



Eurobank Properties REIC

CONDENSED INTERIM CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2013

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

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Consolidated and Company Balance sheet

	Note	Group		Company	
		30/09/2013	31/12/2012	30/09/2013	31/12/2012
ASSETS					
Non-current assets					
Investment property	5	519.573	547.100	431.372	457.178
Property, plant and equipment		1.608	1.638	1.604	1.638
Goodwill and Intangible Assets		401	435	66	100
Investment in subsidiaries	6	-	-	55.092	55.092
Deferred tax asset		391	391	-	-
Other long term receivables	7	2.356	1.773	14.727	6.988
		524.329	551.337	502.861	520.996
Current assets					
Trade and other receivables	8	4.062	6.311	3.251	4.993
Cash and cash equivalents	9	175.628	161.091	167.971	153.005
		179.690	167.402	171.222	157.998
TOTAL ASSETS		704.019	718.739	674.083	678.994
SHAREHOLDERS' EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	10	129.930	129.930	129.930	129.930
Share premium	10	466.749	466.749	466.749	466.749
Own shares	10	(6.735)	(6.719)	(6.735)	(6.719)
Other reserves		10.781	10.823	10.021	10.021
Retained earnings		24.222	26.191	28.689	31.767
Total shareholders' equity		624.947	626.974	628.654	631.748
Non-current liabilities					
Borrowings, including finance leases	11	63.469	67.405	32.311	34.902
Tenant deposits		2.793	3.097	2.793	3.097
		66.262	70.502	35.104	37.999
Current liabilities					
Trade and other payables	12	2.627	2.389	2.079	1.005
Dividends payable		7	8	7	8
Current income tax liabilities		2.608	3.130	2.521	2.988
Borrowings, including finance leases	11	6.980	15.523	5.130	5.033
Tenant deposits		588	213	588	213
		12.810	21.263	10.325	9.247
Total liabilities		79.072	91.765	45.429	47.246
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		704.019	718.739	674.083	678.994

Consolidated Income Statement

	Note	Nine month period ended		Three month period ended	
		30/09/2013	30/09/2012	30/09/2013	30/09/2012
Revenue					
Rental income		27.799	29.625	8.751	9.655
		27.799	29.625	8.751	9.655
Net gain/(loss) from fair value adjustments on investment property		(27.600)	(46.124)	-	-
Technical service fees		(473)	(507)	(133)	(216)
Other direct property relating expenses		(1.027)	(781)	(384)	(272)
Provisions for bad debts	8	(736)	(410)	(736)	(190)
Employee benefit expense	13	(1.060)	(887)	(771)	(603)
Depreciation of property, plant and equipment		(69)	(67)	(22)	(23)
Other income		1	3	(32)	-
Other expenses		(699)	(669)	(232)	(193)
Operating profit/ (loss)		(3.864)	(19.817)	6.441	8.158
Interest income		5.730	6.599	1.692	2.247
Finance costs		(1.726)	(2.480)	(527)	(682)
Profit/ (loss) before tax		140	(15.698)	7.606	9.723
Taxes	14	(2.107)	(1.790)	(726)	(83)
Profit/ (loss) for the period		(1.967)	(17.488)	6.880	9.640
Earnings/ (losses) per share (expressed in € per share)					
- Basic and Diluted	15	(0,03)	(0,29)	0,11	0,16

Company Income Statement

	Note	Nine month period ended		Three month period ended	
		30/09/2013	30/09/2012	30/09/2013	30/09/2012
Revenue					
Rental income		22.741	24.763	7.067	8.024
		22.741	24.763	7.067	8.024
Net gain/(loss) from fair value adjustments on investment property		(25.880)	(40.693)	-	-
Technical service fees		(183)	(210)	(49)	(85)
Other direct property relating expenses		(928)	(643)	(348)	(233)
Provisions for bad debts	8	(740)	(577)	(740)	(190)
Employee benefit expense	13	(1.038)	(859)	(767)	(594)
Depreciation of property, plant and equipment		(69)	(67)	(22)	(23)
Other income		1	3	(28)	-
Other expenses		(597)	(514)	(187)	(170)
Operating profit/ (loss)		(6.693)	(18.797)	4.926	6.729
Interest income		6.043	6.609	1.831	2.263
Finance costs		(911)	(1.223)	(297)	(345)
Profit/ (loss) before tax		(1.561)	(13.411)	6.460	8.647
Taxes	14	(1.517)	(1.275)	(521)	65
Profit/ (loss) for the period		(3.078)	(14.686)	5.939	8.712

