employees, to whom shares are granted according to the share option plan, is accounted for as expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, at the date of granting. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.20 Grants

Government grants are recognised at fair value when it is virtually certain that the grant will be received and the group will comply with anticipated conditions.

Government grants relating to expenses are deferred and recognized in the income statement over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.21 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date (see Note 4.1). The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

2.22 Revenue recognition

Revenue comprises the fair value of revenues from rents, services and management of real estate, as well as real estate purchases and sales, net of value added tax (VAT), rebates and after intercompany revenues from sales within the Group are fully eliminated. Revenue is recognised as follows:

(a) Sale of Real Estate

Revenue from the sale of real estate is only recognized in the financial statements when the final contract has been signed.

When the outcome of a contract cannot be reliably estimated, the revenue is recognized only to the extent that the contract costs incurred will probably be recoverable. Contract expenses are recognised when incurred.

When the outcome of a contract can be reliably estimated, the revenue and the costs of the contract are recognized over the duration of the contract as revenue and expenses respectively. The Group uses the percentage of completion method in order to determine the revenue and expenses to recognize in each accounting period. When the total cost is likely to exceed the total income then the excess loss is recognized immediately in the income statement as an expense.

(b) Income from investment property

Income from investment properties includes operating lease income, income from maintenance and management of real estate, concession rights and commercial cooperation agreements.

The income from operating leases is recognized in the Income Statement using the straight-line method over the duration of the lease. When the Group provides incentives to its customers, the cost of these incentives is recognized over the duration of the lease or commercial cooperation, using the straight line method, reducing income.

The income from maintenance and management of real estates, concessions and commercial cooperation agreements is recognized during the period for which the concession and commercial cooperation services are provided.

(c) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues accreting the discount as interest income. Afterwards, interests are calculated by using the same rate on the impaired value (new carrying amount).

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.23 Leases

(a) Group company as the lessee

Leases of property, plant and equipment and investment property where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term if classified as tangible assets, while if classified as investment properties they are not depreciated but presented in their fair value.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(b) Group company as the lessor

Assets leased to third parties under operating leases are included in investment properties and measured at fair value (note 2.6). Note 2.22 describe the accounting principle of revenue recognition from leases.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements when the dividend distribution is approved by the Company's General Assembly. The first dividend is recognised at its payment.

2.25 Rounding

Differences between amounts presented in the financial statements and corresponding amounts in the notes results from rounding differences.

3. Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles and directions for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest-rate risk and credit risk.

(a) Market risk

i) Foreign exchange risk

The Group operates in Europe and Balkan countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Romanian, Bulgarian and Serbian currency. The major part of the Group's transactions is denominated in Euros. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group's stable policy is to avoid purchasing foreign currency in advance and contracting FX future contracts with external counter-parties.

The Group has certain investments in foreign operations whose net assets are exposed to foreign currency translation risk during their financial statements are converted for consolidation purposes. The Group is not exposed significantly in this risk category, since most of the companies have Euro as their functional currency with the exception of subsidiaries in Romania, Bulgaria, Serbia, and Montenegro.

The Group's exposure to foreign exchange risk as at December 31, 2008 and December 31, 2007 is not material since it represents less than 11% on the total of assets and liabilities respectively in each year.

ii) Price risk

The Group is exposed to equity securities price risk because of investments held and classified on the consolidated balance sheet as available for sale.

The group's investments in equity of other entities that are publicly traded and are included in FTSE / Athex Mid 40. These equity securities are presented in the balance sheet within 'Available-for-sale financial assets'.

At December 31, 2008, if the FTSE / Athex Mid 40 had increased / decreased by 5%, with all other variables held constant and the equity securities moved according to the historical correlation with the index, the Group and Company equity would have increased / decreased by € 1m (2007: € 1,2 m) respectively.

iii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the operating cash available for investment and the interest-bearing receivables mainly depend on Euro interest rates which have both historically low fluctuation and the future forecast market fluctuation remains especially low as well.

The group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

In addition, the Group manages the interest rate risk by using short-term interest rate swaps for part of the borrowings with long-term regarding borrowings with period more than 1 year.

At the end of the fiscal year, approximately 39% (2007: 57%) of total borrowings was hedged in fixed rate financial products in the amount of € 227,8 m (2007: € 212,6 m).Group policy is to maintain covering most part of the interest rate risk of the borrowings relating to the investment property financing.

These contracts are measured at every balance sheet date and the profit or loss from changes in the fair value of the financial instruments is recognised in the income statement when they arise.

The sensitivity analysis below is based on change in a variable holding all other variables constant. Actually, such a scenario is unlikely to happen, and changes in variables can be related for example to change in interest rate and change in market price.

At December 31, 2008 an increase / decrease by 0,5% on the Group's borrowings interest rate at functional currency, would lead to an increase / decrease by € 0,9 m and by € 0,6 m on profit after tax for the year, mainly due to the increase / decrease on floating rate borrowings interest expenses.

(b) Credit risk

Credit risk is managed on group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and, as well as credit exposures to customers, including outstanding receivables and committed transactions.

Sales are made mainly to customers with an assessed credit history and credit limits. Also, certain sale and collection terms are applied. Whenever possible, further securities are requested for outstanding receivables.

At December 31, 2008 and December 31, 2007 no customer had exceeded their credit limits apart from those for whom provisions had been made, and Management does not expect significant losses from non-receivables.

The credit limit in relation to cash and cash equivalents is presented in note 15.

(c) Liquidity risk

Liquidity needs are satisfied in full by the timely forecasting of cash needs in conjunction with the prompt receipt of receivables and by using adequate credit limits with collaborating banks.

The table below analyses the Group and Company financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

GROUP *Amounts in Euro*	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2008				
Borrowings	66.967.990	58.540.387	277.373.401	277.353.960
Trade and other payables	62.446.557	2.448.717	-	-
	129.414.547	**60.989.104**	**277.373.401**	**277.353.960**

	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2007				
Borrowings	27.050.759	22.486.452	134.427.292	305.814.880
Trade and other payables	45.899.509	1.745.642	-	-
	72.950.269	**24.232.094**	**134.427.292**	**305.814.880**

COMPANY

Amounts in Euro	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
31 December 2008				
Borrowings	-	37.881.300	200.013.390	-
Trade and other payables	13.744.195	-	-	-
	13.744.195	**37.881.300**	**200.013.390**	**-**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
31 December 2007				
Borrowings	-	11.662.804	79.512.974	41.786.880
Trade and other payables	12.435.686	36.148	-	-
	12.435.686	**11.698.952**	**79.512.974**	**41.786.880**

3.2 Capital risk management

The Group and Company objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group and Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

During 2008, as well as in 2007, the Group and Company strategy, which was unchanged from 2006, was to maintain the gearing ratio not to exceed 60%. The gearing ratios at December 31, 2008 and December 31, 2007 respectively were as follows:

GROUP	**31.12.2008**	**31.12.2007**
Total borrowings (Note 19)	580.542.502	376.077.687
Less: cash and cash equivalents (Note 15)	(177.180.235)	(46.199.924)
Net debt	**403.362.267**	**329.877.764**
Total assets	**1.183.152.907**	**944.352.690**
Gearing ratio	34%	35%

COMPANY	**31.12.2008**	**31.12.2007**
Total borrowings (Note 19)	215.000.000	103.000.000
Less: cash and cash equivalents (Note 15)	(112.235.798)	(3.337.105)
Net debt	**102.764.202**	**99.662.895**
Total assets	**457.871.434**	**368.805.625**
Gearing ratio	22%	27%

4. Critical accounting estimates and judgements

Estimates and judgements of the Management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months concern the following:

(a) Estimate of fair value of investment property

The best evidence of fair value is current prices in an active market for similar lease and other contracts. When there is absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

i) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

ii) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

iii) Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Were the initial yield used in estimating the discount rate in the discounted cash flows analysis to differ by +/- 0,25 bp, the carrying amount of investment property would change by € 20,3m approximately.

(b) Principal assumptions for management's estimation of fair value

If information on current or recent values for investment properties is not available, the fair values of investment properties are determined using discounted flow valuation techniques. The Group uses assumptions that are mainly based on market conditions existing at each balance date.

The principle assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals, expected future market rentals, void periods, maintenance requirements, and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

(c) Income taxes

The Group is subject to various legislations regarding income taxes. In order to determine such provision the above should be a clear perception of the above. During the normal course of business, there are some transactions and calculations for which the ultimate tax determination is uncertain. The Management forms provisions regarding additional taxes that might occur following future tax audits. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4.2 Critical management estimates in applying the entity's accounting policies

The Company follows the guidance of IAS 39 to determine when the available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, management evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Management believes that its available-for-sale financial asset "Eurobank Properties REIC" is not impaired as the decline in fair value is within the normal volatility for the local property sector and, inter alia, on the basis of the financial health and performance of the investee. If all of the decline in fair value below cost were considered significant or prolonged, the Group and Company would suffer an additional loss of € 25,971m in its 2008 financial statements, being the transfer of the accumulated fair value adjustments recognised in equity on the impaired available-for-sale financial asset to the income statement.

There are no areas that require management estimates in applying the Group's accounting policies.

5. Segment information

Primary reporting format – business segments

The Group is organised into two business segments:

(1) Real estate

(2) Shipyards and marine services

The segment results for the year ended December 31, 2008 were as follows:

Continuing operations (Amounts in Euro)	**Real Estate**	**Shipyards and Marine Services**	**Total**
Net sales	**63.180.743**	**11.584.373**	**74.765.116**
Operating profit	84.970.280	4.175.940	89.146.220
Finance income	8.001.631	297.001	8.298.632
Finance costs	(26.547.452)	(2.104.267)	(28.651.719)
Share of (loss) / profit of associates	2.260.017	-	2.260.017
Profit before income tax	**68.684.475**	**2.368.674**	**71.053.149**
Income tax expense			(5.436.415)
Net profit for the year			**65.616.734**

The segment results for the year ended December 31, 2007 were as follows:

Continuing operations (Amounts in Euro)	**Real Estate**	**Shipyards and Marine Services**	**Total**
Net sales	**78.482.935**	**8.409.176**	**86.892.111**
Operating profit	100.560.398	6.857.458	107.417.856
Finance income	1.980.916	148.905	2.129.821
Finance costs	(14.923.171)	(1.713.916)	(16.637.086)
Share of (loss) / profit of associates	1.003.447	-	1.003.447
Profit before income tax	**88.621.590**	**5.292.448**	**93.914.038**
Income tax expense			(23.851.748)
Net profit for the year			**70.062.290**

Other segment items included in the income statement for the year ended December 31, 2008 are as follows:

Continuing operations (Amounts in Euro)	**Real Estate**	**Shipyards and Marine Services**	**Total**
Depreciation of property, plant and equipment (note 7)	**879.540**	**909.543**	**1.789.083**
Depreciation of intangible assets (note 8)	**-**	**139.926**	**139.926**

Other segment items included in the income statement for the year ended December 31, 2007 are as follows:

Continuing operations (Amounts in Euro)	Real Estate	Shipyards and Marine Services	Total
Depreciation of property, plant and equipment (note 7)	1.218.516	665.663	**1.884.178**
Depreciation of intangible assets (note 8)	-	139.926	**139.926**

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

The segment assets and liabilities at December 31, 2008 are as follows:

Continuing operations (Amounts in Euro)	Real Estate	Shipyards and Marine Services	Total
Assets	**1.112.450.438**	**70.702.469**	**1.183.152.907**
Liabilities	**680.390.078**	**34.902.710**	**715.292.788**
Equity	**432.060.361**	**35.799.759**	**467.860.120**
Capital expenditure (notes 6, 7 and 8)	**72.507.923**	**629.857**	73.137.780

The segment assets and liabilities at December 31, 2007 are as follows:

Continuing operations (Amounts in Euro)	Real Estate	Shipyards and Marine Services	Total
Assets	**870.932.527**	**73.420.163**	**944.352.690**
Liabilities	**451.803.102**	**40.535.641**	**492.338.743**
Equity	**419.129.424**	**32.884.522**	**452.013.947**
Capital expenditure (notes 6, 7 and 8)	119.716.479	3.181.913	122.898.392

Segment assets consist primarily of property, plant, equipment, intangible assets, inventories, receivables and cash.

Segment liabilities comprise operating liabilities.

Capital expenditure comprises acquisitions of property, plant, equipment and intangible assets.

B. Secondary reporting format – geographical segments

The home-country of the Company – which is also the main operating country – is Greece. The Group is activated mainly in Greece and has expanded its operations in other neighbour Balkan countries mainly Romania, Bulgaria, Serbia and Montenegro, during 2007.

	Sales	Total assets	Capital expenditure
Amounts in Euro	1.1.2008 to 31.12.2008	31.12.2008	1.1.2008 to 31.12.2008
Greece	74.760.608	1.055.177.089	69.578.440
Other Balkan countries	4.508	127.975.818	3.559.341
Total	**74.765.116**	**1.183.152.907**	**73.137.780**

Amounts in Euro	Sales 1.1.2007 to 31.12.2007	Total assets 31.12.2007	Capital expenditure 1.1.2007 to 31.12.2007
Greece	86.554.737	874.982.793	22.306.979
Other Balkan countries	337.373	69.369.897	100.688.520
Total	**86.892.111**	**944.352.690**	**122.995.499**

Sales are allocated based on the country in which the customer is located. Assets are allocated where they are located. Capital expenditure allocation is based on where the assets are located.

C. Analysis of sales by category

Analysis of sales by category

Amounts in Euro	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Leasing of real estate property	46.659.329	37.344.051
Development and sale of property	5.519.682	28.138.512
Other auxiliary water transportation services	10.701.170	7.526.176
Architects - Engineer services	2.430.803	6.811.001
Consulting on software matters and software procurement	5.184.171	3.788.919
Other auxiliary land transportation	2.940.922	2.241.791
General mechanical works	831.707	688.736
Real estate management	276.066	301.749
Business consultancy services	221.265	51.177
Total	**74.765.116**	**86.892.111**

The Group has signed agreements of trading cooperation with the tenants that endure from 6 to 26 years. These contracts include base secure remuneration and floating remuneration based on the turnover of the tenants. Future minimum non-cancelable receivables of base remuneration are analyzed as follows:

	31/12/2008	**31/12/2007**
Not later than 1 year	52.268.941	32.893.534
Later than 1 year but not later than 5 years	175.778.733	125.128.181
Over 5 years	265.058.313	159.380.719
Total	**493.105.988**	**317.402.434**

The aggregate floating (contingent) remuneration for year 2008 was € 5.251.117 and € 4.513.681 for year 2007.

