



Annual Report 2009



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Letter to Shareholders



Despite the prevailing economic recession in Greece and South-eastern Europe where the company operates, fiscal year 2009 was another positive year for LAMDA Development Group. Both recurring EBITDA of €41.8 million and Net Asset Value of €502 million increased by 44% and 3.3% respectively, while the Net Loan to Value ratio at 42% and the cash holdings in excess of €200 million secure a healthy capital structure.

Developments in 2009

The economic slowdown and the deterioration in retail sales in Greece had relatively little effect on the performance of the three shopping and leisure centres, owned by the company. Occupancy has been kept at 100% and annual rents have been adjusted upwards as per lease contracts terms. Total tenant sales in

the Mediterranean Cosmos remained at previous year levels, whereas in The Mall Athens tenants' turnover dropped by approximately 6% only, as compared to over 20% average drop in the like for like retail industry in Greece. This outcome becomes even more satisfactory if we consider the beginning of operations of our third shopping mall, the Golden Hall, at a very close proximity (3 km) to The Mall Athens. Tenants' combined turnover for The Mall Athens and the Golden Hall reached €448 million, increased by 35% compared to the previous year. Golden Hall had its first full operating year in 2009 and is fully let. Our marketing campaigns proved very successful as we managed to more than double the amount of consumers visiting the centre and hence significantly improve tenants' turnover in the second half of the year,

reaching a total turnover of approximately €136 million for the year, slightly above budget.

Undoubtedly, LAMDA Development maintains its leading position and excellent reputation in Greece in the development and management of commercial and leisure centres. There is a clear consumer trend in favor of large retail centres, as evidenced by the stable and increasing customer visits and market share, providing comfort regarding the future prospects in recurring EBITDA as well as property values.

With regard to our other operating assets, it is worth noting the positive developments in Flisvos Marina. Recurring EBITDA increased by 9.5%, occupancy remains at 100% and the investment in additional

berthing facilities has been recently completed (end of February 2010). The additional berthing capacity offers 50 new berths, bringing total capacity to 300 berths. The marina enjoys the unique position to offer its services to mega yachts for about half of the total berthing capacity. Furthermore, the beautiful land commercial facilities attract an ever increasing number of visitors, estimated at approximately 15,000 visitors per day during weekends and holidays, rendering the marina a destination point.

Another important part of our continuing activity in income generating assets is our investment in Eurobank Properties, a listed real estate investment company, in which LAMDA Development owns 13.86% of subject's share capital as of 31-12-2009. At

the beginning of year 2008 we embarked on a new plan to increase our participation in subject because of its significant discount over NAV (30% as at the end of 2009) and our assessment of its prime investments. The total number of shares purchased reached 2,222,987 in the last two years at an average acquisition cost of €6.58/share. In 2009 alone we realized a total revaluation gain of €21.1 million which increased our NAV by same amount in the balance sheet.

With regard to new investment activity we remained very cautious in view of the recessionary economic conditions in Serbia, Bulgaria and Romania where we hold most of our land plots for development. As stated in our strategy last year, we would not contemplate to start construction activity without satisfactory percentage of pre-

sale or pre-let agreements. The exception was the continued investment in Singidunum land banking project in Belgrade according to our initial plan as we are pursuing re-zoning from farm land to construction land; additional investment cost reached €17.8 million.

Valuations at fair market value and impairment tests according to IFRS 40 new directives produced a €13.8 million positive revaluation effect to the benefit of the consolidated profit and loss account. Following the new directives the chartered surveyors proceeded with appraising at fair market value our land plots that are classified for investment purposes and do not involve residential development. The total fair market value of our shopping centres and offices remained on average the same, despite some further increases in cap



rates from last year, mainly due to sustainable increases in recurring EBITDA of our shopping centres. We continue enjoying a comfortable liquidity position and reiterate our cautious approach in cash flow planning. Our Net Loan to Value Ratio stands at 42% and our cash position amounted to over €200 million at the end of the year. Financial covenants are comfortably met while major repayments take place not before years 2012 and 2013.

The performance of our assets led to a 44% improvement in our recurring EBITDA. It should also be underlined here that we managed to decrease operating, general and administrative costs by 10% this year. The Group's consolidated net income, despite the increase in recurring EBITDA by 43,6%, decreased to €7.7 million

compared to €60.1 million in 2008. This is primarily due to the fact that in 2008 we had for the first time the fair market valuation of the Golden Hall which generated a €50 million revaluation gain and also a positive deferred tax adjustment of €13.3 million due to reduction of income tax rates that also took place in 2008. The Group's activities in 2009 resulted to an increase in Net Asset Value by 3.3% to €502 million representing €12.3 NAV/share.

The company's common stock was quoted in the Athens Exchange at €7.58 or at a discount to NAV of 38% in December 31, 2009. Over all the stock performed much better in comparison to the Athens Exchange Index and the EPRA Europe Index: LAMDA Development share price increased by almost 80% compared to 23% and 36%

for the other two indexes. During 2009 we continued our share buyback programme and purchased an additional amount of 1,590,728 own shares. Total treasury stock at the end of 2009 amounted to 7.3% of total common stock at an average cost of €5.70/share.

