



ANNUAL REPORT 2011

one **more** year targeting **perfection**



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04

LETTER TO THE
SHAREHOLDERS**Dear Shareholders,**

2011 was another very challenging year for LAMDA Development Group as we had to adopt appropriate strategies to deal with the effects of the ongoing economic crisis in Greece. Indeed we believe we were successful in managing our priorities, namely safeguarding the superior performance of our shopping centers, securing a satisfactory liquidity position at group level, efficiently managing risks and aggressive monitoring of investment opportunities.

Developments in 2011

In spite of the prevailing economic depression 2011 was, compared to the negative developments in the market, another satisfactory year in terms of recurring EBITDA that reached €38.2 million, showing a drop of 10.5% from the previous year. In terms of retail recurring EBITDA which is our core business the decrease was only by 4%, a result which demonstrates the resilience of our shopping centers performance until now.

It is without doubt that our shopping centers continue, even more so than in the past, to be very popular social destination for the consumer public. We have placed great management effort and provided extra funds in maintaining and promoting high visitor frequencies and procuring very supporting retail platforms to the totality of our tenants. Besides securing occupancies close to 100% we have managed to show results that are clearly favorable in comparison to the rest of the retail market in Greece, including a very acceptable bad debt ratio of 1.7% on total revenues.

Shopkeepers' turnover in our three malls dropped by an aggregate of 8% compared to an average of 20%-30% drop in the corresponding retail subsectors in Greece as a whole. Shopkeepers continue to have the advantage of lower rents compared to the high street while enjoying major support from us via marketing, promotional and communication activities. In this respect our contribution as owners has been quite significant and has been adequately recognized by our tenant base as reflected in the continuity and renewal of the existing contractual leases, in our consistent policy of rental levels, as well as in the full occupancy of our shopping centers.

Undoubtedly, the retail industry trend in favor of large retail centers has been further strengthened during the economic downturn, as evidenced by the relatively stable and comparatively impressive customer visits and increase in retail market share.

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LETTER TO THE SHAREHOLDERS

More specifically, total tenant sales decreased by 9% in the Mediterranean Cosmos and in The Mall Athens, whereas shopkeepers' turnover in the Golden Hall decreased by 5% compared to the previous year. Annual aggregate shopkeeper sales in our three shopping centers approximate €650 million.

With regard to our other operating assets it should be noted that Flisvos Marina has been mostly affected by the Greek crisis, the increase in the concession rent by 20% and also by the unfair competition that has prevailed in the Attica region. As a result both recurring profitability and turnover have been reduced by €2.2 million and €1.5 million respectively. Following long discussions with the State Property Company we have agreed to apply for official arbitration regarding the appropriate level of concession rent. In the medium term we believe that when the general economic situation in Greece stabilizes and competition in the Attica region returns to healthy levels, Flisvos Marina shall return to its profitable historical performance and capitalize on its unique location, facilities, services and excellent reputation. The marina enjoys the unparalleled competitive position to offer its services to mega yachts for about half of the total berthing capacity. Furthermore, the very pleasant land commercial facilities attract an ever increasing number of visitors rendering the marina a very popular social destination point.

Dividends from EUROBANK Properties, the listed real estate investment company in which LAMDA Development owns 14.8% of its share capital offered an 8.6% dividend yield and hence added €3.5 million in our income line. We continue to hold our investment position as we believe that the company has very strong capital structure, good quality of tenants and a solid investment portfolio. All these merits are not reflected in its share price, which is traded at a very significant discount, almost 65%, compared to its reported Net Asset Value. The total number of shares purchased in the last three years has reached approximately 2.8 million at an average acquisition cost of €6.40/share. Due to the drop in its share price, in 2011 we realized a revaluation loss of €19.4 million which decreased our NAV by same amount in the balance sheet.

Our subsidiary LAMDA Hellix, the leading neutral mission critical facility operator, continued with its outstanding performance and contributed € 2 million in our income from participations.

On the cost side it should also be underlined that we managed to further decrease overheads by 4.6% in 2011. Total overheads cost containment has reached over 20% in the last three years.

On the negative side, revaluation losses in our property portfolio reached €37.7 million. The total fair market value of our shopping centers and offices dropped

further by 4.5% mainly due to further increases in capitalization rates. The impact on valuations would have been significantly larger if the property appraisers had not positively accounted for the substantial sustainability of recurring EBITDA and our strong market leadership. As a result consolidated group net losses reached €28.6 million, following a net loss of € 29.1 million in 2010 also due to property revaluation losses.

As a result of the net loss and the mark to market valuation loss in our minority shareholding in Eurobank Properties shares consolidated Net Asset Value dropped by 12% to €396 million, or €9.6 NAV/share.

We continue enjoying a relatively comfortable liquidity position and reiterate our cautious approach in cash flow planning. Debt has been reduced by €32 million, total interest rate cost reached 4.23%, loan to value ratio stands at 51% and major loan repayments do not take place before mid-2014. Our group cash position amounted to over €130 million at the end of the year, a comfort that allows us to support our ongoing operations and also contemplate leveraging new investments when new opportunities arise. We also like to mention here that we added to our cash position in 2011 the sale proceeds of the Othonos office building (€ 6.6 million).

With regard to new real estate development activity we remain very cautious in view of the recessionary economic conditions in Greece and SE Europe where we hold our land banking assets. We continue with our focus on our two major investments in Belgrade, namely BEKO and Singidunum, for which the planning process is proceeding satisfactorily. In the BEKO mixed use project we have decided to change strategy and employ world class architects to attract more international potential interest. As stated in our strategy last year we would not contemplate to start construction activity without satisfactory percentage of pre-sale or pre-let agreements and after attracting partnerships with appropriate know how and financial capacity.

The company's common stock in the Athens Exchange continues to trade at a heavy discount to NAV (c.75%) We believe that such large discount to NAV is totally unsubstantiated and that it solely reflects the grim sovereign risk situation and not the fundamentals of our company. During 2011 we also continued our share buyback program and total treasury stock reached 7.2% of total common stock at an average cost of €5.07/share.

Going Forward

Deep fiscal tightening and nadir psychology has an alarming recessionary impact on the Greek economy and of course on retail sales and occupier demand. Despite the deep recession in

the Greek economy for the fifth year in a row, we remain confident, based on recent performance and actual results, that we shall continue to stay afloat and successfully manage our investment portfolio with all required amount of effort and problem solving involvement, capitalizing on our leading market position, the skills and experience we have accumulated and the good relationships we have built with most of the retailers with presence in Greece who are also tenants in our shopping centers. Maintaining a satisfactory liquidity position under the prevailing pressing conditions imposed by the economic and banking crisis is key to managing successfully through this difficult period. Risk management and cost control shall continue to be of absolute key importance to us.

Regarding our development pipeline our first priority remains our two major projects in Belgrade where we continue to focus on actions to expedite detailed planning permissions and hence finalize development business plans.

In reference to pursuing new business opportunities we shall continue with our strategy to primarily focus on the retail real estate sector. We shall also monitor opportunities in the second home residential sector as we believe there is significant growth potential in Greece. We are being particularly active in monitoring the projects tendered by the Hellenic Republic Asset Development Fund and have already participated and

have been selected as a candidate for purchasing the 90 year exploitation right of the IBC building, part of which is occupied by Golden Hall. We have also participated in the pre-selection process in the mega project of Elliniko (the old airport area in Athens) as we are seeking to play an important role hopefully leading us to pursue in the years to come our interests in retail real estate, second home residential and marinas.

Dear Shareholders,

Despite the well-known market difficulties that most of us face in the region we are confident that we shall succeed in securing our company's leading competitive position and become an even more important regional player in the real estate sector in the future. I also want to renew my thanks to our employees for their effort and enthusiastic support in sharing this common vision.

On behalf of the management and company employees, I want to thank you for the trust you have placed in us.

Odisseas Athanassiou
Chief Executive Officer
LAMDA Development

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FINANCIAL PERFORMANCE

Group Recurring EBITDA

reached €38.2 million compared to €42.7 million in 2010, registering a manageable decrease of 10%, while operational profitability of our shopping centers posted a 4% marginal decrease. The level and quality of rental income continue at highly acceptable levels as in the previous years, while occupancy in our shopping centres remains close to 100%. Despite the challenges in maintaining and promoting visitor frequencies and satisfactory consumption levels to support the totality of our tenants, we have managed to show results that are very favorable in comparison to the rest of the retail market in Greece. Shopkeepers' turnover in our three malls dropped by an aggregate 8.3% compared to an average of 20%- 30% drop in the corresponding retail subsectors in Greece as a whole. The quality of rent receivables from tenants is managed in a very satisfactory fashion as bad debt provisions amount to about 1.7% of total annual tenant obligations, while rent levels remain at contractual levels after taking up most of the common charges.



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FINANCIAL
PERFORMANCE

More specifically, the operation of Golden Hall has been quite satisfactory given that recurring profitability posted a marginal decrease of 4% while shopkeepers' turnover decreased by 5%. Shopkeepers' turnover in The Mall Athens for the same period decreased by 9%, while recurring profitability dropped by 5% only. In Mediterranean Cosmos, in Thessaloniki shopkeepers' turnover also dropped by 9%, customer visits remained at last year's level and recurring profitability decreased by 4%. It should be noted that, following our undertaking of the full management of Mediterranean Cosmos in December 2010, various corrective actions and improvements are being successfully implemented in order to further improve the quality of the center and to fortify the product mix with strong brand names, such as, among others, ATTICA, H&M, INTERSPORT and APPLE. In addition, the project of architectural and aesthetic improvement of Mediterranean Cosmos has progressed very significantly without affecting the smooth operation of the shopping mall while the improvement is impressive as admitted by shopkeepers and consumers alike. This investment reiterates our long term commitment to our Shopping Centers. Our Group has initiated various targeted marketing & promotional activities and investments to upgrade the shopping centers, including the launch of the credit card YES and the take-up of most part of common charges in order to help shopkeepers during this difficult period. As far as our office buildings are concerned, they still enjoy high occupancy levels and a positive contribution to the Group recurring profitability by nearly €2.5 million.

Flisvos Marina posted a decrease of €2.2 million approximately in recurring profitability versus last year, mainly due to the economic

recession, the increase of the concession fee by 22% or €1.2 million and the continuing yacht defects towards the nearby Agios Kosmas Marina that operates without paying rent to the Greek State. Flisvos Marina is still the only marina in Greece where approximately 50% of the 300 berths can be used by mega yachts with over 30 meters length. The on-land commercial development (retail shops and restaurants) continues to attract impressive footfall that approximates 15.000 visitors per day during the weekend and has become a reference point among the public in the seaside part of Athens.

