Annual Report 2018



LAMDA DEVELOPMENT

Targeting Perfection

Message from the CEO



Dear Shareholders,

Year 2018 was the fifth consecutive year of historic record growth in our operating performance as we increased consolidated EBITDA before valuations by 16.9% to €48.4 million, reaffirming LAMDA Development's continuing leadership position in the retail real estate sector.

Odisseas Athanasiou

This significant growth rate is primarily attributed to the acquisition from HSBC of the remaining 50% share capital of Lamda Olympia Village S.A., the company owner of The Mall Athens, in July 2017. Without the said acquisition, growth would had been 2, 1% on a like for like basis.

A milestone positive development for the Company in 2018 was the agreement in August with the Ecumenical Patriarchate, owner of the land plot on which the Mediterranean Cosmos Shopping Centre is developed and operates, for the extension of the long-term lease of the said land plot area for 30 additional years, until year 2065. Following the new concession agreement, the shopping center's property value significantly increased by €28.7 million.

Also in August 2018 - after a severely delayed procedure for the issuance of the building permit – construction works commenced for the development of the Western Part of the former International Broadcasting Center Building, where Golden Hall operates. The investment, of a total budget of €25 million, is intended to supplement significantly the family entertainment orientation of the shopping center, while creating additional employment opportunities estimated at more than 500 new positions.

Performance in 2018

The average occupancy of our shopping centers approaches 100% with commercial interest for retail spaces remaining vibrant. At consolidated level, financial results in 2018 showed a very impressive Net Profit of €42.3 million, compared to losses of €48.3 million in 2017. Significant driver for this increase has been the net gain from the fair value adjustments of investment property assets which reached €56.8 million compared to €11.7 million in 2017.

As per contractual obligation, the return of the ownership of the office building "ILIDA BUSINESS CENTER" to the subsidiary company Lamda Olympia Village SA was concluded in October 2018.

The office building fair value on 31/12/2018 balance sheet stood at €29.3 million.

A provision regarding the financial impact of the above transaction had been already provided for in the 2017 Financial Statements.

Furthermore, taxes in 2018 include a one-off positive deferred tax adjustment of €14 million due to a 4% tax rate deduction. Income tax amounts to €10.4 million, while deferred tax amounts to €18.3 million.

As a result, total NAV reached €438.9 million (€5.64 per share), versus €395.1 million in the previous year while the group cash position reached €68.5 million.
Consolidated total debt as at 31/12/2018 stands at €483.2 million at an average interest rate cost of 4.09% and net loan to value ratio of 44%, reflecting a sound capital structure.

The Hellinikon Project Update

With regard to the landmark Hellinikon project, all the remaining necessary actions for the fulfillment of the contractual conditions precedent for the acquisition of the shares of Hellinikon S.A. and for the construction works to commence, remain within the responsibility and the discretion of the relevant state ministries and institutions.
We remain optimistic and believe that, to the extent feasible, the fulfillment of these actions shall be achieved the soonest possible.
The development of the Hellinikon will be the largest urban development in Europe, with a total budget of €8 billion and is expected to have an unprecedented positive impact on employment and tourism in Athens, while generating a highly positive environmental impact given the 2 million sq. m. of Metropolitan Park to be developed.

Going Forward

Our company has a very rich track record of investments in the domestic market, even during the period of the economic crisis and uncertainty with various projects such as: the acquisition of the remaining 40% ownership of Mediterranean Cosmos in 2010 for an amount of €80million, the acquisition in 2013 of the usufruct right of the IBC building (Golden Hall) for €81 million, the successful Share Capital Increase €150 million in July 2014, the winning bid for the development of the Hellinikon signed in November 2014 and the acquisition in July 2017 of the remaining 50% of The Mall Athens of an amount of €85 million, the €25million ongoing development of the western part of the IBC building (Golden Hall), the 30 year extension of the concession for the Mediterranean Cosmos shopping center and, of course, all our commitment in management resources and related expenditures in doing whatever is necessary in the last five years to overcome all the hurdles in order to finally realize the successful commencement of the landmark project of Hellinikon.
Finally, I would like also point out that, our share price has grown more than 30% in the current year to date, a fact that makes us feel confident that the stock market continues to take a positive view towards our overall strategy.

Dear Shareholders,

Despite the well-known difficulties on our domestic economic environment, we have proven our resilience and persistence in taking up the challenges, opportunities and risks always with a positive view towards future.
We remain confident that, based on our long built know-how, dominant position in the retail real estate sector in Greece and our strong international partnerships, that we shall continue adding value and growth to our shareholders.
Our major shareholder, Latsis Group, continuous to provide its overwhelming support and, together with all shareholders support, we are confident that we shall continue to succeed attaining our common goals.
Once again, I take this opportunity to thank our employees for their hard work, exceptional performance, commitment and enthusiastic support in sharing this common vision.
On behalf of the management and the employees, I want to thank you for the trust you have placed in us.

Odisseas Athanasiou,

Chief Executive Officer

Financial Performance

EBITDA from our three Shopping Centers posted an increase of 15.6% reaching €59.2 million in 2018.
The EBITDA surge is mainly attributed to the acquisition of 50% of the shares into The Mall Athens from HSBC in H2 2017.
On a like-for-like comparison EBITDA increase from the shopping centers would have been 2.1%.

Total Group EBITDA, before valuations, reached €48.4 million, posting an increase of 16.9% yoy, a performance that reached a record high of operational profitability in our Company's history.

The average occupancy of our shopping centers approaches 100% with commercial interest for retail spaces remaining vibrant.

Aggregate shopkeepers' turnover and total customer visits increased by 3% and 1.6% respectively.

Customer Visits

	All Shopping Centers	Golden Hall	The Mall Athens	Mediterranean Cosmos
H1 2018	4.3%	9.3%	2.6%	4.3%
H2 2018	-0.6%	-0.4%	0.7%	-2.7%
FY 2018	1.6%	4.0%	1.6%	0.5%

Shopkeepers' Turnover

	All Shopping Centers	Golden Hall	The Mall Athens	Mediterranean Cosmos
H1 2018	4.3%	6.6%	2.2%	5.0%
H2 2018	2.1%	3.5%	2.1%	0.8%
FY 2018	3.0%	4.9%	2.2%	2.6%

A milestone positive development for the Company was the agreement in August 2018 with the Ecumenical Patriarchate, owner of the land plot on which the Mediterranean Cosmos Shopping Centre is developed and operates, for the extension of the long-term lease of the said land plot area for 30 additional years, until year 2065.

Following the new concession agreement the total annual land lease cost (fixed plus variable components) increased approximately by one third, while the shopping center property value increased by €28.7 million.

Operational profitability of The Mall Athens reached €28 million showing an increase of 2.9%.
Mediterranean Cosmos in Thessaloniki posted a decrease of 1.4% due to the new land lease extension annual cost increase, reaching to €14.4 million, while Golden Hall annual operational profitability reached to €16.8 million, resulting in a significant increase of 3.7%.
Our office buildings also enjoy high occupancy levels and continue to have a positive contribution to the Group profitability by €0.8 million.

GROUP EBITDA From Properties

in € million	2018	2017
The Mall Athens	28.0	20.4
Mediterranean Cosmos	14.4	14.6
Golden Hall	16.8	16.2
Office Buildings	0.8	1.1
Flisvos Marina	1.0	0.8

At consolidated level, financial results in 2018 showed Net Profit of €42.3 million, compared to losses of €48.3 million in 2017 primarily due to net gains from fair value adjustments on investment property assets which reached €56.8 million compared to €11.7 million in 2017.

As per contractual obligation, the return of the ownership of the office building "ILIDA BUSINESS CENTER" to the subsidiary company Lamda Olympia Village SA was concluded in October 2018. The office building fair value on 31/12/2018 balance sheet stood at €29.3 million. A provision in terms of the financial effect of the above transaction had been already provided for in the 2017 Financial Statements.

Taxes in 2018 include a one-off deferred tax adjustment of €14 million due a 4% tax rate deduction. Income tax amounts to €10.4 million, while deferred tax amounts to €18.3 million.