Consolidated and Company Statement of Comprehensive Income

	Group		Company	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Profit/ (loss) for the period	(1.967)	(17.488)	(3.078)	(14.686)
Other comprehensive income/ (loss) after taxes:				
Exchange rate differences transferred to income/ (loss) after taxes	(44)	(116)	-	-
Total comprehensive income/ (loss)	(44)	(116)	-	-
Total comprehensive income/ (loss) after taxes for the period	(2.011)	(17.604)	(3.078)	(14.686)
Total comprehensive income/ (loss) attributable to:				
- Shareholders (Owners of the parent)	(2.011)	(17.604)	(3.078)	(14.686)
- Minority interest	-	-	-	-
Total comprehensive income/ (loss) after taxes for the period	(2.011)	(17.604)	(3.078)	(14.686)

The Condensed Interim Consolidated and Company Financial Statements for the nine month period ended September 30, 2013 were approved by the Board of Directors on November 08, 2013 and are signed on its behalf by:

Chairman of the B.o.D.	Chief Executive Officer	Chief Financial Officer	Chief Accountant
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Nikolaos A. Bertzos	Georgios Chryssikos	Panagiotis Aristeidis Varfis	Evangelos Tentis
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Consolidated Statement of changes in shareholders' equity

Note	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total Equity
Balance January 01 2012	129.930	466.749	(5.842)	10.946	78.651	680.434
Profit/ (loss) for the period	-	-	-	-	(17.488)	(17.488)
Foreign exchange differences	-	-	-	(118)	2	(116)
Total comprehensive income/ (loss) for the period	-	-	-	(118)	(17.486)	(17.604)
Acquisition of own shares	-	-	(725)	-	-	(725)
Dividend relating to 2011 approved by the shareholders	-	-	-	-	(24.400)	(24.400)
Balance September 30 2012	129.930	466.749	(6.567)	10.828	36.765	637.705
Balance January 01 2013	129.930	466.749	(6.719)	10.823	26.191	626.974
Profit/ (loss) for the period	-	-	-	-	(1.967)	(1.967)
Foreign exchange differences	-	-	-	(46)	2	(44)
Total comprehensive income/ (loss) for the period	-	-	-	(46)	(1.965)	(2.011)
Acquisition of own shares	-	-	(16)	-	-	(16)
Transfer to reserves	-	-	-	4	(4)	-
Balance September 30 2013	129.930	466.749	(6.735)	10.781	24.222	624.947

Company Statement of changes in shareholders' equity

	Note	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total Equity
Balance January 01 2012		129.930	466.749	(5.842)	10.021	76.289	677.147
Profit/ (loss) for the period		-	-	-	-	(14.686)	(14.686)
Other comprehensive income/ (loss) after tax		-	-	-	-	-	-
Total comprehensive income/ (loss) for the period		-	-	-	-	(14.686)	(14.686)
Acquisition of own shares	10	-	-	(725)	-	-	(725)
Dividend relating to 2011 approved by the shareholders		-	-	-	-	(24.400)	(24.400)
Balance Sptember 30 2012		129.930	466.749	(6.567)	10.021	37.202	637.336
Balance January 01 2013		129.930	466.749	(6.719)	10.021	31.767	631.748
Profit/ (loss) for the period		-	-	-	-	(3.078)	(3.078)
Other comprehensive income/ (loss) after tax		-	-	-	-	-	-
Total comprehensive income/ (loss) for the period		-	-	-	-	(3.078)	(3.078)
Acquisition of own shares	10	-	-	(16)	-	-	(16)
Balance Sptember 30 2013		129.930	466.749	(6.735)	10.021	28.689	628.654

