

2012 ANNUAL REPORT





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I. Letter to Shareholders



Dear Shareholders,

2012 was another very challenging year for LAMDA Development Group as we had to adopt appropriate strategies to deal with the effects of the ongoing and unprecedented economic crisis in Greece. Indeed we believe we were successful in managing our priorities, namely safeguarding the superior performance of our shopping centers compared to the market, securing an adequate liquidity position at group level, efficiently managing risks and cautious monitoring of investment opportunities.

Developments in 2012

In spite of the five year long economic depression and the severe negative developments in the retail market, 2012 performance can be deemed satisfactory compared to the overall market. EBITDA before the effect from fair value losses reached €24,2 million, a reduction of 21% from the previous year. In terms of retail recurring EBITDA which is our core business, the decrease was 16%, a result which demonstrates the resilience of our shopping centers performance and their widespread acceptance by a loyal customer base.

It is without doubt that our shopping centers continue, even more so than in the past, to be a very popular social destination for the consumer public. Occupancy remains close to 97% reflecting the satisfaction of existing tenants and demand from potential ones. We have placed great management effort in maintaining and promoting high visitor frequencies and procuring very supporting retail platforms to the totality of our tenants. The allocation of funds to well-targeted marketing and promotional activities has proven a quite successful strategy in terms of sustaining and increasing customer visits.

Shopkeepers' turnover in our three malls dropped by an aggregate 8% compared to an average of 20%-25% drop in the corresponding retail subsectors in Greece as a whole. More specifically, total tenant sales decreased only by 2,4% in the Mediterranean Cosmos and 10,7% in The Mall Athens, whereas shopkeepers' turnover in the Golden Hall decreased by 9% compared to the previous year. Annual aggregate shopkeeper sales in our three shopping centers approximate €600 million. These numbers reiterate the fact that we are still gaining share in the shrinking local retail market. Undoubtedly, the retail industry trend in favor of large retail centers has been further strengthened during the economic downturn. This is also evidenced by the relatively stable and comparatively impressive customer visits. Our low bad debt ratio of c. 1,5% on total revenues provides further proof of the continuing success of our retail model.

A most important development in 2012, consummated in February of 2013, was the acquisition of the use for 90 years of the IBC building from the Hellenic Republic Asset Development Fund, the first privatization that has been successfully executed by the Fund. The acquisition shall not only add value via the exploitation of the unused part of the building where Golden Hall is located - adds 14.000 sq.m. for entertainment and commercial use and 7.000 sq.m. underground parking, but shall also have a positive impact on Golden Hall customer visits and hence consumption levels. The savings from foregoing the annual rent, topped up by the additional revenues to be generated from the newly acquired part of the building and the resulting increased customer visits to Golden Hall, we believe shall more than justify the €81 million price paid.

To fortify our liquidity position and secure the necessary funds for the IBC acquisition in August 2012 we sold our total shareholding in Eurobank Properties for a consideration of €42.8 million, which incorporates a 12% premium versus the previous day closing price.

I. Letter to Shareholders

With regard to our other operating assets it should be noted that Flisvos Marina has been mostly affected by the Greek crisis, the step-up increase in the annual concession rent paid to the Greek State 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 €1.2 million and €1.4 million respectively. 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 in Greece to offer services to mega yachts for about half of the total berthing capacity. Furthermore, the very pleasant land commercial facilities attract an increasing number of visitors rendering the marina a very popular social destination point.

These advantages of Flisvos Marina have been recognized by the prestigious conglomerate Dogus Group of companies from neighboring Turkey. To this effect we established a 50%-50% joint venture to hold the shares of Flisvos Holding Co with D-Marine Investments Holding BV. The aim is to secure a strong partner in Flisvos and also to enable us to actively pursue potential investments that may arise from the privatization process that is being deployed by HRADF or other opportunities in tourist marinas in Greece. Furthermore, other opportunities in tourism and real estate projects in Greece may also be exploited together.

Our office buildings have managed to sustain their recurring profitability and have contributed €1,9 mil. In addition, our subsidiary LAMDA Hellix, the leading neutral mission critical facility operator has continued its strong performance in terms of cash generation and profitability.

On the cost side it should also be underlined that we managed to further decrease overheads by another 3% in 2012, continuing the significant overheads cost containment that has taken place in the later years.

On the negative side, revaluation losses in our property portfolio reached €71 million. The total fair market value of our shopping centers and offices dropped further by 8% 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 €91.9 million compared to a net loss of € 28,6 million in 2011, due to property revaluation losses and the once-off accounting treatment (as per IAS 39) of the Eurobank Properties shareholding net cumulative impairment. Consolidated Net Asset Value dropped by 15% to €337 million, or €8.3 NAV/share.

We continue to have a positive liquidity position as the group cash position amounted to €116 million at the end of the year (before the IBC acquisition that took place in February 2013) and reiterate our cautious approach in cash flow planning. Debt has been reduced by over 50 million, total interest rate cost approximates the healthy level of 4%, loan to value ratio stands at 53% and major loan repayments do not take place before mid-2014.

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 within norms. As stated in our strategy for the BEKO project last year, we shall not contemplate to start construction activity without first attracting partnership(s) with appropriate know how and financial capacity.

The company's common stock in the Athens Exchange continues to trade at a deep discount to NAV (c.45%) We believe that such large discount to NAV is an exaggeration and that it solely reflects the grim sovereign risk situation and not the fundamentals of our company. During 2012 we also continued, albeit at a slower pace, our share buyback program. Total treasury stock reached 7.9% of total common stock at an average cost of €4.85/share.

Going Forward

Despite the deep recession in the Greek economy for the sixth 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.

Safeguarding our 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 in Belgrade, we shall continue to focus on actions to expedite detailed planning permissions, finalize business plans and seek appropriate partnerships to alleviate our capital cost.

Our core strategy shall continue to focus on the retail real estate sector. We shall also monitor opportunities in the tourist and second home residential sectors 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. We are the only Greek company that has already advanced to the second phase / in the selection process for the mega project of Elliniko (the old airport area in Athens) as we are seeking to play an important role and pursue the opportunities offered in retail real estate developments and the marina of Agios Kosmas. We have also been preselected for the tourist resort residential project in Afandou beach in Rhodes and the tender for the Astir Palace in Vouliagmeni, Athens.