CONSOLIDATED INCOME STATEMENT (in € million)

Income Statement summary	Dec YTD 2018	Dec YTD 2017
Revenue	**79,38**	**87,18**
Fair value adjustments	55,47	(9,00)
Cost of sales - Land Plots	(0,12)	(40,23)
Operating expenses	(31,48)	(30,11)
Operating profit	**103,25**	**7,84**
Depreciation	(0,73)	(0,77)
Net Interest	(25,85)	(21,98)
Loss from share acquisition	-	(10,26)
Share in profit of associates	(0,99)	2,51
E.B.T.	**75,68**	**(22,66)**
Taxes	(14,67)	(21,03)
Profit/(loss) of the year	**61,01**	**(43,69)**
Profit/(loss) attributable to Equity holders	**42,33**	**(48,31)**

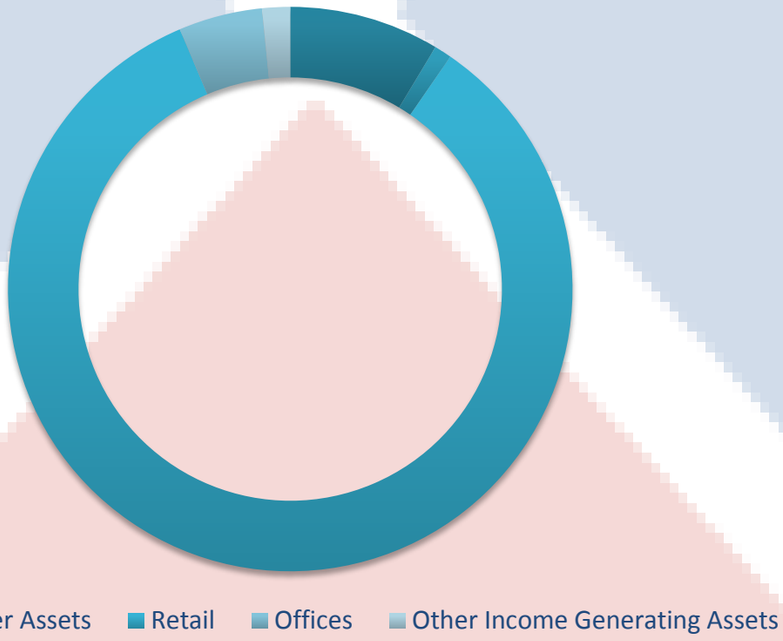
Net Asset Value (NAV) before deferred taxes reached €438.9 million, (€5.64 per share), compared to €395.1 million on 31.12.2017 (€5.08 per share).

Net Asset Value (in € million)

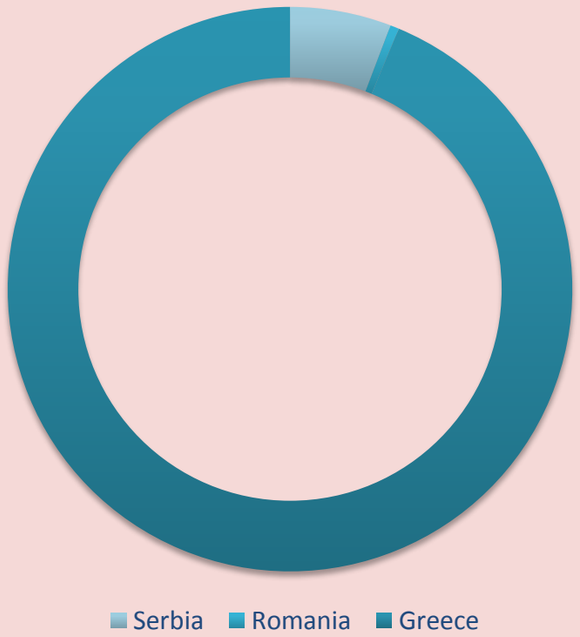
	2015	2016	2017	2018
NAV	408,1	403,7	395,1	438,9
NAV PER SHARE	5,2	5,2	5,1	5,6
% CHANGE	-5%	-1%	-2%	11%

Total investment portfolio reached €937.8 million on 31.12.2018. The allocation of property investments, per type of property and geographic area is illustrated below.