Consolidated and Company cash flow statement

	Note	Group		Company	
		01/01 - 30/09/2013	01/01 - 30/09/2012	01/01 - 30/09/2013	01/01 - 30/09/2012
Cash flows from operating activities					
Profit/ (loss) for the period		(1.967)	(17.488)	(3.078)	(14.686)
Other (gain)/losses		(1)	(3)	(1)	(3)
Provisions		-	-	-	-
Interest income		(5.730)	(6.599)	(6.043)	(6.609)
Finance costs		1.724	2.480	909	1.223
Taxes	14	2.107	1.790	1.517	1.275
Decrease/(increase) of fair value of investment property	5	27.600	46.124	25.880	40.693
Depreciation of property, plant and equipment		69	67	69	67
Changes in working capital :					
Decrease/ (increase) in receivables		864	1.152	357	424
Increase / (decrease) in payables		(375)	(1.354)	470	(911)
Cash generated from operating activities		24.291	26.169	20.080	21.473
Interest paid		(1.603)	(2.294)	(895)	(1.220)
Taxes paid		(2.358)	(3.432)	(1.423)	(1.885)
Net cash generated from operating activities		20.330	20.443	17.762	18.368
Cash flows from investing activities					
Subsequent capital expenditure on investment property	5	(73)	(704)	(74)	(704)
Purchases of property, plant and equipment		(5)	(9)	-	(9)
Loans due from subsidiaries	7	-	-	(8.070)	(4.315)
Repayments of loans due from subsidiaries	7	-	-	900	2.238
Interest received		6.736	6.247	6.958	6.499
Net cash used in investing activities		6.658	5.534	(286)	3.709
Cash flows from financing activities					
Purchase of treasury shares	10	(16)	(725)	(16)	(725)
Repayments of borrowings		(12.479)	(3.863)	(2.494)	(2.357)
Dividends paid		-	(24.400)	-	(24.400)
Net cash used in financing activities		(12.495)	(28.988)	(2.510)	(27.482)
Net increase/ (decrease) in cash and cash equivalents for the period		14.493	(3.011)	14.966	(5.405)
Cash and cash equivalents at the beginning of the period	9	161.091	157.482	153.005	152.678
Exchange gains / (losses) on cash and cash equivalents		44	116	-	-
Cash and cash equivalents at the end of the period	9	175.628	154.587	167.971	147.273

Notes to the Financial Statements

1 General information

The present Condensed Interim Consolidated and Company Financial Statements include the financial statements of the Company Eurobank Properties Real Estate Investment Company (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (together the “Group”) for the period ended September 30, 2013.

The Company and the Group is a real estate fund with a major portfolio in Greece and in Southeastern Europe. Its business is leasing out investment property under operating leases and is classified as a real estate investment company under Greek Law 2778/1999 with effect from September 29, 2005.

The Company is incorporated and domiciled in Maroussi, Athens, Greece. The address of its registered office is 117 Kifisias Avenue & Ag. Konstantinou, Maroussi, Athens, Greece (Reg. n. 365/06/B/86/2) and is listed in the Athens Stock Exchange.

The total number of employees of the Group as at the end of the period was 20 (30/09/2012: 20).

These Condensed Interim Consolidated and Company Financial Statements (Financial Statements) have been approved for issue by the Board of Directors on November 08, 2013.

2 Summary of significant accounting policies

These Financial Statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at December 31, 2012.

3 Accounting Policies

The accounting policies adopted in the preparation of the Financial Statements for the nine month period ended September 30, 2013 are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended December 31, 2012.

Rental Income is not subject to seasonality.

Comparatives

Certain figures have been reclassified in order to become comparable with those figures in the current period.

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 financial year and subsequent years. The Group’s evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 1 (Amendment) “Presentation of Financial Statements”

IAS 19 (Amendment) “Employee Benefits”

IAS 12 (Amendment) “Income Taxes”

IFRS 13 “Fair Value Measurement”

IFRS 7 (Amendment) “Financial Instruments: Disclosures”

IFRIC 20 “Stripping costs in the production phase of a surface mine”

Notes to the Financial Statements

Amendments to standards that form part of the IASB's 2011 annual improvements project The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project.

IAS 1 "Presentation of financial statements"

IAS 16 "Property, plant and equipment"

IAS 32 "Financial instruments: Presentation"

IAS 34, 'Interim financial reporting'

Standards and Interpretations effective for periods beginning on or after 1 January 2014

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015)

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows.

IFRS 10 "Consolidated Financial Statements"

IFRS 11 "Joint Arrangements"

IFRS 12 "Disclosure of Interests in Other Entities"

IAS 27 (Amendment) "Separate Financial Statements"

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

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2014)

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets" (effective for annual periods beginning on or after 1 January 2014)

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

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 January 2014)

Notes to the Financial Statements

4 Segment analysis

a) Operating segments

For the period ended September 30, 2013:

	Offices	Logistics	Retail	Mixed use	Total
REVENUE					
Rental revenue	11.147	2.106	5.622	8.866	27.741
Income/ (expense) from service charges	56	-	16	(14)	58
Total	11.203	2.106	5.638	8.852	27.799
RESULTS					
Net gain/ (loss) from fair value adjustments on investment property	(9.201)	(1.289)	(3.228)	(13.882)	(27.600)
Other direct property relating expenses	(370)	(198)	(345)	(114)	(1.027)
Technical service fees	(284)	(39)	(100)	(50)	(473)
Provisions for bad debts	4	-	-	(740)	(736)
Finance costs	(1.580)	(25)	(40)	(81)	(1.726)
Profit/ (loss) relating to investment property	(228)	555	1.925	(6.015)	(3.763)
Reconciliation of net profit/ (loss) for the period:					
Profit/ (loss) relating to investment property					(3.763)
Interest income					5.730
Other expenses					(1.828)
Other income					1
Taxes					(2.107)
Net profit/ (loss) for the period					(1.967)

