



## Grivalia Properties REIC

### CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2018

**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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## Notes to Consolidated and Separate Financial Statements

### Consolidated and Separate Balance Sheet

		Group		Company	
	Note	31/03/2018	31/12/2017	31/03/2018	31/12/2017
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	5	959.663	954.393	810.265	804.995
Property, plant and equipment		7.300	7.345	3.337	3.359
Intangible Assets		342	343	3	3
Investment in subsidiaries	6	-	-	94.434	94.434
Investment in joint ventures	7	40.448	40.980	32.173	32.173
Deferred tax asset		99	99	-	-
Other long term receivables	8	5.341	5.740	15.008	15.367
		<b>1.013.193</b>	<b>1.008.900</b>	<b>955.220</b>	<b>950.331</b>
<b>Current assets</b>					
Trade and other receivables	9	10.841	7.261	10.144	6.606
Greek Government Treasury Bills		-	8.962	-	5.975
Cash and cash equivalents	10	31.703	44.725	27.620	40.385
		<b>42.544</b>	<b>60.948</b>	<b>37.764</b>	<b>52.966</b>
<b>TOTAL ASSETS</b>		<b>1.055.737</b>	<b>1.069.848</b>	<b>992.984</b>	<b>1.003.297</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>					
Share Capital	11	215.684	215.684	215.684	215.684
Share premium	11	571.234	571.234	571.234	571.234
Own shares	11	(25.964)	(25.964)	(25.964)	(25.964)
Share based payment reserve	11	2.495	4.860	2.495	4.860
Other reserves	11	12.168	12.267	11.754	11.812
Retained earnings	11	104.948	130.123	66.286	88.053
<b>Total shareholders' equity</b>		<b>880.565</b>	<b>908.204</b>	<b>841.489</b>	<b>865.679</b>
<b>Non-current liabilities</b>					
Borrowings, including finance leases	12	145.778	130.111	125.033	109.076
Tenant deposits		5.101	4.829	5.021	4.752
Other non-current liabilities		181	209	181	209
		<b>151.060</b>	<b>135.149</b>	<b>130.235</b>	<b>114.037</b>
<b>Current liabilities</b>					
Trade and other payables	13	8.877	12.826	7.966	11.799
Dividends payable		55	40	55	40
Current tax liabilities		6.413	5.253	5.864	4.763
Borrowings, including finance leases	12	8.402	7.952	7.010	6.555
Tenant deposits		365	424	365	424
		<b>24.112</b>	<b>26.495</b>	<b>21.260</b>	<b>23.581</b>
<b>Total liabilities</b>		<b>175.172</b>	<b>161.644</b>	<b>151.495</b>	<b>137.618</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>1.055.737</b>	<b>1.069.848</b>	<b>992.984</b>	<b>1.003.297</b>

## Notes to Consolidated and Separate Financial Statements

### Consolidated and Separate Income Statement

	Note	Group		Company	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017
<b>Revenue</b>					
Rental income		17.614	16.030	14.782	13.144
		<b>17.614</b>	<b>16.030</b>	<b>14.782</b>	<b>13.144</b>
Net gain from fair value adjustments on investment property	<b>5</b>	123	1.015	123	1.015
Direct property relating expenses		(626)	(402)	(600)	(368)
Property taxes	<b>14</b>	(1.606)	(1.407)	(1.375)	(1.170)
Corporate Social Responsibility		(50)	(50)	(50)	(50)
Employee benefit expense- BoD		(1.403)	(822)	(1.333)	(712)
Depreciation of assets		(51)	(30)	(27)	(24)
Other income	<b>15</b>	83	-	4.883	3.400
Other expenses		(496)	(397)	(452)	(789)
<b>Operating profit</b>		<b>13.588</b>	<b>13.937</b>	<b>15.951</b>	<b>14.446</b>
Finance income		343	192	429	298
Finance costs		(1.128)	(826)	(956)	(644)
Gain/ (loss) from loss of control of subsidiary		-	253	-	(253)
Share of net (loss) of investments accounted for using the equity method	<b>7</b>	(532)	(70)	-	-
<b>Profit before tax</b>		<b>12.271</b>	<b>13.486</b>	<b>15.424</b>	<b>13.847</b>
Taxes	<b>16</b>	(2.004)	(1.775)	(1.750)	(1.526)
<b>Profit for the period</b>		<b>10.267</b>	<b>11.711</b>	<b>13.674</b>	<b>12.321</b>
<b>Earnings per share (expressed in € per share)</b>					
- Basic and Diluted	<b>18</b>	<b>0,11</b>	<b>0,12</b>		

## Notes to Consolidated and Separate Financial Statements

### Consolidated and Separate Statement of Comprehensive Income

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
<b>Profit for the period</b>	<b>10.267</b>	<b>11.711</b>	<b>13.674</b>	<b>12.321</b>
<b>Other comprehensive income:</b>				
<b>Items that may be subsequently reclassified to profit or loss</b>				
Exchange rate differences transferred to income/ (loss) after taxes	(14)	(1)	-	-
Changes in the fair value of available-for-sale financial assets	(86)	-	(58)	-
<b>Items that will not be reclassified to profit or loss</b>				
Actuarial (losses) on post employment benefit obligations net of tax	-	(13)	-	(13)
<b>Total comprehensive (loss) after taxes</b>	<b>(100)</b>	<b>(14)</b>	<b>(58)</b>	<b>(13)</b>
<b>Total comprehensive income after taxes for the period</b>	<b>10.167</b>	<b>11.697</b>	<b>13.616</b>	<b>12.308</b>
<b>Total comprehensive income for the period attributable to:</b>				
- Shareholders (Owners of the parent)	10.167	11.697	13.616	12.308
- Minority interest	-	-	-	-
<b>Total comprehensive income after taxes for the period</b>	<b>10.167</b>	<b>11.697</b>	<b>13.616</b>	<b>12.308</b>