I. Letter to Shareholders

Dear Shareholders,

Despite the well-known market difficulties that most of us face in the region we shall continue our great efforts and are optimistic that Greece shall overcome this overwhelming economic crisis and we shall finally 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 would also like to take this opportunity to thank our employees for their hard work, commitment 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



II. Financial Performance

Group EBITDA before fair value losses reached €24,2 million compared to €30,6 million in 2011, a financial performance that is deemed quite an achievement given the continuing deep recession status of the Greek economy. Quality of rental income continues at highly acceptable levels (bad debt reserves at 1,5%), while our shopping centres continue to operate at very near full occupancy status: 97% average occupancy at the end of 2012. 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% compared to an average of 20%- 30% drop in the corresponding retail subsectors in Greece as a whole. Rents remain at contractual levels, including annual CPI and other adjustments, but we have taken up the majority of the common charges in order to provide temporary support to our tenants.

II. Financial Performance

More specifically, in Mediterranean Cosmos, in Thessaloniki shopkeepers' turnover dropped only by 2,4%, customer visits dropped by 4% and recurring profitability posted a decrease of 8,2%. 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 ATTICA, INTERSPORT, H&M and APPLE, among others. In addition, the second phase of architectural and aesthetic improvement of Mediterranean Cosmos has been completed, an investment that reiterates our long-term commitment to support our Shopping Centers. Occupancy has surpassed 98%.

In relation to the overall market, the operational performance of The Mall Athens has been quite satisfactory given that despite the crisis, recurring profitability posted a decrease of 12,8% while shopkeepers' turnover decreased by 10,7%. It is very encouraging that the Shopping Center displays high occupancy rate (97%) while customer visits remain at last year's level.

Shopkeepers' turnover in Golden Hall for the same period decreased by 9%, while recurring profitability dropped by 36%. It should be noted that customer visits posted an increase of 1% and occupancy remains very satisfactory at 97%. A most important development in 2012, consummated in February of 2013, was the acquisition of the use for 90 years of the IBC building, where the Golden Hall is located, from the Hellenic Republic Asset Development Fund. The acquisition shall not only add value via the exploitation of the unused part of the building adding 14.000 sq.m. for commercial and retail use and 7.000 sq.m. underground parking but shall also have a positive impact on Golden Hall customer visits and hence net operating income.

Our office buildings also enjoy high occupancy levels (average occupancy at 93%) and a positive contribution to the Group recurring profitability by nearly €1.9 million.

Flisvos Marina has been certainly affected by the economic recession and posted recurring profitability of €0.4 million 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.

It must be noted that in December 2012 LAMDA Development SA and D-Marine Investments Holding BV, member of Dogus Group, established a strategic cooperation agreement that was initiated with a formation of a 50%-50% joint venture. In this respect, LAMDA Development will contribute to the Joint Venture Company the shares it holds in LAMDA Flisvos Holding SA and Dogus will participate in a share capital increase with an equal amount in cash. The Parties have also agreed that the aggregate value of the transaction will be finally determined (and potentially adjusted) using a formula which takes into account 7 X EBITDA of Flisvos Marina minus financial debt, depending on Flisvos Marina Company performance in years 2015 and 2016. Initial goal is to invest in touristic marina projects; nevertheless both companies expressed their intention to extend their cooperation to other projects in tourism and real estate.

As far as our shareholding stake in Eurobank Properties is concerned, on 21/08/2012 LAMDA Development sold it to Fairfax Financial Holdings Limited, namely a total of 9.017.987 shares at a selling price of €4,75, which represents a 12% premium compared to the previous day closing price. The proceeds from this sale were used to partially finance the acquisition of IBC building usufruct at the price of €81 million and support other opportunities that may arise in the future as a result of the privatization process initiated by the Greek State.

Furthermore, Group overheads were 3% lower as a result of our on-going cost cutting effort and our focus on expenses management.



II. Financial Performance

Recurring EBITDA from Investment Assets			
(€ million)	2011	2012	% change
The Mall Athens	15,2	13,3	-12,8%
Mediterranean Cosmos	14,6	13,4	-8,2%
Golden Hall	8,2	5,2	-36,6%
Office Buildings-Flisvos Marina	3,6	2,3	-36,1%
Dividends and Participations	6,9	6,6	-4,3%
Overheads	-10,3	-10,0	-2,9%
Total	38,2	30,8	-19,5%

The consolidated turnover of LAMDA Development Group during 2012 decreased slightly by 4.4%, reaching €78.2 million, compared to €81.8 million in 2011.

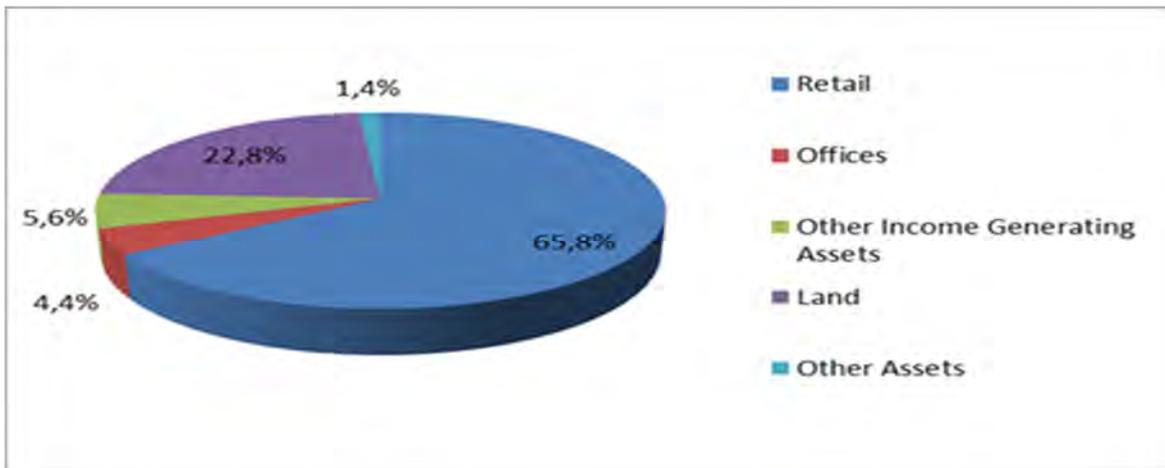
Consolidated Net Loss after tax and minority interest reached €91.9 million compared to €28.6 million in 2011. Net loss is attributed to the fair value losses from our investment portfolio (€71 million in 2012) as well as to the one-off accounting treatment of the sale of our shareholding in Eurobank Properties. To be more precise, as per IAS 39, a net cumulative impairment of €35.7 million was booked. It must be noted that subject impairment was previously reflected in the Group's equity account in the previous years for the same amount.

