

Annual Report **2004**



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A close-up photograph of a hand holding a gold-colored pen, positioned just above a highly reflective surface. The pen and the hand are mirrored in the surface below. The background is a soft, out-of-focus light blue and white gradient. The overall composition is clean and professional.

To Our Shareholders

Dear Shareholders,

2004 marked an important, yet challenging year for our company. LAMDA Development is continuing with the implementation of its €700 million investment programme, with a portfolio of real estate investments covering approximately 500,000 m² both in Greece and abroad. During the past year, the company has concentrated its efforts on the development of two large-scale commercial and leisure centres in Maroussi, Athens and in Pylea, Thessaloniki, both of which will be the first of their kind and size in the Greek market, and among the largest in Southeastern Europe.

At the same time, the company leveraged in the best possible way the unique opportunity presented by the ATHENS 2004 Olympic Games and successfully completed and delivered for use two important Olympic projects: the Olympic Media Village in Maroussi and the VIP Flisvos Marina.

Throughout 2004 and to date, the company has been working arduously toward the commercialisation and completion of construction for the two major investments in Maroussi and Pylea. The end of this period will be marked with the opening and operation of the two commercial and leisure centres. As a result, LAMDA Development has come through a period of significant expenditure for the completion of these two investments.

In 2005, LAMDA Development's investment programme will reach its peak with the commencement

of operations of these two commercial and leisure centres during the final quarter. Thus, the greater part of the company's three-year investment programme will generate continuous profit flow from the leasing of approximately 430 retail units. Furthermore, capital and human resources that have been primarily devoted to these investments will be freed up, allowing us to proceed with our next development plans, contributing positively to the dynamic progress of the company, both in Greece and in Southeastern Europe.

Within expectations, the results for 2004 were not positive. As previously noted, this was due to the fact that it was a year of investment and not a year of returns. These results are primarily attributed to LAMDA Estate Development's falling revenues and profits, due to the lack of real estate for sale, as well as to LAMDA Shipyards, which was required to take significant provisions for accounts receivable. Despite these developments, the performance of LAMDA Development's share price during 2004 was in line with the FTSE/ASE SMALL CAP 80 index in which the company participates.

Management considers that LAMDA Development must focus its activities primarily on those relating to real estate development, in Greece as much as abroad.

On behalf of the company's management and personnel, we thank you warmly for the trust you have shown us.



Apostolos Tamvakakis
Chairman of the Board of Directors



Lambros G. Anagnostopoulos
Chief Executive Officer,
Member of the Board of Directors

2004 –Year of the Olympic Games

2005 - Year of completion for LAMDA Development's large-scale investments

2004 was both an important and challenging year for the company. LAMDA Development took the best possible advantage of the unique opportunity presented by the organisation of the ATHENS 2004 Olympic Games and successfully completed and delivered for use two important Olympic projects: the Olympic Media Village in Maroussi and the VIP Flisvos Marina.

At the same time, the company continued with the implementation of its three-year €700 million investment programme, with a significant portfolio of real estate investments covering a total area of 500,000 m² both in Greece and abroad.

The Olympic Games undoubtedly monopolised the attention of Greek and foreign investors. The investment climate was cautious, as the Olympic Games represented an important “test of capabilities” - a challenge that Greece met with great success. Significant progress was also made on the institutional and legal framework for the capitalization of post-Olympic infrastructure.

In 2005, the company aims to complete and begin operations of its two largest investments.

Specifically, the Olympic Media Village in Maroussi, Athens, one of the only two privately-financed projects for the Olympic Games and the largest private real estate development investment in Greece is approaching its final stages. With a budget in excess of €400 million, the Olympic Media Village is being developed on a plot of land covering 202,000 m² and will include:

- a) ILIDA, an innovative residential complex of luxury homes covering 40,000 m², due to be completed within 2005.
- b) The first commercial and leisure centre of its kind in Greece, with approximately 58,500 m² of Gross Leasable Area (GLA) and more than 2,000 underground parking spaces. The Centre will start operating during the last quarter of 2005.
- c) An office building covering 13,000 m².



Maroussi Commercial & Leisure Centre



ILIDA



Mediterranean Cosmos



Flisvos Marina



Lake View Condominium

The second large project due for completion, Mediterranean Cosmos, located in the Municipality of Pylea, Thessaloniki, will be the largest commercial and leisure centre in northern Greece and is scheduled to open its doors to the public in October 2005.

With a budget of more than €100 million, Mediterranean Cosmos stands on a 250,000 m² site owned by the Ecumenical Patriarchate and includes approximately 46,350 m² of Gross Leasable Area (GLA) and approximately 3,000 parking spaces.

Regarding LAMDA Development's expansion of activities outside Greece, the completion of the award-winning Lake View Condominium residential complex in Bucharest has marked new horizons for the company's progress internationally. By securing the necessary technological know-how and access to local markets, the success of this particular investment represents an example for the capitalisation of other investment opportunities.

The positive experience gained from the use of Flisvos Marina as the VIP marina during the ATHENS 2004 Olympic Games gave LAMDA TechnOL Flisvos Marina the competitive advantage that will enable the marina to cater to the high demands of luxury yachts and mega-yachts. With an investment programme of approximately €45 million, all land and port

infrastructure, facilities and services will be upgraded, with the goal of transforming Flisvos Marina into the preferred destination for upscale marine tourism in the Southeastern Mediterranean.

Focusing on a broad range of innovative and modern infrastructure investments and services, LAMDA Development is contributing to the modernisation of the country, increasing its competitiveness and reinforcing its strategic location as a prime investment location.

The principle axis of LAMDA Development's investment strategy for the future are:

- Concentrating in real estate investment and development as well as related services such as project management and commercialisation, in which the company has a comparative market advantage.
- Leveraging the technological expertise and know-how for the development and commercialization of commercial and leisure centres.
- Expanding business activities in the Balkan and Southeastern European markets.
- Developing residential and holiday projects.
- Establishing strategic alliances with Greek and foreign investors.
- Improving management of risks, which are inherent both in the market and in each investment.



Areas of Activity

Basic Areas of Activity

Real Estate Development



LAMDA Estate Development S.A.

As of September 2004, the activities of LAMDA Estate Development, the main vehicle for real estate development and project management at LAMDA Development, were reduced and placed under the corporate umbrella of LAMDA Development, in order to strengthen the monitoring and development of current projects and new investments under consideration.

At the end of 2004, the company's investments comprised two commercial and leisure centres with a total Gross Leasable Area (GLA) of 105,000 m², four innovative residential complexes with a total buildable area of 105,000 m² and six office buildings totaling 70,000 m² of buildable area.

LAMDA TechnOL Flisvos Marina S.A.

LAMDA TechnOL Flisvos Marina S.A. was established in 2002 to develop, upgrade and manage Flisvos Marina for the next 40 years, with the goal of transforming it into an internationally competitive marina for yachts and mega-yachts. Within that framework, Flisvos Marina successfully catered to the mooring needs of VIP yachts during the ATHENS 2004 Olympic Games.

The company is jointly owned by LAMDA TechnOL Flisvos Holding S.A. (75%) and Hellenic Tourist Properties S.A. (25%). The principal shareholders of LAMDA TechnOL Flisvos Holding are LAMDA Development S.A. (45%) and Technical Olympic S.A. (30%).

The development of high quality real estate represents the principal strategic goal of LAMDA Development. Real estate development involves considerable capital, entails relatively high risk and aims at achieving a correspondingly high and rapid value, which is created from the beginning and throughout the duration of a project.

A total of varying yet intrinsically linked activities are included:

- Identification and purchase of property
- Business plan design and implementation
- Project management
- Financing
- Project commercialisation

Real Estate Investment



LAMDA Prime Properties S.A.

LAMDA Development is active in the real estate investment sector through its participation (29.9%) in EFG Eurobank Properties, as well as through its subsidiary LAMDA Prime Properties.

LAMDA Prime Properties owns the Cecil office building (formerly the Cecil Hotel) with a total surface area of 6,000 m². For the past three years, the Cecil office building has been fully leased. In addition, the company owns a 3,600 m² plot of land in Kifissia.

Kronos Business Centre / Kronos Parking S.A.

LAMDA Estate Development and EFG Eurobank Properties are respectively 80% and 20% owners of the Kronos Business Centre office building in Maroussi. The Kronos Business Centre is a highly modern office building that includes 4,000 m² of office and retail space as well as underground parking. It is leased by the multinational companies Procter & Gamble Hellas and Hyatt Regency.

Kronos Parking owns the 12,000 m² underground parking centre of the same name and is located on Aghiou Konstantinou Street in Maroussi. Operating since June 2004, Kronos Parking offers 389 spaces. The demand for leased parking spaces by permanent corporate clients - currently more than 200 - is constantly rising, whilst the number of occasional clients exceeds 1,000 per month.



EFG Eurobank Properties S.A.

LAMDA Development owns a 29.9% share in EFG Eurobank Properties S.A., in partnership with EFG Eurobank Ergasias (50.1%) and Deutsche Bank (20%). EFG Eurobank Properties is primarily active in property investments and is currently in the process of

converting into a Real Estate Investment Trust, to facilitate its entry into the Athens Stock Exchange in 2005. In December 2004, the company's portfolio was valued at €205 million.

Real estate investment anticipates the surplus value that is created over time and simultaneously aims to achieve returns from leasing of property and provision of

services. The goal of each investment is to maximise returns and minimise the risks that are inherent in real estate development.

Property Management



LAMDA Property Management S.A.

LAMDA Property Management is a subsidiary of LAMDA Development, offering property management services.

In December 2004, LAMDA Property Management was responsible for the management of 10 properties, covering a total surface area of 56,000 m².

MC Property Management S.A. / ECE – LAMDA Hellas S.A.

The company has developed two strategic alliances in the commercial centre management sector with market leaders Sonae Sierra and ECE. LAMDA Development owns a 25% share in MC Property Management S.A. and

a 34% share in ECE-LAMDA Hellas S.A., which is under incorporation. The companies will manage the Mediterranean Cosmos and Maroussi commercial and leisure centres, respectively.

Complementary Areas of Activity



LAMDA Hellix S.A.

LAMDA Hellix, a subsidiary of LAMDA Development in the “wired real estate” sector, is Greece’s first and most successful Neutral Mission Critical Facility operator. LAMDA Hellix develops and operates specialized Mission Critical Facilities and provides a wide range of outsourcing services, including data centre, disaster recovery, point of presence and switching centre, to large private and public

organisations and service providers in Greece and Southeastern Europe. LAMDA Hellix enables organisations with mission critical applications, whether IT or telecommunications, to increase the security and availability of their systems and reduce all associated risks and operating costs, while maintaining their autonomy.



LAMDA Shipyards and Marine Services S.A.

LAMDA Shipyards and Marine Services S.A. is a modern shipyard and yacht maintenance and refurbishment unit, active in specialised and integrated ship maintenance and repair services for luxury yachts, merchant ships and other types of vessels. The company has serviced some of the world’s largest and most luxurious yachts, including a few of the largest megayachts in the world. The company’s premises in Elefsina, at the 27th kilometre of the old national highway from Athens to Corinth, cover a total area of 90,000 m².

The objectives of LAMDA Shipyards and Marine Services are:

- To maintain a high standing among shipyards in the Southeastern Mediterranean, specialising in repairs,

conversions and building of private yachts and speed boats for the wider public sector as well as repairs to merchant ships

- To establish a strong position in the commercial repair market
- To pursue and be awarded public works tenders
- To proceed with contracts for the construction of luxury yachts

The competitiveness of the shipyard is based on the high standard infrastructure it has at its disposal, an exceptionally competent workforce and a select team of sub-contractors, as well as the effectiveness of its business management organisation.



Swissport LAMDA Hellas S.A.

Swissport LAMDA Hellas S.A. is a 50%-50% joint venture between LAMDA Development and the leading international land and air cargo transport company, Swissport International. The company provides airport ground handling services to meet the demand for high standard services following the liberalisation of the Greek airport sector. Swissport International offers high calibre technological know-how and has established itself as the leading services provider at more than 160 airports around the globe – a particularly significant factor in the overall operation of international airports that compete on the basis of high quality and effective management.

Swissport LAMDA Hellas provides its services at the Athens “Eleftherios Venizelos” International Airport and “Macedonia” International Airport in Thessaloniki. During 2004, the company concentrated its strategic objectives on increasing profits and signing new contracts with airlines.

The subsidiaries of Swissport LAMDA Hellas are:

- Swissport Hellas Cargo S.A. (80% participation by Swissport LAMDA Hellas S.A.), founded in 2000 to provide cargo and mail transportation services to Greek airports
- WSW Skycab Services S.A. (42.5% participation by Swissport LAMDA Hellas S.A.), founded in January 2001 to provide trolley and porter services.

Real Estate Development Investments



Commercial and Leisure Centres

LAMDA Development is developing and will soon start operating the two first multi-use commercial and leisure centres of their kind in Greece, where the proportion of GLA (Gross Leasable Area) of shopping centres per 1,000 inhabitants is the lowest in Europe. The Commercial & Leisure Centre in Maroussi, Athens, and the Mediterranean Cosmos Shopping & Leisure Centre in Pylea, Thessaloniki (Northern Greece), are expected to drastically change the shopping and leisure habits of consumers - both in Greece and its neighbouring countries - through a diverse selection of retail stores, multiplex cinemas, leisure areas, supermarket and entertainment choices.

This type of centre has already proved successful in many countries around the world and will offer the Greek market a completely new and lucrative business product.

With the creation of prime real estate, a dual goal is once again accomplished. First, the everyday life for many residents of Greece is improved. Second, yet another incentive for foreign investments is created. As a result, pressing consumer needs are satisfied and new business prospects are created.



Maroussi Commercial and Leisure Centre

The innovative Commercial and Leisure Centre in Maroussi, Athens, will drastically change the consumer habits of Athenians with its combination of 58,500 m² of Gross Leasable Area (GLA), a plethora of shopping and entertainment options and 90,000 m² of underground areas. In the autumn of 2005, consumers in Athens will be able to cover all their retail, service and entertainment needs at a single location. The Centre is being developed on four main levels, which are functionally designed to house the largest and best-known retail brands. The levels are complemented by an extensive choice of leisure areas, a 15-screen multiplex cinema complex, comfortable children's play area, a multitude of support services, storage space and more than 2,000 parking spaces - all within a pleasant natural environment.

The Maroussi Commercial and Leisure Centre is easily accessible from the main highway routes and by public transport, such as: the Attiki Odos highway, Kifissias Avenue, the Suburban Railway and METRO subway networks, the Athens Urban Transport Organisation (bus service) and the Amaroussion Municipal Transportation bus service.

The company - under incorporation - ECE-LAMDA Hellas S.A., specialising in property management services for commercial and leisure centres around the

world, has been assigned the overall management of the Centre, with a primary goal of ensuring smooth and effective daily operations. In particular, the company will optimize the functionality of the shops, both as individual units and as a whole, in order for the Centre to respond as a single integrated entity to visitors' demands, and also to monitor and adapt to market developments. This management methodology guarantees both overall satisfaction of business demands and excellent customer service.

The commercialisation of the Maroussi Commercial and Leisure Centre is progressing at a rapid pace.

Allocation of space		
Type	Number	Gross Leasable Area (GLA)
Commercial "anchor" shops	13	13,000 m ²
Supermarket "anchor"	1	1,500 m ²
Multiplex cinema (15 screens) "anchor"	1	8,500 m ²
Recreation areas – Bowling "anchor"	1	1,500 m ²
Shops	162	28,500 m ²
Food outlets	14	1,000 m ²
Restaurants and cafés	8	4,500 m ²
Total	200	58,500 m²
Parking area		-2,000 spaces





With respect to legal issues that have ensued relating to this particular investment the following are noted:

As a result of a decision of the Council of State that annulled the Joint Ministerial Degree regarding building conditions, law 3207/2003 was issued including new, revised regulations. Under this law, the Maroussi investment received the relevant construction permit.

Following the above, two applications for annulment together with two petitions for the stay of works have been filed before the Council of State by citizens of Maroussi. The first petition requests the annulment of the building permission and the second requests the annulment of the law itself. Both applications will be discussed at the Council of State in October 2005. The company's position is that the law in force (law

3207/2003) has taken into consideration the decision of the Council of State. Regarding the Workers' House Organisation legal transfer of property to the subsidiary company, LAMDA Olympia Village, there have been no developments.

The recent law on post-Olympic Games developments and utilisation of the Olympic venues has finally and irrevocably settled all issues that previously provide for by article 6, paragraph 3 of law 3207/2003. This includes the legal transfer of the 43,000 m² Workers' House Organisation property in Maroussi, along with the commercial centre built on it, to LAMDA Olympia Village. The transfer is expected to be completed within the following months.

Mediterranean Cosmos

Mediterranean Cosmos, located in the Municipality of Pylea, an area southeast of Thessaloniki, is the first and largest commercial and leisure centre of its kind in Northern Greece, offering local residents, international business visitors and tourists a compelling blend of retail, leisure and cultural activities.

The Centre stands on a site covering 250,000 m², with easy access from the city centre and surrounding areas, and is just five minutes away from the “Macedonia” international airport, major highways, junction points and five-star hotels.

The Centre is a brand new and particularly significant business product for the Greek market, based on similar models that have been tried and tested with success world-wide.

Designed to attract people of all ages, the Centre offers a unique combination of shopping areas and high quality services.

The Centre will include a wide array of retail facilities, such as: a supermarket, well-known retail chains, a full range of smaller retail businesses, a variety of leisure areas, a multiplex cinema and entertainment facilities for the entire family. In addition, a traditional “Greek village” and “cultural neighbourhood” will be created within the Centre, comprising a church, an exhibition area for cultural crafts, traditional taverns and a small outdoor 400-seat amphitheatre where musical events, dance performances and festivals will be staged.



mediterranean
COSMOS



The Centre has been developed on two main levels, with 220 shop units covering a total area of approximately 46,350 m², which will be served by indoor pathways and about 3,000 above-ground parking spaces, balancing access requirements between five main entrances.

Innovative architectural and construction details allow Mediterranean Cosmos to integrate naturally with its surroundings. Inside the centre, a multitude of roads and squares has been created to reflect the character of the traditional cities of Northern Greece, in combination with the advantages of a modern city centre.

With a budget of more than €100 million, Mediterranean Cosmos represents a tremendous business opportunity. The Centre is being developed in collaboration with an international leader in similar developments, Sonae Sierra. In Greece, Sierra-

Charagionis S.A. has been participating with a 39.9% stake in the investment since June 2002. Mediterranean Cosmos will open its doors to the public in October 2005. The commercialisation of the Centre is progressing at a rapid pace, whilst the relevant announcements are scheduled for June 2005.

