



Golden
Hall



Annual Report 2008



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Letter to Shareholders



Dear Shareholders,

2008 was a positive year for LAMDA Development Group since operating results of the Group's current investment portfolio were further improved, while the new shopping centre Golden Hall was inaugurated in November 2008 with a 100% occupancy.

Developments in 2008

In Greece, the Group confirmed its leading position in the development and management of commercial and leisure centres through the successful completion and operation of Golden Hall, the third largest shopping centre in Greece owned by LAMDA Development Group. The completion of Golden Hall signifies a successful post-Olympic use of an Olympic property.

The centre consists of a Gross Leasable Area (GLA) of approximately 41,000 sq. m. (131 shops) and hosts leading international and greek brand names. Based on the signed leasing contracts, its performance is very satisfactory, a fact which is being reflected in the property valuation delivering significant returns to the company.

While 2008 was characterized by the general slowdown of economy and specifically a 4% drop of total retail sales in Greece, the performance of both shopping centres, i.e. The Mall Athens and Mediterranean Cosmos, was further improved. The stores located in the shopping centres, The Mall Athens and Mediterranean Cosmos, had an increase in net sales of 4% and 10% respectively. Customer visits were also increased, reaching 12 million visitors annually for The Mall Athens in 2008, an increase of 9% compared to 2007, and 8.5 million visitors for Mediterranean Cosmos, an increase of more than 12.5% compared to 2007. The positive performance presented with the above figures and the consequent considerable improvement of recurring profits partially counter-balanced the negative effect of the significant increase of capitalization yields on the commercial value of both properties.

The improvement in the operating results of Flisvos Marina was also a positive development, since revenues were increased by 33%, and occupancy of marine and land facilities reached 100%.

Similarly, occupancy of CECIL and KRONOS Business Centre office complexes continued to be 100%. In addition, during the summer of 2008 the new office complex in Bucharest, covering 4,700 sq. m., was completed and fully leased.

The above developments led to a 25% increase in the recurring EBITDA of LAMDA Development Group, reaching €29.1 million, while further increase is expected during the current year due to Golden Hall. In addition, the Net Asset Value (NAV) for our

shareholders was improved by 7% compared to 2007, reaching €486 million.

Total investments in real estate reached €869 million, compared to €779 million in 2007, showing a 12% increase. Of this amount, 64% has been invested in the three shopping centres, 18% in land for further development, 7% in office buildings and 11% in other categories, including Flisvos Marina and our holding in the listed Real Estate Investment Trust EFG Properties. Regarding the geographical allocation of these investments, Greece currently accounts for 86%, Serbia 10%, Bulgaria 2% and Romania 2%.

Undoubtedly, the second half of 2008 was characterised by the on-going financial crisis that led to a global slow down. In this context, we reviewed market risks and revised the time schedule of our development plan. Our cautious approach to the above negative developments led us to decide to postpone the commencement of new projects and acquisitions, while we took the necessary steps to accumulate considerable liquidity, as shown in our balance sheet. The financial health of the Group is reflected by satisfying all our debt covenants, by securing new credit facilities but also in the cash available of the Group which amounted to €177 million at the end of 2008, while in March 2009 the available cash flow exceeds €250 million.

2008 was a negative year for stock exchanges. The Composite Index of Athens Exchange and mid-cap index FTSE/ASE MID-40 had a considerable drop by 66% and 70% respectively. Our share followed this downward trend, showing total losses of 70%. During 2008, the company pursued its own share purchase plan, thus implementing the decision of the shareholders General Meeting. Regarding dividends, due to accounting regulations, the company will not distribute any for 2008, although significant earnings are shown in the consolidated balance sheet.

Strategy

Protecting our activities from any impact of the global crisis and at the same time being alert for dynamic growth as soon as the economy shows signs of recovery, constitute our strategy's main pillars.

Our goal is to safeguard the financial strength of the Group having as main focus the continuing successful management of our shopping centres and other real estate properties as well as the maintenance of considerable liquidity in order to seek any investment opportunities that may arise in the future. Another goal is also to reduce our company's operating expenses by 20% during 2009.

The main objective of the strategy of LAMDA Development Group is to maintain the improvement of operating recurring profits and the Net Asset Value (NAV) over time, the latter having been increased by 175% over the last four years.

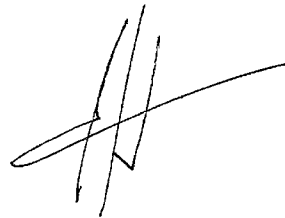
At the same time, the Management of LAMDA Development aims to maintain and strengthen its strategic synergies with both international as well as Greek groups. The latest achievement along this strategy is our 11.7% share of the Exhibition and Convention Centre in the facilities of Athens International Airport that has already been successfully operating since January 2009.

Investment strategy in Greece still focuses on finding opportunities for developments relating to various types of commercial and leisure centres (malls, outlets, big boxes), public-private partnerships (PPP) and on developing top-quality resort complexes on a long-term basis.

Regarding our activities in South-eastern Europe, the company has temporarily suspended its investment plan but maintains its network in Romania, Bulgaria and Serbia in order to seek agreements for pre-sales and pre-leasing of the scheduled developments, for most of which the relevant permits have already been issued. In the context of improved risk management, we seek to create new alliances with other investors and we also monitor closely any development in these markets looking for any acquisition opportunities that are bound to emerge due to the financial circumstances.

Dear Shareholders,

2008 was a positive year for LAMDA Development Group. We completed and operated Golden Hall successfully, while safeguarding the financial strength of the company in order to deal with the challenges of the severe financial crisis we all face. It is clear that none of the above could have been carried out without the major efforts and active participation of our company's employees who were particularly effective in all activity segments. On behalf of the Management and company employees, we warmly thank you for your trust.




Apostolos Tamvakakis
Chairman and CEO*
LAMDA Development

*until 17/03/2009

2008 Financial Performance





2008 was a particularly successful year for the company, since the operating profitability of the Group investment portfolio was further improved. In addition, the new shopping centre Golden Hall on Kifissias Avenue was developed and started operations in November 2008 with 100% occupancy. LAMDA Development Group, with the development and successful operation of the first three largest commercial centres, is undoubtedly the leader in the retail real estate market in Greece.