Another important component of our income generating assets is our investment in EURO BANK Properties, the listed real estate investment company, in which LAMDA Development owns 14.8% of its share capital as of 31-12-2011. We continue to hold our investment position in subject company as we believe that it has very strong capital structure, good quality of tenants and a solid investment portfolio. All these merits are not reflected in its share price, which is still traded at a significant discount, almost 65%, compared to its reported Net Asset Value. The total number of shares purchased in the last three years has reached approximately 2.8 million at an average acquisition cost of €6.40/share. Due to the drop in its share price, in 2011 we realized a revaluation loss of €19.4 million which decreased our NAV by same amount in the balance sheet.

It should be noted that Group overheads were 4.6% lower as a result of our on-going cost cutting effort. Over the last 3 year period, overheads have been reduced by 20% approximately.

Recurring EBITDA from Properties			
(€ million)	2010	2011	% change
The Mall Athens	16,0	15,2	-5,0%
Mediterranean Cosmos	15,2	14,6	-3,9%
Golden Hall	8,5	8,2	-3,5%
Office Buildings-Flisvos Marina	6,6	3,6	-45,5%
Dividends and Participations	7,2	6,9	-4,2%
Overheads	-10,8	-10,3	-4,6%
Total	42,7	38,2	-10,5%

The consolidated turnover of LAMDA Development Group during 2011 decreased only slightly by 1.0%, reaching €81.8 million, compared to €82.6 million in 2010.

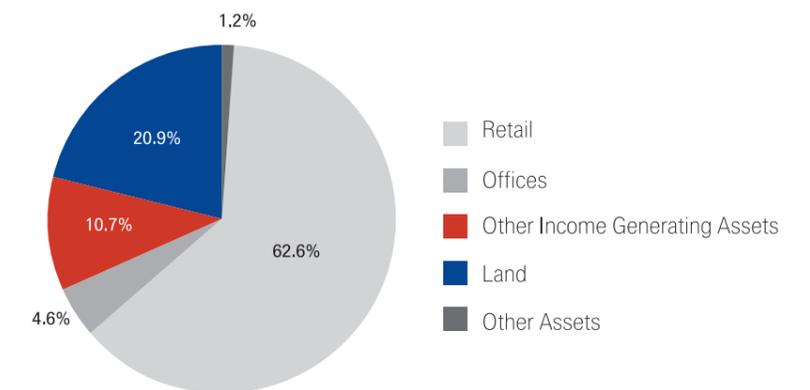
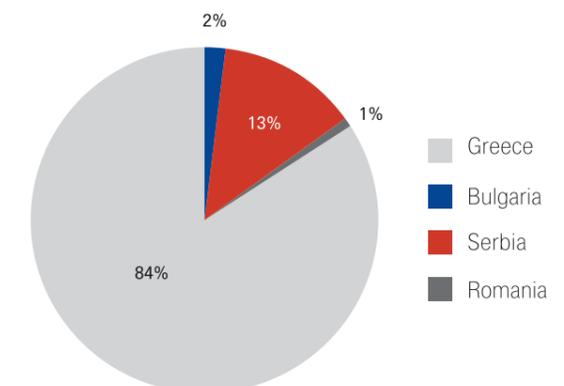
Consolidated Net Loss after tax and minority interest reached €28.6 million compared to €29.1 million in 2010. Net loss is attributed to the fair value losses from our investment portfolio (€37.7 million in 2011) as well as to the annual net interest expense of €20.6 million, a figure increased by €2.8 million due to higher interest rates.

Revaluation losses in our investment portfolio reached €37.7 million. The total fair market value of our shopping centers and offices dropped further by 4.5% given further increases in capitalization rates, a result of increasing sovereign cost of risk and the lack of investment interest. The valuation of the Group's investment property at fair market value by the chartered surveyors Savills Hellas has an average net initial yield of 8.1% for the commercial centres and 8.3% for office buildings. The impact on valuations would have been significantly larger if the property appraisers had not positively accounted

for the sustainability of recurring EBITDA and our strong market leadership.

As a result of the net loss and the market to market valuation loss in our minority shareholding in Eurobank Properties consolidated Net Asset Value dropped by 12% to €396 million, or €9.6 NAV/share.

Total investments in property reached €825.9 million on 31st of December 2011. The allocation of property investments, per type of property and per geographical location is illustrated below.

INVESTMENT PORTFOLIO
PER SECTORINVESTMENT PORTFOLIO
PER COUNTRY

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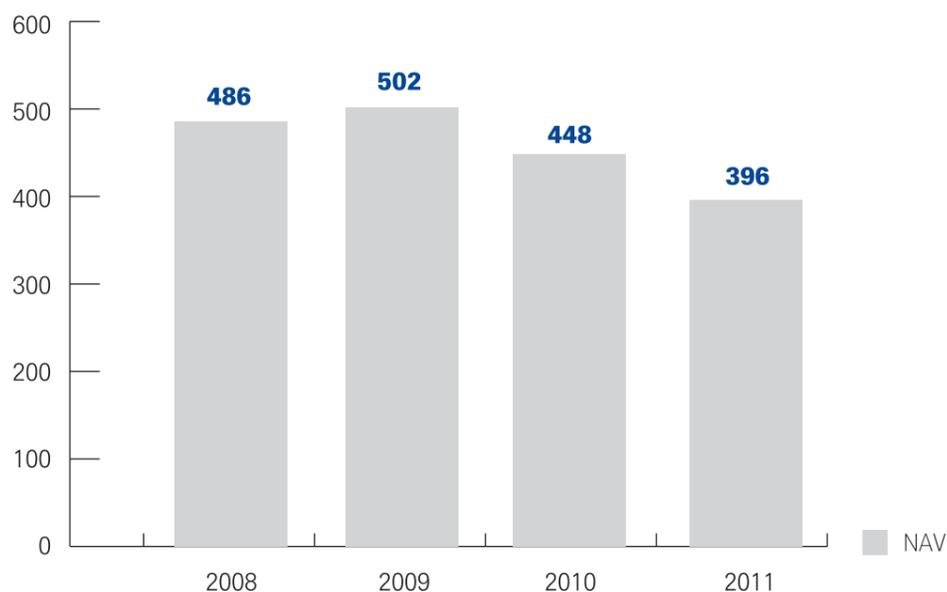
FINANCIAL PERFORMANCE

Loan to Value ratio stands at the healthy level of 51%. The Group maintains considerable liquidity of €130 million at the end of 2011, originating from own equity and bank loans in order to finance its development plan, but also to exploit potential investment opportunities, which may emerge in the near future as a result of the financial and economic crisis.

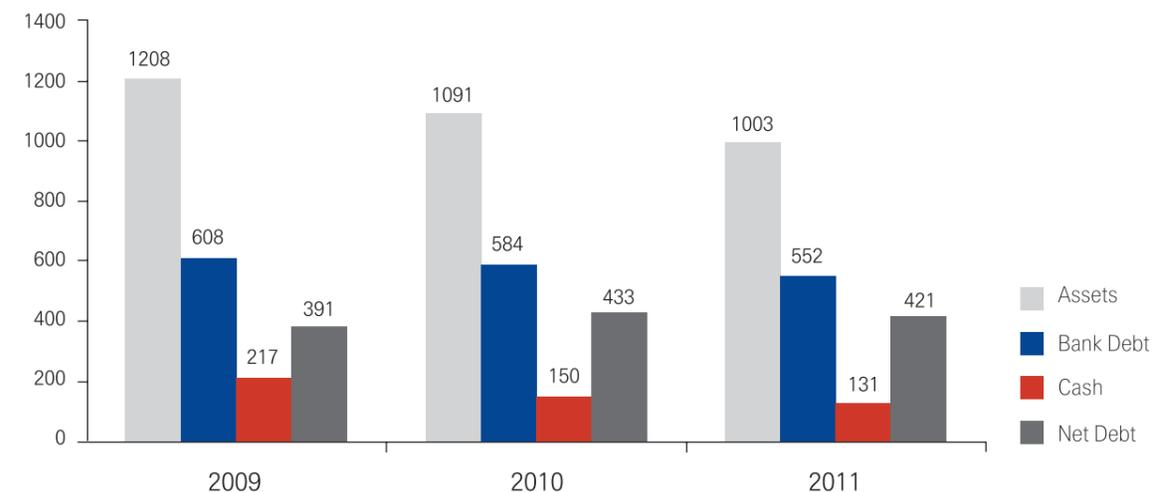
With regard to new real estate development activity we remain very cautious in view of the recessionary economic conditions in Greece but also in SE Europe where we hold our land banking assets. As stated in our strategy last year we would not contemplate to start construction activity without satisfactory percentage of pre-sale or pre-let agreements. New funds are allocated only to complete zoning and permitting requirements, primarily in Belgrade.