Allocation of space		
Type	Number	Gross Leasable Area (GLA)
Commercial "anchor" shops	6	10,046 m ²
Supermarket "anchor"	1	3,307 m ²
Multiplex cinema (11 screens) "anchor"	1	6,100 m ²
Recreation areas – Bowling (16 lanes) "anchor"	1	2,535 m ²
Shops	178	21,807 m ²
Restaurants and cafés	33	2,555 m ²
Total	220	46,350 m²
Parking area		~3,000 spaces

Residential Developments

Innovative Residential Complex ILIDA, Maroussi - Athens

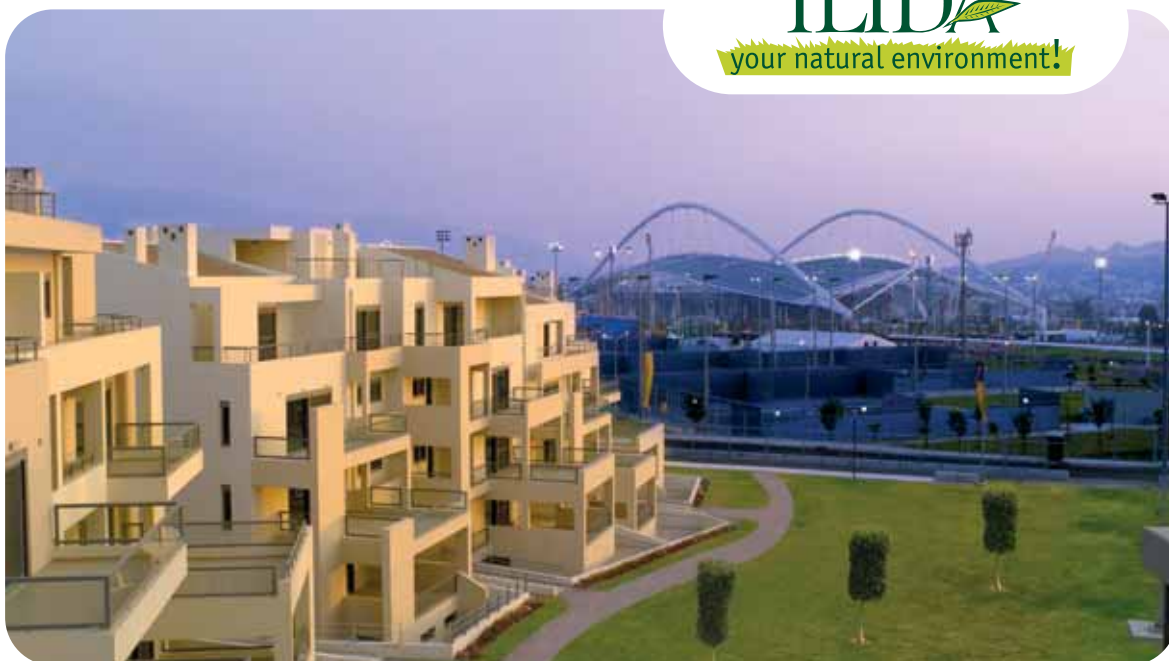
LAMDA Olympia Village S.A., a subsidiary of LAMDA Development, has undertaken the development of the innovative residential complex ILIDA. ILIDA comprises 215 apartments and is being developed on three neighbourhood blocks covering approximately 60,000 m². The complex also includes underground parking and storage areas to serve residents, as well as gardens for each owner and natural green areas for common use.

ILIDA represents an attractive residential proposition for modern Greek city life, as it gives residents the opportunity to live in a well-planned, spacious neighbourhood that offers up-market apartments, large expanses of green and richly landscaped areas, parks, tree-lined pedestrian-friendly streets, security and advanced property management services. Sales of the residences are underway and by the end of 2004, 15% of the homes had been sold.

ILIDA includes four pedestrian neighbourhoods situated in the shape of a "horseshoe", each comprising four to five three-story high quality buildings. The 20-25% building density ratio (percentage footprint covered), compared to the usual 50-70%, guarantees a genuinely "mild" development.

ILIDA represents a main junction point that offers direct access to many important main highways and public transportation points including the Attiki Odos highway, Kifissias Avenue, METRO subway, Athens Urban Transport Organisation (bus service), Suburban Railway network and Amaroussion Municipal Transportation (bus).

During the 2004 Olympic Games, ILIDA successfully accommodated the needs of international journalists as the "ATHENS 2004" Olympic Media Village.



ILIDA
your natural environment!

Luxury Residential Complex Avra, Kifissia - Athens

LAMDA Estate Development is developing a modern residential area in Kefalari, in the suburb of Kifissia. Located on a 10,000 m² site, the limited number of high-calibre homes are selling rapidly. By the end of 2004, 75% of the homes already had been sold. The complex includes 21 residences, leisure facilities as well as private and common-use gardens. Delivery of the homes to owners is scheduled to take place during 2005.



Luxury Residential Complex Lake View Condominium, Bucharest - Romania



Construction of the Lake View Condominium residential complex was completed in June 2004 and 100% of the residences have been sold. The development is located on a 9,000 m² plot in Herastrau Park in the northern part of the city, and is now operating fully. Covering a total of 23,000 m², it includes seven buildings with 93 luxury residential units and 6,500 m² of underground space. An investment worth €20 million, the Lake View Condominium has been recognised as the most important residential project in the city. The project was developed by LAMDA Olympic Srl (50/50 participation by LAMDA Development and Technical Olympic).

Holiday Residential Complex, Xylocastro - Corinth

LAMDA Estate Development has developed a unique holiday residential complex on a 10,000 m² coastal site in Xylocastro, Corinth. The site is adjacent to a 15,000 m² municipal park and sports complex located near an attractive marina. The complex offers large expanses of green areas, security services, ample parking space, a large swimming pool and impressive sea views. The Xylocastro complex is located close to Athens (only 120 km away), while the Suburban Railway Network will ensure quick and easy access. Suitable for both winter and summer use, the complex serves as an ideal base for excursions to Kalavryta, Loutraki, Nafplio, Epidavros and Mycenae. The complex has been operating since June 2004 and by the end of 2004, 50% of the homes had been sold.



Other Developments

Flisvos Marina

In 2002, LAMDA TechnOL Flisvos Marina S.A. was awarded the 40-year concession for the management and upgrading of Flisvos Marina in Paleo Faliro, only 6 km from the centre of Athens. The company's investment strategy is to transform Flisvos into a premier marina in the Eastern Mediterranean.

LAMDA TechnOL Flisvos Marina is implementing a €45 million investment programme to upgrade the land and marine infrastructure and facilities. The construction of new piers and floating docks will expand the marina's current capacity of 180 berths to more than 300, more than 50% of which will accommodate yachts and mega yachts exceeding 30 metres in length.

LAMDA TechnOL Flisvos Marina will upgrade all facilities and services at Flisvos Marina to create a high-standard facility that will achieve world-class standing and cater comprehensively to the needs of up-market clients with large luxury vessels.

The upgrading programme for the 20-year-old facilities of the Flisvos Marina also includes the development of 3,000 m² of commercial and recreational facilities. Visitors to the marina will enjoy a diverse array of shopping, dining, leisure and athletic activities in a richly landscaped area.

In August 2004, following the completion of the first phase of the upgrading, Flisvos Marina successfully hosted VIP guests of the "ATHENS 2004" Olympic Games Organising Committee.



Regarding Flisvos Marina legal issues, two applications for annulment have been submitted; one for the annulment of a construction permit and another for interim measures requesting the suspension of works. The first application has been submitted by the Municipality of Paleo Faliro and the other by three residents of the Municipality. Both cases will be heard in December 2005. In February 2005, following the third application for interim measures, works were suspended due to a temporary court order. LAMDA TechnOL Flisvos Marina has

submitted a memorandum requesting the withdrawal of the suspension applications and awaits the decision of Council of State.

The Flisvos Marina project is of great importance for the protection of the marina, rendering its completion imperative. The project contributes significantly toward attracting and servicing upscale tourism in Greece. Finally, all land interventions have been designed to conform to regulations for the protection of the environment and thus, the project will operate in favour of the environment.



Latseio Burns Centre

LAMDA Estate Development provided construction management services for the Latseio Burns Centre, located in Elefsina, near Athens. The Centre constitutes a cutting - edge burns treatment unit, one of the few such specialised units of its kind and the only one in Southeastern Europe. The Centre has been donated by the Latsis family to the Greek State and is incorporated in the Regional Hospital of Elefsina.

The Latseio Burns Centre consists of an area of 7,400 m² offering: three ultra-modern operating theatres; an eight-bed (isolated) intensive care unit, 18 increased care beds, eight normal care beds, an outpatient department, physiotherapy facilities, a lecture theatre, which may be linked for sound and image to the operating rooms for training purposes, as well as a range of support areas.

Construction was completed in December 2004 and the Centre was inaugurated - fully equipped - by Prime Minister K. Karamanlis on February 2, 2005. The Latseio Burns Centre is now fully operational and forms part of the Regional Hospital of Elefsina.





Corporate Governance

LAMDA Development management believes that the principles of corporate governance are not only essential for monitoring management decisions and actions, but also for the protection of the vested interests of its shareholders. LAMDA Development has applied the

principles and processes of corporate governance since its inception, long before these were introduced to Greece, through law 3016, based on the regulatory framework and internationally recognised criteria such as those applied by companies listed on stock exchanges abroad.

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.

Of the Board's eight members, six are non-executive, two of which are fully independent. In addition, the responsibilities of the Chairman of the Board and the Chief Executive Officer are not held by the same individual.

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, one of which is a non-executive and independent Member of the Board of Directors.

Human Resources Committee

During 2004, the Human Resources Committee was formed, composed of three Members of the Board of

Directors. This Committee is responsible for overseeing the Human Resources Department.

Internal Audit Service

Internal Audit at LAMDA Development is an independent and objective assurance and consulting activity, which adds value and improves the company's operations. It helps the organisation 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 and is supported by the external specialist consultant, Deloitte & Touche, an independent accounting and auditing firm specialising in the field both in Greece and abroad. The existence of this external consultant further secures the necessary technical know-how in specialised fields. The internal audit strategy ensures that all major LAMDA Development companies are audited at least once a year, while specific investments are selectively audited based on performances that could impact the company's results significantly.

Shareholder Services, Corporate Communications, Investor & Social Institution Relations

The department provides shareholders with accurate information, as well as other shareholder services as stipulated by law and the company's Articles of Association.

The department is responsible for all levels of investor relations activities and ensures that institutional investors, securities companies, brokers and the media receive all necessary information in a timely manner. Furthermore, the department is responsible for communication with the relevant authorities.

The department is structured to provide the following services:

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

Within the framework of its activities, LAMDA Development also participates in "investment briefings" organised by reputable financial institutions.

Investment in Technology

2004 was an important year that brought the completion of a major technology investment. LAMDA Development created a significant infrastructure project to upgrade its internal organisation and functionality with the implementation and installation of the SAP A.G. Enterprise Resource Plan (ERP), an internationally-recognised system that has captured an overwhelming share of the market sector around the world.

Massive capabilities for integrating computerised management systems are provided to any organisation that adopts it and includes financial, logistics, cost accounting, cash flow, commercial and project monitoring, integration, human resources, a support environment, security, etc.

SAP will offer considerable benefits to LAMDA Development, as it will automate its recently improved procedures, offer comprehensive and integrated financial data and summaries, facilitate better control of projects and related risks, and in general, will represent an excellent support environment for the company's current and future development activities.

The committed efforts of LAMDA Development's staff have played a decisive role in this project, as employees were involved in every phase of its implementation and

acquired considerable technological expertise and experience to ensure its subsequent functionality and increased return.



The LAMDA Development Board of Directors

Apostolos Tamvakakis

Chairman of the Board, 48

Mr. Tamvakakis holds a Bachelor of Arts in Economics from Athens University and a Master of Arts in Economics from the University of Saskatchewan (Canada) where he majored in Econometrics. 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. Since May 2004 he is Chairman of LAMDA Development S.A. He is member of the Board of Directors of DELTA Holdings S.A. and TITAN Cement Co.

Evangelos Chronis

Vice-Chairman, 58

Mr. Chronis studied shipping in London and worked closely with John S. Latsis for 25 years. Today, he serves as Chairman and Member of the BoD for a number of the Latsis Group companies, as well as for philanthropic institutions.

Lambros G. Anagnostopoulos

Chief Executive Officer, 42

Mr. Anagnostopoulos is a graduate of naval architecture, marine and mechanical engineering from the National Technical University of Athens. He has received post-graduate degrees in shipping at MIT and in management at the MIT Sloan School of Management. Between 1988 and 1992, Mr. Anagnostopoulos worked as a management consultant in the USA and Great Britain. Since 1992, he has been an executive of the Latsis Group, based in Geneva, where, among others, he directed the Group's project planning and development department. Mr. Anagnostopoulos has been Chief Executive Officer and Member of the BoD of LAMDA Development since the company's foundation in 2000.

Anastasios Livieratos

Member, 61

With a degree in Economics from the School of Economics and Commercial Studies (ASOEE), Mr. Livieratos was Deputy Chairman and Deputy CEO of ERMIS S.A. from 1974 to 1982 and Deputy Chairman and CEO of the same company from 1982 to 1999. He was also CEO of KEKROPS S.A. from 1995 to 1999. Both ERMIS and KEKROPS are ASE-listed real estate companies.

Dimitris Papalexopoulos

Member, 43

Mr. Papalexopoulos is a graduate of electrical engineering from the Federal Polytechnic of Zurich and holds an MBA from Harvard University. He worked as a business consultant with McKinsey & Company Inc. from 1987 to 1989 in the USA and Germany. He has served as Chief Executive Officer of TITAN Cement S.A. since 1996 and has worked for the company since 1991.

Petros Kalantzis

Member, 60

Dr. Petros Kalantzis studied Economics at the University of Zurich and Basel and gained a post-graduate and 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 company Lonza Ltd. (Basel). In 1991, he served as Vice-President 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 Greece, he has served as Chairman of Petrola and as Chairman of the Board of Directors of the Swiss Chemical and Pharmaceutical Industry Association between the years 2001-2002.

Fotios Antonatos

Member, 60

Mr. Antonatos is based in Geneva and maintains a position on the General Council 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 21 years.

Emmanuel Leonard Bussetil

Member, 54

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). Before his appointment as head of the Latsis Group's Internal Audit Department, Mr. Bussetil worked for Price Waterhouse. His collaboration with the Latsis Group began 22 years ago.

An aerial photograph of a road intersection in a dense, green forest. The road splits into two paths, one leading towards the top right and another leading towards the bottom right. A semi-transparent white banner is overlaid across the top of the image, containing the text 'Sustainable Development'.

Sustainable Development

Human Resources Management

Committed to creating a positive and constructive work environment, LAMDA Development participated in the "Best Workplaces 2004" study, in order to better understand and evaluate employee opinions and motivation, as well as to improve current human

resources management practices and policies. For the same reasons, the company also participated in the "HR Management Practices Survey", which aimed to improve practices progressively and to upgrade the human resources management sector in Greece.

Benefits

LAMDA Development has implemented a broad range of benefit programmes, including a specialised health insurance plan, a pension plan, a retirement compensation and bonus plan, as well as a stock option plan for senior executives.

Training

During 2004, LAMDA Development conducted a total of 46 professional development and training programmes aimed at increasing productivity, securing rapid adaptation to technological developments, improving service quality and maximising client satisfaction.

New appointments

In 2004, the company strengthened its management team with the appointment, among others, of a new Chairman of the Board and a new General Manager for Real Estate Development, to effectively respond to the demands of the market.

LAMDA Development group of companies Personnel (31/12/2004)	
LAMDA Development	113
EFG Eurobank Properties	4
LAMDA Hellix	3
LAMDA Shipyards and Marine Services	111
LAMDA TechnOL Flisvos Marina	22
LAMDA Property Management	7
Swissport LAMDA Hellas	586
Total	846

Environmentally aware activities

An essential prerequisite for the implementation of an investment is not only the company's adherence to existing standards, but also the creation of new benchmarks relating to the environment and quality of life. LAMDA Development's investments are developed with construction methods and materials that ensure maximum energy conservation.

All buildings are developed only after a bioclimatic study has been conducted to determine the optimum use of natural energy resources, whilst other buildings are restored aiming to maintain their original architectural character and thus, renewing their "life cycle". LAMDA Development strives to provide natural sound insulation, while upgrading the surrounding natural environment of all its investments. ILIDA, the new suburb in Maroussi, is a characteristic



example of the company's commitment to the environment, with the replanting of trees and the creation of a park. Similarly, expansive gardens surround both the Apollo Business Centre and the Cecil office building.



VIII WORLD WINTER GAMES
SPECIAL OLYMPICS

Supporting sensitive social groups

LAMDA Development consistently supports the Special Olympics. During 2004, the company contributed to the Organisation's initiatives with a sponsorship of the Special Olympics World Festival, which was held under the auspices of the European Year of "Education through Sports". LAMDA Development

also sponsored the performances of Milan's "La Scala Ballet", the proceeds of which financed the Greek National Special Olympics team's preparation for and participation in the Winter World Games at Nagano, Japan, in March 2005.

Contributing to local community development

Our fundamental objective is for our investments to create conditions conducive to development and prosperity not only for our clients, but also for the local communities in which we operate. We always aim, to the greatest possible extent, to hire personnel from local communities throughout the implementation of our investments, such as in the development of

Mediterranean Cosmos in Thessaloniki and our shipyard in Elefsina. We also strive to create a network of local suppliers that contributes to the overall economic development of the area. Finally, we reinvest a portion of our revenues back into local communities, through sponsorships and other community initiatives.

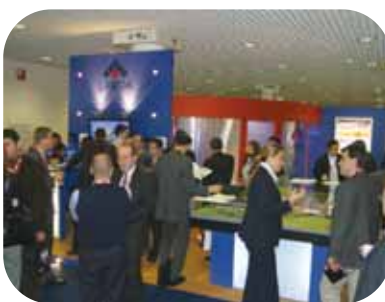
Participation in Greek and international exhibitions

MAPIC 2004, Cannes

LAMDA Development was the only company from Greece with its own independent stand at MAPIC, the largest retail real estate exhibition held every year in Cannes.



At MAPIC, LAMDA Development executives held meetings with business people from all over the world to discuss new investment opportunities and to explore potential collaborations in projects that are currently under



PRODEXPO 2004, Athens

Within the framework of the new conditions and challenges in the Greek and international real estate markets, LAMDA Development participated as a sponsor of the 5th PRODEXPO 2004 Exhibition and Conference in October, and more specifically, of the session titled "Real Estate Industry Trends." During this session, key executives from the Greek market addressed crucial subjects affecting the real estate sector.



2nd International Retail Trade Conference, Athens

In May 2004, Mediterranean Cosmos sponsored the 2nd International Retail Trade Conference, organised annually by the Federation of the Greek Retail Enterprises (SELPE), titled "Retail Business in the 21st Century: Emphasis on the Consumer". Through this sponsorship, LAMDA Development reaffirmed the significant contribution of real estate companies toward strengthening the retail trade sector in Greece.