6. Investment property

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Balance at 1 January	505.473.951	439.017.856	1.840.441	5.540.441
Additions resulting from subsequent expenditure	11.189.861	1.801.877	-	-
Transfer from property, plant & equipment (note 7)	66.278.233	4.026.653	-	-
Disposals	(8.500.000)	-	-	(3.720.000)
Indemnity on primary costs	-	(6.916.943)	-	-
Fair value adjustments directly to equity	-	1.948.347	-	-
Fair value gains	48.151.456	65.596.161	-	20.000
Balance at 31 December	**622.593.501**	**505.473.951**	**1.840.441**	**1.840.441**

Group's investment property was revalued by independent professional valuers at semi-annual basis (SAVILLS HELLAS Ltd). Valuations were based primarily on discounted cash flow projections due to the absence of sufficient current prices for an active market.

The fair value gains during 2008, arose mainly due to the evaluation of the new shopping and business centre of the Group, at Maroussi named Golden Hall, which opened on November 27, 2008. Golden Hall's fair value gains amounts to € 46.572k while there was not a significant fair value change in the other Group's property.

The investment property includes property under finance lease that amounts to €13.030.000 (2007: €13.130.000) and property under operating lease that amounts to €171.902.000.

On June 30, 2008 the Group's subsidiary "LAMDA Prime Properties SA" proceeded in the transfer of investment property to the associate "PALLAS ATHINA SA" in the amount of € 8.4 million.

Bank borrowings are secured with mortgages on "The Mall Athens", associate's "Lamda Olympia Village SA" investment property, which amount to € 336.000.000 (note 19). Group's proportion on the total mortgages on investment property amounts to € 177.446.000.

7. Property, plant and equipment

Amounts in Euro	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Λογισμικό	Investment property under construction	Assets under construction	Total
GROUP - Cost							
1 January 2007	**19.746.803**	**10.372.142**	**1.835.901**	**2.227.116**	**2.518.149**	**17.774.842**	**54.474.953**
Acquisition of subsidiaries	33.668.516	-	-	-	-	-	33.668.516
Additions	70.189.397	146.904	293.555	14.524	13.677.192	3.106.427	87.427.999
Reclassifications	14.549.602	687.415	(2.021)	-	2.451.500	(17.636.827)	49.669
Transfer from investment property	(4.723.112)	-	-	-	-	-	(4.723.112)
31 December 2007	**133.431.206**	**11.206.462**	**2.127.435**	**2.241.640**	**18.646.842**	**3.244.442**	**170.898.026**
1 January 2008	**133.431.206**	**11.206.462**	**2.127.435**	**2.241.640**	**18.646.842**	**3.244.442**	**170.898.026**
Additions	4.930.291	367.358	1.835.192	114.075	51.604.111	3.096.893	61.947.919
Disposals	-	(4.271)	(60.317)	-	-	-	(64.588)
Indemnity on primary costs	(1.686.037)	-	-	-		(2.823.153)	(4.509.190)
Transfer to inventories	39.146	-	-	-	-	-	39.146
Transfer to investment property (note 6)	-	-	-	-	(66.278.233)	-	(66.278.233)
31 December 2008	**136.714.604**	**11.569.550**	**3.902.310**	**2.355.715**	**3.972.719**	**3.518.181**	**162.033.079**
Accumulated depreciation							
1 January 2007	**(1.456.242)**	**(1.994.353)**	**(1.044.008)**	**(1.645.622)**	**-**	**-**	**(6.140.226)**
Depreciation charge	(663.408)	(452.401)	(315.934)	(452.435)	-	-	(1.884.178)
Reclassifications	-	1.067	1.086	-	-	-	2.153
Transfer from investment property	696.458	-	-	-		-	696.458
31 December 2007	**(1.423.191)**	**(2.445.686)**	**(1.358.856)**	**(2.098.057)**	**-**	**-**	**(7.325.791)**
1 January 2008	**(1.423.191)**	**(2.445.686)**	**(1.358.856)**	**(2.098.057)**	**-**	**-**	**(7.325.791)**
Depreciation charge	(780.947)	(510.968)	(334.468)	(162.700)	-	-	(1.789.083)
Disposals	-	910	48.083	-		-	48.993
31 December 2008	**(2.204.138)**	**(2.955.745)**	**(1.645.241)**	**(2.260.758)**	**-**	**-**	**(9.065.883)**
Closing net book amount at 31 December 2007	**132.008.015**	**8.760.775**	**768.579**	**143.583**	**18.646.842**	**3.244.442**	**163.572.235**
Closing net book amount at 31 December 2008	**134.510.466**	**8.613.805**	**2.257.069**	**94.957**	**3.972.719**	**3.518.181**	**152.967.196**

Amounts in Euro	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Λογισμικό	Assets under construction	Total
COMPANY - Cost						
1 January 2007	**155.038**	**2.107**	**1.036.481**	**2.251.713**	**3.540**	**3.448.878**
Additions	-	36.965	48.138	5.988	93.567	184.658
Disposals / Write-offs	-	-	(348.304)	-	(97.107)	(445.410)
31 December 2007	**155.038**	**39.072**	**736.315**	**2.257.701**	**-**	**3.188.126**
1 January 2008	**155.038**	**39.072**	**736.315**	**2.257.701**	**-**	**3.188.126**
Additions	-	5.784	259.994	91.086	115.625	472.489
Disposals	-	(3.521)	-	-	-	(3.521)
31 December 2008	**155.038**	**41.335**	**996.309**	**2.348.787**	**115.625**	**3.657.094**
Accumulated depreciation						
1 January 2007	**(47.515)**	**(364)**	**(778.088)**	**(1.640.091)**	**-**	**(2.466.059)**
Depreciation charge	(12.403)	(4.025)	(158.303)	(445.647)	-	(620.377)
Disposals / Write-offs	-	-	326.177	-	-	326.177
31 December 2007	**(59.918)**	**(4.389)**	**(610.214)**	**(2.085.738)**	**-**	**(2.760.259)**
1 January 2008	**(59.918)**	**(4.389)**	**(610.214)**	**(2.085.738)**	**-**	**(2.760.259)**
Depreciation charge	(12.403)	(5.085)	(59.176)	(155.390)	-	(232.054)
Disposals / Write-offs	-	669	-	-	-	669
31 December 2008	**(72.321)**	**(8.805)**	**(669.390)**	**(2.241.128)**	**-**	**(2.991.644)**
Closing net book amount at 31 December 2007	**95.120**	**34.683**	**126.101**	**171.963**	**-**	**427.867**
Closing net book amount at 31 December 2008	**82.717**	**32.530**	**326.919**	**107.659**	**115.625**	**665.450**

The total amount of the transfer to investment property represents the completion of the construction of the new shopping and business centre of the Group, in Maroussi named Golden Hall.

The amount in classifications regards the subsidiary Lamda TechnolFlisvos Marina SA and more precisely the participation of Hellenic Touristic Properties (ETA) in the construction cost of Flisvos Marina.

8. Intangible assets

Amounts in Euro	**Concessions and similar rights**
GROUP - Cost	
1 January 2007	**5.468.925**
Additions	**-**
31 December 2007	**5.468.925**
1 January 2008	**5.468.925**
Additions	**-**
31 December 2008	**5.468.925**
Accumulated depreciation	
1 January 2007	**(600.628)**
Depreciation charge	(139.926)
31 December 2007	**(740.554)**
1 January 2008	**(740.554)**
Depreciation charge	(139.926)
31 December 2008	**(880.480)**
Closing net book amount at 31 December 2007	**4.728.371**
Closing net book amount at 31 December 2008	**4.588.445**

In concessions and rights are included the licences for the management and the operation of the Flisvos Marina for 40 years, and are valued at historical cost less accumulated depreciation.

9. Investments in subsidiaries and associates

	COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**
Balance at the beginning of year	**174.115.769**	**131.440.237**
Additions	39.500	48.827.563
Share capital increase	11.938.300	-
Decrease in share capital of subsidiaries	(27.316.048)	(6.152.031)
Balance at the end of year	**158.777.521**	**174.115.769**

COMPANY - 31 December 2008 (Amount in Euro)

Name	**Cost**	**Impairment**	**Carrying amount**	**Country of incorporation**	**% interest held**
LAMDA ESTATE DEVELOPMENT SA	52.654.314	13.163.962	39.490.352	Greece	100,00%
LAMDA PRIME PROPERTIES SA	9.271.598	-	9.271.598	Greece	100,00%
LAMDA ERGA ANAPTYXIS SA	169.999	-	169.999	Greece	100,00%
LAMDA DOMI SA	15.999.999	-	15.999.999	Greece	100,00%
LAMDA PROPERTY MANAGEMENT SA	209.999	-	209.999	Greece	100,00%
LAMDA HELLIX SA	1.240.000	-	1.240.000	Greece	80,00%
PYLAIA SA	10.345.457	-	10.345.457	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING SA	8.292.216	2.484.000	5.808.216	Greece	51,00%
LAMDA ANADIXI SA	59.999	-	59.999	Greece	100,00%
LAMDA PROTYPI ANAPTYXI SA	59.999	-	59.999	Greece	100,00%
LAMDA WASTE MANAGEMENT SA	499.999	-	499.999	Greece	100,00%
GEAKAT SA	14.063.177	-	14.063.177	Greece	100,00%
LAMDA DEVELOPMENT SOFIA EOOD	23.038	-	23.038	Bulgaria	100,00%
LAMDA DEVELOPMENT SOUTH EOOD	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT VITOSHA EOOD	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT DOO (BEOGRAD)	112.130	-	112.130	Serbia	100,00%
PROPERTY DEVELOPMENT DOO	500	-	500	Serbia	100,00%
PROPERTY INVESTMENTS LTD	500	-	500	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA SRL	500	-	500	Romania	100,00%
ROBIES SERVICES LTD	1.638.000	-	1.638.000	Cyprus	90,00%
LAMDA DEVELOPMENT (NETHERLANDS) BV	25.600.000	-	25.600.000	Netherlands	100,00%
LAMDA DEVELOPMENT MONTENEGRO DOO	200.001	-	200.001	Montenegro	100,00%
Investments in subsidiaries	**140.446.544**	**15.647.962**	**124.798.582**		
LAMDA OLYMPIA VILLAGE SA [(a)]	27.105.604	-	27.105.604	Greece	49,24%
LAMDA AKINHTA SA	4.903.594	10	4.903.584	Greece	50,00%
S.C. LAMDA OLYMPIC SRL	1.174.151	838.027	336.123	Romania	50,00%
Investments in joint ventures	**33.183.348**	**838.037**	**32.345.311**		
ECE LAMDA HELLAS SA	204.000	-	204.000	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	1.325.300	-	1.325.300	Greece	11,70%
PIRAEUS METROPOLITAN CENTER SA	39.000		39.000		
EFG PROPERTY SERVICES SA	29.989	-	29.989	Romania	20,00%
EFG PROPERTY SERVICES SOFIA AD	15.339	-	15.339	Bulgaria	20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	20.000	-	20.000	Serbia	20,00%
Investments in associates	**1.633.628**	**-**	**1.633.628**		
TOTAL	**175.263.520**	**16.485.999**	**158.777.521**		

COMPANY - 31 December 2007 (Amount in Euro)

Name	Cost	Impairment	Carrying amount	Country of incorporation	% interest held
LAMDA ESTATE DEVELOPMENT SA	52.654.314	13.163.962	39.490.352	Greece	100,00%
LAMDA PRIME PROPERTIES SA	12.331.598	-	12.331.598	Greece	100,00%
LAMDA ERGA ANAPTYXIS SA	169.999	-	169.999	Greece	100,00%
LAMDA DOMI SA	13.069.999	-	13.069.999	Greece	100,00%
LAMDA PROPERTY MANAGEMENT SA	209.999	-	209.999	Greece	100,00%
LAMDA HELLIX SA	1.240.000	-	1.240.000	Greece	80,00%
PYLAIA SA	34.379.447	-	34.379.447	Greece	60,10%
LAMDA TECHNOL FLISVOS HOLDING SA	8.190.216	2.484.000	5.706.216	Greece	51,00%
LAMDA ANADIXI SA	59.999	-	59.999	Greece	100,00%
LAMDA PROTYPI ANAPTYXI SA	59.999	-	59.999	Greece	100,00%
LAMDA WASTE MANAGEMENT SA	499.999	-	499.999	Greece	100,00%
GEAKAT SA	13.663.177	-	13.663.177	Greece	100,00%
LAMDA DEVELOPMENT SOFIA EOOD	23.038	-	23.038	Bulgaria	100,00%
LAMDA DEVELOPMENT SOUTH EOOD	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT VITOSHA EOOD	2.560	-	2.560	Bulgaria	100,00%
LAMDA DEVELOPMENT DOO (BEOGRAD)	112.130	-	112.130	Serbia	100,00%
PROPERTY DEVELOPMENT DOO	500	-	500	Serbia	100,00%
LAMDA DEVELOPMENT ROMANIA SRL	500	-	500	Romania	100,00%
ROBIES SERVICES LTD	1.638.000	-	1.638.000	Cyprus	90,00%
LAMDA DEVELOPMENT (NETHERLANDS) BV	18.500.000	-	18.500.000	Netherlands	100,00%
LAMDA DEVELOPMENT MONTENEGRO DOO	1	-	1	Montenegro	100,00%
Investments in subsidiaries	**156.808.034**	**15.647.962**	**141.160.072**		
LAMDA OLYMPIA VILLAGE SA [a]	27.105.604	-	27.105.604	Greece	49,24%
LAMDA AKINHTA SA	4.903.594	10	4.903.584	Greece	50,00%
S.C. LAMDA OLYMPIC SRL	1.396.209	838.027	558.181	Romania	50,00%
Investments in joint ventures	**33.405.407**	**838.037**	**32.567.369**		
ECE LAMDA HELLAS SA	204.000	-	204.000	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	119.000	-	119.000	Greece	11,70%
EFG PROPERTY SERVICES SA	29.989	-	29.989	Romania	20,00%
EFG PROPERTY SERVICES SOFIA AD	15.339	-	15.339	Bulgaria	20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	20.000	-	20.000	Serbia	20,00%
Investments in associates	**388.328**	**-**	**388.328**		
TOTAL	**190.601.768**	**16.485.999**	**174.115.769**		

GROUP - Investments in associates **31 December 2008**

Name	Cost	Share in profit / (loss)	Carrying amount		
ECE LAMDA HELLAS SA	204.000	486.165	**690.165**	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	1.325.300	(78.937)	**1.246.363**	Greece	11,67%
PIRAEUS METROPOLITAN CENTER SA	39.000	(9.293)	**29.707**	Greece	19,50%
MC PROPERTY MANAGEMENT SA	40.000	218.225	**258.225**	Greece	25,00%
EFG PROPERTY SERVICES SA	29.989	157.611	**187.600**	Romania	20,00%
EFG PROPERTY SERVICES SOFIA AD	15.339	244.587	**259.926**	Bulgaria	20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	20.000	108.605	**128.605**	Serbia	20,00%
S.C. LAMDA MED SRL	485	1.542.078	**1.542.563**	Romania	40,00%
TOTAL	**1.674.113**	**2.669.042**	**4.343.155**		

GROUP - Investments in associates **31 December 2007**

Name	Cost	Share in profit / (loss)	Carrying amount		
ECE LAMDA HELLAS SA	204.000	660.561	**864.561**	Greece	34,00%
ATHENS METROPOLITAN EXPO SA	119.000	-	**119.000**	Greece	11,67%
MC PROPERTY MANAGEMENT SA	40.000	131.266	**171.266**	Greece	25,00%
EFG PROPERTY SERVICES SA	29.989	72.293	**102.282**	Romania	20,00%
EFG PROPERTY SERVICES SOFIA AD	15.339	177.404	**192.743**	Bulgaria	20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	20.000	91.296	**111.296**	Serbia	20,00%
S.C. LAMDA MED SRL	464	(464)	**0**	Romania	40,00%
TOTAL	**428.792**	**1.132.356**	**1.561.148**		

During the year ended 31 December 2008 the following significant events have occurred:

(a) LAMDA Olympia Village S.A.