Notes to the Financial Statements

For the period ended September 30, 2012:

	Offices	Logistics	Retail	Mixed use	Total
REVENUE					
Rental revenue	11.951	2.553	6.122	8.920	29.546
Income/ (expense) from service charges	79	-	16	(16)	79
Total	12.030	2.553	6.138	8.904	29.625
RESULTS					
Net gain/ (loss) from fair value adjustments on investment property	(10.604)	(9.578)	(10.963)	(14.979)	(46.124)
Other direct property relating expenses	(307)	(140)	(238)	(96)	(781)
Technical service fees	(306)	(46)	(108)	(47)	(507)
Provisions for bad debts	91	-	(501)	-	(410)
Finance costs	(2.149)	(46)	(176)	(109)	(2.480)
Profit/ (loss) relating to investment property	(1.245)	(7.257)	(5.848)	(6.327)	(20.677)
Reconciliation of net profit/ (loss) for the period:					
Profit/ (loss) relating to investment property					(20.677)
Interest income					6.599
Other expenses					(1.623)
Other income					3
Taxes					(1.790)
Net profit/ (loss) for the period					(17.488)

Notes to the Financial Statements

For the three month period ended September 30, 2013:

	Offices	Logistics	Retail	Mixed use	Total
REVENUE					
Rental revenue	3.458	706	1.803	2.759	8.726
Income/ (expense) from service charges	19	-	5	1	25
Total	3.477	706	1.808	2.760	8.751
RESULTS					
Net gain/ (loss) from fair value adjustments on investment property	-	-	-	-	-
Other direct property relating expenses	(135)	(147)	(215)	113	(384)
Technical service fees	(81)	(27)	(46)	21	(133)
Provisions for bad debts	4	-	-	(740)	(736)
Finance costs	(492)	(8)	-	(27)	(527)
Profit/ (loss) relating to investment property	2.773	524	1.547	2.127	6.971
Reconciliation of net profit/ (loss) for the period:					
Profit/ (loss) relating to investment property					6.971
Interest income					1.692
Other expenses					(1.025)
Other income					(32)
Taxes					(726)
Net profit/ (loss) for the period					6.880

Notes to the Financial Statements

For the three month period ended September 30, 2012:

	Offices	Logistics	Retail	Mixed use	Total
REVENUE					
Rental revenue	3.876	797	2.029	2.930	9.632
Income/ (expense) from service charges	22	-	5	(4)	23
Total	3.898	797	2.034	2.926	9.655
RESULTS					
Net gain/ (loss) from fair value adjustments on investment property	-	-	-	-	-
Other direct property relating expenses	(103)	(51)	(92)	(26)	(272)
Technical service fees	(137)	(19)	(42)	(18)	(216)
Provisions for bad debts	-	-	(190)	-	(190)
Finance costs	(582)	(15)	(53)	(32)	(682)
Profit/ (loss) relating to investment property	3.076	712	1.657	2.850	8.295

Reconciliation of net profit/ (loss) for the period:

Profit/ (loss) relating to investment property	8.295
Interest income	2.247
Other expenses	(819)
Other income	-
Taxes	(83)
Net profit/ (loss) for the period	9.640

b) Geographical segments

For the period ended September 30, 2013:

	Revenue	Non-current assets
Greece	22.741	435.384
Romania	4.330	74.893
Serbia	728	13.661
	27.799	523.938

For the period ended September 30, 2012:

	Revenue	Non-current assets
Greece	24.763	472.698
Romania	4.380	76.719
Serbia	482	19.419
	29.625	568.836

Notes to the Financial Statements

For the three month period ended:

	30/09/2013	30/09/2012
	Revenue	Revenue
Greece	7.067	8.024
Romania	1.435	1.459
Serbia	249	172
	8.751	9.655

5 Investment property

	Group	
	30/09/2013	31/12/2012
Balance at the beginning of the period	547.100	612.998
Subsequent capital expenditure on investment property	73	33
Reversal of provision for capital expenditures for legalizing of space	-	(244)
Net gain / (loss) from fair value adjustments on investment property	(27.600)	(65.687)
Balance at the end of the period	519.573	547.100
	Company	
	30/09/2013	31/12/2012
Balance at the beginning of the period	457.178	511.764
Subsequent capital expenditure on investment property	74	33
Reversal of provision for capital expenditures for legalizing of space	-	(244)
Net gain / (loss) from fair value adjustments on investment property	(25.880)	(54.375)
Balance at the end of the period	431.372	457.178

According to IFRS 40, the net carrying amount of investment property held under finance leases as at September 30, 2013 amounts to €1.8.860 (30/09/2012:€19.658).