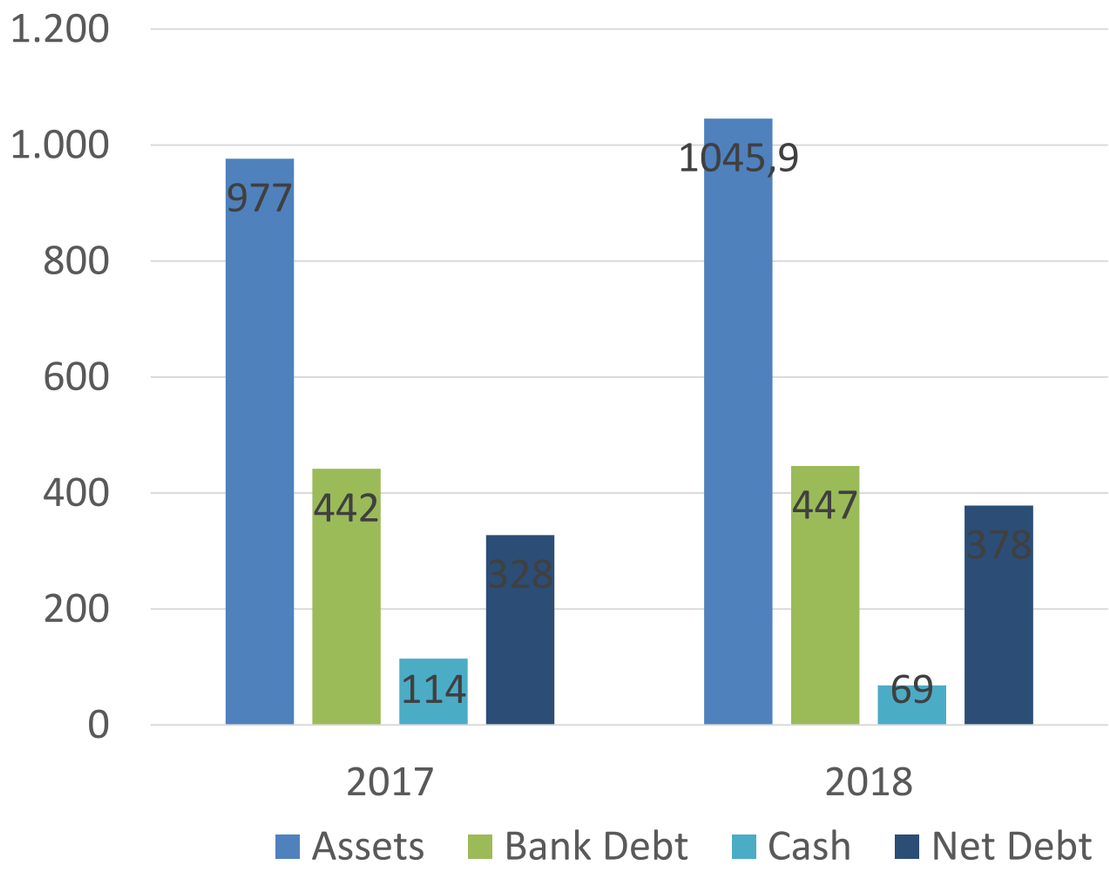
Investment Portfolio by Sector



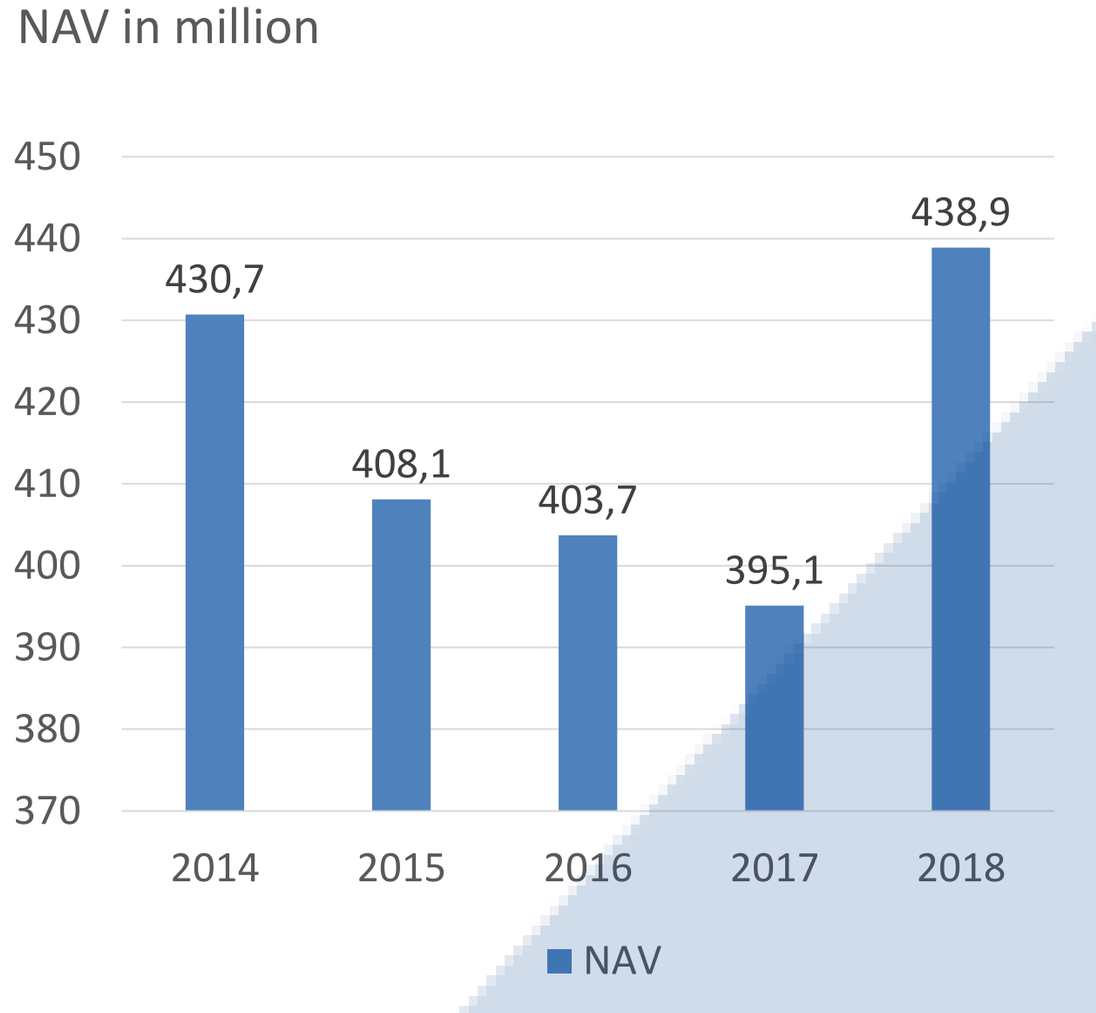
Investment Portfolio per Country



(€ million)	2018	2017
Investment Property	**852,1**	**768,4**
Property, Plant and Equipment	5,9	4,5
Inventories	9,4	10,2
Cash and Cash equivalents	68,5	114,4
Group Equity	434,6	377,4
Short term Borrowings	141,0	205,7
Long Term Borrowings	305,9	236,1



Per Share Financial Data	2018	2017
Total Number of Shares Outstanding at Year's End	**79.721.775**	**79.721.775**
Financial Data per share		
Profit after Tax & Minority Interest	0,54 €	-0,62 €
Net Asset Value (NAV)	5,6 €	5,1 €



Total Debt and Total Assets (in € million)

	2018	2017	% change
Assets	**1045,9**	**977**	**7%**
Debt	447	442	1%
Cash	69	114	-40%
Net Debt	378	328	16%

Participating in the following Indexes:	
GD: ATHEX COMPOSITE SHARE PRICE INDEX	
DOM: ATHEX ALL SHARE INDEX	
FTSE: FTSE/ATHEX LARGE CAP	
SAGD: ATHEX COMPOSITE INDEX TOTAL RETURN INDEX	
FTSEA: FTSE/ ATHEX MARKET INDEX	
HELMSI: HELLENIC MID & SMALL CAP INDEX	
DAP: FTSE/ATHEX REAL ESTATE	
FTSENTR: FTSE/ATHEX LARGE CAP NET TOTAL RETURN	
FTSEGT: FTSE/ATHEX Global Traders Index	
REUTERS QUOTE	LMDr.AT
BLOOMBERG QUOTE	LAMDA GA

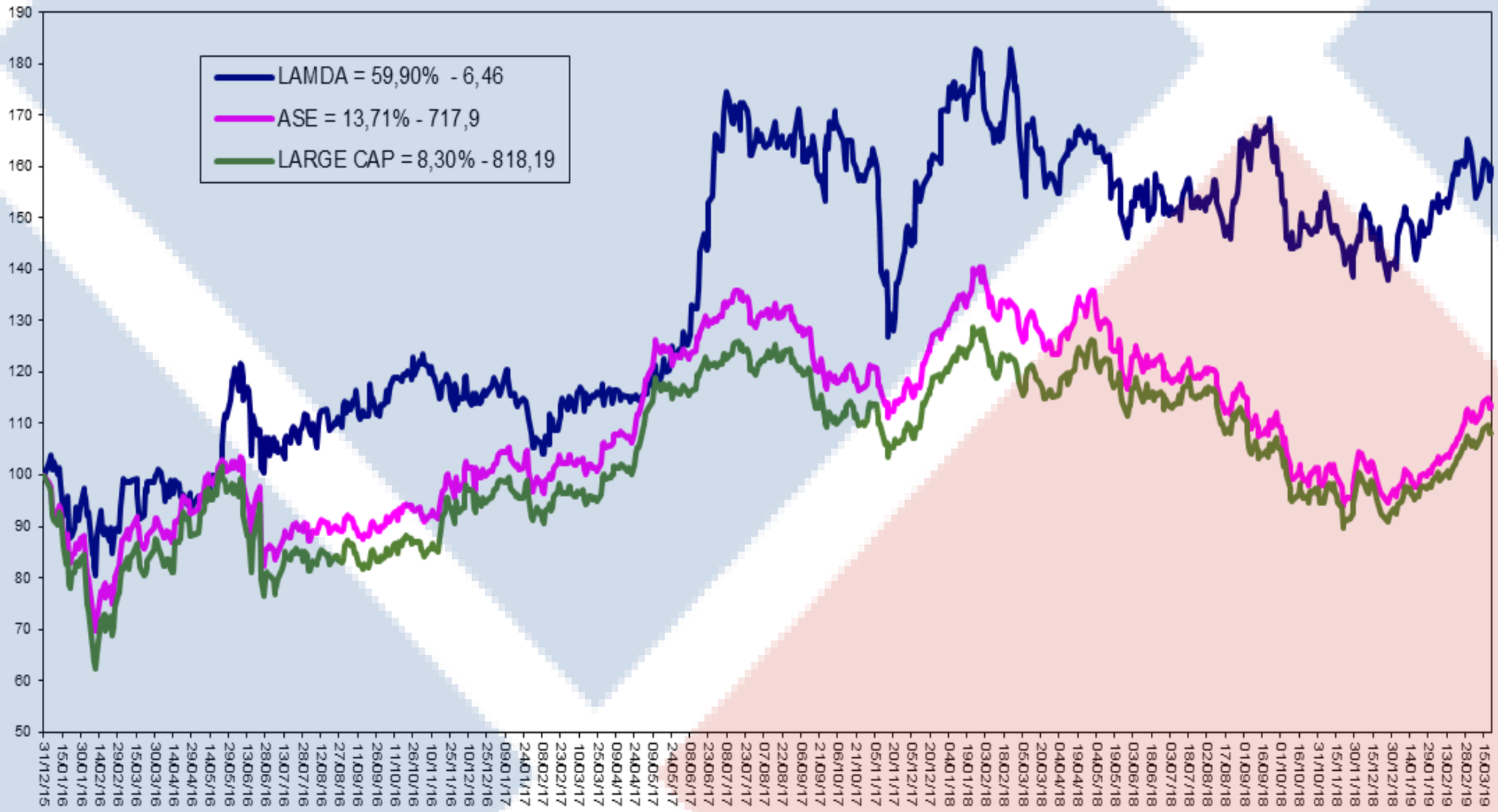
Share Price Performance

	2018	2017
Closing Price at Year End	5,70 €	6,90 €
Annual Average Price	6,38 €	5,65 €
Annual Max Price	7,39 €	7,01 €
Annual Min Price	5,57 €	4,21 €
Daily Average Number of Shares Traded	77.661	90.440

Share Performance

Our share price in 2018 decreased by 17.4%, while the Athens Exchange general index decreased by 23.6%.