Going Forward

These are without any doubt very challenging times. Greece is in a very serious situation in trying to manage the excessive deficit and the huge public sector debt. Deep fiscal tightening already has an alarming recessionary effect on the Greek economy and of course on retail sales and occupier demand. Despite the recession that has been unfolding we remain confident that we shall continue to successfully manage our investment portfolio with all required

amount of effort, capitalizing on the skills and experience we have accumulated in the past several years and on the good relationships we have built with most of the retailers present in Greece, who are also tenants in our shopping centres. The big success of our retail centres to date combined with the prevailing consumer trend in favor of large well organized retail outlets, the fact that our tenant lease contracts provide for rents at levels much more affordable than rents at high streets and given the support our tenants enjoy in marketing, promotional and communication activities, all these factors provide comfort that the future is manageable and promising. Regarding our development pipeline our immediate priority would be to concentrate on Serbia and intensify required actions to expedite detailed planning

permissions and finalize business plans for our two major development projects in Belgrade.

Our strategy continues to focus on developing and investing in the retail real estate sector, whenever appropriate opportunities arise. We are constantly monitoring opportunities in Greece, South-eastern Europe and Turkey. The economy in Turkey is already in the recovery phase while recovery in Serbia, Romania and Bulgaria is anticipated to start taking place at the end of this year or beginning of 2011. Furthermore, we shall continue to place heavy emphasis on liquidity, risk management and cost control which become more and more of key importance in view of market and economic developments these days.

Dear Shareholders,

All in all we are confident and optimistic that we shall succeed in enhancing our company's position in the future as an important regional player in the real estate sector and I want to thank our employees for their effort and enthusiastic support in sharing this common vision. On behalf of the management and company employees, I want to thank you for the trust you have placed in us.

Odisseas Athanassiou
CEO
LAMDA DEVELOPEMENT

2009 Financial Performance



2009 was a particularly successful operating year for the Group as recurring EBITDA increased significantly to €41.8 million, registering a 44% increase compared to the previous year. This increase is attributed to the improved operational performance of the existing malls The Mall Athens and Mediterranean Cosmos, to the launch of operations of Golden Hall in November 2008, as well as to the continuing profitability of Flisvos Marina.



Despite the economic slowdown in South-eastern Europe throughout 2009, the Net Asset Value reached €502 million (or €12.3 per share) thus registering a 3% increase compared to the previous year. Note that over the last four years total increase in Net Asset Value has reached 65%, namely €200 million in absolute figure, with an average annual growth return of 13.5%.

Fair value gains of investment property in 2009 reached €13.8 million, compared to €50 million in the previous year. For the first time in 2009, because of specific changes in the IFRS regulations, the chartered surveyors proceeded with the valuation of our land plots that are classified for investment purposes. Moreover, following the global trend of capitalization yields increase, the valuation of the Group's investment property at fair value by the

chartered surveyors Savills Hellas has an average yield of 7.3% for commercial centres and 7.5% for office buildings. The total fair market values of our shopping centres and offices remained on average the same despite some further increases in cap rates from last year, mainly due to sustainable increases in recurring EBITDA of our shopping centres. We believe that these yields are conservative since all of our assets enjoy full occupancy, long-term leases and high quality tenants.

The Mall Athens had a remarkable increase in the number of visitors by 8%, reaching 12.7 million, a fact that supports our optimism for improved operational performance in the future. Despite the unfavourable economic environment and the significant drop in retail spending throughout the country, The Mall Athens registered a rather small

decrease in tenants' turnover of approximately 6%. This drop is certainly small if we also take into account the drop in retail spending and the simultaneous start up operation of Golden Hall in the vicinity. The operational performance of Mediterranean Cosmos in Thessaloniki is also quite satisfactory given the flat change in tenants' turnover compared to 2008 and the 8.3 million customer visits.

The operation of the new commercial centre Golden Hall in December 2008, has also been marked with success, even if its first year of full operations coincided with the financial crisis. The centre is 100% leased to companies representing leading Greek and international brand names. The completion of this commercial centre, apart from contributing to an increase in Net Asset Value, has also a positive effect of €7.5 million on the Group's recurring profitability.

Furthermore, tenants' turnover of €136 million can be deemed very satisfactory and is in line with our initial forecasts.

As far as our office areas are concerned, they still have very high occupancy levels and a positive contribution to the Group's recurring profitability of €3.5 million.

The recurring profitability of Flisvos Marina has increased 9.5% compared to the previous year. The existing berths are fully leased, while in February 2010 the expansion of the marine infrastructure was successfully completed offering 50 new berthing facilities reaching a total of 300 berths. This additional capacity will naturally contribute to the increase in turnover and profitability starting from the current year. It is important to underline that approximately 50% of the 300 berths can be used by mega yachts with over 30 meters length, an advantage

that only Flisvos Marina enjoys in Greece. Marina's turnover for the year approximates €12.7 million, the majority of which derives from berthing revenues.

Another important part of our continuing activity in income generating assets is our investment in Eurobank Properties, a listed real estate investment company, in which LAMDA Development participates with a 13.9% share as of 31-12-2009 (versus 11.4% a year ago). In 2009 alone we realized a total revaluation gain of €21.1 million which increased NAV by same amount in the balance sheet. Our yearly return on the specific investment is approximately 22%.