Net Asset Value				
(in € million)	2008	2009	2010	2011
NAV	486	502,0	448,0	396,0
NAV per share	11,50	12,30	10,90	9,60
% change		3%	-11%	-12%

NAV IN MILLION



Bank Debt and Total Assets				% Change	
(in € million)	2009	2010	2011	2010	2011
Assets	1.208	1.091	1.003	-10%	-8%
Bank Debt	608	584	552	-4%	-5%
Cash	217	150	131	-31%	-13%
Net Debt	391	433	421	11%	-3%



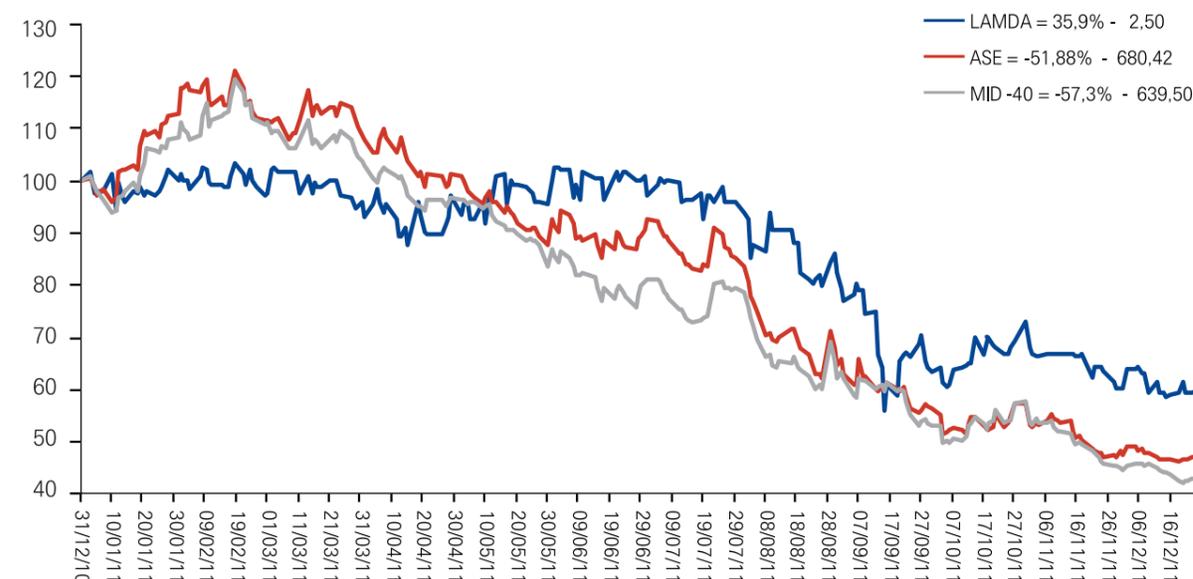
Share Performance

Our share price in 2011 had a negative return of 36%, which was in line with the poor performance of the Athens Exchange. The local stock market has crashed due to the fact that the economic crisis in Greece has deepened and the fact that the Greek economy is

still in deep recession for consecutive years. The free float of our stock stands at year end approximately at the level of 30%.

It should be noted that the share is part of the relevant ATHEX indexes and the

Pan-European index EPRA/NAREIT, which consists of the most important shares of European real estate listed companies, therefore reinforcing its awareness amid the international investment community.



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FINANCIAL
PERFORMANCE

Overview of FY 2011 IFRS Financials - Income Statement		
(in € million)	2010	2011
Revenue	82,6	81,8
Recurring ebitda	42,7	38,2
Fair value gains	-39,3	-37,7
Earnings before interest & taxes	-8,6	-10,3
Profit before income tax	-25,7	-30,2
Taxes	2,1	0,6
Profit after tax & minority interest	-29,1	-28,6

Overview of FY 2011 IFRS Financials - Balance Sheet			
(in € million)	2010	2011	Change %
Investment property	643,6	603,8	-6%
Property, plant and equipment	44,0	44,1	0%
Inventories	133,4	132,0	-1%
Cash and cash equivalents	150,3	131,3	-13%
Group equity	403,1	354,5	-12%
Short term borrowings	12,5	53,4	327%
Long term borrowings	571,0	498,8	-13%

Per Share Financial Data		
	2010	2011
Total number of shares outstanding at year's end	44.257.000	44.257.000
Financial data per share		
Profit after tax & minority interest	-0,71	-0,70
Net asset value (NAV)	10,90 €	9,60 €

Share Price Performance		
	2010	2011
Closing price at year end	3,91 €	2,50 €
Annual average price	4,49 €	3,35 €
Annual max price	7,78 €	4,03 €
Annual min price	3,40 €	2,10 €
Daily average number of shares traded	16.488	9.477

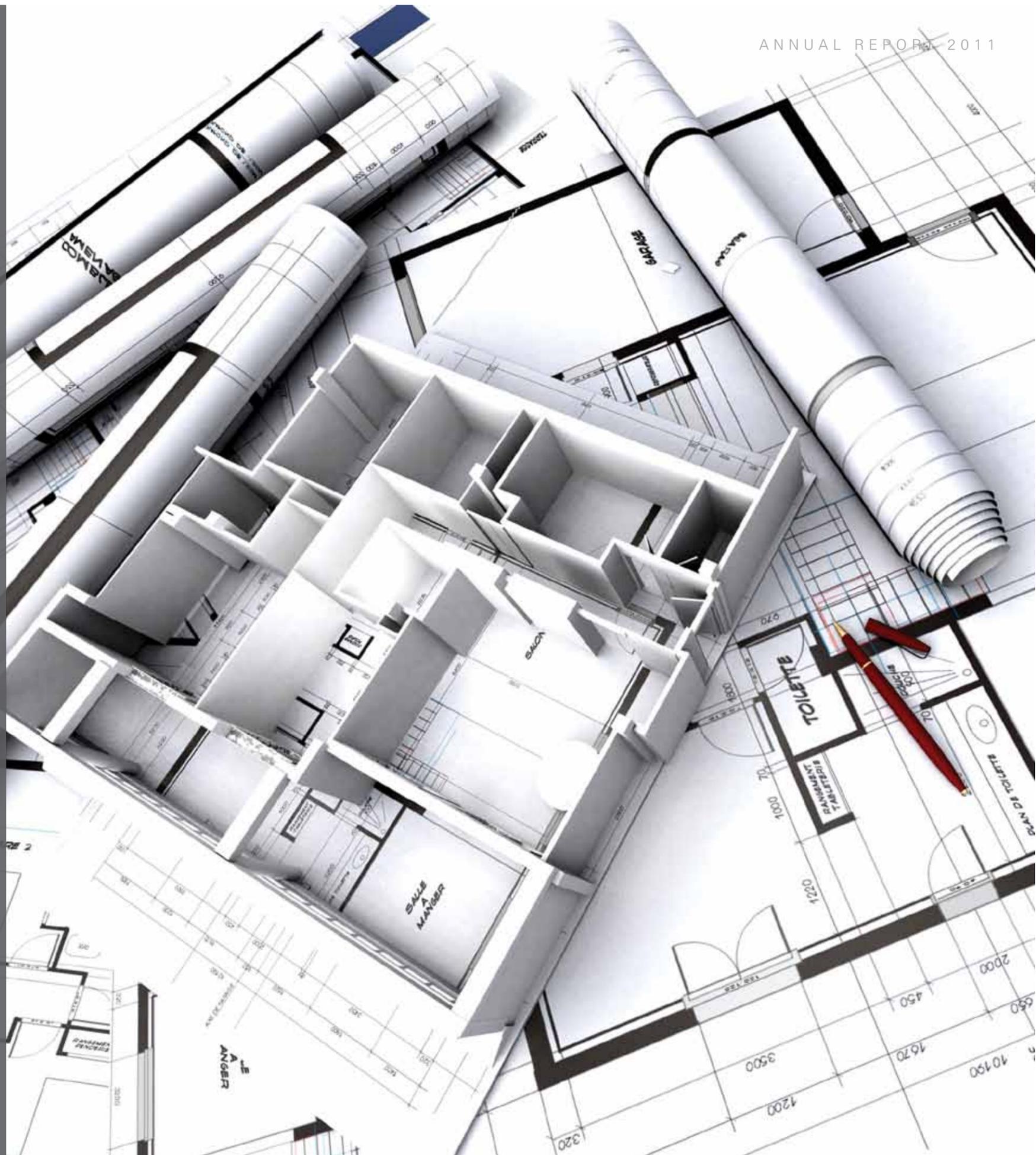
Participating in Indexes	
FTSE ASE MID-40	
ASE GENERAL INDEX	
EPRA/NAREIT EUROPE INDEX	
MSCI Greece Small Cap	
EPSI 50	
REUTERS QUOTE	LMDr.AT
BLOOMBERG QUOTE	LAMDA GA

Annual Change - Share performance			
(in € million)	31/12/2010	31/12/2011	Change %
LAMDA DEVELOPMENT	3,91 €	2,50 €	-36%
ASE XA	1.413,94	680,42	-52%
ASE MID 40	1.498,57	639,50	-57%

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INVESTMENT PORTFOLIO

- The Mall Athens
- Golden Hall
- Mediterranean Cosmos
- Flisvos Marina
- Other Investments



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INVESTMENT PORTFOLIO

THE MALL ATHENS

The Mall Athens, Greece's largest shopping and leisure centre began its operation in November 2005 and represents a milestone in Greek commercial reality, offering commercial and leisure facilities in 58.000 sq. m. of Gross Leasable Area (GLA).

The large number of shops, combined with the multiple dining and leisure areas, easy and well protected parking areas, full-scale management services as well as direct and easy access to major highway routes and public transport have made The Mall Athens the perfect destination for the whole family.

The Mall Athens is constantly organizing various events for the whole family, thus making the center one of the hottest spots in Athens for shopping and entertainment, offering a unique lifestyle experience to its consumers.

Due to its location, modern architectural design and support services, The Mall Athens offers customers easy, pleasant and safe visit so that they can choose what they want easily and effectively. The Mall Athens is built on five levels of commercial use and three levels of underground parking space. It comprises 195 stores, including the most significant Greek and international brands, and offers 25 restaurants and cafes, a state-of-the-art 15-screen cinema complex, a multitude of support services and approximately 2.065 parking spaces.

Recently, The Mall Athens launched with big success a new exhibition area on the 4th floor, expanding the entertainment areas and refreshing totally the 4th floor. The first exhibition hosted the Natural History Museum of London (Dino Jaws).

ECE-LAMDA Hellas, a specialist in the management of shopping centres, has undertaken the management of the centre.

The investment value of the commercial and leisure centre reached €320 million, while its current fair market value stands at €475 million.



all
in
The
Mall

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INVESTMENT
PORTFOLIO

This is considered to be one of the largest private real estate investments ever implemented in Greece. The Mall Athens hosted approximately 11.3 million visitors during 2011. In 2011, shopkeepers' turnover reached €300 million (including VAT), while rental and parking revenues amounted to €36 million. Operating profits for the shopping centre reached €31 million. The centre is fully leased, while demand from companies expressing interest in leasing space is particularly high. The investment has created approximately 2.500 new jobs.