On 7/11/2006 the Company transferred 50% of its participation in LAMDA Olympia Village S.A. to HSBC LUXEMBOURG SARL. Specifically, HSBC LUXEMBOURG SARL acquired 13.006.105 shares of LAMDA Olympia Village S.A., which represent 49,29% of the company's share capital. As a result, the Group with this transaction loses the control and in league with HSBC LUXEMBOURG SARL have the power to govern the financial and operating policies of LAMDA Olympia Village S.A.

According to the special terms of the purchase sale contract, the initial cost of the transaction is adjusted upwards with figures as they occur for the period until December 31, 2008 by € 17.950.093. The current total transaction cost amounts to € 182.964.600. The Company has already received € 114.905.055 and the rest of amount (2008: € 68.059.844) remains in Trade and other receivables.

On March 5, 2009 HSBC paid to the Company the amount of € 64.296k. Various partial figures of the agreement between the two parties have not been finalized yet. According to the contract of shares' transfer, a certain procedure to the finalization of the purchase price will be followed but no significant alteration is expected.

Share capital increase / decrease

The Company increased its participation in 100% subsidiary "LAMDA Development (Netherlands) BV" registered in Amsterdam, by € 7,1m and participated in the share capital increase of the companies "LAMDA DOMI SA" by € 2,9m, "LAMDA Development Montenegro DOO" by € 0,2m. "Athens Metropolitan Expo SA" by € 1,2m, "GEAKAT SA" € by 0,4m and "LAMDA Technol FLISVOS Holding SA" by € 0.1m. In addition, the Company's subsidiaries "PYLEA SA", "LAMDA Prime Properties SA" and "SC Lamda Olympic SRL" proceeded in share capital decrease. As a result, the Company's participation decreased by € 24m, € 3,1m and € 0,2m.

Other

The Company established "Property Investments DOO" with registered office in Serbia while participating in the establishment of "Piraeus Metropolitan Center SA" for 19,5%. Also, the Company's subsidiary (by 100%) "LAMDA Development (Netherlands) BV" participated by 50% in the establishment of the Croatian company "SL Imobilia DOO".

Participation in joint ventures

The most significant joint venture in which the Group participated with 49,24% on December 31, 2008 is "LAMDA Olympia Village SA" in which the Group's proportion in assets, equity, liabilities and financial results that are included in consolidated financial statements is as follows:

	49,24% 1.1.2008 to 31.12.2008	**49,24% 1.1.2007 to 31.12.2007**	**49,24% 01.11.2006 to 31.12.2006**
Revenue	26.025.438	44.965.842	5.662.695
Cost of sales	(7.973.412)	(26.564.623)	(2.183.748)
Fair value gains / (losses) of investment property	(999.572)	44.254.898	31.014.735
Other operating income / (expenses) - net	(3.364.147)	(3.770.650)	(2.438.904)
Finance costs - net	(6.145.603)	(7.008.848)	(1.402.397)
Profit before income tax	**7.542.704**	**51.876.619**	**30.652.381**
Income tax expense	5.745.973	(12.547.055)	(7.579.465)
Profit for the year	**13.288.678**	**39.329.564**	**23.072.916**

	31.12.2008	31.12.2007	31.12.2006
Non-current assets	272.159.754	276.815.725	235.075.064
Current assets	20.166.039	24.232.193	47.004.655
Non-current liabilities	156.678.603	175.084.917	121.014.371
Current liabilities	4.996.888	7.560.868	76.970.349

The Group's composition on December 31, 2008 is as follows:

Company			% Participation of the parent company
LAMDA Development SA			Parent company
Full consolidation			
LAMDA Estate Development SA	Greece		100,00%
KRONOS PARKING SA	Greece	Indirect	100,00%
LAMDA Prime Properties SA	Greece		100,00%
PYLAIA SA	Greece		60,10%
LAMDA Technol Flisvos Holding SA	Greece		51,00%
LAMDA Technol Flisvos Marina SA	Greece	Indirect	39,39%
LAMDA Erga Anaptyxis SA	Greece		100,00%
LAMDA Domi SA	Greece		100,00%
LAMDA Property Management SA	Greece		100,00%
LAMDA Hellix SA	Greece		80,00%
LAMDA Anadixi SA	Greece		100,00%
LAMDA Protypi Anaptyxi SA	Greece		100,00%
LAMDA Waste Management SA	Greece		100,00%
GEAKAT SA	Greece		100,00%
LAMDA Development DOO Beograd	Serbia		100,00%
Property Development DOO	Serbia		100,00%
Property Investments LTD	Serbia		100,00%
LAMDA Development Romania SRL	Romania		100,00%
LAMDA Development Sofia EOOD	Bulgaria		100,00%
LAMDA Development South EOOD	Bulgaria		100,00%
LAMDA Development Vitosha EOOD	Bulgaria		100,00%
TIHI EOOD	Bulgaria	Indirect	100,00%
LAMDA Development Montenegro DOO	Montenegro		100,00%

Company			% Participation of the parent company
LAMDA Development (Netherlands) BV	The Netherlands		100,00%
Robies Services Ltd	Cyprus		90,00%
Robies Proprietati Imobiliare SRL	Romania	Indirect	90,00%
SC LAMDA Properties Development SRL	Romania	Indirect	95,00%
Proportionate consolidation			
LAMDA Olympia Village SA	Greece		49,24%
LAMDA Akinhta SA	Greece		50,00%
LAMDA Redding Contracting Consortium	Greece	Indirect	50,00%
SC LAMDA Olympic SRL	Romania		50,00%
Singidunum-Buildings DOO	Serbia	Indirect	50,00%
Rang Nekretnine DOO	Serbia	Indirect	50,00%
GLS OOD	Bulgaria	Indirect	50,00%
S.L. Imobilia DOO	Croatia	Indirect	50,00%
Equity consolidation			
MC PROPERTY MANAGEMENT SA	Greece	Indirect	25,00%
ECE LAMDA HELLAS SA	Greece		34,00%
ATHENS METROPOLITAN EXPO SA	Greece		11,67%
PIRAEUS METROPOLITAN CENTER SA	Greece		19,50%
SC LAMDA MED SRL	Romania	Indirect	40,00%
EFG PROPERTY SERVICES SA	Romania		20,00%
EFG PROPERTY SERVICES DOO BEOGRAD	Serbia		20,00%
EFG PROPERTY SERVICES SOFIA AD	Bulgaria		20,00%

10. Available-for-sale financial assets

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance at the beginning of the year	56.711.655	42.427.796	56.711.655	42.427.796
Additions	4.236.746	33.653.070	4.236.746	33.653.070
Reserves from revaluation recognised directly in equity (note 17)	(22.273.209)	(19.369.211)	(22.273.209)	(19.369.211)
Balance at the end of the year	**38.675.192**	**56.711.655**	**38.675.192**	**56.711.655**

The total amount of available-for-sale financial assets refers to 6.931.038 shares (2007: 6.232.050 shares) of the listed company Eurobank Properties R.E.I.C., which have been revaluated at fair value at December 31, 2008 and December 31, 2007 and the loss has been transferred to the relevant reserves in equity.

During 2008, the Company acquired 698.988 for € 4.236.746. As a result, the Company's participation increased to 11,36% (2007: 10,22%).

Regarding the afore-mentioned financial assets, we should mention that no impairment loss has been transferred from reserves to the income statement, since there was not any indication for impairment of this investment on December 31, 2008 (note 4.2).

11. Derivative financial instruments

Amounts in Euro	GROUP				COMPANY			
	31.12.2008		31.12.2007		31.12.2008		31.12.2007	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps - fair value hedges	71.180	-	205.218	-				
Interest rate swaps - cash flow hedges	-	2.062.966	942.072	-	-	-	-	-
Total	**71.180**	**2.062.966**	**1.147.290**	**-**	**-**	**-**	**-**	**-**

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

The total fair value of the derivative financial instrument is presented in the balance sheet as long-term liability since the remaining duration of the loan agreement which is hedged, exceeds the 12 months.

The loss relating to the ineffective portion of the cash flow hedge which corresponds with the fair value movement is recognised in the income statement and amounts to € 566.395 (2007: 0). The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in certain reserves in equity (note 17). The effectiveness test of the cash flow hedges is based on discounted cash flows according to the forward rates (3-month Euribor) and the their volatility rating.

The above-mentioned reserves represent the effective part of the fair value surplus of the cash flow hedging derivative at fair value in the amount of (€ 692.568) (net of deferred tax € 344.212 and minority interest € 459.792).

The nominal value of interest rate swaps in abeyance at December 31, 2008 was € 68.250.000 (€ 70.000.000 at December 31, 2007) and has been measured at fair value stated by the counterpart bank. On December 31, 2008 the long-term borrowings floating rates are secured with interest risk derivatives (swaps) ranged according to 3 month Euribor plus 1,05%.

12. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts which have not been offset are as follows:

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Deferred tax liabilities:	**(66.031.895)**	**(64.755.661)**	**(7.114.007)**	**(2.331.583)**
Deferred tax assets:	**486.870**	**551.118**	**-**	**-**
	(65.545.025)	**(64.204.543)**	**(7.114.007)**	**(2.331.583)**

The amounts which have been offset are as follows:

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Deferred tax liabilities:	**74.011.641**	**71.425.687**	**11.911.980**	**7.270.985**
Deferred tax assets:	**8.466.615**	**7.221.143**	**4.797.973**	**4.939.402**
	(65.545.025)	**(64.204.543)**	**(7.114.007)**	**(2.331.583)**

The significant portion of the deferred tax assets is to be recovered after more than 12 months.

The gross movement on the deferred income tax account is as follows:

Amounts in Euro	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance at the beginning of the year	**(64.204.543)**	**(44.650.663)**	**(2.331.583)**	**(2.324.871)**
Charged to the income statement (note 26)	(1.766.741)	(18.707.648)	(4.628.954)	75.294
Income tax charged to equity	426.259	(846.233)	(153.471)	(82.006)
Balance at the end of the year	**(65.545.025)**	**(64.204.543)**	**(7.114.007)**	**(2.331.583)**

At the Company level, the amount of €93.022 from the total amount that was charged to the income statement concern the reduction of the tax rate for years 2010-2014.

At the Group level, the amount of € 13.336.706 from the total amount that was charged to the income statement concern the reduction in the tax rate for years 2010-2014.

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances without the same tax jurisdictions, is as follows:

GROUP *(Amounts in Euro)*	Depreciation differences	Revenue recognition	Changes in fair value of investment property	Other	Total
1 January 2007	**2.455.252**	**2.404.134**	**46.739.157**	**(519.542)**	**51.079.001**
Charged to the income statement	2.210.348	4.744.764	12.368.863	404.208	19.728.183
Charged to equity	-	-	505.362	113.141	618.503
31 December 2007	**4.665.600**	**7.148.898**	**59.613.383**	**(2.194)**	**71.425.687**
1 January 2008	**4.665.600**	**7.148.898**	**59.613.383**	**(2.194)**	**71.425.687**
Charged to the income statement	1.882.638	4.738.872	(4.645.597)	692.086	2.668.000
Charged to equity	-	(235.518)	-	153.472	(82.046)
31 December 2008	**6.548.238**	**11.652.252**	**54.967.786**	**843.364**	**74.011.641**

COMPANY *(Amounts in Euro)*	Revenue recognition	Other	Total
1 January 2007	**2.360.872**	**122.901**	**2.483.773**
Charged / (credited) to the income statement	4.750.000	(44.795)	4.705.205
Charged / (credited) to equity	-	82.006	**82.006**
31 December 2007	**7.110.872**	**160.113**	**7.270.985**
1 January 2008	**7.110.872**	**160.113**	**7.270.985**
Charged to the income statement	4.487.523	-	4.487.523
Charged to equity	-	153.472	153.472
31 December 2008	**11.598.395**	**313.585**	**11.911.980**

Deferred tax assets:

GROUP *(Amounts in Euro)*	Provisons for receivables	Write off of intangible assets	Tax losses	Difference in cost of inventory	Finance leases	Other	Total
1 January 2007	**803.510**	**22.800**	**1.064.360**	**513.139**	**3.070.237**	**954.293**	**6.428.339**
Charged / (credited) to the income statement	(94.666)	(114.814)	1.752.799	(359.509)	(168.804)	(222.203)	792.803
31 December 2007	**708.845**	**(92.014)**	**2.817.159**	**153.630**	**2.901.432**	**732.090**	**7.221.143**
1 January 2008	**708.845**	**(92.014)**	**2.817.159**	**153.630**	**2.901.432**	**732.090**	**7.221.143**
Charged / (credited) to the income statement	(411.505)	99.434	1.143.771	(147.302)	(600.606)	1.161.681	1.245.471
31 December 2008	**297.339**	**7.420**	**3.960.930**	**6.328**	**2.300.826**	**1.893.771**	**8.466.615**

