NBG PANGAEA

NBG PANGAEA R.E.I.C.

Group and Company
INTERIM FINANCIAL STATEMENTS
for the period from 1 January to 30 September 2014
In accordance with International Financial Reporting Standards

These financial statements have been translated from the original ones that have been prepared in the Greek language. Reasonable care has been taken to ensure that these financial statements represent an accurate translation of the original text. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

October 2014

Deloitte.

TRANSLATION
REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the Board of Directors of "NBG PANGAEA REAL ESTATE INVESTMENT COMPANY"

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of "NBG PANGAEA REAL ESTATE INVESTMENT COMPANY" (the Company) and its subsidiaries (the "Group") as of September 30, 2014 and the related condensed separate and consolidated statements of income and total comprehensive income, changes in equity and cash flow for the nine-month period then ended, as well as the selected explanatory notes, which together comprise the condensed interim financial information. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards, as adopted by the European Union and applicable to Interim Financial Reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that accompanying condensed interim financial information is not been prepared, in all material respects, in compliance with IAS 34.

Maroussi, October 31, 2014
The Certified Public Accountant

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NBG PANGAEA

All amounts expressed in € thousand, unless otherwise stated

		Group		Company	
	Note	**30.09.2014**	**31.12.2013**	**30.09.2014**	**31.12.2013**
ASSETS					
Non-current assets					
Investment property	5	1,356,809	930,879	1,031,245	739,758
Investment in subsidiaries		-	-	202,368	129,672
Property and equipment	6	9,973	1,433	8,334	1,433
Intangible assets		224	245	224	245
Other long-term receivables		6,630	-	6,621	-
		1,373,636	**932,557**	**1,248,792**	**871,108**
Current assets					
Trade and other receivables	10	38,831	19,698	19,019	9,446
Cash and cash equivalents		193,653	158,291	188,154	156,371
		232,484	177,989	207,173	165,817
Total assets		**1,606,120**	**1,110,546**	**1,455,965**	**1,036,925**
SHAREHOLDERS' EQUITY					
Share capital	11	749,107	735,712	749,107	735,712
Share premium	11	7,267	-	7,267	-
Reserves	12	326,934	326,973	326,973	326,973
Retained earnings / (losses)		142,268	(26,502)	122,462	(32,135)
Equity attributable to Company's shareholders		**1,225,576**	**1,036,183**	**1,205,809**	**1,030,550**
Non-controlling interests		7,613	**-**	-	**-**
Total equity		**1,233,189**	**1,036,183**	**1,205,809**	**1,030,550**
LIABILITIES					
Long-term liabilities					
Borrowings	13	321,085	51,390	229,919	-
Retirement benefit obligations		167	26	28	26
Deferred tax liability		42	-	-	-
Other long-term liabilities	14	8,788	9,183	74	**-**
		330,082	**60,599**	**230,021**	**26**
Short-term liabilities					
Trade and other payables	16	25,449	7,932	13,784	5,661
Borrowings	13	13,576	2,267	6,000	-
Derivative financial instruments	15	3,368	2,783	-	-
Current tax liabilities		456	782	351	688
		42,849	**13,764**	**20,135**	**6,349**
Total liabilities		**372,931**	**74,363**	**250,156**	**6,375**
Total shareholders' equity and liabilities		**1,606,120**	**1,110,546**	**1,455,965**	**1,036,925**

Athens, 30 October 2014

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Note	Group From 01.01. to		Company From 01.01. to	
		30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Revenue					
Rental income	17	66,393	58,928	56,183	53,347
		66,393	**58,928**	**56,183**	**53,347**
Net gain / (loss) from the fair value adjustment of investment properties	5	108,734	(103,668)	102,835	(104,853)
Direct property related expenses	18	(3,934)	(1,966)	(2,924)	(1,745)
Personnel expenses		(567)	(359)	(490)	(359)
Depreciation of property and equipment	6	(15)	(10)	(9)	(9)
Amortisation of intangible assets		(22)	(22)	(22)	(22)
Net change in fair value of financial instruments at fair value through profit or loss		(464)	302	-	-
Other income		3,981	921	-	-
Other expenses		(867)	(228)	(679)	(220)
Operating profit / (loss)		**173,239**	**(46,102)**	**154,894**	**(53,861)**
Interest income		2,420	4,333	2,409	4,320
Finance costs		(5,611)	(2,883)	(1,704)	(3)
Profit / (loss) before tax		**170,048**	**(44,652)**	**155,599**	**(49,544)**
Taxes	19	(1,134)	(1,282)	(986)	(1,154)
Profit / (loss) for the period		**168,914**	**(45,934)**	**154,613**	**(50,698)**
Attributable to:					
Non-controlling interests		128	-	-	-
Company's equity shareholders		**168,786**	**(45,934)**	**154,613**	**(50,698)**
Earnings/ (loss) per share (expressed in € per share) - Basic and diluted	20	0.91	(0.31)	0.84	(0.34)

Athens, 30 October 2014

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Group From 01.01. to		Company From 01.01. to	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Profit / (loss) for the period	**168,914**	**(45,934)**	**154,613**	**(50,698)**
Other comprehensive income / (expense):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	(47)	-	-	-
Total of items that may be reclassified subsequently to profit or loss	**(47)**	**-**	**-**	**-**
Other comprehensive expense for the period	**(47)**	**-**	**-**	**-**
Total comprehensive income / (expense) for the period	**168,867**	**(45,934)**	**154,613**	**(50,698)**
Attributable to:				
Non-controlling interests	120	-	-	-
Company's equity shareholders	**168,747**	**(45,934)**	**154,613**	**(50,698)**

Athens, 30 October 2014

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

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All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	From 01.07. to		From 01.07. to	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Revenue				
Rental income	24,364	20,017	20,299	17,774
	24,364	**20,017**	**20,299**	**17,774**
Net gain / (loss) from the fair value adjustment of investment properties	36,510	(88,562)	35,020	(88,857)
Direct property related expenses	(1,395)	(602)	(931)	(505)
Personnel expenses	(339)	(116)	(262)	(116)
Depreciation of property and equipment	(9)	(3)	(3)	(3)
Amortisation of intangible assets	(7)	(7)	(8)	(7)
Net change in fair value of financial instruments at fair value through profit or loss	11	89	-	-
Other income	3,027	-	-	-
Other expenses	(291)	(24)	(200)	(21)
Operating profit / (loss)	**61,871**	**(69,208)**	**53,915**	**(71,735)**
Interest income	613	1,492	603	1,492
Finance costs	(2,942)	(1,158)	(1,637)	(3)
Profit / (loss) before tax	**59,542**	**(68,874)**	**52,881**	**(70,246)**
Taxes	(417)	(398)	(350)	(350)
Profit / (loss) for the period	**59,125**	**(69,272)**	**52,531**	**(70,596)**
Attributable to:				
Non-controlling interests	128	-	-	-
Company's equity shareholders	**58,997**	**(69,272)**	**52,531**	**(70,596)**
Earnings / (loss) per share (expressed in € per share) - Basic and diluted	0.32	(0.47)	0.28	(0.48)

Athens, 30 October 2014

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Group From 01.07. to		Company From 01.07. to	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Profit / (loss) for the period	**59,125**	**(69,272)**	**52,531**	**(70,596)**
Other comprehensive income / (expense):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	(47)	-	-	-
Total of items that may be reclassified subsequently to profit or loss	**(47)**	**-**	**-**	**-**
Other comprehensive expense for the Period	**(47)**	**-**	**-**	**-**
Total comprehensive income / (expense) for the Period	**59,078**	**(69,272)**	**52,531**	**(70,596)**
Attributable to:				
Non-controlling interests	120	-	-	-
Company's equity shareholders	**58,958**	**(69,272)**	**52,531**	**(70,596)**

Athens, 30 October 2014

The Chairman of the BoD	The CEO	The CFO / COO	The Deputy CFO
Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