As mentioned above, revaluation losses in our investment portfolio reached €71 million. The total fair market value of our shopping centers and offices dropped further by 8% 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 8.3% for the commercial centres and 9.1% for office buildings. The impact on valuations would have been larger if the property appraisers had not positively accounted for the sustainability of recurring EBITDA and our strong market leadership.

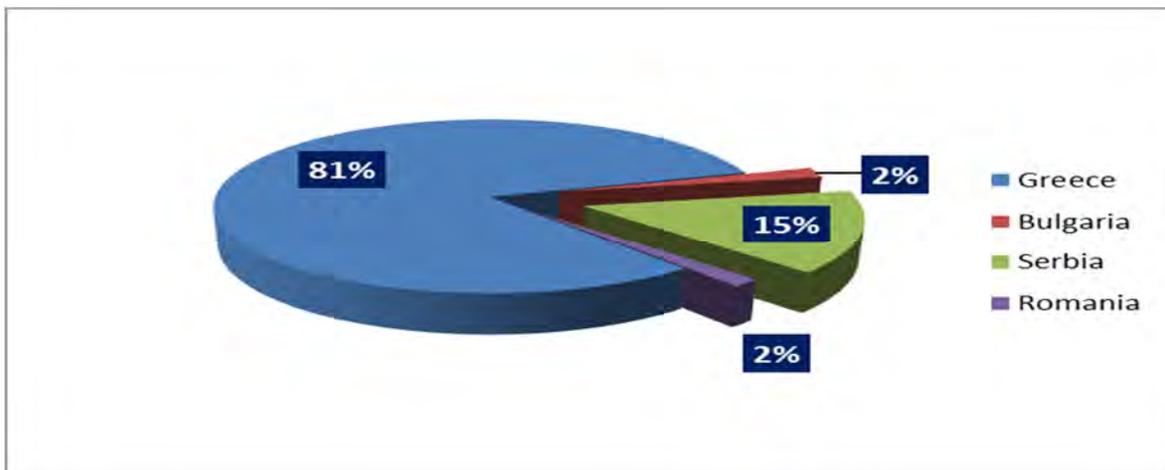
As a result, Net Asset Value dropped by 15% to €337 million, or €8.3 NAV/share.

Total investments in property reached €727 million on 31st of December 2012. The allocation of property investments, per type of property and per geographical location is illustrated below.

Investment Portfolio per Sector



Investment Portfolio per Country

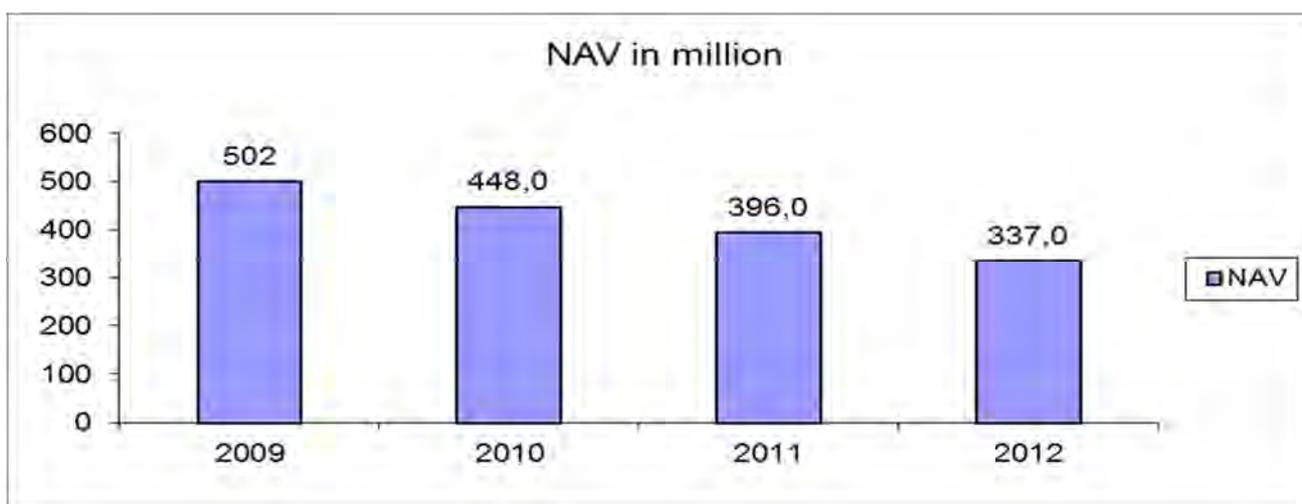


Loan to Value ratio stands at the healthy level of 53%. Before the acquisition of IBC usufruct in February 2013, the Group maintained adequate liquidity of €116 million.

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. Our primary interest lays in the two major development projects in Belgrade. In addition we will actively pursue appropriate development opportunities in retail real estate and tourist resort opportunities in Greece offered by the Hellenic Republic Asset Development Fund privatization process, while further pursuing international and local corporate strategic alliances.

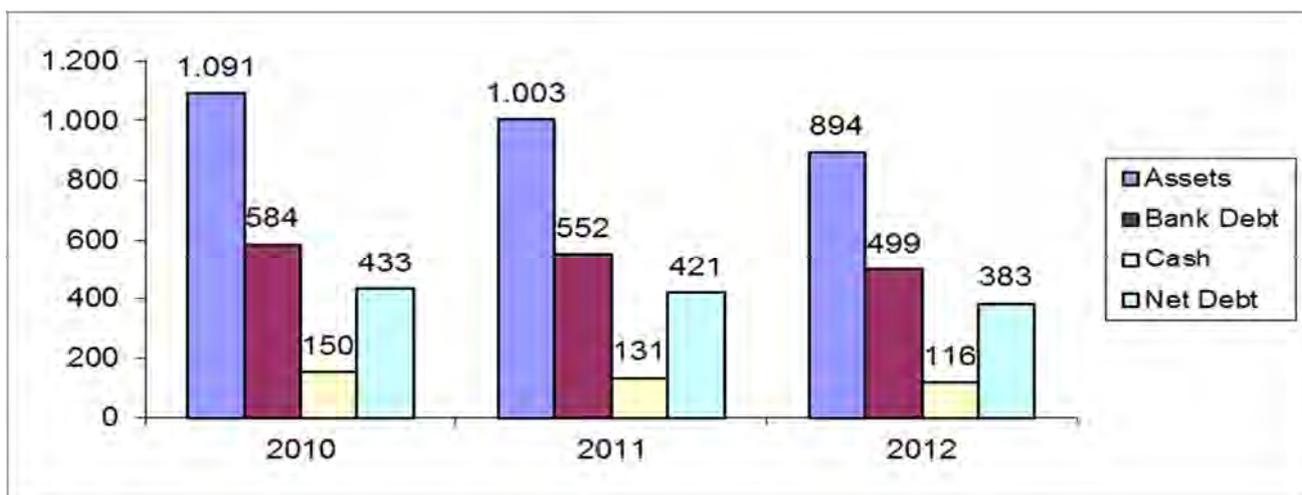
Net Asset Value (in € million)