## Notes to Consolidated and Separate Financial Statements

### Consolidated Statement of Changes in Shareholders' Equity

Note	Share capital	Share premium	Own shares	Share based payment reserve	Other reserves	Retained earnings	Total Equity
<b>Balance January 01, 2017</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.957)</b>	<b>3.682</b>	<b>12.596</b>	<b>85.886</b>	<b>863.125</b>
Profit for the period	-	-	-	-	-	11.711	11.711
Foreign exchange differences	-	-	-	-	(1)	-	(1)
Actuarial (losses) on post employment benefit obligations net of tax	-	-	-	-	(13)	-	(13)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14)</b>	<b>11.711</b>	<b>11.697</b>
<b>Transactions with shareholders:</b>							
Acquisition of own shares	-	-	(7)	-	-	-	(7)
Change in the percentage of ownership in a subsidiary	-	-	-	-	-	503	503
Formation of statutory reserve of local subsidiary	-	-	-	-	179	(179)	-
Equity settled share based payments	-	-	-	356	-	-	356
Dividend relating to 2016 approved by the shareholders	-	-	-	-	-	(18.488)	(18.488)
<b>Balance March 31, 2017</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.038</b>	<b>12.761</b>	<b>79.433</b>	<b>857.186</b>
<b>Balance January 01, 2018</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.860</b>	<b>12.267</b>	<b>130.123</b>	<b>908.204</b>
Profit for the period	-	-	-	-	-	10.267	10.267
Foreign exchange differences	-	-	-	-	(13)	(1)	(14)
Actuarial (losses) on post employment benefit obligations net of tax	-	-	-	-	-	-	-
Changes in the fair value of available-for-sale financial assets	-	-	-	-	(86)	-	(86)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>10.266</b>	<b>10.167</b>
<b>Transactions with shareholders:</b>							
Equity settled share based payments	-	-	-	(2.365)	-	-	(2.365)
Dividend relating to 2017 approved by the shareholders	-	-	-	-	-	(35.441)	(35.441)
<b>Balance March 31, 2018</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>2.495</b>	<b>12.168</b>	<b>104.948</b>	<b>880.565</b>

## Notes to Consolidated and Separate Financial Statements

### Company Statement of Changes in Shareholders' Equity

	Note	Share capital	Share premium	Own shares	Share based payment reserve	Other reserves	Retained earnings	Total Equity
<b>Balance January 01, 2017</b>		<b>215.684</b>	<b>571.234</b>	<b>(25.957)</b>	<b>3.682</b>	<b>11.830</b>	<b>54.281</b>	<b>830.754</b>
Profit for the period		-	-	-	-	-	12.321	12.321
Actuarial (losses) on post employment benefit obligations net of tax		-	-	-	-	(13)	-	(13)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13)</b>	<b>12.321</b>	<b>12.308</b>
<b>Transactions with shareholders:</b>								
Acquisition of own shares		-	-	(7)	-	-	-	(7)
Equity settled share based payments		-	-	-	356	-	-	356
Dividend relating to 2016 approved by the shareholders		-	-	-	-	-	(18.488)	(18.488)
<b>Balance March 31, 2017</b>		<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.038</b>	<b>11.817</b>	<b>48.114</b>	<b>824.923</b>
<b>Balance January 01, 2018</b>		<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.860</b>	<b>11.812</b>	<b>88.053</b>	<b>865.679</b>
Profit for the period		-	-	-	-	-	13.674	13.674
Actuarial (losses) on post employment benefit obligations net of tax		-	-	-	-	-	-	-
Changes in the fair value of available-for-sale financial assets		-	-	-	-	(58)	-	(58)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58)</b>	<b>13.674</b>	<b>13.616</b>
<b>Transactions with shareholders:</b>								
Equity settled share based payments	11	-	-	-	(2.365)	-	-	(2.365)
Dividend relating to 2017 approved by the shareholders	17	-	-	-	-	-	(35.441)	(35.441)
<b>Balance March 31, 2018</b>		<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>2.495</b>	<b>11.754</b>	<b>66.286</b>	<b>841.489</b>

## Notes to Consolidated and Separate Financial Statements

### Consolidated and Separate Cash Flow Statement

	Note	Group		Company	
		01/01 - 31/03/2018	01/01 - 31/03/2017	01/01 - 31/03/2018	01/01 - 31/03/2017
<b>Cash flows from operating activities</b>					
<b>Profit for the period</b>		<b>10.267</b>	<b>11.711</b>	<b>13.674</b>	<b>12.321</b>
Other (income)		(83)	-	(83)	-
Dividend from subsidiary		-	-	(4.800)	-
Share of loss of joint ventures		532	70	-	-
Gain / (loss) from loss of control of subsidiary		-	(253)	-	253
Provisions for share based program		297	274	297	274
Other Provisions		(17)	5	(17)	5
Finance income		(343)	(192)	(429)	(298)
Finance costs		1.128	826	956	644
Taxes	16	2.004	1.775	1.750	1.526
(Increase) / decrease of fair value of investment property		(123)	(1.015)	(123)	(1.015)
Depreciation of assets		51	30	27	24
<b>Changes in working capital:</b>					
Decrease / (increase) in receivables		(2.704)	(4.370)	(2.954)	(6.397)
Increase / (decrease) in payables		(2.994)	1.064	(3.146)	325
Cash generated from operating activities		8.015	9.925	5.152	7.662
Interest paid		(1.907)	(1.421)	(1.729)	(1.233)
Taxes paid		(4.198)	(3.744)	(3.546)	(3.172)
<b>Net cash generated from operating activities</b>		<b>1.910</b>	<b>4.760</b>	<b>(123)</b>	<b>3.257</b>
<b>Cash flows from investing activities</b>					
Investment in Joint Venture		-	(28.050)	-	(28.050)
Cash and cash equivalents excluded due to loss of control of subsidiary		-	(643)	-	-
Dividend received from subsidiary		-	-	4.800	-
Subsequent capital expenditure on investment property		(343)	(563)	(308)	(563)
Purchases of investment property		(5.351)	(18.729)	(5.351)	(18.729)
Purchases of other assets		(3)	(142)	(3)	(142)
Movement of Greek Government Treasury Bills		8.875	-	5.917	-
Interest received		407	231	496	340
<b>Net cash used in investing activities</b>		<b>3.585</b>	<b>(47.896)</b>	<b>5.551</b>	<b>(47.144)</b>
<b>Cash flows from financing activities</b>					
Acquisition of own shares		-	(7)	-	(7)
Loans received	12	18.000	75.750	18.000	75.750
Repayments of loans		(817)	(528)	(479)	(240)
Repayments of finance leases		(288)	(287)	(288)	(287)
Dividends paid		(35.426)	-	(35.426)	-
<b>Net cash used in financing activities</b>		<b>(18.531)</b>	<b>74.928</b>	<b>(18.193)</b>	<b>75.216</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		<b>(13.036)</b>	<b>31.792</b>	<b>(12.765)</b>	<b>31.329</b>
Cash and cash equivalents at the beginning of the period	10	44.725	61.917	40.385	54.789
Exchange gains / (losses) on cash and cash equivalents		14	1	-	-
<b>Cash and cash equivalents at the end of the period</b>	10	<b>31.703</b>	<b>93.710</b>	<b>27.620</b>	<b>86.118</b>



## Notes to Consolidated and Separate Financial Statements

### 1 General information

The present Condensed Consolidated and Separate Interim Financial Statements include the financial statements of Grivalia 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 March 31, 2018 and they are published in the parent’s Company website ([www.grivalia.com](http://www.grivalia.com)).