Despite the economic slowdown throughout 2008 and the considerable property write-downs on an international scale, the Net Asset Value reached €485.8 million (or €11 per share) thus registering a 7% increase compared to the previous year. Note that over the last four years total increase in Net Asset Value has reached 175%, namely €309 million in absolute figure.

The Group's consolidated recurring EBITDA before changes to the fair value of investment property and other non-recurring items, depreciation, interest and taxes was €29.1 million, increased by 25% compared to the financial year of 2007.

This increase is mainly due to further improvement of the management, the extensive acceptance of commercial and leisure centres by consumers and the improvement of the operating profits of Flisvos Marina, while the performance of other operating activities remained stable.

Fair value gains of investment property in 2008 reached €48 million, including gains from Golden Hall, compared to €66 million in the previous year. Following the global trend of capitalization yields increase, the valuation of the Group's investment property at fair value by the chartered Savills Hellas has an initial net yield of 7.2% for commercial centres and 7.2% for office buildings. These yields compare to 6.4% and 6.6% respectively over the first half of 2008.

The consolidated net results of the Group, after tax and minority interest reached €60.1 million, compared to €59.6 million in 2007. In addition to the lower fair value gains by €17.4 million, the results were further affected by the increase of non-capitalized expenses resulting from the development of Golden Hall and by the increase of net financial expenses by €5.8 million due to higher loans, resulting from the Group's investment plan implementation. Reduction of deferred tax by €13 million approximately had a positive effect on net earnings, given that the tax rate will gradually reduce from 25% to 20% over the next five years.

Summary of Consolidated Financial Facts:			
(€ million)	2008	2007	% Change
Net Asset Value (NAV)	485.8	454.6	6.9%
Change in Fair Market Value	48.2	65.6	-26.6%
EBITDA	93.3	110.4	-15.5%
Profit after TAX & Minority Interests	60.1	59.6	1%

Recurring Gross Profits (EBITDA) from Properties:			
(€ million)	2008	2007	% Change
The Mall Athens	32	29.5	8.5%
Mediterranean Cosmos	14.1	13	8.5%
Golden Hall	1	-	
Office Buildings	3.8	3.9	-2.5%
Total	50.9	46.4	9.7%

Figures for the commercial centres refer to 100% of their operation.

The performance of both commercial centres The Mall Athens and Mediterranean Cosmos, which are already established in the market, was considerably improved. Increase in store sales was 4% for The Mall Athens and 10% for Mediterranean Cosmos, despite the decrease of total retail sales in Greece during 2008. The increase in customer visits was at similar levels, reaching during 2008 approximately 12 million and 8.5 million visitors respectively.

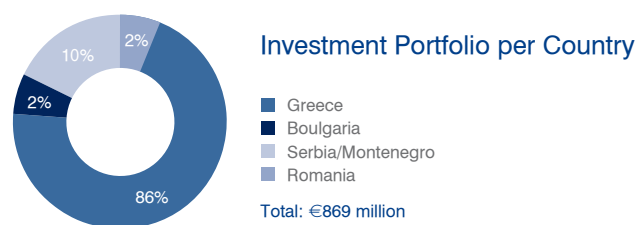
The operation of the new commercial centre Golden Hall in December 2008, in the premises of the former International Broadcasting Centre in Maroussi, was also marked with success. The centre began its operation in November 2008 and is 100% leased to companies representing leading Greek and international brand names. The completion of this commercial centre, apart from contributing to an increase in NAV by €48.7 million, has also a positive effect on the Group's recurring profitability.

As far as the office areas are concerned, of total surface approximately 20,000 sq. m., including office spaces at Golden Hall, the occupancy is above 95%.

It should also be noted that there was further improvement in the operation of Flisvos Marina. 2008 was the first financial year with positive recurring operating profits amounting to €3.2 million. The occupancy of marine and land facilities reached

100%, with 250 berthing sites, which could be increased to 300 in the future. Customer visits at the Marina land facilities, which host 36 enterprises and stores over 3,000 sq. m., are deemed very satisfactory thus rendering the Marina as a point of reference. Total turnover amounts to €11.9 million, the majority of which (€9.4 million) derives from docking revenues.

Total investments in property reached €869 million on 31st of December 2008. The allocation of property investments, per type of property and per geographical location is illustrated below.



The consolidated turnover of LAMDA Development Group during 2008 was reduced by 14%, reaching €74.8 million, compared to €86.9 million in 2007. This decrease in turnover is mainly due to the sale of the office building of the subsidiary LAMDA Olympia Village, which took place during 2007.

Loan to Value ratio is at 46%, which implies the conservative approach of our company to the use of bank loans. The Group has secured considerable liquidity of €177 million at the end of 2008 (which, during the first two months of 2009, increased to €255 million), 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.

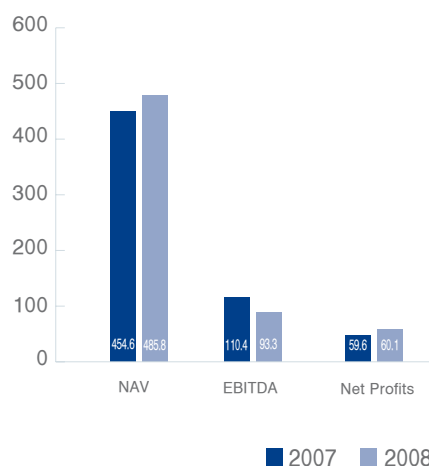
The support of international and Greek banking groups proves their trust in the prospects of our Group. Financing terms are rather satisfactory with an average repayment period of six years, while the satisfaction of debt covenants and other liabilities is easily attained.

Regarding investment plan, it must be noted that the initial target set for the period 2007-2008 concerning the significant but cautious penetration in the region of South-eastern Europe has already been met as of mid last year. The company has made in the past selective land purchases, at very attractive rates compared to current values. These specific purchases are reflected at cost values. 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. We reviewed market risks and revised the time schedule of our development plan, by taking into account the

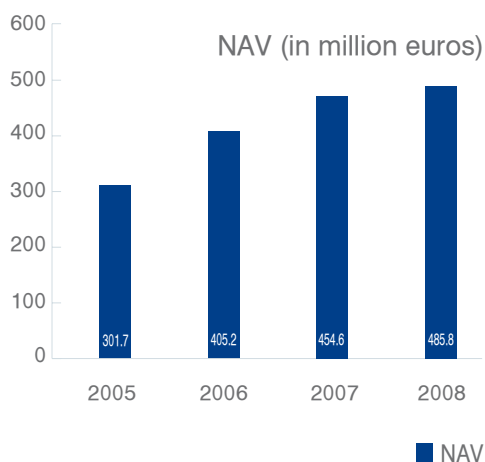
criteria of limiting risks, seeking the pre-sales and pre-leasing agreements and investment partnerships. Therefore, this phase is characterized by systematic reassessment of the individual strategies regarding new developments in view of the recent financial developments in our target area of interest.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

Regarding dividends, the company will not distribute any for 2008. Although considerable profits are posted in the consolidated balance sheet, the holding company has accounting profits that cannot be distributed. The Group's main financial figures are presented in the following graphs.