NBG PANGAEA

All amounts expressed in € thousand, unless otherwise stated

		Attributable to Company's shareholders						
	Note	**Share capital**	**Share premium**	**Reserves**	**Retained Earnings**	**Total**	**Non-controlling interests**	**Total**
Balance 1 January 2013		**590,000**	**-**	**325,984**	**23,467**	**939,451**	**-**	**939,451**
Loss for the period		-	-	-	(45,934)	**(45,934)**	**-**	**(45,934)**
Total comprehensive expense after tax		**-**	**-**	**-**	**(45,934)**	**(45,934)**		**(45,934)**
Transfer to reserves		**-**	-	989	(989)	**-**	**-**	**-**
Dividends relating to 2012		**-**	**-**	**-**	(22,434)	**(22,434)**	**-**	**(22,434)**
Balance 30 September 2013		**590,000**	**-**	**326,973**	**(45,890)**	**871,083**	**-**	**871,083**
Movements to 31 December 2013		145,712	-	-	19,388	**165,100**	**-**	**165,100**
Balance 31 December 2013		**735,712**	**-**	**326,973**	**(26,502)**	**1,036,183**	**-**	**1,036,183**
Balance 1 January 2014		**735,712**	**-**	**326,973**	**(26,502)**	**1,036,183**	**-**	**1,036,183**
Other comprehensive expense for the period after tax		-	-	(39)	-	**(39)**	(8)	**(47)**
Profit for the period		-	-	-	168,786	**168,786**	128	**168,914**
Total comprehensive income / (expense) after tax		**-**	**-**	**(39)**	**168,786**	**168,747**	**120**	**168,867**
Acquisition off subsidiary	7	-	-	-	-	**-**	7,493	**7,493**
Share capital increase	11	13,395	7,467	-	-	**20,862**	-	**20,862**
Expenses related to the share capital increase	11	-	(200)	-	(16)	**(216)**	-	**(216)**
Balance 30 September 2014		**749,107**	**7,267**	**326,934**	**142,268**	**1,225,576**	**7,613**	**1,233,189**

All amounts expressed in € thousand, unless otherwise stated

	Note	Share capital	Share premium	Reserves	Retained Earnings	Total
Balance 1 January 2013		**590,000**	**-**	**325,984**	**23,467**	**939.451**
Loss for the period		-	-	-	(50,698)	(50,698)
Total comprehensive loss after tax		**-**	**-**	**-**	**(50,698)**	**(50,698)**
Transfer to reserves		**-**	-	989	(989)	**-**
Dividends relating to 2012		**-**	**-**	**-**	(22,434)	**(22,434)**
Balance 30 September 2013		**590,000**	**-**	**326,973**	**(50,654)**	**866,319**
Movements to 31 December 2013		145,712	-	-	18,519	164,231
Balance 31 December 2013		**735,712**	**-**	**326,973**	**(32,135)**	**1,030,550**
Balance 1 January 2014		**735,712**	**-**	**326,973**	**(32,135)**	**1,030,550**
Profit for the period		-	-	-	154,613	154,613
Total comprehensive income after tax		**-**	**-**	**-**	**154,613**	**154,613**
Share capital increase	11	13,395	7,467	-	-	20,862
Expenses related to the share capital increase	11	-	(200)	-	(16)	(216)
Balance 30 September 2014		**749,107**	**7,267**	**326,973**	**122,462**	**1,205,809**

The notes on pages 14 to 45 form an integral part of these financial statements

All amounts expressed in € thousand, unless otherwise stated

	Note	From 01.01. to 30.09.2014	30.09.2013
Cash flows from operating activities			
Profit / (Loss) before tax		170,048	(44,652)
Adjustments for:			
- Provisions for employee benefits		2	3
- Other gains		(3,784)	(921)
- Depreciation of property and equipment	6	15	10
- Amortization of intangible assets		22	22
- Net (gain) / loss from the fair value adjustment of investment properties	5	(108,734)	103,668
- Interest income		(2,420)	(4,333)
- Finance cost		5,611	2,883
- Net change in fair value of financial instruments at fair value through profit or loss		464	(302)
Changes in working capital:			
- (Increase) / Decrease in receivables		(16,881)	(1,360)
- Increase / (Decrease) in payables		13,513	1,351
Cash flows from operating activities		57,856	56,369
Interest expense and relevant finance costs paid		(5,648)	(3,041)
Tax paid		(1,498)	(1,718)
Net cash flows from operating activities		**50,710**	**51,610**
Cash flows from investing activities			
Acquisition of investment property	5	(188,376)	-
Subsequent capital expenditure on investment properties	5	(183)	(13)
Prepayments for the acquisition of investment property and overseas subsidiaries		(13,661)	-
Acquisition of property and equipment		(25)	(14)
Acquisitions of subsidiaries (net of cash acquired)		(45,780)	(55,339)
Interest received		2,420	2,861
Net cash flows used in investing activities		**(245,605)**	**(52,505)**
Cash flows from financing activities			
Expenses related to the share capital increase		(216)	-
Proceeds from the issuance of bond loans and other borrowed funds		240,968	-
Expenses related to the issuance of bond loans		(5,049)	-
Repayment of borrowings (bond loans)		(5,447)	(1,323)
Net cash flows provided by / (used in) financing activities		**230,256**	**(1,323)**
Net increase / (decrease) in cash and cash equivalents		**35,361**	**(2,218)**
Cash and cash equivalents at the beginning of the period		158,291	165,408
Effect of foreign exchange currency changes on cash and cash equivalents		1	-
Cash and cash equivalents at the end of the period		**193,653**	**163,190**

All amounts expressed in € thousand, unless otherwise stated

	Note	From 01.01. to 30.09.2014	30.09.2013
Cash flows from operating activities			
Profit / (Loss) before tax		155,599	(49,544)
Adjustments for:			
- Provisions for employee benefits		2	3
- Depreciation of property and equipment	6	9	9
- Amortization of intangible assets		22	22
- Net (gain) / loss from the fair value adjustment of investment properties	5	(102,835)	104,853
- Interest income		(2,409)	(4,320)
- Finance cost		1,704	3
Changes in working capital:			
- (Increase) / Decrease in receivables		(9,571)	(2,068)
- Increase / (Decrease) in payables		8,196	476
Cash flows from operating activities		50,717	49,434
Interest paid		(1,704)	(3)
Tax paid		(1,324)	(1,640)
Net cash flows from operating activities		**47,689**	**47,791**
Cash flows from investing activities			
Acquisition of investment property	5	(188,376)	-
Subsequent capital expenditure on investment properties	5	(121)	(13)
Prepayments for the acquisition of investment property and overseas subsidiaries		(13,661)	-
Acquisition of property and equipment		(25)	(14)
Acquisitions of subsidiaries		(50,253)	(56,166)
Participation in subsidiaries' capital increase		(1,582)	-
Interest received		2,409	4,320
Net cash flows used in investing activities		**(251,609)**	**(51,873)**
Cash flows from financing activities			
Proceeds from share capital increase		-	-
Expenses related to the share capital increase		(216)	-
Proceeds from the issuance of bond loans and other borrowed funds		240,968	-
Expenses related to the issuance of bond loans		(5,049)	-
Net cash flows provided by financing activities		**235,703**	**-**
Net increase / (decrease) in cash and cash equivalents		**31,783**	**(4,082)**
Cash and cash equivalents at the beginning of the period		156,371	165,408
Cash and cash equivalents at the end of the period		**188,154**	**161,326**

All amounts expressed in € thousand, unless otherwise stated

1. General information

NBG Pangaea Real Estate Investment Company (the "Company") is an investment property company in accordance with Article 22 of L. 2778/1999, as in force.

The Company together with its subsidiaries (the "Group") is an investment property group operating in Greece and abroad. More specifically, the Company operates in Italy through its two subsidiaries Nash S.r.L. and Picasso - Fondo Comune di Investimento Immobiliare Speculativo di Tipo Chiuso ad Investitori Qualificati" (Picasso – Closed End Real Estate Investment Fund Reserved for Qualified Investors), hereinafter "Picasso Fund" and in Romania, through MIG Real Estate's subsidiary, Egnatia Properties S.A.