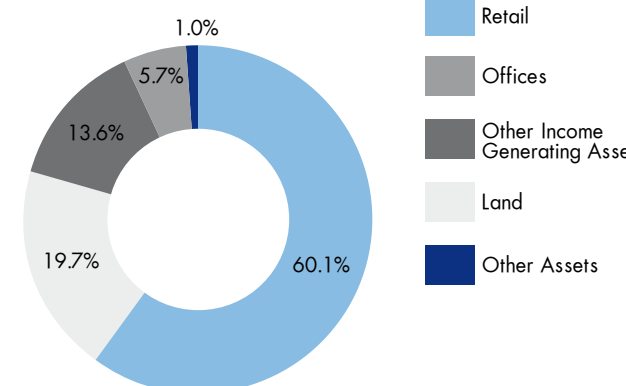
The consolidated net results of the Group, after tax and minority interest reached €7.7 million, compared to €60.1 million in 2008. In addition to the lower fair value gains

by €36.2 million, the results were further affected by the increase of non-recurring expenses for the reinforcement campaign of Golden Hall and by the increase of net financial expenses by €0.9 million due to a higher outstanding average loan balance during the year. Finally, it must be stressed that the 2008 results were positively affected by €18 million gains as a result of The Mall Athens Top-Up premium and by another €13.3 million from the decrease in tax rates that reduced defer taxation.

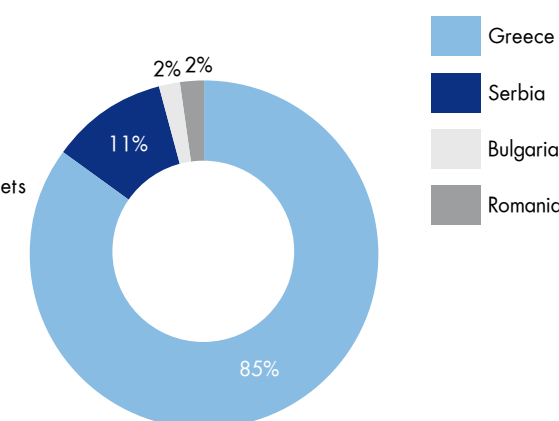
Total investments in property reached €937 million on 31st of December 2009. The allocation of property investments, per type of property and per geographical location is illustrated below.

Recurring EBITDA from Properties			
(€ million)	2008	2009	% Change
The Mall Athens	15.8	16.5	4.4%
Mediterranean Cosmos	14.1	15.4	9.2%
Golden Hall	1.0	7.5	650.0%
Office Buildings - Flisvos Marina	7.0	7.0	0.0%
Dividends and Participations	3.7	6.7	81%
Overheads	-12.5	-11.3	9.6%
Total	29.1	41.8	43.6%

Investment Portfolio per Sector



Investment Portfolio per Country





The consolidated turnover of LAMDA Development Group during 2009 was increased by 12.3%, reaching €84 million, compared to €74.8 million in 2008. This increase in turnover is mainly due to the full year positive contribution of Golden Hall, as well as to the increase in rental income from the other two shopping centres.

Loan to Value ratio stands at 42%, which implies the conservative approach of our company to the use of bank loans. The Group has secured considerable liquidity of €217 million at the end of 2009, originating from own equity and bank loans in order to finance the existing portfolio

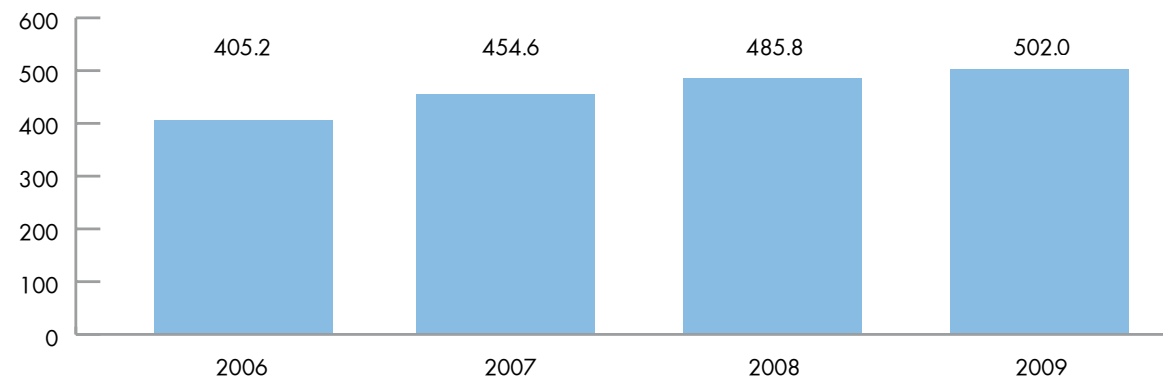
and its investment plan, but also to exploit potential investment opportunities, which may emerge in the near future as a result of the financial crisis.

As far as our development pipeline is concerned, save the completion of an office building in Bucharest, which is fully leased, the company has consciously opted to postpone the commencement of any construction activity. The exception was the continued investment in Singidunum land banking project in Belgrade according to initial plan as we are pursuing re-zoning from farm land to construction land; additional investment cost reached €17.8 million.