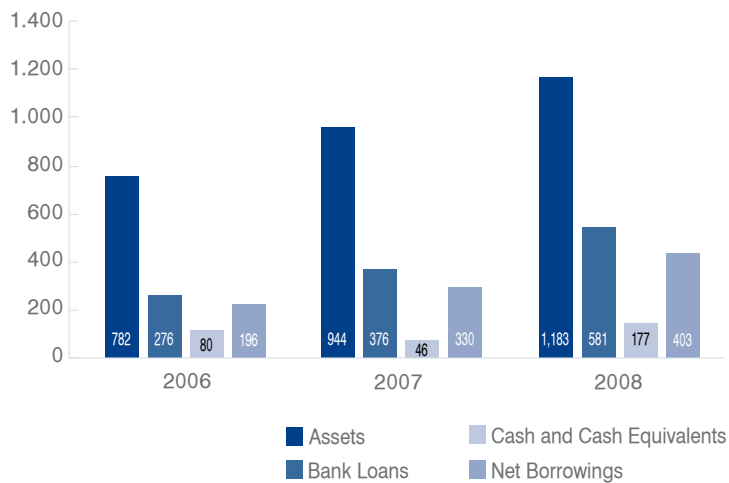
Financial Data			
(€ million)	2007	2008	% Change
NAV	454.6	485.8	7%
EBITDA	110.4	93.3	-15%
Net Profits	59.6	60.1	1%



Net Asset Value				
(€ million)	2005	2006	2007	2008
NAV	301.7	405.2	454.6	485.8
NAV per Share	6.85	9.20	10.32	11.03
% of Annual Increase		34%	12%	7%



Bank Loan and Total Assets				% Change	
(€ million)	2006	2007	2008	2007	2008
Assets	782	944	1,183	21%	25%
Bank Loans	276	376	581	36%	54%
Cash and Cash Equivalents	80	46	177	-42%	284%
Net Borrowings	196	330	403	68%	22%



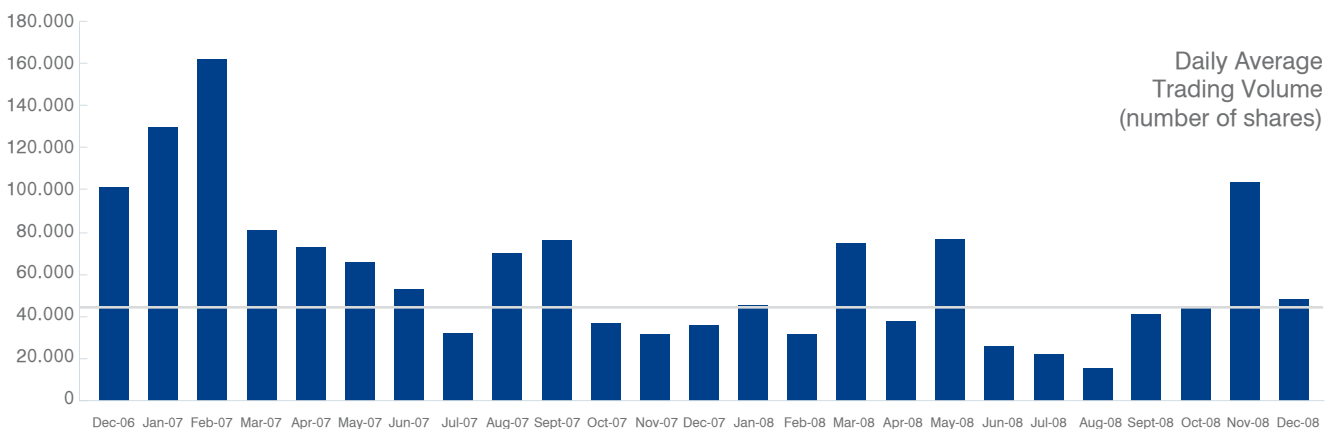
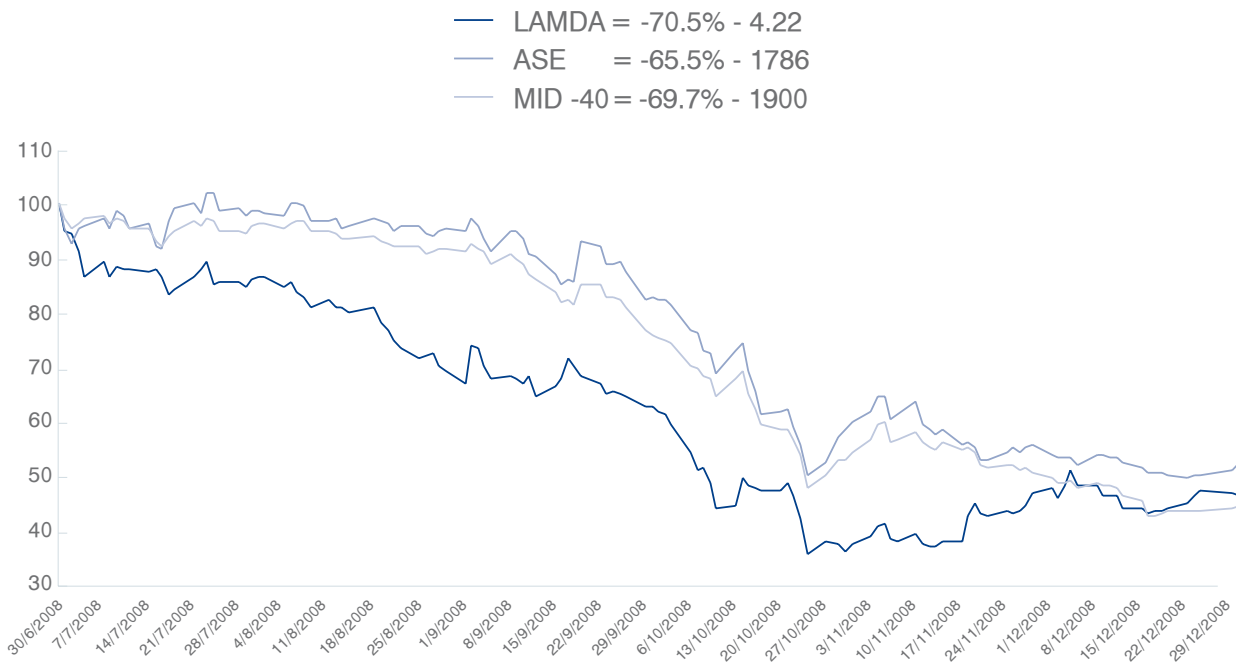
Share Performance