The Company was incorporated at 30 March 2010 with the No. 5941/30.03.2010 decision of the Athens Prefecture (General Commercial Registry no.: 009313201000) and as a Real Estate Investment Company (R.E.I.C.), is supervised by the Hellenic Capital Market Commission which granted its operating license no. 9/544/18.3.2010.

The address of the Company's registered office is 6, Karageorgi Servias Street, Syntagma, Athens, Greece.

It is noted that in accordance with the provisions of L. 2778/1999, as in force, the Company must list its shares in a regulated market, within the meaning of paragraph 10 of article 2 of L. 3606/2007, which operates legally in Greece until 31 October 2015.

The extraordinary General Meeting of the Company's shareholders dated 12 August 2014, approved the Company's share capital increase by: a) an amount of €13,395 due to the contribution in kind of 6,734,011 listed in the Athens Exchange ("ATHEX") shares of the real estate investment company, MIG Real Estate REIC, with the issuance of 3,348,651 common redeemable shares with a par value of €4.00 each and an issue price of €6.23 each (Note 7 and 11) and b) an amount of €16,087 partly in cash of €5,825 and partly in contribution in kind of a property owned by Anthos Properties S.A., with the issuance of 4,021,678 common ordinary shares, with a par value of €4.00 each. Following the above mentioned decision, on 12 August 2014, the MIGRE shares were contributed (Note 11).

Following the completion of the share capital increase relating to MIGRE, the Company's shareholders structure is as follows:

	% holding
• National Bank of Greece S.A. ("NBG")	33.40%
• Invel Real Estate (Netherlands) II B.V. ("Invel")	64.83%
• Other shareholders	1.77%

NBG and Invel entered into a shareholders agreement whereby NBG appoints the majority of the members of the Board of Directors and the Investment Committee and guarantee is provided to NBG for certain other contractual rights. As a result of this shareholders agreement NBG is the controlling shareholder of the Company (Note 22) under IFRS.

All amounts expressed in € thousand, unless otherwise stated

The current Board of Directors has a term of three years which expires at the 2016 Annual General Meeting of Shareholders, which happens in 2017. The Board of Directors was elected by the Extraordinary General Meeting of Shareholders held on 30 December 2013 and was constituted as a body in its same day meeting. The current Board has the following composition:

Christos I. Protopapas	Chairman	Non Executive Member
Paula N. Hadjisotiriou	Vice-Chairman A', Deputy CEO at NBG	Non Executive Member
Christophoros N. Papachristophorou	Vice-Chairman B', Managing Partner at Invel	Executive Member
Aristotelis D. Karytinos	CEO	Executive Member
Thiresia G. Messari	CFO / COO	Executive Member
Akbar Abdul Aziz Rafiq*	Co-Head of European Credit at York Capital	Non Executive Member
Arnaud Dominique Maurice Bertrand Plat**	Chief Operating Officer at Invel	Non Executive Member
Prodromos G. Vlamis	Visiting Professor at Athens University of Economics & Business and Research Associate at University of Cambridge	Independent - Non Executive Member
Spyridon G. Makrydakis	Rector of Neapolis University of Pafos	Independent - Non Executive Member

* *Upon resignation of Mr. Nikolaos J. Papapolitis, Mr. Akbar Abdul Aziz Rafiq was elected as a member of the Board of Directors by virtue of a resolution of the Board of Directors dated on 17 April 2014.*

** *Upon resignation of Mr. David J. Netser, Mr. Arnaud Dominique Maurice Bertrand Plat was elected as a member of the Board of Directors by virtue of a resolution of the Board of Directors dated on 26 September 2014.*

These interim condensed consolidated and company financial statements have been approved by the Company's Board of Directors at 30 October 2014.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1. Basis of preparation

The interim condensed consolidated financial statements of the Group and the interim condensed separate financial statements of the Company as at and for the three and nine months period ended 30 September 2014 (the «interim financial statements») have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These interim financial statements include selected explanatory notes and do not include all the information required for full annual financial statements. Therefore, the interim financial statements should be read in conjunction with the annual financial statements of the Group and the Company as at and for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union ("EU").

The amounts are stated in €, rounded to the nearest thousand (unless otherwise stated) for ease of presentation.

The interim financial statements have been prepared in accordance with the going concern principle, under the historical cost convention, except for investment properties and derivative financial instruments, which have been measured at fair value.

2.2. Adoption of International Financial Reporting Standards (IFRS)

New standards, amendments and interpretations to existing standards applied from 1 January 2014

In May 2011, a package of five standards was issued comprising IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities, IAS 27 (as revised in 2011) Separate Financial Statements and IAS 28 (as revised in 2011) Investments in Associates and Joint Ventures. Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards. In the current year, the Group has applied for the first time IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 (as revised in 2011) together with the amendments to IFRS 10, IFRS 11 and IFRS 12 regarding the transitional guidance. The impact of the application of these standards is set out below.

2.2.1. Impact of the application of IFRS 10

IFRS 10 Consolidated Financial Statements replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee; b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee. There was no impact from the adoption of IFRS 10 in the interim consolidated financial statements.

2.2.2. Impact of the application of IFRS 11

IFRS 11, Joint arrangements focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted. There was no impact from the adoption of IFRS 11.

2.2.3. Impact of the application of IFRS 12

IFRS 12, Disclosures of interests in other entities includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, and structured entities that are not controlled by the entity. No consequential amendments were made to IAS 34 on issuance of IFRS 12 and, as such, the requirements of IFRS 12 do not directly apply to interim financial statements and the Group does not have unconsolidated subsidiaries.

2.2.4. Impact of the application of IAS 27 (2011)

Amended version of IAS 27 now deals with the requirements for separate financial statements, which have been carried over largely unchanged from IAS 27 Consolidated and Separate Financial Statements. Requirements for consolidated financial statements are now contained in IFRS 10 Consolidated Financial Statements. The Standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IAS 39 Financial Instruments: Recognition and measurement. There was no impact from the adoption of the amended IAS 27 to the interim financial statements of the Company.

2.2.5. Impact of the application of IAS 28 (2011)

This Standard supersedes IAS 28 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines “significant influence” and provides guidance on how the equity method of accounting is to be applied. It also prescribes how investments in associates and joint ventures should be tested for impairment. There was no impact from the adoption of the amended IAS 28 to the interim financial statements of the Group.

In addition, the following new amendments apply for the first time in 2014:

2.2.6. Impact on the application of IAS 32 “Financial Instruments: Presentation” (Amendment)

These amendments provide clarifications on the application of the offsetting rules. There was no impact from the adoption of these amendments in the interim financial statements of the Group and the Company.

2.2.7. Impact on the application of IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting” (Amendment)

These amendments provide relief from discontinuing hedge accounting when a derivative designated as a hedging instrument is novated to a clearing counterparty and certain conditions are met. The adoption of this amendment has no impact to the interim consolidated financial statements as the Group has not novated any of its derivatives during the current or prior periods.

2.2.8. Impact on the application of IAS 36 (Amendments) “Recoverable Amount Disclosures for Non-Financial Assets”

These amendments remove the requirement to disclose the recoverable amount of assets or cash-generating units to which a significant amount of goodwill (or intangibles assets with indefinite useful lives) has been allocated in periods when no impairment or reversal has been recognized, to clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique. There was no impact from the adoption of these amendments in the interim financial statements of the Group and the Company.

2.2.9. IFRIC "Interpretation 21 Levies" (IFRIC 21)

IFRIC 21 clarifies that an entity recognizes a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. There was no impact from the adoption of this interpretation in the interim financial statements of the Group and the Company.

2.3. Critical accounting estimates and judgments

In preparing these interim financial statements, the significant estimates, judgments and assumptions made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the annual consolidated and Company financial statements as at and for the year ended 31 December 2013.