The free float of the Company's stock stands at c. 33.4%.



Investment Portfolio

THE MALL ATHENS

The Mall Athens is the first large scale commercial center and the largest shopping and leisure center developed in Greece.

Since its opening in November 2005, The Mall Athens has become a preferred retail and leisure destination for the residents and the visitors of the wider city of Athens. The Mall Athens is the forst large-scale commercial center and the largest shopping and leisure center developed in Greece
The Mall Athens has approximately 200 retail and entertainment units, spread over five levels, and 58,500 sq.m. of GLA, as well as 90,000 sq.m. of underground space. Its variety of commercial chains, recreational options and distinctive Greek and international brands, have introduced a new era in entertainment, food and shopping and have made it the ultimate entertainment spot for the Greek family.

Strategically located next to critical road and public transport junctions, The Mall Athens is also known for its modern architecture and innovative services, its practical layout and the high standard of services offered to visitors.

Its current fair market value stands at €396.6 million. The Mall Athens hosted over 11.6 million visitors during 2018. Shopkeepers' turnover reached €298 million (including VAT), while income from rents, parking, advertising and other sources amounted to €32.5 million. Operating profits reached €27.9 million. It is estimated that the operation of The Mall Athens accounts for approximately 2,500 permanent new jobs.

Lamda Development SA is owner of 100% of the shopping center The Mall Athens following the agreement for the purchase of 50% of the share capital of Lamda Olympia Village S.A. (owner of The Mall Athens) from Irere Property Investments Luxembourg, a transaction that was concluded on 17/07/2017 with an acquisition cost of €85 million.

For more information about the property, please visit the The Mall Athens' web page: www.themallathens.gr



Pasteria
ΕΙΝΑΙ ΣΤΟ ΧΕΡΙ ΜΑΣ
ΑΦΗΣΟΥΜΕ ΕΛΕΥΘΕΡ
ΦΑΝΤΑΣΙΑ ΜΑΣ.


LIVE
THE GOLDEN
EXPERIENCE

GOLDEN HALL

Golden Hall (41,000 sq.m. of GLA) is ideally located on Kifissias avenue next to the Athens Olympic Stadium.

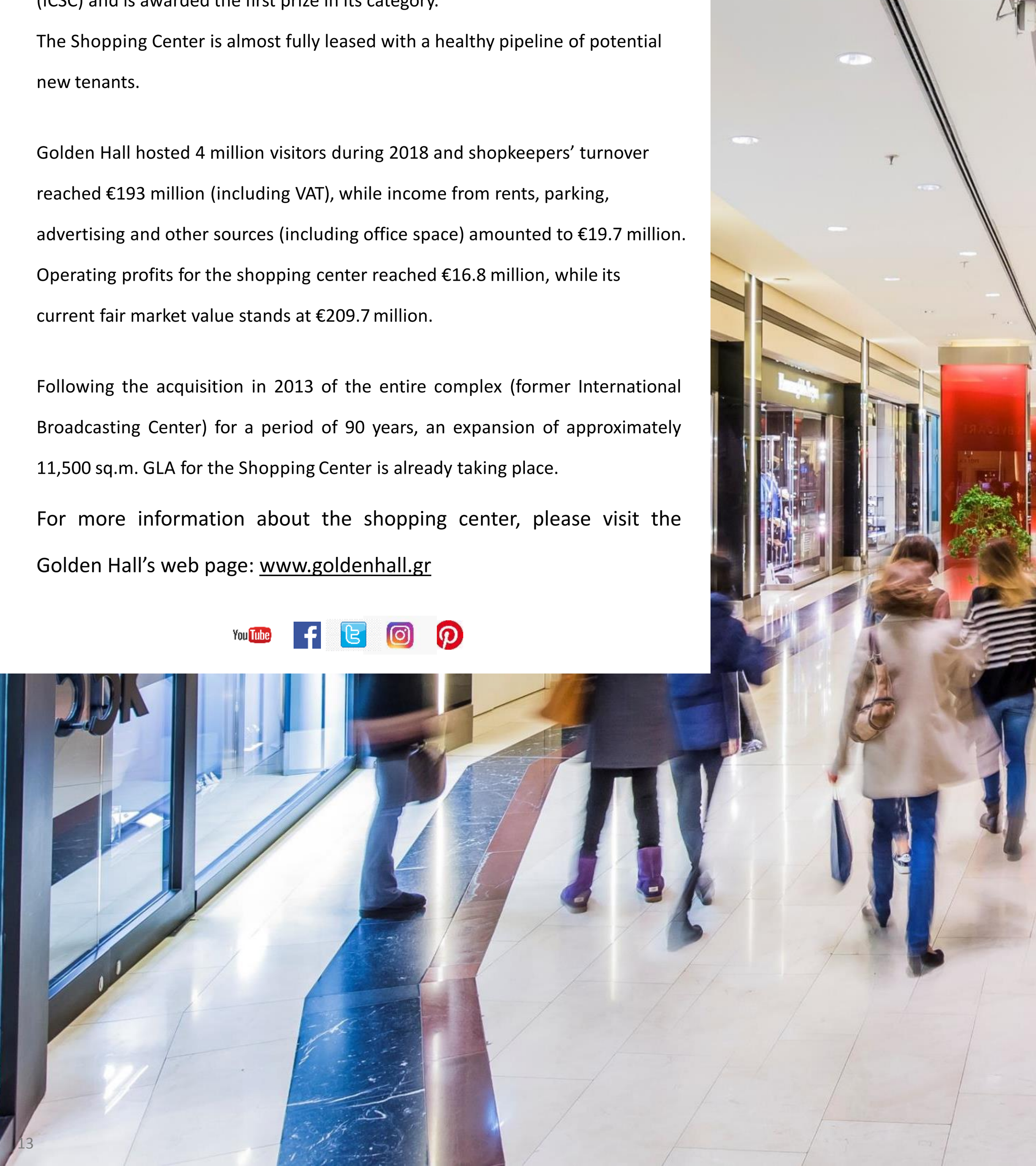
Golden Hall has earned a national and international reputation defining the upscale shopping experience, since the most famous Greek brand names and the most renowned international ones - many of which are introduced for the first time to the Greek market through Golden Hall - have made the shopping center the new point of reference for quality shopping in Greece. Golden Hall is recognized at a European Level in the European Shopping Center Awards (ICSC) and is awarded the first prize in its category.

The Shopping Center is almost fully leased with a healthy pipeline of potential new tenants.

Golden Hall hosted 4 million visitors during 2018 and shopkeepers' turnover reached €193 million (including VAT), while income from rents, parking, advertising and other sources (including office space) amounted to €19.7 million. Operating profits for the shopping center reached €16.8 million, while its current fair market value stands at €209.7 million.

Following the acquisition in 2013 of the entire complex (former International Broadcasting Center) for a period of 90 years, an expansion of approximately 11,500 sq.m. GLA for the Shopping Center is already taking place.

For more information about the shopping center, please visit the Golden Hall's web page: www.goldenhall.gr




iStorm
LIVE
THE GOLDEN EXPERIENCE


MEDITERRANEAN
COSMOS

MEDITERRANEAN COSMOS

Mediterranean Cosmos (46,000sq.m. of GLA), is the biggest shopping center in Northern Greece.

The center is distinguished for the high number of shops, the diverse dining & leisure areas and the wide range of activities for families.

It is built and operates under a ground lease from the Ecumenical Patriarchate. The center provides easy access from the city center and surrounding areas, while it is also easily accessible for tourists since it is fıve minutes away from the international airport and major highways.

Mediterranean Cosmos attracted 8 million visitors during 2018, from both Greece and abroad, and has a current fair market value of €181.2 million.

Shopkeepers' turnover increased to €229 million (including VAT) and income from rents, parking, advertising and other sources amounted to €22.4 million.

Operating profıts reached €14.4 million. The center is currently almost fully leased.