In accordance with existing Greek REIC legislation, property valuations are supported by independent appraisals performed for 30 June and 31 December each year. Valuations are based on two methods according to the appraising standards, and for this portfolio the discounted cash flow method and the comparative method are used.

For lease liabilities and bank borrowings that are effectively secured as the rights to the leased asset revert to the lessor in the event of default please refer to note 11.

As of September 30, 2013, the Company has invested in property a lower percentage of its total assets than that required by article 22, paragraph a) of Law 2778/1999 as amended by Law 3581/2007 and law 4141/2013. This is due to the lack of investment opportunities based on the criteria set out by the Company's Investment Committee from 2008 up until today, as a result of the rapidly deteriorating economic conditions that have also affected the Real Estate Industry.

As of October 21st 2013 the Company is the preferred bidder by the Hellenic Republic Asset Development Fund for the acquisition of a portfolio consisting of 14 assets and the respective lease to the Hellenic Republic for 20 years.

Total surface of the properties is approximately 189.000 sqm, of which 136,000 sqm above ground and 53,000 sqm of

Notes to the Financial Statements

basement spaces. The price for the acquisition of the portfolio is €145.81mn and the annual rental income will be in excess of €14mn with an annual upward adjustment. The transaction is expected to be completed by the end of 2013 and it will significantly improve the diversification of the existing portfolio.

Upon completion of the transaction which is expected by the end of 2013, the proportion of the company's property investments relation to total assets will be higher than required by law.

6 Investment in subsidiaries

	Country of incorporation	Percentage of interest	Percentage		Unaudited tax fiscal years
			30/9/2013	31/12/2012	
Reco Real Property A.D.	Serbia	100%	17.240	17.240	2007-2012
Eliade Tower S.A.	Romania	99,99%	11.805	11.805	2006-2012
Retail Development S.A.	Romania	99,99%	4.561	4.561	2007-2012
Seferco Development S.A.	Romania	99,99%	21.486	21.486	2009-2012
			55.092	55.092	

7 Other long term receivables

The figure "Other long term receivables" for the period ended September 30 2013, includes shareholders loans of €4.315 and €8.070 payable by the foreign subsidiaries, Eliade Tower S.A. and Retail Development S.A. respectively. As at December 31, 2012 shareholders loans payable by the foreign subsidiaries, Eliade Tower S.A. and Retail Development S.A. amounted to €4.315 and €900 respectively.

On March 12th, 2013 the shareholder's loan amounting to €900 was repaid and a new shareholder's loan amounting to €8.070 was granted to the subsidiary in order to repay the loan granted by Banca Romaneasca (see note 11).

Additionally the figure "Other long term receivables" for the period ended September 30 2013, includes accrued rental receivable for the Group of €2.356 (Company: €2.342). As at December 31, 2012 the respective figure for the Group and the Company was included in the figure "Trade and other receivables" and as at September 30, 2013 was reclassified in order to become comparable with those figures in the current period

8 Trade and other receivables

The analysis of trade and other receivables is as follows:

Note	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Trade receivables	188	1.765	134	1.195
Receivables from related parties	17	562	1.497	432
Other receivables	2.431	3.984	1.620	3.366
Trade and other receivables	4.062	6.311	3.251	4.993

Trade receivables of the Company as of September 30, 2013 include provisions for bad debts amounting to €1.601 out of which €740 was recorded in the current period. Trade receivables of the Company as of December 31, 2012 include provisions for bad debts amounting to €861 out of which €666 was recorded in 2012.

Trade receivables of the Group as of September 30, 2013 include provisions for bad debts amounting to €2.136 out of which €736 was recorded in the current period. Trade receivables of the Group as of December 31, 2012 include provisions for bad debts amounting to €1.400 out of which €727 was recorded in 2012.

Notes to the Financial Statements

The ageing analysis of trade receivables is as follows:

	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Trade receivables				
Due within due date	169	1.123	115	553
Past due but not impaired:				
- 4 to 6 months	19	642	19	642
- over 6 months	-	-	-	-
Doubtful debts	2.136	1.400	1.601	861
Less: Provision for doubtful debts past due	(2.136)	(1.400)	(1.601)	(861)
	188	1.765	134	1.195

9 Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Cash in hand	1	1	-	-
Cash at bank and short-term deposits	175.627	161.090	167.971	153.005
Cash and cash equivalents	175.628	161.091	167.971	153.005

10 Share capital

The analysis and movement of the share capital and the share premium is as follows:

	Number of shares				
	(thousands)	Share capital	Share premium	Own shares	Total
Balance January 01 2012	60.074	129.930	466.749	(5.842)	590.837
Acquisition of own shares	(190)	-	-	(725)	(725)
Balance September 30 2012	59.884	129.930	466.749	(6.567)	590.112
Balance January 01 2013	59.853	129.930	466.749	(6.719)	589.960
Acquisition of own shares	(3)	-	-	(16)	(16)
Balance September 30 2013	59.850	129.930	466.749	(6.735)	589.944

The total authorised number of ordinary shares is 61m. (September 30, 2012 – 61 m.) with a par value of €2,13 per share. All shares are fully paid up. All shares are listed in the main market of Athens Stock Exchange. The Company shares are ordinary shares with voting right.