3. Financial risk management

3.1. Financial risk management

The Group's activities expose it to a variety of financial risks such as market risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: trade and other receivables, cash and cash equivalents, trade and other payables and borrowings. The accounting policies with respect to these interim condensed financial instruments are the same with those adopted in the annual Group and Company financial report for the year ended 31 December 2013. The risk management policy, followed by the Group, focuses on minimizing the impact of unexpected market changes.

a) Market risk

i) Foreign exchange risk

Foreign exchange risk arises from foreign currency transactions. The Group has international activities but the Group is not significantly exposed to foreign currency risk. The assets and liabilities of the Group are initially recorded in €, which is the functional currency. The Group's exposure to foreign currency risk at 30 September, 2014 is not significant, as the Group's subsidiary, which has not as functional currency the €,represents less than 0.5% of the Group's total assets and less than 2.0% of the Group's total liabilities.

ii) Price risk

The Group is exposed to risk from changes in property values and rents which can originate from a) the developments in the real estate market in which the Group operates, b) the characteristics of properties owned by the Group and c) events concerning existing tenants of the Group. The Group minimizes its exposure to this risk, as the majority of the Group's leases consist of long-term operating leases with creditworthy tenants, for a period between 20 and 25 years, while for the majority of the leases the annual rental adjustment is associated with the Consumer Price Index plus a spread of 1.0%. The Group has no significant exposure to price risk relating to financial instruments as it does not hold any equity securities or commodities.

The Group is governed by an institutional framework under which a) periodic valuation of properties by an independent professional valuer is required, b) a valuation of properties prior to an acquisition or a sale by an independent professional valuer is required, c) development or repair of properties is permitted if the cost of works does not exceed 40.0% of the final commercial value after the completion of works and d) the value of each property must not exceed 25.0% of the value of the property portfolio. This framework contributes significantly to prevent or / and timely manage related risks.

iii) Cash flow and fair value interest rate risk

The Group has significant interest bearing assets comprising demand deposits and short term deposits.

The Group is exposed to fluctuations in interest rates prevailing in the market and on its financial position and cash flows. Borrowing costs may increase as a result of such changes or create losses or borrowing costs may be reduced by the occurrence of unexpected events. To reduce the Group's exposure to fluctuations in interest rates of long-term borrowings, the repricing dates are limited by contract to a maximum period of three months. If the reference rate changed by +/-1% the effect on the Group's results would be estimated at €-102 and €103, respectively.

b) Credit risk

The Group has concentration of credit risk with respect to cash and cash equivalents and lease receivables from operating leases. Credit risk relates to cases of default of counterparties to meet their transactional obligations. No losses are anticipated as lease agreements are conducted with customers - tenants of sufficient creditworthiness. The Group’s maximum exposure results from related party transactions, since the majority of the Group's property portfolio is leased to NBG (77.8% of total rental income) (Note 4 and 22).

c) Liquidity risk

The current or prospective risk to earnings and capital arising from the Group’s inability to collect overdue outstanding financial obligations (by tenants) without incurring unacceptable losses.

The Group ensures it has the required liquidity timely in order to timely meet the obligations, through regular monitoring of liquidity needs and collection of amounts due from tenants as well as prudent cash management.

The liquidity of the Group is monitored by the Management on a regular basis. The maturity analysis of financial liabilities as at 30 September 2014 and 31 December 2013 is as follows:

All amounts expressed in € thousand, unless otherwise stated

30 September 2014	Less than 1 month	1 - 3 months	3 - 12 months	12 months - 2 years	2 - 5 years	Later than 5 years	Total
Liabilities							
Borrowings	2,089	2,371	20,757	27,197	339,516	22,630	414,560
Other long term liabilities	-	-	-	5,854	61	2,873	8,788
Derivative financial instruments	-	493	1,424	1,859	2,514	-	6,290
Trade and other payables	13,945	143	3,452	-	-	-	17,540
Total	**16,034**	**3,007**	**25,633**	**34,910**	**342,091**	**25,503**	**447,178**

31 December 2013	Less than 1 month	1 - 3 months	3 - 12 months	12 months - 2 years	2 - 5 years	Later than 5 years	Total
Liabilities							
Borrowings	-	1,278	4,140	4,183	56,039	-	65,640
Other long term liabilities	-	-	-	6,691	-	2,492	9,183
Derivative financial instruments	-	273	819	1,042	2,006	-	4,140
Trade and other payables	2,623	-	-	-	-	-	2,623
Total	**2,623**	**1,551**	**4,959**	**11,916**	**58,045**	**2,492**	**81,586**

The amounts presented in the above table are the contractual undiscounted cash flows. As the amount of contractual undiscounted cash flows related to bond loans is based on variable rather than fixed interest rates, the amount disclosed is determined by reference to the conditions existing at the reporting date – that is, the actual spot interest rates effective as of 30 September 2014 and 31 December 2013, respectively and are used for determining the related undiscounted cash flows.

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

Consistent with others in the Greek industry, the Group monitors capital on the basis of the gearing ratio (or debt ratio). This ratio is calculated as total borrowings divided by total assets, as shown in the statement of financial position. The regulatory regime governing REICs in Greece permits Greek REICs to borrow up to 50.0% of the value of total assets, for acquisitions and improvements on properties.

The goal of the Group's Management is to optimise the Group's capital structure through effective use of debt financing.

All amounts expressed in € thousand, unless otherwise stated

The table below presents the gearing ratio as at 30 September 2014 and 31 December 2013.

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Total borrowings	334,661	53,657	235,919	-
Total assets	1,606,120	1,110,546	1,455,965	1,036,925
Gearing ratio	**20.8%**	**4.8%**	**16.2%**	**-**

3.3. Fair value estimation of financial instruments

The tables below analyze financial assets and liabilities not carried at fair value at 30 September 2014 and 31 December 2013, respectively:

30 September 2014			
Liabilities	**Level 1**	**Level 2**	**Level 3**
Borrowings	**-**	**-**	**334,661**

31 December 2013			
Liabilities	**Level 1**	**Level 2**	**Level 3**
Borrowings	**-**	**-**	**53,657**

The liabilities included in the tables above are carried at amortized cost and their carrying value approximates their fair value.

As at 30 September 2014 and 31 December 2013 the carrying value of the cash and cash equivalents, trade and other receivables as well as trade payables and accrued interest approximate their fair value.

The tables below analyze the fair value of the financial instruments carried at fair value, by valuation hierarchy as at 30 September 2014 and 31 December 2013.

30 September 2014		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	3,368	-	**3,368**

31 December 2013		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	2,783	-	**2,783**

There were no transfers between Levels 1 and 2, nor any transfers in and out of Level 3 during the period.

The Group's policy is to recognize transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused that transfer.

All amounts expressed in € thousand, unless otherwise stated

Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The derivative financial instruments presented above relate to interest rate swaps. The fair value of interest rate swaps is calculated, using Bloomberg, as the present value of the estimated future cash flows based on observable yield curves. As a result, the derivative financial instruments are included in Level 2.