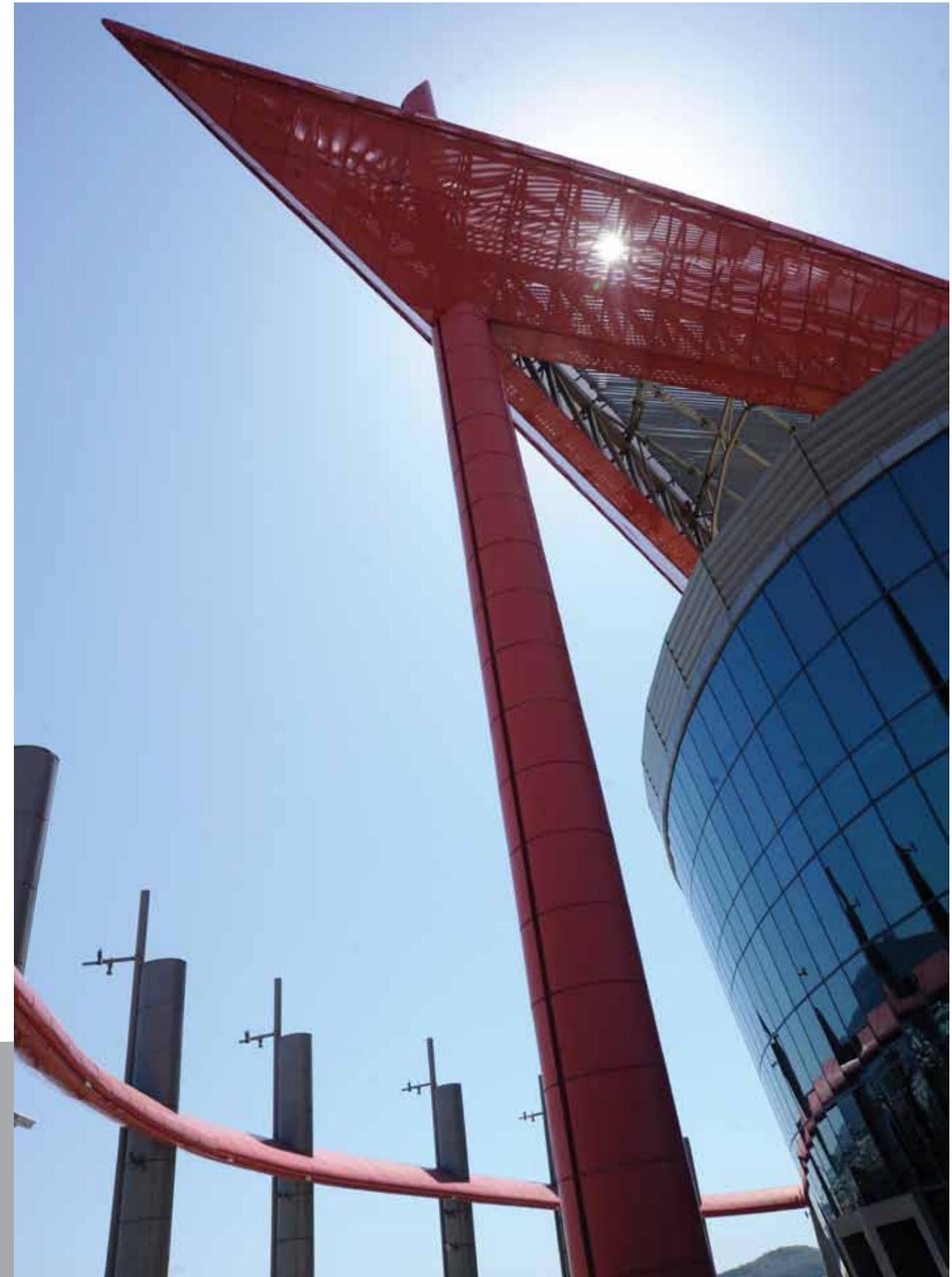
HSBC Property Investments Ltd has a 50%

share in LAMDA Olympia Village, owner of The Mall Athens.

With regard to The Mall Athens legal issues, please refer to the Annual Financial Report 2011, which is also uploaded on the company's website, www.lamda-development.net.

For more information about the shopping centre, please visit the website of The Mall Athens, www.themallathens.gr

The Mall Athens launched a new exhibition area on the 4th floor.



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INVESTMENT
PORTFOLIO

GOLDEN HALL

Golden Hall is ideally located on Kifissias avenue, close to the Athens Olympic Stadium and expands over three levels. Its 132 shops are occupying approximately 41.000 sq.m., while 1.400 parking lots are provided on two levels in order to facilitate visitors.

The first two levels of the shopping center host mainly shops of women's, men's, children's fashion and footwear, accessories, jewellery stores, home equipment and decoration, cosmetics, sportswear, hair salon, bookstores, etc, and while shopping, visitors can indulge a coffee and snack break among its 7 cafes. The third level has five restaurants offering visitors different gastronomic options of Greek and inter-

national cuisine as well as a playground for children and a fully equipped area for teenagers.

The most famous Greek brand names and the most renowned international ones - many of which are introduced for the first time to the Greek market through Golden Hall - have made the shopping centre the new point of reference for quality shopping in Greece, offering a new dynamic to the commer-

cial world. Furthermore, Golden Hall is becoming a cultural epicenter offering its visitors unique possibilities of recreation at no cost for them. The center has hosted art exhibitions with works of art by renown greek painters, daily shows from the National Theater of Greece and the Greek National Opera, as well as many other similar kind of activities that offer Golden Hall's visitor an enhanced experience.



— First of all —



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INVESTMENT
PORTFOLIO

The development cost for Golden Hall amounted to approximately €80 million, while its current commercial value approximates € 105 million. Shopkeepers' turnover reached €160 million (including VAT), while rental and parking income (including office complex) amounted to €20 million. Operating profits for the shopping center reached €8,2 million . The center center is almost fully leased.

ECE-LAMDA Hellas, a specialist in the management of shopping centres, has undertaken the management of the centre.

Golden Hall is top rated in European Level in the European Shopping Centre Awards (ICSC) and was awarded the first prize in its category.

With regard to Golden Hall legal issues, please refer to the Annual Financial Report 2011, which is also uploaded on the company's website, www.lamda-development.net.

For more information about the shopping centre, please visit the websites of Golden Hall, www.goldenhall.gr or www.mygoldenhall.gr

Golden Hall is top rated in European Level in the European Shopping Centre Awards (ICSC) and was awarded the first prize in its category.



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INVESTMENT PORTFOLIO

MEDITERRANEAN COSMOS

Mediterranean Cosmos in Thessaloniki, the largest commercial and leisure centre in northern Greece, began its operations in October 2005. The centre's most important advantages are the large number of shops, the diverse dining & leisure areas, the wide range of activities for all family members within the same venue, as well as the full-scale property management services provided by the centre.

Mediterranean Cosmos stands on a 250.000 sq.m. site owned by the Ecumenical Patriarchate and has been developed on two main levels of 46.000 sq.m. of Gross Leasable Area, which are served by a network of interior pedestrian pathways. The shopping centre offers approximately 3.000 parking spaces.

Mediterranean Cosmos is an everyday destination for everyone due to its

209 shops, 37 restaurants and cafes, super-markets, a cinema complex and a bowling room, a 400-seat open theatre, a playground, an Orthodox church, exemplary auxiliary services and a traditional Greek village.

The centre provides easy access from the city centre and surrounding areas, and is located within five minutes distance from the international airport and major highways.

LAMDA Development has 100% ownership of Mediterranean Cosmos and the full control of the management of the shopping center. The development cost of the centre reached €120 million, while its current fair market value stands at €175 million.



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INVESTMENT
PORTFOLIO

Following the acquisition, LAMDA Development has proceeded with its strategy to fully exploit the centre's potential along 3 axis:

1) Tenant mix optimisation; in 2011 approximately 33% of total GLA has been re-leased to major international and national brand names such as Attica Department Stores, H&M, Intersport, Golden I (Apple Premium Reseller) and many more. A total of 50 new brands have replaced old ones.

2) Major refurbishment of common areas; the works started in September 2011 and are estimated to reach a total

of €5 million when concluded.

Approximately 66% of works have been completed which, together with the new brands in place, have fully transformed the centre image and the customer's experience.

3) Revised Marketing Plan; by leveraging both on Lamda's extensive know how and the Centre's unique strengths such as its strong potential for a tourist pool.

Mediterranean Cosmos attracted 8,2 million visitors during 2011.

Shopkeepers' turnover amounted to €185 million (including VAT) and rental

income amounted to €20 million.

Operating profits for the commercial centre reached €14.6 million.

The centre has almost 100% occupancy and has created approximately 2,000 new jobs.

For more information about the shopping centre, please visit the website of Mediterranean Cosmos, www.medcosmos.gr.



Following the acquisition, LAMDA Development has proceeded with its strategy to fully exploit the centre's potential.



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INVESTMENT PORTFOLIO

FLISVOS MARINA



Just 6 km away from the centre of Athens, Flisvos Marina is Greece's first world class marina, catering to the needs of a large number of mega yachts, while offering possibilities for commercial use and venues open to the public. Similar development models have been successfully operating abroad for years.

LAMDA Flisvos Marina has undertaken the Marina's management and utilization for 40 years, aiming to transform it into a premier marina in the South-eastern Mediterranean.

The marine facilities in combination with mild development and a unique architectural style have contributed to the creation of a world-class marina that is expected to attract upscale tourism. After the recently completed north pier

works, Flisvos Marina offers a total of 303 berths spots, 50% of which accommodate mega yachts (boats and luxury yachts exceeding 30 meters in length). Berth occupancy reaches almost 75%.

The income from port services and property leasing amounts to €11.5 million, while EBITDA for 2011 amounts to €0.2 million. Regarding the land infrastructure, an area of 56.000 sq.m. has been upgraded, including 3.800 sq.m. of land-

scaped area where yacht owners and marina visitors can enjoy a diverse array of 37 units for shopping and leisure activities, such as restaurants, cafes, bars, leading brands and retail stores. This area is surrounded by 23.000 sq.m. of green, while more than 1000 trees were planted during its upgrade. Tenant occupancy in Flisvos Marina commercial areas reaches almost 100% with customer visits being particularly high.



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INVESTMENT
PORTFOLIO

Quality services, safety and environmental awareness are the main principles of the marina management aiming at a continuous and sustainable improvement. For the fifth running year the management of Flisvos Marina was awarded the "Blue Flag" ecolabel and the certification by Lloyd's Register Quality and Assurance Group for quality and environment management as per ISO 9001:2008 and ISO 14001:2004, making it Greece's first and only marina to hold both certifica-

tions. In 2011 Flisvos Marina was also awarded with 5 Gold Anchors, obtaining the highest rating at the Gold Anchor Award Scheme program of the British Marine Federation, as well as the distinction "Clean Marina" (Clean Marinas Programme) from the International Council of Marine Industry Associations (ICOMIA) after relevant evaluation.