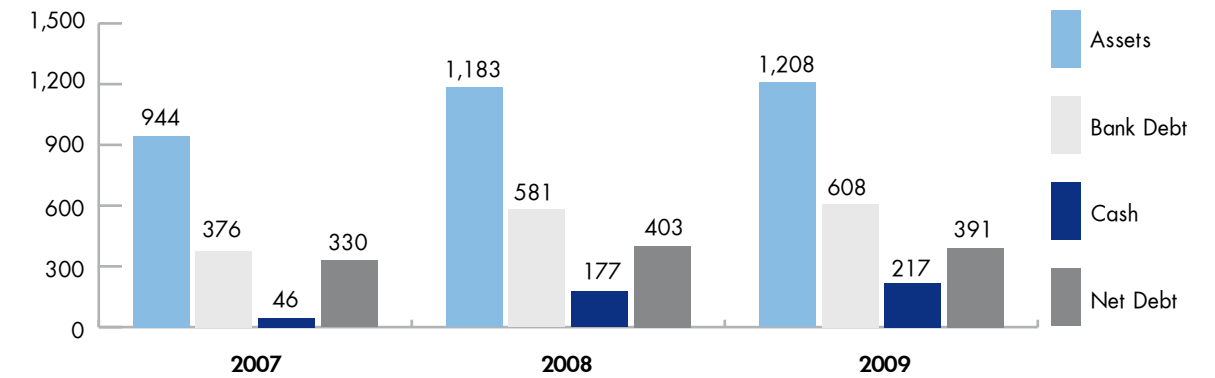
We reviewed market risks and revised the time schedule of our development plan, by taking into account the criteria of limiting risks, seeking the pre-sales and pre-leasing agreements and investment partnerships. Therefore, this phase is characterized by systematic reassessment of the individual strategies regarding new developments in view of the recent financial developments in our target area of interest. Any decisions will be made at the right time, serving the objective of profit maximization for our shareholders and risk minimization.

Net Asset Value (in € million)				
	2006	2007	2008	2009
NAV	405.2	454.6	485.8	502.0
NAV per share	9.20	10.40	11.50	12.30
% Change		12%	7%	3%

NAV (in € million)



Bank Debt and Total Assets (in € million)				% Change	
	2007	2008	2009	2008	2009
Assets	944	1,183	1,208	25%	2%
Bank Debt	376	581	608	54%	5%
Cash	46	177	217	284%	22%
Net Debt	330	403	391	22%	-3%

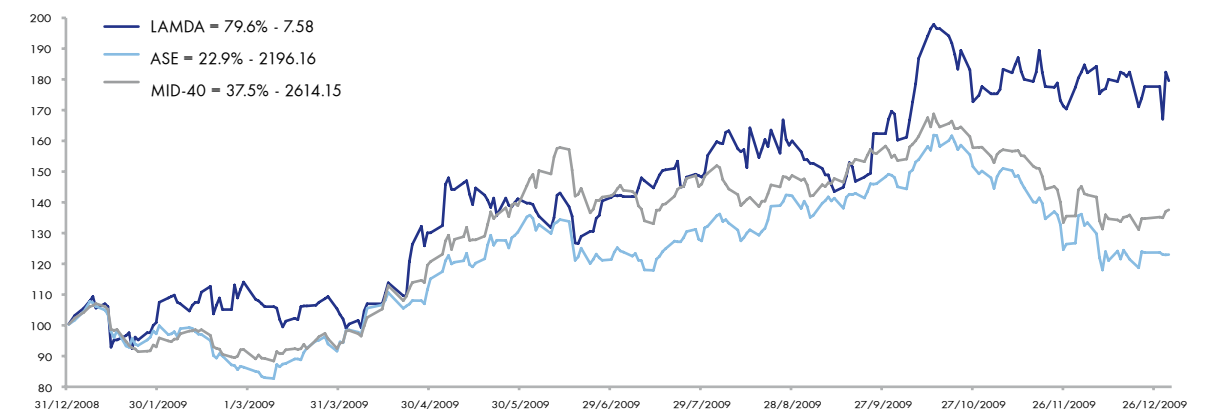


Share Performance

Our share price in 2009 posted a remarkable return of approximately 80% and managed to offset the 2008 negative return. The Composite Index of Athens Exchange and mid-cap index FTSE/ASE MID-40 also rebounded and increased by 23% and 38% respectively. The local market has followed the upward trend of the foreign stock exchanges and overcame 2008 which was

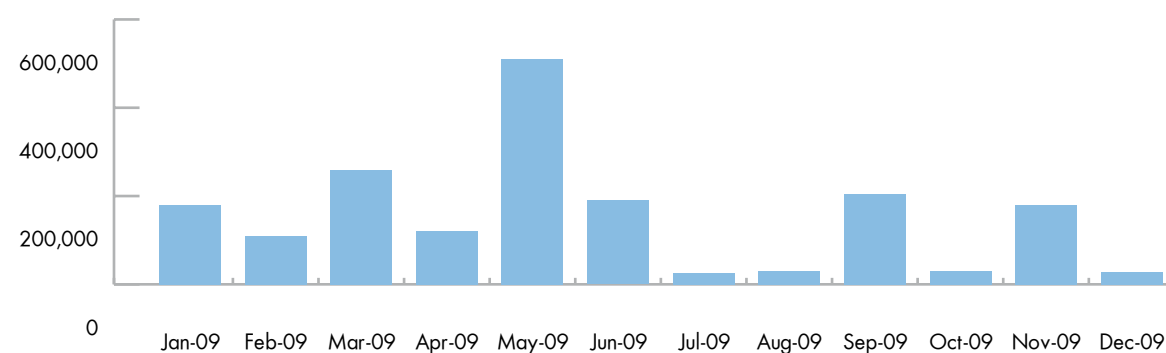
a very difficult year. During 2009, LAMDA Development continued the presentation of its significant financial and business prospects and challenges to international and Greek investors, thus helping to maintain the volume of transactions at relatively satisfactory levels given the circumstances. The free float of our share stands at year-end approximately at the level of 33%.

It should be noted that the share is part of the relevant ATHEX indexes and the Pan-European index EPRA/NAREIT, which consists of the most important shares of European real estate listed companies, therefore reinforcing its awareness amid the international investment community.