4. Segment reporting

The Group manages its business though the following business segments, depending on the origin of the revenues per type of properties:

- Retail,
- Offices,
- Other (which include storage space, archives, petrol station, parking spaces and a land in Italy)

Breakdown by business segment

From 1.1. to 30.09.2014	**Retail**	**Offices**	**Other**	**Total**
Rental income	32,740	32,923	730	66,393
Total segment revenue	**32,740**	**32,923**	**730**	**66,393**
Net gain/ (loss) from the fair value adjustment of investment properties	64,499	43,834	401	108,734
Direct property related expenses	(1,613)	(2,221)	(100)	(3,934)
Segment operating profit	**95,626**	**74,536**	**1,031**	**171,193**
Unallocated operating income				**3,981**
Unallocated operating expenses				**(1,935)**
Operating profit				**173,239**
Unallocated interest income				**2,420**
Unallocated finance costs				**(1,637)**
Allocated finance costs	(24)	(3,950)	-	**(3,974)**
Profit before tax				**170,048**
Taxes				(1,134)
Profit for the period				**168,914**

All amounts expressed in € thousand, unless otherwise stated

From 1.1. to 30.09.2014	Retail	Offices	Other	Total
Segment assets as at 30 September 2014				
Segment assets	641,320	652,414	85,051	1,378,785
Unallocated assets				227,335
Total				**1,606,120**
Segment liabilities as at 30 September 2014				
Segment liabilities	11,311	117,612	98	129,021
Unallocated liabilities				243,910
Total liabilities				**372,931**
Non-current assets additions as at 30 September 2014	96,457	220,517	67	**317,041**
Segment assets as at 31 December 2013				
Segment assets	473,706	380,810	78,877	933,393
Unallocated assets				177,153
Total				**1,110,546**
Segment liabilities as at 31 December 2013				
Segment liabilities	1,641	65,973	5,817	73,431
Unallocated liabilities				932
Total liabilities				**74,363**
Non-current assets additions as at 31 December 2013	26,531	40,762	72,735	**140,028**

From 1.1. to 30.09.2013	Retail	Offices	Other	Total
Rental income	34,568	23,967	393	58,928
Total segment revenue	**34,568**	**23,967**	**393**	**58,928**
Net gain/ (loss) from the fair value adjustment of investment properties	(68,530)	(35,016)	(122)	(103,668)
Direct property related expenses	(1,017)	(937)	(12)	(1,966)
Segment operating profit / (loss)	**(34,979)**	**(11,986)**	**259**	**(46,706)**
Unallocated operating income				**1,223**
Unallocated operating expenses				**(619)**
Operating loss				**(46,102)**
Unallocated interest income				**4,333**
Allocated finance costs	-	(2,883)	-	**(2,883)**
Loss before tax				**(44,652)**
Taxes				(1,282)
Loss for the period				**(45,934)**

All amounts expressed in € thousand, unless otherwise stated

Geographic distribution

From 1.1. to 30.09.2014	Revenue	Non-current assets
Greece	63,178	1,219,168
Italy	3,137	147,023
Romania	78	7,445
Total	**66,393**	**1,373,636**

Until December 2013, the Group operated only in the Greek market, therefore no secondary segments' analysis exists for the 9-month period from 1 January to 30 September 2013.

Concentration of customers

NBG, a lessee of the Group, represents more than 10% of the Group's rental income. Rental income for the period ended 30 September 2014 from NBG amounted to €51,648, i.e. 77.8% (period ended 30.09.2013: €52,971, i.e. 89.9%). It is noted that the Company has never experienced any delays at the payments of rental income.

5. Investment property

	Group		Company	
Period ended	**30.09.2014**	**31.12.2013**	**30.09.2014**	**31.12.2013**
Balance at the beginning of the period	930,879	770,609	739,758	770,609
Additions:				
- Direct acquisition of investment property	188,376	-	188,376	-
- Acquisitions though business combinations	128,482	122,136	-	-
- Acquisitions through subsidiaries other than through business combinations	-	67,800	-	-
- Contribution of investment property	-	72,205	-	72,205
- Subsequent capital expenditure on investment property	183	14	121	14
- Transfer from property and equipment	155	103	155	103
- Net gain / (loss) from the fair value adjustment of investment property	108,734	(101,988)	102,835	(103,173)
Balance at the end of the period	**1,356,809**	**930,879**	**1,031,245**	**739,758**

On 23 July 2013 the Company won a bid for the acquisition by the Hellenic Real Estate Development Fund ("HDRAF") of a commercial property, of a total area of approximately 1 thousand sq.m., located at 19 Ermou Street, Athens for a consideration of €5,900. The acquisition process was concluded on 3 February 2014. The property was leased to Folli Follie Group for a period of 16 years.

On 18 October 2013 the Company has been declared as successful bidder for the acquisition by HDRAF, one of the two portfolios in the framework of the sale and leaseback transaction organized by HDRAF. The portfolio consists of 14 assets geographical distributed in Greece (11 properties are located in Attica, 2 properties in Thessaloniki and 1 property in Evros). The properties are leased by the

Hellenic Republic for 20 years. The total area of the properties amounts to approximately 200 thousand sq.m.. The consideration for the acquisition of the portfolio amounted to €115,500.

On 20 March 2014 the Company acquired 100% of the units of Picasso Fund in Italy, which owns an office complex, of a total area of approximately 21 thousand sq.m., located in Milan and an office property, of a total area of approximately 12 thousand sq.m., located in Rome, Italy. The consideration amounted to €37,953 (taking into account the assets and liabilities of the Picasso Fund), out of which €36,953 was paid in cash (funded from equity) and €1,000 was recognized as payable. The fair value of the properties as of 30 September 2014 amounted to €79,223, therefore the Group recognized a gain from the fair value adjustment of investment property, compared to the acquisition value, of €3,077 in the income statement (Note 7).

On 12 August 2014 the Company acquired 34.96% of the share capital of MIG Real Estate REIC, a listed company in the Athens Exchange, for a consideration of €12,300, which was funded by equity. On the same day the Company acquired an additional 47.85% in the share capital of MIG Real Estate REIC as contribution in kind at a share capital increase of the Company of €13,395 with the issuance of 3,348,651 new common redeemable shares with a nominal value of €4.00 and a subscription price of €6.23 per newly issued share. The fair value of the properties as of 30 September 2014 amounted to €52,918, therefore the Group recognized a gain from the fair value adjustment of investment property, compared to the acquisition value, of €582 in the income statement (Note 7 and 11).

On 25 September 2014, the Company acquired from Marinopoulos S.A. four (4) properties located in Marousi of Attica, Ilion of Attica, Katerini of Northern Greece and Agrinio of Western Greece, which are used as supermarkets, with a total surface of approximately 83 thousand sq.m. for the total amount of €66,800. At the same date, the Company signed a commercial lease agreement of the said portfolio with Marinopoulos S.A., for an overall duration of 25 years.

For the Group's borrowings that are secured on investment property please refer to note 13.

All amounts expressed in € thousand, unless otherwise stated

The Group's investment property is measured at fair value. The table below presents the Group's investment property per business segment and geographical area:

Country	**Greece**	**Greece**	**Greece**	**Italy**	**Italy**	**Romania**	**Romania**	**30.09.2014**	**31.12.2013**
Segment	**Retail**	**Offices**	**Other[1]**	**Offices**	**Other[2]**	**Retail**	**Offices**	**Total**	**Total**
Level	3	3	3	3	3	3	3		
Fair value at 1 January	**473,623**	**378,462**	**10,994**	**-**	**67,800**	**-**	**-**	**930,879**	**770,609**
Additions:									
Direct acquisition of investment property	72,733	115,576	67	-	-	**-**	**-**	**188,376**	**-**
Acquisitions through business combinations	22,458	22,485	-	76,146	-	1,256	6,137	**128,482**	**122,136**
Acquisitions through subsidiaries other than though business combinations	**-**	**-**	**-**	-	-	**-**	**-**	**-**	**67,800**
Contribution of investment property	**-**	**-**	**-**	-	-	**-**	**-**	**-**	**72,205**
Subsequent capital expenditure on investment property	2	119	-	-		8	54	**183**	**14**
Transfer from property and equipment	62	93	-	-	-	-	-	**155**	**103**
Net gain / (loss) from the fair value adjustment of investment property	64,367	40,901	401	3,077	-	132	(144)	**108,734**	**(101,988)**
Fair value at period end	**633,245**	**557,636**	**11,462**	**79,223**	**67,800**	**1,396**	**6,047**	**1,356,809**	**930,879**

[1] The segment «Other» in Greece includes storage space, archives, petrol station and parking spaces
[2] The segment «Other» in Italy relates to land

All amounts expressed in € thousand, unless otherwise stated

The Group's policy is to recognize transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the nine-month period ended 30 September 2014, there were no transfers into and out of Level 3. Borrowings which are secured on investment property are included in note 13.