	2009	2010	2011	2012
NAV	502	448,0	396,0	337,0
NAV per share	12,3	10,9	9,6	8,3
% change		-11%	-12%	-15%



Bank Debt and Total Assets (in € million) % Change

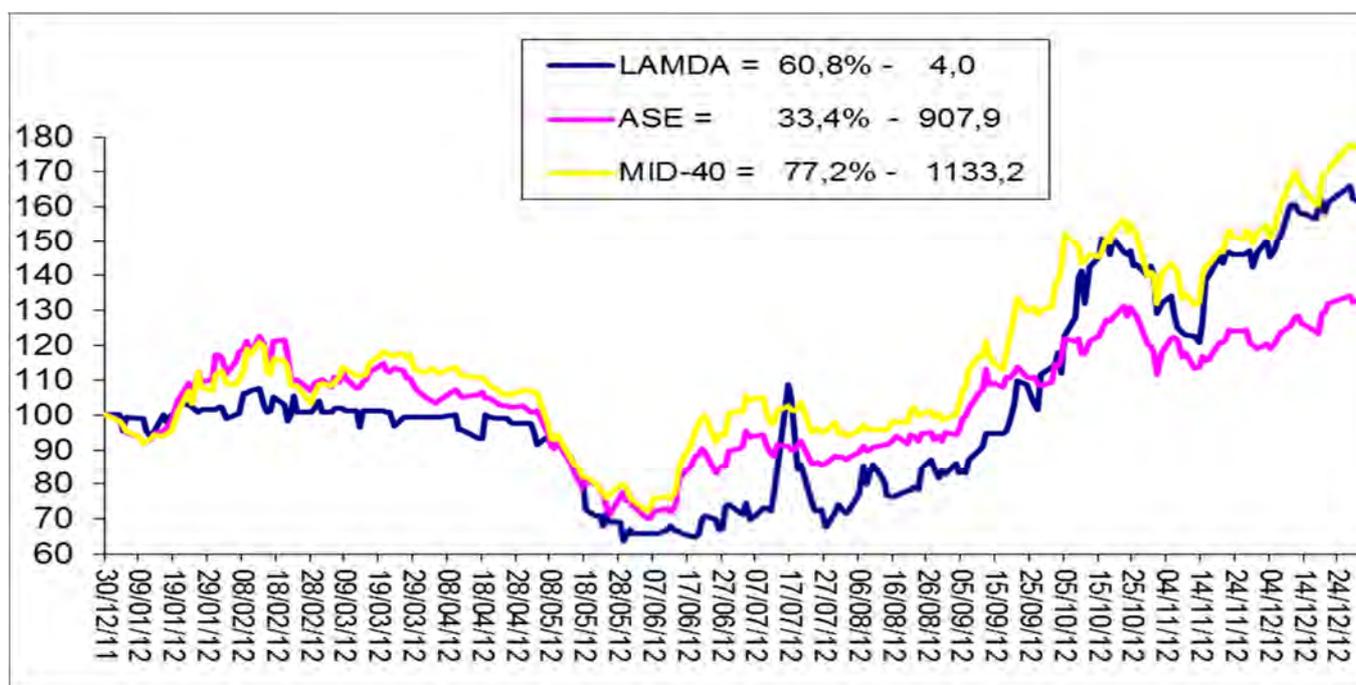
	2010	2011	2012	2011	2012
Assets	1.091	1.003	894	-8%	-11%
Bank Debt	584	552	499	-5%	-10%
Cash	150	131	116	-13%	-11%
Net Debt	433	421	383	-3%	-9%



Share Performance

Our share price in 2012 had a positive return of 61%, which outperformed the Athens Exchange general index (c. 33%). The local stock market had shown signs of recovery as a result of the stabilization in the local political scene following elections in May and June 2012 and the rescue package deployed by the TROIKA. Nevertheless, the financial crisis in Greece has deepened and the economy remains in deep recession. The free float of our stock stands at year end approximately at the level of 30%.

It should be noted that the stock 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.



OVERVIEW OF FY 2012 IFRS FINANCIALS - INCOME STATEMENT

(€ million)	2011	2012
REVENUE	81,8	78,2
Recurring EBITDA	38,2	30,8
Fair value gains	-37,7	-71,0
EARNINGS BEFORE INTEREST & TAXES (i)	-10,3	-85,8
PROFIT BEFORE INCOME TAX	-30,2	-106,2
TAXES	0,6	8,0
PROFIT AFTER TAX & MINORITY INTEREST	-28,6	-91,9

OVERVIEW OF FY 2012 IFRS FINANCIALS - BALANCE SHEET

(€ million)	2011	2012	CHANGE %
INVESTMENT PROPERTY	603,8	550,9	-9%
PROPERTY, PLANT AND EQUIPMENT	44,1	38,9	-12%
INVENTORIES	132,0	130,2	-1%
CASH AND CASH EQUIVALENTS	131,3	116,4	-11%
GROUP EQUITY	354,5	300,8	-15%
SHORT TERM BORROWINGS	53,4	72,0	35%
LONG TERM BORROWINGS	498,8	427,1	-14%

PER SHARE FINANCIAL DATA

	2011	2012
TOTAL NUMBER OF SHARES OUTSTANDING AT YEAR'S END	44.257.000	44.267.700
Financial Data per share		
PROFIT AFTER TAX & MINORITY INTEREST	-0,70	-2,28
NET ASSET VALUE (NAV)	9,60 €	8,30 €

SHARE PRICE PERFORMANCE

	2011	2012
CLOSING PRICE AT YEAR END	2,50 €	4,02 €
ANNUAL AVERAGE PRICE	3,35 €	2,56 €
ANNUAL MAX PRICE	4,03 €	4,15 €
ANNUAL MIN PRICE	2,10 €	1,59 €
DAILY AVERAGE NUMBER OF SHARES TRADED	9.477	10.268

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

	31/12/2011	31/12/2012	CHANGE%
LAMDA DEVELOPMENT	2,5 €	4,0 €	61%
ASE XA	680,4	907,9	33%
ASE MID 40	639,5	1.133,2	77%

III. Investment Portfolio

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





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 2,065 parking spaces.