For more information about the shopping center, please visit

Mediterranean Cosmos web page: www.medcosmos.gr




VILLA





FLISVOS MARINA

Boasting a long history in the industry dating back 17 years, coupled with a 20% domestic market share,
Flisvos Marina is the highest-ranking Greek tourist port in terms of turnover and revenue* and enjoys a prime reputation as the ultimate destination for international mega yachts.

The marina features 303 berths, 50% of which accommodate boats and luxury yachts exceeding 35 meters in length, perfectly catering to the needs of all mega yachts from Greece and around the world. The port and land infrastructure (90,228 sq.m. in total), as well as the commercial part of the marina have contributed to the creation of a world class facility attracting upscale tourism. From the moment the management and development of Flisvos Marina was undertaken by LAMDA Flisvos Marina in 2002, Flisvos evolved into a leading and multi-award winning marina in the South-eastern Mediterranean, positively overturning the status quo, and setting enviable standards in light of Greek and Europe-wide competition, while also significantly contributing to the upgrade of the wider area. Flisvos Marina continued its growth in 2018, with revenue from port and property management for the year amounting to 13.2 million, marking an increase of 6.8% compared to 2017. During 2018, Flisvos Marina made investments worth 1.3 million, which had begun in 2017. The company also realised environmental investments, pertaining to new environmental measures, energy saving and waste management projects. Tenant occupancy in the Flisvos Marina commercial areas reached 100% for 2018, with visits remaining particularly high, with an average 27,000 visitors recorded during the weekends.

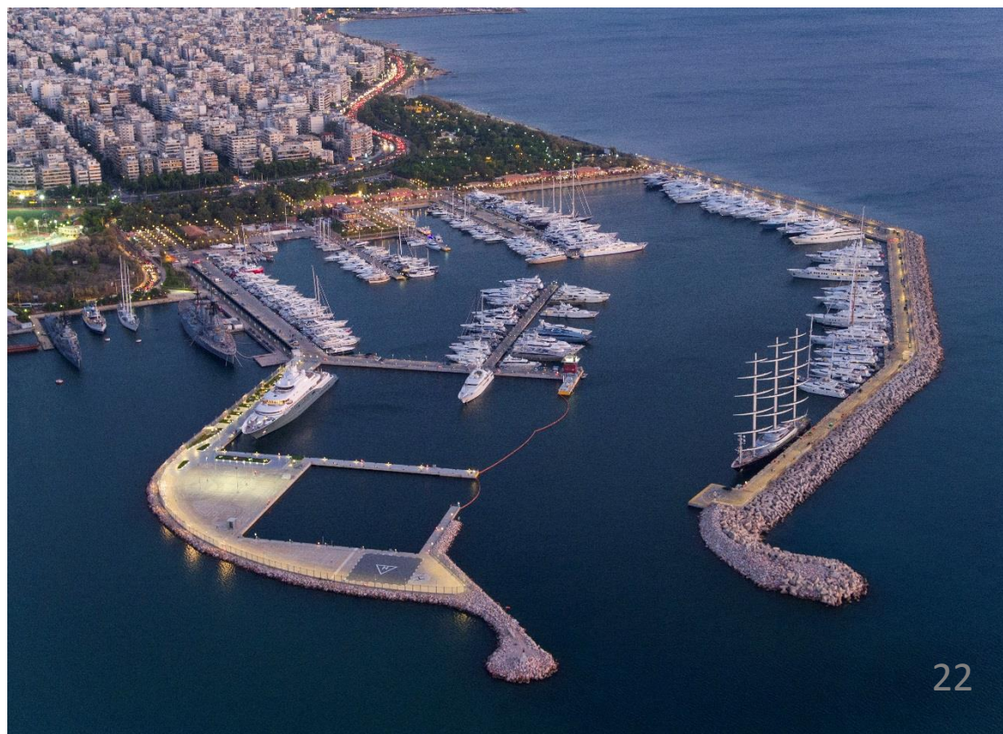
It is worth noting that over 1,100 people are employed within the marina facilities, specifically working in the yachts, the offices, the commercial and entertainment shops, and as part of the marina's administration. During 2018, Flisvos Marina's commitment to continuous development, focusing on high quality of services, safety and environmental awareness was recognised yet again, with the "5 Gold Anchors Platinum" distinction; the highest accreditation of the Global Gold Anchor Scheme. Flisvos Marina is the second mega-yacht marina in Europe to receive the Platinum accreditation, while being the first and only marina in the South-eastern Mediterranean to obtain higher rating than the 5 Gold Anchors.

In 2018, Flisvos Marina was also accredited with the "EFQM Committed to Excellence - 4 star" by the European Foundation for Quality Management (EFQM). Last but not least, Flisvos Marina has been awarded with a Blue Flag since 2007 and certified with ISO9001 and ISO14001 by Lloyd's Register Group since 2008, rendering it Greece's first and only marina to hold both certifications.

For more info visit www.flisvosmarina.com or follow us on our social media channels

*(Source: ICAP, Top Sectors of the Greek Economy, 2019, Tourist Ports)







Golden Hall - Offices, Athens

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. The 2018 rental income amounted to €1.2 million.



Cecil Building – Offices, Athens

Bringing together history and modernity, the historic former Cecil Hotel in Kifissia, was converted into a luxurious and highly-functional office complex offering 6,000 sq.m. of leasable space. The building operates at high occupancy, while the 2018 rental income reached €0.8 million.



Athens Metropolitan Expo – Exhibition and Convention Center, Athens

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 Center that has been constructed on the Athens International Airport premises. The center covers a total area of 50,000 sq. m. Total investment amounts approximately to €35.4 million.



Offices, Bucharest

The office building is located 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 5,100 sq.m. of which 330 sq.m. are dedicated to retail shops on the ground floor. In addition, 39 parking lots on two underground levels cover another 1,700 sq.m.

Ilida Business Center – Offices, Athens

Ilida Business Center in Maroussi is an ultra modern building offering 11.500 sq.m. of office space, large floor plates and comfortable offices. The building currently hosts well-known and high-prestige companies. Lamda Development SA purchased 100% of Ilida Business Center share capital in October, 2018, while the 2018 rental income reached €1.8 million.

Portfolio under development

THE HELLINIKON

The vision of LAMDA for the development of the former Hellinikon airport is the design of a pioneering development for Athens, with emphasis on the creation of a world class Metropolitan Park covering an area of 2,000,000 square meters, as well as the enhancement of the Coastal Front, both fully accessible to the public.

The Project consists of an integrated urban development model that will combine the area's natural beauty and unique inherent characteristics with landmark buildings and state-of-the-art infrastructure. The 'green' and 'smart' design approach of the Project will offer world-class services and amenities while improve the standard of living of the entire Attica area's inhabitants.

The investment will include a diverse range of residential communities, hotels, shopping centers, family entertainment venues, museums and cultural venues, health and wellness centers, significant space for sports and recreation, a modern business park with an educational and R&D hub as well as the total regeneration of the existing marina and the entire Coastal Front that will, along with the Park, be the major attractions of the site.

The Project constitutes the largest urban regeneration project in Europe, designed to add significant new investments and uses in the areas of tourism, culture, entrepreneurship, innovation and in the environment. Thus, it is expected to have a positive effect not only on the region of Attica but on the entire country as well. The investment amounts to € 8 billion, and is expected to create 10,000 permanent jobs during the construction period and 75,000 jobs (IOBE study, July 2016) during its maturity.

Moreover, the Project is expected to substantially contribute to the repositioning of Athens as one of the major world class tourist destinations as it will provide a significant number of new units as well as thematic tourism venues, expected to attract at least 1 million new tourists while significantly reduce seasonality and at the same time increase the average stay over and spending of tourists in Athens. The Hellinikon investment is expected to contribute to the country's GDP by 2.4% until the development's completion date, while contributing a total of over € 14 billion in taxes to the Greek State over the same timeframe.

Global Investment Group is an international consortium of investors - the Chinese conglomerate Fosun Group, Eagle Hills from Abu Dhabi and Latsis Group – who have joined forces to undertake the project of redeveloping Hellinikon, Europe's largest urban mixed-use development project.