Financial Data



Financial Statement 2004

2004 was a particularly significant year for Greece and its image overseas. The Olympic Games were completed with great success and the country's economy continued to progress at satisfactory levels, despite the slow-down in the rate of development.

As expected, investments in the real estate and infrastructure development market in which LAMDA Development is active require a long time period for the completion of developments (research/preparation, design and construction phases) as well as for their commercialisation, resulting in a long interim period before the developments officially begin operating and generating a steady flow of income.

Throughout 2004 and to date, the company has passed through a period of intense activity, working toward the commercialisation and completion of construction for two of its major investments. The completion of these projects will mark the start of operations of the two commercial and leisure centres. Due to the above, LAMDA Development is in a period of major expenditure for the completion of these investments.

Consequently, on a consolidated level, turnover increased by 12.5% while the results before tax were decreased by 121.2%. Lower results are mostly attributed to LAMDA Estate Development's falling revenues and profits due to the company's lack of real estate for sale as well as to LAMDA Shipyards, which was required to take significant provisions for accounts receivable.

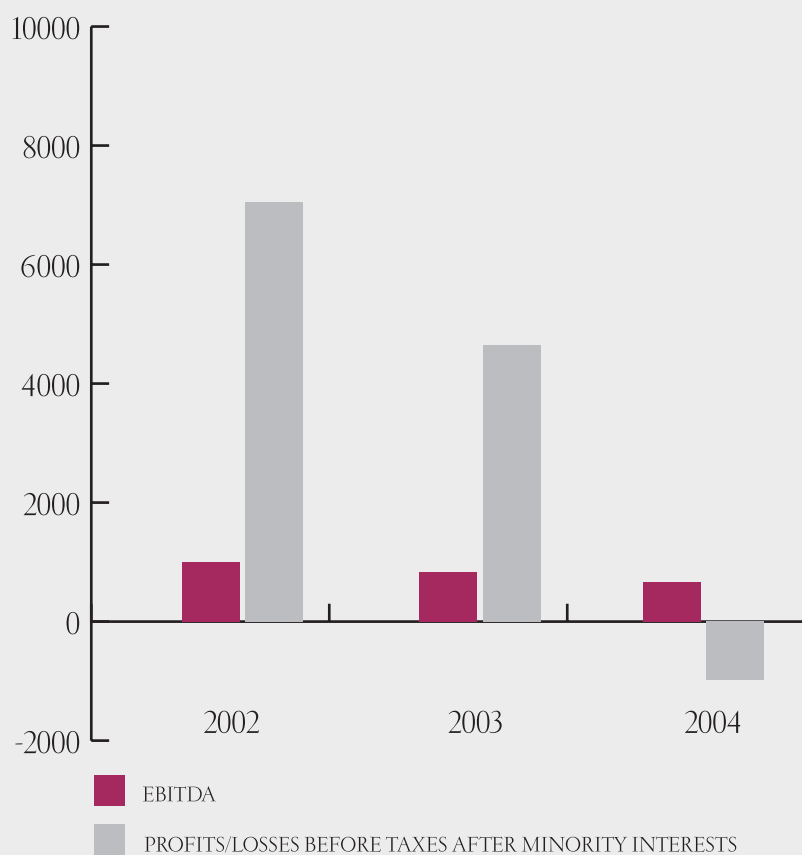
It should be noted that the air transportation and shipyard sectors are under close supervision and management intends to move forward with corrective measures.

As a result, the company's profits for 2004 were limited, yet supported by existing and steady real estate income from smaller development projects such as: the Cecil office building, the Apollo and Kronos Business Centres and the residential complexes Lake View Condominium in Bucharest, Avra in Kifissia and Xylokastro in Corinth.

Amount in '000 €

	SHAREHOLDERS EQUITY		TOTAL ASSETS	
	2004	2003	2004	2003
LAMDA Development S.A.	242.145	240.541	311.875	294.417
LAMDA Development group of companies	277.911	241.731	602.345	424.419

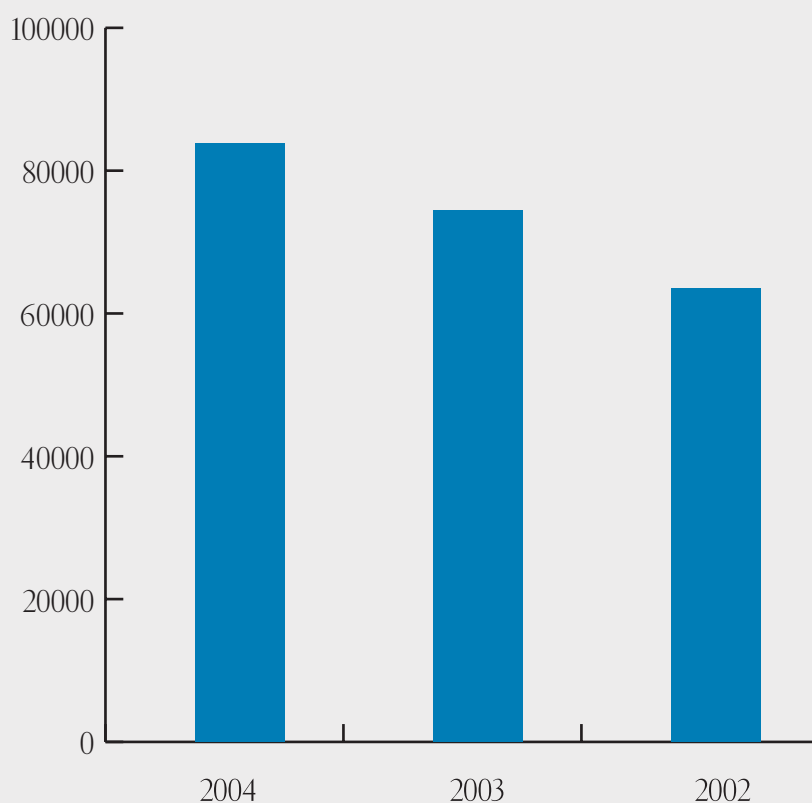
EBITDA AND CONSOLIDATED FINANCIAL RESULTS (AFTER MINORITY INTERESTS)



PER SHARE FINANCIAL DATA

	2004	2003
Total number of shares outstanding at year's end	43.592.950	43.488.750
Weighted number of shares	43.576.963	43.488.750
Per share financial data		
Profit before taxes	–	€ 0,11
Profit after taxes and minority interests	–	€ 0,04
Book value	€ 6,4	€ 5,6

CONSOLIDATED TURNOVER



Note: Participation in the companies EFG Properties, 4K and LAMDA Olympic Srl is consolidated by the net equity method. Consequently, the corresponding turnover is not reflected.

2004 Financial Results

Consolidated gross profits for the period amounted to €13,887,000 compared to €15,227,000 for the same period last year, marking a decrease of 9%.

The increase in depreciation by €2,072,000 and provisions by €1,569,000 (increase of 68% and 5,373%, respectively), as well as reduction of revenues from financial activities by €1,399,000 (73% reduction), led

to a loss of €980,000 for the group, compared to a profit of €4,650,000 in 2003.

It is important to note that during the current fiscal year, the real estate investment assets were adjusted to the fair market value, in an amount of €26,178,000, with a corresponding increase of resources by 15%.

Prospects

During 2005, LAMDA Development's investment programme is expected to reach its peak, with the start-up of operations of the two commercial and leisure

centres in Maroussi, Athens and Pylea, Thessaloniki at the end of the year, contributing positively to the group's dynamic growth and development.

Amount in '000 €

CONSOLIDATED RESULTS - LAMDA Development group of companies		
	2004	2003
Turnover	83.749	74.473
EBITDA	6.556	8.287
Earning before tax	-980	4.650

Share performance

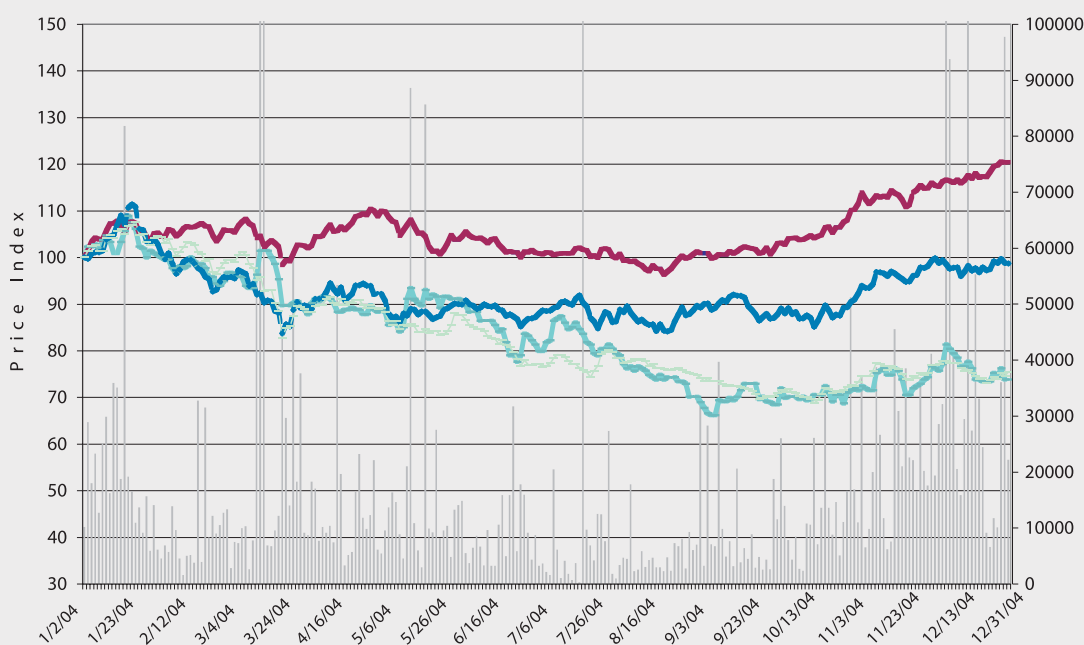
Throughout 2004, LAMDA Development share followed the overall trend of the FTSE/ASE SMALL CAP 80 index in which the company participates. Furthermore, the cooperation with National Securities

as market maker continued successfully, increasing marketability in the benefit of the company's shareholders.

SHARE PRICE PERFORMANCE

	2004	2003
Closing price at year end	€ 3.16	€ 4.20
Annual average price	€ 3.58	€ 4.21
Annual max price	€ 4.66	€ 5.68
Annual min price	€ 2.83	€ 3.34
Daily average number of shares traded	22.976	24.149
Weighted average number of shares traded	0,05%	0,05%

Total number of registered shares 43.785.950



LAMDA Development: 01/01/2004 - 31/12/2004

— LAMDA Development volume (shares) — LAMDA Development — General Index AE — Holding Companies Index — FTSE/ASE SMALL CAP 80

Financial Results 2004

LAMDA Development group of companies

Amount in '000 €

CONSOLIDATED BALANCE SHEET

ASSETS	2004	2003
INSTALLATION COSTS	8.656	6.977
ACCRUED DEPRECIATION	5.153	3.606
NON DEPRECIATED INSTALLATION COSTS	3.503	3.371
INTANGIBLE ASSETS	8.166	8.016
ACCRUED DEPRECIATION	376	131
NON DEPRECIATED INTANGIBLE ASSETS	7.790	7.885
TANGIBLE ASSETS	374.201	137.417
ACCRUED DEPRECIATION	20.158	17.144
NON DEPRECIATED TANGIBLE ASSETS	354.043	120.273
INVESTMENT IN SUBSIDIARIES & ASSOCIATED COMPANIES	14.240	18.826
LONG TERM RECEIVABLES	1.624	390
INVENTORIES	119.139	178.107
OTHER LONG TERM ASSETS	76.326	51.460
SECURITIES	0	3.362
CASH AT BANKS & IN HAND	25.244	39.902
PREPAYMENTS & ACCRUED INCOME	435	843
TOTAL ASSETS	602.345	424.419
LIABILITIES & SHAREHOLDER'S EQUITY		
SHARE CAPITAL	13.136	13.078
SHARE PREMIUM	223.265	222.976
REVALUATION RESERVES & INVESTMENT GRANTS	27.419	1.279
CAPITAL RESERVES	3.300	4.656
PROFIT / LOSSES CARRIED FORWARD	-9.918,95	-2.410
CONSOLIDATION DIFFERENCES	-19.257,23	-16.972
MINORITY RIGHTS	39.967	19.125
TOTAL SHAREHOLDER'S EQUITY	277.911	241.732
PROVISIONS FOR RISKS	2.078	399
LONG TERM LOANS	30.436	15.606
OTHER LONG TERM LIABILITIES	1.516	640
SHORT TERM LOANS	16.399	62.578
OTHER SHORT TERM LIABILITIES	239.702	96.845
TOTAL SHORT TERM LIABILITIES	288.053	175.669
ACCRUALS & DEFERRED INCOME	34.302	6.619
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	602.345	424.419

LAMDA Development group of companies

Amount in '000 €

CONSOLIDATED INCOME STATEMENT		
	2004	2003
TURNOVER	83.749	74.473
<i>LESS</i> COST OF SALES	66.534	56.893
GROSS OPERATING RESULTS	17.215	17.581
(% OF TURNOVER)	20,56%	23,61%
<i>PLUS</i> OTHER OPERATING INCOME	3.344	3.109
TOTAL	20.559	20.690
<i>LESS</i> ADMINISTRATIVE EXPENSES	14.191	14.373
<i>LESS</i> SELLING EXPENSES	234	268
TOTAL EXPENSES	14.425	14.640
(% OF TURNOVER)	17,22%	19,66%
TOTAL OPERATING RESULT (NON INCLUDING DEPRECIATION)	6.133	6.049
(% OF TURNOVER)	7,32%	8,12%
<i>PLUS</i> INCOME FROM PARTICIPATIONS & SECURITIES IN GENERAL	1.524	1.282
<i>PLUS</i> EXTRAORDINARY INCOME	743	1.409
<i>LESS</i> EXTRAORDINARY EXPENSES	358	321
<i>LESS</i> NET PRIOR YEAR EXPENSES	4	105
<i>LESS</i> NET PROVISIONS FOR RISKS	1.482	28
TOTAL INCOME BEFORE TAXES, INTEREST, DEPRECIATION & MINORITY RIGHTS	6.556	8.287
(% OF TURNOVER)	7,83%	11,13%
NET INTEREST INCOME OR EXPENSES	-1.933	-1.233
TOTAL INCOME BEFORE TAXES, DEPRECIATION & MINORITY RIGHTS	4.624	7.054
(% OF TURNOVER)	5,52%	9,47%
<i>LESS</i> DEPRECIATION	5.103	3.031
TOTAL INCOME BEFORE TAXES & MINORITY RIGHTS	-480	4.023
(% OF TURNOVER)	-	5,40%
MINORITY RIGHTS	-500	627
TOTAL INCOME BEFORE TAXES	-980	4.650
(% OF TURNOVER)	-	6,24%

LAMDA Development S.A.

Amount in '000 €

BALANCE SHEET		
ASSETS	2004	2003
INSTALLATION COSTS	2.992	1.995
ACCRUED DEPRECIATION	1.674	1.151
NON DEPRECIATED INSTALLATION COSTS	1.318	845
TANGIBLE ASSETS	7049	4.625
ACCRUED DEPRECIATION	766	453
NON DEPRECIATED TANGIBLE ASSETS	6.284	4.172
INVESTMENT IN SUBSIDIARIES & ASSOCIATED COMPANIES	281.186	250.205
OTHER LONG TERM ASSETS	38	20
ACCOUNTS RECEIVABLE	21.918	5.073
CASH AT BANKS & IN HAND	1.131	32.101
SECURITIES	0	2.000
PREPAYMENTS & ACCRUED INCOME	0	1
TOTAL ASSETS	311.875	294.417
LIABILITIES & SHAREHOLDERS EQUITY		
SHARE CAPITAL	13.136	13.078
SHARE PREMIUM	222.702	222.413
REVALUATION RESERVES	2.012	0
RESERVES	4.631	4.631
PROFIT / LOSSES CARRIED FORWARD	-335	419
TOTAL SHAREHOLDER'S EQUITY	242.145	240.541
PROVISIONS FOR RISKS	201	130
BANK OVERDRAFTS	14.000	5.000
OTHER SHORT TERM LIABILITIES	55.359	48.569
TOTAL SHORT TERM LIABILITIES	69.359	53.569
ACCRUALS & DEFERRED INCOME	170	177
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	311.875	294.417

LAMDA Development S.A.

Amount in '000 €

INCOME STATEMENT		
	2004	2003
TURNOVER	390	179
<i>LESS</i> COST OF SALES	0	0
GROSS OPERATING RESULTS	390	179
<i>PLUS</i> OTHER OPERATING INCOME	2.176	2.196
<i>LESS</i> ADMINISTRATIVE EXPENSES	4.675	4.111
TOTAL OPERATING RESULT (NON INCLUDING DEPRECIATION)	-2.110	-1.736
<i>PLUS</i> INCOME FROM PARTICIPATIONS & SECURITIES IN GENERAL	3.265	5.410
<i>PLUS</i> EXTRAORDINARY INCOME	1	5
<i>LESS</i> EXTRAORDINARY INCOME	72	92
<i>LESS</i> PRIOR YEAR EXPENSES	0	106
TOTAL INCOME BEFORE TAXES - INTEREST - DEPRECIATION	1.084	3.877
NET INTEREST INCOME OR EXPENSES	-833	68
TOTAL INCOME BEFORE TAXES - DEPRECIATION	251	3.945
<i>LESS</i> DEPRECIATION	836	684
TOTAL RESULT BEFORE TAXES	-585	4.629

Amount in '000 €

TABLE OF DISTRIBUTION OF PROFITS		
	2004	2003
TOTAL RESULT (PROFITS / LOSSES) BEFORE TAXES	-585	2,865
PROFITS CARRIED FORWARD	419	337
ADDITIONAL TAX ASSESSMENTS	-86	0
TOTAL	-252	3,203
<i>LESS</i> OTHER TAXES NOT INCLUDED IN OPERATING COSTS	83	9
LOSSES / PROFITS FOR DISTRIBUTION	-335	3,194
DISTRIBUTION OF PROFITS:		
DIVIDENDS	0	2.616
LEGAL RESERVES	0	160
RESULT CARRIED FORWARD	-335	419
TOTAL	-335	3.194

LAMDA DEVELOPMENT

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.