With regard to Flisvos Marina legal issues, please refer to the Annual Financial Report 2011, which is also uploaded on

the company's website,
www.lamda-development.net

For more information about the Marina, please visit Flisvos Marina's website, www.flisvosmarina.com

Quality services, safety and environmental awareness are the main principles of the marina management.



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INVESTMENT PORTFOLIO

OTHER INVESTMENTS



Golden Hall Office Building

Office areas of the commercial and business complex Golden Hall cover a leasable area of approximately 4.500 sq.m. They are divided into two separate wings and expand over three floors. The top-quality office areas are fully leased. Rental income amounts to €1.4 million (the value of the office building is included in the total valuation of Golden Hall mixed use development).



Cecil Office Building

The historic former Cecil Hotel in Kifissia, owned by LAMDA Prime Properties, was converted in 2002 into a luxurious and highly-functional office complex offering 6.000 sq.m. of leasable space. The building currently hosts well-known and high-prestige companies such as I.M. Mailis, Laskaridis Group, Trade Link. The building is almost fully leased, while rental income reaches €1.4 million.



Kronos Business Centre

The Kronos Business Centre in Maroussi is an ultra-modern building offering 4.000 sq.m. of office and commercial space, large floor plates and comfortable offices. The office space is fully leased to two multinational companies: Procter & Gamble Hellas and Hyatt Regency. Rental income amounts to €0.7 million.



Exhibition and Convention Centre, Athens International Airport

LAMDA Development participates with 11.7% share in the Athens Metropolitan Expo share capital, which has undertaken, through concession agreement, to develop and operate the new Exhibition and Convention Centre that has been constructed on the Athens International Airport premises. The centre covers a total area of 50.000 sq.m. Total investment amounts approximately to €35.4 million.



Office Building in Romania

The office building is situated in a high-profile location, on the main highway that connects the centre of Bucharest with the airport. The total above ground area of the building is 4.700 sq.m, of which 333 sq.m. are dedicated to retail shops on the ground floor. In addition, 39 parking lots in two underground levels covering another 2.000 sq.m. The building's current fair market value is €10 million. The building is fully leased to Germanos Telecom Romania and generates approximately €1 million annual rental income.

Othonos Street Parking Area

LAMDA Estate Development owns approximately 1.055 sq.m. of underground parking space in the building at 8,Othonos Street. Annual rental income amounts to €1 million.

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INVESTMENT
PORTFOLIO**LAMDA Hellix**

LAMDA Hellix, is a LAMDA Development subsidiary in the "Wired Real Estate" sector. Awarded in 2012 as Best Workplace, in 2011 with the Best European Facilities Management award, in 2010 with the Best European Green Initiative Award and as Best Regional Data Centre Operator 2009 in Europe, LAMDA Hellix is the first, most successful and only certified in Greece, under ISO 9001:2008, Data Center Outsourcing & Integration services provider for the hosting of main or disaster recovery centres and points of presence of large private and public organizations as well as service providers in Greece and in South-Eastern Europe.

Through its world-class facilities and services, LAMDA Hellix enables organizations with mission critical applications to increase the security and the availability of their systems and services and reduce all operating and managerial costs while maintaining same autonomy and independence as with fully owned infrastructure. LAMDA Hellix provides Data Center Integration services, including design, development, installation, commissioning, operations and maintenance of third party Data Centres.

The company's client portfolio includes large organizations of the private and

public sector, as well as companies with mission critical operations from the Telecommunications and Internet sector. Indicatively its clientele includes:

- Banking & Financial Services: DIAS Inter-banking Systems, Hellenic Exchanges S.A., National Securities, EFG Eurobank, Piraeus Bank, Bank of Cyprus, BNP Paribas, Eurobank EFG Ukraine, Bulgarian Post Bank, Attica Bank, Western Union
- IT & Telecommunications: OTE Group, Vodafone, Wind, HOL, Forthnet, Cyta, Telefonica, Abovenet, Cosmote, Cogent
- Private Sector & Multinationals: Bull, Velti, Unisystems, PWC, Hellenic Petroleum, InternetQ, Performance, IP host, Thenamaris
- Government & Public Sector: Greek Research and Education Network, National Technical University of Athens, National Land Registry, Information Society, General Secretariat of Information Systems

During 2011, LAMDA Hellix's income and after tax earnings were at record high levels. More specifically revenues reached €7.8 million (42% growth), while EAT reached €1.1 million (81% growth). LAMDA Hellix's immediate investment plans include the develop-

ment of Athens II, a brand new High Density Green Data Center facility in Athens, but also geographical expansion in South Eastern Europe, either through the development of new Data Centers or through a combination of new developments and focused acquisitions. LAMDA Hellix aims to become a one-stop-shop for Neutral World-Class Data Center services in the area for Global Enterprises, Telecom providers, E-business organizations and the Public Sector.

For more information please visit the website of the company, www.lamdahellix.com.

During 2011, LAMDA Hellix's income and after tax earnings were at record high levels.



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PORTFOLIO UNDER
DEVELOPMENT

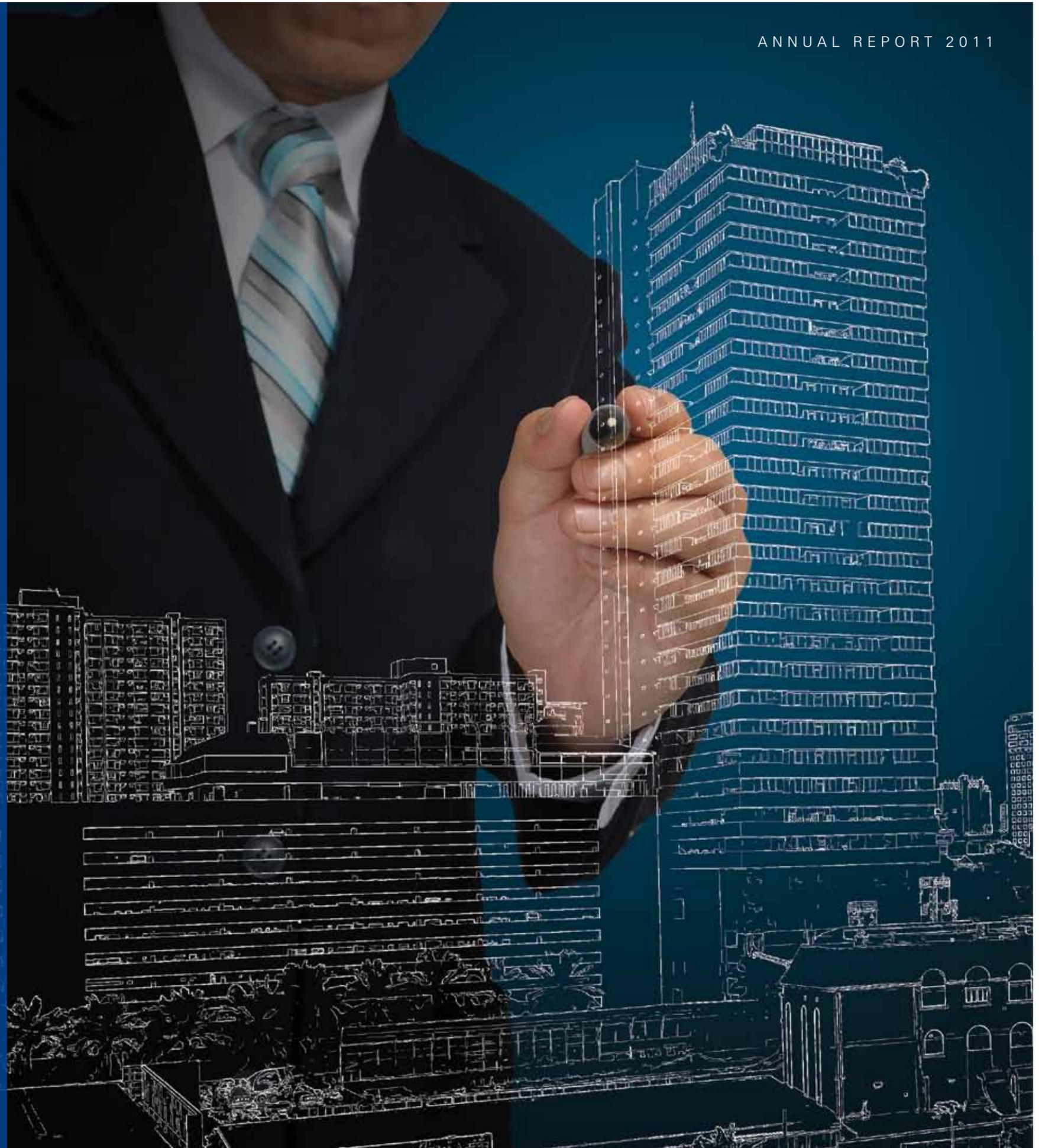
Greece

Serbia

Bulgaria

Romania

Montenegro



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PORTFOLIO UNDER
DEVELOPMENT

Greece



Island of Aegina

Spata Site

LAMDA Development, through its 100% subsidiary LAMDA Estate Development, owns an 85.000 sq.m. plot of land within Spata Business Park, at Voulia Prokalisi location, on Pikermi Avenue. Following the urban planning that has already been completed, the site has been divided into two plots, where developments covering 50.700 sq.m. are allowed to be built. The permitted land uses allow for the development of retail, office, leisure and entertainment uses. The company evaluates alternative options for the development of the land within the abovementioned framework.

Kato Kifissia Site

The company has a 50% stake in the share capital of LAMDA Akinita, which owns an 8.500 sq.m. plot of land in Viltanioti street, Kato Kifissia. The company is evaluating its potential development through construction of an office building offering more than 10.200 sq.m. of surface area.

Second Home Development, island of Aegina

LAMDA Development, through its 100% subsidiary GEAKAT S.A., holds a 116.000 sq.m. plot of land in the Perdika district of Aegina island. The permitted land uses allow 22.000 sq.m. of residential development.