For more information please visit Hellinikon's website: http://www.thehellinikon.com

YouTube







Golden Hall

Shopping Center Expansion, Athens

The Development Plan involves the creation of approximately 11,500 square meters of GLA and 7,000 sq. m. of parking space. It will include - amongst others - an Olympic Museum and a large family entertainment venue, anticipated to enhance the standards of family entertainment in Athens.

The substantial and full commercial exploitation of the property is expected to add significant value to consumers and tenants alike and at the same time create. more than 500 new jobs . The investment is expected to reach €25 million and anticipated to open by the end of 2019.

Spata Prokalisi – Land for Mixed Use Development, Athens

LAMDA Development owns an 85,000 square meters 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 which include the sale of the property as is or the development and sale of a tailored made building(s) subject to prior agreement with end user(s) within the abovementioned framework.





Alkyonides Hills

Second Home Development, Island of Aegina

LAMDA Development holds a 116,000 sq.m. plot of land in the Perdika district of Aigina, on the south-west part of the island. It is just a 15 minute drive from the Port of Aegina and a 5 minute drive from the fishing village of Perdika. All services, facilities and entertainment venues are reached within 15 minutes, while Klima and Sarpa beach are within 5 minutes' drive.
Alkyonides Hills is the only buildable resort in Greece, due to planning permit granted by the state (Presidential Decree Government Gazette ΦΕΚ-752/Δ/2-10-95)

It also holds a valid Environmental Impact Study Permit. Designed by the award winning architect Alexandros Tompazis, it consists of 3 differentiated residential communities: Anthe, the luxury villas, Methone, the villa suites and Asteria, the garden villas.
The rest of the plot is dedicated to the guest houses, the recreational-sport activities area and the square of the community with its restaurants, first-need shops and kid's playground. The total covered areas are just 18,000 sq. m. and the built areas 22,000 sq. m., leaving 85% of the land to nature, pedestrian paths and green areas.

Viltanioti Str. – Land for Office Development, Athens

LAMDA Development owns 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. A valid building permit allows the construction of an office building offering more than 10,200 sq. m. of surface area. The company evaluates alternative options which include the sale of the property as is or the development and sale of a tailored made building(s) subject to prior agreement with end user(s) within the abovementioned framework

Romania



Residential Development, Bucharest

Lamda Development owns an 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.



Logistics Building, Bucharest

The site, land of 102,500 sq.m., is on the 23rd km of the Bucharest-Pitesti Highway, in West Bucharest where the majority of all new industrial / logistics projects have been developed. On this site, a modern warehouse of 56,000 sq.m. could be developed.

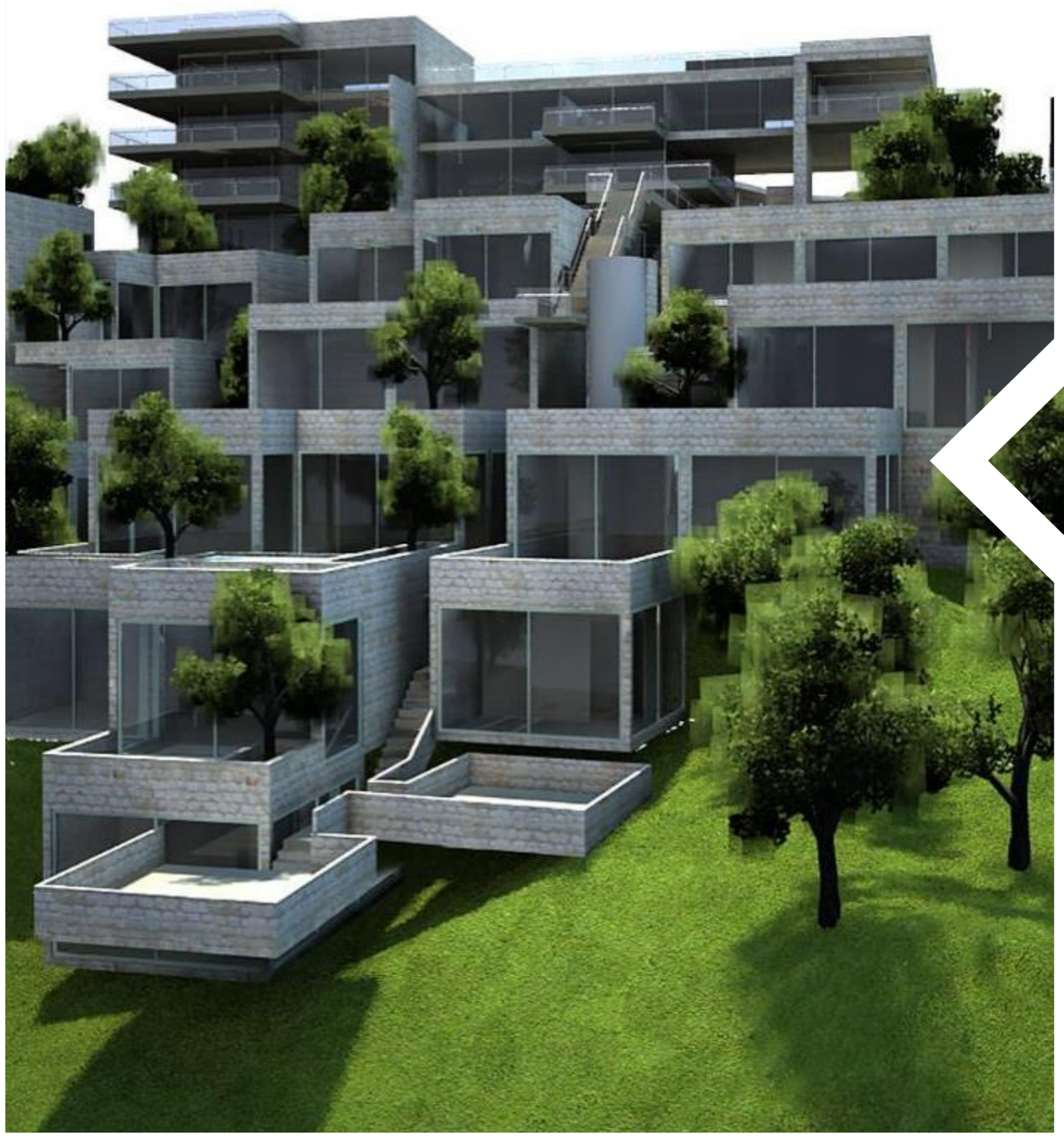
Serbia



Urban Development Project Belgrade

Singidunum Buildings DOO Beograd (share participation: 74,85% Lamda Development, 25,15% EFG Eurobank group) owns land of approximately 3,200,000 sq.m. in the close surroundings of Belgrade (17 km from the City Center), next to the airport and specifically in the area where the new ring road of the city has been constructed. It is expected that this investment will provide the company with considerable capital gains since it has been already included in the city of Belgrade General Urban Plan and Detailed Urban Plan has been already adopted for a part of land development.

Montenegro



Second Home Resort, Montenegro

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 Aman Resort opened a five star hotel. The project is presently at the stage of city of Budva plan adoption and it was recently included in the state of Montenegro Spatial Plan.

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 3016/2002, 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.lamdadev.com.

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 members.

More specifically, of the 11 members of the Board, 10 are non-executive, 4 of which are fully independent. Secretary to the BoD is John Giannakopoulos, Chief Legal Counsel.

Audit Committee

The Audit Committee assists 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 four members, Chariton Kyriazis, Chairman, Dimitrios Afentoulis, member, Ulysses Kyriacopoulos, member and Eftichios Vassilakis, member. The Audit Committee operates in accordance with a detailed Operating Regulation, which is uploaded on the Company's website.

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, the executives and employees of the Company, in accordance with the market conditions and the economic context in general,
b. the empowerment of the Company's administrative centers and 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 approving the documented recommendations of CEO for hiring and promoting executives.

The Compensation & Nomination Committee consists of three members, Fotios Antonatos, Chairman, George Gerardos, member and Ulysses Kyriacopoulos, member. Evangelos Chronis is appointed a substitute member of the Chairman. The Compensation & Nomination Committee operates in accordance with a detailed Operating Regulation, which is uploaded on the Company's website, www.lamdadev.com.

Risk Management Committee

Risk Management Committee aims to analyse, 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

Investment Committee is responsible for the evaluation of integrated proposals regarding new investments, proposed by the Development Division.