Following a period (2005-2007) of considerable returns for the shareholders of LAMDA Development, during which the share had a total return over 148%, in 2008 our stock had a negative return.

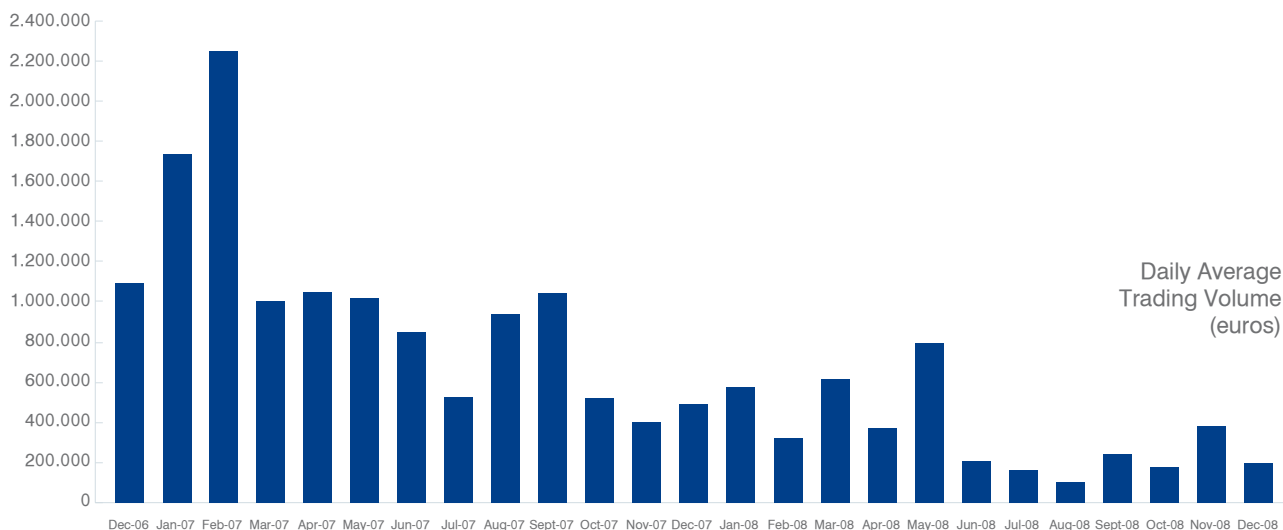
The Composite Index of Athens Exchange and mid-cap index FTSE/ASE MID-40 also marked a considerable drop by 66% and 70% respectively. Our share followed this downward trend, with total losses of 70%. In addition, the real estate sector was affected internationally given that it directly depends on the banking system that has been particularly hit.

During 2008, 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 is still at last-year levels (38%).

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 recognisability amid the international investment community.



Average daily volume of transactions amounted to 44,150 shares for 2008.



Summary of 2008 IFRS Financial Data - Income Statement

(€ million)	2007	2008
Sales	86.9	74.8
Operating Profit (i)	107.4	89.1
Profit before Income Tax	93.9	71.1
Income Tax	23.9	5.4
Profit after Tax & Minority Interest	59.6	60.1

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

Balance sheet Financial Data

	2007	2008	% Change
Investment Property	505.5	622.6	23%
Fixed Assets	163.6	153.0	-6%
Inventories	48.1	45.8	-5%
Cash & Cash Equivalents	46.2	177.2	284%
Total Equity	452.0	467.9	4,0%
Short-term Borrowings	27.1	67.0	148%
Long-term Borrowings	349.0	513.6	47%

Per Share Financial Data

	2007	2008
Number of Shares at year-end	44,029,950	44,029,950
Per Share Financial Data		
Profit after Taxes and Minority Interests	1.35€	1.38€
Net Asset Value (NAV)	10.32€	11.05€

Per Share Performance

	2007	2008
Closing price at year-end	14.32€	4.22€
Annual Average Price	14.18€	7.85€
Annual Max Price	17.30€	14.36€
Annual Min Price	11.60€	3.22€
Average Daily Volume of Transactions (shares)	68,995	44,150

Participation 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

Performance

	31/12/2007	31/12/2008	D%
LAMDA DEVELOPMENT	14.32€	4.22€	-71%
ASE XA	5,178.83	1,786.51	-66%
ASE MID 40	6,264.66	1,900.59	-70%
EPRA/NAREIT EUROPE	2,625.05	1,349.42	-49%
DJ EURO STOXX 50	4,404.64	2,451.48	-44%
MSCI Emerging Markets	1,247.07	567.04	-55%

Investment Portfolio

Golden Hall

The Mall Athens

Mediterranean Cosmos

Flisvos Marina

Other Investments






Golden
Hall



Golden Hall, the new shopping centre that began operations in November 2008, is ideally located on Kifissias avenue, close to the Olympic Stadium and expands over three levels. It is fully leased and comprises 131 shops occupying approximately 41,000 sq. m., while 1,400 parking lots are provided on two levels in order to facilitate visitors.





The first two levels mainly host shops of men's, women's and children's fashion and footwear, accessories, jewellery stores, home equipment and decoration, cosmetics, sportswear, hair salon, bookstores, etc. While shopping, visitors can indulge a coffee and snacks break. The third level has five restaurants offering visitors different gastronomic options of Greek and international cuisine.

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.



Golden
Hall



Golden Hall

The development cost for Golden Hall amounted to approximately €75 million, while its current commercial value exceeds €123 million. Customer visits regarding the shopping centre and its results during the first months of operation were within forecasted levels.