Serbia

**Luxury Hotel Complex and Residences**

LAMDA Development S.A., acquired through its 100% subsidiary, Property Development DOO, a property covering 43.000 m² located in the centre of Belgrade, Serbia. The property, which was purchased through a State public tender, is adjacent to the historic main tourist attraction of the City, the "Kalemegdan" Castle, overlooking the junction of Sava and Danube Rivers. The entire area of the Castle and its surroundings is considered as "protected" by the Serbian Heritage Institutions and is being treated with most importance and sensitivity by State

Authorities and public sentiment. The property is less than one kilometre away from Belgrade's main "high street" retail pedestrian road (famous Knez Mihajlova). Therefore the site, literally being on the edge of the City Centre, enjoys relative seclusion, beautiful views over Kalemegdan Park and the rivers' intersection, while being a short walk to the main shopping street as well as the main entertainment street of Belgrade. The property used to belong to the former State textile company named BEKO which had its factory within the plot, an imposing high ceiling 5 story

building facing the Castle, which will be reconstructed to host the hotel. Total area of the project is expected to reach 100.000 m². LAMDA Development carried out the planning of the entire urban block and produced accordingly a Master Plan Urban Analysis of the immediate and wider surrounding urban context that resulted in the Concept Design for the Project. The project will consist primarily of high-end residential dwellings accompanied with a five-star branded hotel, a department store and offices.

**Residential Development – Belgrade Centre**

LAMDA Development DOO Beograd (100% subsidiary of LAMDA Development) owns a 3.000 sq.m. plot of land in the area of Vracar, Belgrade, an area considered as an upscale residential

area. On this plot, the company can develop a residential complex of 11.000 sq.m., for which relevant permits have been obtained.

Rezoning Project -Belgrade

Singidunum Buildings DOO Beograd (50% participating interest of LAMDA Development, RUDNAP group as partner) owns land of approximately 3.400.000 sq.m in the close surround-

ings of Belgrade, next to the airport and specifically in the area where the new ring road of the city is being constructed. It is expected that this investment will provide the company with considerable

capital gains due to the forthcoming change in land uses (General Urban Plan adopted) and relevant land exploitation.

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PORTFOLIO UNDER DEVELOPMENT

Bulgaria

**Commercial Development – Office Building – Ring Road**

GLS OOD (50% participating interest of LAMDA Development, GEK as partner) owns a 13.500 sq.m. plot of land in Sofia, and more specifically on the city's newly developed ring-road, where all permits for 24.000 sq.m. of commercial

and office space have been obtained. The recent widening of the ring road along with the new roundabout literally in front of the site is expected to boost commercial interest for the project.

Residential Development – South Sofia

LAMDA Development Sofia EOOD (100% subsidiary of LAMDA Development) owns a 15.000 sq.m. plot of land in Sofia, and more specifically in the area of Dragalevtzi where many upscale residential developments have been

constructed in the last years. On this site, the company examines the feasibility of upscale residences covering approximately 11.000 sq.m. The project is currently at the stage of architectural design.

**Office Building – Sofia CBD**

TIHI EOOD (100% subsidiary of LAMDA Development) owns a 6.300 sq.m. plot of land in the CBD of Sofia, with access to the City's two main highway routes just 1 km away from the City centre. On this site, an office building will be developed with retail areas on the ground floor, covering an area of approximately

30.000 sq.m., for which relevant building permit has been obtained. At this stage, all prospects of securing pre-lease agreements are being examined which will determine the building's final specifications and implementation time framework.



Romania

**Residential Development, Regimentului**

LAMDA Development Romania Srl (100% subsidiary of LAMDA Development) owns a 11.500 sq.m. plot of land in the northern part of Bucharest, overlooking the Baneasa forest where a number of upscale residential projects

have been developed. The residential complex will consist of approximately 28.000 sq.m. The project is presently in the phase of obtaining building permits.

Logistics Building

The site, land of 102.500 sq.m., owned by Robies Services Ltd (90% subsidiary of LAMDA Development) is on the 23rd kilometre of the Bucharest-Pitesti Highway, in West Bucharest where the majority of all new industrial / logistics

projects have been developed. All relevant permits have been obtained respectively for the development of a modern warehouse of 56.000 sq.m.



Montenegro

**Second Home Resort**

LAMDA Development Montenegro DOO (100% subsidiary of LAMDA Development) owns a 10.500 sq.m. plot of land in Budva, Montenegro, where the plan is to develop a luxurious secondary home resort scheme. The plot overlooks the fa-

mous Sveti Stefan Island, where recently Aman Resort opened a five star hotel. The project is presently at the stage of architectural design.

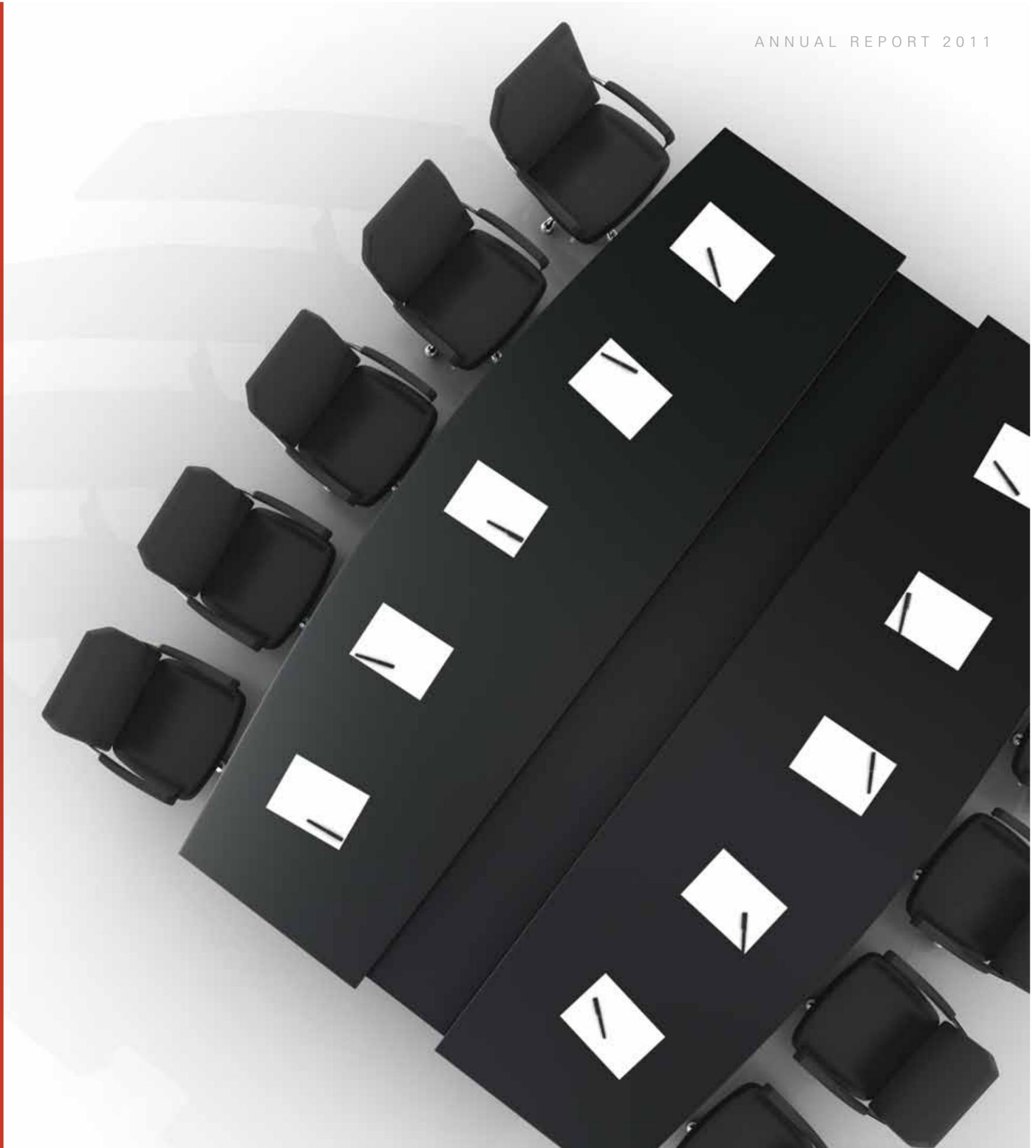
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**CORPORATE
GOVERNANCE**

The principles upon which the company's corporate governance is based are considered necessary by the Management of LAMDA Development, both for the control of the Management's decisions and actions, as well as for the protection of the company's shareholders and the general public.

LAMDA Development has applied corporate governance principles and processes since its inception, long before these were introduced to Greece, with Law 3016, based on internationally recognized criteria and regulatory frameworks, such as those applied by listed companies on international stock exchanges.

The Company, pursuant to Law 3873/2010 has enacted and implements a Corporate Governance Code, which is uploaded in its website, www.lamda-development.net.



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CORPORATE
GOVERNANCE**Board of Directors**

The Board of Directors is responsible for the company's management and strategic direction. The majority of the Board is composed of non-executive and independent members. More specifically, of the nine members of the Board, eight are non-executive, three of which are fully independent.

Internal Audit Committee

The Internal Audit Committee was formed upon the company's establishment and prior to the undertaking of any investment. The Audit Committee assist the Company's Board of Directors in its duties with regard to financial information, internal audit and monitoring of the ordinary audit.

The Audit Committee today consists of three members, Dr. Peter Kalantzis, Mr. Emmanuel Leonard Bussetil and Mr. George Gerardos.

The Audit Committee operates in accordance with a detailed Operating Regulation, which is uploaded on the Company's website, www.lamda-development.net.

Compensation & Nomination Committee

The Compensation & Nomination Committee assists the Board of Directors in all matters concerning:

- the general principles governing the management of the Company's human resources, and especially the policies on compensation, benefits and incentives for the Board of Directors' executive members and the executives and employees of the Company, in accordance with the market conditions and the economic context in general, and
- the empowerment of the company's administrative centres, thus the assurance of the effective management of the Company by identifying, presenting and nominating suitable candidates for the filling of vacancies in the

Board of Directors and approve the documented recommendations of CEO for hiring and promoting executives.

The Compensation & Nomination Committee today consists of three members Messrs. Fotios Antonatos, chairman, Achilles Constantakopoulos, member and Ulysses Kyriacopoulos, member. Mr. Evangelos Chronis is appointed a substitute member of the Chairman and Mr. George Gerardos a substitute member of the Committee.

The Compensation & Nomination Committee operates in accordance with a detailed Operating Regulation, which is uploaded on the Company's website www.lamda-development.net.

Risk Management Committee

Risk Management Committee aims to analyze, evaluate and manage all risks associated with the company's business activity in Greece and abroad. The committee submits its proposals to the Board of Directors.

Investment Committee

The Investment Committee is responsible for approving or rejecting any investment under review. For investments over €15 million per project or for a total commitment of annual investments over €100 million, the Committee submits a request for approval to the Board of Directors.