The Company and the Group is an investment property Group with a significant portfolio located in Greece, in Central Eastern Europe and in Central America. Its business is leasing out investment property under operating leases and it is classified as a Real Estate Investment Company under Greek Law 2778/1999 with effect from September 29, 2005. Furthermore, pursuant to the decision 7/708/17.03.2015 of the Board of Directors of the Hellenic Capital Markets Commission, the Company has been licensed as an Alternative Investment Fund with internal management pursuant to article 6 and paragraphs 1 & 5 of article 53 of Law 4209/2013, as currently in force.

The Company is incorporated and domiciled in Greece. The address of its registered office is 117 Kifissias Avenue & Ag. Konstantinou, Maroussi, Attica (General Comm. Registry 000239101000) and it is furthermore listed in the Athens Stock Exchange.

The total number of employees of the Company and the Group as at March 31, 2018 was 28 and 31 respectively (31.03.2017: 29 and 32 respectively).

These Condensed Consolidated and Separate Interim Financial Statements (the “Financial Statements”) were approved by the Board of Directors on May 24, 2018.

### 2 Summary of significant accounting policies

These Financial Statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and should be read in conjunction with Group’s annual financial statements as at December 31, 2017.

### 3 Accounting Policies

The accounting policies adopted in the preparation of the Condensed Consolidated and Separate Interim Financial Statements for the three month period ended March 31, 2018 are consistent with those followed in the preparation of Group’s annual financial statements for the year ended December 31, 2017.

Group’s rental income is not subject to seasonality.

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

#### **Standards and Interpretations effective for the current financial year**

##### **IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7**

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model that was applied under IAS 39. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model in IAS 39. Due to the nature of the financial assets and financial liabilities, the Group has no impact from the application of IFRS 9.

## Notes to Consolidated and Separate Financial Statements

### **IFRS 15 “Revenue from Contracts with Customers”**

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. There was no impact from the aforementioned standard in the Condensed Consolidated and Separate Interim Financial Statements.

### **IAS 40 (Amendments) “Transfers of Investment Property”**

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. No such case existed.

### **IFRIC 22 “Foreign currency transactions and advance consideration”**

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. There was no impact from the aforementioned interpretation in the Condensed Consolidated and Separate Interim Financial Statements.

### **Standards and Interpretations effective for subsequent periods**

#### **IFRS 9 (Amendments) “Prepayment Features with Negative Compensation” (effective for annual periods beginning on or after 1 January 2019)**

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss. The Group evaluates the impact of the relevant amendments.

#### **IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019)**

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

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

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

## Notes to Consolidated and Separate Financial Statements

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

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

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

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

#### *IFRS 3 “Business combinations”*

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

#### *IFRS 11 “Joint arrangements”*

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

#### *IAS 12 “Income taxes”*

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

#### *IAS 23 “Borrowing costs”*

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

## Notes to Consolidated and Separate Financial Statements

### 4 Segment analysis

#### A) Group's Operating segments

For the period ended March 31, 2018:

	Offices	Logistics	Retail	Mixed use	Special use	Total
<b>REVENUE</b>						
Rental revenue	6.046	1.195	5.972	3.355	1.062	17.630
(Expenses) from service charges	(15)	-	-	(1)	-	(16)
<b>Total</b>	<b>6.031</b>	<b>1.195</b>	<b>5.972</b>	<b>3.354</b>	<b>1.062</b>	<b>17.614</b>
<b>RESULTS</b>						
Net gain from fair value adjustments on investment property	-	-	-	123	-	123
Direct property relating expenses	(213)	(49)	(186)	(135)	(43)	(626)
Property taxes	(534)	(111)	(553)	(309)	(99)	(1.606)
Finance costs	(1.108)	(15)	(1)	(4)	-	(1.128)
<b>Profit relating to investment property</b>	<b>4.176</b>	<b>1.020</b>	<b>5.232</b>	<b>3.029</b>	<b>920</b>	<b>14.377</b>
<b>Reconciliation of net profit for the period:</b>						
Profit relating to investment property						14.377
Finance income						343
Other expenses						(2.000)
Other income						83
Share of net (loss) of investments accounted for using the equity method						(532)
Taxes						(2.004)
<b>Net profit for the period</b>						<b>10.267</b>

Additions in investment property per segment as at March 31, 2018:

	Offices	Logistics	Retail	Mixed use	Special use	Total
Acquisition of Investment Property	-	-	-	5.147	-	5.147
Subsequent capital expenditure on investment property	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.147</b>	<b>-</b>	<b>5.147</b>

## Notes to Consolidated and Separate Financial Statements

For the period ended March 31, 2017:

	Offices	Logistics	Retail	Mixed use	Special use	Total
<b>REVENUE</b>						
Rental revenue	5.863	1.182	5.177	2.757	1.075	16.054
(Expenses) from service charges	(23)	-	-	(1)	-	(24)
<b>Total</b>	<b>5.840</b>	<b>1.182</b>	<b>5.177</b>	<b>2.756</b>	<b>1.075</b>	<b>16.030</b>
<b>RESULTS</b>						
Net gain from fair value adjustments on investment property	-	-	807	208	-	1.015
Direct property relating expenses	(148)	(33)	(109)	(82)	(30)	(402)
Property taxes	(511)	(105)	(452)	(243)	(96)	(1.407)
Finance costs	(788)	(19)	(1)	(18)	-	(826)
<b>Profit relating to investment property</b>	<b>4.393</b>	<b>1.025</b>	<b>5.422</b>	<b>2.621</b>	<b>949</b>	<b>14.410</b>
<b>Reconciliation of net profit for the period:</b>						
Profit relating to investment property						14.410
Finance income						192
Other expenses						(1.299)
Gain from loss of control in subsidiary						253
Share of net (loss) of investments accounted for using the equity method						(70)
Taxes						(1.775)
<b>Net profit for the period</b>						<b>11.711</b>

Additions in investment property per segment as at December 31, 2017:

	Offices	Logistics	Retail	Mixed use	Special use	Total
Acquisition of Investment Property	-	-	47.148	39.704	-	86.852
Subsequent capital expenditure on investment property	752	60	107	1.219	145	2.283
<b>Total</b>	<b>752</b>	<b>60</b>	<b>47.255</b>	<b>40.923</b>	<b>145</b>	<b>89.135</b>