COMPANY *(Amounts in Euro)*	**Provisons for receivables**	**Tax losses**	**Other**	**Total**
1 January 2007	**-**	**-**	**158.902**	**158.902**
Charged to the income statement	3.343.364	1.420.773	16.363	4.780.500
31 December 2007	**3.343.364**	**1.420.773**	**175.265**	**4.939.402**
1 January 2008	**3.343.364**	**1.420.773**	**175.265**	**4.939.402**
Charged to the income statement	(846.462)	667.053	37.980	(141.429)
31 December 2008	**2.496.902**	**2.087.826**	**213.245**	**4.797.973**

13. Inventories

	GROUP		**COMPANY**	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Merchandise	92.629	96.621	-	-
Property under construction for sale	45.706.725	48.036.087	-	-
Total	**45.799.428**	**48.132.708**	**-**	**-**

14. Trade and other receivables

	GROUP		**COMPANY**	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Trade receivables	16.387.848	15.493.292	133.160	196.447
Less: provision for impairment of trade receivables	(2.852.917)	(1.990.732)	-	-
Trade receivables - net	**13.534.931**	**13.502.560**	**133.160**	**196.447**
Prepayments and other receivables	4.680.952	3.582.684	896.019	606.276
Property transfer tax (note 6)	4.656.854	4.656.854	-	-
Receivables from ETA [a]	4.617.411	7.670.589	-	-
VAT receivables [b]	28.639.454	28.985.441	-	-
Receivables from HSBC (note 9) [c]	68.059.844	50.109.751	68.059.844	50.109.751
Receivables from related parties (note 30)	88.078	461.099	546.420	4.336.099
Loans to related parties (note 30)	4.895.619	2.164.872	86.206.866	84.505.168
Deferred expenses	2.259.607	1.881.910	46.578	27.000
Long-term receivables impairment [d]	(1.293.567)	(2.714.431)	(10.359.746)	(13.373.457)
Total	**130.139.182**	**110.301.330**	**145.529.141**	**126.407.285**
Receivables analysis:				
Non-current assets	14.060.150	23.840.421	70.517.735	61.115.108
Current assets	116.079.032	86.460.911	75.011.406	65.292.177
Total	**130.139.182**	**110.301.330**	**145.529.141**	**126.407.285**

(a) The figure “Receivables from ETA” amount to € 4,6 is related to claims between Hellenic Touristic Properties (ETA) and the subsidiary Lamda TechnolFlisvos Marina. The whole amount concerns development expenses for Flisvos Marina for which the subsidiary was burdened on ETA’s behalf.

(b) The figure “VAT receivable” is related to VAT paid for construction costs of the shopping centers, according to art.24 of Law3522/22.12.2006. The right to rebate the tax or compensate the above amount with future tax liabilities is established with the supplementary provision of POL 1112 (05/12/2007). Part of the receivables € 8,8 m. has been offset during the fiscal year and as a result the provision of impairment has been reversed in the finance results. The specific receivables are measured in the balance sheet at fair value as follows:

	31/12/2008	31/12/2007
VAT receivables	28.639.454	28.985.441
Less: Provision for impairment	(1.078.174)	(2.520.990)
Fair value	**27.561.281**	**26.464.451**

(c) Receivables from HSBC

This figure represents the balance of Company's receivables as occurs after the purchase sale agreement of 49.24% of the share capital of participation in subsidiary LAMDA Olympia Village S.A. (note 9). That receivable is recorded in current assets since it will be finalised in the beginning of 2009 when received. On March 5, 2009 HSBC paid to the Company the amount of € 64.296k. Various partial figures of the agreement between the two parties have not been finalized yet. According to the contract of shares' transfer, a certain procedure to the finalization of the purchase price will be followed but no significant alteration is expected.

(d) Long-term receivables impairment

Also, the Company has calculated impairment on non-bearing interest borrowings of € 62.2 m. that have been granted to related parties by € 10,4m. The additional impairment on non-bearing interest borrowings that were prolonged during this year, have been included within 'Other operating income / (expenses) – net' in the Company income statement and amounts to € 497k. Any reversal in long-term borrowings impairment is included in 'Finance income / (expenses)' in the income statement. The fair value of borrowings granted to related parties was based on impaired cash flows, using the borrowing rate of 7%. In Group figures, in "Long-term receivables impairment", the balance of VAT impairment is mainly included.

(e) Provisions for doubtful receivables

The Group recognised loss from impairment for doubtful receivables € 1,2m (2007: € 1,5m) during the year. The net movement in doubtful receivables is included in 'Other operating income / (expenses) – net'.

The movement in provisions for bad-debts are as follows:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance at 1 January	(1.990.732)	(530.000)	-	-
Unused amounts reversed / utilized	348.787	-	-	-
Provisions for doubtful receivables	(1.210.972)	(1.460.732)	-	-
Balance at 31 December	**(2.852.917)**	**(1.990.732)**	**-**	**-**

The other receivables for which no impairment or bad debt provision has been applied are equal to the carrying amounts.

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of dispersed customers.

(f) Receivables from related-parties

During current year, in this account what is basically included is receivables from loan granted from "LAMDA Development Romania SRL, 100% Company's subsidiary, to its associate "SC LAMDA MED SRL", loan from 100% Company's subsidiary LAMDA Estate Development SA to its subsidiary by 50% "GLS OOD", as well as loan granted from 100% Company's subsidiary "LAMDA Development Netherlands BV" to subsidiary by 50% Singidunum-Buildings DOO.

(g) Other

During current year, the Company received € 3,7m from the sale of investment property to its subsidiary "LAMDA Hellix SA" (note 4).

15. Cash and cash equivalents

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Cash at bank	27.777.438	46.083.572	1.383.667	3.331.221
Cash in hand	388.784	116.352	2.367	5.885
Short-term bank deposits	138.959.432	-	100.795.182	-
Pledged bank deposits	10.054.581	-	10.054.581	-
Total	**177.180.235**	**46.199.924**	**112.235.798**	**3.337.105**

The above comprise the cash and cash equivalents used for the purposes of the cash flow statement.

Group has a significant concentration of credit risks with respect to cash and cash equivalents due to the fact that they are deposited 10% over the total cash and cash equivalents in four different banks. However, no significant credit losses are anticipated in view of the high credit status of these banks.

The credit risk of cash and cash equivalents has been categorized in the following table in relation to the credit risk rating (from S&P rating list):

	GROUP		COMPANY	
Financial institutions - credit ratings (S &P)	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
A-2	143.527.879	32.729.491	104.786.945	3.331.036
A-1+	12.352.524	9.971.889	-	-
A+1	-	533.754	-	-
N/A	20.911.047	2.848.438	7.446.486	184
	176.791.451	**46.083.572**	**112.233.430**	**3.331.221**

16. Share capital

Amounts in Euro	**Number of shares**	**Ordinary shares**	**Share premium**	**Treasury shares**	**Total**
1 January 2007	**44.007.922**	**13.208.985**	**222.696.225**	**(182.393)**	**235.722.818**
Purchase of treasury shares	(34.939)	-	-	(440.934)	(440.934)
31 December 2007	**43.972.983**	**13.208.985**	**222.696.225**	**(623.327)**	**235.281.883**
1 January 2008	**43.972.983**	**13.208.985**	**222.696.225**	**(623.327)**	**235.281.883**
Purchase of treasury shares	(1.550.554)	-	-	(9.512.119)	(9.512.119)
31 December 2008	**42.422.429**	**13.208.985**	**222.696.225**	**(10.135.446)**	**225.769.764**

The Company's share capital consists of 44.029.950 ordinary shares with a par value € 0.30. All shares are fully paid up. All shares are listed in the Athens Stock Exchange (category of high capitalization). The Company shares are ordinary shares with voting right.

The Company during 2008 purchased 1.550.554 treasury shares with total cost € 9.512.119, and average price € 6,13 per share, according to the Annual Shareholders Meeting at May 22, 2008 which approved the purchase of treasury shares up to 10% on the total amount of shares, in accordance with article 16 par.5-13 and Law 2190/1920 before the amendment of Law 3604/2007. On December 31, 2008 the Company owns a total amount of 1.607.521 treasury shares of € 10.135.446 and average price € 6.31 per share.

17. Other reserves

Amounts in Euro GROUP	Statutory reserve	Special reserve	Tax-free reserve	Reserves from revaluation of available-for-sale financial assets	Hedging reserve	Reserves from revaluation of assets	Reserves from options scheme	Currency translation differences	Total
1 January 2007	**3.433.376**	**74.835**	**3.783.969**	**15.670.647**	**(79.362)**	**-**	**-**	**474.129**	**23.357.593**
Currency translation differences	-	-	-	-	-	-	-	(1.742.935)	(1.742.935)
Changes during the year	460.412	-	-	(19.369.211)	504.001	2.794.828	-	-	(15.609.970)
Other	-	-	-	-	-	-	246.019	-	246.019
31 December 2007	**3.893.787**	**74.835**	**3.783.969**	**(3.698.565)**	**424.639**	**2.794.828**	**246.019**	**(1.268.806)**	**6.250.706**
1 January 2008	**3.893.787**	**74.835**	**3.783.969**	**(3.698.565)**	**424.639**	**2.794.828**	**246.019**	**(1.268.806)**	**6.250.706**
Currency translation differences	-	-	-	-	-	-	-	729.194	729.194
Changes during the year	272.389	-	-	(22.273.209)	(1.117.207)	(2.794.828)	-	-	(25.912.856)
Other	-	-	-	-	-	-	472.326	-	472.326
31 December 2008	**4.166.176**	**74.835**	**3.783.969**	**(25.971.774)**	**(692.568)**	**-**	**718.345**	**(539.613)**	**(18.460.631)**

Amounts in Euro COMPANY	Statutory reserve	Special reserve	Tax-free reserve	Reserves from revaluation of available-for-sale financial assets	Reserves from options scheme	Total
1 January 2007	**2.585.401**	**74.835**	**3.721.313**	**15.670.647**	**-**	**22.052.196**
Changes during the year	-	-	-	(19.369.211)	-	(19.369.211)
Other	-	-	-	-	246.019	246.019
31 December 2007	**2.585.401**	**74.835**	**3.721.313**	**(3.698.565)**	**246.019**	**2.929.004**
1 January 2008	**2.585.401**	**74.835**	**3.721.313**	**(3.698.565)**	**246.019**	**2.929.004**
Changes during the year	-	-	-	(22.273.209)	-	(22.273.209)
Other	-	-	-	-	472.326	472.326
31 December 2008	**2.585.401**	**74.835**	**3.721.313**	**(25.971.774)**	**718.345**	**(18.871.879)**

(a) Statutory reserve

A legal reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset retained losses and therefore can not be used for any other purpose.

(b) Special and extraordinary reserves

The special reserve includes a reserve that was created following a decision of the Annual General meeting in prior periods. This reserve was not created for any specific purpose and can therefore be used for any reason following approval from the Annual General meeting. These reserves also include reserves which were created under the provisions of Greek law. These reserves have been created from after tax profits and are therefore not subject to any additional taxation in case of their distribution or capitalisation.

(c) Tax free reserve

Tax-free and special taxed reserves are created under the provisions of tax law from tax free profits or from income or profits taxed under special provisions.

The above-mentioned reserves can be capitalised or distributed, after the approval of the Annual General meeting, after taking into consideration the restrictions which will apply at each time. The Group does not intent to distribute or capitalise these reserves and therefore did not account for the tax liability which would arise in such case.

(d) Reserves from financial assets available-for-sale evaluation

The above-mentioned reserves represent the fair value surplus of Eurobank Properties R.E.I.C evaluation (note 10).

(e) Hedging reserve

The above-mentioned reserves represent the effective part of the fair value surplus of the cash flow hedging derivative at fair value in the amount of (€ 692.568) (net of deferred tax € 344.212 and minority interest € 459.792). The non-effective part of the fair value amounts to € 566.395 and is transferred to the income statement in 'Other operating income / (expenses) – net'.

(f) Reserves from revaluation of assets

The above-mentioned reserves refer to property, plant and equipment which were reclassified as investment property and include the difference between the cost of the property and its fair value at the transfer date less the respective deferred tax and the closing net value of the grant that referred to the specific property.

(g) Reserves from option scheme

The above-mentioned reserves refer to option scheme (note 18).

(h) Reserves from currency translation differences

The above-mentioned reserves refer to currency translation differences from the conversion of financial statements from foreign companies which functional currency is other than Euro.

18. Share option scheme

According to the provisions of article 13, paragraph 13 of the C.L. 2190/1920, by virtue of a decision of the General Meeting, which is made by increased quorum and majority, according to the provisions of articles 29 paragraph 3 & 4 and 31 paragraph 2 of the C.L. 2190/1920, a stock option plan may be introduced in favour of members of the Board of Directors and personnel of the Company, and of affiliated companies, in the form of the option to purchase shares, according to the specific terms of this decision, a summary of which is subject to the requirements of publication set out in article 7b of C.L. 2190/1920. The decision of the General Meeting especially specifies the maximum number of shares that can be issued, which cannot exceed 10% of the existing shares, the price and the terms of distribution of the shares to the beneficiaries. The Board of Directors decides on any other relevant details not otherwise determined by the General Meeting, issues the stock option certificates and the shares to the beneficiaries who have exercised their option, increasing respectively the capital and certifying the relative increase of it, according to article 11 of the C.L. 2190/1920.

Pursuant to the above provisions, the Annual General Meeting of the shareholders, which was held on 23.06.2006, decided the distribution of stock option certificates for the purchase of up to 1,500,000 shares of the Company that is 3.41% of the total share capital within the next five years, to members of the personnel who provided their services on 31.12.2006 in any kind of relationship and form of employment including the members of the Board of Directors. Criterion for the participation in this reward programme is the contribution to the Company's mission as well as to LAMDA Development group of companies' mission, in combination with the position and the operational liability level of each employee.

In execution to the abovementioned decision:

The Board of Directors on its meeting on 07.06.2007 decided the distribution of certificates for the purchase of 138.490 shares to 13 beneficiaries. The exercise price per share amounts to € 7,5. The exercise of the options may take place after a period of three years from the end of the fiscal year, which those options concern.