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 Department reports to the Audit Committee.
The Internal Audit Department, headed by Mary Papakonstantinou, is responsible for the internal audit and is supported selectively by external specialist consultants, as deemed necessary.

Diversity Policies

The Company is committed to international standards for diversity and equal opportunities.

Provides equal opportunities to all employees and candidates at all levels of hierarchy, regardless the race, color, religion, ancestry, sex, sexual orientation, age, disability, marital status, or any other characteristic protected by law and expressly prohibits discrimination or harassment based on these factors.

All decisions relating to recruitment, promotion, training, performance evaluation, salary payments and benefits, disciplinary offenses and dismissal are free from any illegal discrimination. It should be noted that no incidents of discrimination have been reported in the Company.

The constructive use of difference and diversity, the respect regarding individual differences and the creation of a fair and meritocratic work environment for all employees without exceptions, is the key element for the Company's growth and the achievement of its strategic objectives.

BOARD OF DIRECTORS

Anastasios Giannitsis

Chairman, non - executive member

Professor at the National Kapodistrian University of Athens until 2011. Since then he holds the title of emeritus professor. He studied Law and Economic & Political Sciences at the University of Athens and obtained his PhD in economics at the Free University of Berlin. He served as Minister of Labor and Social Affairs, Alternate Minister of Foreign Affairs, Minister of Foreign Affairs and Minister of Interior, Economic Advisor to the Prime Minister, President of Economic Advisors, President of Hellenic Petroleum Co. Member of the Board of Directors of the National Bank of Greece Cultural Foundation and Honorary Member of Special Olympics Hellas. He has published many books and articles on economic, social and political issues. Scientific interests: Development Theory and Policy, International Economics, European Integration, Economics of Technology, Industrial Structures and Industrial Policy.

Evangelos Chronis

Vice Chairman, non executive member

Evangelos Chronis studied shipping in London and worked closely with John S. Latsis for three decades. Today, he serves 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

Odisseas Athanassiou holds the position of the Chief Executive Officer at LAMDA Development S.A. for more than 9 years. He has long experience in senior executive positions in Greece and abroad. During his 9- year career in the US, he worked for Ernst & Young and Emerson Electric. He has held the positions of CFO Western Europe in Barilla in Paris, CFO at Diageo Hellas, responsible of the Greek and Turkish Hub and CFO of Titan cement. He holds a degree in Economics and Political sciences from the University of Athens and an MBA from the University of Texas in Austin. Athanassiou is member of the Board of Directors of SEV, SELPE, Alliance for Greece (founding member) and member of the committee of the TEDX Academy Greece.

Photios S. Antonatos

Non-executive member

Photios Antonatos, based in Geneva, is legal counsel and a member of the Board of Directors of various holding and operating Companies controlled by Latsis family interests. He is a member of the Executive Board of the John S. Latsis Public Benefit Foundation and member of the International Board of Advisors of Tufts University Boston (USA). Photios S. Antonatos received a Law Degree from the Athens University and an LLM degree from the University College London (University of London).

Dimitris Afendoulis

Non-executive member

Dimitris Afendoulis joined the Latsis Group in 1993 as an Internal Auditor. From 1997 he served as Assistant to the General Manager of the Latsis Group in Greece while also holding various positions on a number of Boards of Directors of companies and foundations in Greece and abroad. From February 2012 until November 2016 he joined the Board of Directors of the National Bank of Greece and chaired the Corporate Governance and Nominations Committee of the Bank while he was a member of the Audit, Strategy and HR Committees. As from November 2005 he is a member of the Executive Board and held the office of the Secretary at the John S. Latsis Public Benefit Foundation up to March 2019. From 2012 onwards he oversees operations of SETE companies (Latsis Family Office) in Athens. He holds a Bachelor's Degree in Business Administration and a Master in Business Administration from the Athens University of Economics and Business and De Vlerick Business School, Ghent, Belgium.

Eftichios Vassilakis

Independent, non-executive member

Eftichios Vassilakis is the Managing Director of Autohellas S.A./Hertz and also the Vice Chairman of Aegean Airlines and Olympic Air. He holds non-executive directorships with Greek listed retailer Fourlis and also luxury resorts developer TEMES. He previously served as a non-executive board member with Piraeus Bank and Titan Cement. Since 2011 he has been a Board member of the Association of Greek Tourism Enterprises and Vice Chairman from 2014. He is also a Board Member of the Hellenic Federation of Enterprises (SEV). Eftichios Vassilakis holds a B.A. in Economics from Yale University (1988) and an MBA from the Columbia Business School of New York (1991). He is married with three children.

George Gerardos

Independent, non-executive member

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 50 years of constant development and pioneering ideas, George Gerardos is the President and CEO of PLAISIO Computers S.A.

Ioannis Karagiannis

Non-executive member

Ioannnis Karagiannis was appointed the executive Chairman of the Olympia Group in 2016. Prior to this he was the Advisor to the Management for the Olympia group, a post he held since 2010. He joined Germanos SA in 1994 as Commercial Director of the Germanos stores, before becoming General Manager of Germanos SA in 1997. In 2001 he was appointed Chief Executive Officer of the company, a role he held for nine years.Mr. Karagiannis holds a BSc from Greece's National Technical University in Chemical Engineering and also holds an MBA.

Ulysses Kyriacopoulos

Independent non-executive member

Ulysses Kyriacopoulos studied Mining Engineering at Montanuniversitaet Leoben in Austria and at the University of Newcastle-upon-Tyne in England. He holds an M.B.A. from the European Institute of Business Administration (INSEAD) in Fontainebleau, France. He is currently member of the Board of the Foundation for Economic & Industrial Research and member of the Board of Lamda Development S.A. Member of the Board of IMERYS Group and of ASK Chemicals GmbH. He has served as chairman of the Hellenic Federation of Enterprises (2000-2006), vice president of Business Europe (ex UNICE) and of Hellenic Exchanges Holdings S.A., president of the Board of Directors of the Greek National Opera (2006-2009), member of the General Council of the Bank of Greece (2002-2011) and chairman of the Foundation for Economic & Industrial Research (2011 – 2014).

Evgenia Paizi

Non-executive member

Evgenia Paizi is Group Chief Investment Officer at the SETE Family Office in Geneva. She joined the Latsis Group in 2001 and is involved in business development for the Group's activities in real estate, healthcare, private equity and other investments in Europe and the Middle East. She serves on the board of directors of companies in Switzerland, Luxembourg and Saudi Arabia. Prior to joining the Group, Evgenia Paizi held positions in banking in Greece, including at the National Bank of Greece for 4 years. She holds an MBA from INSEAD (2000) and a Bachelor of Science in Operations Research and Marketing from the Athens University of Economics and Business.

Chariton (Harry) Kyriazis

Independent, non-executive member

Harry Kyriazis is a Civil Engineer, with an MBA from INSEAD and a PhD from London University. He has worked as an executive in Greek manufacturing companies, as Secretary General at the Ministry of National Economy, and as a Tax or Advisory Senior Partner in the Athens offices of international audit firms. He served for 4 years as Executive Vice-Chairman at SEV Hellenic Federation of Industries, and now works with SEV on Industrial Relations issues, participates in various Boards, and serves as Chairman or member in Audit Committees of listed and non-listed companies. Harry Kyriazis is a Deputy Member of the Governing Body of the International Labour Organization (“ILO”), and member of the Executive of the Economic & Social Committee of Greece (“OKE”). He has also served as Board member of “ELTE”, the Accounting & Auditing Oversight Board, as Executive Committee member of the Foundation of Economic & Industrial Research (“IOBE”), as Vice-President of the 2018of Management Consulting Firms (“SESMA”), and as a board member of several other institutions.

Our People

The company aims at the creation of an environment that fosters employees' professional development, based on the principles of attracting, developing and retaining human capital, offering equal opportunities to everyone. The company supports its people so that they accomplish their goals through continuous learning and development.