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



With regard to Golden Hall legal issues, please refer to the Annual Financial Report 2008, 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 Golden Hall, www.goldenhall.gr.



The Mall Athens, Greece's largest shopping and leisure centre, began its operation in November 2005 and represents a milestone in Greek commercial reality, offering commercial and leisure facilities in 58,000 sq. m. of Gross Leasable Area (GLA).





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

Thanks to its allocation, modern architectural design and support services, The Mall Athens offers customers easy, pleasant and safe visit so that they can choose what they want easily and effectively.

The Mall Athens is built on five levels of commercial use and three levels of underground parking space. It comprises 195 stores, including the most significant Greek and international brands, and offers 25 restaurants and cafes, a state-of-the-art 15-screen cinema complex, a multitude of support services and approximately 2,065 parking spaces.

ECE-LAMDA Hellas has undertaken the smooth and effective operation of the centre.





The Mall Athens

The investment value of the commercial and leisure centre reached €320 million, while its current fair market value stands at €541 million. This is considered to be one of the largest private real estate investments ever implemented in Greece. The Mall Athens hosted 12 million visitors during 2008, thus registering a 9% increase compared to 2007. In 2008, shopkeepers' turnover reached €394 million, registering an increase of 4% compared to 2007, while rental and parking

revenues amounted to €37 million, increased by 6%. Operating profits for the shopping centre reached €32 million, increased by 8.5%. The centre is 100% 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 2008, 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 in Thessaloniki, the largest commercial and leisure centre in northern Greece, began its operations in October 2005. The centre's most important advantages are the large number of shops, the diverse dining & leisure areas, the wide range of activities for all family members within the same venue, as well as the full-scale property management services provided by the centre.





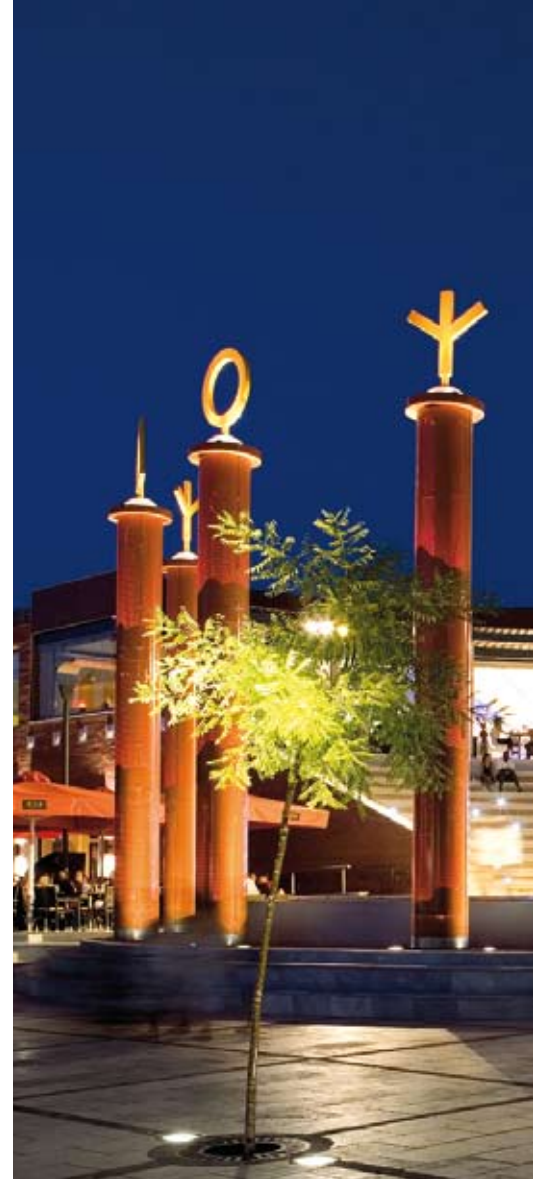
Mediterranean Cosmos stands on a 250,000 sq. m. site owned by the Ecumenical Patriarchate and has been developed on two main levels of 46,000 sq. m. of Gross Leasable Area, which are served by a network of interior pedestrian pathways. The shopping centre offers approximately 3,000 parking spaces.

Mediterranean Cosmos is an everyday 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 “Macedonia” international airport and major highways.

Mediterranean Cosmos was developed in cooperation with Sonae Sierra and Acropole-Charagionis. MC Property Management has undertaken the management of the centre.





Mediterranean Cosmos

The development cost of the centre reached €120 million, while its current fair market value stands at €172 million.

Mediterranean Cosmos attracted 8.5 million visitors during 2008, thus registering a 12.5% increase compared to 2007. Shopkeepers' turnover amounted

to €221 million approximately; registering an increase of 9.5% and rental income amounted to €19 million, increased by 12% approximately. Operating profits for the commercial centre reached €14 million, registering an increase of 8.5% compared to last year. The centre has 99% 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.



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





LAMDA TechnOL 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 €45 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. Today, Flisvos Marina offers 250 berths spots, 50% of which accommodate mega yachts (boats and luxury yachts exceeding 30 meters in length). Berth occupancy reaches 100%, while income from port services and property leasing amounts to €12 million, thus registering a 33.3% increase compared to 2007. Regarding the land infrastructure, an area of 56,000 sq. m. has been upgraded, including 3,000 sq. m.

of landscaped area where yacht owners and marina visitors can enjoy a diverse array of 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 600 trees were planted during its upgrade.

Tenant occupancy in Flisvos Marina commercial areas reaches 100% with customer visits being particularly high.

Emphasis on quality services, safety and environmental awareness issues are the main principles of the marina management. For the second running year in June 2008, the management of Flisvos Marina was awarded the "Blue Flag" eco-label, while in August 2008 Flisvos Marina became the first marina in Greece to be awarded double certification by Lloyds Register Quality and Assurance Group for quality and environment management as per ISO 9001:2000 and ISO 14001:2004.





Flisvos Marina

Following the positive outcome of arbitration with the Hellenic Tourist Property S.A. (ETA) regarding the rental fees for 2004-2006 and the participation of ETA in the outer harbour's construction cost, the company proceeded to the relevant arrangement with ETA, according to the arbitration decision that settled

the above disputes. This had a positive effect for the Marina results, amounting to €2.7 million. In addition, further to the said arbitration decision, the company agreed with ETA upon the level of annual rental fees for 2007 and 2008.