The Board of Directors on its meeting on 17.12.2008 decided the distribution of certificates for the purchase of 507.750 shares to 27 beneficiaries. The exercise price per share amounts to € 2,5. The exercise of the options may take place after a period of three years from the end of the fiscal year, which those options concern.

19. Borrowings

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Non-current				
Bank borrowings	14.897.884	294.000	-	-
Bond borrowings	488.508.596	337.440.512	215.000.000	103.000.000
Finance lease liabilities	10.168.033	11.292.415	-	-
Total non-current	**513.574.512**	**349.026.928**	**215.000.000**	**103.000.000**
Current				
Bank borrowings	62.559.443	20.284.284	-	-
Bond borrowings	3.650.011	6.409.200	-	-
Finance lease liabilities	758.535	357.276	-	-
Total current	**66.967.990**	**27.050.759**	**-**	**-**
Total borrowings	**580.542.502**	**376.077.687**	**215.000.000**	**103.000.000**

The movements in borrowings are analysed as follows:

Amounts in Euro	GROUP	COMPANY
Balance at 1 January 2007	**275.815.316**	**156.451**
Bank borrowings	19.001.758	-
Bond borrowings	300.872.000	103.000.000
Acquisition of subsidiaries	1.658.500	-
Refinancing	(197.872.000)	-
Borrowings transaction costs	(1.402.288)	-
Borrowings transaction costs - transfer from property, plant & equip	(300.000)	-
Borrowings repayments	(21.014.495)	(156.451)
Finance lease repayments - additions	4.810	-
Finance lease repayments	(685.914)	-
Balance at 31 December 2007	**376.077.687**	**103.000.000**

Amounts in Euro	GROUP	COMPANY
Balance at 1 January 2008	**376.077.687**	**103.000.000**
Bank borrowings	76.537.884	8.000.000
Bond borrowings	184.300.024	132.000.000
Borrowings transaction costs - amortization	293.731	-
Borrowings transaction costs	(370.923)	-
Borrowings repayments	(55.572.778)	(28.000.000)
Finance lease repayments - additions	13.707	-
Finance lease repayments	(736.830)	-
Balance at 31 December 2008	**580.542.502**	**215.000.000**

Borrowings are secured by mortgages on the Group's land and buildings (note 6 and 7), by additional pledges of parent company's shares and by assignment of subsidiaries' receivables and insurance compensations.

Part of the borrowings, amount to € 60m that are assigned to subsidiaries are secured by the parent company.

The maturity of non-current borrowings is as follows:

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Between 1 and 2 years	37.353.979	3.734.988	30.000.000	-
Between 2 and 5 years	226.122.717	80.324.171	185.000.000	63.000.000
Over 5 years	250.097.817	264.967.769	-	40.000.000
	513.574.512	**349.026.928**	**215.000.000**	**103.000.000**

Part of the borrowings that is assigned to subsidiaries is secured with assignment of receivables.

On December 31, 2008 the borrowings floating rates (total aggravation) ranged from 4,17% to 5,72% based on Euribor (December 31, 2007: 5,46% to 5,85%).

The exposure of the group and Company's borrowings to interest rate changes and the contractual repricing dates at December 31, 2008 are as follows:

	GROUP	COMPANY
Fixed rate	196.372.347	-
1 month	11.291.735	-
3 months	342.800.134	215.000.000
6 months	30.078.287	-
Over 6 months	-	-
	580.542.502	**215.000.000**

The fair value of the fixed rate Group's borrowing at the end of the year equals to their carrying amount since the fixed rates exceed the market ones (December 31, 2007: carrying amount € 212,6m, fair value €166,8m). There are no fixed rate borrowings for the Company as at balance sheet date of the current and previous year.

The effective weighted average interest rates at December 31, 2008 are as follows:

Bank borrowings (current)	5.72%
Bank borrowings (non-current)	5.06%
Bonds (current)	5.05%
Bonds (non-current)	5.19%

By taking into account the participation interest held of each company, it is noted that on December 31, 2008, the average base effective interest rate that the Group is borrowed is 4,15% and the average bank spread is 1,06%. Therefore, the Group total effective borrowing rate is 5,21%. Respectively, the average interest rate for the Company is 5,36% (spread 1,01%).

The Company, during 2008, proceed in the disbursal of the following bond loans: € 50m with Emporiki Bank, € 50m with Piraeus Bank, € 20mwith Alpha Bank, and € 12mwith EFG Eurobank). In all the previously mentioned loans, the capital repayment is at the maturity date. The purpose of receiving these loans is to fulfil the financial cash flow needs for the middle-long term period. Moreover, for the first three aforementioned loans the following financial covenants exist: the company's borrowing (current and non-current) divided to the shareholders equity should not be higher to 1.5 and the group's borrowing divided to the shareholders' equity should not higher to 3. The repayment date for the loans is 3 months with base rate the 3-month Euribor and the margin 0,90% (Emporiki Bank), 1,25% (Piraeus Bank), 1,25% (Alhpa Bank) and 0,90% (EFG Eurobank) respectively.

The Company loans have to fulfil the following financial covenants: at Company level (issuer) the total borrowings (current and non-current) to total equity should not exceed 1.5 and at Group level the total borrowings to total equity should not exceed 3.

In Group figures during 2008, "LAMDA Olympia Village SA" repaid € 25m and "PYLAIA SA" 2.75m. Especially "PYLEA SA" received € 39 m bank loan from Eurohypo AG which constitutes increase in borrowings and alteration of the current loan (€ 70m). The increase in borrowings was completed without the alteration of the financial covenants that must be fulfilled. In specific, as forecasted in the initial contract, the loan to value for the first five years should not exceed 80%. Also, the Debt Service Coverage Ratio (DSCR) should be higher or equal to 120%.

During 2008, the subsidiary "LAMDA Hellix SA" due to the repayment of the purchase of investment property in Koropi from the Company, signed a bond loan amounting to € 3m with EFG Eurobank Ergasias, with 3 month interest period, floating rate based on 3 month Euribor plus margin 1%. The property is secured with pre-notice.

Also, the Company's subsidiary "LAMDA Domi SA" enforced the current borrowings by € 43.5m using the overdraft bank account in Alpha Bank for further development in shopping centre Golden Hall. Therefore the balance amounts to € 60m with average 1 month Euribor plus margin from 1.05% to 1.25%.

Finally, the subsidiary "LAMDA Prime Properties SA" received a bond loan of € 10m from ALPHA Bank. The margin is formed at 1.25% for the first year of the loan and onwards is decreased to 1% until its maturity date on September 26, 2018.

There is no further alteration on the fulfilment of financial covenants, which remain the same as in the previous reporting period.

The non-current bond loan of € 280m. that associate Lamda Olympia Village S.A. has signed with HSBC Bank plc has to fulfil the following two financial covenants:

a) The loan to value for the first five years should not exceed 70%. More specifically, after 5 years from the date of issuance and until the date of maturity of the loan, this ratio should not higher to 68.2%.

b) The interest cover ratio should be higher or equal to 125%. This ratio is calculated by dividing the net good servicing of the quarter to the financial expenses of the quarter. Also this ratio constitutes indication for the good servicing of the loan interest dues and its calculation is conducted both for the last quarter (actual data) and for the upcoming four quarters (forecast).

Respectively, the non-current bond loan of € 110m that the subsidiary PYLEA SA has signed with EUROHYPO has to fulfil the following two financial covenants:

a) The loan to value for the first five years should not exceed 80%.

b) The Debt Service Coverage Ratio (DSCR) should be higher or equal to 120%. It is defined as the ratio of the Annual Net Property Income to the Annual Debt Service.

As at December 31, 2008 the Company and the Group fulfil all the financial covenants.

Finance leases

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Finance lease liabilities- minimum lease payments				
Not later than 1 year	1.356.394,61	695.588	-	-
Later than 1 year but not later than 5 years	5.572.404,63	2.761.853	-	-
Over 5 years	7.629.986,10	11.288.028	-	-
Total	**14.558.785**	**14.745.469**	**-**	**-**
Less: Future finance charges on finance leases	(3.632.217)	(3.095.778)	-	-
Present value of finance lease liabilities	**10.926.568**	**11.649.691**	**-**	**-**

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

Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Not later than 1 year	758.535	357.276	-	-
Later than 1 year but not later than 5 years	3.624.224	1.522.617	-	-
Over 5 years	6.543.809	9.769.799	-	-
Total	**10.926.568**	**11.649.691**	**-**	**-**

20. Retirement benefit obligations

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance sheet obligations for:				
Pension benefits	432.291	368.545	374.364	326.589
Total	**432.291**	**368.545**	**374.364**	**326.589**

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Income statement charge (note 24):				
Pension benefits	218.752	116.045	200.315	86.684
Total	**218.752**	**116.045**	**200.315**	**86.684**

	GROUP		COMPANY	
Amounts in Euro	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Income statement charge (note 22):				
Pension benefits	116.045	272.493	86.684	278.202
Total	**116.045**	**272.493**	**86.684**	**278.202**

The amounts recognised in the balance sheet are as follows:

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Present value of unfunded obligations	414.240	407.999	347.164	354.100
Unrecognised actuarial profit / (losses)	15.314	(39.454)	27.200	(27.511)
Liability in the balance sheet	**432.291**	**368.545**	**374.364**	**326.589**

The amounts recognised in the income statement are as follows:

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Current service cost	87.340	75.887	73.037	62.192
Interest cost	19.259	12.456	16.694	10.927
Net actuarial profit / (losses) during the year	361	386	-	-
Additional payments or income / (expenses)	111.792	27.316	110.584	13.565
Total included in employee benefit expenses (note 24)	**218.752**	**116.045**	**200.315**	**86.684**

The movement in the liability recognised in the balance sheet is as follows:

	GROUP		COMPANY	
Amounts in Euro	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance at the beginning of the year	368.545	303.200	326.589	275.993
Redundancy payments made	(155.006)	(50.700)	(152.540)	(36.088)
Total expense charged in the income statement	218.752	116.045	200.315	86.684
Balance at the end of the year	**432.291**	**368.545**	**374.364**	**326.589**

The principal annual actuarial assumptions that were used for accounting purposes are as follows:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Discount rate	5,64%	4,84%	5,64%	4,84%
Salary growth rate	5,00%	5,00%	5,00%	5,00%

21. Trade and other payables

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Trade payables	14.636.944	8.031.920	773.668	562.585
Loans from related parties (note 30)	1.294.814	1.071.442	-	-
Amounts due to related parties (note 30)	2.214.641	2.337.668	36.957	71.342
Social security cost and other taxes / charges	1.136.374	896.107	802.778	569.135
Unearned and deferred income	5.719.698	2.663.856	-	-
Accrued expenses [c]	7.702.639	3.925.490	1.425.234	825.337
Customer prepayments	1.584.222	3.275.964	126.881	126.881
Liability to the Municipality of Amarousiou [a]	9.825.517	9.825.517	9.825.517	9.825.517
Liability to ETA [b]	-	8.507.563	-	-
Provision for costs of completion of investment property	15.433.624	1.427.543	-	-
Other liabilities	5.346.801	5.682.081	753.160	491.036
Total	**64.895.274**	**47.645.152**	**13.744.195**	**12.471.834**

Analysis of obligations:

Non-current assets	2.448.717	1.745.642	-	36.148
Current assets	62.446.557	45.899.509	13.744.195	12.435.686
Total	**64.895.274**	**47.645.152**	**13.744.195**	**12.471.834**

a) The liability to the Municipality of Amarousion represents Company's obligation related to LAMDA Olympia Village purchase (former DIMEPA). The two parts agreed mutually to deposit the relevant amount to a common pledged bank account until the issue is resolved.

b) The liability of Lamda TechnolFlisvos Marina SA was reduced by € 8.5 m. Part of the payment was settled in cash while the remaining amount is offset with a respective receivable from ETA (note 14).

c) The amount mainly refers to borrowings interest for current period rents until December 31, 2008 which have not been paid.

Trade and other payables' fair value are equal to the carrying amounts.

22. Expenses related to investment property

	GROUP		COMPANY	
Amounts in Euro	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Shopping center common charges	756.310	336.237	-	-
Promotion and marketing expenses	1.991.443	3.113	-	-
Parking expenses	757.319	718.884	-	-
Property management fees	3.241.947	1.849.031	-	-
Administrative fees	41.441	91.412	-	-
Operating lease	3.884.872	2.914.770	-	-
Insurance costs	495.687	499.779	-	-
Lawyer fees	221.685	304.692	-	-
Technical advisors' fees	365.145	182.476	-	-
Taxes - charges	578.613	690.543	-	-
Commercialization	191.569	34.645	-	-
Maintenance and repairs	1.884.173	79.404	-	-
Doudtful receivables (note 14)	375.503	-	-	-
Other	150.670	124.759	-	-
Total	**14.936.378**	**7.829.746**	**-**	**-**

23. Other operating income / (expenses) net

Amounts in Euro	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Professional fees	3.780.268	6.307.787	2.161.181	1.794.882
Promotion and marketing expenses	467.417	979.826	215.480	415.781
Common charges	3.147.782	4.407.120	534.321	488.806
Donations and grants	31.338	1.027.850	31.250	1.013.380
Taxes - charges	645.394	153.854	85.759	(116.452)
Insurance costs	310.565	297.710	32.498	37.184
Travelling expenses	601.685	545.920	439.287	435.389
Other	543.282	703.993	140.478	303.773
Total	**9.527.731**	**14.424.059**	**3.640.254**	**4.372.743**

Amounts in Euro	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Profit from operating leasing adjustement (note 21)	2.698.000	8.404.549	-	-
Impairment of long-term receivables (note 14)	(902.607)	-	(496.967)	(14.791.151)
Impairment of doubtful receivables (note 14)	(862.185)	(1.460.732)	-	-
Ineffective portion of derivative financial instruments (note 11)	(566.395)	(217.703)	-	-
(Loss) from sale of property, plant and equipment and investment property (note 6,7)	(90.514)	-	-	-
Other	38.697	216.122	(282.207)	67.696
Total	**314.997**	**6.942.236**	**(779.174)**	**(14.723.455)**
Total other operating income / (expenses) - net	**(9.212.734)**	**(7.481.824)**	**(4.419.428)**	**(19.096.198)**

24. Employee benefits

Amounts in Euro	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Wages and salaries, including termination benefits	7.073.384	5.971.273	5.281.461	4.710.034
Social security costs	1.056.873	977.181	735.280	693.571
Costs - defined contribution funds (note 20)	218.752	116.045	200.315	86.684
Share options granted to directors and employees (note 18)	625.798	328.025	625.798	328.025
Other benefits	577.863	486.342	451.802	379.300
Total	**9.552.670**	**7.878.866**	**7.294.655**	**6.197.615**
Number of employees	**152**	**143**	**83**	**84**