Information about fair value measurements of investment property per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Vacancy (%)
			(See note 1 below)			(See note 2 below)
Greece	Retail	633,245	a. 10% sales comparison and 90% discounted cash flows DCF) b. 5% sales comparison and 95% DCF c. 20% sales comparison and 80% DCF	3,775	7.90% - 12.50%	0.0%-10.0%
Greece	Offices	557,636	a. 10% sales comparison and 90% DCF b. 5% sales comparison and 95% DCF c. 15% sales comparison and 85% DCF d. 20% sales comparison and 80% DCF	3,351	7.50% - 13.50%	0.0%-10.0%
Greece	Other[3]	11,462	10% sales comparison and 90% DCF	65	10.50%-13.25%	0.83%
Italy	Offices	79,223	20% sales comparison and 80% DCF	498	8.25% - 8.75%	0.0%-4.0%
Italy	Other[4]	67,800	80% residual method and 20% depreciated replacement cost method	-	-	-
Romania	Retail	1,396	20% sales comparison and 80% DCF	8	11.25%	3.0%
Romania	Offices	6,047	20% sales comparison and 80% DCF	38	9.50%	3.0%

[3] The segment «Other» in Greece includes storage space, archives, petrol station and parking spaces
[4] The segment «Other» in Italy relates to land

Notes:

1) Management estimates the fair value based on a weighted average of the two valuation methods which vary depending on the terms of the lease agreement:
   - For the NBG leases with a waiver for the termination of the lease for 25 years: 5.0% (sales comparison) – 95.0% (DCF),
   - For the NBG leases with a waiver for the termination of the lease for 15 years: 10.0% - 90.0%
   - For the Cosmote lease with a waiver for the termination of the lease for 8 years: 15.0% - 85.0%
   - For all the remaining leased properties and the vacant properties: 20.0% - 80.0%

2) The vacancy rate, for periods without leases, varies depending on the terms of the lease agreement:
   - For the NBG leases with a waiver for the termination of the lease for 15 years: 0.83% (flexibility mechanism, in accordance with the lease terms)
   - For the NBG leases with a waiver for the termination of the lease for 25 years and the leases with Cosmote (for the property owned by the 100% subsidiary of the Company, KARELA S.A.) and of the Rome property (owned by the 100% subsidiary of the Company Piccasso Fund): 0.0%
   - For all the remaining leases: 3.0% - 4.0%
   - For the vacant properties: 5.0% - 10.0%, depending on the use, the location and the marketability of each property.

In accordance with existing Greek REIC legislation, property valuations as of June 30 and December 31 each year are supported by appraisals performed by independent professionally qualified valuers. The investment property valuation for the consideration of the fair value is performed taking into consideration the high and best use of each property given the legal status, technical characteristics and the allowed uses for each property.

The last valuation of the Groups's properties was performed at 30 September 2014, based on the independent valuer's valuations dated 30 September 2014. The abovementioned valuation had as a result a net increase from fair value adjustment of investment property of €108,734 (30 September 2013: loss of €103,668).

Had the length of vacant periods as at 30 September 2014 been increased or decreased in the discounted cash flow analysis by +/-10% from Management's estimates, the carrying amount of investment property valued would be estimated €651 lower or higher, respectively.

Had the discount rate as at 30 September 2014, used in the DCF analysis, been increased or decreased by +/-10% from Management estimates, the carrying amount of investment property would be an estimated €57,330 lower or €64,207 higher, respectively.

Had the sales price as at 30 September 2014, used in the valuation to determine the fair value of the property in Italy been increased or decreased by +/-10% from Management's estimates, the carrying amount of investment property would be an estimated €39,952 lower or €39,960 higher, respectively.

All amounts expressed in € thousand, unless otherwise stated

6. Property and equipment

Group

	Land and buildings	Vehicles	Fixtures and equipment	Property under development & Advances	Total
Cost					
At 1 January 2013	**1,328**	**-**	**2**	**94**	**1,424**
Additions	-	-	-	164	**164**
Transfer to investment property	-	-	-	(103)	**(103)**
At 31 December 2013	**1,328**	**-**	**2**	**155**	**1,485**
Accumulated depreciation					
At 1 January 2013	(38)	-	(1)	-	(39)
Depreciation charge	(12)	-	(1)	-	(13)
At 31 December 2013	**(50)**	**-**	**(2)**	**-**	**(52)**
Net book value 31 December 2013	**1,278**	**-**	**-**	**155**	**1,433**
Cost					
At 1 January 2014	**1,328**	-	**2**	**155**	**1,485**
Additions	-	-	-	7,065	**7,065**
Acquisitions though business combinations (Note 7)	1,631	2	12	-	**1,645**
Transfer to investment property	-	-	-	(155)	**(155)**
At 30 September 2014	**2,959**	**2**	**14**	**7,065**	**10,040**
Accumulated depreciation					
At 1 January 2014	(50)	-	(2)	-	(52)
Depreciation charge	(12)	(2)	(1)	-	(15)
At 30 September 2014	**(62)**	**(2)**	**(3)**	**-**	**(67)**
Net book value 30 September 2014	**2,897**	**-**	**11**	**7,065**	**9,973**

All amounts expressed in € thousand, unless otherwise stated

Company

	Land and buildings	Fixtures and equipment	Property under development & Advances	Total
Cost				
At 1 January 2013	**1,328**	**2**	**94**	**1,424**
Additions	-	-	164	**164**
Transfer to investment property	-	-	(103)	**(103)**
At 31 December 2013	**1,328**	**2**	**155**	**1,485**
Accumulated depreciation				
At 1 January 2013	(38)	(1)	-	(39)
Depreciation charge	(12)	(1)	-	(13)
At 31 December 2013	**(50)**	**(2)**	**-**	**(52)**
Net book value 31 December 2013	**1,278**	**-**	**155**	**1,433**
Cost				
At 1 January 2014	**1,328**	**2**	**155**	**1,485**
Additions	-	-	7,065	**7,065**
Transfer to investment property	-	-	(155)	**(155)**
At 30 September 2014	**1,328**	**2**	**7,065**	**8,395**
Accumulated depreciation				
At 1 January 2014	(50)	(2)	-	(52)
Depreciation charge	(9)	-	-	(9)
At September 2014	**(59)**	**(2)**	**-**	**(61)**
Net book value 30 September 2014	**1,269**	**-**	**7,065**	**8,334**

Land and buildings comprise the freehold owner-occupied property of the Company located at 6 Karageorgi Servias Street, Athens, used for administration purposes as well as the freehold owner-occupied property of MIG Real Estate REIC located at 4 George Str, Athens (Note 7).

There was no impairment loss of property and equipment for the nine-month period ended 30 September 2013 and year ended 31 December 2014.

It is noted that on 22 August 2014 the Company issued a €237,500 bond loan. In accordance with the terms of the bond program agreement, the Company is obliged to secure the bond loan through mortgages over the Company's properties, including its owner-occupied property (Note 13).

On 29 July 2014 the Company entered into a preliminary agreement to acquire an office property under development, located at 21 Mitropoleos Street, Athens, of a total area of approximately 1 thousand sq.m. for a consideration of €3,500, out of which the Company has already paid an amount of €300 as an advance. The transaction is estimated to close after the finalization of the works and until 30 April 2015.

In addition, on 29 July 2014 the Company entered into a preliminary agreement to acquire a property located at 23 Mitropoleos Street, Athens, which is used as a cultural centre for a total consideration of €11,000, out of which the Company has already paid an amount of €1,500 as advance. For the conclusion of the final agreement, it is expected the publication of a Circular or a Ministerial Decision regulating the calculation of the seller's goodwill tax. The property has a total area of approximately 4 thousand sq.m. and it is primarily leased to Cervantes Institute of Athens.