With regard to Flisvos Marina legal issues, please refer to the Annual Financial Report 2008, which is also uploaded on the company's website, www.lamda-development.net.

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



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 85% leased as of the first month of their operation in January 2009. Rental income amounts to €1 million approximately.



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 fully leased, while rental income reaches €2 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 has been fully leased to two multinational companies: Procter & Gamble Hellas and Hyatt Regency. Rental income amounts to €1 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 was completed in August 2008 with total investment reaching €6.8 million, while its current fair market value amounts to €11.5 million. The building is fully leased to Germanos Telecom Romania and generates approximately €1 million annual rental income.



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. and began operating in January 2009. Total investment amounts approximately to €32 million.

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.

LAMDA Waste Management

LAMDA Development set up a subsidiary that will operate in solid waste management. The involvement of LAMDA Development in this area is linked with its active participation in public-private partnerships (PPP), in a market that is expected to attract considerable investment interest and returns over

the following years. LAMDA Development has been prepared strategically on an international scale so as to respond reliably to any challenges for relevant investments that may mature in the near future.



LAMD A Hellix

LAMD A Hellix, a LAMD A Development subsidiary in the “Wired Real Estate” sector, is the first, most successful and only certified in Greece, under ISO 9001:2000, Data Centre 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. Furthermore, LAMD A Hellix provides Data Centre 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: HP Hellas, DIAS Inter-bank systems, National-P&K Securities, Bull, Eurobank, Piraeus Bank, Hellenic Exchanges S.A., ALPHA Bank, Velti, Infoquest, Attica Bank, OTE Group, HOL, Attica Telecommunications, PWC, Orange Business Services, Greek Research and Technology Network, Encode, Land Register, Hellenic Petroleum, etc.

During 2008, the income of LAMD A Hellix exceeded €6.2 million with sales growth rate exceeding 37.6%,

while earnings before interest, tax, depreciation and amortization (EBITDA) were increased over 41.2%, standing at €1.2 million. The fact that the average annual increase of operating profits since 2004, i.e. the first year of the company’s full operation, exceeds 71% while as of end 2008 occupancy of facilities approaches 85% are a proof of the company’s high growth rates.

Due to the rapid growth of both its operations and of Data Centre Outsourcing Services market (according to studies, the market is estimated to exceed €3 billion by 2009 in Europe), the company carried out an investment plan totalling €8 million including taxes as of the third quarter of 2007 to the end of 2008, thus becoming the largest Disaster Recovery & Business Continuity services provider with more than 500 Business Continuity Seats and the unique infrastructure Neutral World-Class High Density & Blade-Ready provider in the Balkans.

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

Portfolio under Development

Greece

Bulgaria

Serbia

Romania

Montenegro



Greece

Second Home Development, island of Aegina

LAMDA Development, through its 100% subsidiary GEAKAT, holds a 116,000 sq. m. plot of land in the Perdika district of Aegina island. The implementation of this investment is postponed for at least one year.

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 stores, office areas, food, leisure and athletic facilities, hotels, etc. The company evaluates alternative options for the development of the land within the above-mentioned 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 the area of BIOPA, Kato Kifissia. The company is evaluating its development through construction of an office building offering more than 10,000 sq. m. of surface area with underground areas of approximately 6,500 sq. m.

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 Centre with complimentary commercial uses that will be constructed in the area Palataki of Piraeus Port Zone.

Total facilities will have an overall above ground area of about 60,000 sq. m. and it is estimated that the investment will reach €90 million approximately.

Participation in Tenders

LAMDA Development has submitted tenders and participates in the following tender procedures for property development through long-term leasing:

- Regeneration of Iraklio port, 25% participating interest, investment over €40 million;
- Regeneration of Golf of Afantou, Rhodes island, 35% participating interest, investment over €100 million;
- Regeneration of Alykes Estate, Anavyssos, 35% participating interest, investment over €100 million;
- Development of new Yacht Port and regeneration of yacht berth on Corfu island, 50% participating interest;
- Paediatrics Hospital at Thessaloniki (PPP), 47.5% participating interest, investment over €400 million;
- Development of commercial complex in Piraeus Railway Station, 50% participating interest, investment over €50 million.

Bulgaria

Commercial Development – Office Building

The company named GLS OOD (50% participating interest of LAMDA Development, GEK) owns a 13,500 sq. m. plot of land in Sofia, and more specifically on the city's ring-road, where it will develop 24,000 sq. m. of commercial and office space, according to the relevant construction permit that has been issued. The ring road, that is at the stage of widening in the area of the plot, is expected to boost commercial interest for the project. Total investment cost is estimated to amount to €28 million approximately.



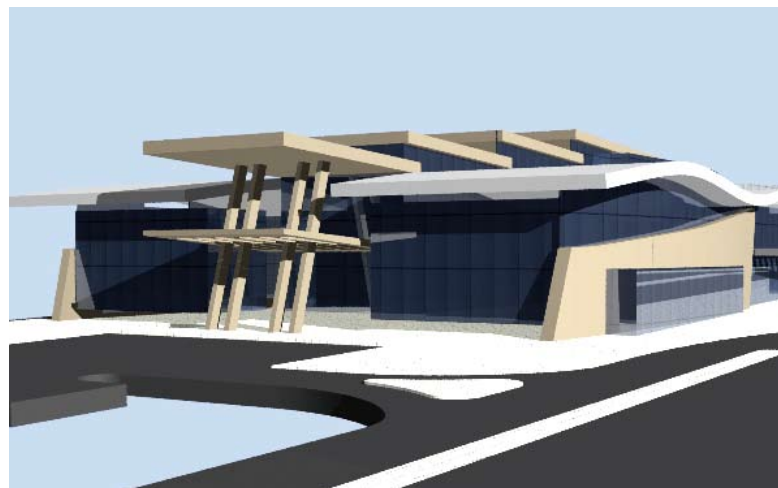
Residential Development

LAMDA Development Sofia EOOD (100% subsidiary of LAMDA Development) owns a 15,000 sq. m. plot of land in Sofia, in the Dragalevski district where many upscale residential developments have been developed in the last couple of years. On this site, the company plans to build upscale residences covering 11,000 sq. m. approximately. Total investment cost is estimated to amount to €14 million approximately. The project is currently at the stage of architectural design.