25. Finance costs – net

Amounts in Euro	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Interest expense:				
- Bank borrowings interest and expense	(26.288.514)	(15.463.726)	(9.982.976)	(1.783.191)
- Costs on issuance of bond loans (note 19)	(293.731)	(173.392)	-	-
- Finance lease liabilities (note 19)	(695.478)	(761.562)	-	-
	(27.277.723)	**(16.398.681)**	**(9.982.976)**	**(1.783.191)**

Net foreign exchange (losses)	(1.239.958)	(238.405)	-	-
Fair value (losses) on financial instruments:				
- Interest rate swaps: fair value hedges	(134.038)	-	-	-
Interest income:				
- Reversal of impairment of receivables (note 14)	2.323.465	357.719	3.510.677	1.417.695
- Interest income	5.975.167	1.772.102	4.593.633	1.456.558
	(20.353.088)	**(14.507.265)**	**(1.878.666)**	**1.091.062**
Total	**(20.353.088)**	**(14.507.265)**	**(1.878.666)**	**1.091.062**

26. Income tax expense

	GROUP		COMPANY	
Amounts in Euro	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Current tax and tax audit differences	(3.669.673)	(5.144.100)	-	-
Deferred tax (note 12)	(1.766.741)	(18.707.648)	(4.628.954)	75.294
Total	**(5.436.415)**	**(23.851.748)**	**(4.628.954)**	**75.294**

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the company as follows:

	GROUP		COMPANY	
Amounts in Euro	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Profit / (loss) before tax	**71.053.149**	**93.914.038**	**13.057.235**	**(2.704.046)**
Tax calculated at domestic tax rate applicable to profits in the respective countries	(17.763.287)	(23.478.509)	(3.264.309)	676.012
Income not subject to tax	1.846.114	759.641	1.745.789	494.577
Expenses not deductible for tax purposes	(2.686.639)	(393.406)	(2.367.359)	(453.594)
Tax effect on deducible interest income	(642.500)	(640.968)	(642.500)	(640.968)
Other taxes not being compensated	(312.252)	(359.934)	(139)	(732)
Tax losses of current period carried forward, no deferred tax provision	(1.505.946)	(649.936)	-	-
Utilization of previous tax losses, no deferred tax provision	49.271	2.217.962	-	-
Differences due to future tax rate decrease	15.746.793	-	(100.435)	-
Differences arising from tax audit	(167.968)	(1.306.597)	-	-
Tax charge	**(5.436.415)**	**(23.851.748)**	**(4.628.954)**	**75.294**

27. Cash generated from operations

Amounts in Euro	Note	GROUP 1.1.2008 to 31.12.2008	GROUP 1.1.2007 to 31.12.2007	COMPANY 1.1.2008 to 31.12.2008	COMPANY 1.1.2007 to 31.12.2007
Profit / (loss) for the year from continuing operations		65.616.734	70.062.290	8.428.282	(2.628.752)
Adjustments for:					
Tax	26	5.436.415	23.851.748	4.628.954	(75.294)
Depreciation of property, plant and equipment	7	1.789.083	1.884.178	232.054	620.377
Depreciation of intangible assets	8	139.926	139.926	-	-
Provisions for bad debts	14	862.184	1.460.732	-	-
Reversal of impairment on long-term receivables	14	902.607	-	496.967	14.791.151
Share option scheme	18	625.798	328.025	625.798	328.025
Proceeds from sale of property, plant and equipment	7	90.513	-	2.652	-
Proceeds from participation sale	9	(17.950.093)	(19.005.836)	(17.950.093)	(19.000.000)
Loss from available-for-sale financial assets	23,25	566.395	-	-	-
Share of profit of associates	9	(2.260.017)	(1.003.447)	-	-
Proceeds from dividends		(1.998.121)	(1.670.189)	(6.983.156)	(1.978.309)
Other provisions		179.699	18.379	179.013	14.854
Interest income	25	(8.298.632)	(2.129.821)	(8.104.310)	(2.874.253)
Interest expense	25	27.411.761	16.398.681	9.982.976	1.783.191
Currency translation differences	25	1.239.958	238.405	-	-
Proceeds from forfeiture of guarantee letters	6	-	6.916.943	-	-
Other non cash income / (expense)		2.780.447	(547.588)	-	(9.477)
Fair value gains / (losses) of investment property	6	(48.151.456)	(65.596.161)	-	(20.000)
		28.983.202	**31.346.265**	**(8.460.863)**	**(9.048.486)**
Changes in working capital:					
Decrease in inventories		2.859.019	10.966.028	-	-
(Increase) / decrease in receivables		748.898	837.937	257.362	(45.928)
Increase / (decrease) in payables		17.799.215	(10.346.262)	896.379	1.594
Increase / (decrease) in retirement benefit obligations expense	20	63.746	65.345	47.775	50.596
		21.470.878	**1.523.048**	**1.201.516**	**6.263**
Cash generated from operations		**50.454.080**	**32.869.313**	**(7.259.347)**	**(9.042.224)**

28. Commitments

Capital commitments

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

Operating lease commitments

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

Amounts in Euro	GROUP 31.12.2008	GROUP 31.12.2007	COMPANY 31.12.2008	COMPANY 31.12.2007
No later than 1 year	16.736.511	16.545.811	1.122.548	558.690
Later than 1 year and not later than 5 years	74.221.788	72.729.625	3.549.779	1.549.318
Later than 5 years	950.792.030	972.605.129	5.186.756	1.212.358
Total	**1.041.750.329**	**1.061.880.565**	**9.859.082**	**3.320.366**

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

29. Contingent liabilities and assets

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

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Liabilities *(Amounts in Euro)*				
Letters of guarantee to creditors	36.149.700	13.659.021	5.790.902	4.394.402
Letters of guarantee to customers securing contract performance	13.276.996	20.339.402	-	-
Mortgages over land & buildings	181.746.400	83.708.000	-	-
Guarantees to banks on behalf of subsidiaries	160.600.000	55.253.900	160.600.000	54.503.900
Other	80.938.275	81.415.775	80.815.775	81.415.775
	472.711.371	**254.376.098**	**247.206.677**	**140.314.077**

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

Part of the borrowings € 60m that have been given to subsidiaries and associates have been granted from the parent company.

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

- At the subsidiary company LAMDA Olympia Village (ex DIMEPA) a property transfer tax of € 9,8m approximately has been imposed. The Company has appealed to the administrative courts, paying during 2005 € 836k and € 146k approximately during 2006 and € 27k during 2007 (which is included in Deposits and Other Debtors). The estimate of the management is that the imposal of the income tax is without base due to the special law provisions on the law for Olympic works. In any case, if the outcome of the case is negative, according to the share sale agreement between the Municipality of Amaroussion and the Company, the total obligation will be on the Municipality, as it relates to transfers of properties before the acquisition of the shares of the subsidiary by the Company.
- There are disagreements between Company's subsidiary “PYLEA SA” and the constructing company “MHXANIKH SA”, concerning the evaluation of constructing company's works at the trading center of “PYLEA SA”, the imposition of penalties due to “MHXANIKH SA” partial and final delay of the undertaken project’s completion, and the compensation that “PYLEA SA” is entitled to receive because of working imperfection / deficiency for “MHXANIKH SA”. Lawsuit and agreements about the height of claims have been made whose the hearing has been scheduled for 01.04.2009, after a postponement of 02.04.2008. The amount of the total receivables of “PYLEA SA” against “MHXANIKH SA” is € 18.340m (out of which € 2m regards moral damage) while “MHXANIKH SA” requests the amount of € 34.755m (out of which € 10m regards moral damage). It is noted that “PYLEA SA” legal consultants estimate that their claims are far greater than “MHXANIKH SA” ones.
- At the subsidiary LAMDA TechnolFlisvos Marina, there stand in front of the State of Council requests for cancellation of the environmental terms for the development and refurbishment of Fisvos Marina and the decision of the Ministry of Development with which the existing waterbase has been surveyed. Those requests are expected to be judged during June 2009. The Group foresees a favorable outcome on these cases. Nevertheless, a negative outcome might have an impact on the completion of works on Flisvos Marina.
- Five (5) petitions of annulment have been filled and are pending before the State Council for the subsidiary company “LAMDA Olympia Village SA”, in relation to the plot of land where the Olympic Press Village (or “Olympiako Chorio Typou”) and the Commercial Centre “The Mall Athens” were built. More specifically: the first of these petitions was heard on 03.05.2006 and the decision no 391/2008 of the Fifth Department of the State Council was issued committing for the Plenary Session of the State Council. The hearing for the second petition has been scheduled for

08.05.2009. The hearing for the other petitions has been arranged for 16.06.2009. In accordance with the Company's legal consultants, should the State Council uphold its jurisprudence to date, the aforesaid petitions are not expected to be successful.

- In the subsidiary company "LAMDA Domi SA" the following are pending: a) five petitions before the Plenary Session of the State Council for annulment which have been scheduled to be heard on the 25.09.2009 after postponement at 07.11.2008 and 06.03.2009. "LAMDA Domi SA" has exercised intervention in all cases. The first petition for annulment turns against an agreement executed by and between "OLYMPIC PROPERTIES SA", the second petition turns against the validity of 101576/22.02.2008 common decision of Ministry for the Environment, Physical Planning and Public Works and Ministry of Culture, regarding the approval of the environmental conditions of the project, the third, fourth and fifth petitions turn against the afore-mentioned decision as well as the building permit for the refit of the building to Complex. The applicants of the first petition for annulment exercised a suspension which was rejected with the nr.1329/2008 decision of the Administrative Court of Appeals. The applicant of the third and fifth petition for annulment exercised a petition for suspension, which included a request for the issuance of an interim order for the suspension of the execution of works. This petition was rejected by the Chair of the State Council and the petition for suspension was rejected with decision nr.1327/2008 and 1328/2008, b) before the Athens Administrative Court of Appeals, two petitions for annulment which seeks the annulment and contests the validity of the original building permit for which no hearing has been scheduled yet. It is noted that for this petition, a request for the issuance of an interim order for the suspension of the execution of works. This request was rejected according to the decision 178/2008 of the judge of the Administrative Court of Appeals. The hearing of the first petition has been scheduled to be heard on the 06.05.2009 after a postponement on 04.03.2009, while there has not been scheduled the hearing for the second petition. According to the legal counsels who represent the company in these cases, if the State Council upholds its jurisprudence on the admissibility for hearing of a petition for annulment, the petition is not likely to be successful.

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

30. Related party transactions

In Group's related parties, apart from the ones related to it, Group EFG Eurobank Ergasias is included.

The following transactions were carried out with related parties.

	GROUP		COMPANY	
Amounts in Euro	**01.01.2008 to 31.12.2008**	**01.01.2007 to 31.12.2007**	**01.01.2008 to 31.12.2008**	**01.01.2007 to 31.12.2007**
i) Sales of goods and services				
- sales of services	2.416.219	2.894.250	1.002.805	1.755.202
- sales of fixed assets / inventories	-	20.281.956	-	3.850.607
- sales of investment property	8.385.000	-	-	-
	10.801.219	**23.176.206**	**1.002.805**	**5.605.809**
ii) Purchases of goods and services				
- purchases of services	5.896.471	6.309.869	414.809	451.590
- purchases of fixed assets / inventories	1.287.378	-	115.625	37.378
	7.183.848	**6.309.869**	**530.434**	**488.968**
iii) Dividend income	**2.721.432**	**1.861.874**	**6.983.156**	**1.978.309**
iv) Benefits to management				
- salaries and other short-term employment benefits	1.078.460	1.144.214	1.078.460	1.144.214
- sales of services to management	67.543	29.723	-	-
	1.146.003	**1.173.937**	**1.078.460**	**1.144.214**

v) Year-end balances from sales-purchases of goods / servises

	GROUP		COMPANY	
Amounts in Euro	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Receivables from related parties:				
- parent	0	107.100	-	-
- associates	88.078	353.999	546.420	4.336.099
	88.078	**461.099**	**546.420**	**4.336.099**
Payables to related parties:				
- parent	10.712	35.194	-	-
- associates	2.203.929	2.302.473	36.957	71.342
	2.214.641	**2.337.668**	**36.957**	**71.342**
vi) Loans to associates:				
Balance at the beginning of the year	**2.164.872**	**7.288.263**	**71.131.711**	**17.410.766**
Loans given during the year	2.650.000	439.633	540.000	77.581.253
Loans repaid during the year	(50.000)	(5.467.111)	-	(10.670.265)
Loans impairment	-	-	(496.967)	(13.373.457)
Reversal of loans impairment	-	-	3.510.677	-
Interest repaid	-	(267.550)	-	(353.461)
Interest charged	130.748	171.636	1.161.699	536.875
Balance at the end of the year	**4.895.619**	**2.164.872**	**75.847.120**	**71.131.711**
vii) Loans from associates:				
Balance at the beginning of the year	**34.174.043**	**39.392.000**	**33.284.031**	**-**
Loans received during the year	15.300.024	33.250.000	12.000.000	33.000.000
Loans repaid during the year	-	(39.392.000)	-	-
Interest paid	(2.058.690)	(469.218)	(1.909.453)	-
Interest charged	2.232.353	1.393.262	2.083.116	284.031
Balance at the end of the year	**49.647.731**	**34.174.043**	**45.457.695**	**33.284.031**
viii) Cash at bank - related parties	**41.990.373**	**17.176.343**	**29.373.129**	**3.320.530**

The sales of investment property refer to the Group's subsidiary "LAMDA Prime Properties SA" which proceeded in the transfer of investment property to the associate "PALLAS ATHINA SA" in the amount of € 8.4 million.

The purchases of inventories refer mainly to the Group's subsidiary "LAMDA Prime Properties SA" apartments purchase from "LAMDA Olympia Village SA" (associate by 49,24%). The transaction price represents the cost of the inventory at the date of the transaction and therefore no profit from purchase of inventories is recognised in Group figures.

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.

The Group borrowings regarding borrowings from related banks are included in note 19.

Part of the borrowings, that are assigned to subsidiaries are secured by the parent company (note 19).

31. 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 (note 16).