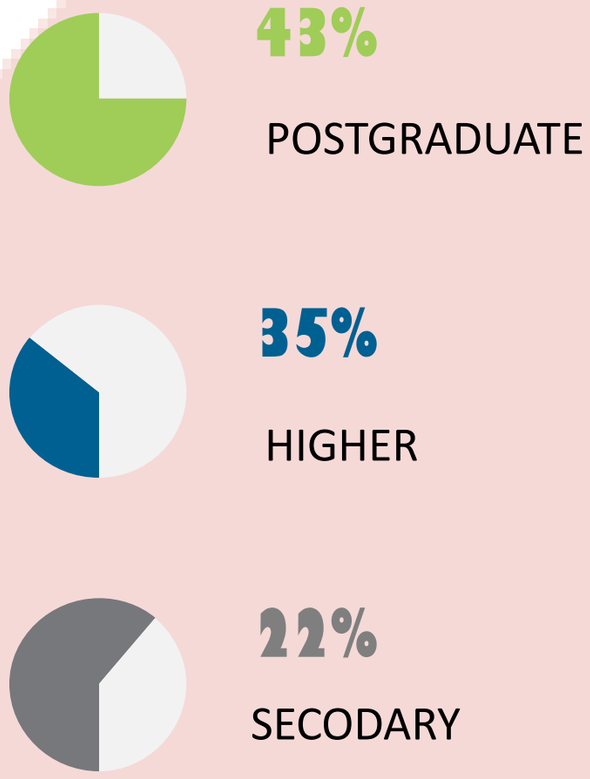
This is achieved through the implementation of evaluation and development systems. The company implements training programs, tailored to the needs of the employees in order to cover their specific training needs, to facilitate their professional development and to ensure their effective response to the company's ambitious goals.

LAMDA Development is committed to the education of its employees, the improvement of the corporate internal communication and the reinforcement of the corporate culture.

Within the framework of the benefits provided and the social policy implemented by the company, the company offers its employees a series of financial and social benefits:

- Stock option plan for its senior executives
- Performance-based bonus plan
- Health insurance and pension plan
- Interest-free loans to the personnel in case of urgent needs
- Blood Bank for the company's employees and their relatives
- Christmas presents for employees' children
- Rewards to excellent pupils/students
- Extra maternity leave days
- Extra educational leave days for master degrees' exams
- Christmas and Easter presents for employees
- Monthly Ticket Restaurant vouchers.
- Occupational health & safety provision





Sustainability













LAMDA Development has set environmental and social responsibility as a main component in its business and commercial operations, bearing always in mind to make fair use of all resources.

With a well-planned layout, modern architectural design and model ancillary services, our shopping and leisure centers aim to ensure they are run in an environmentally-friendly way, in the context of sustainable development and responsible entrepreneurship.

Corporate business activities and the oparation of the three shopping centers (The Mall Athens, Golden Hall, Mediterranean Cosmos) have created 7,000 jobs and accommodate 530 shops generating an annual turnover of €700 m.

Numerous notable synergies are deployed between the Golden Hall, The Mall Athens, Mediterranean Cosmos and the Flisvos Marina with Non-Governmental Organizations (NGOs) and other entities.

In 2016, a series of activities took place at Lamda Development's Shopping Centers, supporting no less than 70 different NGOs. This way all partners may be hosted in public spaces of our shopping centers in order to communicate their work to an audience of 25,000,0000 visitors annually.

All used oils and fats, coming from health-regulated establishments, are collected by authorized third-parties and so we avoid them beingdisposed of through local sewerage system. In such establishments, strict standards apply with respect to installing filter arrays in A/C systems, inorder to keep air contamination at aminimum

State-of-the-art practices and procedures on waste management are being implemented emphasizing on recycling (separation of five flows – material classes – recycling).

The company's Shopping Centers feature Building Management Systems that ensure monitoring of energy consumption, proper time-scheduled lighting and air-conditioning, improving thus energy consumption and achieving maximum energy efficiency

In 2018 Lamda Development's first entrepreneurship competition was launched. ReTech Innovation Challenge aims to create an innovative network of ideas and solutions that will contribute to the restructuring of the Retail market, transform traditional malls into modern hubs of technology and innovation and strengthen the ecosystem of business start-ups and entrepreneurship.

The Mall Athens and Mediterranean Cosmos hosted the Student Trade Fair, where students presented their "smart business" to the public and the jury of the Junior Achievement Greece.

A series of programs took place supporting no less than 70 different NGOs

The company supports the employee participation in social programs and voluntary activities every month

The company supports the employees so that they accomplish their goals through continuous learning and development.

Retech Innovation Challenge is a “bridge” between LAMDA Development and startup entrepreneurship

Awards











LAMDA DEVELOPMENT

LAMDA DEVELOPMENT

2018-2019:
Corpoarate Superbrands - Top Corporate Superbrand in Greece Award, org. Superbrands Greece

2018
Awarded as True Leader 2017 by ICAP Group

2018:
Best Real Estate Developer in Greece and Best Real Estate Retail and Mixed Developer Greece awards, org. Euromoney Real Estate Survey

2017:
Manager Of The Year- Odisseas Athanassiou CEO LAMDA Development- Award org. Hellenic Management Association (EEDE)

2017:
Business Awards- Corporate Governance Silver Award, org. Hrima Magazine

THE MALL ATHENS

2019:
Leaders of the Greek Economy. Distinction "Leaders- Shopping Centers" for the largest shopping center of Athens, The Mall Athens, organised By Direction business

2017:
Leaders of the Greek Economy. Distinction "Leaders- Shopping Centers" for the largest shopping center of Athens, The Mall Athens, organised By Direction business

GOLDEN HALL

2019:
Health & Safety awards first prize in the category "The safest sopping center"

FFLISVOS MARINA

2018:
Awarded with 5 Gold Anchors, obtaining the highest rating at the Gold Anchor Award Scheme program of The Yacht Harbour Association (TYHA).

Financial statements - Annual Financial Report

(click here for the complete Annual Financial report 2018)

Statement of financial position (Company and Consolidated)

all amounts in € thousands	Note	GROUP 31.12.2018	1.12.2017	COMPANY 31.12.2018	31.12.2017
ASSETS					
Non-current assets					
Investment property	6	852.115	768.415	1.840	1.840
Property, plant and equipment	7	5.877	4.476	648	647
Investments in subsidiaries	8	-	-	308.307	285.018
Investments in joint ventures and associates	8	30.529	26.542	7.759	8.261
Deferred tax assets	20	7.739	11.436	7.185	8.348
Derivative financial instruments	19	285	45	-	-
Receivables	10	27.339	4.070	8.013	18.576
		923.885	**814.983**	**333.754**	**322.692**
Current assets					
Inventories	9	9.366	10.226	-	-
Trade and other receivables	10	40.574	33.984	24.424	27.130
Current tax assets		3.567	3.120	2.987	2.972
Financial instruments held at fair value through profit or loss	11	595	28.155 -	27.557	
Cash and cash equivalents	12	67.875	86.244	12.245	29.894
		121.976	**161.729**	**39.656**	**87.554**
Total assets		**1.045.861**	**976.713**	**373.410**	**410.245**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share capital and share premium	14	376.663	376.800	376.663	376.800
Other reserves	15	6.900	6.419	3.012	3.007
Retained earnings/(Accumulated losses)		(28.447)	(70.377)	(187.233)	(148.218)
		355.117	312.842	192.442	231.589
Non-controlling interests		79.500	64.536	-	-
Total equity		**434.616**	**377.377**	**192.442**	**231.589**
LIABILITIES					
Non-current liabilities					
Borrowings	16	305.835	236.125	-	-
Deferred tax liabilities	20	106.683	105.858	-	-
Employee benefit obligations	17	1.202	1.120	812	775
Other non-current liabilities	18	1.330	1.066	53.654	40.765
		415.049	**344.169**	**54.466**	**41.540**
Current liabilities					
Trade and other payables	18	53.626	47.787	30.374	13.980
Current tax liabilities		1.563	1.392	-	-
Derivative financial instruments	19	-	225	-	-
Borrowings	16	141.006	205.762	96.128	123.137
		196.195	**255.167**	**126.502**	**137.117**
Total liabilities		**611.244**	**599.335**	**180.968**	**178.657**
Total equity and liabilities		**1.045.861**	**976.713**	**373.410**	**410.245**

These consolidated and separate financial statements of LAMDA Development SA for the year ended December 31, 2018 have been approved for issue by the Company's Board of Directors on March 28, 2019.


FAMILY
SHOPPIN
First of a
Golden
Hall