B) Group's Geographical segments

For the period ended March 31, 2018:

	Revenue	Non-current assets
Greece	16.236	921.112
Romania	1.197	72.759
Serbia	181	13.882
	<b>17.614</b>	<b>1.007.753</b>

## Notes to Consolidated and Separate Financial Statements

For the period ended March 31, 2017:

	Revenue	Non-current assets
Greece	14.622	818.756
Romania	1.220	74.955
Serbia	188	13.675
	<b>16.030</b>	<b>907.386</b>

### 5 Investment Property

	Group	
	31/03/2018	31/12/2017
<b>Balance at the beginning of the period</b>	<b>954.393</b>	<b>849.978</b>
Additions:		
Acquisition of investment property	5.147	86.852
Subsequent capital expenditure on investment property	-	2.283
Transfer from investment property to property, plant and equipment (own use)	-	(3.575)
Net gain from fair value adjustments on investment property	123	18.855
<b>Balance at the end of the period</b>	<b>959.663</b>	<b>954.393</b>

  

	Company	
	31/03/2018	31/12/2017
<b>Balance at the beginning of the period</b>	<b>804.995</b>	<b>696.998</b>
Additions:		
Acquisition of investment property	5.147	86.852
Subsequent capital expenditure on investment property	-	2.226
Net gain from fair value adjustments on investment property	123	18.919
<b>Balance at the end of the period</b>	<b>810.265</b>	<b>804.995</b>

On March 19, 2018, the Company proceeded with the acquisition of a property located on 5 Grigoriou Lampraki Street in Glyfada where it was declared the highest bidder in a public auction. Specifically, this is a stand-alone commercial building in central location in Glyfada. The property has a total area of approximately 4.000 sqm, of which 1.570 sqm are retail & office areas in the ground floor and 3 upper-floors and 2.430 sqm for parking and storage on 3 underground levels. The price for the acquisition of the property amounted to €5.080 (excluding acquisition costs of €67).

## Notes to Consolidated and Separate Financial Statements

Group's investment property is measured at fair value. The following table analyses Group's investment property per operating and geographical segment:

Country	Greece	Greece	Greece	Greece	Greece	Romania	Romania	Serbia	Serbia	31.03.2018	31.12.2017
Segment	Offices	Logistics	Retail	Mixed use	Special use	Retail	Offices	Mixed use	Retail	Total	Total
Fair value hierarchy	3	3	3	3	3	3	3	3	3		
Fair value at the beginning January 01	265.251	52.631	302.100	203.220	48.461	9.381	59.467	12.814	1.068	954.393	849.978
Additions:											
-Acquisition of investment property	-	-	-	5.147	-	-	-	-	-	5.147	86.852
-Subsequent capital expenditure on investment property	-	-	-	-	-	-	-	-	-	-	2.283
to property, plant and equipment (own use)	-	-	-	-	-	-	-	-	-	-	(3.575)
Net gain from fair value adjustments on investment property	-	-	-	123	-	-	-	-	-	123	18.855
Fair value at the end March 31	265.251	52.631	302.100	208.490	48.461	9.381	59.467	12.814	1.068	959.663	954.393

Information concerning the fair value measurements of the investment property per operating and geographical segment is as follows:

Country	Segment	Fair Value	Valuation technique	Monthly Rent	Discount rate (%)
Greece	Offices	265.251	80% discounted cash flows (DCF) & 20% sales comparison or income method	1.876	9,25% -13,27%
Greece	Logistics	52.631	80% discounted cash flows (DCF) & 20% sales comparison	377	10% -10,75%
Greece	Retail	302.100	80% discounted cash flows (DCF) & 20% sales comparison	2.242	8,25% -10,75%
Greece	Mixed use	208.490	80% discounted cash flows (DCF) & 20% sales comparison	1.260	8,75% -10,5%
Greece	Special use	48.461	80% discounted cash flows (DCF) & 20% income method	403	11,85% - 12,87%
Romania	Retail	9.381	80% discounted cash flows (DCF) & 20% sales comparison	70	11%
Romania	Offices	59.467	80% discounted cash flows (DCF) & 20% sales comparison	399	10,7%
Serbia	Mixed use	12.814	80% discounted cash flows (DCF) & 20% sales comparison	101	10,7%
Serbia	Retail	1.068	80% discounted cash flows (DCF) & 20% sales comparison	7	11,2%
	<b>Total</b>	<b>959.663</b>			

The Company evaluates investment property by taking into consideration the high and best use (HABU) of each asset wherever possible, legally permissible and financially possible. This valuation is based on the physical characteristics of each asset, the allowed usage and the opportunity cost of each investment.

## Notes to Consolidated and Separate Financial Statements

The net carrying amount of investment property held under finance leases as at 31.03.2018 amounts to €14.728 (31.12.2017: €14.728).

In accordance with existing Greek REIC legislation, property valuations are supported by independent appraisals performed on June 30 and December 31 of each year. The valuations themselves are based on two methods according to the International Appraising Standards: for this portfolio, the comparative or income method in conjunction with the discounted cash flow method are used. Note that the income method has been used only for the 14 assets leased to the Hellenic Republic.

Lease liabilities and bank borrowings which are effectively secured as the rights to the leased asset revert to the lessor in the event of default; please refer to note 12.

### 6 Investment in Subsidiaries

	Country of incorporation	Percentage of interest	31/03/2018	31/12/2017
Reco Real Property A.D.	Serbia	100%	17.240	17.240
Eliade Tower S.A.	Romania	99,99%	9.037	9.037
Retail Development S.A.	Romania	99,99%	4.561	4.561
Seferco Development S.A.	Romania	99,99%	21.486	21.486
Cloud Hellas Ktimatiki S.A.	Greece	100%	42.000	42.000
Grivalia New Europe S.A.	Luxembourg	100%	110	110
			<b>94.434</b>	<b>94.434</b>

It is noted that the financial statements of the annual consolidated non – listed subsidiaries of the Group are published in the parent's Company website ([www.grivalia.com](http://www.grivalia.com)).

### 7 Participation in joint ventures

On March 13, 2018, the Company announced the completion of the acquisition of 80% of the company Nafsika SA. by Grivalia Hospitality S.A., in implementation of the pre-agreement dated 20.02.2017 and its 31.07.2017 amendment. The company Nafsika SA holds the long-term lease of the Asteria property in Glyfada, owned by ETAD, until 31.12.2081. The renowned "Asteria" Hotel, which used to operate within the property, is planned to be fully upgraded into an ultra-luxury urban resort run by an internationally acclaimed hotel operator. F&B and retail services will continue to be offered as part of the overall facilities.