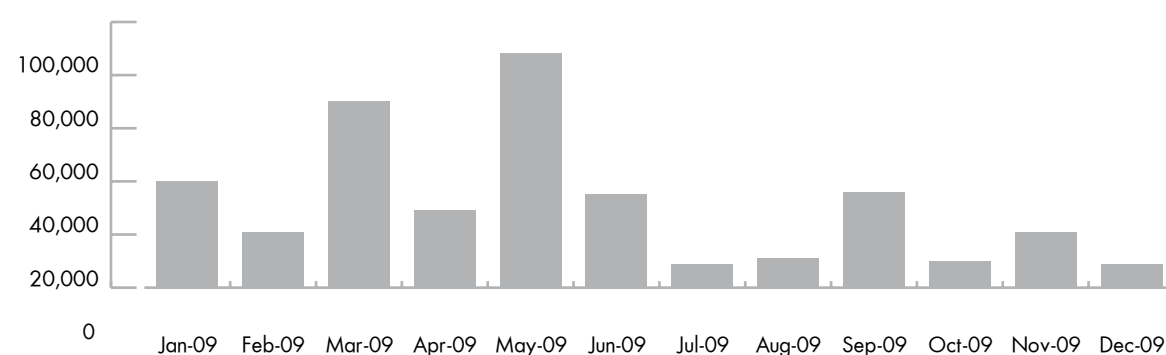




Average trading volume (in €)



Average shares volume (per day)



Overview of FY 2009 IFRS Financials - Income Statement

(€ million)	2008	2009
Revenue	74.8	84.0
Earnings before Interest & Taxes (i)	89.1	42.3
Profit before Income Tax	71.1	21.6
Taxes	5.4	8.9
Profit after Tax & Minority Interest	60.1	7.7

(i) Includes net gain on fair value adjustment on investment property

Overview of FY 2009 IFRS Financials - Balance Sheet

(€ million)	2008	2009	Change %
Investment Property	622.6	675.2	8%
Property, Plant and Equipment	153.0	43.3	-72%
Inventories	45.8	135.7	196%
Cash and Cash Equivalents	177.2	216.7	22%
Group Equity	467.9	486.7	4%
Short Term Borrowings	67.0	10.7	-84%
Long Term Borrowings	513.6	596.9	16%

Per Share Financial Data

	2008	2009
Total Number of Shares Outstanding at Year's End	44,029,950	44,029,950
Financial Data per Share	-	-
Profit after Tax & Minority Interest	1.34	0.19
Net Asset Value (NAV) excl. Treasury Shares	11.50 €	12.30 €

Share Price Performance

	2008	2009
Closing Price at Year end	4.22 €	7.58 €
Annual Average Price	7.85 €	6.03 €
Annual Max Price	14.36 €	8.36 €
Annual Min Price	3.22 €	3.88 €
Daily Average Number of Shares Traded	44,150	30,208

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

	31/12/2008	31/12/2009	Change %
LAMDA DEVELOPMENT	4.22 €	7.58 €	80%
ASE XA	1,786.51	2,196.16	23%
ASE MID 40	1,900.59	2,614.15	38%
EPRA/NAREIT EUROPE	1,349.42	1,836.29	36%

Investment Portfolio

The Mall Athens
Mediterranean Cosmos
Golden Hall
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 Mall Athens



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 centre one of the hottest spots in Athens for shopping and entertainment. Thanks 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 of 195 stores, including the most significant Greek and international brands, and offers 25 restaurants and cafes, a state-of-the-art 15-screen cinema complex, a multitude of support services and approximately 2,065 parking spaces. ECE-LAMDA Hellas has undertaken the smooth and effective operation of the centre.



The investment value of the commercial and leisure centre reached €320 million, while its current fair market value stands at €545 million. This is considered to be one of the largest private real estate investments ever implemented in Greece. The Mall Athens hosted 12.7 million visitors during 2009, thus registering an 8% increase compared to 2008. In 2009, tenants' turnover

reached €312 million, while rental and parking revenues amounted to €38.5 million. Operating profits for the shopping centre reached €33.5 million. The centre is fully leased, while demand from companies expressing interest in leasing space is particularly high. The investment has created approximately 2,500 new jobs. HSBC Property Investments

Ltd has a 50% share in LAMDA Olympia Village, owner of The Mall Athens. With regard to The Mall Athens legal issues, please refer to the Annual Financial Report 2009, 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.



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



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 safe destination for everyone thanks to its 209 shops, 37 restaurants and cafes, super-markets, a cinema complex and a bowling room, a 400-seat open theatre, a playground, an Orthodox church, exemplary auxiliary

services and a traditional Greek village. The centre provides easy access from the city centre and surrounding areas, and is located within five minutes distance from the international airport and major highways. Mediterranean Cosmos was developed by LAMDA



Development (60.1 %) in cooperation with Sonae Sierra and Acropole-Charagionis (39.9%). MC Property Management has undertaken the management of the centre. The development cost of the centre reached €120 million, while its current fair market value stands at €176 million.

Mediterranean Cosmos attracted 8.4 million visitors during 2009. Tenants' turnover amounted to €184 million approximately and rental income amounted to €21 million. Operating profits for the commercial centre reached €15.5 million, registering an increase of 11% compared to

last year. The centre has almost 100% occupancy and has created approximately 2,000 new jobs. For more information about the shopping centre, please visit the website of Mediterranean Cosmos, www.mediterraneancosmos.gr.