CO REG. No 3039/06/B/86/28

5th CONSOLIDATED BALANCE SHEET AS OF 31st DECEMBER, 2004 (FISCAL YEAR 1st JANUARY, 2004 - 31st DECEMBER, 2004)

ASSETS	December 31, 2004	December 31, 2003	LIABILITIES & SHAREHOLDER'S EQUITY	Fiscal year 2004	Fiscal year 2003
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value	Accumulated Depreciation
B. INSTALLATION COSTS					
1. Formation and set-up expenses	2.506.072,60	1.422.321,44	1.083.751,16	2.553.668,28	979.763,27
4. Other installation costs	6.149.697,14	3.730.524,18	2.419.172,96	4.423.243,51	2.625.882,36
	8.655.769,74	5.152.845,62	3.502.924,12	6.976.911,79	3.605.645,63
C. FIXED ASSETS					
<i>I. Intangible Assets</i>					
1. Research & development expenses	213.280,93	55.195,19	158.085,74	62.695,00	12.539,00
2. Concessions and similar rights	7.952.925,00	320.776,05	7.632.148,95	7.952.925,00	118.750,00
	8.166.205,93	375.971,24	7.790.234,69	8.015.620,00	131.289,00
<i>II. Tangible Assets</i>					
1. Land	153.107.354,01	0,00	153.107.354,01	20.298.805,37	0,00
3. Buildings & technical works	34.359.402,21	7.167.275,38	27.192.126,83	24.810.802,67	5.753.485,76
4. Machinery and equipment	9.640.552,50	3.588.767,15	6.051.785,35	7.362.640,66	2.679.308,37
5. Transportation means	12.498.236,38	8.211.141,50	4.287.094,88	12.436.279,39	7.649.389,89
6. Furniture & fixtures	2.565.399,35	1.190.647,03	1.374.752,32	2.427.021,17	1.062.075,53
7. Construction in progress	162.030.130,72	0,00	162.030.130,72	70.081.280,94	0,00
	374.201.075,17	20.157.831,06	354.043.244,11	137.416.830,20	17.144.259,55
	392.367.281,10	20.533.802,30	371.833.478,80	145.432.450,20	17.275.548,55
Total Intangible & Tangible Assets (CI + CII)					
<i>III. Investment in subsidiaries & other long term assets</i>					
1. Investment in subsidiaries and associated companies	14.240.251,27	1.623.821,19	12.616.430,08	18.825.761,58	5.753.485,76
7. Other long term assets	15.864.072,46	377.697.551,26	192.162.511,61	390.490,03	2.679.308,37
	30.104.323,73	379.294.802,45	311.828.941,69	191.381.251,61	8.432.894,13
Total Fixed Assets (CI+CII+CIII)					
D. CURRENT ASSETS					
<i>I. Inventory</i>					
1. Merchandise	4.419,30		4.419,30	3.076,04	
2a. Land & construction materials for sale	118.483.520,98		118.483.520,98	175.589.715,21	
4. Raw materials - Consumables - Spare parts	193.904,47		193.904,47	144.366,08	
5. Inventory advances	457.315,28		457.315,28	2.370.073,99	
	119.139.160,03		119.139.160,03	178.107.231,32	
<i>II. Accounts Receivable</i>					
1. Trade debtors	29.074.809,89		29.074.809,89	31.298.173,08	
3a. Cheques receivable	2.548.323,79		2.548.323,79	3.294.450,95	
10. Doubtful - disputed customers and debtors	89.829,70		89.829,70	31.495,58	
11. Various debtors	44.415.514,76		44.415.514,76	16.715.418,09	
12. Advances and prepayments	197.139,93		197.139,93	120.316,86	
	76.325.618,07		76.325.618,07	51.459.854,56	
<i>III. Securities</i>					
3. Other securities	0,00		0,00	3.361.506,81	
	0,00		0,00	3.361.506,81	
<i>IV. Cash at banks and in hand</i>					
1. Cash in hand	112.643,28		112.643,28	81.778,40	
3. Sight and time deposits	25.131.251,20		25.131.251,20	39.820.399,82	
	25.243.894,48		25.243.894,48	39.902.178,22	
Total Current Assets (DI+DII+DIII+DIV)					
	220.708.672,58		220.708.672,58	272.830.770,91	
E. PREPAYMENTS AND ACCRUED INCOME					
1. Prepayments	228.975,42		228.975,42	165.264,29	
2. Defered charges	204.586,84		204.586,84	676.329,80	
3. Other assets	1.847,31		1.847,31	1.848,22	
	435.409,57		435.409,57	843.442,31	
Total Liabilities and Shareholder's Equity					
	602.344.557,63		602.344.557,63	424.418.632,64	
TOTAL MEMO ACCOUNTS					
1. Third party assets	22.806.238,64		22.806.238,64	22.806.238,64	
2. Debit accounts of guarantees	250.222.753,59		250.222.753,59	250.222.753,59	
3. Claims in bilateral agreements	1.467.351,43		1.467.351,43	1.467.351,43	
	274.496.343,66		274.496.343,66	274.496.343,66	

CONSOLIDATED STATEMENT OF INCOME FOR FISCAL YEAR 1/1/2004 - 31/12/2004

	1/1/2004-31/12/2004	1/1/2003-31/12/2003
I. Statement of Income		
Sales	83,748,662.73	74,473,285.14
Less: Cost of sales	69,861,480.54	59,246,521.19
Gross Operating Results	13,887,182.19	15,226,763.95
Plus: 1. Other operating income	3,344,252.69	3,109,123.79
Total	17,231,434.88	18,335,887.74
Less:		
1. Administrative expenses	15,754,474.65	14,372,760.61
3. Selling expenses	234,122.41	267,557.53
Plus :		
1a. Income from participations in affiliated companies	1,488,605.74	14,640,318.14
2. Income from securities	34,953.97	3,695,569.60
3. Gain on sale of participation and securities	0.00	
4. Interest and related income	459,169.27	2,346,538.70
Less :		
2. Losses from investments and securities	0.00	
3. Interest and related charges	2,392,049.06	2,296,947.75
Total operating profits	-409,320.08	49,590.95
II. PLUS (or less): Extraordinary items	833,517.74	3,745,160.35
1. Extraordinary income	61,611.75	
2. Extraordinary profit	681,363.71	115,393.15
3. Prior year income	25,942.69	1,293,783.00
4. Unused provisions	116,632.25	20,108.07
Less:		
1. Extraordinary expenses	256,182.05	274,804.35
2. Extraordinary losses	101,461.71	46,140.55
3. Prior year expenses	30,018.65	125,055.87
4. Provisions for risks	1,598,466.16	29,207.11
Net income after extraordinary results	-1,100,578.17	475,207.88
Less :		
Total depreciation	5,103,118.62	3,031,055.86
Less: Depreciation included in operating cost	4,890,642.24	2,353,817.37
NET INCOME BEFORE TAX	-479,536.81	677,238.49
Plus: Minority interests	-500,136.79	4,023,006.76
NET INCOME OF THE GROUP (before tax)	-979,673.60	626,582.15
	-979,673.60	4,649,588.91

Athens, 22 February 2005

CHAIRMAN OF THE BOARD

APOSTOLOS S. TAMBAKAKIS
ID. C. Π 704691

MANAGING DIRECTOR

LAMBROS G. ANAGNOSTOPOULOS
ID. C. N 627134

CHIEF FINANCIAL OFFICER

ANTONIOS K. KAFFAS
ID. C. Σ 272217

DEPUTY CFO

VASSILIOS A. BALOUMIS
ID. C. T 061891

AND CHIEF ACCOUNTANT

VASSILIOS A. BALOUMIS
ID. C. T 061891

CERTIFIED AUDITORS' ACCOUNTS' AUDIT REPORT To the Shareholders of "Lamda Development" and its subsidiaries

In accordance with the requirements of article 108 of the companies' act L2190/1920 we have audited the consolidated Financial Statements comprising of the consolidated balance sheet, income statement, cash flows and the related notes to the Consolidated Financial Statements of "Lamda Development SA" and its subsidiaries for the year ended 31 December 2004. Our audit was carried out in accordance with the auditing procedures we considered appropriate for the purposes of our audit, on the basis of the auditing standards and regulations followed by the Institute of Certified Auditors Accountants of Greece. We confirmed that the contents of the Directors' Consolidated Report to the Shareholder's meeting is in agreement with the related Consolidated Financial Statements. The scope of our audit did not include the subsidiary companies (Olympic Sri, Argonauts) representing 0.5% and 3.6% of the consolidated assets and 0.5% and 3.6% of the consolidated turnover respectively. These Financial Statements have not been audited by other certified accountants. We have not audited the Financial Statements of the subsidiary company WSW SKYCAP SERVICES SA included in the consolidation, representing 0.5% and 2.0% of the consolidated assets and turnover respectively. These Financial Statements have not been made by other certified auditors, and it is on their audit reports we have based our opinion to the extent that these statements relate to the balances in the consolidation. Our audit identified the following matters: 1. A full provision for severance pay due to employees retirement has not been made by certain subsidiaries, on the basis of decision No 205/1983 of the Body of State Legal Advisors. If the companies had created a full provision based on article 43e of L2190/1920 for severance pay due to employees retirement this would amount to approximately € 906 thousands which would affect the results of current fiscal year and approximately € 768 thousands of the result of prior fiscal years. 2. A subsidiary company has not valued its stock at the lower of the cost and net realizable value, as required by paragraph 7 of article 43 of N. 2190/1920. If the company had valued its stock as required under L 2190/1920, line D.1.2a "Land & construction material for sale" would have been reduced by approximately € 6.9 million with an equal reduction to current year earnings. 3. Contrary to the requirements of L 2190/1920, certain subsidiary companies consider advertising and promotion expenses for new projects as part of the cost of constructing these projects. As a result, current year earnings should be reduced by approximately € 1,398 thousands. 4. The company, its subsidiaries and affiliated companies have not been audited by the tax authorities for certain fiscal years, as referred to in note 3 of the balance sheet. Therefore, the tax liabilities for these years are not considered final. 5. As at the date of our audit report, the transfer of title of land with a purchase price of approximately € 35.2 million appearing in the asset accounts "Construction in Progress" and "Land & construction material for sale" had not been finalized. 6. A subsidiary company that has entered into a contractual agreement regarding the rental of the Marina of Flisvos, has amended the terms of the contract, and as a result, the rental expense that would effect current year earnings has been reduced by € 2.8 million approximately. As at the date of this report, we have not been able to confirm the amendment of the rental agreement. In our opinion, the aforementioned Consolidated Financial Statements are in agreement with the Companies' Act (L2190/1920) and together with Consolidated Attachment to the Financial Statements, after taking into account the matters described above and notes 3.5, 6.7 & 8 under the Consolidated Balance Sheet, present in conformity with legal requirements and generally accepted accounting principles, which do not differ from those that were applied in the prior year, apart from note 4 under the Consolidated Balance Sheet, the consolidated financial position on December 31, 2004 and the results and Cash Flows of its consolidated operations for the year then ended.

Athens, 22 February, 2005
THE CERTIFIED AUDITOR-ACCOUNTANT
Konstantinos Michalatos
Reg No. SOEL 17701
Prcsnt@epwof.com.gr

Notes:
1. The consolidated financial statements have been prepared by applying the method of full consolidation of the company and its subsidiaries: LAMDA ESTATE DEVELOPMENT SA rate per cent 100% (direct participation), GI AND KATASKEVI SA rate per cent 51% (indirect participation), KRONOS PARKING SA rate per cent 80% (indirect participation), LAMDA PRIME PROPERTIES SA rate per cent 100% (direct participation), LAMDA SHIPYARDS & MARINE SERVICES SA rate per cent 75% (direct participation), ARGONAVTHS SA rate per cent 100% (indirect participation), PYLEA SA rate per cent 60.1% (direct participation), LAMDA AKINHFTA SA rate per cent 50% (direct participation), LAMDA TECHNOL FLVSVO SA rate per cent 45.00% (direct participation), LAMDA TECHNOL FLVSVO MARINA SA rate per cent 75% (indirect participation), LAMDA ERGA ANAPTOMIS SA rate per cent 100% (direct participation), LAMDA DOMI SA rate per cent 100% (direct participation), LAMDA PROPERTY MANAGEMENT SA rate per cent 100% (direct participation), LAMDA HELIX SA rate per cent 65% (direct participation), LAMDA OL YMPIA VILAGE SA rate per cent 99.08% (direct participation), SWISSPORT LAMDA HELIX SA rate per cent 50% (direct participation), LAMDA OL YMPIA VILAGE SA rate per cent 100% (direct participation), WSW SKYCAP SERVICES SA rate per cent 42.5% (indirect participation), SWISSPORT HELAS CARGO SA rate per cent 80% (direct participation), EUROBAK PROPERTIES SA rate per cent 29.9% (direct participation), LAMDA OL YMPIC SRL rate per cent 50% (direct participation) and 4K REAL ESTATE DEVELOPMENT SA rate per cent 25% (indirect participation). The parent company, participations rate per cent 100% (direct participation) at the companies LAMDA DEVELOPMENT OOD BEOGRAD and LAMDA DEVELOPMENT ROMANIA which haven't been consolidated due to minor importance. 2. On the company's fixed assets there are leas and pre-rentals amounting to € 11,445,341.16 serving as a collateral for bank loans, the balance of which was € 6,887,670.14 at 31.12.2004. 3. The parent company and the company LAMDA SHIPYARDS & MARINE SERVICES SA has been tax audited by tax authorities until the year 2002 and the year N.3529/2004, while for the years 2001-2002 there is in progress regular tax audit. At the year N.3529/2004, the company LAMDA ESTATE DEVELOPMENT SA has been tax audited by tax authorities until the year 2002. SA, there's been in progress regular tax control for the years 1989-2002. The company EFG EUROBAK PROPERTIES SA (affiliated company) has not been audited by tax authorities from the year 1989. The other subsidiary companies of the group have not been audited by tax authorities for the year 2003. Consequently the Group's tax obligations have not yet been finalized. 4. In 31/12/2004 there has been revaluation of the Group's fixed assets according to the Law N.3239/2004 for the parent company and for all the subsidiaries the parent company participations with percentage higher than 95%. For the other companies the revaluation was made according to the Law N.2065/1992. 5. Certain subsidiaries, based on the State Legal Council's note 205/1983, made no provision for staff leaving indemnities. If these companies had made provisions according to the 42a article of CL 2190/1920, the provision would have amounted to € 906 th. approximately, or which amount € 138 th. would have charged to the income statement of the year and € 768 th to the previous years income statements. 6. In 10th January 2004, a vessel, which was being repaired in a subsidiary's shipyard suffered damages due to a fire outbreak. The insurance company has not yet determined the amount of the damages. Therefore any potential liability of the subsidiary in case of partial coverage of damages by the insurance company can not be calculated. 7. The income statement item "Extraordinary Results" includes amount € 667 th. approximately that refers to subsidiaries property sale according to pre-sale agreement. Until the settlement of the Financial Statements, the ownership titles have not been transferred. 8. The account "Other Debtors" includes amount € 19.8 ml. approximately which refers to receivables from the Greek State for the return of the commercial centres construction VAT. 9. The average number of the employed staff of the Group during the 31.12.2004, totalled to 937 persons. 10.

The analysis of the turnover by code of activity (STACOP-2003) is as follows

Code: 285.2 General Mechanical works	2,429,760.74
Code: 351.1 Shipping repairs	11,708,484.94
Code: 351.2 Yachts repairs	11,929,710.77
Code: 452.1 Construction of buildings and civil engineer works	10,330,669.42
Code: 515.7 Wholesale of waste materials	39,736.39
Code: 622.0 Non-scheduled air transportation	5,713,040.20
Code: 631.1 Cargo distribution	1,694,228.06
Code: 632.1 Other auxiliary water transportation	191,170.58
Code: 632.2 Other auxiliary water transportation services	7,076,291.77
Code: 632.3 Other auxiliary air transportation services	17,095,724.59
Code: 702.0 Leasing of real estate property	8,591,244.78
Code: 702.2 Real estate management	726,028.91
Code: 742.0 Architects - Engineer services	985,610.35
	<u>63,749,692.73</u>

LAMDA DEVELOPMENT

HOLDING AND REAL ESTATE DEVELOPMENT COMPANY S.A.

CO REG. No 3039/06/B/86/28
BALANCE SHEET OF DECEMBER 31st, 2004 (27th FISCAL YEAR JANUARY 1st, 2004 - DECEMBER 31st, 2004)

ASSETS	December 31, 2004	December 31, 2003	LIABILITIES & SHAREHOLDER'S EQUITY	December 31, 2004	December 31, 2003
B. INSTALLATION COSTS	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation
1. Formation and set-up expenses	18.984,14	16.769,33	2.214,81	18.984,14	12.972,50
4. Other installation costs	2.973.395,06	1.657.323,84	1.316.071,22	1.976.128,53	1.137.633,26
	<u>2.992.379,20</u>	<u>1.674.093,17</u>	<u>1.318.286,03</u>	<u>1.985.112,67</u>	<u>1.150.605,76</u>
C. FIXED ASSETS					
<i>II. Tangible Assets</i>					
1. Land	2.535.000,00	0,00	2.535.000,00	1.032.432,32	0,00
3. Buildings & technical works	3.536.399,25	369.543,64	3.166.855,61	2.940.998,86	219.108,32
6. Furniture & fixtures	974.559,46	396.133,75	578.425,71	652.008,69	234.289,64
7. Construction in progress	3.540,00	0,00	3.540,00	0,00	0,00
Total Tangible Assets	<u>7.049.498,71</u>	<u>765.677,39</u>	<u>6.283.821,32</u>	<u>4.625.439,87</u>	<u>453.397,96</u>
<i>III. Investment in subsidiaries & other long term assets</i>					
1. Investment in subsidiaries and associated companies	281.186.406,18	0,00	281.186.406,18	253.169.231,33	250.205.101,33
Less: Installments due to subsidiaries					
7. Other long term assets				2.984.130,00	19.823,07
				<u>281.224.354,02</u>	<u>250.224.924,40</u>
Total Fixed Assets (CII+CIII)	<u>287.508.175,34</u>		<u>287.508.175,34</u>	<u>254.396.966,31</u>	
D. CURRENT ASSETS					
<i>II. Accounts Receivable</i>					
1. Trade debtors	2.638.916,78		124.844,80		
5. Receivables from affiliated companies	18.988.400,00		4.462.055,36		
11. Various debtors	309.569,47		482.198,69		
12. Advances and prepayments	1.076,96		3.881,10		
	<u>21.917.963,21</u>		<u>5.072.979,95</u>		
<i>III. Securities</i>					
3. Other securities	0,00		0,00		
	<u>0,00</u>		<u>2.000.000,00</u>		
<i>IV. Cash at banks and in hand</i>					
1. Cash in hand	1.057,82		888,66		
3. Sight and time deposits	1.129.893,39		32.100.339,83		
	<u>1.130.951,21</u>		<u>32.101.228,49</u>		
Total Current Assets (DII+DIII+DIV)	<u>23.048.914,42</u>		<u>39.174.208,44</u>		
E. PREPAYMENTS AND ACCRUED INCOME					
2. Deferred Charges	0,00		862,31		
	<u>0,00</u>		<u>862,31</u>		
TOTAL ASSETS	<u>311.875.375,79</u>		<u>294.416.543,97</u>		
DEBIT MEMO ACCOUNTS					
2. Debit accounts of guarantees	184.997.335,50		143.697.445,50		
	<u>184.997.335,50</u>		<u>143.697.445,50</u>		
LIABILITIES & SHAREHOLDER'S EQUITY					
A. EQUITY					
<i>I. Share Capital</i>					
(43.785.850 common registered shares par value EURO 0,30 each)	13.135.755,00		13.135.755,00		
1. Paid up	<u>13.135.755,00</u>		<u>13.135.755,00</u>		
<i>II. Share Premium</i>					
2. Other tangible assets revaluation surplus	2.011.751,93		2.011.751,93		
	<u>2.011.751,93</u>		<u>2.011.751,93</u>		
<i>III. Revaluation reserves and investment grants</i>					
1. Legal reserve	834.540,37		834.540,37		
4. Extraordinary reserves	74.834,92		74.834,92		
5. Tax free reserves under special laws	3.721.313,41		3.721.313,41		
	<u>4.630.688,70</u>		<u>4.630.688,70</u>		
<i>IV. Reserves</i>					
1. Retained earnings	-395.187,59		-395.187,59		
Profit for the year	242.145.488,05		242.145.488,05		
	<u>242.145.488,05</u>		<u>242.145.488,05</u>		
Total Shareholder's equity (AI+All+AllII+AV+AV)	<u>201.455,60</u>		<u>201.455,60</u>		
B. PROVISIONS FOR RISKS					
1. Provision for staff leaving indemnities	8.909.865,00		8.909.865,00		
	<u>8.909.865,00</u>		<u>8.909.865,00</u>		
C. LIABILITIES					
<i>I. Long term Liabilities</i>					
2. Bank Loans	574.048,20		574.048,20		
<i>II. Short Term Liabilities</i>					
1. Suppliers	14.000.000,00		14.000.000,00		
3. Bank overdrafts	422.193,08		422.193,08		
5. Taxes & duties payable	58.316,12		58.316,12		
6. Social security payable	267.997,84		267.997,84		
10. Dividends payable	45.090.304,89		45.090.304,89		
11. Various creditors	60.448.890,17		60.448.890,17		
	<u>69.368.755,17</u>		<u>69.368.755,17</u>		
Total Liabilities (CI+CII)	<u>169.676,97</u>		<u>169.676,97</u>		
D. ACCRUALS AND DEFERRED INCOME					
2. Accrued expenses	311.875.375,79		311.875.375,79		
	<u>311.875.375,79</u>		<u>311.875.375,79</u>		
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>184.997.335,50</u>		<u>184.997.335,50</u>		
CREDIT MEMO ACCOUNTS					
2. Credit accounts of guarantees	143.697.445,50		143.697.445,50		
	<u>143.697.445,50</u>		<u>143.697.445,50</u>		