The share of the net loss of investments accounted for using the equity method as at March 31, 2018 was a loss of €532 recognized at Group level and is analyzed as follows:

- Loss of €68 from the joint venture Piraeus Port Plaza 1
- Loss of €464 from the joint venture Grivalia Hospitality S.A.

As at March 31, 2018 at Company and Group level the investment in Piraeus Port Plaza 1 (50%) amounted to €2.300 and €5.314 respectively, and the investment in Grivalia Hospitality S.A. (25%) amounted to €29.873 and €35.134 respectively.

On May 08, 2018, the Company announced that Grivalia Hospitality S.A. acquired, through a 100% subsidiary, the shares of the company HELLENIC PALACE S.A., which holds the hotel located on the beachfront of Malia, Crete. The luxury beachfront hotel comprises 158 rooms in circa 104.000 sqm of land and is leased to a prominent operator.



## Notes to Consolidated and Separate Financial Statements

### 8 Other long term receivables

The Company's "Other long term receivables" for the period ended March 31, 2018, includes a shareholders' loan of €8.070 (31.12.2017: €8.070) receivable from the foreign subsidiary Retail Development S.A and a shareholders' loan of €2.500 (31.12.2017: €2.500) receivable from the foreign subsidiary Reco Real Property A.D. The intercompany loans are interest bearing and is recognized in financial income. Additionally, it includes accrued rental receivable of €2.862 (31.12.2017: €2.857). Furthermore, an amount of €1.576 (31.12.2017: €1.940) is included, which relates to the long term receivable undertaken by the company "Greek Supermarkets Sklavenitis SA".

The Group's "Other long term receivables" for the period ended March 31, 2018, includes an accrued rental receivable of €3.448 (31.12.2017: €3.410), as well as the long – term receivable of €1.893 (31.12.2017: €2.330), which was undertaken by the company "Greek Supermarkets Sklavenitis SA".

### 9 Trade and other receivables

The analysis of trade and other receivables is as follows:

	Note	Group		Company	
		31/03/2018	31/12/2017	31/03/2018	31/12/2017
Trade receivables		7.523	5.188	7.047	4.505
Receivables from related parties	21	15	67	135	165
Other receivables		3.303	2.006	2.962	1.936
<b>Trade and other receivables</b>		<b>10.841</b>	<b>7.261</b>	<b>10.144</b>	<b>6.606</b>

Trade receivables of the Company and the Group as at March 31, 2018, increased mainly due to the delayed rental payment from the Greek Public Sector.

Trade receivables of the Company and the Group as at March 31, 2018, include provisions for bad debts amounting to €1.662 and €2.129 respectively (31.12.2017: €1.662 and €2.129 respectively).

Other receivables, which include post – dated checks, and the receivables from related parties are not subject to impairment.

The ageing analysis of trade receivables is as follows:

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
<b>Trade receivables</b>				
Due within due date	5.472	5.134	4.995	4.451
Past due but not impaired:				
- 4 to 6 months	2.051	54	2.051	54
- over 6 months	-	-	-	-
Doubtful debts	2.129	2.129	1.662	1.662
Less: Provision for doubtful debts past due	(2.129)	(2.129)	(1.662)	(1.662)
	<b>7.523</b>	<b>5.188</b>	<b>7.047</b>	<b>4.505</b>

## Notes to Consolidated and Separate Financial Statements

### 10 Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
Cash in hand	2	2	-	-
Cash at bank and short-term deposits	31.701	44.723	27.620	40.385
<b>Cash and cash equivalents</b>	<b>31.703</b>	<b>44.725</b>	<b>27.620</b>	<b>40.385</b>

The Company can make use of its own funds freely as long as it upholds its articles of association and the limitations set by Law 2778/1999 as in force.

### 11 Shareholders' Equity

Group's shareholder equity is analysed as follows:

	Number of shares (thousands)	Share capital	Share premium	Own shares	Share based payment reserve	Other reserves	Retained earnings	Total Equity
<b>Balance January 01, 2017</b>	<b>97.214</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.957)</b>	<b>3.682</b>	<b>12.596</b>	<b>85.886</b>	<b>863.125</b>
Acquisition of own shares	(1)	-	-	(7)	-	-	-	(7)
Profit for the period	-	-	-	-	-	-	11.711	11.711
Foreign exchange differences	-	-	-	-	-	(1)	-	(1)
Change in the percentage of ownership in a subsidiary	-	-	-	-	-	-	503	503
Actuarial (losses) on post employment benefit obligations net of tax	-	-	-	-	-	(13)	-	(13)
Formation of statutory reserve of local subsidiary	-	-	-	-	-	179	(179)	-
Equity settled share based payments	-	-	-	-	356	-	-	356
Dividend relating to 2016 approved by the shareholders	-	-	-	-	-	-	(18.488)	(18.488)
<b>Balance March 31, 2017</b>	<b>97.213</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.038</b>	<b>12.761</b>	<b>79.433</b>	<b>857.186</b>
<b>Balance January 01, 2018</b>	<b>97.213</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>4.860</b>	<b>12.267</b>	<b>130.123</b>	<b>908.204</b>
Acquisition of own shares	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	10.267	10.267
Foreign exchange differences	-	-	-	-	-	(13)	(1)	(14)
Actuarial (losses) on post employment benefit obligations net of tax	-	-	-	-	-	-	-	-
Changes in the fair value of available-for-sale financial assets	-	-	-	-	-	(86)	-	(86)
Equity settled share based payments	-	-	-	-	(2.365)	-	-	(2.365)
Dividend relating to 2017 approved by the shareholders	-	-	-	-	-	-	(35.441)	(35.441)
<b>Balance March 31, 2018</b>	<b>97.213</b>	<b>215.684</b>	<b>571.234</b>	<b>(25.964)</b>	<b>2.495</b>	<b>12.168</b>	<b>104.948</b>	<b>880.565</b>

## Notes to Consolidated and Separate Financial Statements

The total authorized number of ordinary shares as at March 31, 2018, is 101.260.000 (December 31, 2017 – 101.260.000) with a par value of (amount in €) €2,13 per share. All shares are fully paid up amounting to €215.684 and are listed on the main market of the Athens Stock Exchange. The Company's shares are ordinary shares with voting rights.