Golden Hall



Golden Hall is ideally located on Kifissias avenue, close to the Athens Olympic Stadium and expands over three levels. Its 131 shops are occupying approximately 41,000 sq.m., while 1,400 parking lots are provided on two levels in order to facilitate visitors.



Golden Hall



The first two levels of the shopping centre mainly host shops of women's, men's, children's fashion and footwear, accessories, jewellery stores, home equipment and decoration, cosmetics, sportswear, hair salon, bookstores, etc., while shopping, visitors can indulge in 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. 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. The development cost for Golden Hall amounted to approximately €78 million, while its current commercial value approximates €120 million. Tenants' turnover reached €136 million, while



rental and parking income amounted to €17.7 million. Operating profits for the shopping center reached €7.5 million. The centre is fully leased. ECE-LAMDA Hellas, a specialist in the management of shopping centres, has undertaken the management of the centre. In April 2010, Golden Hall was top rated

in European level in the European Shopping Center Awards (ICSC) and was awarded the first prize in his category. Golden Hall, has also been acknowledged as a Superbrand and honoured with the first prize in the Category "Shopping Centre, Super Markets & Department Stores" in the Corporate Superbrands 2010.

With regard to Golden Hall legal issues, please refer to the Annual Financial Report 2009, 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



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.



Flisvos Marina



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 investment plan to upgrade Flisvos Marina's land and marine infrastructure and facilities amounted to approximately €48 million. The marine facilities in combination

with mild development and a unique architectural style have contributed to the creation of a world-class marina that is expected to attract upscale tourism. After the recently completed north pier works, Flisvos Marina offers a total of 300 berth spots, 50% of which accommodate mega yachts (boats and luxury yachts exceeding 30 meters in length). Berth occupancy

reaches almost 90%. The income from port services and property leasing amounts to €12.7 million, while EBITDA for 2009 amounts to €3.5 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 750 trees were planted during its upgrade. Tenant occupancy in Flisvos Marina commercial areas reaches almost 100% 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 third 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 9001:2000 and ISO

14001:2004, making it Greece's first and only marina to hold both certifications. With regard to Flisvos Marina legal issues, please refer to the Annual Financial Report 2009, 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.



Other Investments

Golden Hall Office Building

Office areas of the commercial and business complex Golden Hall cover a leasable area of approximately 4,500 sq.m. They are divided into two separate wings and expand over three floors. The top-quality office areas are 90% leased. Rental income amounts to €1 million approximately.



Kronos Business Centre

The Kronos Business Centre in Maroussi is an ultra-modern building offering 4,000 sq.m. of office and commercial space, large floor plates and comfortable offices. The office space is fully leased to two multinational companies: Procter & Gamble Hellas and Hyatt Regency. Rental income amounts to €1 million.



Cecil Office Building

The historic former Cecil Hotel in Kifissia, owned by LAMDA Prime Properties, was converted in 2002 into a luxurious and highly-functional office complex offering 6,000 sq.m. of leasable space. The building currently hosts well-known and high-prestige companies such as I.M. Mailis, Laskaridis Group, Trade Link. The building is almost fully leased, while rental income reaches €1.7 million.



Office Building in Romania

The office building is situated in a high-profile location, on the main highway that links the centre of Bucharest with the airport. The total area of the building covers 4,700 sq.m, of which 333 sq.m. are dedicated to retail shops on the ground floor and 39 parking lots at two underground levels covering an additional area of 2,000 sq.m. The building's current fair market value reached €10.4 million.

The building is fully leased to Germanos Telecom Romania and generates approximately €1.2 million annual rental income.





Other Investments

LAMDA Hellix

LAMDA Hellix, is a LAMDA Development subsidiary in the “Wired Real Estate” sector. Awarded as Best Regional Data Center Operator 2009 in Europe, LAMDA Hellix is the first, most successful and only certified in Greece, under ISO 9001:2008, Data Center Outsourcing & Integration services provider for the hosting of main or disaster recovery centres and points of presence of large private and public organizations as well as service providers in Greece and in South-eastern Europe. Through its world-class facilities and services, LAMDA Hellix enables organizations with mission critical applications to increase

the security and the availability of their systems and services and reduce all operating and managerial costs while maintaining same autonomy and independence as with fully owned infrastructure. Furthermore, LAMDA Hellix provides Data Center Integration services, including design, development, installation, commissioning, operations and maintenance of third party Data Centres. The company’s client portfolio includes large organizations of the private and public sector, as well as companies with mission critical operations from the Telecommunications and Internet sector. Indicatively its clientele

includes:

- Banking & Financial Services: DIAS Inter-banking Systems, Hellenic Exchanges S.A., National-P&K Securities, EFG Eurobank, Piraeus Bank, Bank of Cyprus, ALPHA Bank, BNP Paribas Eurobank EFG Ukraine, Bulgarian Post Bank, Attica Bank
- IT & Telecommunications: OTE Group, HOL, Forthnet, Vodafone, Telefonica, Orange, Abovenet
- Private Sector & Multinationals: HP Hellas, Bull, Velti, Infoquest, PriceWaterhouseCoopers, Encode, Hellenic Petroleum



- Government & Public Sector: Greek Research and Education Network, National Technical University of Athens, National Land Registry.