Notes:

- No encumbrances exist on the company's fixed assets.
- All the turnover of the company is classified under activity code 702.0 "Leasing of private real estate assets" STACOD-2003.
- Account: CI "Equity participations and long term receivables" includes the cost of acquiring shares in companies engaged in Real Estate Development of approx. € 281,2 million. The book value of these shares, based on these companies latest balance sheets, is lower than the acquisition cost by approx. € 80,1 million. Of this amount, approx. € 55 million represents difference between the cost and the market value (based on independent appraisals) of the Real Estate Assets owned by these companies. These participations are valued at their acquisition cost in accordance with provision of para.3, article 42a of C.L. 2190/1920, "presentation of the fair value of the assets of the company".
- Two (2) temporary share titles are held up. The shares incorporate in the aggregate 3.506.000 shares of the company LAMDA OLIMPIA VILLAGE AE with registration value 2,93 €, collateralized against letter of guarantee that was given at the Municipality of Amarousion, amounting approximately to 25 mt. €.
- The company has been tax audited by the tax authorities until the fiscal year 2002. In consequence, the tax obligations for the fiscal years 2003 to 2004 are not definite.
- The disposal of the drawn funds amount 116 mt. from the share capital increase according the 07/08/2002 decision of the Annual General Assembly has been completed on the fourth semester of 2004.
- The number of the employed staff during the 31/12/2004, totalled to 55 persons.
- On 31/12/2004 has been effected revaluation of the company's fixed assets according the Law N.3229/2004.

STATEMENT OF INCOME
FOR FISCAL YEAR ENDING DECEMBER 31st, 2004

TABLE OF DISTRIBUTION OF PROFITS

	1/1/2004 - 31/12/2004	1/1/2003 - 31/12/2003	1/1/2003 - 31/12/2003
I. Statement of Income			
Sales	389.780,71	178.739,51	178.739,51
Less : Cost of sales	150.435,32	123.195,98	123.195,98
Gross Operating Results	239.345,39	55.543,53	55.543,53
Plus : 1. Other operating income	2.175.567,66	2.195.643,94	2.195.643,94
Total	2.414.913,05	2.251.187,47	2.251.187,47
Less :			
1. Administrative expenses	5.360.521,06	4.671.896,88	4.671.896,88
Total	-2.945.608,01	-2.420.709,41	-2.420.709,41
Plus :			
1. Income from participations	3.239.856,20	4.935.000,00	4.935.000,00
2. Income from securities	25.458,31	363.213,43	363.213,43
3. Gain on sale of participations and securities	0,00	111.780,00	111.780,00
4. Interest and related income	382.987,56	963.200,89	963.200,89
Less :			
3. Interest and related charges	1.216.356,84	1.216.356,84	1.216.356,84
Total operating profit	1.216.356,84	2.431.945,23	2.431.945,23
II. PLUS (or less): Extraordinary items			
1. Extraordinary income	500,01	5.364,58	5.364,58
Less :			
1. Extraordinary expenses	150,00	92.043,99	92.043,99
3. Prior years expenses	0,00	105.649,30	105.649,30
4. Provisions for risks	71.500,00	-71.149,99	-71.149,99
Net income after extraordinary results	-71.500,00	197.693,29	197.693,29
Less:			
Total depreciation	835.766,84	683.801,06	683.801,06
Less: Depreciation included in operating cost	835.766,84	683.801,06	683.801,06
NET INCOME BEFORE TAX	-584.812,77	2.865.394,88	2.865.394,88

Athens, 22 February, 2005

DEPUTY CFO
AND CHIEF ACCOUNTANT
VASSILIOS A. BALOUMIS
ID. C. T. 061891

CHIEF FINANCIAL OFFICER
ANTONIOS K. KAFFAS
ID. C. Σ 272217

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ID. C. N 627134

CHAIRMAN OF THE BOARD
APOSTOLOS S. TAMBAKAKIS
ID. C. Π 704691

CERTIFIED AUDITORS' ACCOUNTS' AUDIT REPORT
To the Shareholders of the Societe Anonyme
"LAMBDA DEVELOPMENT HOLDING AND REAL ESTATE COMPANY S.A."

We have audited the financial statements, the related notes to the financial statements and the Cash Flow report of Lambda Development S.A for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of the Codified Law 2190/1920, and those audit procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors in Greece (SOEL). We were provided with the accounting books and records maintained by the company as well as with the information and explanations requested by us. The Company correctly applied the Greek General Chart of Accounts. There have been no changes in accounting policies in comparison to the prior year. We verified that the relevant information contained in the Board of Director's report addressed to the shareholder's general assembly agrees with the financial statements. The notes to the financial statements include the information, which is required by article 43a, paragraph 1 of the Codified Law 2190/1920, at the lower of cost and current value and adjusted for the surplus value of the companies assets as determined by the valuation reports of independent valuers (article 42a, paragraph 3 of the Codified Law 2190/1920), a write down provision of investments were valued in accordance with Codified Law 2190/1920. Our audit revealed the following: 1. As referred to note number 3 under the balance sheet the valuation of investments in companies that are not listed on the Stock Exchange has been made at cost. If these investments were valued in accordance with Codified Law 2190/1920, a write down provision of approximately € 25,1 million would be required of which € 10,1 million would reduce current year earnings and € 15 million would reduce earnings of prior years. 2. The financial years 2003 and 2004 have not been audited by the tax authorities. Therefore the Company's tax liabilities for these years are not considered as final. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the notes to the financial statement and the cash flow reports except for the matters mentioned above, present the company's assets and financial position as at 31 December 2004 and the results of the financial year as well as the cash flows resulting from operations of the year that ended in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in prior years apart from note 8 appearing under the Balance Sheet.

Athens, 22 February 2005
The Certified Auditor-Accountant

Konstantinos Michalatos
Reg. NO SOEL 17701
PRICEWATERHOUSECOOPERS

LAMDA ESTATE DEVELOPMENT S.A.

Real Estate, Construction Services and Representation

CO REG. No 643/01/B/86/37(01)

BALANCE SHEET AS OF 31st DECEMBER, 2004 (42st FISCAL YEAR 1st JANUARY, 2004 - 31st DECEMBER, 2004)

	Fiscal Year 2004		Fiscal Year 2003		Fiscal Year 2004		Fiscal Year 2003	
	Cost	Accum. Depreciation	Net Book Value	Cost	Accum. Depreciation	Net Book Value	Cost	Accum. Depreciation
B. INSTALLATION COSTS								
1. Formation and set-up expenses	81.642,23	42.675,05	38.967,18	173.193,41	66.080,97	107.112,44		
4. Other installation costs	595.855,34	582.063,33	13.792,01	497.778,02	421.468,58	76.309,44		
Total Installation Costs	677.497,57	624.738,38	52.759,19	670.971,43	487.549,55	183.421,88		
C. FIXED ASSETS								
<i>II. Tangible Assets</i>								
1. Land	4.140.606,79	0,00	4.140.606,79	428.739,94	0,00	428.739,94		
3. Buildings & technical works	3.573.336,98	1.207.158,00	2.366.178,98	1.458.491,59	1.342.805,20	115.686,39		
4. Machinery and equipment	565.581,58	508.058,57	57.523,01	567.183,75	497.571,31	69.612,44		
5. Transportation means	18.503,72	6.365,26	12.138,46	14.270,49	2.045,08	12.225,41		
6. Furniture & fixtures	68.754,54	20.608,33	48.146,21	452.277,36	253.357,91	198.919,45		
7. Construction in progress	42.374,63	0,00	42.374,63			0,00		
Total Tangible Assets	8.409.158,24	1.742.190,16	6.666.968,08	2.920.963,13	2.095.779,50	825.183,63		
<i>III. Investment in subsidiaries & other long term assets</i>								
1. Investment in subsidiaries and associated companies	6.105.776,36		6.355.776,36			6.355.776,36		
7. Other long term assets	395.288,20		395.288,20			1.019.392,53		
Total Fixed Assets (CII+CIII)	6.501.064,56		7.375.168,89			7.375.168,89		
D. CURRENT ASSETS								
<i>I. Inventories</i>								
2a. Land & construction materials for sale	15.662.575,37		17.047.206,71			17.047.206,71		
4. Raw materials - Consumables - Spare parts	0,00		0,00			0,00		
5. Inventory advances	14.145,78		255.899,93			255.899,93		
Total Current Assets (CII+CIII)	15.676.721,15		17.303.106,64			17.303.106,64		
<i>II. Accounts Receivable</i>								
1. Trade debtors	19.166.215,88		26.230.618,05			26.230.618,05		
3a. Checks receivable	0,00		2.930,33			2.930,33		
11. Various debtors	3.056.917,27		1.533.938,41			1.533.938,41		
12. Advances and prepayments	6.672,20		10.271,98			10.271,98		
Total Current Assets (DI+DII+DIII+DIV)	22.229.805,35		27.771.768,77			27.771.768,77		
<i>III. Securities</i>								
3. Other securities	92.480,06		457.121,01			457.121,01		
Total Current Assets (DI+DII+DIII+DIV)	92.480,06		457.121,01			457.121,01		
<i>IV. Cash at banks and in hand</i>								
1. Cash in hand	3.613,46		1.208,78			1.208,78		
3. Sight and time deposits	1.073.280,53		1.865.020,98			1.865.020,98		
Total Current Assets (DI+DII+DIII+DIV)	1.076.893,99		1.866.229,76			1.866.229,76		
E. TRANSITORY ACCOUNTS								
1. Prepayments	98.075.900,55		47.404.216,18			47.404.216,18		
2. Deferred charges	11.464,78		5.020,36			5.020,36		
Total Assets	11.464,78		6.035,60			6.035,60		
DEBIT MEMO ACCOUNTS								
1. Third party assets	52.308.157,16		55.794.026,18			55.794.026,18		
2. Debit accounts of guarantees	13.952.000,00		12.384.000,00			12.384.000,00		
Total Assets	15.125.218,17		18.930.691,88			18.930.691,88		
LIABILITIES & SHAREHOLDER'S EQUITY								
A. EQUITY								
<i>I. Share Capital</i>								
(3.525.000 shares per value € 10,00)								
1. Paid up	35.250.000,00		35.250.000,00			35.250.000,00		
<i>III. Revaluation reserves and investment grants</i>								
2. Other tangible assets revaluation surplus	6.015.322,67		6.015.322,67			6.015.322,67		
<i>IV. Reserves</i>								
1. Legal reserves	739.996,53		739.996,53			739.996,53		
5. Tax-free reserves under special laws	62.655,50		62.655,50			62.655,50		
Total sharehold's equity	802.652,03		802.652,03			802.652,03		
<i>V. Retained earnings</i>								
Earnings carried forward	88.212,50		88.212,50			88.212,50		
Total Liabilities and Shareholder's Equity	42.156.187,20		42.156.187,20			42.156.187,20		
B. PROVISIONS FOR RISKS								
1. Provision for staff leaving indemnities	131.918,40		131.918,40			131.918,40		
Total Liabilities	131.918,40		131.918,40			131.918,40		
C. LIABILITIES								
<i>I. Long Term Liabilities</i>								
2. Bank Loans	4.108.578,33		4.108.578,33			4.108.578,33		
8. Other long term liabilities	99.533,00		99.533,00			99.533,00		
Total Long Term Liabilities	4.208.111,33		4.208.111,33			4.208.111,33		
<i>II. Short Term Liabilities</i>								
1. Suppliers	753.948,27		753.948,27			753.948,27		
3. Bank overdrafts	3.700.000,00		3.700.000,00			3.700.000,00		
4. Customer advances	10.000,00		10.000,00			10.000,00		
5. Taxes & duties payable	567.995,83		567.995,83			567.995,83		
6. Social security payable	41.924,81		41.924,81			41.924,81		
7. Current portion of long term debt	0,00		0,00			0,00		
10. Dividends payable	528.750,00		528.750,00			528.750,00		
11. Various creditors	106.765,54		106.765,54			106.765,54		
Total Short Term Liabilities	5.709.384,45		5.709.384,45			5.709.384,45		
Total Liabilities	9.917.495,78		9.917.495,78			9.917.495,78		
D. ACCRUALS AND DEFERRED INCOME								
1. Deferred income	0,00		0,00			0,00		
2. Accrued expenses	102.555,78		102.555,78			102.555,78		
Total Accruals and Deferred Income	102.555,78		102.555,78			102.555,78		
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	52.308.157,16		52.308.157,16			52.308.157,16		
CREDIT MEMO ACCOUNTS								
1. Third party assets	13.952.000,00		12.384.000,00			12.384.000,00		
2. Credit accounts of guarantees	1.173.218,17		6.546.691,88			6.546.691,88		
Total Credit Memo Accounts	15.125.218,17		18.930.691,88			18.930.691,88		

Notes: 1. The income statement item "Extraordinary Results" includes amount € 672 th, approximately that refers to subsidiaries property sale according to pre-sale agreement. Until the settlement of the Financial Statements, the ownership titles have not been transferred. 2. Account: Cf "Equity participations and long term receivables" includes the cost of acquiring shares in companies engaged in Real Estate Development of approx. € 3,7 million. The book value of these shares, based on these companies' latest balance sheets, is lower than the acquisition cost by approx. € 2,1 million. These participations are valued at their acquisition cost in accordance with provision of para. 3, article 42a of C.L. 2190/1920. 3. On 31/12/2004 has been effected revaluation of the company's fixed assets according the Law N.3229/2004.

TABLE OF DISTRIBUTION OF PROFITS

STATEMENT OF INCOME

	1/1/2004 - 31/12/2004	1/1/2003 - 31/12/2003	Fiscal Year 2004	Fiscal Year 2003
I. Statement of Income				
Sales	13.377.408,10	30.422.280,51	1.308.925,65	7.754.358,33
Less : Cost of sales	11.801.980,73	22.587.439,97	239.431,65	131.747,41
Gross Operating Results	1.575.427,37	7.834.840,54	1.548.387,30	7.886.105,74
Plus: 1. Other operating income	5.802,86	4.667,19	-483.164,48	-2.748.440,20
Total	1.581.230,23	7.839.507,73	-406.942,26	-65.437,98
Less :			658.250,56	5.072.227,56
1. Administrative expenses	-1.321.009,25	-937.499,06		
3. Selling expenses	0,00	0,00		
Plus :	57.703,00	53.985,72	41.288,06	250.295,91
Less :	-2.126,19	-479.118,08	528.750,00	4.582.500,00
4. Interest and related income	57.703,00	53.985,72	88.212,50	239.431,65
2. Losses from investments and securities	-2.126,19	-479.118,08	658.250,56	5.072.227,56
3. Interest and related charges				
Total operating profit				
II. PLUS (or losses) Extraordinary items				
1. Extraordinary income	0,00	311,66		
2. Extraordinary profit	955.526,08	1.293.735,40		
4. Unused provisions	70.000,00	1.008,36		
Less :				
1. Extraordinary expenses	-13.744,01	10.885,39		
2. Extraordinary losses	-847,21	0,00		
3. Prior year expenses	-18.307,00	6.688,01		
Net income after extraordinary results	-32.398,22	-17.573,40		
Less:	218.878,55	189.796,35		
Total depreciation	-218.878,55	-189.796,35		
Less: Depreciation included in operating cost	0,00	0,00		
NET INCOME BEFORE TAX	1.308.925,65	7.754.358,33		

Athens, 21th February 2005

CHAIRMAN OF THE BOARD

THE CHIEF EXECUTIVE OFFICER

FINANCIAL MANAGER

CHIEF ACCOUNTANT

EVAGGELOS I. CHRONIS
ID. C. Z. 281286

ALEXANDROS DIMAKOPOULOS
ID. C. T. 538734

VASSILIOS BALOUMIS
ID. C. T. 061891

PAVLOS N. KORNAROS
ID. C. Z. 282210

CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT
To the shareholders of Lamda Estate Development S.A.