Office Building

TIHI EOOD (100% subsidiary of LAMDA Development) owns a 6,300 sq. m. plot of land in Sofia, with access to the city's two main highway routes and 1.5 km away from the city centre. On this site, an office building will be constructed with commercial areas on the ground floor, covering an area of approximately 30,000 sq. m., for which the relevant building permit has already been issued. Total investment cost is estimated to amount to €47 million. At this stage, all cases of building pre-leasing agreements are being examined which will determine the building's final specifications with respect to project eventual construction and implementation time.





Serbia

Luxury Hotel Complex and Residences

Property Development DOO (100% LAMDA Development subsidiary) was the highest bidder in the open public tender for the sale of a property covering 43,000 sq. m., which is located in the centre of Belgrade. The plot is adjacent to the historic Kalemegdan castle in the centre of Belgrade, overlooking the junction of Sava and Danube Rivers, while it is just one kilometre away from Belgrade's main shopping street. The total area of the project above

ground is expected to exceed 90,000 sq. m. and the total size of the investment is expected to reach €190 million. The project is presently in the process of obtaining building permit.



Residential Development

LAMDA Development DOO Beograd (100% LAMDA Development subsidiary) owns a 3,000 sq. m. plot of land in the Vracar area of Belgrade, an upgraded residential development area. On this plot, the company will develop a residential complex of 11,000 sq. m. Total investment cost is estimated to amount to €16 million.

Plot

Singidunum Buildings DOO Beograd (50% participating interest of LAMDA Development) owns 340,000 sq. m plot and has entered into preliminary agreements for the purchase of additional 140,000 sq. m in the surroundings of Belgrade and specifically in the area crossed by the new ring road of the city. It is expected that in the long run this investment will provide the company with considerable capital gains due to the change in land uses in the district.



Romania

Logistics Building

The site which is being developed by Robies Services Ltd (90% subsidiary of LAMDA Development) is on the 23rd kilometer of the Bucharest-Pitesti national road, West Bucharest. Almost all new industrial projects have been developed in this wider area. All relevant studies and permits have been concluded and obtained respectively for the construction of a modern warehouse of approximately 50,000 sq.m. Total investment cost is estimated to amount to €25 million. At this stage LAMDA Development investigates the possibility of a pre-lease agreement with potential tenants.

Residential Development, Regimentului

LAMDA Development Romania Srl (100% subsidiary of LAMDA Development) owns an 11,500 sq.m. land plot in the northern part of Bucharest, overlooking the Baneasa forest. A number of upscale residential projects have been developed in this district. The residential complex will consist of circa 28,000 sq.m. for an estimated total investment cost of €40 million. The project is presently in the building permitting phase.




Montenegro

Second Home Resort

LAMDA Development Montenegro D.O.O. (100% LAMDA Development subsidiary) owns a 10,500 sq. m. plot of land in Budva, Montenegro, where it will develop a luxurious holiday home resort. The plot has a view over Sveti Stefan island, which is expected to become an upscale holiday resort. In the same area, a number of similar developments have

been announced which will include hotel complexes, marinas and holiday home developments by foreign investors. Total investment cost is estimated to amount to €15 million. 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 ten members of the Board, nine are non-executive, four of which are fully independent..

Internal Audit Committee

The Internal Audit Committee was formed upon the company's establishment and prior to the undertaking of any investment.

The Committee is composed of three members, Dr. Peter Kalantzis (chairman), Mr. Emmanuel Leonard Bussetil (member) and Mr. George Gerardos (member). Mr. Achilles Constantakopoulos is appointed a substitute member of the Committee.

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 Messieurs Evangelos Chronis (chairman), Spyridon Theodoropoulos (member) and Dimitrios Papalexopoulos (member). Mr. Fotios Antonatos is appointed a substitute member of the Committee.

Compensation Committee

In 2004, the formation of the Compensation Committee was decided. It is composed of three members, Mr. Fotios Antonatos (chairman), Mr. Apostolos Tamvakakis (member) and Mr. Achilles Constantakopoulos (member). The Committee is responsible for overseeing the general principles governing the management of the company's human resources. Mr. Spyridon Theodoropoulos is appointed a substitute member of the Committee.

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 to the Board of Directors various proposals.

The Chairman, CEO, Development Managers, Project Manager, Financial Manager, Finance Manager, Commercial Manager, Internal Auditor and, as the case may be, top executives of the company participate in the Committee which holds meetings on a regular basis following recommendation of the Chairman.

Investment Committee

The company has set up an Investment Committee, which holds meetings in order to evaluate proposals of new investments that are submitted by the Development Managers. This committee consists of the Chairman, CEO, Development Managers, Project Manager and the Commercial Manager.

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 (Ms. 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

Apostolos Tamvakakis

Chairman and CEO until 17/03/2009

Vice Chairman, non executive member as of 18/03/2009

Mr. Tamvakakis was awarded his Bachelor of Arts in Economics from Athens University (1978) and holds a Master of Arts in Econometrics and Mathematical Economics from Canada. He has worked with Mobil Oil Hellas S.A., Investment Bank, ABN AMRO Bank as Deputy General Manager for Greece and with National Mortgage Bank and National Bank of Greece as Vice Chairman. For the past five years he was Chairman and CEO of LAMDA Development S.A. He is member of the Board of Directors of "TITAN CEMENT CO", "VIVARTIA S.A.", "Foundation for Economic and Industrial Research", "AMERICAN-HELLENIC CHAMBER OF COMMERCE" and "PANATHINAIKOS FC". He is also member of the General Council of the "Federation of Greek Industries". Previously, he had served as Vice Chairman of Greek Securities S.A., President of the Steering Committee of the Interalpha Group of Banks, President of Ethnocards, National Securities and ETEVA, President of the Southeastern European Board of the Europay Mastercard group, and as a member of many Boards of Directors and committees.

Evangelos Chronis

Vice Chairman until 17/03/2009

Non-executive member as of 18/03/2009

Mr. Chronis studied shipping in London and worked closely with John S. Latsis for 25 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.