III. Investment Portfolio



The investment value of the commercial and leisure centre was €320 million, while its current fair market value stands at €435 million. This is considered to be one of the largest private real estate investments ever implemented in Greece. The Mall Athens hosted over 11 million visitors during 2012. In 2012, shopkeepers' turnover reached €270 million (including VAT), while rental and parking revenues amounted to €36 million. Operating profits for the shopping centre reached €26,6 million. The centre is almost fully leased, while demand from companies expressing interest in leasing space is still particularly high. The investment has created approximately 2,500 new jobs.

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

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 2012, 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.





Golden Hall

Golden Hall is ideally located on Kifissias avenue, close to the Athens Olympic Stadium and expands over three levels. It hosts 132 shops that occupy approximately 41,000 sq.m., while a two storey parking area with 1,400 spots facilitates visitors.



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



III. Investment Portfolio



In 2013 following a public tender Lamda Development acquired the entire former International Broadcasting Centre (IBC) for a period of 90 years; this acquisition will allow for an additional development of approximately 14.000m² GLA for the Shopping Center and 250 parking spots. The new development will enhance the existing tenant and product mix, with emphasis given to entertainment, and will result to transforming Golden Hall into the top market destination.

The original development cost for Golden Hall amounted to approximately €80 million, while its current commercial value approximates € 101 million. Shopkeepers' turnover reached €147 million (including VAT), while rental and parking income (including office complex) amounted to €20 million. Operating profits for the shopping center reached €5,2 million. The center is almost fully leased.

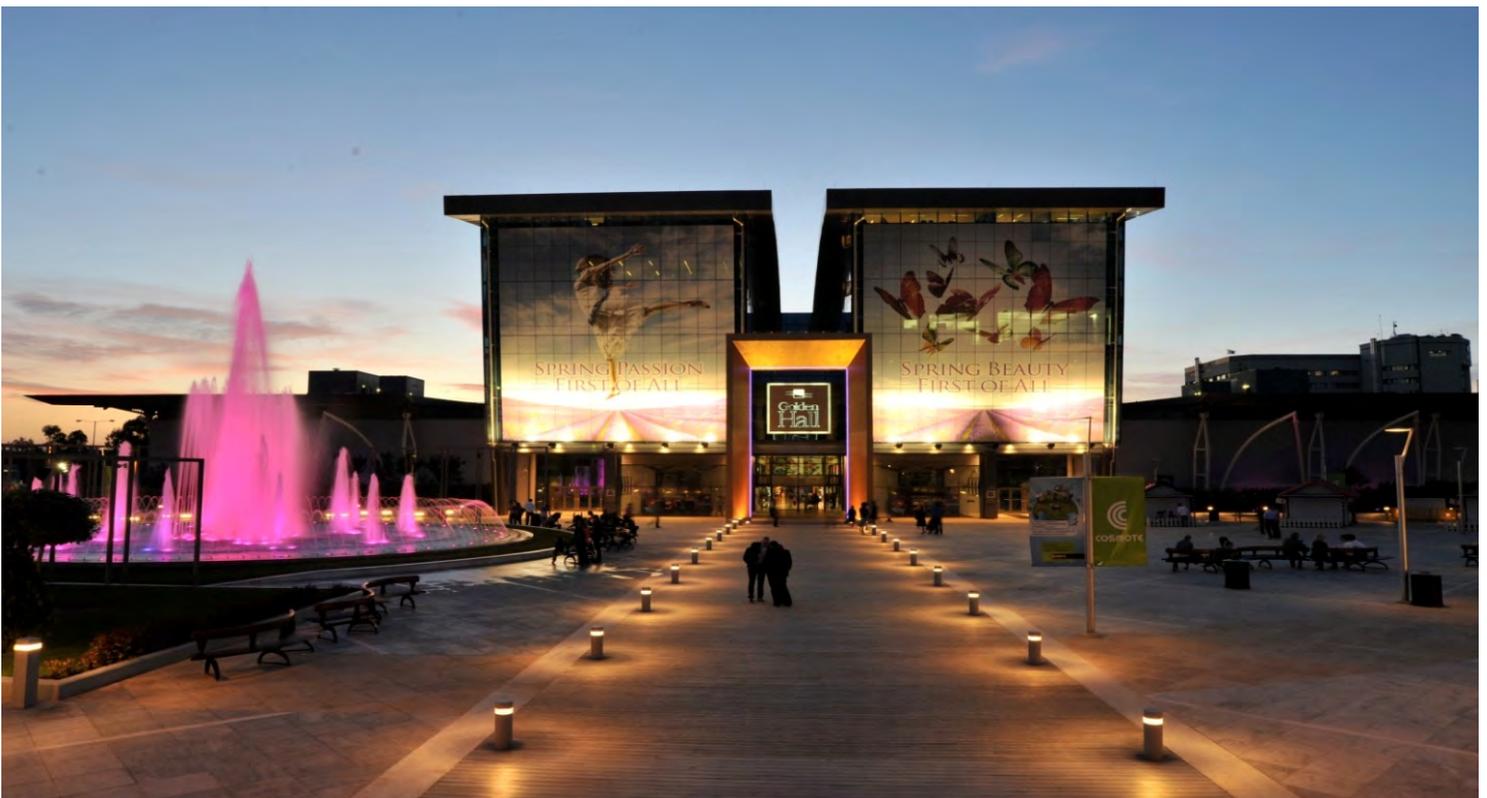
Golden Hall is top rated in European Level in the European Shopping Centre Awards (ICSC) and was awarded the first prize in his category.

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



With regard to Golden Hall's legal issues, please refer to the Annual Financial Report 2012, 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.





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-market, 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 centre while its current fair market value stands a €161 million.

III. Investment Portfolio



LAMDA Development continues to develop a strategy of fully exploiting the centre's potential along 3 axis:

- 1) Continuous Tenant mix improvement; following a very significant tenant mix change of 50 new brands during 2011, in 2012 approximately 10% (8.2%) of total GLA has been re-leased to major international and national brand names such as Guy Laroche Home, Triumph, Nautica, Lacoste, Alouette, and many more. A total of 24 new brands have replaced old ones.
- 2) Completion of the major refurbishment of the common areas of the first level of the shopping centre as well as the upgrading of the parking areas. The works started in September 2011 and were completed by Easter 2012, with the total investment reaching approximately €5 million. The renovation of the first level of Mediterranean Cosmos, together with the new brands in place, has fully transformed the centre image and the customer's experience. The parking areas of the shopping centre were upgraded, with brighter lights, enhanced security cameras and new information signs in every entrance informing the visitors for the total available spaces.
- 3) Marketing Plan: the marketing plan placed emphasis on two main axis: a) an exhaustive plan of events taking place throughout the year inside the shopping centre.
b) tourism which was targeted in different ways during summer in order to increase visitorship and sales.