We have audited the financial statements and the related notes to the financial statements of Lamda Estate Development S.A for the year ended 31 December 2004. Our audit, which took into account the activities of the Company's branch, was carried out in accordance with the provisions of article 37 of the Codified Law 2190/1920, and those audit procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors in Greece (SOEL). We were provided with the accounting books and records maintained by the company as well as with the information and explanations requested by us. The Company correctly applied the Greek General Chart of Accounts. There have been no changes in accounting policies in comparison to the prior year. We verified that the relevant information contained in the Board of Directors' report addressed to the shareholders' general assembly agrees with the financial statements. The notes to the financial statements include the information, which is required by article 43a, paragraph 1 of the Codified Law 2190/1920. Our audit revealed the following: 1. The fiscal years from 2001 to 2004 haven't been audited by the local taxation authorities. Consequently the tax liabilities for these fiscal years are not permanent. 2. As referred to note number 2 under the balance sheet the valuation of investments in companies that are not listed on the Stock Exchange has been made at cost. If these investments were valued in accordance with Codified Law 2190/1920 at the lower of cost and current value (article 42a, paragraph 3 of the Codified Law 2190/1920), a write down provision of approximately € 2,05 million would be required of which € 42 thousand would reduce current year earnings and € 2,02 million would reduce earnings of prior years. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the notes to the financial statement except for the matters mentioned above as well as note 1 under the Balance Sheet, present the company's assets and financial position as at 31 December 2004 and the results of the financial year that ended in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in prior years.

Athens, February 21th, 2005
The Certified Auditor Accountant

Konstantinos Michalatos
Reg. NO SOEL 17701
PRICEWATERHOUSECOOPERS

ASSETS		December 31, 2004		December 31, 2003		LIABILITIES & SHAREHOLDER'S EQUITY		Fiscal Year 2004	Fiscal Year 2003
	Cost	Accum. Depreciation	Net Book Value	Cost	Accum. Depreciation	Net Book Value	A. EQUITY		
B. INSTALLATION COSTS							<i>I. Share Capital</i>		
4. Other installation costs	135.360,21	135.360,21	0,00	135.360,21	135.178,40	181,81	Share Capital (360.000 shares per value € 10 each)	3.600.000,00	3.600.000,00
Total Installation Costs	135.360,21	135.360,21	0,00	135.360,21	135.178,40	181,81	1. Paid up	3.600.000,00	3.600.000,00
C. FIXED ASSETS							<i>III. Revaluation reserves & investment grants</i>		
<i>II. Tangible Assets</i>							2. Other tangible assets revaluation surplus	18.266.360,13	115.891,33
1. Land	18.161.000,00	0,00	18.161.000,00	2.314.766,04	0,00	2.314.766,04			
3. Buildings & technical works	10.996.006,57	1.892.595,16	9.103.411,41	8.691.771,73	1.458.006,57	7.233.765,16			
4. Machinery & equipment	2.364.212,97	770.622,09	1.593.590,88	2.364.212,97	571.162,82	1.793.050,15			
6. Furniture & fixtures	15.427,98	9.465,92	5.962,06	15.427,98	6.573,69	8.854,29			
Total Tangible Assets (CII)	31.536.647,52	2.672.683,17	28.863.964,35	13.386.178,72	2.035.743,08	11.350.435,64	<i>IV. Reserves</i>		
<i>III. Investment in subsidiaries & other long term assets</i>							1. Legal reserves	685,26	685,26
7. Other long term assets			10.711,67			10.711,67	<i>V. Retained Earnings</i>		
Total Fixed Assets (CII+CIII)			28.874.676,02			11.361.147,31	Earnings carried forward	85.678,30	624.431,82
D. CURRENT ASSETS							Losses carried forward from previous years	-1.084.855,54	-1.709.287,36
<i>II. Accounts Receivable</i>								-999.177,24	-1.084.855,54
11. Various debtors			185.702,02			185.702,02	Total Shareholder's Equity (AI+AIII+AV+AV)	20.867.868,15	2.631.721,05
<i>IV. Cash at banks and in hand</i>							C. LIABILITIES		
1. Cash in hand			795,35			268,01	<i>I. Long Term Liabilities</i>		
3. Sight and time deposits			9.667,20			9.682,20	2. Bank loans	6.891.670,14	7.509.702,59
Total Current Assets (CII+DIV)			10.462,55			9.950,21	8. Other long term liabilities	212.354,59	197.347,28
			196.164,57			60.106,14		7.104.024,73	7.707.049,87
							<i>II. Short Term Liabilities</i>		
							1. Suppliers	27.806,39	32.852,49
							3. Bank overdrafts	72.895,02	961.319,93
							5. Taxes & duties payable	983.177,03	56.218,25
							11. Various creditors	267,48	115,88
							Total Liabilities (C1+CII)	1.084.145,92	1.050.506,55
								8.188.170,65	8.757.556,42
							D. ACCRUALS AND DEFERRED INCOME		
							2. Accrued expenses	14.801,79	32.157,79
								14.801,79	32.157,79
							TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY (A+C+D)	29.070.840,59	11.421.435,26
							CREDIT MEMO ACCOUNTS		
							2. Credit balances of guarantees	11.723.797,76	11.726.454,76
								11.723.797,76	11.726.454,76

NOTES:

1. On the company's fixed assets there exist liens and pre-notices amounting to € 11.445.341,16 serving as a collateral for bank loans, the balance of which was € 6.891.670,14 at 31.12.2004.
2. On 31/12/2004 has been affected revaluation of the company's fixed assets according the Law N.3229/2004.

INCOME STATEMENT FOR FISCAL YEAR ENDING DECEMBER 31st 2004
(1st JANUARY - 31st DECEMBER 2004)

TABLE OF DISTRIBUTION OF PROFITS

	1/1/2004 - 31/12/2004	1/1/2003 - 31/12/2003	Fiscal Year 2004	Fiscal Year 2003
I. Statement of Income				
Sales		1,915,274.31	918,593.68	682,751.71
Less : Cost of sales	2,002,182.39	790,936.52	-1,084,855.54	-1,709,287.36
Gross Operating Results	726,347.54	1,124,337.79	-166,261.86	-1,026,535.65
Less :				
1. Administrative expenses	1,275,834.85	-49,096.69	-273,332.02	0.00
Total	1,219,161.83	1,075,241.10	-559,583.36	-58,319.89
Plus :				
4. Interest and related income	2,998.25	2,317.30	-999,177.24	-1,084,855.54
Less :				
3. Interest and related charges	-303,566.40	-396,373.17		
Total operating profit	918,593.68	681,185.23		
II. PLUS (or less) Extraordinary items				
1. Extraordinary income	0.00	10.26		
3. Prior year income	0.00	3,565.40		
Less :				
1. Extraordinary expenses	0.00	0.00		
3. Prior year expenses	0.00	-1,998.92		
Net income after extraordinary results	918,593.68	682,751.71		
Less:				
Total depreciation	637,121.90	636,264.61		
Less: Depreciation included in operating cost	-637,121.90	-636,264.61		
NET INCOME BEFORE TAX	<u>918,593.68</u>	<u>682,751.71</u>		

CHAIRMAN OF THE BOARD
EVAGGELOS I. CHRONIS
ID. C. S 281286

MANAGING DIRECTOR
VASSILIOS S. VEKOS
ID. C. X 066973

Athens, April 6th, 2005

MEMBER OF THE BOARD
ANTONIOS K. KAFFAS
ID. C. S 272217

CHIEF ACCOUNTANT
PAVLOS N. KORNAROS
ID. C. E 282210

CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT
To the Shareholders of LAMIDA PRIME PROPERTIES S.A.

We have audited the financial statements and the related notes to the financial statements of "Lamda Prime Properties S.A." for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of the Codified Law 2190/1920, and those audit procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors in Greece (SOEL). We were provided with the accounting books and records maintained by the company as well as with the information and explanations requested by us. The Company correctly applied the Greek General Chart of Accounts. There have been no changes in accounting policies in comparison to the prior year. We verified that the relevant information contained in the Board of Directors' report addressed to the shareholders' general assembly is consistent with the financial statements. The notes to the financial statements include the information, which is required by article 43a, paragraph 1 of the Codified Law 2190/1920. Our audit revealed that the financial years 1999 to 2004 have not been audited by the tax authorities and therefore the tax liabilities for these years have not been finalized yet. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the notes to the financial statement except for the matter mentioned above, present the company's assets and financial position as at 31 December 2004 and the results of the financial year that ended in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in prior years.

Athens, April 19th, 2005
The Certified Auditor-Accountant

Konstantinos Michalatos
Reg. NO SOEL 17701

PRICE/AETHERHOUSE/COPEPS



Eurobank

Properties

EFG EUROBANK PROPERTIES SA - REAL ESTATE MANAGEMENT COMPANY

CO REG. NO 365/01/B/86/365

BALANCE SHEET AS 31st DECEMBER 2004 (52nd FISCAL YEAR 1st JANUARY, 2004 - 31st DECEMBER, 2004) (Amounts in €)

ASSETS	Cost	Fiscal Year 2004 Accum. Depreciation	Net Book Value	Cost	Fiscal Year 2003 Accum. Depreciation	Net Book Value	LIABILITIES & SHAREHOLDERS' EQUITY	Fiscal year 2004	Fiscal year 2003
B. ESTABLISHMENT COSTS							A. SHAREHOLDERS' EQUITY		
3. Capitalised interest	450.247,70	319.441,35	130.806,35	450.247,70	229.391,81	220.855,89	<i>I. Share capital</i>	14.991.114,66	14.991.114,66
4. Other establishment costs	10.017.494,11	8.102.240,25	1.915.253,86	10.046.146,68	6.329.163,45	3.716.983,23	(7.038.082 Shares at Par Value of 2.13 €)	14.991.114,66	14.991.114,66
	10.467.741,81	8.421.681,60	2.046.080,21	10.496.394,38	6.558.555,26	3.937.839,12	1. Paid up Capital	20.305.637,26	20.305.637,26
C. FIXED ASSETS							2. Revaluation Reserve	760.753,51	2.000,87
<i>II. Tangible Fixed Assets</i>							<i>III. Revaluation Reserve</i>		
1. Land	53.883.206,01	0,00	53.883.206,01	53.496.828,41	0,00	53.496.828,41	<i>IV. Reserves</i>		
3. Buildings	82.298.710,99	11.292.150,57	71.006.560,42	80.405.426,34	8.845.167,76	71.560.258,58	1. Statutory Reserve	616.153,79	392.854,31
6. Furniture & Fittings	110.962,96	28.366,25	82.596,71	253.124,87	114.204,02	138.920,85	3. Extraordinary Reserves	11.387,22	11.387,22
7. Assets under construction & Prepayments for Fixed Asset Acquisition	1.392.307,24	0,00	1.392.307,24	800.605,03	0,00	800.605,03	5. Tax-free Reserves	2.283.514,77	2.283.514,77
	137.685.187,20	11.320.516,82	126.364.670,38	134.955.984,65	8.959.371,78	125.996.612,87	Retained Earnings	2.911.055,78	2.687.756,30
<i>III. Participation in other Companies & Other Long Term Receivables</i>							Retained Earnings carried forward	2.012.042,81	1.638.824,87
1. Participating interests in affiliated undertakings		5.914.453,41			5.914.453,41		Total Shareholders' Equity (AI+All+All+AV+AV)	40.980.604,02	39.625.335,96
2. Participating interests in other undertakings		911.820,00			911.820,00		B. PROVISIONS		
		6.826.273,41			6.826.273,41		1. Staff Indemnity Provisions	11.007,34	55.101,29
		66.000,00			0,00		2. Other Provisions	255.000,00	0,00
Less: Provision for impairment			6.760.273,41			6.826.273,41	C. LIABILITIES		
4. Long term receivables (due from other affiliated undertakings)			240.000,00			240.000,00	<i>I. Long Term Liabilities</i>		
6. Long term investments			664.439,34			714.439,34	1. Debenture Loans	45.000.000,00	45.000.000,00
7. Other Long Term Receivables			217.609,16			133.390,49	2. Bank Loans	12.971.000,00	12.971.000,00
			7.882.321,91			7.914.103,24	<i>II. Current Liabilities</i>	57.971.000,00	57.971.000,00
Total fixed assets (CII+CIII)			134.246.992,29			133.910.716,11	1. Creditors	1.095.902,33	1.683.000,91
D. CURRENT ASSETS							3. Banks, short term loans	43.811.113,72	43.811.113,72
<i>I. Inventory</i>							5. Tax Liabilities	2.640.612,37	3.910.266,48
1. Property held for resale			1.675.490,37			1.640.564,10	6. Social Insurance Liabilities	21.582,72	43.570,94
<i>II. Accounts Receivable</i>							10. Dividends payable	985.331,48	1.830.022,20
1. Debtors		1.687.289,43				4.125.196,88	11. Other Creditors	531.708,82	532.645,77
11. Other Debtors		1.796.478,37				1.796.478,37	Total Liabilities (CI+CII)	49.086.221,44	51.810.820,02
12. Advances to account for prepayments & credits		36.457,32				54.581,60	107.057.221,44	109.781.820,02	
		3.269.318,79				5.976.256,85	D. ACCRUALS & DEFERRED INCOME		
<i>III. Securities</i>			0,00			562.237,07	1. Accrued Income	956.911,18	389.897,00
1. Shares							2. Accrued Expenses	254.109,53	340.477,94
<i>IV. Cash</i>							1.211.020,71	730.374,94	
1. Cash in Hand		5.858,15				3.033,14	149.514.853,51	150.192.430,21	
3. Cash at Bank		8.271.133,40				4.664.081,36	CREDIT MEMO ACCOUNTS		
		8.276.991,55				4.667.114,50	1. Third party assets	18.350.605,52	18.350.605,52
Total Current Assets (DI+DII+DIII+DIV)			13.221.800,71			12.846.172,52	2. Guarantees and collaterals	98.508.428,00	94.550.537,39
E. PREPAYMENTS & ACCRUED INCOME							3. Credit facilities	58.425.886,00	61.362.088,05
1. Deferred Charges		0,00				347,00	175.284.919,52	174.263.230,96	
2. Accrued Revenue		0,00				106.096,60			
		0,00				106.443,60			
TOTAL ASSETS (B+C+D+E)			149.514.853,21			150.801.171,35			
DEBIT MEMO ACCOUNTS									
1. Third party assets			18.350.605,52			18.350.605,52			
2. Guarantees and collaterals			98.508.428,00			94.550.537,39			
3. Credit facilities			58.425.886,00			61.362.088,05			
			175.284.919,52			174.263.230,96			

Notes: 1. All Fixed Assets are free of any encumbrances. 2. In accordance with the provisions of Law 2065/92, the book value of the company's land and buildings as well as the accumulated depreciation of buildings as well as the accumulated depreciation of land and buildings by € 795.178, an increase of the buildings accumulated depreciation by € 36.426 and a revaluation reserve of € 758.752. 3. The number of employees as at 31/12/2004 is 4. 4. The inventory account represents property held for resale. 5. The Company has filed an application with the Capital Market Committee to be transformed into a Property Investment Fund. Within this framework, the Company is proceeding with the absorption of its subsidiary ELDEPA S.A. and the divestment of its investments in other companies as these appear in the accounts "Participating interests in affiliated undertakings", "Participating interests in other undertakings" and "Long term investments". The Company will also proceed with the repayment of all its loans amounting to € 107.782.113,72. 6. Participating interest in other companies are stated at cost. The book value of these companies was lower than their acquisition cost by approximately € 484.000. Based on recent evaluations, the company considers that the current fair value of the companies' net equity position exceeds their book value, therefore the divestment of the aforementioned investments will not result in a loss. 7. In 2004, the Company transferred the appraisals and agency arm to Eurobank Property Services, which resulted to an extraordinary gain of € 5.566.147,85. 8. The tax authorities have not audited the books and records of the company for the years 1999 to 2004.

INCOME STATEMENT

	1/1/2004-31/12/2004	1/1/2003-31/12/2003
I. OPERATING INCOME		
Sales / Services Revenue	19,263,090.42	18,381,470.65
Less: Cost of services	-9,926,331.70	-9,270,426.63
Gross Profit	9,336,758.72	9,111,044.02
Plus: Other revenue	953,636.35	1,647,595.76
Subtotal	10,290,395.07	10,758,639.78
Less: 1. Administrative Expenses	-685,313.67	-1,053,280.77
Earnings Before Interest & Taxes	9,605,081.40	9,705,359.01
Plus: Interest & Other Income	82,394.32	27,332.24
Gains from sale of participating interests and other Investments	66,534.22	325,417.00
Less: 1. Administrative Expenses	-148,928.54	-352,749.24
Earnings Before Interest & Taxes	9,545,063.40	9,685,366.01
Less: Provision for Impairment of Investments	-66,000.00	-313,752.22
Less: Interest & Other Expenses	-4,473,147.76	-5,065,330.58
Earnings Before Taxes	4,995,895.64	4,296,263.21
Less: 1. Extraordinary Expenses	-16,733.37	199,047.00
2. Extraordinary Income	5,586,147.85	0.00
3. Extraordinary Gains	44,093.95	0.00
4. Revenue from prior year's provisions	5,646,975.17	199,047.00
Less: 1. Extraordinary Expenses	-39,315.48	-1,435.60
2. Extraordinary losses	-2,747,541.19	0.00
4. Provisions for Extraordinary losses	-255,000.00	-3,799.38
Operating & Extraordinary Profit	-3,041,856.67	-5,234.98
Less: Depreciation Expense	-4,349,235.73	-4,349,235.73
From which: Depreciation Expense Included in Operating Expenses	4,349,235.73	4,349,235.73
TOTAL EARNINGS BEFORE TAXES	<u>7,819,980.68</u>	<u>4,872,837.47</u>

THE CHAIRMAN OF THE BOARD

CHARALAMPOS KIRKOS
ID. C. X 052022

Athens, 28 April, 2005

THE MANAGING DIRECTOR

ARISTOTELIS KARITINOS
ID. C. Σ 199654

AUDIT REPORT

To the shareholders of EFG EUROBANK PROPERTIES SA Management of Real Estate Property*.

We have audited the above Financial Statements and the related Notes of EFG Eurobank Properties SA Management of Real Estate Property for the year ended 31 December 2004. We performed our audit in accordance with the provisions of article 37 of Codified Law 2190/1920 "For Société Anonymes" and applied the auditing procedures we considered necessary, which are in accordance with the auditing standards adopted by the Greek Institute of Certified Public Accountants. The books and records maintained by the Company were made available to us and we obtained the relevant information and explanations, which we required for the purposes of our audit. The Company has properly applied the General Chart of Accounts. There were no changes in the valuation methods used by the Company compared to those used in the preceding year. We agreed the content of the Directors' Report to the General Meeting of the shareholders with the above Financial Statements. The Notes disclose the information stipulated by paragraph 1, article 43 of Codified Law 2190/1920. In our opinion, after taking into account the effect on the Financial Statements of the matters referred to in notes 5 & 8, underneath the balance sheet, regarding the valuation of participating interest in undertakings, and the open tax years respectively, the above Financial Statements, which are in agreement with the books and records of the Company, present, together with the Notes, the assets, liabilities and financial position of the Company as at 31 December 2004, as well as the results of its operations for the year then ended, in conformity with the prevailing legislation and generally accepted accounting principles applied on a consistent basis with the preceding year.