All amounts expressed in € thousand, unless otherwise stated

On 31 July 2014, the Company entered into a preliminary agreement with Chris Cash & Carry Limited, a company of the Marinopoulos S.A. Group, for the acquisition of two properties in Limassol, Cyprus, located in 11, Spirou Kyprianou Street, for a total consideration of €22,670, from which the Company has paid an amount of €5,000 as an advance. The signing of the final agreement is conditional on the successful completion of legal and technical due diligence process. Of these properties, the one property houses a supermarket of approximately 11 thousand sq.m., while the other one consists of a floor of approximately 1 thousand sq.m., which is used as office space. The Company has also signed a pre-agreement for the lease of the properties with Marinopoulos S.A., with a 25-year duration.

7. Acquisitions of subsidiaries

The Company proceeded with the following acquisitions during the nine-month period ended 30 September 2014 as part of its investment policy to strengthen its position in the real estate markets where it is active:

(a) On 20 March 2014, the Company acquired 100% of the units of the Picasso Fund in Italy. Picasso Fund owns an office complex, of a total area of approximately 21 thousand sq.m., located in Milan and an office property, of a total area of approximately 12 thousand sq.m., located in Rome. The property located in Rome is leased to Telecom Italia and the main tenants of the Milan office complex are Adecco S.p.A., UBI S.p.A., Cardiff Vita (member of the BNP Paribas Group) and IPSOS S.p.A..

The aforementioned acquisition was accounted for as a business combination, therefore all transferred assets and liabilities of Picasso Fund were valued at fair value.

The following table summarizes the fair value of assets and liabilities of the Picasso Fund as of the date of acquisition, which is 20 March 2014:

	20.03.2014
ASSETS	
Investment property (Note 5)	76,146
Cash and cash equivalents	1,364
Other assets	2,020
Total Assets	**79,530**
LIABILITIES	
Borrowings	(38,195)
Derivative financial instruments	(124)
Other liabilities	(2,419)
Total Liabilities	**(40,738)**
Fair value of acquired interest in net assets	**38,792**
Negative goodwill	(839)
Total purchase consideration	**37,953**

Source: Unaudited financial information

All amounts expressed in € thousand, unless otherwise stated

The consideration amounted to €37,953, out of which €36,953 was paid in cash and €1,000 was recognized as payable. The purchase consideration is lower than the fair value of net assets acquired and the gain (negative goodwill) of €839 was included in the income statement ("Other income").

(b) On 12 August 2014, the Company acquired 34.96% of the share capital of MIG Real Estate REIC for a consideration of €12,300. On the same day, the Company acquired an additional 47.85% in the share capital of MIG Real Estate as contribution in kind with the issuance of 3,348,651 new common redeemable shares, with a subscription price of €6.23 per newly issued share (i.e. total fair value of issued shares € 20,862) (Note 5 and 11).

MIG Real Estate REIC owns and manages a commercial (office and retail) real estate portfolio of a total area of approximately 29 thousand sq.m.. The majority of the properties is located in Greece (26 properties in Attica, 4 properties in Thessaloniki and 4 properties in other urban centers). In addition, MIG Real Estate REIC owns two properties in Romania (though its subsidiary Egnatia Properties S.A.). The properties are leased primarily to Piraeus Bank, Marfin Bank Romania, Marfin Leasing INF Romania, Grant Thornton and Boston Consulting.

At the date of acquisition, MIG Real Estate REIC was actively engaged in managing real estate. Management determined that the acquired entity should be accounted for as a business in accordance with IFRS 3, "Business combinations".

The following table summarizes the fair value of assets and liabilities of MIG Real Estate Group as of the date of acquisition, which is 12 August 2014:

	12.08.2014
ASSETS	
Investment property (Note 5)	52,336
Property and equipment (Note 6)	1,645
Cash and cash equivalents	3,109
Other assets	327
Total Assets	**57,417**
LIABILITIES	
Borrowings	(12,337)
Retirement benefit obligations	(139)
Deferred tax liabilities	(29)
Other long term liabilities	(314)
Other liabilities	(1,007)
Total Liabilities	**(13,826)**
Fair value of acquired interest in net assets	**43,591**
Non-controlling interests	(7,493)
Negative goodwill	(2,936)
Total purchase consideration	**33,162**

Source: Unaudited financial information

The purchase consideration is lower than the fair value of the net assets acquired and the gain (negative goodwill) of €2,936 was included in the income statement ("Other income").

All amounts expressed in € thousand, unless otherwise stated

It is noted that on 19 August 2014, the Company launched a mandatory tender offer for the acquisition of the remaining 2,419,989 outstanding shares of MIGRE which represent 17.19% of the share capital of MIG Real Estate REIC for an offer price of €3.10 per share. The tender offer closed on 22 October 2014 (Note 23).

8. Other long-term assets

On 30 September 2014, the Company entered into an agreement with “Sterling Properties Bulgaria EOOD”, member of Marinopoulos S.A. Group, for the purchase of two companies that will own 89.4% of a shopping mall (WEST PLAZA) in Sofia, Bulgaria, for a total consideration of €33,000, out of which €6,600 was paid in advance. West Plaza is under construction and the completion of the construction works is expected to take place until 30 April 2015. The total area of West Plaza is approximately 25 thousand sq.m., out of which approximately 23 thousand sq.m. will be owned by the two companies which constitute the object of the transaction.

The transaction will be executed in two stages; the first stage will take place until 30 November 2014, when the Company will acquire a newly created company “No. 1” by paying an amount of €4,000, and the second stage which will be concluded until 30 November 2015, when it is at the discretion of the Company whether to acquire a newly created company “No. 2” or to resale company “No. 1” to the seller company “Stirling Properties Bulgaria EOOD”.

9. Investment in subsidiaries

			Group		Company	
Subsidiaries	**Country of incorporation**	**Unaudited tax years**	**30.09.2014**	**31.12.2013**	**30.09.2014**	**31.12.2013**
KARELA S.A.	Greece	2010 – 2013	100.00%	100.00%	100.00%	100.00%
Nash S.r.L.	Italy	2009 – 2013	100.00%	100.00%	100.00%	100.00%
Picasso Fund	Italy	2009 – 2013	100.00%	-	100.00%	-
MIG Real Estate REIC (*)	Greece	2010 & 2012 – 2013	82.81%	-	82.81%	-
Egnatia Properties S.A. (**)	Romania	2009 – 2013	82.78%	-	-	-

(*) The financial years 2011, 2012 and 2013 have been audited by certified auditors accountants and the tax certificated for the abovementioned years have been issued. Financial year 2011 is considered closed for tax purposes, since, as per ministerial decision POL 1236/2014, the deadline of 30 April 2014 has elapsed after which the tax authorities cannot tax audit the said financial year. In particular, POL 1236/2014 extended, in the case of financial year 2011, the 18 months deadline (as from the date of submission of the "Tax Compliance Report") which was set by art. 6 of ministerial decision POL 1159/22.7.2011 as the period after the lapse of which the tax authorities cannot tax audit the respective fiscal year. The financial years 2012 and 2013 should be considered closed for tax purposes following the lapse of a period of 18 months from the submission of the "Tax Compliance Report" to the Ministry of Finance (unless the said deadline is extended in the future by a new decision of the Ministry of Finance).

(**) The participation of the Company in Egnatia Properties S.A. is indirect through the Company’s 82.81% subsidiary MIG Real Estate REIC, which owns 99.96% of Egnatia Properties S.A.

All amounts expressed in € thousand, unless otherwise stated

10. Trade and other receivables

The analysis of trade and other receivables is as follows:

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Trade receivables	9,411	2,281	7,526	486
Trade receivables from related parties (Note 22)	454	239	454	239
Receivables from Greek State	7,792	5,904	7,790	5,904
Prepaid expenses	1,980	1,138	1,569	1,055
Other receivables	19,194	8,546	1,680	172
Other receivables from related parties (Note 22)	-	1,590	-	1,590
Total	**38,831**	**19,698**	**19,019**	**9,446**

The fair value of the Group's trade and other receivables is estimated to approximate their carrying value, as the recovery is expected to take place over a period such that the effect of the time value of money is considered immaterial.