The Company in 2013 purchased 3 thousand treasury shares with a total cost of €16 and average price €5,15 per share, according to the Annual Shareholders Meeting at March 16, 2009 which approved the purchase of treasury shares up to 2% on the total amount of shares at a maximum price of €9 and a minimum price of €2,13, in accordance with article 16 of Law 2190/1920 as it was amended by Law 3604/2007. As of September 30, 2013 the Company owned 1.150.571 treasury shares of total cost €6.735 with an average price of €5,85 per share.

As of September 30, 2012 the company owned 1.115.927 treasury shares of total cost €6.567 with an average price of €5,88 per share.

Notes to the Financial Statements

On March 15th, 2012 the Annual General Meeting of the Shareholders approved the purchase of own shares for an additional period of one year. During this period, the Company purchased own shares amounting to 0.3% on the total amount of shares resulting to a total amount of shares owned by the Company at 1.9% of share capital.

11 Borrowings including finance leases

All borrowings are at variable interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest costs may increase or decrease as a result of such changes.

	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Non-current				
Bank borrowings	51.856	53.838	20.698	21.335
Finance lease liabilities	11.613	13.567	11.613	13.567
Non-current borrowings, including finance leases	63.469	67.405	32.311	34.902
Current				
Bank borrowings	4.396	13.025	2.546	2.535
Finance lease liabilities	2.584	2.498	2.584	2.498
Current borrowings, including finance leases	6.980	15.523	5.130	5.033
Total borrowings, including finance leases	70.449	82.928	37.441	39.935

The maturity of loans is as follows:

	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Up to 1 year	6.980	15.523	5.130	5.033
From 2 to 5 years	29.522	30.891	12.795	13.774
Over 5 years	33.947	36.514	19.516	21.128
	70.449	82.928	37.441	39.935

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates are limited to a maximum period of 6 months.

The fair value of current borrowings approximates their carrying amount on reporting dates, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based current variable interest rates at the end of the current year.

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

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

On March 13th, 2013, the subsidiary Retail Development SA fully repaid the loan of amount €8.640 granted by Banca Romaneasca SA.

A mortgage of €3.960 thousand has been registered in favor of Eurobank A.D. Beograd over a property of Reco Real Property A.D. (subsidiary) located at 7-9 Terazije Street, Belgrade, Serbia.

A mortgage of €9.500 in favor of NGB Bank Malta Limited, member of the National Bank of Greece Group over a

Notes to the Financial Statements

property of Retail Development S.A. (subsidiary), located in Iasi, Romania. On April 5th, 2013 the mortgage was deleted after the loan was fully repaid by Retail Development S.A..

A mortgage of €29.275 in favor of Bancpost S.A. over the property of Seferco Development S.A. (subsidiary), located at Bucharest, Romania.

A mortgage of €29.900 in favor of Emporiki Bank S.A. over the property of Company located in Tauros, 25 Martiou & Thessalonikis and in Athens, Stadiou 49.

12 Trade and other payables

The analysis of trade and other payables is as follows:

	Note	Group		Company	
		30/09/2013	31/12/2012	30/09/2013	31/12/2012
Trade payables		438	347	353	171
Other payables and accruals		1.067	1.634	668	639
Amounts due to related parties	17	1.122	408	1.058	195
Trade and other payables		2.627	2.389	2.079	1.005

13 Employee benefit expense

The figure "Employee benefit expense" for the period ending September 30, 2013, includes a reversal of 2012 provision for additional benefits amounting to €183 that was not distributed (30/9/2012: €270).

Moreover, for the period ending September 30, 2013, the figure "Employee benefit expense" includes a provision for additional benefits for the year 2013 amounting to €450 (30/9/2012: €96).