During FY2009, LAMDA Hellix’s income exceeded €7.6 million with sales growth rate exceeding 25.4%, while earnings before interest, tax, depreciation and amortization (EBITDA) were increased over 53%, standing at €1.85 million. At the beginning of the first

quarter of 2009, the company completed an investment totalling €8 million including taxes, and increased Rack Space by 65% and Business Continuity Seats to more than 500, becoming the Leading Provider of Certified Neutral World-Class Data Centre Services in South-eastern Europe. LAMDA Hellix’s immediate investment plans include more developments in Greece, but also geographical expansion in South-eastern Europe, either

through the development of new Data Centres or through a combination of new developments and focused acquisitions. LAMDA Hellix aims to become a one-stop-shop for Neutral World-Class Data Centre services in the area for Global Enterprises, Telecom providers, E-business organizations and the Public Sector. For more information please visit the website of the company, www.lamdahellix.com.

Othonos Street Offices

LAMDA Estate Development owns approximately 800 sq.m. of floor space and 1,055 sq.m. of underground parking space in the building at 8, Othonos Street, as well as approximately 1,000 sq.m. of floor space in the building at 10, Othonos Street. Rental income amounts to €0.7 million.

Exhibition and Convention Centre, Athens International Airport

LAMDA Development participates with 11.7% share in the Athens Metropolitan Expo share capital, which has undertaken, through concession agreement, to develop and operate the new Exhibition and Convention Centre that has been constructed on the Athens International Airport premises. The centre covers a total area of 50,000 sq.m. Total investment amounts approximately to €35.4 million.



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.

Piraeus Exhibition Centre

LAMDA Development has a 19.5% stake in the share capital of the company "PIRAEUS METROPOLITAN CENTRE S.A.", which has undertaken to develop and operate the new

Exhibition and Conference Center with complimentary uses that will be constructed in the area Palataki of Piraeus Port Zone. Total facilities will have an overall above ground

area of about 50,000 sq.m. and it is estimated that the investment will reach €90 million approximately.

Serbia

Luxury Hotel Complex and Residences

Property Development DOO (100% subsidiary of LAMDA Development) was the highest bidder in the State open public tender for the sale of a property covering 43,000 sq.m., located in the centre of Belgrade. The plot is adjacent to the historic main tourist attraction of the City, named Kalemegdan Castle, overlooking the junction of Sava and Danube Rivers, while it is just one kilometre

away from Belgrade's main "high street" retail pedestrian road. The total area of the project is expected to exceed 100,000 sq.m. The project will consist primarily of high-end residential dwellings accompanied with a five-star branded hotel. The project is presently in the process of obtaining relevant building permit having deployed world leading architects.



Rezoning Project - Belgrade

Singidunum Buildings DOO Beograd (50% participating interest of LAMDA Development, RUDNAP 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 will pass. 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.

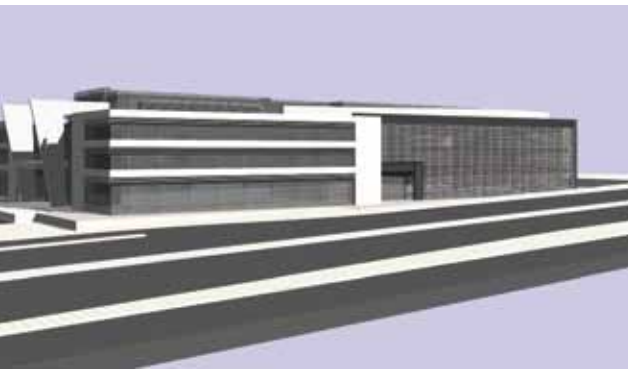
Residential Development - Belgrade Centre

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 will develop a residential complex of 11,000 sq.m. Relevant permits have been obtained.



Bulgaria



Commercial Development - Office Building - Ring Road

The company 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 the plan is to develop 24,000

sq.m. of commercial and office space, according to the relevant obtained construction permit. The ring road, currently at the stage of widening, 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 is examining 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 and just 1 km away from the city centre. On this site, an office building could 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 · Montenegro

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.



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.



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 independent and non-executive members. More specifically, of the eleven members of the Board, ten are non-executive, five 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.

Today, the Committee is composed of three members, Dr. Peter Kalantzis, Mr. Emmanuel Leonard Bussetil and Mr. George Gerardos.

Succession Planning & Corporate Governance Committee

The mission of the Succession Planning & Corporate Governance Committee is twofold:

- To track, present and propose as candidates persons with the appropriate qualifications for the empowerment and reinforcement of administration centres of the company, as well as to fill the vacant positions, always targeting towards the continuity of the efficient management of the company;
- To ensure compliance with the principles required for the transparent, moral and efficient management, based on the existing institutional framework, and adopt internationally accepted practices and models, in order to maximise the company's financial value, while protecting the interests of all shareholders and creditors.

The Succession Planning & Corporate Governance Committee is composed of Mr. Evangelos Chronis (chairman), Mr. Spyridon Theodoropoulos (member) and Mr. Dimitrios Papalexopoulos (member). Mr. Fotios Antonatos is appointed a substitute member of the Committee.

Compensation Committee

The Committee is responsible for overseeing the general principles governing the management of the company's human resources.

It is composed of three members, Mr. Fotios Antonatos (chairman), Mr. Spyridon Theodoropoulos (member) and Mr. Achilles Constantakopoulos (member).

Risk Management Committee

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

Investment Committee

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

Internal Audit Department

Internal Audit at LAMDA Development is an independent, objective and consulting activity, which adds

value to the company's systems and operations. It helps the organization to accomplish its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, audit mechanisms and the corporate governance process.