The Company's shareholder structure with stakes of over 5% as at March 31, 2018, is as follows:

- |   |   |        |
|---|---|--------|
| • | Fairfax Financial Holdings Limited        | 51,43% |
| • | Pacific Investment Management Company LLC | 5,00%  |

The aforementioned percentage of Fairfax Financial Holdings Limited includes Odyssey Reinsurance Company (subsidiary of Fairfax) which owns directly 9.459.872 common shares amounting to 9,34% of Company's Share Capital. Moreover, it includes Clearwater Select Insurance Company (subsidiary of Fairfax) which owns directly 5.558.612 common shares amounting to 5,49% of Company's Share Capital.

Note that the above percentages are in accordance with the disclosures notified by the above shareholders according to the existing legislation.

The Ordinary General Meeting of the Shareholders dated on March 21, 2018, approved the purchase of own shares for an additional period of two years. The maximum number of treasury shares to be acquired approved to be up to 10% of Company's Share Capital, with a maximum purchase price of (amount in €) €14 per share and a minimum purchase price of (amount in €) €2,13 per share, in accordance with article 16 of Law 2190/1920 as in force.

As at March 31, 2018 and as at March 31, 2017 the Company owned 4.046.489 own shares of a total cost of €27.805 with an average price of (amount in €) €6,87 per share, excluding the sale of pre-emption rights of own shares amounting to €1.841.

### Share based payment reserve

The share based payment reserve includes an amount of €2.495 relating to equity settled share based payments to key management, of which €297 was recognized as an expense in the account "Employee benefit expense- BoD" in the current period. The cost of these benefits is determined based on the fair value of these rights at the granting date and are recognized as an expense over the period between the granting and the maturity date with an equal increase in equity. Within the period the reserve was reduced by the amount of €2.796, which was paid due to the maturity of a portion of these rights.

Additionally, this reserve includes an amount of €339 relating to additional benefits granted to key Company management in 2017, the payment of which has been deferred for a period of three years. Finally, an amount of €187 was paid in the current period, which had been postponed for 3 years and matured and an amount of €18 was reversed since it was not paid.

### Other reserves

Other reserves mainly include statutory reserves and reserves from income taxed in a special manner relating to gains from sale of unlisted shares, namely the company Immobiliare Rio Nuovo S.p.A in the year 2002.

## Notes to Consolidated and Separate Financial Statements

### 12 Borrowings including obligations under finance leases

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

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
<b>Non-current</b>				
Bank borrowings	143.885	127.925	123.140	106.890
Finance lease liabilities	1.893	2.186	1.893	2.186
<b>Non-current borrowings, including finance leases</b>	<b>145.778</b>	<b>130.111</b>	<b>125.033</b>	<b>109.076</b>
<b>Current</b>				
Bank borrowings	7.237	6.793	5.845	5.396
Finance lease liabilities	1.165	1.159	1.165	1.159
<b>Current borrowings, including finance leases</b>	<b>8.402</b>	<b>7.952</b>	<b>7.010</b>	<b>6.555</b>
<b>Total borrowings, including finance leases</b>	<b>154.180</b>	<b>138.063</b>	<b>132.043</b>	<b>115.631</b>

On March 23, 2018 the remaining amount of €18.000 was disbursed by the Company from the loan granted by the International Finance Corporation.

On May 22, 2018 an agreement was signed with Eurobank Ergasias Group for a stand – by facility of €75.000 which was already announced on March 21, 2018. The facility's form is a common bond loan secured with pledges that will be progressively drawn. The loan will be fully covered by bank Eurobank Ergasias S.A. and Eurobank Private Bank Luxembourg and will be used for the refinancing of selective past investments and the financing of future investments.

The maturity of loans, including finance leases, is as follows:

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
Up to 1 year	8.402	7.952	7.010	6.555
From 1 to 5 years	128.278	117.061	107.533	96.026
Over 5 years	17.500	13.050	17.500	13.050
	<b>154.180</b>	<b>138.063</b>	<b>132.043</b>	<b>115.631</b>

The exposure of Group's borrowings to interest rate changes and the contractual reprising 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 material. Fair values are based on discounted cash flows using a rate based on current variable interest rates.

## Notes to Consolidated and Separate Financial Statements

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

Obligations under finance leases and loan agreements are secured by collaterals on property.

Three mortgages amounting to €4.660 have been registered in favor of Eurobank A.D. Serbia over a property belonging to the subsidiary Reco Real Property A.D. located at 7-9 Terazije Street, Belgrade, Serbia. On March 31, 2018, the company was in the process of a mortgage withdrawal amounting to €2.277 due to the repayment of the relevant loan under which it was provided as collateral. This withdrawal was completed by the date of publication.

A mortgage of €22.000 has been registered in favor of Eurobank Ergasias S.A. over the property of the subsidiary Seferco Development S.A., located at Bd. Dimitrie Pompeiu, Nr. 6A Bucharest, Romania.

A mortgage of €12.000 has been registered in favor of Eurobank Ergasias S.A. over the property of the subsidiary Eliade Tower S.A., located at 18 Mircea Eliade Blvd Bucharest, Romania.

A prenotation of a mortgage of €29.900 has been registered in favor of Alpha Bank S.A. over the property of the parent Company located in Tavros, 25 Martiou & Thessalonikis Street and in Athens, at 49 Stadiou Street.

A mortgage of €12.000 has been registered in favor of Eurobank Ergasias S.A. over the property of the parent Company located in Maroussi, Attica, in B.B. 507, enclosed by Amarousiou-Chalandriou No 18-20, Delfon, Sarantaporou and Dervenakion streets.

A prenotation of a mortgage of €17.500 has been registered in favor of the International Finance Corporation (IFC) over the property of the parent Company located in Nea Ionia, at the crossing of Iolkou Street 8, Siniosoglou, Filiki Etaireia and Panagoulis (horizontal property under the BUILDING A ').

A prenotation of a mortgage of €27.000 has been registered in favor of the International Finance Corporation (IFC) on the property of the parent Company located in Nikaia, at 96-98 Kifissou Street.

A prenotation of a mortgage of €30.500 has been registered in favor of the International Finance Corporation (IFC) on the property of the parent Company located in Marousi Attica, at the crossing of 117 Kifisias Avenue and 59 – 61 Ag. Konstantinou Street (Green Plaza).

### 13 Trade and other payables

The analysis of trade and other payables is as follows:

Note	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
Trade payables	1.454	1.659	1.295	1.496
Amounts due to related parties	21	114	78	114
Other payables and accruals	7.309	11.089	6.557	10.241
<b>Trade and other payables</b>	<b>8.877</b>	<b>12.826</b>	<b>7.966</b>	<b>11.799</b>

“Other payables and accruals” both for the Company and the Group as at March 31, 2018, include an amount of €3.587 (31.12.2017: €3.560), due to the recognition of deferred income relating to the following trimester according to the agreement signed with Hellenic Republic Asset Development Fund for the lease of 14 properties to the Hellenic Republic.