Internal Audit Department

Internal Audit at LAMDA Development is an independent, objective and consulting activity, which adds value to the company's systems and operations. It helps the organization to accomplish its objectives by applying a systematic and disciplined approach to evaluate

and improve the effectiveness of risk management, audit mechanisms and the corporate governance process.

In accordance with the principle of independence, the Internal Audit Service reports to the Internal Audit Committee. Responsibility for the internal audit function has been assumed by the Internal Audit Department (Mrs. Mary Papakonstantinou) and is supported selectively by external specialist consultants, as deemed necessary.

Investor Relations and Corporate Communications Department

Investor Relations and Corporate Communications Department provides shareholders with accurate information as well as other services as these are stipulated by Law and the company's Articles of Association. Mr. Alexandros Kokkidis is head of the department, which ensures that all institutional and non-institutional investors, securities companies, brokers and the media receive all necessary information in a responsible, efficient and timely manner.

Furthermore, the department is responsible for the communication with competent authorities (Athens Exchange and Hellenic Capital Market Commission).

The department is structured around the following services:

- Shareholder services
- Institutional investor and professional investment advisor relations
- Corporate communications
- Media relations and communication with social and regulatory bodies and other key authorities.

Board of Directors**Peter Kalantzis**

Chairman, non executive member

Dr. Peter Kalantzis obtained his master and doctorate degrees in Economics from the university of Basle, where he was also a Researcher. In 1971 he joined the Swiss multinational chemical company Lonza Ltd. (Basel) where he held until 1990 various managerial positions and became the company's Managing Director.

From 1991 until 2000 he was Executive Vice-President of Aluisse-Lonza Group Ltd. (Zurich), responsible for the Group's Chemical Activities as well as for the corporate development. In this capacity he guided the IPO of Lonza and the merger of Aluisse with Alcan. He remained until 2009 member of the Board of Directors of Lonza Group Ltd. He served for 9 years as Vice-President and President of the Swiss Chemical and Pharmaceutical Industry Association. In the period 2001-2003 he served as chairman of the board of Petrola Hellas Ltd.

Mr. Kalantzis is currently Chairman of Moevenpick Holding Ltd; Von Roll Holding Ltd and Clair AG. He is further, among other, member of the Board of Directors of CNH Global NV; SGS Ltd and Paneuropean Oil and Industrial Holdings Ltd.

Evangelos Chronis

Vice Chairman, non executive member

Mr. Evangelos Chronis studied shipping in London and worked closely with John S. Latsis for almost 30 years. Today, he serves as General Manager of the Latsis Group in Greece and as Chairman and Member of the BoD for a number of the

Latsis Group companies, as well as for non-profit and charitable organizations.

Odisseas Athanassiou

CEO - executive member

Mr. Odisseas Athanassiou has a long experience in senior administration positions in Greece and abroad. He has held the position of Financial Director, Greece at the cement company TITAN, the position of CFO Western Greece in Barilla in Paris and the position of CFO of Diageo Hellas responsible for the Greece and Turkey Hub. In the above mentioned companies he also served as member of the Board of Directors. During his 8 years career in the United States he worked for Ernst & Young and Emerson Electric. He holds a degree in Economics and Political sciences from the University of Athens and an MBA from the University of Texas in Austin. Mr. Athanassiou is vice chairman of Board of Directors of Eurobank Properties, a member of the General Council of SEV, member of the Board of Directors of SELPE, a founding member and member of the Board of Directors of Alliance for Greece.

Fotios Antonatos

Non-executive member

Mr. Fotios Antonatos is based in Geneva and maintains the position of General Counsellor of the Latsis Group. He is a Member of the Board of Directors of various subsidiaries of the EFG banking group in Switzerland and, in addition, has been a member of the management team of many Latsis Group companies for more than 20 years.

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CORPORATE
GOVERNANCE**Emmanuel Leonard Bussetil**

Non-executive member

Mr. Emmanuel Bussetil is the Financial Director of the Latsis Group and a Member of the Board of Directors of various subsidiaries of the EFG banking group, as well as a Member of the Board of Directors of PrivatAir Holding S.A. He is also a Member of the Institute of Chartered Accountants of England and Wales (ICAEW). Prior to his appointment as Head of the Latsis Group's Internal Audit Department, Mr. Bussetil worked for Pricewaterhouse. His collaboration with the Latsis Group began more than 25 years ago.

George Gerardos

Independent, non-executive member

Mr. George Gerardos graduated from the Athens College and he received his B.A. in Civil Engineering from the National Technical University of Athens. His entrepreneurial activities began in 1969, when he set up the first PLAISIO store on Stournari Street, Athens. Today, after 43 years of constant development and pioneering ideas, Mr. Gerardos is the President and CEO of PLAISIO Computers S.A, one of Europe's 500 fastest growing Businesses for the 8th consecutive year.

Theodora Zervou

Non-executive member

Dr. Theodora Zervou, attorney at law, member of the Athens Bar Association, has served as Legal Counsel to National Investment Bank for Industrial Development S.A. and EFG Eurobank Ergasias S.A., as of its establishment until May 2006, when she joined Latsis Group as Legal Counsel. As of today, she continues collaborating with Eurobank as a special Legal Counsel.

Ulysses Kyriacopoulos

Independent non-executive member

Mr. Kyriacopoulos has studied Mining Engineering at Montanuniversitaet Leoben in Austria and at the University of Newcastle-upon-Tyne in England. He holds a M.B.A. from the European Institute of Business Administration (INSEAD) in Fontainebleau, France. He is Chairman of the Board of S&B Industrial Minerals SA, Chairman of the board of Motodynamics SA, Chairman of the Board of IOBE (Foundation of Economic & Industrial Research) and Member of the Board of Lavipharm SA. Mr. Kyriacopoulos has served as Chairman of the Hellenic Federation of Enterprises, Vice President of BusinessEurope (ex UNICE). President of the Board of Directors of the Greek National Opera, Vice President of Hellenic Exchanges Holdings S.A. and Member of the General Council of the Bank of Greece.

Achilles V. Constantakopoulos

Independent, non-executive member

Mr. Achilles Constantakopoulos has graduated from Ecole Hoteliere de Lausanne. Since 1995 he is the Chairman & Managing Director of COSTATERRA S.A. (Investment and Real Estate Development), chairman of TEMES S.A. (Development and implementation of Costa Navarino), and Vice-Chairman of GEOHELLAS S.A. (Industrial Minerals). He is vice chairman of INVEST IN GREECE and member of the BoD of AEGEAN AIRLINES S.A., AMATHUS HELLAS S.A., CYBARCO HOLDINGS Ltd., CYBARCO SA., and EMPORIKI BANK S.A.

Our people

LAMDA Development acknowledges that its business success is based on the strength of its people. It aims at the creation of a working environment conducive to high development, by following strategies of attracting, developing and retaining human capital, while offering equal opportunities to everyone. The company conducts training programmes, in which all employees can participate, with the purpose of covering their specific training needs, facilitating their professional development and ensuring their effective response to the company's goals. LAMDA Development is interested in educating its employees, improving corporate internal communication and enhancing corporate culture. Within the framework of the benefits provided and the social policy implemented by the company, LAMDA Development offers its employees a series of financial and social benefits:

- Special stock option plan for its senior executives
- Performance-based bonus plan
- Health insurance and Pension plan
- Granting of interest-free loans to the personnel to help them cover serious urgent needs
- A Blood Bank for the company's employees and their relatives
- Events and celebrations for employees' children
- Rewarding excellent pupils/students
- Extra maternity leave days
- Extra educational leave days for master degrees' exams

Actions of Environmental and Social Awareness / New Projects

With each project, LAMDA Development strives to use environmentally-friendly materials and implement energy efficient construction methods and operation modes, contributing to the preservation of the environment, through its sustainable investments.

The company is in the process of introducing Tri-generation projects in an effort to improve the energy usage efficiency in all its Malls; hence benefiting from the process of electrical power generation to achieve major benefits in heating, air conditioning and at the same time reduce the buildings carbon footprint.

Since its establishment, LAMDA Development has always supported the efforts made by public welfare institutions and organizations, which aim to improve the living standards of our fellow citizens and help those in need. Indicatively, the company supports the work of organizations, such as Amimoni, Alma Zois, Elepap, Make a Wish, Special Olympics. LAMDA Development also supports the National Theatre. LAMDA Development was top awarded as corporate superbrand for 2011, and was nominated by ICAP as one of the Strongest Companies in Greece for 2011.

LAMDA Development (The Mall Athens, Golden Hall, Mediterranean Cosmos, Flisvos Marina) together with EFG Eurobank and EKO, launched in July 2011 a Co-branded credit card named YES VISA. This unique card bears a loyalty scheme offering cardholder the ability to benefit from his/her every day purchases, realized with YES Visa in Lamda Development's Shopping Centers.

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FINANCIAL
STATEMENT





LAMD A DEVELOPMENT S.A.

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.