14 Taxes

	Group		Company	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Current income tax	1.062	1.117	831	992
Other taxes relating to investment property	608	632	249	242
Extraordinary property tax imposed according law 4021/3-10-2011	437	41	437	41
Taxes	2.107	1.790	1.517	1.275

The Company is exempted from corporate income tax under Greek REIC legislation and is subject to an annual tax determined by reference to the fair value of its investment properties and cash and cash equivalents at the tax rate of 10% of the aggregate European Central Bank reference rate plus 1% (the taxation formula is as follows: 10% * (ECB reference rate + 1%)). The income tax for the Group and the Company for the period ended September 30, 2013 amounts to €2.107 and €1.517 respectively.

The Company's taxes for the period ended September 30, 2013 include an amount of €21 from the imposition of extraordinary property tax according Law 4021/3-10-2011. Furthermore it includes a partial reversal of the respective provision recorded in 2012 of amount €84.

Notes to the Financial Statements

The Company's foreign subsidiaries are taxed on their taxable income based on tax rates of 10% (Serbia) and 16% (Romania), applicable to each respective tax jurisdiction.

15 Earnings per share

Basic earnings per share is calculated by dividing the consolidated net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Profit/ (loss) attributable to equity holders of the Company	(1.967)	(17.488)	6.880	9.640
Weighted average number of ordinary shares in issue (thousands)	59.850	59.970	59.850	59.911
Basic earnings/ (losses) per share (€ per share)	(0,03)	(0,29)	0,11	0,16

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

16 Contingent Liabilities

The Company has not been subject to tax audit for the years ended December 31 2008, 2009 and 2010. Management does not believe that any significant additional taxes will be finally assessed by the tax authorities for the open tax years. The Company has been audited by a certified auditor according to law 2238/1994 article 82 par. 5, and has received a tax certificate for the year 2011 and 2012.

The tax authorities issued final tax assessments for the Company during November 2005 for additional income taxes, and penalties totalling €1.191 for the open tax years to December 31, 2004. The Company's management, based on the advice of its legal advisors, disputes additional assessments of incomes taxes, and penalties totalling €1.072 on the grounds that it can challenge the tax authority in courts based on reasonable and prudent interpretations of existing tax legislation. The Company's management believes that no provision for the later amounts that may be assessed by the tax authorities is necessary in these financial statements since no significant obligations will arise.

17 Related party Transactions

The Company is controlled by EFG Eurobank Ergasias S.A. (incorporated in Athens and listed on the Athens Stock Exchange, Greece), which owns 55,56% of the Company's shares.

Following the successful completion of the recapitalization of the Eurobank Ergasias S.A. from the EFSF and the introduction of its new shares on the Athens Stock Exchange on June 19, 2013 the EFSF acquired 3,789,317,358 ordinary shares with voting rights issued by Eurobank Ergasias SA., representing 98.56% of the ordinary voting shares. As a result of this transaction, the percentage of voting rights held by the EFSF overall in Eurobank Ergasias SA as at June 19, 2013 increased from 0% to 98.56%

All transactions with related parties are entered into in the normal course of business on an arm's length basis.

The following transactions were carried out with related parties:

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a) Rental income received and sale of services – Group and Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Rental income				
Parent (Eurobank Ergasias S.A.)	7.998	8.736	2.510	2.982
Other related parties	5.545	5.379	1.799	1.793
	13.543	14.115	4.309	4.775

Group's rental revenues from leases with EFG Eurobank Ergasias S.A. amount to 29% for the period ended September 30, 2013 (30/09/2012:29%).

b) Purchase of services

Group

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Technical service fees				
Subsidiary of parent company (Eurobank Property Services S.A.)	404	434	109	193
	404	434	109	193

Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Technical service fees				
Subsidiary of parent company (Eurobank Property Services S.A.)	183	210	49	85
	183	210	49	85

Notes to the Financial Statements

c) Financing incurred on borrowings

Group

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Bank borrowings				
Parent (Eurobank Ergasias S.A.)	213	289	36	101
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	506	729	176	168
Subsidiary of parent company (Eurobank A.D. Beograd)	32	35	11	12
Subsidiary of parent company (New Europe Funding B.V.)	50	73	17	19
Finance lease liabilities				
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	216	296	67	85
	1.017	1.422	307	385

Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Bank borrowings				
Parent (Eurobank Ergasias S.A.)	25	46	8	15
Finance lease liabilities				
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	216	296	67	85
	241	342	75	100

d) Interest income earned on cash and cash equivalents

Group

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Parent (Eurobank Ergasias S.A.)	4.266	5.029	1.232	1.822
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	-	48	-	-
Subsidiary of parent company (New Proton Bank S.A.)	329	-	329	-
Subsidiary of parent company (Eurobank A.D. Beograd)	20	22	7	9
Subsidiary of parent company (SC Bancpost S.A.)	251	83	79	46
	4.866	5.182	1.647	1.877