Mediterranean Cosmos attracted 7.8 million visitors during 2012. Shopkeepers' turnover amounted to €182 million (including VAT) and rental income amounted to €19.2 million. Operating profits for the commercial centre reached €13.4 million. The centre is almost fully leased and has created approximately 2,000 new jobs.



With regard to Mediterranean Cosmos legal issues, please refer to the Annual Financial Report 2012, 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 Mediterranean Cosmos, www.medcosmos.gr.





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 completion of the project in 2010, Flisvos Marina offers a total of 303 berths spots, 50% of which accommodate mega yachts (boats and luxury yachts exceeding 30 meters in length). The income from port services and property leasing in 2012 amounts to €10,3 million. Regarding the land infrastructure, an area of 56,000 sq.m. has been upgraded, including 3,800 sq.m. of landscaped 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 a thousand new trees were planted during its upgrade. Tenant occupancy in Flisvos Marina commercial areas reaches almost 90% with customer visits being particularly high.



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 certifications. Flisvos Marina has been 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 Program) from the **International Council of Marine Industry Associations (ICOMIA)** after relevant evaluation.

III. Investment Portfolio



It must be noted that in December 2012 LAMDA Development SA and D-Marine Investments Holding BV, member of Dogus Group, established a strategic cooperation agreement that was initiated with a formation of a 50%-50% joint venture. In this respect, LAMDA Development will contribute to the Joint Venture Company the shares it holds in LAMDA Flisvos Holding SA and Dogus will participate in a share capital increase with an equal amount in cash. The Parties have also agreed that the aggregate value of the transaction will be finally determined (and potentially adjusted) using a formula which takes into account 7 X EBITDA of Flisvos Marina minus financial debt, depending on Flisvos Marina Company performance in years 2015 and 2016. Initial goal is to invest in touristic marina projects; nevertheless both companies expressed their intention to extend their cooperation to other projects in tourism and real estate.



With regard to Flisvos Marina legal issues, please refer to the Annual Financial Report 2012, 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



III. Investment Portfolio

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 Laskaridis Group, Santa Marina and others. The building is almost fully leased, while rental income reaches €1 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 building is fully leased to two multinational companies: Procter & Gamble Hellas and Hyatt Regency. Rental income amounts to €0,6 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 cover another 2,000 sq.m. The building's current fair market value is €9 million. The building is fully leased to Germanos Telecom Romania and generates approximately €0,9 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 €0,1 million .

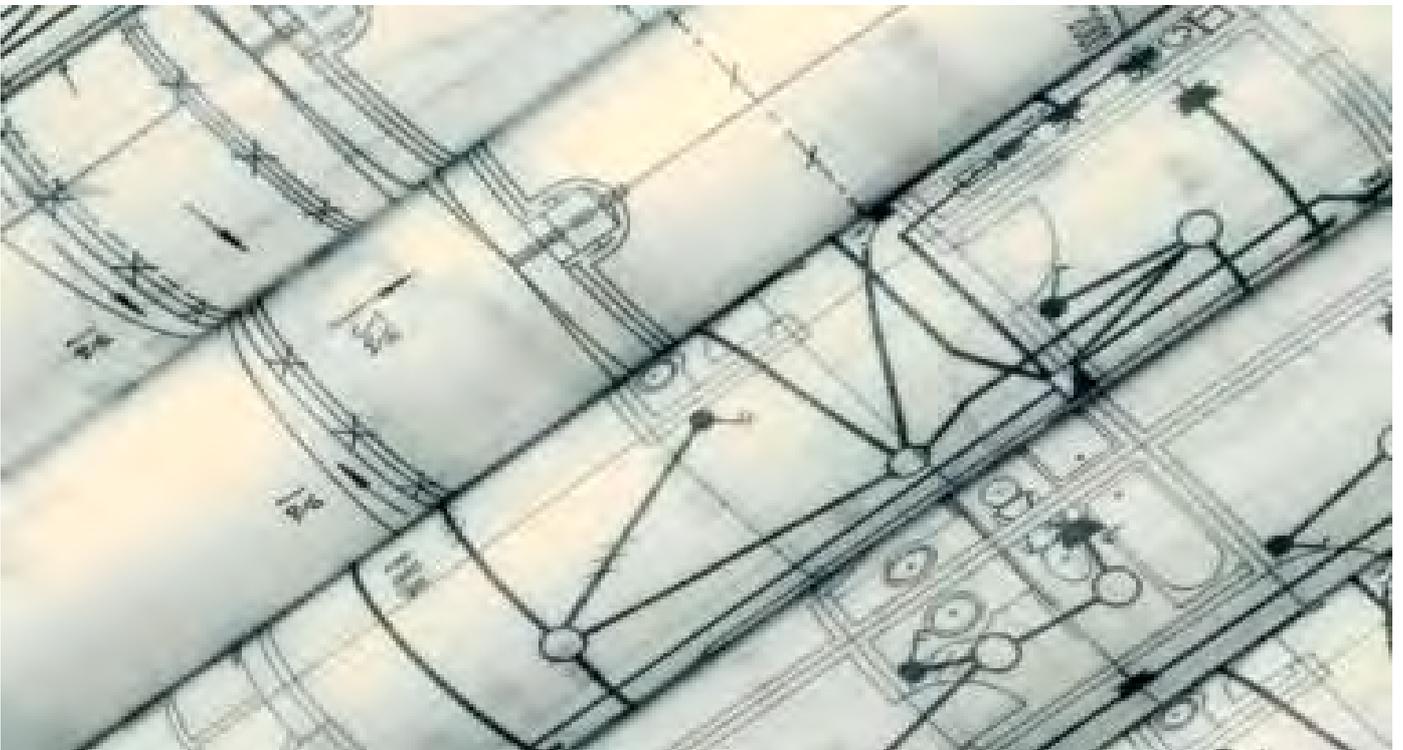


Exhibition and Convention Centre, Athens International Airport

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.

IV. Portfolio under Development

- Greece
- Serbia
- Bulgaria
- Romania
- Montenegro



Greece

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 surroundings 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.