## Notes to Consolidated and Separate Financial Statements

### 14 Property Taxes

“Property taxes” for both the Company and the Group as at March 31, 2018, amount to €1.375 and €1.606 respectively (31.03.2017: €1.170 and €1.407 respectively). This item mainly includes the aggregate tax on property (ENFIA), which for the Company and Group for the period ended March 31, 2018, amounted to €1.304 and €1.441 respectively (31.03.2017: €1.126 and €1.254).

### 15 Other Income

On March 31, 2018 Company’s figure “Other income” includes dividends received from its subsidiary Cloud Hellas Ktimatiki S.A. amounting to €4.800.

### 16 Taxes

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Current tax	2.004	1.776	1.750	1.526
Deferred tax	-	(1)	-	-
<b>Taxes</b>	<b>2.004</b>	<b>1.775</b>	<b>1.750</b>	<b>1.526</b>

According to the provisions of art. 31 L. 2778/1999, Real Estate Investment Companies (REIC) are taxed at a rate equal to 10% of the intervention interest rate (Euribor rate) set by the European Central Bank increased by one (1) point. The tax is calculated on the REIC’s average semi-annual investments plus cash and cash equivalents, at current values, as presented in the relevant Investment Statements of par. 1 art. 25 L. 2778/1999. In the event the intervention rate changes, the new tax base applies from the first day of the month following the month in which the change was effected. The respective rate cannot fall below the threshold of 0,375% applied on the average semi-annual investments plus cash and cash equivalents, at current rates as they are included in the above-mentioned Investment Statements. In case that REIC receives dividends, the respective withholding tax is offset against the tax payable as submitted in their tax statement within the month of payment. Any credit balance is transferred to be offset in special tax returns of the following periods. This tax is considered as final for both the company and its shareholders. Any real estate investment property held directly or indirectly by the REIC's subsidiaries is not taken into consideration when calculating the aforementioned tax, provided that it is presented separately in their Investment Statements.

Due to the fact that taxation of the Company applied on its investments plus cash and cash equivalents, at current values and not on its taxable profits, no temporary differences and consequently no deferred tax asset and/or liabilities arise in this respect.

The figure “Taxes” for the Company and the Group, for the period ended March 31, 2018 includes provision for tax on total assets of €1.750 and €1.886 respectively (31.03.2017: €1.526 and €1.652 respectively). Asset tax for the Group includes the Company and its subsidiary Cloud Hellas Ktimatiki S.A., which is incorporated in Greece and taxed under REICs’ tax regime.

Company’s foreign subsidiaries are taxed on their taxable income based on tax rates of 16% (Romania) and 15% (Serbia). For the period ended March 31, 2018 for the subsidiaries located in Romania the income tax amounted to €110 (31.03.2017: €118), whereas for the subsidiaries located in Serbia and Luxembourg no significant tax arose.

Current tax liabilities include short-term liabilities payable to the tax authorities related to the above taxes payable (tax on assets for the Company and the domestic subsidiary and income tax for foreign subsidiaries). Management regularly evaluates its position on matters related to the tax authorities and considers provisions where necessary for the amounts expected to be paid to the tax authorities.



## Notes to Consolidated and Separate Financial Statements

### 17 Dividends per share

On March 21, 2018, Company's Shareholders Meeting approved the distribution of dividend from profits of the year 2017 amounting to €35.441 ([amount in €] €0,35 per share).

The payment of dividend commenced on March 29, 2018, through the paying bank, Eurobank Ergasias S.A..

### 18 Earnings per share

Basic earnings per share are calculated by dividing the consolidated net profits, attributable to the Group's equity holders, by the weighted average number of ordinary shares in issue during the period.

Basic and diluted earnings per share for the period ended March 31, 2018 amounted to €0,11 (31.03.2017: €0,12).

### 19 Contingent Liabilities and unaudited tax fiscal years

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 up to December 31, 2004. The Company's Management, based on the opinion of its legal advisors, disputed these amounts and made appeals in regards to the cancellation for additional income tax and fines of up to amount €1.191. The hearing of the case took place on April 1, 2014, and the Administrative Court of Athens issued its decision 4324/2015, cancelling the additional income tax and fines to the amount referred to above, which was served to the Company on March 8, 2016. Although the Greek State filed for a revision of the decision 4324/2015 before the Council of State on 12.05.2016 (file number 994/2016) in which the Greek State requests the annulment of the Administrative Court of Athens decision and the rejection of the legal appeal of the Company (no 170/30.11.2015), Management believes that no provision needs to be made for the above amount as no significant obligations are expected to arise.

The following table presents the unaudited tax fiscal years of the parent Company, the Group's subsidiaries and the joint ventures as of 31.03.2018:

	Country of incorporation	Percentage of interest	Description	Unaudited tax fiscal years
Grivalia Properties REIC	Greece	-	Parent	2012-2017
Reco Real Property A.D.	Serbia	100%	Subsidiary	2012-2017
Eliade Tower S.A.	Romania	99,99%	Subsidiary	2011-2017
Retail Development S.A.	Romania	99,99%	Subsidiary	2011-2017
Seferco Development S.A.	Romania	99,99%	Subsidiary	2011-2017
Cloud Hellas Ktimatiki S.A.	Greece	100%	Subsidiary	2012-2017
Grivalia New Europe S.A.	Luxembourg	100%	Subsidiary	2015-2017
Grivalia Hospitality S.A.	Luxembourg	25%	JV	2015-2017
PPP 1	Greece	50%	JV	2015-2017

Tax authorities did not notify the Company for any audit order for the fiscal year 2011 and its subsidiary company Cloud Hellas Ktimatiki SA. for the fiscal years 2010 and 2011. Therefore, the right of the State to notify audit sheets and acts and transactions for the determination of tax, fees, levies and fines for the purpose of charging a tax has been prescribed for the aforementioned years pursuant to (a) paragraph 1 of article 84 of law 2238/1994 (unaudited income tax cases); b) paragraph 1 of article 57 of Law 2859/2000 (non-audited VAT cases) and c) par. 5 of article 9 of Law 2523/1997 (imposition of fines on income tax cases). Management considers that the limited circumstances pursuant to the aforementioned laws, which could extend the five-year prescription period to ten years, are not met.