Notes to the Financial Statements

Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Subsidiary of the Group (Eliade Tower S.A.)	196	99	66	66
Subsidiary of the Group (Retail Development S.A.)	283	41	123	14
Parent (Eurobank Ergasias S.A.)	4.266	5.029	1.232	1.822
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	-	48	-	-
Subsidiary of parent company (New Proton Bank S.A.)	329	-	329	-
Subsidiary of parent company (SC Bancpost S.A.)	119	21	36	6
	5.193	5.238	1.786	1.908

e) Transfers under financing arrangements:

Group

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Net cash transfers in/ (out) under financing arrangements				
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	(1.260)	(1.260)	(420)	(420)
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	(1.688)	(1.559)	(566)	(533)
Subsidiary of parent company (Eurobank A.D. Beograd)	(50)	650	-	-
Subsidiary of parent company (New Europe Funding B.V.)	(35)	(735)	-	-
	(3.033)	(2.904)	(986)	(953)

Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Subsidiary of the Group (Eliade Tower S.A.)	-	(2.077)	-	-
Subsidiary of the Group (Retail Development S.A.)	(7.170)	-	-	-
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	(1.688)	(1.559)	(566)	(533)
	(8.858)	(3.636)	(566)	(533)

Notes to the Financial Statements

f) Key management compensation – Group and Company

	Nine month period ended		Three month period ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Salaries and other short-term employee benefits	388	357	135	108
	388	357	135	108

Notes to the Financial Statements

g) Period-end balances arising from transactions with related parties

	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Other long term receivables				
Parent (Eurobank Ergasias S.A.)	1.627	1.632	1.627	1.633
Subsidiary of the Group (Eliade Tower S.A.)	-	-	4.315	4.315
Subsidiary of the Group (Retail Development S.A.)	-	-	8.070	900
Other related parties	22	1	-	-
	1.649	1.633	14.012	6.848
Trade and other receivables from related parties				
Parent (Eurobank Ergasias S.A.)	824	114	824	114
Subsidiary of the Group (Eliade Tower S.A.)	-	-	66	66
Subsidiary of the Group (Retail Development S.A.)	-	-	124	32
Other related parties	619	448	483	220
	1.443	562	1.497	432
Trade payables to related parties				
Parent (Eurobank Ergasias S.A.)	809	(5)	809	(5)
Other related parties	313	413	249	200
	1.122	408	1.058	195
Long-term tenant deposits				
Parent (Eurobank Ergasias S.A.)	1.769	1.767	1.769	1.767
Other related parties	408	484	408	484
	2.177	2.251	2.177	2.251
Short-term tenant deposits				
Parent (Eurobank Ergasias S.A.)	18	-	18	-
Other related parties	-	37	-	37
	18	37	18	37
Long-term borrowings, including finance leases				
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	28.093	29.353	-	-
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	10.206	11.975	10.206	11.975
Subsidiary of parent company (Eurobank A.D. Beograd)	450	500	-	-
Subsidiary of parent company (EFG New Funding B.V.)	2.615	2.650	-	-
	41.364	44.478	10.206	11.975
Short-term borrowings, including finance leases				
Parent (Eurobank Ergasias S.A.)	1.700	1.700	1.700	1.700
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	1.680	1.680	-	-
Subsidiary of parent company (Eurobank Ergasias Leasing S.A.)	2.339	2.257	2.339	2.257
Subsidiary of parent company (Eurobank A.D. Beograd)	100	100	-	-
Subsidiary of parent company (EFG New Funding B.V.)	70	70	-	-
	5.889	5.807	4.039	3.957
Cash and cash equivalents				
Parent (Eurobank Ergasias S.A.)	119.225	114.591	119.225	114.591
Subsidiary of parent company (Eurobank Private Bank Luxembourg S.A.)	1	1	1	1
Subsidiary of parent company (Eurobank A.D. Beograd)	2.184	1.936	-	-
Subsidiary of parent company (New Proton Bank S.A.)	10.825	0	10.825	-
Subsidiary of parent company (SC Bancpost S.A.)	5.456	7.232	4.159	4.034
	137.691	123.760	134.210	118.626

Notes to the Financial Statements

h) Commitments and contingent liabilities

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

18 Post balance sheet events

The Extraordinary General Shareholders Meeting of November 8th, 2013, decided to increase the Company's share capital by cash payment and pre-emption rights in favor of the existing common shareholders, by issuing 40.260.000 new common registered shares with voting rights, with a nominal value of €2,13 each, and issue price of €4,80 per share in order to raise a total of €193.248.000 in capital. The resulting difference between the issue price and the total nominal value of the new shares, that amounts to €5.753.800, i.e. the sum of €107.494.200, will be credited to a special reserve "share premium account" as provided for by law.