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

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

FINANCIAL DATA AND INFORMATION FOR THE YEAR ended December 31, 2011
(in terms of article 135 of Law 2190, for companies publishing annual financial statements in accordance with IAS / IFRS)

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

COMPANY'S DATA
Supervising Authority:
Company's website:
Date of approval of the financial statements by the Board of Directors:
Name of the auditor:
Auditing firm:
Type of auditors report:

Board of Directors
Chairman of the Board:
Vice president:
Chief Executive Officer:
Members:

Ministry of Development (department of limited companies)
www.lamda-development.net
March 29, 2012
Sourbis Dimitris (SOE, Reg. No. 16891)
PricewaterhouseCoopers SA
Unqualified

Dr. Petros P.Kalantzis
Evaggelos I.Chronis
Odysseus E. Athanasiou
Fotios S. Antonatos
Emmanuel Leonard Bussetil
Georgios K. Geriatis
Theodora C.Zenvou
Ulysses P.Kyriacopoulos
Achilleas V.Konstantakopoulos

STATEMENT OF FINANCIAL POSITION (Amounts in € thousands)

	GROUP		COMPANY	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
ASSETS				
Investment property	603.804	643.580	1.840	1.840
Owner occupied property, plant and equipment	44.129	43.994	472	595
Intangible assets	4.169	4.309	-	-
Investments in subsidiaries and associates	4.669	4.414	220.869	219.921
Available-for-sale financial assets	34.268	53.586	34.268	53.586
Other non-current assets	7.442	8.564	84.851	81.300
Inventories	131.975	133.361	-	-
Trade and other receivables	40.873	49.258	22.603	23.270
Cash and cash equivalents	131.331	150.283	54.971	79.094
TOTAL ASSETS	1,002,659	1,091,348	419,875	459,606
EQUITY AND LIABILITIES				
Share capital	13.277	13.277	13.277	13.277
Share premium	223.187	223.187	223.187	223.187
Treasury shares	(16.244)	(15.732)	(16.244)	(15.732)
Other equity components	123.270	170.390	(16.114)	5.289
Total share capital and reserves (a)	343,490	391,122	204,105	226,021
Minority interests (b)	11.051	12.007	-	-
Total equity (c) = (a) + (b)	354,541	403,129	204,105	226,021
Long-term borrowings	498.794	571.037	184.625	220.000
Deferred tax liabilities	54.628	58.264	-	-
Provisions / Other non-current liabilities	8.120	7.280	1.429	1.442
Short-term borrowings	53.392	12.518	17.375	-
Other short-term liabilities	33.186	39.120	12.342	12.143
Total liabilities (d)	648,118	688,219	215,770	233,585
TOTAL EQUITY AND LIABILITIES (c) + (d)	1,002,659	1,091,348	419,875	459,606

STATEMENT OF COMPREHENSIVE INCOME (Amounts in € thousands)

	GROUP		COMPANY	
	1/1-31/12/2011	1/1-31/12/2010	1/1-31/12/2011	1/1-31/12/2010
Continuing operations				
Revenues from investment property	62.204	62.875	-	-
Revenues from services and other revenues	17.513	18.754	1.301	1.260
Sales of inventories	2.052	1.020	-	-
Fair value losses of investment property	(37,634)	(36,377)	-	-
Loss from sale of investment property	(327)	-	-	-
Minus: Direct to investment property expenses	(25.739)	(27.991)	-	-
Minus: Cost of inventory sales	(2.030)	(1.556)	-	-
Minus: Other expenses	(488)	(408)	-	-
Gross Revenue	15,551	16,315	1,301	1,260
Losses before interest and taxes	(13,764)	(13,052)	(7,804)	(8,500)
Profit / (loss) before income tax	(30,169)	(25,732)	(1,328)	4,821
Profit / (loss) after taxes (A)	(29,582)	(27,848)	(2,344)	3,375
Attributable to:				
- Owners of the Company	(28.587)	(29.075)	(2.344)	3.375
- Minority interest	(995)	1.228	-	-
Other comprehensive income / (loss) after tax (B)	(18,796)	(19,481)	(19,323)	(20,332)
Total other comprehensive income / (loss) after tax (A) + (B)	(48,378)	(47,329)	(21,667)	(16,957)
Attributable to:				
- Owners of the Company	(47.383)	(48.905)	(21.667)	(16.957)
- Minority interest	(995)	1.576	-	-
Earnings / (loss) per share from continuing operations (expressed in € per share)				
- Basic	(0,7029)	(0,7136)	(0,0576)	0,0828
- Diluted	(0,7029)	(0,7116)	(0,0576)	0,0826
Proposed dividend per share - (in €)	0,0000	0,0000	0,0000	0,0000
Earnings / (loss) before interest, taxes, depreciation and amortisation	(11,240)	(10,618)	(7,621)	(8,321)

STATEMENT OF CHANGES IN EQUITY (Amounts in € thousands)

	GROUP		COMPANY	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
Equity at the beginning of the year (1/1/2011 and 1/1/2010 respectively)	403,129	486,719	226,021	241,140
Total comprehensive income after tax (continuing operations)	(48.378)	(47.329)	(21.667)	(16.957)
Increase in subsidiaries' participations	39	-	-	-
Changes in participation to subsidiaries	-	(36.572)	-	-
Employees share option scheme	-	1.203	-	1.203
Reserves	263	-	263	-
Dividends approved by the shareholders	(1.527)	-	-	-
Purchase / sale of treasury shares	(512)	634	(512)	634
Equity at the end of the year (31/12/2011 and 31/12/2010 respectively)	354,541	403,129	204,105	226,021

ADDITIONAL DATA AND INFORMATION

1. The Company has been audited by tax authorities until the year 2008. For further information regarding the Company's and Group's unaudited fiscal years refer to note 35 of the annual financial statements for the period ended December 31, 2011.

2. The accounting principles adopted in the preparation and presentation of the annual financial statements are consistent with the same accounting principles adopted for the financial statements of the Company and the Group for the year ended December 31, 2010.

3. The Company Consolidated Lamda Holdings SA registered in Luxembourg participates in Company's share capital by 59.24% and therefore Group's financial statements are included in Consolidated Lamda Holdings SAs consolidated financial statements by the full consolidation method.

4. Companies included in the consolidated financial statements together with country of establishment, participation interest, directly and indirectly, and method of consolidation are presented in note 9 of the interim condensed financial statements.

5. During the period, Company proceeded in capital increase of its participation in 100% subsidiary LAMDA Development Netherlands BV, PROPERTY Development DOO, LAMDA Development DOO Beograd, GEAKAT SA, LAMDA DOMI SA, LAMDA Flovos Holding and LAMDA Development Sofia EOOD by €3.4m, €2.3m, €0.3m, €0.5m, €2.5m, €0.1m and €0.1m respectively. In the contrary, the Company's 100% subsidiary LAMDA Estate Development SA proceeded with share capital decrease by €8.1m. Also, the subsidiary LAMDA Development Vitosha EOOD and LAMDA Development South EOOD proceeded to dissolution and liquidation without any further loss / profit at Group level.

6. Real estate liens and pre-notices over assets amount to € 193.2m concerning guarantees for bank loans.

7. The number of employees at the end of the year was: Group 150, Company 63 (31/12/2010: Group 153, Company 72). There are no seasonal employees at the end of the period, the Company acquires 3,201.581 common treasury shares at an average price of € 5.07 per share, at an aggregate total value of €16.2m.

8. At the end of the period, the Company acquires 3,201.581 common treasury shares at an average price of € 5.07 per share, at an aggregate total value of €16.2m.

9. Other comprehensive income / (loss) after tax includes: a) Profit / (loss) for valuation of available-for-sale financial assets, at Company and Group level, €-19.4m (31/12/2010 €-19.8m) b) Cash flow hedges profit / (losses) after tax €554k (31/12/2010 €-529k) at Company level and

c) Foreign exchange differences €19k (31/12/2010 €316k)

10. i) There are neither cases under dispute, litigation, or arbitrations nor any court decisions that are likely to have a significant impact on the Company's financial statements ii) During the period ended December 31, 2011 a) No provision has been made regarding cases under dispute, litigation, arbitrations or court decisions b) The total amount of the accumulative provision made for the Group's and Company's audited by the tax authorities years amount to €1.4m and €0.7m respectively c) The other provisions that have been made accumulatively for the Group and the Company amount to €9.2m and €32k respectively and include provisions for customers' write-off and compensation of non received leases.

11. Intercompany transactions for the period ended December 31, 2011 and intercompany balances as at December 31, 2011, according to IAS 24 are as follows:

	GROUP	COMPANY
a) Revenues	9.174	1.150
b) Expenses	4.145	1.092
c) Dividend income	3.990	8.084
d) Receivables	3.009	90.088
e) Payables	77.842	45.085
f) Transactions and gross salaries of BoD members and management	378	378
g) Receivables from BoD members and management	-	-
h) Payables to BoD members and management	-	-
i) Cash at bank - related parties	48.917	29.016

Amounts in € thousand

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CASH FLOW STATEMENT (Amounts in € thousands) - Indirect Method

	GROUP		COMPANY	
	1/1-31/12/2011	1/1-31/12/2010	1/1-31/12/2011	1/1-31/12/2010
Cash flows from operating activities				
Profit / (losses) before taxes from continuing operations	(30.169)	(25.732)	(1.328)	4.821
Profit / (losses) before taxes from discontinued operations	-	-	-	-
Adjustments for:				
Fair value gains / (losses) of investment property	37.634	36.377	-	-
Depreciation	2.524	2.434	183	179
Provisions	1.759	6.996	(147)	27
Results (income, expenses, gains and losses) of investment operations	(3.917)	(5.157)	(8.084)	(10.793)
Finance costs - net	20.649	17.840	1.608	(2.660)
Other non-cash flow items	334	483	334	583
Changes in working capital:				
Increase in inventories	(1.935)	(870)	-	-
(Increase) / decrease in receivables	5.311	5.517	219	(352)
Increase / (decrease) in payables	(1.167)	(6.420)	706	(890)
Minus:				
Interest paid	(24.682)	(22.913)	(8.210)	(6.183)
Income tax paid	(3.823)	(13.287)	(766)	(8.259)
Cash flows from operating activities - net	2,518	(4,732)	(15,485)	(23,524)
Cash flows from investing activities				
Purchases of property, plant, equipment (PPE) and investment property	(3.986)	(3.575)	(61)	(123)
Proceeds from sale of PPE and investment property	6.603	5.533	8.084	10.740
Dividends received	3.990	4.513	2.969	3.895
Interest received	4.299	190	(114)	374
Proceeds from sale of participations	-	85	-	65
Purchases of participations	-	(38.386)	-	(745)
Increase / decrease in participations' share capital	-	-	(954)	(43.292)
Purchases of available-for-sale financial assets	(52)	(3.212)	(52)	(3.212)
Cash flows from / (to) investing activities - net	10,854	(34,853)	9,874	(32,299)
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	-	568	-	568
Purchase / sale of treasury shares	(512)	634	(512)	634
Costs of share capital increase	-	(9)	-	(9)
Increase in subsidiaries	39	-	-	-
Dividends paid	(915)	(910)	-	(8)
Capital repayments of finance leases	(30.936)	(25.538)	(18.000)	(15.000)
Repayments of borrowings	(32,324)	(26,790)	(18,512)	(13,815)
Cash flows from / (to) financing activities - net	(18,952)	(66,375)	(24,123)	(69,638)
Net decrease in cash and cash equivalents	150,283	216,658	79,094	148,732
Cash and cash equivalents at the beginning of year	131,331	150,283	54,971	79,094

Maroussi, March 29, 2012

CHAIRMAN OF THE BoD

VICE CHAIRMAN OF THE BoD

CHIEF EXECUTIVE OFFICER

FINANCIAL DIRECTOR

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