## Notes to Consolidated and Separate Financial Statements

The Company and the subsidiary company Cloud Hellas Ktimatiki S.A. have been audited by a certified auditor according to Law 4174/2013 article 65<sup>A</sup> and the POL no. 1124/18.6.2015 decision of the General Secretary of Public Revenue of the Ministry of Finance and have received a tax certificate for the year 2011, 2012, 2013, 2014, 2015 and 2016 while it is expected to receive a tax certificate for the year 2017. For the years that ended after December 31, 2011 and remain unaudited by the tax authorities, we estimate that the taxes that may arise will not have a material effect on the financial statements.

Finally, Management estimates that taxes that may arise from the tax authorities for the foreign subsidiaries and joint ventures will not have a material impact on the Group's financial statements.

### 20 Capital commitments

On March 31, 2018 Group's capital commitments relating to improvements on investment property amounted to €3.054.

### 21 Related party Transactions

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

On July 4, 2017, Eurobank Ergasias SA, through a private placement, disposed 20.252.001 common voting shares, the total of its shareholding in the Company, which accounted for approximately 20% of the share capital of the latter. Hence balances with Eurobank Group are not included to the balances as at March 31, 2018 from 04.07.2017 onwards. Until 04.07.2017, the Company was associated with Eurolife through Eurobank Group and thereafter is associated through Fairfax.

The following transactions were carried out with related parties:

#### a) Rental income received and sale of services

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
<b>Rental income</b>				
Subsidiary (Cloud Hellas Ktimatiki S.A.)	-	-	7	7
Eurobank Ergasias S.A.	-	3.033	-	3.033
Other related parties	2.549	4.136	1.193	1.747
	<b>2.549</b>	<b>7.169</b>	<b>1.200</b>	<b>4.787</b>

Other related parties as of 31.03.2018 include rental income from Praktiker Hellas amounting to €2.523.

#### b) Purchase of services

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
<b>Technical service fees</b>				
Subsidiary of Eurobank Ergasias S.A. (Eurobank Property Services S.A.[Romania])	-	5	-	-
Subsidiary of Eurobank Ergasias S.A. (ERB Property Services d.o.o. Beograd)	-	3	-	-
	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>



## Notes to Consolidated and Separate Financial Statements

### c) Insurance expenses for investment properties

	<b>Group</b>		<b>Company</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<b>Insurance expense</b>				
Subsidiary of parent company (Eurolife ERB General Insurance S.A.)	103	105	92	95
Subsidiary of parent company (Eurolife ERB Asigurari Generale S.A.)	7	7	-	-
Other related parties	(13)	(13)	(7)	(7)
	<b>97</b>	<b>99</b>	<b>85</b>	<b>88</b>

### d) Insurance expenses for personnel

	<b>Group</b>		<b>Company</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<b>Other employee benefits</b>				
Subsidiary of parent company (Eurolife ERB Life Insurance S.A.)	30	58	30	58
	<b>30</b>	<b>58</b>	<b>30</b>	<b>58</b>

### e) Other Income from dividends

	<b>Group</b>		<b>Company</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
Subsidiary (Cloud Hellas Ktimatiki S.A.)	-	-	4.800	3.400
	<b>-</b>	<b>-</b>	<b>4.800</b>	<b>3.400</b>

### f) Finance costs

	<b>Group</b>		<b>Company</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<b>Bank Borrowings</b>				
Eurobank Ergasias S.A.	-	418	-	356
Subsidiary of Eurobank Ergasias S.A. (Eurobank Private Bank Luxembourg S.A.)	-	108	-	7
Subsidiary of Eurobank Ergasias S.A. (Eurobank A.D. Beograd)	-	6	-	-
Subsidiary of Eurobank Ergasias S.A. (SC Bancpost S.A.)	-	1	-	-
Subsidiary of Eurobank Ergasias S.A. (New Europe Funding B.V.)	-	11	-	-
<b>Finance lease liabilities</b>				
Subsidiary of Eurobank Ergasias S.A. (Eurobank Ergasias Leasing S.A.)	-	19	-	19
	<b>-</b>	<b>563</b>	<b>-</b>	<b>382</b>

### g) Interest income earned on cash and cash equivalents

	<b>Group</b>		<b>Company</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
Subsidiary (Retail Development S.A.)	-	-	121	121
Subsidiary (Reco Real Property A.D.)	-	-	24	-
Eurobank Ergasias S.A.	-	19	-	16
	<b>-</b>	<b>19</b>	<b>145</b>	<b>137</b>

## Notes to Consolidated and Separate Financial Statements

h) Property related taxes (property duties re-invoiced from tenants)

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Other related parties	7	7	3	3
	<b>7</b>	<b>7</b>	<b>3</b>	<b>3</b>

i) Key management compensation

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Key management compensation	7.059	1.009	7.059	1.009
Equity settled share based payments	297	274	297	274
	<b>7.356</b>	<b>1.283</b>	<b>7.356</b>	<b>1.283</b>

As at March 31, 2018, the balance of interest bearing loans advanced to key management amounted to €109.

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

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
<b>Other long term receivables</b>				
Subsidiary (Retail Development S.A)	-	-	8.070	8.070
Subsidiary (Reco Real Property A.D.)	-	-	2.500	2.500
Other related parties	324	337	324	337
	<b>324</b>	<b>337</b>	<b>10.894</b>	<b>10.907</b>
<b>Trade and other receivables from other related parties</b>				
Subsidiary (Retail Development S.A)	-	-	121	124
Subsidiary (Reco Real Property A.D.)	-	-	5	5
Other related parties	15	67	9	36
	<b>15</b>	<b>67</b>	<b>135</b>	<b>165</b>
<b>Trade payables to related parties</b>				
Other related parties	114	78	114	62
	<b>114</b>	<b>78</b>	<b>114</b>	<b>62</b>

It is noted that the Group's other long-term receivables relate to claims arising from the recognition of various incentives offered to tenants during the lease.

k) Commitments and contingent liabilities

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

**Notes to Consolidated and Separate Financial Statements****22 Events after the balance sheet date**

Apart from the above-mentioned events (notes 7 and 12) there are no other significant events after March 31, 2018 which affect either the Group or the Company's financial position that need to be mentioned according to the International Financial Reporting Standards.

The Condensed Consolidated and Separate Interim Financial Statements for the period ended March 31, 2018 were approved by the Board of Directors on May 24, 2018 and were signed on its behalf by:

Nikolaos A. Bertsoz

Georgios Chryssikos

Panagiotis - Aristeidis Varfis

Evangelos Tentis

Chairman of the BoD

Chief Executive Officer

Chief Financial Officer

Chief Accountant

Non-executive member of the BoD

Executive member of the BoD