Athens, 5 May 2005

The Certified Accountant Auditor

K. RIRIS
S.O.E.L. Reg. No.12111

PRICEWATERHOUSECOOPERS

TABLE OF DISTRIBUTION OF PROFITS

	Fiscal year 2004	Fiscal year 2003
Total Earnings Before Taxes	7,819,980.68	4,872,837.47
Plus: Profits from Previous Years	1,638,824.87	1,806,260.67
Less: Prior year's tax differences	0.00	-8,804.00
Total Earnings Before Taxes	9,458,805.55	6,670,294.14
Less: Income Tax	-3,186,777.15	-2,135,825.27
Other Taxes Not Included in the Operating Cost	-868,570.93	-780,606.30
Net Income/Loss	<u>5,403,457.55</u>	<u>3,753,862.57</u>
Net Income Distribution :		
1. Legal Reserves	223,299.48	132,711.38
2. First dividend	1,494,972.93	882,530.70
3. Additional dividend	1,531,402.33	947,370.62
7a. Profits distributed to personnel	141,740.00	152,425.00
8. Retained earnings carried forward	2,012,042.81	1,638,824.87
	<u>5,403,457.55</u>	<u>3,753,862.57</u>

FINANCIAL MANAGER

ILIAS PAPALLOPOULOS
LICENCE NUMBER A: CLASS 18013

ASSETS	Fiscal Year 2004		Fiscal Year 2003		LIABILITIES	Fiscal Year 2004		Fiscal Year 2003	
	Acquisition Value	Net Book Value	Depreciation	Net Book Value		Acquisition Value	Depreciation	Net Book Value	Depreciation
B. FORMATION EXPENSES					A. CAPITAL AND RESERVES				
1. Establishment expenses	262.578,73	105.031,48	157.547,25	157.547,23	<i>I. Share Capital</i>				
4. Other Capitalised expenses	472.378,10	290.070,77	182.307,33	302.128,48	Share capital (26.414.210 shares of 2,93 €)				
	734.956,83	395.102,25	339.854,58	459.675,71	1. Paid up	77.393.635,30	53.501.530,44	77.393.635,30	53.501.530,44
Total Formation Expenses					<i>II. Share Capital Premium</i>	43.997.070,00	43.997.070,00	43.997.070,00	43.997.070,00
C. FIXED ASSETS					<i>IV. Reserves</i>				
<i>II. Tangible Assets</i>					1. Legal reserves	1.394,00	1.394,00	1.394,00	1.394,00
1. Land	78.316.924,32	78.316.924,32	0,00	0,00	3. Special reserves	37.716,95	37.716,95	37.716,95	37.716,95
6. Furniture & fixtures	217.120,59	217.120,59	0,00	199.181,59		39.110,95	39.110,95	39.110,95	
7. Assets under construction	101.538.510,51	101.538.510,51	0,00	54.563.429,75	<i>V. Retained earnings</i>				
	180.072.555,42	180.072.555,42	0,00	54.762.611,34	Profits / Losses carried forward	-230.555,44	-502.172,34	-230.555,44	-502.172,34
Total Tangible Assets					Total shareholders equity (A+II+III+IV+V)	121.199.260,81	97.035.539,05	121.199.260,81	97.035.539,05
<i>III. Participations & Other Long Term Assets</i>					C. LIABILITIES				
7. Other long term receivables		1.760,00		1.760,00	<i>I. Long Term Liabilities</i>				
		180.074.315,42		54.764.371,34	8. Other long term liabilities	24.700,00	24.700,00	24.700,00	24.700,00
Total Fixed Assets (CII+CIII)					<i>II. Short Term Liabilities</i>				
D. CURRENT ASSETS					1. Suppliers	12.571.550,65	19.718.861,38	12.571.550,65	19.718.861,38
<i>I. Inventories</i>					3. Short term bank loans	120.037.926,82	46.003.170,63	120.037.926,82	46.003.170,63
2a. Land & construction material for sale	76.530.774,51	76.530.774,51	0,00	99.865.954,01	4. Customer advances	2.413.658,00	3.027.832,68	2.413.658,00	3.027.832,68
5. Advances for raw materials	75.015,02	75.015,02	0,00	66.115,02	5. Taxes payable	413.332,19	489.114,86	413.332,19	489.114,86
	76.605.789,53	76.605.789,53	0,00	99.932.069,03	6. Social security funds	2.006,79	0,00	2.006,79	0,00
<i>II. Receivables</i>					11. Sundry creditors	23.803,93	20.391,43	23.803,93	20.391,43
1. Accounts Receivable	570.794,00	570.794,00	0,00	0,00	Total Liabilities	135.486.978,38	69.259.370,98	135.486.978,38	69.259.370,98
11. Sundry debtors	19.166.690,28	19.166.690,28	0,00	9.412.644,41	D. TRANSITORY LIABILITIES ACCOUNTS				
	19.737.484,28	19.737.484,28	0,00	9.412.644,41	1. Deferred income	108.035,84	0,00	108.035,84	0,00
<i>IV. Cash & Banks Deposit</i>					2. Accrued expenses	434.820,00	285.145,31	434.820,00	285.145,31
1. Cash in hand	1.505,30	1.505,30	442,53	442,53	3. Sundry transitory accounts	32.000.000,00	0,00	32.000.000,00	0,00
3. Current accounts & time deposits	12.414.898,25	12.414.898,25	2.010.851,41	2.010.851,41		32.542.855,84	285.145,31	32.542.855,84	285.145,31
	12.416.403,55	12.416.403,55	2.011.293,94	2.011.293,94	TOTAL LIABILITIES	289.229.095,03	166.580.055,34	289.229.095,03	166.580.055,34
Total Current Assets (DI+DII+DIV)					MEMO ACCOUNTS				
E. TRANSITORY ACCOUNTS					2. Debit accounts of guarantees & collateral securities	26.844.510,70	21.420.521,45	26.844.510,70	21.420.521,45
3. Other transitory assets accounts	0,00	0,00	0,91	0,91					
	289.229.095,03	289.229.095,03	0,91	111.356.007,38					
TOTAL ASSETS									
MEMO ACCOUNTS									
2. Debit accounts of guarantees & collateral securities	26.844.510,70	26.844.510,70	21.420.521,45	21.420.521,45					

Notes: The account "Other Debtors" includes receivables from the Greek State for the return of the commercial centre construction VAT.

INCOME STATEMENT
for fiscal year ending December 31st, 2004 (JANUARY 1st, 2004 - DECEMBER 31st 2004)

	Fiscal Year 2004	Fiscal Year 2003
I. OPERATING RESULTS		
Turnover	5.685.913,16	0,00
Less : Cost of goods sold	4.327.894,02	0,00
Gross Operating Results	<u>1.358.019,14</u>	<u>0,00</u>
Less :		
1. Administrative expenses	567.031,56	414.189,34
Total Operating Results	<u>790.987,58</u>	<u>-414.189,34</u>
Plus :		
4. Interest income and related revenues	6.258,52	760,14
3. Interest expenses and related costs	<u>1.127,12</u>	<u>2.521,13</u>
Total Operating Results	<u>5.131,40</u>	<u>-1.760,99</u>
II. PLUS: Extraordinary Results	<u>796.118,98</u>	<u>-415.950,33</u>
1. Extraordinary and non operating income	77,70	183,51
Less :		
1. Extraordinary and non operating expenses	<u>148.238,86</u>	<u>-148.161,16</u>
Operating & Extraordinary Results	<u>647.957,82</u>	<u>-416.074,02</u>
Less:		
Total depreciation of fixed assets	149.544,45	127.793,80
Less: Depreciation included in operating cost	<u>149.544,45</u>	<u>127.793,80</u>
NET RESULTS OF THE PERIOD	<u><u>647.957,82</u></u>	<u><u>-416.074,02</u></u>

Athens, April 19th, 2005

THE CHAIRMAN OF THE BOARD
VASSILIOS S. VEKIOS
 ID. C. X. 066973

A MEMBER
ANTONIOS K.KAFFAS
 ID.C. Σ272217

THE CHIEF FINANCIAL MANAGER
VASSILIOS A.BALOUJIS
 ID. C. T. 061891

THE CHIEF ACCOUNTANT
MARIA TH. MALLAPPI
 LICENCE NUMBER A' CLASS 0016087

CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT (TRANSLATION)
TO THE SHAREHOLDERS OF LAMDA OLYMPIA VILLAGE S.A.

We have audited the financial statements and the related notes to the financial statements of "Lamda Olympia Village S.A." for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of the Codified Law 2190/1920, and those audit procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors in Greece (SOEL). We were provided with the accounting books and records maintained by the company as well as with the information and explanations requested by us. The Company correctly applied the Greek General Chart of Accounts. There have been no changes in accounting policies in comparison to the prior year. We verified that the relevant information contained in the Board of Directors' report addressed to the shareholders' general assembly is consistent with the financial statements. The notes to the financial statements include the information, which is required by article 43a, paragraph 1 of the Codified Law 2190/1920. Our audit revealed the following: 1. The financial years 2003 and 2004 have not been audited by the tax authorities and therefore the tax liabilities for these years have not been finalized yet. 2. The company has not valued its inventory at the lower of cost and net realizable value, as defined by the provision of article 43 paragraph 7a of Codified Law 2190/1920. Had the relevant provisions been applied, the amount in the Balance Sheet line D.1.3 "Land and materials for sale" should have been decreased by approximately Euro 8,9 million and with the same amount being charged to the results of the period. 3. As of the audit report date, the transfer of land titles relating to the purchase of land for the consideration of Euro 35,2million which has been included under Assets, "Construction in Progress", and "Land and materials for sale" has not been completed yet. 4. The company, as a common practice, in contrast to the provisions of Codified Law 2190/1920, considers promotional and marketing expenditures for its new projects as part of the construction cost of these projects. The amount that should have been charged to the results of the current year is approximately Euro 830 thousand. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the notes to the financial statement except for the matters mentioned above, present the company's assets and financial position as at 31 December 2004 and the results of the financial year that ended in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in prior years.

Athens, April 19th, 2005
 The Certified Auditor Accountant

Constantinos Mihalatos
 Registration No. 17701
 PRICEWATERHOUSECOOPERS

PYLEA S.A.

SOCIETE ANONYME OF REAL ESTATE DEVELOPMENT, PROVISION OF SERVICES, TRADING AND AGENCIES

CO REG. No 50043/01/B/01/600

BALANCE SHEET AS OF 31st DECEMBER 2004 - 3rd FISCAL YEAR 1 (1st JANUARY 2004 - 31st DECEMBER 2004)

ASSETS	Fiscal Year 2004 Acquisition Value	Fiscal Year 2004 Depreciation	Net Book Value	Fiscal Year 2003 Depreciation	Net Book Value	Fiscal Year 2004	Fiscal Year 2003
B. FORMATION EXPENSES							
1. Establishment expenses	1.469.821,08	735.157,51	734.663,57	441.193,29	1.028.627,79	11.303.739,00	11.303.739,00
4. Other capitalized expenses	134.406,58	62.665,90	71.740,68	35.207,21	98.677,37	11.303.739,00	11.303.739,00
Total Formation Expenses	1.604.227,66	797.823,41	806.404,25	476.400,50	1.127.305,16		
C. FIXED ASSETS							
<i>II. Tangible Assets</i>							
6. Furniture & fixtures	41.831,71	0,00	41.831,71	0,00	13.293,55	-342.820,03	-431.003,99
7. Assets under construction	42.561.176,88	0,00	42.561.176,88	8.621.639,32	8.621.639,32	-637.391,26	-206.387,27
Total Tangible Assets (CII)	42.603.008,59	0,00	42.603.008,59	8.634.932,87	8.634.932,87	-980.211,29	-637.391,26
<i>III. Participations & Other Long Term Assets</i>							
7. Other long term receivables	2.600,00		2.600,00		0,00	31.400.000,00	0,00
Total Fixed Assets (CII+CIII)	42.605.608,59		42.605.608,59		8.634.932,87	41.723.527,71	10.666.347,74
D. CURRENT ASSETS							
<i>I. Inventories</i>							
5. Advances for materials	0,00		0,00		98.250,00	5.230.854,87	1.873.654,66
<i>II. Receivables</i>							
1. Accounts Receivable	200.103,81		200.103,81		0,00	10.000.000,00	0,00
3a. Cheques Receivable	756.017,87		756.017,87		0,00	170.802,44	47.585,93
11. Other debtors	7.260.956,82		7.260.956,82		1.358.288,84	967,20	0,00
12. Advances to credit accounts	0,00		0,00		2.165,88	694.330,77	71,28
Total Current Assets (DI+DII+DIV)	8.217.078,50		8.217.078,50		1.360.454,72	16.096.955,28	1.921.311,87
<i>IV. Cash & Banks Deposit</i>							
1. Cash	817,23		1.269,99		1.269,99	57.820.482,99	12.587.659,61
3. Current Accounts & time deposits	6.190.574,42		1.365.446,87		1.365.446,87	5.865.076,78	3.963.212,29
Total Current Assets (DI+DII+DIV)	6.191.391,65		6.191.391,65		1.366.716,86	1.467.351,43	1.467.351,43
TOTAL ASSETS (B+C+D)	14.408.470,15		14.408.470,15		2.825.421,58	7.332.428,21	5.430.563,72
TOTAL ASSETS (B+C+D)	57.820.482,99		57.820.482,99		12.587.659,61	57.820.482,99	12.587.659,61
MEMO ACCOUNTS							
2. Debt accounts of guarantees & collateral securities	5.865.076,78		3.963.212,29		3.963.212,29	1.467.351,43	1.467.351,43
3. Claims in bilateral agreements	1.467.351,43		1.467.351,43		1.467.351,43	7.332.428,21	5.430.563,72

Notes: The account "Other Debtors" includes amount € 5.9 mil. approximately which refers to receivables from the Greek State for the return of the commercial centre construction VAT.

INCOME STATEMENT
for fiscal year ending December 31st, 2004 (1st JANUARY 2004 - 31st DECEMBER 2004)

	Fiscal Year 2004	Fiscal Year 2003
I. OPERATING RESULTS		
Turnover	234.744,00	0,00
Less : Cost of goods sold	0,00	0,00
Gross operating results	234.744,00	0,00
Less :		
1. Administrative expenses	578.501,28	429.896,40
Partial Operating Results	<u>-343.757,28</u>	<u>-429.896,40</u>
Plus :		
4. Interest income and related revenues	1.457,24	0,00
Less :		
3. Interest expenses and related costs	319,99	728,41
Total Operating results	<u>-342.620,03</u>	<u>-430.624,81</u>
II. PLUS: Extraordinary Results		
1. Extraordinary and non operating income	0,00	290,82
Less :		
1. Extraordinary and non operating expenses	200,00	670,00
Operating & Extraordinary Results	<u>-342.820,03</u>	<u>-431.003,99</u>
Less:		
Total depreciation of fixed assets	321.422,91	321.152,39
Less: Depreciation included in operating cost	0,00	0,00
NET RESULTS OF THE PERIOD	<u><u>-342.820,03</u></u>	<u><u>-431.003,99</u></u>

	Fiscal Year 2004	Fiscal Year 2003
Net period results	-342.820,03	-431.003,99
Prior years' losses carried forward	-637.391,26	-206.387,27
Loss carried forward	<u><u>-980.211,29</u></u>	<u><u>-637.391,26</u></u>

THE CHAIRMAN OF THE BOARD
ANAGNOSTOPOULOS G.LAMBROS
PASS. N627134

A MEMBER
GLAVAS C. THEODOROS
ID.C. E 371109

Athens, April 19th, 2005

THE CHIEF FINANCIAL MANAGER
KAFKAS K.ANTONIOS
ID.C. Σ272217

THE CHIEF ACCOUNTANT
MALLIAPTI TH.MARIA
LICENSE NUMBER A' CLASS 0016087

CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT
To the Shareholders of "Pylea S.A."

We have audited the financial statements and the related notes to the financial statements of "Pylea S.A." for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of the Codified Law 2190/1920, and those audit procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors in Greece (SOEL). We were provided with the accounting books and records maintained by the company as well as with the information and explanations requested by us. The Company correctly applied the Greek General Chart of Accounts. There have been no changes in accounting policies in comparison to the prior year. We verified that the relevant information contained in the Board of Directors' report addressed to the shareholders' general assembly is consistent with the financial statements. The notes to the financial statements include the information, which is required by article 43a, paragraph 1 of the Codified Law 2190/1920. Our audit revealed the following: 1. The financial years 2003 and 2004 have not been audited by the tax authorities and therefore the tax liabilities for these years have not been finalized yet. 2. The company, as a common practice, in contrast to the provisions of Codified Law 2190/1920, considers promotional and marketing expenditures for its new projects as part of the constitution cost of these projects. The amount that should have been charged to the results of the current year is approximately Euro 568 thousand. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the notes to the financial statement except for the matters mentioned above, present the company's assets and financial position as at 31 December 2004 and the results of the financial year that ended in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in prior years.