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



V. 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.



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:

- a. 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
- b. 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 Investor relations and Corporate 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 Alusuisse-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 Alusuisse 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 ; Clair Ltd and Degussa/Sonnemond Goldhandel 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 26 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 long experience in senior executive positions in Greece and abroad. He has held the position of CFO of Diageo Hellas responsible of the Greek and Turkish Hub, the position of CFO Western Europe in Barilla in Paris and the position of Financial Director at the cement company TITAN. In the above mentioned companies he also served as member of the Board of Directors. During his 9 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 and member of the committee of the TEDX Academy 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.

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 44 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 leading TEMES S.A. (Developers of Costa Navarino), in which he currently holds the position of President. He is also President & Managing Director of COSTATERRA S.A. (Investment and Real Estate Development company).

Achilles V. Constantakopoulos is member of the BoD of AEGEAN AIRLINES S.A., AMATHUS HELLAS S.A., CYBARCO HOLDINGS Ltd., and CYBARCO SA.



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
- ✓ Christmas and Easter presents for employees
- ✓ Ticket Restaurant vouchers
- ✓ Occupational health & safety provision

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 Xamogelo tou Paidiou, Amimoni, Alma Zois, Elepap, Make a Wish, Special Olympics. LAMDA Development also supports the National Theatre of Greece.

LAMDA Development (The Mall Athens, Golden Hall, Mediterranean Cosmos, Flisvos Marina) together with Eurobank and EKO, own a Co-branded credit card names 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.



VI. Financial Statements



LAMDA DEVELOPMENT S.A.

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.
 Company's number in the General Electronic Commercial Registry: 3379701000 (former S.A.REG.No: 3039/06/9/86/28)
 Registered offices: 37A Kifissias Ave., 151 23 Marousi

FINANCIAL DATA AND INFORMATION FOR THE YEAR ended December 31, 2012

(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 web address:

Date of approval of the financial statements

by the Board of Directors:

Name of the auditor:

Auditing firm:

Type of auditors report:

Ministry of Development (department of limited companies)

www.lamda-development.net

March 28, 2013

Sourbis Dimitris (SOEL Reg. No 16891)

PricewaterhouseCoopers SA

Unqualified

Board of Directors

Chairman of the Board: Dr. Petros P. Kalantzis

Vice President: Evaggelos I. Chroum

Chief Executive Officer: Odysseus E. Athanasios

Members:

Fotios S. Antonatos

Emmanuel Leonard Bussetil

Georgios K. Gerardos

Theodora C. Zervou

Ulysses P. Kyriacopoulos

Achilleas V. Konstantakopoulos

STATEMENT OF FINANCIAL POSITION (Amounts in € thousands)

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS				
Investment property	550.863	603.804	1.840	1.840
Owner occupied property, plant and equipment	36.875	44.129	348	472
Intangible assets	-	-	4.169	-
Investments in subsidiaries and associates	4.854	4.869	219.065	220.869
Available-for-sale financial assets	-	34.268	-	34.268
Other non-current assets	20.341	7.442	85.958	84.851
Inventories	130.194	131.975	-	-
Trade and other receivables	32.839	40.873	22.176	22.603
Cash and cash equivalents	116.387	131.331	78.441	54.971
TOTAL ASSETS	894.354	1.002.659	407.829	419.875

EQUITY AND LIABILITIES

Share capital	13.280	13.277	13.280	13.277
Share premium	223.208	223.187	223.208	223.187
Treasury shares	(16.897)	(16.244)	(16.897)	(16.244)
Other equity components	76.493	123.270	(17.309)	(16.114)
Total share capital and reserves (a)	296.084	343.490	202.282	204.105
Non-controlling interests (b)	4.700	11.051	-	-
Total equity (c) = (a) + (b)	300.784	354.541	202.282	204.105
Long-term borrowings	427.091	498.794	165.150	184.625
Deferred tax liabilities	46.218	54.628	-	-
Provisions / Other non-current liabilities	13.167	8.120	15.582	1.429
Short-term borrowings	71.970	53.392	12.975	17.375
Other short-term liabilities	35.123	33.186	11.841	12.342
Total liabilities (d)	593.570	648.118	205.548	215.770
TOTAL EQUITY AND LIABILITIES (e) = (c) + (d)	894.354	1.002.659	407.829	419.875

STATEMENT OF CHANGES IN EQUITY (Amounts in € thousands)

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Equity at the beginning of the year (1/1/2012 and 1/1/2011 respectively)	354.541	403.129	204.105	226.021
Total comprehensive income after tax (continuing operations)	(53.694)	(48.378)	(1.751)	(21.667)
Increase in subsidiaries' participations	-	39	-	-
Reserves	580	263	580	263
Purchase of treasury shares	(653)	(512)	(653)	(512)
Equity at the end of the year (31/12/2012 and 31/12/2011 respectively)	300.784	354.541	202.282	204.105

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

	GROUP		COMPANY	
	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Cash flows from operating activities				
Profit / (losses) before taxes from continuing operations	(106.220)	(30.169)	(46.167)	(1.328)
Profit / (losses) before taxes from discontinued operations	-	-	-	-
Adjustments for:				
Fair value gains / (losses) of investment property	70.983	37.634	5.303	-
Depreciation	2.677	2.524	163	183
Provisions	1.562	1.759	2	(147)
Results (income, expenses, gains and losses) of investment operations	(12.753)	(3.917)	(17.195)	(8.094)
Finance costs - net	21.052	20.649	5.516	1.608
Other non-cash flow items	117	334	116	334
Recycling of the AIs reserve to the P&L account	44.038	-	44.038	-
Changes in working capital :				
Increase in inventories	(3.894)	(1.935)	-	-
(Increase) / decrease in receivables	1.285	5.311	(237)	219
Increase / (decrease) in payables	195	(1.167)	(107)	706
Minus:				
Interest paid	(24.763)	(24.682)	(10.394)	(8.210)
Income tax paid	(1.379)	(3.823)	1.934	(766)
Cash flows from operating activities - net	(7.100)	2.518	(16.028)	(15.485)
Cash flows from investing activities				
Purchases of property, plant, equipment (PPE) and investment property	(4.322)	(3.986)	(39)	(61)
Proceeds from sale of PPE and investment property	280	6.603	-	-
Dividends received	4.157	3.990	7.568	8.084
Interest received	3.855	4.259	2.276	2.969
Loans given	(7.463)	-	100	(114)
Increase / decrease in participations' share capital	(181)	-	(3.498)	(954)
Sale / (purchase) of available-for-sale financial assets	42.596	(52)	42.596	(52)
Cash flows from investing activities - net	38.923	10.854	49.002	9.874
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	24	-	24	-
Purchase of treasury shares	(653)	(512)	(653)	(512)
Increase in subsidiaries	-	39	-	-
Loans received	102.500	-	110.000	-
Capital repayments of finance leases	(946)	(915)	-	-
Repayments of borrowings	(147.693)	(30.936)	(118.875)	(18.000)
Cash flows from / (to) financing activities - net	(46.767)	(32.324)	(9.504)	(18.512)
Net increase / (decrease) in cash and cash equivalents	(14.944)	(18.953)	23.470	(24.123)
Cash and cash equivalents at the beginning of year	131.331	150.283	54.971	79.094
Cash and cash equivalents at the end of year	116.387	131.331	78.441	54.971