Continuing operations *(Amounts in Euro)*	**GROUP**		**COMPANY**	
	1.1.2008 to 31.12.2008	**1.1.2007 to 31.12.2007**	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Profit / (loss) attributable to equity holders of the Company	**60.097.592**	**59.619.925**	**8.428.282**	**(2.628.752)**
Weighted average number of ordinary shares in issue	43.477.419	44.004.948	43.477.419	44.004.948
Basic earnings / (losses) per share *(Euro per share)*	**1,38**	**1,35**	**0,19**	**(0,06)**

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.

Continuing operations *(Amounts in Euro)*	**GROUP**		**COMPANY**	
	1.1.2008 to 31.12.2008	**1.1.2007 to 31.12.2007**	**1.1.2008 to 31.12.2008**	**1.1.2007 to 31.12.2007**
Profit / (loss) used to determine dilluted earnings per share	**60.097.592**	**59.619.925**	**8.428.282**	**(2.628.752)**
Weighted average number of ordinary shares in issue	43.477.419	44.004.948	43.477.419	44.004.948
Adjustment for share options:				
Employees share option scheme	352.265	65.239	352.265	65.239
Weighted average number of ordinary shares for dilluted earnings per share	**43.829.683**	**44.070.187**	**43.829.683**	**44.070.187**
Diluted earnings / (losses) per share *(Euro per share)*	**1,37**	**1,35**	**0,19**	**(0,06)**

Diluted

Diluted earnings 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).

32. Dividends per share

For the forthcoming General Meeting of the Company's Shareholders no dividend is expected to be proposed for the fiscal year 2008.

33. Fiscal years unaudited by the tax authorities

Company	Fiscal years unaudited by the tax authorities	Company	Fiscal years unaudited by the tax authorities
LAMDA Development SA	2006-2008		
LAMDA Estate Development SA	2007-2008	LAMDA Redding Contracting Consortium	2006-2008
KRONOS PARKING SA	2007-2008	MC Property Management SA	2007-2008
LAMDA Prime Properties SA	2005-2008	ECE LAMDA HELLAS SA	2007-2008
PYLAIA SA	2005-2008	ATHENS METROPOLITAN EXPO SA	2007-2008
LAMDA Technol Flisvos Holding SA	2007-2008	LAMDA Olympia Village SA	2007-2008
LAMDA Technol Flisvos Marina SA	2007-2008	LAMDA Akinhta SA	2006-2008
LAMDA Erga Anaptyxis SA	2007-2008	Piraeus Metropolitan Center SA	2008
LAMDA Domi SA	2003-2008	SC LAMDA MED SRL	2005-2008
LAMDA Property Management SA	2007-2008	EFG PROPERTY SERVICES SA	2005-2008
LAMDA Hellix SA	2007-2008	EFG PROPERTY SERVICES DOO BEOGRAD	2005-2008
LAMDA Ανάδειξη SA	2007-2008	EFG PROPERTY SERVICES SOFIA AD	2005-2008
LAMDA Protypi Anaptyxi SA	2007-2008	LAMDA Development Montenegro DOO	2007-2008
LAMDA Waste Management SA	2007-2008	LAMDA Development (Netherlands) BV	2007-2008
GEAKAT SA	2006-2008	Robies Services Ltd	2007-2008
LAMDA Development DOO Beograd	2003-2008	Robies Proprietati Imobiliare SRL	2007-2008
Property Development DOO	2007-2008	SC LAMDA Properties Development SRL	2007-2008
Property Investments DOO	2008	SC LAMDA Olympic SRL	2002-2008
LAMDA Development Romania SRL	2003-2008	Singidunum-Buildings DOO	2007-2008
LAMDA Development Sofia EOOD	2006-2008	Rang Nekretnine DOO	2007-2008
LAMDA Development South EOOD	2007-2008	GLS OOD	2006-2008
LAMDA Development Vitosha EOOD	2007-2008	S.L. Imobilia DOO	2008
TIHI EOOD	2007-2008		

The Company has been tax audited until the fiscal year of 2005. Many of the Group's companies entered in unaudited fiscal years' settlement during the year, on which the additional amount of tax of € 168k was imposed. From the chart above, it is obvious that the Group's tax obligations have not been defined permanently.

34. Events after the balance sheet date

The Company at 26/01/2009 proceeded to an increase of its in "LAMDA TechnolFlisvos Holding SA". More specifically IGY FLISVOS HOLDING Ltd has transferred the total of its shares, which is 10% of the share capital, at the price of € 2,5m. Following the above transaction, the Company holds a 61% in the company.

Moreover, the Company after change in the deed of association, having the approval of the Extraordinary Meeting of the Shareholders, defines as registered office the Municipality of Maroussi in the district of Attica. The other articles of the deed of corporation remain the same.

On March 5, 2009 HSBC paid to the Company the amount of € 64.296k. Various partial figures of the agreement between the two parties have not been finalized yet. According to the contract of shares' transfer, a certain procedure to the finalization of the purchase price will be followed but no significant alteration is expected.

On 17 March 2009, administrative changes took place in the Company's Board of Directors composition. Mr. Tamvakakis Apostolos, the Chairman and Chief Executive Officer, is released from the above mentioned positions, staying in the Board of Directors as non-executive Vice President. The new Board of Directors is as follows:

Chairman of the Board:	Georgios K.Papageorgiou
Vice president:	Apostolos S.Tamvakakis
Members:	Evaggelos I.Chronis
	Fotios S.Antonatos
	Emmanuel Leonard Bussetil
	Petros P.Kalantzis
	Dimitrios Th.Papalexopoulos
	Spiridon I.Theodoropoulos
	Georgios K.Gerardos
	Achilleas V.Konstantakopoulos

No event has arisen after the balance sheet date that would have significant influence on these consolidated financial statements.

35. Figures and information for the year ended on December 31, 2008

LAMDA DEVELOPMENT S.A.

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.

S.A.REG.No 3039/06/B/86/28

Registered offices: 37A Kifissias Ave., 151 23 Maroussi

FINANCIAL DATA AND INFORMATION FOR THE YEAR ended December 31, 2008

(in terms of article 135 of Law 2190, for companies publishing annual financial statements in accordance with IAS / IFRS)

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

COMPANY'S DATA

Supervising Authority:	Ministry of Development (department of limited companies)
Company's website:	www.Lamda-development.net
Date of approval of the financial statements by the Board of Directors:	24 March 2009
Name of the auditor:	Michalatos Konstantinos (SOEL Reg. No 17701)
Auditing firm:	PricewaterhouseCoopers S.A.
Type of auditors report:	Unqualified

Board of Directors
Chairman of the Board: Georgios K.Papageorgiou
Vice president: Apostolos S.Tamvakakis
Members:
Evaggelos I.Chronis
Fotios S.Antonatos
Emmanuel Leonard Bussetil
Petros P.Kalantzis
Dimitrios Th.Papalexopoulos
Spiridon I.Theodoropoulos
Georgios K.Gerardos
Achilleas V.Konstantakopoulos

BALANCE SHEET (Amounts in €)

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
ASSETS				
Investment property	622.593.501	505.473.951	1.840.441	1.840.441
Owner occupied property, plant and equipment	152.967.196	163.572.235	665.450	427.867
Intangible assets	4.588.445	4.728.371	-	-
Investments in subsidiaries	-	-	157.143.893	173.727.441
Investments in associates	4.343.155	1.561.148	1.633.628	388.328
Available-for-sale financial assets	38.675.192	56.711.655	38.675.192	56.711.655
Derivative financial instruments	71.180	1.147.290	-	-
Deferred income tax assets	486.870	551.118	-	-
Trade and other receivables	14.060.150	23.840.421	70.517.735	61.115.108
Total non-current assets	**837.785.689**	**757.586.188**	**270.476.339**	**294.210.840**
Inventories	45.799.428	48.132.708	-	-
Trade and other receivables	116.079.032	86.460.911	75.011.406	65.292.177
Current income tax assets	6.308.522	5.972.960	6.299.923	5.965.503
Cash and cash equivalents	177.180.235	46.199.924	112.235.798	3.337.105
Total current assets	**345.367.218**	**186.766.502**	**193.547.126**	**74.594.785**
Total assets	**1.183.152.907**	**944.352.690**	**464.023.465**	**368.805.625**
EQUITY				
Capital and reserves attributable to equity holders of the company				
Share capital	225.769.764	235.281.883	225.769.764	235.281.883
Other reserves	(18.460.631)	6.250.706	(18.871.879)	2.929.004
Retained earnings	218.259.167	155.639.135	20.893.014	12.464.733
Total shareholders' equity	**425.568.300**	**397.171.724**	**227.790.899**	**250.675.620**
Minority interest	42.291.820	54.842.223	-	-
Total equity	**467.860.120**	**452.013.947**	**227.790.899**	**250.675.620**
LIABILITIES				
Borrowings	513.574.512	349.026.928	215.000.000	103.000.000
Deferred income tax liabilities	66.031.895	64.755.661	7.114.007	2.331.583
Derivative financial instruments	2.062.966	-	-	-
Retirement benefit obligations	432.291	368.545	374.364	326.589
Other non-current liabilities	2.448.717	1.745.642	-	36.148
Total non-current liabilities	**584.550.382**	**415.896.775**	**222.488.371**	**105.694.320**
Trade and other payables	62.446.557	45.899.509	13.744.195	12.435.686
Current income tax liabilities	1.327.859	3.491.698	-	-
Borrowings	66.967.990	27.050.759	-	-
Total current liabilities	**130.742.406**	**76.441.967**	**13.744.195**	**12.435.686**
Total liabilities	**715.292.788**	**492.338.743**	**236.232.566**	**118.130.005**
Total equity and liabilities	**1.183.152.907**	**944.352.690**	**464.023.465**	**368.805.625**

STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Shareholders' equity at the beginning of the year (01/01/2008 & 01/01/2007 respectively)	**452.013.947**	**408.233.085**	**250.675.620**	**282.990.321**
Net profit / (loss) after taxes	65.616.734	70.062.290	8.428.282	(2.628.752)
Reserves from revaluation of available-for-sale financial assets	(22.273.209)	(19.369.211)	(22.273.209)	(19.369.211)
Reserves from PPE transfer to investment property, net of tax	-	2.801.220	-	-
Cash flow hedges, net of tax	(1.858.914)	776.595	-	-
Currency translation differences	741.705	(1.741.994)	-	-
Share options scheme	472.326	246.019	472.326	246.019
Increase / (decrease) in subsidiary share capital	(15.858.010)	2.087.500	-	-
Changes in participation to subsidiaries	-	(468.945)	-	-
Acquisition of subsidiaries	-	145	-	-
Dividends approved by the shareholders	(1.482.339)	(10.171.822)	-	(10.121.822)
Treasury shares purchased	(9.512.119)	(440.934)	(9.512.119)	(440.934)
Shareholders' equity at the end of the year (31/12/2008 & 31/12/2007 respectively	**467.860.120**	**452.013.947**	**227.790.899**	**250.675.620**

INCOME STATEMENT (Amounts in €)

	GROUP		COMPANY	
	Continuing operations		Continuing operations	
	1/01-31/12/2008	1/01-31/12/2007	1/01-31/12/2008	1/01-31/12/2007
Revenues from investment property	48.685.596	37.645.800	-	-
Revenues from services and other revenues	16.303.989	21.107.799	2.657.107	1.832.515
Sales of inventories	9.775.531	28.138.512	-	-
Fair value gains of investment property	48.151.456	65.596.161	-	20.000
Loss from investment property sale	(115.000)	-	-	-
Minus: Direct to investment property expenses	(13.862.063)	(7.829.746)	-	-
Minus: Cost of inventory sales	(7.647.441)	(28.352.647)	-	-
Minus: Other expenses	(4.484.838)	(5.588.896)	-	-
Gross Revenue	**96.807.229**	**110.716.982**	**2.657.107**	**1.852.515**
Earnings / (losses) before interest and taxes	**69.198.006**	**86.741.831**	**(9.997.347)**	**(24.773.417)**
Profit / (loss) before income tax	**71.053.149**	**93.914.038**	**13.057.235**	**(2.704.046)**
Profit / (loss) after taxes	**65.616.734**	**70.062.290**	**8.428.282**	**(2.628.752)**
Attributable to:				
Equity holders of the Company	60.097.592	59.619.925	8.428.282	(2.628.752)
Minority interest	5.519.142	10.442.365	-	-
	65.616.734	**70.062.290**	**8.428.282**	**(2.628.752)**
Earnings / (losses) per share from continuing operations (expressed in € per share)				
Basic	1,3823	1,3548	0,1939	(0,0597)
Diluted	1,3712	1,3528	0,1939	(0,0597)
Proposed dividend per issued share - (in €)	0,0000	0,0000	0,0000	0,0000
Earnings / (losses) before interest, taxes, depreciation and amortisation	**71.127.015**	**88.765.935**	**(9.765.293)**	**(24.153.040)**

CASH FLOW STATEMENT (Amounts in €) - indirect method

	GROUP		COMPANY	
	1/01-31/12/2008	1/01-31/12/2007	1/01-31/12/2008	1/01-31/12/2007
Cash flows from operating activities				
Profit before taxes from continuing operations	71.053.149	93.914.038	13.057.235	(2.704.046)
Profit before taxes from discontinued operations	-	-	-	-
Adjustments for:				
Fair value gains of investment property	(48.151.456)	(65.596.161)	-	(20.000)
Depreciation	1.929.009	2.024.104	232.054	620.377
Provisions	1.041.883	1.544.456	226.788	65.450
Results (income, expenses, gains and losses) of investment operations	(22.117.718)	(21.679.472)	(24.930.597)	(20.978.309)
Finance expense / (income)	20.353.087	14.507.265	1.878.666	(1.091.062)
Other non-cash flow items	4.875.246	6.697.380	1.122.767	15.109.700
Changes in working capital :				
Decrease in inventories	2.859.019	10.966.028	-	-
(Increase) / decrease in receivables	748.898	837.937	257.362	(45.928)
Increase / (decrease) in payables	17.862.961	(10.346.262)	896.379	1.594
Minus:				
Interest paid	(26.164.741)	(14.133.234)	(9.772.200)	(957.854)
Income tax paid	(6.242.582)	(5.419.179)	(334.420)	(4.553.814)
Cash flows from operating activities - net	**18.046.756**	**13.316.900**	**(17.365.966)**	**(14.553.892)**
Cash flows from investing activities				
Purchases of property, plant, equipment and investment property	(73.124.073)	(122.627.968)	(472.489)	(184.658)
Proceeds from sale of property, plant, equipment and investment property	8.424.897	-	3.720.200	-
Dividends received	2.721.412	2.838.562	6.983.156	1.978.309
Loans received / (granted) from / (to) related parties	(2.600.000)	5.027.477	(540.000)	(66.911.722)
Interest received	5.702.266	1.323.399	2.998.217	1.149.208
Proceeds from sale of participations	-	11.987.953	-	11.655.117
Increase in participations	(1.245.300)	(556.267)	(11.977.800)	(46.023.063)
Purchase of available for sale financial assets	(4.236.746)	(33.653.070)	(4.236.746)	(33.653.070)
Increase in assets due to acquisition of subsidiaries	-	(293.409)	-	-
Cash flows (to) investing activities - net	**(64.357.545)**	**(135.953.322)**	**(3.525.463)**	**(131.989.878)**
Cash flows from financing activities				
Purchase of treasury shares	(9.512.119)	(440.934)	(9.512.119)	(440.934)
Proceeds from subsidiaries' share capital increase	98.000	290.000	-	-
Proceeds / (payments) from subsidiaries' share capital decrease	(15.956.010)	-	27.316.048	6.152.031
Dividends paid	(1.496.146)	(10.228.071)	(13.807)	(10.178.071)
Borrowings received	260.837.908	122.001.758	140.000.000	103.000.000
Costs on issuance of loans	(370.923)	(1.021.464)	-	-
Capital repayments of finance leases	(736.831)	(685.913)	-	-
Repayments of borrowings	(55.572.778)	(20.990.318)	(28.000.000)	(156.451)
Cash flows from financing activities - net	**177.291.101**	**88.925.057**	**129.790.122**	**98.376.574**
Net (decrease) / increase in cash and cash equivalents	**130.980.312**	**(33.711.364)**	**108.898.693**	**(48.167.195)**
Cash and cash equivalents at the beginning of the year	46.199.924	79.911.287	3.337.105	51.504.302
Cash and cash equivalents at the end of year	**177.180.235**	**46.199.924**	**112.235.798**	**3.337.106**

Additional records and accounts:

1. The Company has been tax audited until the year 2005. For further information regarding the Group's unaudited tax years refer to note 33 of the financial statements for the year ended December 31, 2008.

