

## LAMDA Development: Year End 2018 Financial Results

### NEW RECORD OF OPERATIONAL PROFITABILITY

#### SIGNIFICANT INCREASE OF GROUP'S INVESTMENT PORTFOLIO VALUATION IN 2018

**New operational profitability record in 2018.** The operational profitability (EBITDA) of our three shopping centers **posted an increase of 15.6%** versus 2017, reaching €59.2 million, mainly due to the acquisition of the remaining 50% of the shopping center The Mall Athens in H2 2017. Excluding the realized acquisition, the increase would have been 2.1%.

The aggregate consolidated operating results (EBITDA) of the Group before valuations reached **€48.4 million**, recording an increase of 16.9%, while, taking into consideration the fair value losses/ gains in the valuation of the investment portfolio, total EBIDTA reached €103.8 million.

### PRESENTATION OF MAIN RETAIL INDICATORS

**The average occupancy** of our shopping centers approaches **100%** with tenant interest for retail spaces remaining vibrant. Aggregate shopkeepers' turnover and total customer visits increased by 3% and 1.6% respectively compared to 2017.

The total consumer and entertainment experience offered in our shopping centers, compared to the rest of the retail market, continue to attract the overwhelming preference of the consumer public. Our tenants significantly benefit from the high percentages of customer visits and from our support for common marketing, promotional and communication activities.

### IMPORTANT DEVELOPMENTS IN 2018 (up to the release of the Financial Results)

A significantly important positive development for the Company was the agreement 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.

In August 2018 - after the 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 expected to be completed at the end of 2019 and is intended to further strengthen and supplement the existing shopping center Golden Hall, while creating additional employment opportunities estimated at more than 500 new positions.

As regards the Hellinikon project, as it has already been mentioned in previous announcements in March 2018, the Presidential Decree which grants approval to the Integrated Development Plan of the Hellinikon project (Metropolitan Pole of Hellinikon-Agios Kosmas) has been issued. Furthermore, among others, the approval of the urban planning studies by means of Joint Ministerial Decisions is currently in progress and same is also the granting of the permit, through an ongoing international public tender, for the Integrated Tourist Resort – Casino (IRC). Both comprise part of the contractual prerequisites for the acquisition completion of Hellinikon S.A. and for the construction works to commence.

### FINANCIAL RESULTS ANALYSIS

The following table summarizes the **Group's Retail EBITDA**:

(amounts in € mln.)	2018	2017	(%) change
The Mall Athens	28.0	20.4	37.3%
Mediterranean Cosmos	14.4	14.6	-1.4%
Golden Hall	16.8	16.2	3.7%
<b>Retail EBITDA</b>	<b>59.2</b>	<b>51.2</b>	<b>15.6%</b>

It is noted that starting from Q3 2017 LAMDA OLYMPIA VILLAGE (LOV) is not consolidated with the equity method, but with the proportional method.

Office buildings contributed €0.8 million to the Group operational profitability during 2018.

Total EBITDA on a consolidated basis before valuations reached €48.4 million, posting an increase of 16.9%. **Net Consolidated Results** showed profit of €42.3 million versus losses of €48.3 million in 2017, a very significant change mainly due to the increase of investment portfolio's fair value, the increase in the operational profitability as well as the decrease of deferred asset tax.

**Net Asset Value (NAV)** before deferred taxes reached €438.9 million (€5.64 per share) versus €395.1 million on 31/12/2017.

### Summary of consolidated financial figures

<i>(Amounts in € mln.)</i>	<b>2018</b>	<b>2017</b>	<b>(%) change</b>
<b>Proportional (Pro – Forma) EBITDA before valuations</b>	<b>48.4</b>	<b>41.4</b>	<b>16.9%</b>
Fair Value Profit / Losses	55.5	-24.5	N/A
Effect of LOV 50% acquisition	-	-10.7	
Net interest expense	-27.1	-26.1	
Depreciation	-1.1	-1.1	
Taxes	-14.7	-22.7	
Minority Interests	-18.7	-4.6	
<b>Consolidated Results</b>	<b>42.3</b>	<b>-48.3</b>	

The Company's stock in 2018 posted a lower decrease (-17%) in comparison with the decrease of the General Index (-24%).

In addition, it should be noted that the **Net Loan to Value Ratio (Net LTV)** of the Group's investment portfolio stands at a healthy 44%.

On the occasion of the announcement of the financial results, the **CEO of Lamda Development Mr. Odiseas Athanasiou stated:**

*“Continuing its positive course, the Company posted for a sixth consecutive financial year a new record of operational profitability, while posting a significant increase of investment portfolio fair value as well as a respective increase of net profit and Net Asset Value (NAV).*

*In line with the Company's long-term strategy, Lamda Development reached an agreement in 2018 with the Ecumenical Patriarchate, owner of the land plot on which the Company developed and operates the Mediterranean Cosmos Shopping Center, for the extension of the long-term lease of the said land plot area for an additional period of thirty years, i.e. until 2065.*

*Furthermore, in 2018 commenced the project for the development of the Western Part of the former International Broadcasting Center Building, where the shopping center Golden Hall operates. The investment is expected to be completed at the end of 2019.*

*For 2019 we reiterate our strategic goal for the inauguration of works of the emblematic project of Hellinikon, which shall transform the city of Athens into a world class investment, tourist and cultural destination, creating the largest coastal park in the world as well as generating tens of thousands of new jobs.”*

The summary of year end 2018 financial figures will be posted on the company's website ([www.lamdadev.com](http://www.lamdadev.com)) and on the website of the Athens Exchange.