STATEMENT OF COMPREHENSIVE INCOME (Amounts in € thousands)

	GROUP		COMPANY	
	Continuing operations		Continuing operations	
	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Revenues from investment property	60.773	62.204	-	-
Revenues from services and other revenues	16.650	17.513	1.296	1.301
Sales of inventories	798	2.052	-	-
Fair value losses of investment property	(70.983)	(37.634)	(5.303)	-
Loss from sale of investment property	-	(327)	-	-
Minus: Direct to investment property expenses	(29.527)	(25.739)	-	-
Minus: Cost of inventory sales	(1.298)	(2.030)	-	-
Minus: Other expenses	(600)	(488)	-	-
Gross Revenue	(24.188)	15.551	(4.007)	1.301
Losses before interest and taxes	(53.782)	(13.764)	(7.804)	(7.804)
Loss before income tax	(106.220)	(30.169)	(46.167)	(1.328)
Loss after taxes (A)	(98.265)	(29.582)	(46.267)	(2.344)
Attributable to:				
- Owners of the Company	(91.913)	(28.587)	(46.267)	(2.344)
- Non-controlling interests	(6.351)	(995)	-	-
Other comprehensive income / (loss) after tax (B)	44.580	(18.323)	44.516	(19.323)
Total other comprehensive income / (loss) after tax (A) + (B)	(53.684)	(48.378)	(1.751)	(21.667)
Attributable to:				
- Owners of the Company	(47.383)	(47.383)	(1.751)	(21.667)
- Non-controlling interests	(6.351)	(995)	-	-
Loss per share from continuing operations (expressed in € per share)				
- Basic	(2.2791)	(0.7029)	(1.1473)	(0.0576)
- Diluted	(2.2791)	(0.7029)	(1.1473)	(0.0576)
Proposed dividend per share - (in €)	0,0000	0,0000	0,0000	0,0000
Loss before interest, taxes, depreciation and amortisation	(51.105)	(11.240)	(12.645)	(7.621)

ADDITIONAL DATA AND INFORMATION

- The Company has been audited by tax authorities for the years 2009-2010. 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, 2012.
- 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, 2011.
- The company Consolidated Lamda Holdings SA registered in Luxembourg participates in Company's share capital by 62,05% and therefore Group's financial statements are included in Consolidated Lamda Holdings SA's consolidated financial statements by the full consolidation method.
- 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 annual financial statements for the period ended December 31, 2012.
- During the period, the Company proceeded in capital increase of its participation in 100% subsidiary LAMDA Development Romania SRL, LAMDA Development Sofia EOOD and PROPERTY Development DOO by €0,2m, €0,1m and €4,1m respectively whereas the Company proceeded to share capital decrease in its 100% subsidiary LAMDA Development Netherlands (BV) by €1m. Also, "LD Trading SA", 100% subsidiary, participated by 45% in the composition of "N DOXA - LD TRADING LTD", while the Company participated directly by 25% and indirectly by 50% in the establishment of the company "LOV Luxembourg SARL".
- Real estate liens and pre-notice over assets, amount to € 192,3m concerning guarantees for bank loans.
- The number of employees at the end of the year was: Group 196, Company 64 (31/12/2011); Group 150, Company 63). There are no seasonal employees at the end of the period (31/12/2011; Group 0, Company 0).
- At the end of the period, the Company acquires 3.482.200 common treasury shares at an average price of €4,85 per share, at an aggregate total value of €16,9m.
- Other comprehensive income / (loss) after tax includes: a) Loss for valuation of available-for-sale financial assets, at Company and Group level, €0 (31/12/2011 €-19.4m), b) Recycling of the AIs reserve to the P&L account €44.038th€ (31/12/2011 €0), c) Cash flow hedges profit, after tax €528th€ (31/12/2011 €554th€) at Group level and €479th€ (31/12/2011 €16th€) at Company level and d) Foreign exchange difference €-89th€ (31/12/2011 €19th€) at Group level.
- From Profit / (loss) before income tax, at Group and Company level, the amount of €-44m is deducted regarding recycling of the AIs reserve to the P&L account. Please, refer to note 10 of the annual financial statements for the period ended December 31, 2012.

- 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, 2012 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 un-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 €10,2m and €39th€ respectively and include provisions for customers' impairment and compensation of non received leaves.
- At 21/08/2012, the Company sold its participation in Eurobank Properties R.E.I.C. to Fairfax Financial Holdings Limited (non-related party). The sale value was €4,75 while the value of the transaction amounted to €42,8 million. The profit from this transaction, was €8,3m.
- On 5.2.2013, the acquisition of the usufruct upon the right of exploitation for 90 years of the International Broadcasting Centre (IBC) was finalized, after the signing of the respective contract between LAMDA DOMI SA and the Hellenic Republic Asset Development Fund (HRADF) and the payment by the former of the contractual part of the price, amounting to € 81 million. The transaction followed an international bidding contest where the Company had submitted the respective offer. The remuneration has been financed by equity €41m and by signing a bond loan agreement of €40m from the following banks: Eurobank Ergasias, Alpha Bank, National Bank of Greece and New Proton Bank.
- Intercompany transactions for the period ended December 31, 2012, and intercompany balances as at December 31, 2012, according to IAS 24 are as follows:

	GROUP	COMPANY
Amounts in € thousand		
a) Revenues	2.022	1.137
b) Expenses	4.409	1.083
c) Dividend income	4.320	8.868
d) Receivables	9.310	91.315
e) Payables	83.267	49.665
f) Transactions and gross salaries of BoD members and management	794	673
g) Receivables from BoD members and management	-	-
h) Payables to BoD members and management	-	-
i) Cash at bank - related parties	75.283	60.140

Maroussi, March 28, 2013

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VICE CHAIRMAN OF THE BoD

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