2. The accounting principles adopted in the preparation and presentation of the financial statements are consistent with the same accounting principles adopted for the financial statements of the Company and the Group for the year ended December 31, 2007.

3. The company Consolidated Lamda Holdings SA registered in Luxembourg participates in Company's share capital by 55,81% and therefore Group's financial statements are included in Consolidated Lamda Holdings SA's consolidated financial statements by the full consolidation method.

4. The Group's composition including names, registered office as well as percentage Group ownership directly or indirectly and the consolidation method that was applied, are presented in note 9 of the financial statements for the year ended December 31, 2008.

5. During the year 2008 the Company increased its participation in 100% subsidiary LAMDA Development (Netherlands) B.V. registered in Amsterdam, by € 7,1m. The latest participated by 50% in the establishment of the Croatian company SL Imobilia DOO. The companies PYLEA SA, Lamda Prime Properties S.A. and S.C. Lamda Olympic SRL proceeded in share capital decrease and therefore, the Company's participation decreased by € 24m, € 3,1m., and €0,2m. respectively. Also, the Company established Property Investments DOO with registered office in Serbia and SC Lamda Properties Development SRL with registered office in Romania and also participated in the share capital increase of the LAMDA Technol FLISVOS Holding S.A. and the associate Athens Metropolitan Expo SA. Moreover, the company participated , by 19,5%, in the establishment of the company Piraeus Metropolitan Center SA. As a result, the companies Property Investments DOO, SL Imobilia DOO and Piraeus Metropolitan Center SA were consolidated for the first time in the consolidated financial statements. In addition, there was no other change in the composition and consolidation method of Group's company or joint venture. For further information, refer to note 9 of the financial statements for the year ended D

6. Real estate liens and pre-notices, amount to € 181,7m. concerning guarantees for bank loans.

7. The number of employees at the end of the period was: Group 152, Company 83 (31/12/2007: Group 143, Company 84). There were no seasonal employees for the Group and the Company at the balance sheet date (31/12/2007: Group 8, Company 0).

8. At the end of the year 2008, the Company has acquired 1.607.521 own shares, at the total value of € 10.135.446, and at an average price of € 6,31 per share.

9. The statement of changes in equity for the period presents in detail the amounts and the nature of any expense/revenue or profit/loss recognised directly to Group's and Company's equity.

10. i) There are neither cases under dispute, litigation, or arbitrations nor any court decisions that are likely to have a significant impact on the Company's financial statements ii) During the year ended December 31, 2008 a) No provision has been made regarding cases under dispute, litigation, arbitrations or court decisions b) The total amount of the accumulative provision made for the Group's and Company's unaudited by the tax authorities years amount to € 2,40m. and € 1,38m. respectively c) The other provisions that have been made accumulatively for the Group and the Company amount to € 3,26m. and € 0,38m. respectively and include provisions for customers' write-off and compensation of non received leaves.

11. On 26/01/2009 the Company proceeded to an increase of its participation to the company LAMDA TechnOLFlisvosHolding S.A. by 10%, at the price of € 2.5m. In addition, the Extraordinary General Meeting of the Shareholders decided that the registered office of the Company is the Municipality of Maroussi of the Attica District. On 5/03/2009, HSBC paid to the Company the amount of € 64m. according to the contract of shares' transfer, which is not final yet but no significant alteration is expected. For further information, refer to note 34 of the financial statements for the year ended December 31, 2008.

12. Intercompany transactions for the year ended December 31, 2008 and intercompany balances as at December 31, 2008, according to IAS 24 are as follows:

Amounts in €	GROUP	COMPANY
a) Revenues	10.801.219	1.002.805
b) Expenses	7.183.848	530.434
c) Dividend income	2.721.432	6.983.156
d) Receivables	4.983.697	76.393.540
e) Payables	51.862.372	45.494.652
f) Transactions and gross salaries of BoD members and management	1.146.003	1.078.460
g) Receivables from BoD members and management	-	-
h) Payables to BoD members and management	-	-
i) Cash at bank - related parties	41.990.373	29.373.129

Maroussi, March 24, 2009

THE CHAIRMAN OF THE BOARD OF DIRECTORS	MEMBER OF THE BOARD OF DIRECTORS	THE CHIEF FINANCIAL OFFICER	THE FINANCIAL DIRECTOR
GEORGIOS K. PAPAGEORGIOU	EVAGGELOS I.CHRONIS	ODYSSEUS E. ATHANASIOU	VASSILIOS A. BALOUMIS
I.D.No Π655346	I.D.No Σ281286	I.D.No AB510661	I.D.No T061891

The above mentioned figures and information are not a part of the pages of the financial statements which are covered by the report of the certified auditor – accountant.

Information of Article 10 of Law 3401/2005

The following announcements / notifications have been sent to the Daily Official List Announcements and are posted on the Athens Exchange website as well as to the Company's website (www.lamda-development .net).

Date	Announcement
31/12/2008	Acquisition of own shares
30/12/2008	Acquisition of own shares
29/12/2008	Acquisition of own shares
24/12/2008	Acquisition of own shares
23/12/2008	Acquisition of own shares
22/12/2008	Acquisition of own shares
19/12/2008	Acquisition of own shares
18/12/2008	Acquisition of own shares
17/12/2008	Acquisition of own shares
16/12/2008	Acquisition of own shares
15/12/2008	Acquisition of own shares
12/12/2008	Acquisition of own shares
11/12/2008	Acquisition of own shares
10/12/2008	Acquisition of own shares
9/12/2008	Acquisition of own shares
8/12/2008	Acquisition of own shares
5/12/2008	Acquisition of own shares
4/12/2008	Acquisition of own shares

3/12/2008	Acquisition of own shares
2/12/2008	Acquisition of own shares
1/12/2008	Acquisition of own shares
28/11/2008	Acquisition of own shares
28/11/2008	Announcement of the Company’s investments
27/11/2008	Acquisition of own shares
26/11/2008	Acquisition of own shares
25/11/2008	Acquisition of own shares
24/11/2008	Acquisition of own shares
21/11/2008	Acquisition of own shares
20/11/2008	Acquisition of own shares
19/11/2008	Acquisition of own shares
18/11/2008	Acquisition of own shares
17/11/2008	Acquisition of own shares
14/11/2008	Acquisition of own shares
13/11/2008	Acquisition of own shares
12/11/2008	Parent Company financial and other information according with IFRS
12/11/2008	Parent Company financial and other information according with IFRS
12/11/2008	Acquisition of own shares
11/11/2008	Press release regarding financial results
11/11/2008	Acquisition of own shares
10/11/2008	Acquisition of own shares
7/11/2008	Acquisition of own shares

6/11/2008	Acquisition of own shares
5/11/2008	Acquisition of own shares
4/11/2008	Acquisition of own shares
3/11/2008	Announcement of regulated information according to Law 3556/2007
3/11/2008	Transaction notification
3/11/2008	Acquisition of own shares
31/10/2008	Announcement of regulated information according to Law 3556/2007
31/10/2008	Transaction Notification
31/10/2008	Acquisition of own shares
30/10/2008	Acquisition of own shares
29/10/2008	Announcement of regulated information according to Law 3556/2007
29/10/2008	Transaction notification
29/10/2008	Acquisition of own shares
27/10/2008	Acquisition of own shares
24/10/2008	Acquisition of own shares
23/10/2008	Acquisition of own shares
22/10/2008	Acquisition of own shares
21/10/2008	Acquisition of own shares
20/10/2008	Acquisition of own shares
17/10/2008	Acquisition of own shares
16/10/2008	Acquisition of own shares
15/10/2008	Announcement of the purchase of own shares that might exceed the 25% limit
15/10/2008	Acquisition of own shares

14/10/2008	Acquisition of own shares
13/10/2008	Acquisition of own shares
10/10/2008	Acquisition of own shares
9/10/2008	Acquisition of own shares
8/10/2008	Acquisition of own shares
7/10/2008	Acquisition of own shares
6/10/2008	Acquisition of own shares
3/10/2008	Acquisition of own shares
2/10/2008	Announcement of the Company's investments
2/10/2008	Acquisition of own shares
2/10/2008	Participation in Roadshow
1/10/2008	Acquisition of own shares
30/9/2008	Acquisition of own shares
29/9/2008	Acquisition of own shares
26/9/2008	Acquisition of own shares
25/9/2008	Acquisition of own shares
24/9/2008	Acquisition of own shares
23/9/2008	Acquisition of own shares
22/9/2008	Acquisition of own shares
19/9/2008	Acquisition of own shares
17/9/2008	Acquisition of own shares
16/9/2008	Acquisition of own shares
15/9/2008	Acquisition of own shares

12/9/2008	Acquisition of own shares
9/9/2008	Acquisition of own shares
8/9/2008	Acquisition of own shares
5/9/2008	Acquisition of own shares
4/9/2008	Announcement of regulated information according to Law 3556/2007
4/9/2008	Transaction notification
3/9/2008	Announcement of regulated information according to Law 3556/2007
3/9/2008	Transaction notification
3/9/2008	Acquisition of own shares
1/9/2008	Acquisition of own shares
29/8/2008	Acquisition of own shares
28/8/2008	Parent Company financial and other information according with IFRS
28/8/2008	Parent Company financial and other information according with IFRS
27/8/2008	Press release regarding financial results
26/8/2008	Acquisition of own shares
21/8/2008	Acquisition of own shares
20/8/2008	Acquisition of own shares
13/8/2008	Acquisition of own shares
12/8/2008	Acquisition of own shares
11/8/2008	Acquisition of own shares
8/8/2008	Acquisition of own shares
7/8/2008	Acquisition of own shares
6/8/2008	Acquisition of own shares

5/8/2008	Acquisition of own shares
31/7/2008	Acquisition of own shares
30/7/2008	Acquisition of own shares
29/7/2008	Acquisition of own shares
28/7/2008	Acquisition of own shares
25/7/2008	Acquisition of own shares
24/7/2008	Acquisition of own shares
23/7/2008	Acquisition of own shares
22/7/2008	Acquisition of own shares
15/7/2008	Acquisition of own shares
8/7/2008	Acquisition of own shares
1/7/2008	Acquisition of own shares
24/6/2008	Acquisition of own shares
18/6/2008	Acquisition of own shares
10/6/2008	Acquisition of own shares
6/6/2008	Announcement of other information
3/6/2008	Acquisition of own shares
30/5/2008	Announcement of other information
29/5/2008	Parent Company financial and other information according with IFRS
29/5/2008	Parent Company financial and other information according with IFRS
28/5/2008	Press release regarding financial results
23/5/2008	Purchase of own shares
22/5/2008	General Meeting resolutions

22/5/2008	Announcement of regulated information according to Law 3556/2007
22/5/2008	Transaction notification
20/5/2008	Announcement of regulated information according to Law 3556/2007
20/5/2008	Transaction notification
15/5/2008	Announcement of regulated information according to Law 3556/2007
15/5/2008	Transaction notification
14/5/2008	Announcement of regulated information according to Law 3556/2007
14/5/2008	Transaction notification
13/5/2008	Announcement of regulated information according to Law 3556/2007
13/5/2008	Transaction notification
12/5/2008	Announcement of regulated information according to Law 3556/2007
12/5/2008	Transaction notification
8/5/2008	Acquisition of own shares
8/5/2008	Announcement of other information
6/5/2008	Announcement for the Annual Bulletin
30/4/2008	Acquisition of own shares
29/4/2008	Invitation to Annual General Meeting
23/4/2008	Acquisition of own shares
17/4/2008	Acquisition of own shares
15/4/2008	Announcement of other information
11/4/2008	Announcement of other information
10/4/2008	Acquisition of own shares
3/4/2008	Acquisition of own shares

27/3/2008	Acquisition of own shares
27/3/2008	Parent Company financial and other information according with IFRS
27/3/2008	Parent Company financial and other information according with IFRS
26/3/2008	Press release regarding financial results
20/3/2008	Acquisition of own shares
13/3/2008	Acquisition of own shares
6/3/2008	Acquisition of own shares
28/2/2008	Acquisition of own shares
26/2/2008	Financial calendar
21/2/2008	Acquisition of own shares
14/2/2008	Acquisition of own shares
7/2/2008	Acquisition of own shares
4/2/2008	Clarification on published articles
31/1/2008	Acquisition of own shares
24/1/2008	Acquisition of own shares
18/1/2008	Acquisition of own shares
11/1/2008	Acquisition of own shares