Athens, April 19th, 2005
The Certified Auditor-Accountant

Konstantinos Michalatos
Reg.No SOEL 17701

PRICEWATERHOUSECOOPERS

ASSETS	Acquisition Value	Fiscal Year 2004 Depreciation	Net Book Value	Fiscal Year 2003 Depreciation	Net Book Value	LIABILITIES	Fiscal Year 2004	Fiscal Year 2003
B. FORMATION EXPENSES						A. CAPITAL AND RESERVES		
1. Establishment expenses	254.877,71	134.506,07	120.371,64	114.084,17	140.793,54	<i>I. Share Capital</i>	10.253.412,00	10.253.412,00
4. Other capitalised expenses	514.974,41	284.706,66	230.267,75	212.694,62	99.056,05	Share Capital (2.563.353 shares of 4 €)	10.253.412,00	10.253.412,00
Total Formation Expenses	769.852,12	419.212,73	350.639,39	326.778,79	239.849,59	1. Paid up		
C. FIXED ASSETS						<i>IV. Reserves</i>		
<i>II. Tangible assets</i>						1. Legal reserves	47.940,64	47.940,64
1. Land	2.512.199,33		2.512.199,33		2.061.609,32	5. Tax-free reserves under special laws	38.631,17	38.631,17
3. Building & construction	2.083.476,59	1.014.733,93	1.068.742,66	746.140,15	1.120.330,47			
4. Machinery - Technical installation	4.674.679,19	2.028.302,51	2.646.376,68	1.479.765,04	2.456.438,84			
5. Transportation equipment	4.378.867,61	558.931,12	3.819.936,49	209.855,83	4.140.803,71			
6. Furniture & fixtures	317.627,57	198.236,04	119.391,53	137.336,64	98.070,15			
7. Assets under construction	4.986.542,33		4.986.542,33		3.008.641,06	<i>V. Results Carried Forward</i>		
Total Tangible Assets (CII)	18.953.392,62	3.800.203,60	15.153.189,02	2.573.097,66	12.985.693,55	Balance of profits carried forward	-877.880,50	217.709,47
<i>III. Participations & Other Long Term Assets</i>								
1. Participation in affiliated companies			3.100.000,00		3.100.000,00	Total Equity Capital (AI+AV+V)	9.462.103,31	10.557.693,28
7. Other long term financial assets			14.050,34		11.637,28	B. PROVISIONS		
Total Fixed Assets (CII+CIII)	3.114.050,34		3.114.050,34		3.111.637,28	2. Other provisions	976.515,37	
D. CURRENT ASSETS								
<i>I. Inventories</i>						C. LIABILITIES		
4. Raw & auxiliary materials - Packaging materials			70.374,47		70.948,76	<i>I. Long Term Liabilities</i>		
5. Advances for raw materials			246.192,95		1.779.950,87	2. Bank Loans	6.416.000,00	
Total Current Assets (CII+CIII)	316.567,42		316.567,42		1.850.899,63	Total Long Term Liabilities	6.416.000,00	
<i>II. Receivables</i>						<i>II. Short Term Liabilities</i>		
1. Customers			8.734.166,19		3.901.604,77	1. Suppliers	4.964.308,59	3.738.898,43
3a. Checks receivable			429.020,41		472.000,00	3. Short term bank loans	6.778.383,50	7.112.700,56
10. Doubtful receivables			65.888,71		7.846,81	4. Customers advances	356.518,09	2.447.919,29
11. Other debtors			1.708.235,06		1.130.477,76	5. Taxes & duties	329.226,37	213.255,52
12. Advances to credit accounts					84.999,86	6. Social security	185.478,85	169.201,06
			10.937.310,37		5.596.929,20	11. Sundry creditors	444.902,31	461.874,94
<i>IV. Cash & banks Deposit</i>						Total Short Term Liabilities (C)	13.058.817,71	14.142.849,80
1. Cash	1.002,15		1.002,15		691,82	Total Liabilities (C+CI)	19.474.817,71	14.142.849,80
3. Current accounts & time deposits	155.803,37		155.803,37		309.970,82	D. TRANSITORY ACCOUNTS		
Total Current Assets (DI+DII+DIV)	11.410.683,31		11.410.683,31		7.758.491,47	3. Other transitory liabilities accounts	248.763,39	
E. TRANSITORY ACCOUNTS						TOTAL LIABILITIES (A+C+D)	30.162.199,78	24.700.543,08
1. Prepaid expenses			133.637,72		36.748,17	MEMO ACCOUNTS		
2. Accrued income			133.637,72		667.923,02	2. Debit accounts of guarantees & collateral securities	1.789.310,72	1.821.986,61
TOTAL ASSETS (B+C+D+E)	30.162.199,78		30.162.199,78		24.700.543,08			
MEMO ACCOUNTS								
2. Debit accounts of guarantees & collateral securities			1.789.310,72		1.821.986,61			
			1.789.310,72		1.821.986,61			

Notes to the Balance Sheet:

- The company may be exposed to losses due a fire that took place on a customer's yacht on January 10, 2004, which was located in the company's shipyard. Up until the balance sheet, date the insurance company had not finalized its assessment of the losses, consequently it is not possible to determine the loss for the company in the event that the insurance does not cover the full amount of the damage.
- Bank borrowings amounted to € 5.166.000 have been secured by the company's premises for the value of € 16.500.000.
- The company's land and buildings were revalued at December 31, 2004, based on Law 2065/1992, resulting in a surplus of € 464.689,67.

INCOME STATEMENT
for fiscal year ending December 31st, 2004 (JANUARY 1st, 2004 - DECEMBER 31st 2004)

	Fiscal Year 2004	Fiscal Year 2003
I. OPERATING RESULTS		
Turnover	26.310.931,41	17.529.203,50
Less : Cost of goods sold	23.661.761,87	14.985.511,84
Gross Operating Results	2.649.169,54	2.543.691,66
Plus : 1. Other operating income	193.359,15	213.584,87
Total	2.842.528,69	2.757.276,53
Less : 1. Administrative expenses	3.004.258,03	2.412.472,02
2. Income from participations	234.122,41	267.557,53
3. Distribution expenses	545.000,00	4.555,90
Partial Operating Results	1.898,90	3.185,54
Plus: 1. Income from marketable securities	546.898,90	7.741,44
2. Profits from sale of participation and securities	508.270,96	223.334,27
3. Interest income and related revenues	38.627,94	-215.592,83
4. Interest income and related costs	-357.223,81	-138.345,85
Less: 3. Interest expenses and related costs	9.312,63	25.003,88
Total Operating Results	4.177,86	25.003,88
II. PLUS: Extraordinary Results		
1. Extraordinary and non operating income	6.883,61	136.366,33
2. Extraordinary profits	13.490,49	27.383,07
3. Income of previous fiscal year	97.902,60	-138.745,52
Less : 1. Extraordinary and non operating expenses	976.515,37	-277.091,37
2. Extraordinary losses	-1.067.811,09	-138.745,52
3. Expenses of previous fiscal year	-1.425.034,90	-277.091,37
4. Provisions	-1.425.034,90	-277.091,37
Operating and Extraordinary Results	1.125.716,10	304.927,30
Less : Total depreciation of fixed assets	1.125.716,10	304.927,30
Less : Depreciation included in operating cost	-1.425.034,90	-277.091,37
NET RESULTS OF THE PERIOD (Before Tax)	<u><u>-1.425.034,90</u></u>	<u><u>-277.091,37</u></u>

CHAIRMAN OF THE BOARD

MILTADIS I. ZANNOS
ID. No Π 309230

CHIEF EXECUTIVE OFFICER

MARIOS A. STERGIOU
ID. No Θ 408007

Ελεφθς, February 18th 2005

CHIEF FINANCIAL OFFICER

APOSTOLOS K. INDOUNAS
ID. No Μ 334566

CHIEF ACCOUNTANT

ANDREAS N. KARANDREAS
ID. No X 166535
Lic.No 36678 A' Class

REPORT OF THE CERTIFIED AUDITOR – ACCOUNTANT
To the shareholders of "LAMDA Shipyards and Marine Services INDUSTRIAL and SHIPPING SA"

We have audited the above Financial Statements and the related Attachment to the Financial Statements of the company "LAMDA Shipyards and Marine Services INDUSTRIAL and SHIPPING SA" for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of Company Law 2190/1920 and the auditing procedures that we considered appropriate, based on the principles and auditing standards followed by the Greek Institute of Certified Auditors Accountants. The company's books of accounts and records were made available to us and we were provided with all information and explanations requested for the purposes of the audit. The company complied with the Greek General Chart of Accounts. There has been no change in the valuation methods used by the company compared to those used in the preceding period. We have confirmed that the content of the Directors' Report to the Shareholder Meeting is in agreement with the related Financial Statements. The Attachment to the Financial Statement contains the information required by paragraph 1 of article 43a of Company Law 2190/1920. Our audit identified the following matters: 1. The tax statements and the books of the company have not been audited by the tax authorities for the years 2003 and 2004. Accordingly, the financial results and the tax liabilities are not considered as final. 2. The company does not provide for employees' retirement pay based on the consultative response No 205/1998. Had the company created the required provision according to article 42e of Company Law 2190/1920, this would have amounted to approximately € 337 thousand of which approximately € 320 thousand should have been charged to opening retain earnings. 3. Including in 'Investment in affiliated companies' is an investment in subsidiary company, amounting to € 3.100 thousand, which has been valued at cost. Had the company valued its investment at the lower of cost and net asset value, as required by article 43 paragraph 6 of Company Law 2190/1920, a provision for € 1.600 thousand would have been required which would reduce the opening retain earnings by an equal amount. In our opinion, except for the matters referred to above and the note 1 and 3 under the Balance Sheet, the abovementioned financial statements, which are in agreement with the books and records of the Company, together with the related attachment to the financial statements, present the assets, liabilities and financial position of the Company as at 31 December 2004 as well as the results of its operations for the year then ended in conformity with prevailing legislation and Greek generally accepted accounting principles applied on a consistent basis with the preceding year.

Athens, 18 February 2005
The Certified Auditor – Accountant

Vasilios Goutis
SOEL reg. No. 10411

PRICEWATERHOUSECOOPERS

APPROPRIATION ACCOUNT

	Fiscal Year 2004	Fiscal Year 2003
Net results (profits / losses) before taxes	-1.425.034,90	-277.091,37
Profits brought forward	217.709,47	505.834,75
Reserves from assets revaluations	454.699,67	-
Tax audit differences	-111.307,00	-
Total	<u>-863.932,76</u>	<u>228.743,38</u>
LESS: 1. Operating taxes	13.947,74	11.033,91
2. Other income taxes not included in operation cost	-877.880,50	217.709,47
Profit (Losses) carried forward	<u><u>13.947,74</u></u>	<u><u>11.033,91</u></u>

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED DECEMBER 31, 2004
4th FINANCIAL YEAR (JANUARY 1st, 2004 - DECEMBER 31st, 2004)

ASSETS	Fiscal Year 2004	Fiscal Year 2003	LIABILITIES & SHAREHOLDER'S EQUITY		Fiscal Year 2004	Fiscal Year 2003
	Purchase Value	Net Book Value	Purchase Value	Depreciation	Net Book Value	
B. ESTABLISHMENT EXPENSES						
1. Establishment and first installation expenses	280.492,48	30.049,15	279.025,48	210.837,67	68.187,81	
4. Other establishment expenses	695.161,16	106.660,51	617.370,06	452.360,83	165.009,23	
	975.653,64	136.709,66	896.395,54	663.198,50	233.197,04	
C. FIXED ASSETS						
<i>III. Incorporated investments</i>						
1. Buildings	813.302,97	399.037,37	812.202,97	291.534,10	520.668,87	
4. Machinery and technical installations and other machinery equipments	1.748.262,15	1.478.482,13	479.652,48	125.798,44	353.854,04	
5. Transportation equipments-vehicles	70.173,89	42.943,96	46.816,64	18.489,73	28.326,91	
6. Fixture and fittings	880.682,35	336.105,21	752.074,75	383.098,92	368.975,83	
7. Fixed assets under construction	3.933,26	0,00	0,00	0,00	0,00	
	3.516.354,62	2.260.501,93	2.090.746,84	818.921,19	1.271.825,65	
<i>III. Participations and long term-claims</i>						
7. Other Long -terms claims /Deposits paid		1.114.302,72			274.960,56	
		1.114.302,72			274.960,56	
		3.374.804,65			1.546.786,21	
TOTAL FIXED ASSETS (C.II+C.III)		11.660,00			9.630,00	
D. CURRENT ASSETS						
<i>I. Inventories</i>						
4. Materials		11.660,00			9.630,00	
<i>II. Receivables</i>						
1. Customers		3.053.979,67			3.050.490,65	
3a. Post-dated Checks		1.363.285,51			2.819.520,62	
11. Various Debtors		526.353,09			412.878,17	
12. Various Advances		23.177,14			17.723,50	
		4.966.795,41			6.300.612,94	
<i>IV. Disposal cash</i>						
1. Cash in hand		90.152,87			54.214,28	
2. Cash at bank		1.116.537,74			887.248,63	
		1.206.690,61			941.462,91	
		6.185.146,02			7.251.705,85	
TOTAL CURRENT ASSETS (D.I+D.II+D.IV)		60.345,78			83.326,90	
E. INTERMEDIATE ASSETS ACCOUNT						
1. Prepayments		45.346,53			1.889,14	
2. Income received in advance		105.682,31			85.216,44	
		9.802.352,64			9.123.392,54	
TOTAL ASSETS (B+C+D+E)		8.854.238,64			9.746.834,71	
DEBIT ACCOUNTS FOR CLASSIFICATION PURPOSES						
1. Third party's assets		4.256.716,25			3.489.914,49	
2. Debt accounts for guarantees		13.110.954,89			13.236.749,20	
		17.367.671,14			16.726.663,69	
LIABILITIES & SHAREHOLDER'S EQUITY						
A. CAPITAL AND RESERVES						
<i>I. Share Capital</i>						
1. Total paid share capital		4.498.350,00			4.498.350,00	
<i>II. Share Premium</i>						
<i>IV. Reserves</i>						
1. Legal Reserve		21.160,87			14.313,64	
2. Tax free reserves under special legislation		21.491,08			330,21	
		42.651,95			14.643,85	
<i>V. Retained Profits</i>						
Retained loss for the year		114.931,93			-610.925,45	
Retained loss for previous years		-7.212.591,05			-6.716.598,33	
		-7.097.659,12			-7.327.523,78	
<i>IX. Minority interest</i>						
		595.310,95			346.050,93	
		-1.024.189,82			-1.395.229,20	
TOTAL CAPITAL (A.I+II+IV+V+IX)		112.626,44			23.682,20	
B. PROVISIONS FOR LIABILITIES AND CHARGES						
1. Provision for retirement and termination benefits		47.468,51			13.434,48	
2. Other provisions		160.094,95			39.117,08	
		207.563,46			52.551,56	
C. LIABILITIES						
<i>II. Short-term liabilities</i>						
8. Other long term liabilities		820.598,00			0,00	
<i>II. Short-term liabilities</i>						
1. Suppliers		5.486.289,44			3.783.371,95	
2. Notes payable		11.625,96			2.880,80	
3. Sort-term Bank liabilities		1.375.905,35			1.467.995,98	
4. Customers' payment in advance		619.350,22			2.448.098,30	
5. Taxes and duties payable		413.428,74			330.154,76	
6. Social security payable		716.677,37			659.667,95	
7. Long term liabilities		0,00			213.026,17	
11. Various Creditors		94.972,01			127.580,61	
		8.718.249,09			9.092.776,52	
Total Liabilities		9.538.847,09			9.032.776,52	
D. INTERMEDIATE LIABILITIES ACCOUNTS						
2. Accrued Expenses		1.127.600,42			1.446.727,94	
		1.127.600,42			1.446.727,94	
		9.802.352,64			9.123.392,54	
TOTAL LIABILITIES (A+B+C+D)		8.854.238,64			9.746.834,71	
CREDIT ACCOUNTS FOR CLASSIFICATION PURPOSES						
1. Owners of third party's assets		4.256.716,25			3.489.914,49	
2. Credit accounts of guarantees		13.110.954,89			13.236.749,20	

**STATEMENT OF PROFIT DISTRIBUTION
FOR THE YEAR ENDED DECEMBER 31ST, 2004**

	Fiscal Year 2004	Fiscal Year 2003
I. TURNOVER STATEMENT		
Ground handling services & other services	24,606,992.85	21,468,896.67
Less: Cost of services	<u>21,197,147.46</u>	<u>19,131,413.72</u>
Gross Loss	<u>3,409,845.39</u>	<u>2,337,482.95</u>
PLUS : Other operating income	<u>2,427,938.96</u>	<u>2,103,142.94</u>
	<u>5,837,784.35</u>	<u>4,440,625.89</u>
Less: 1. Administrative expenses	<u>4,854,627.99</u>	<u>4,839,649.33</u>
	<u>983,156.36</u>	<u>-999,023.44</u>
PLUS: 2. Security income	8,326.31	8,326.31
3. Profit from sale of participation & securities	0.00	300,000.00
4. Interest received and other income	1,367.55	8,470.66
Less: 3. Interest paid and other expenses	<u>278,935.86</u>	<u>276,584.12</u>
	<u>713,719.55</u>	<u>-358,810.59</u>
PLUS		
1. Non operating income	51,694.76	80,487.98
2. Extraordinary gains	75.37	47.60
3. Income of previous years	21,274.04	16,552.93
Less : 1. Non operating expenses	<u>90,783.77</u>	<u>30,706.09</u>
2. Extraordinary losses	3,211.90	230.04
3. Previous year expenses & provisions	6,031.92	2,205.45
4. Provision for non recurring expenses	<u>8,450.79</u>	<u>29,207.11</u>
	<u>678,285.94</u>	<u>34,739.82</u>
LESS: Total depreciation	626,671.95	521,207.13
Less : Depreciation included in the operating cost	<u>14,692.22</u>	<u>521,207.13</u>
NET PROFIT BEFORE TAX	<u>663,593.72</u>	<u>-324,070.77</u>
LESS: Minority profit	<u>466,353.53</u>	<u>219,724.46</u>
Net consolidated profit before tax	<u>197,239.59</u>	<u>-543,795.23</u>

The Chairman of B.D.
Jofef In Albon
PASS. 9767833

The Vice President of B.D.
Lambros G. Aragnostopoulos
PASS. 627134

The General Manager
Philip McGrane
PASS. 063076539

The Financial Manager
Georgiout Gregoria
ID. C. A. 163933
LICENCE NUMBER 022688 A' CLASS

AUDIT REPORT
To the Shareholders of the Company
***SWISSPORT LAMDA HELLAS SA* and its subsidiaries**

In accordance with the requirements of article 106 of the Companies' Act (L2190/1920) we have audited the first Consolidated Financial Statements and the related Attachment to the Consolidated Financial Statements of SWISSPORT LAMDA HELLAS SA for the year ended 31 December 2004. Our audit was carried out in accordance with the auditing procedures we considered appropriate for the purpose of our audit, on the basis of the auditing standards and regulations followed by the Institute of Certified Auditors. Accountants and we have confirmed that the content of the Directors' Consolidated Report to the Shareholders' meeting is in agreement with the related Consolidated Financial Statements. We have not audited the Financial Statements of one of the Group companies included in the consolidation representing 35% and 6% of total consolidated assets and sales respectively. These Financial Statements have been audited by other certified auditors, and it is on their audit reports that we have based our opinion to the extent that these statements relate to the balances in the consolidation. Our audit identified the following matters: 1) Due to accumulated losses, the company faces application of article 47 & 48 paragraph 1 case c of Company Law 2190/1920. 2) A provision for severance pay due to employees retirement has not been made, on the basis of decision No 205/1988 of the Body of State Legal Advisors and article 10 of Law 2065/1992 as none of the 55 personnel fulfilled the right to retirement up to the end of the next year. If a full provision had been made based on article 43a of Company Law 2190/1920 for severance pay due to employees retirement this would have amounted to approximately € 548 thousand of which approximately € 115 thousand would affect the current year. 3) The line 'D.II. Debtors' includes amount of approximately € 433 thousand of bad debts. The company has not created a provision for the above amount which would have affected the result of prior years. As a result the line 'D.II. Debtors' is overstated by the above amount and the Account prior year losses is equally understated. 4) The company and its subsidiaries have not been audited by the tax authorities since their incorporation, therefore, the tax obligations of the company and its subsidiaries are not considered final. In our opinion the above Consolidated Financial Statements are in agreement with the Companies' Act (L 2190/1920), after taking into account our comments above, and present, in conformity with legal requirements and generally accepted accounting principles applied by the holding company, the consolidated financial position on 31 December 2004 and the results of its consolidated operations for the year then ended.

Athens, 18 February 2005
Certified Auditor/Accountant

D. Michalinos
PRICEWATERHOUSECOOPERS



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