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

Investor Relations and Corporate Communications Department

Investor Relations and Corporate Communications Department provides shareholders with accurate

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

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

The department is structured around the following services:

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



Board of Directors

Peter Kalantzis
Non-executive member
until 16/3/2010
Chairman, non-executive
member as of 17/3/2010

Dr. Peter Kalantzis studied Economics at the Universities of Zurich and Basel and obtained a post-graduate and a doctorate degree in macroeconomics. He was a Researcher and Assistant Professor in Economic Theory at the University of Basel. In 1972, he became a member of Lonza Ltd. (Basel). In 1991, he served as Vice Chairman of the Alusuisse-Lonza Group (Zurich). Since 2001, he has worked as an independent consultant and is a Member of the Board of Directors of several companies in Europe and the USA. He has served as Chairman of Petrola Hellas S.A. and as Chairman of the Board of Directors of the Swiss Chemical and Pharmaceutical Industry Association between 2001-2002.

Evangelos Chronis
Non-executive member
until 3/12/2009
Vice Chairman,
non-executive member
4/12/2009

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 as
of 5/5/2009

Mr. Odisseas Athanassiou has a long experience in senior administration positions in Greece and abroad. He has held the position of Financial Director, Greece at the cement company TITAN, the position of CFO Western Greece in Barilla in Paris and the position of Financial Director of Diageo Hellas and was responsible for Greece and Turkey. 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 Financial Sciences from the University of Athens and an MBA from the University of Texas in Austin. Mr Athanassiou is a member of the board of directors of SELPE.

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 25 years ago.

George Gerardos
Independent,
non-executive member

Mr. George Gerardos was born in Palaio Faliro in 1946. He 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 40 years of constant development and pioneering ideas, Mr. Gerardos is the President and C.E.O. of PLAISIO Computers S.A., one of Europe's 500 fastest growing Businesses for the 9th consecutive year.

Theodora Zervou
Non-executive member as
of 4/12/2009

Mrs. 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.

Spyridon Theodoropoulos
Independent,
non-executive member

Mr. Spyros Theodoropoulos is the Managing Director of Vivartia S.A., a company which was created by the merger of 5 leading companies of the food sector: Delta Holding S.A., Delta Dairy S.A., Chipita International S.A., Goody's S.A. and General Foods S.A.. He began his career in 1976, working for Recor S.A. In 1981 he became General Manager of Aligel. In 1986 he became Managing Director of Interia. In the same year, he purchased 50% of the shares in Chipita, becoming its Managing Director. In 1989 he proceeded with the purchase of the remaining 50% of Chipita's shares. He is currently a member of the Board of Directors of Titan S.A and MIG S.A. In the past he has also been the President of the Union of Listed Companies, Vice President of the Board of

the Directors of the Hellenic Federation of Enterprises and Vice President of the Hellenic Exchanges Group.

Ulysses Kyriakopoulos
Independent non-executive
member as of 17/3/2010

Mr Ulysses Kyriakopoulos has studied Mining Engineering at Montanuniversitaet Loeben in Austria and at the University of Newcastle-upon-Tyne in England. He received his MBA at 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, Vice President of the Hellenic Exchanges Holding SA and Member of the General Council of the Bank of Greece, Member of the Board of I.Boutaris & Son Holding SA. and of Lavipharm SA. He was Former Chairman of the Federation of Greek Industries, Former Vice President of BusinessEurope (Confederation of European Employers/ UNICE) and Former President of the Greek National Opera.

Achilles V. Constantakopoulos
Independent,
non-executive member

Mr. Achilles Constantakopoulos has graduated from Ecole Hoteliere de Lausanne. Since 1995 he is the Managing Director of COSTATERRA S.A. (Investment, Holdings and Real Estate Development)

and TEMES S.A. (Costa Navarino Resorts - Messinia). He is a member of the BoD of COSTAMARE SHIPPING COMPANY S.A. and CIEL SHIP MANAGEMENT S.A. (Container vessel Operators) and GEOHELLAS S.A. (Industrial Minerals Mining and Processing). He is also a member of the BoD of AEGEAN AIRLINES S.A., AMATHUS HELLAS S.A., AUTOHELLAS S.A. (HERTZ franchisee), CYBARCO plc, CYBARCO ATE, CYBARCO SA and EMPORIKI BANK S.A.

Dimitris Papalexopoulos
Independent,
non-executive member

Mr. Dimitris Papalexopoulos holds a degree in Electrical Engineer (Dipl. EL-Ing. ETH, 1985) from the Swiss Federal Institute of Technology and an MBA from Harvard Business School, USA (1987). He has worked as a consultant for McKinsey & Company in the USA and Germany. He has been with TITAN CEMENT CO since 1991, having worked in many financial posts, while in 1996 he was appointed Managing Director. He is member on the Board of the Federation of Greek Industries, the Foundation for Economic and Industrial Research, the Athens Laboratory of Business Administration (ALBA), the Foundation of the Hellenic World, the SEV Council for Sustainable Development (SEV BCSD) and the European Round Table of Industrialists (ERT).



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

Actions of Environmental and Social Awareness

With each project, LAMDA Development strives to use environment-friendly materials and construction methods while providing for the upgrading of the environment through its investments. The company also applies certified environmental management systems to most of its investments.

Since its establishment, LAMDA Development has always supported the efforts made by public welfare institutions and organizations, which aim to improve the living standards of our fellow citizens and help those in need. Indicatively, the company supports the work of organizations, such as "Amimoni" "Alma Zois" and others. LAMDA Development also supports the National Theatre.

Financial Statement





www.lamda-development.net



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