George Papageorgiou

Member until 17/03/2009

Executive Chairman as of 18/03/2009

Mr. Papageorgiou graduated as a civil engineer from the National Technical University of Athens. He has held senior management positions at the construction firms "AEGEK S.A." and "AVAX S.A.", where he also served as a Member of the Board of Directors for 15 years. Furthermore, he has been Managing Director for the hotel complex "Astir Palace Vouliagmeni S.A", Managing Director of the construction firm "PROET S.A." (a subsidiary of J&P AVAX S.A.), as well as Vice Chairman of the Board of Directors of J & P Development S.A. He is Vice-chairman of the BoD of Eurobank Properties S.A.

Fotios Antonatos

Non-executive member

Mr. 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. 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 23 years ago.

Peter Kalantzis

Non-executive member

Dr. Kalantzis studied Economics at the Universities of Zurich and Basel and obtained a post-graduate and a doctorate degree in macro-economics. 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 Aluisse-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.

Dimitris Papalexopoulos
Independent, non-executive member

Mr. 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 Hellenic Harvard Foundation, the Federation of Hellenic Enterprises, the Foundation for Economic and Industrial Research, the Athens Laboratory of Business Administration (ALBA) and the Hellenic-American Educational Foundation.

Spyridon Theodoropoulos
Independent, non-executive member

Mr. Theodoropoulos is the CEO of Vivartia S.A., the company that resulted from the merger of 5 companies of the food sector: DELTA HOLDING SA, DELTA DAIRY SA, CHIPITA INTERNATIONAL SA, GOODY'S S.A. and GENERAL FOODS S.A. He has served as Sales Manager at Recor S.A and General Manager at ALIGEL. In 1986 he was appointed Chief Executive Officer at INTERIA, while at the same year he acquired 50% of CHIPITA's shares. He assumed the position of Chief Executive Officer and in 1989 he acquired the remaining 50%. Today he is member of the BoD of TITAN Cement CO. He has also been President of the Association of the Listed Companies on the ASE, Vice President of the BoD of the Federation of Hellenic Enterprises and Vice President of Hellenic Stock Exchanges SA. He is a graduate of the School of Economics and Commercial Studies (ASOEE) and speaks English and Italian fluently.

George Gerardos
Independent, non-executive member

Mr. Gerardos has graduated from the Athens College and from the National Technical University of Athens, department of Civil Engineering.

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 Managing Director of PLAISIO Computers S.A, one of Europe's 500 fastest growing Businesses for the 8th consecutive year.

Achilles B. Constantakopoulos
Independent, non-executive member

Mr. 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.

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. For this purpose, the company issues a newsletter every three months that includes news on the company's business activities as well as articles on various topics.

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.
- Performance-based bonus plan.
- Health insurance 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. The blood bank's reserves are enhanced through three voluntary blood donations every year. Employees participating in the voluntary blood donations are rewarded by the company with additional vacation leave.
- 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 "Together with children" (Mazi me to Paidi), SOS Children's Villages Greece, "Joy" Union ('Hara') and others.

Financial Statements



LAMDA Development S.A.

LAMDA Olympia Village S.A.

PYLEA S.A.

LAMDA TechnOL Flisvos Marina S.A.



1.41	7.1	364.0
2.2		371.5
1.5		341.7
		31.3
		29.1
		45.3
		57.3
		48.3
		72.3

PLYEA S.A.

FINANCIAL DATA AND INFORMATION FOR THE YEAR ended December 31, 2008

(In terms of pounds 1000 of Local Currency, the company's value of publishing printed financial statements in pounds is approximately 1000 million pounds)

The financial information described is being provided for general information about the financial position and performance of the company. It is not intended to be used as a basis for investment decisions. The company's financial statements are audited by the auditor of the company. It is recommended to the reader, before any investment decision is made, to consult the audited financial statements of the company.

COMPANY'S DATA

Registered office: 338 Nile St. Ave., 151 23 Marousi
 S.A. REG. NO. 52043201871801/REG.0000000
 Main activity: Real Estate Development
 Supervising Authority: Directorate of Athens, East Division,
 Department of Anonymous Companies & Trade
 Date of approval of the financial statements
 by the Board of Directors: 17 March 2009
 Name of the auditor: Mikhalitos Konstantinos (G.O.E. Reg. No 17701)
 Auditing firm: PricewaterhouseCoopers SA
 Type of auditors report: Unqualified
 Company's website: www.plyea.com

Board of Directors

Chairman: Mr. G. V. Karamanolis
 Members: Mr. D. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis
 Mr. G. V. Karamanolis

BALANCE SHEET (Amounts in €)

	31 Dec 2008	31 Dec 2007
ASSETS		
Investment property	171,000,000	171,253,878
Property, plant and equipment	91,600	123,688
Trade and other receivables	19,453,000	20,373,710
Derivative financial instruments	-	94,000
Cash and cash equivalents	18,413,000	18,817,507
TOTAL ASSETS	209,956,600	209,662,783
LIABILITIES AND SHAREHOLDERS' EQUITY		
Non-current liabilities	14,210,544	16,053,410
Non-current bank liabilities	103,853,666	88,250,000
Current bank liabilities	3,084,466	1,250,000
Other current liabilities	10,460,000	9,083,945
Derivative financial instruments	2,062,966	-
Total non-current liabilities (A)	129,567,576	104,337,355
Share capital	17,213,750	57,303,750
Other reserves	604,274	7,642,584
Retained earnings	59,970,750	54,814,700
Total equity (B)	78,388,780	115,325,428
TOTAL EQUITY AND LIABILITIES (C= (A) + (B))	209,956,600	209,662,783

	31 Dec 2008	31 Dec 2007
Revenue	20,000,000	20,000,000
Expenses	18,000,000	18,000,000
Profit before tax	2,000,000	2,000,000
Tax	500,000	500,000
Profit after tax	1,500,000	1,500,000

Notes

1. Description of the company's business
 2. Significant accounting policies
 3. Financial instruments
 4. Related parties
 5. Commitments and contingencies
 6. Financial risk management
 7. Fair value measurements
 8. Financial instruments: fair value
 9. Financial instruments: impairment
 10. Financial instruments: classification and measurement
 11. Financial instruments: recognition and derecognition
 12. Financial instruments: measurement
 13. Financial instruments: disclosure
 14. Financial instruments: hedge accounting
 15. Financial instruments: credit risk
 16. Financial instruments: liquidity risk
 17. Financial instruments: market risk
 18. Financial instruments: interest rate risk
 19. Financial instruments: foreign exchange risk
 20. Financial instruments: other risks





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