Receivables from Greek state mainly relate to capital accumulation tax paid by the Company at 14 April 2010, 16 September 2014 and 17 September 2014. Upon payment of this tax, the Company expressed its reservation on the obligation to pay the tax and at the same time it requested the refund of this amount (incl. relevant interest) as a result of paragraph 1, article 31 of L.2778/1999 , which states that "the shares issued by a REIC and the transfer of properties to a REIC are exempt of any tax, fee, stamp duty, levies, duties or any other charge in favour of the State, public entities and third parties in general." Regarding the tax payment at 14 April 2010, because of the lack of response of the relevant authority after a three months period, the Company filed an appeal and the Company's Management, based on the advice of its legal advisors, believes that the reimbursement of the amounts is in essence certain.

Prepaid expenses at 30 September 2014 and at 31 December 2013 mainly relate to legal and valuation expenses for the preparation of the listing of the Company's shares in ATHEX.

The analysis of other receivables is as follows:

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Receivables from Italian State	5,700	5,700	-	-
Pledged deposit accounts	11,800	2,671	-	-
Other	1,694	475	1,680	172
Total	**19,194**	**8,846**	**1,680**	**172**

All amounts expressed in € thousand, unless otherwise stated

Other receivables of the Group as at 30 September 2014 include:

1. Receivables from Italian state, amounting to €5,700, which relate to VAT receivable mainly deriving from the acquisition of the property of the subsidiary Nash S.r.L. (31 December 2013: €5,700).
2. Balances of pledged deposit accounts amounted to €11,800 (31 December 2013: €2,671), which are held in accordance with the provisions of the program for the issuance of a common bond loan issued by KARELA S.A. (Note 13). The increase in the pledged deposit accounts' balances is mainly due to the VAT refund by the relevant tax authority, under the provisions of article 17 of L.4110/23.1.2013. The Group has the obligation to return to the previous shareholder of KARELA S.A. of the respective refunded and offset VAT on construction works (Note 16).

11. Share capital

	No. of shares	Share Capital	Share Premium	Total
Balance at 1 January 2013	**147,500,000**	**590,000**	**-**	**590,000**
Share capital increase	36,428,000	145,712	-	145,712
Balance at 31 December 2013	**183,928,000**	**735,712**	**-**	**735,712**
Share capital increase	3,348,651	13,395	7,467	20,862
Share capital increase related expenses	-	-	(200)	(200)
Balance at 30 September 2014	**187,276,651**	**749,107**	**7,267**	**756,374**

The total paid up share capital of the Company at 30 September 2014 amounted to €749,107 (31 December 2013: €735,712) divided into 183,928,000 common shares with voting rights (31 December 2013: 183,928,000) with a par value of €4.00 per share and 3,348,651 redeemable common shares with voting rights (31 December 2013: 0), with a par value of €4.00 and redemption price of €7.16 per share. In accordance with the Company's Articles of Association, the right of redemption of the redeemable shares is exercisable after 30 March 2015 in the event that the Company's shares are not listed on the ATHEX. Furthermore, under the Framework Agreement (Note 21), if the shares of the Company have not yet been listed by 30 March 2015 but a specific corporate decision has been taken or material acts have been initiated in view of satisfying the listing requirement of the Company (such as the reverse merger of the Company with MIG Real Estate REIC, whose shares are already listed in ATHEX), the right of redemption cannot be exercised before 30 July 2015. In any case, the shareholders of the Company who are parties to the Framework Agreement undertook to take all actions necessary to ensure that the Company can proceed with the acquisition of the redeemable shares (for a total amount of €23,976).

The extraordinary General Meeting of the Company's shareholders dated 12 August 2014, decided on the Company's share capital increase by: a) an amount of €13,395 due to the contribution in kind of 6,734,011 listed in the ATHEX shares of the real estate investment company, MIG Real Estate REIC, with the issuance of 3,348,651 common redeemable shares with a par value of €4.00 each and an issue price of €6.23 each (Note 7) and b) an amount of €16,087 partly in cash of €5,825 and partly in contribution in kind of a property owned by Anthos Properties S.A., with the issuance of 4,021,678 common ordinary shares, with a par value of €4.00 each. Following the above mentioned decision, on 12 August 2014, the shares of MIG Real Estate REIC were contributed and out of €20.862, €13,395 was credited to the share capital and the remaining €7,467, less expenses, to the share premium account (Note 1 and 7).

All amounts expressed in € thousand, unless otherwise stated

The Company does not hold own shares.

12. Reserves

Reserves are analyzed as follows:

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Regular reserve	2,986	2,986	2,986	2,986
Special reserve	323,987	323,987	323,987	323,987
Foreign exchange differences	(39)	-	-	-
Total	**326,934**	**326,973**	**326,973**	**326,973**

NBG, by its 29 September 2009 decision of the Board of Directors and 14 January 2010 decision of the Extraordinary General Meeting of Shareholders, approved the establishment of a 100% owned real estate investment company in accordance with the provisions of par. 4, article 31 of L.2778/1999, as in force and articles 1-5 of L.2166/1993 and C.L.2190/1920, as in force, with contribution as capital of properties and cash. In accordance with the provisions of L.2166/1993, a "transformation balance sheet" was drawn up by NBG as of 30 September 2009 (date of contribution of the sector).

On 23 March 2010, after obtaining the necessary approvals from the competent authorities, NBG contributed 241 properties to the Company in exchange for shares. An amount of €589,868, which equals the value of the properties as presented in NBG's tax books at 30 September 2009, was recorded as Company's share capital.

The fair value of the properties at 30 September 2009 amounted to €913,855, according to the valuation performed by the statutory valuer.

Following the decision of the Extraordinary General Meeting of the Company's Shareholders dated 3 August 2010 the difference between the fair and the tax value of the contributed properties at 30 September 2009, amounting to €323,987, was recorded in a special reserve account.

13. Borrowings

All borrowings have variable interest rates. The Group is exposed to fluctuations in interest rates prevailing in the market and which affect its financial position and its cash flows. Cost of debt may increase or decrease as a result of such changes. It is noted that in accordance with the terms of the bond loan issued by KARELA S.A., the latter has entered into interest rate swaps for hedging the Group's exposure to variations in variable rate (Note 15).

On 22 August 2014, the Company entered into a bond loan agreement of an amount of €237,500 in accordance with the bond program dated 11 August 2014 as amended on 20 August 2014, with Alpha Bank S.A. as bondholder agent. The purchase of the bonds was financed by international investors, through two unrelated entities which were established for the purpose of the above transaction. The bonds bear interest of 3-month EURIBOR plus a margin of 4.85% and have a final maturity date of 15 July 2019.

All amounts expressed in € thousand, unless otherwise stated

On 29 July 2014 the Company entered into an agreement for a bridge loan up to the amount of €46,200 with Alpha Bank, bearing interest of 3-month EURIBOR plus a margin of 5.30% (Note 21). As at 30 September 2014 the balance of the facility was €6,000.

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Long-term				
Bond loans	284,295	51,390	229,919	-
Other borrowed funds	36,790	-	-	-
Long-term borrowings	**321,085**	**51,390**	**229,919**	**-**
Short-term				
Bond loans	3,101	2,267	-	-
Other borrowed funds	10,475	-	6,000	-
Short-term borrowings	**13,576**	**2,267**	**6,000**	**-**
Total	**334,661**	**53,657**	**235,919**	**-**

The maturity of the Group's borrowings is as follows:

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Up to 1 year	11,907	2,267	4,331	-
From 1 to 5 years	302,067	51,390	231,588	-
More than 5 years	20,687	-	-	-
Total	**334,661**	**53,657**	**235,919**	**-**

The contractual repricing dates are limited to a maximum period of 3 months.

The fair value of borrowings approximated their carrying value at the date of the statement of financial position, as the impact of discounting is not significant.

The Group is not exposed to foreign exchange risk in relation to the borrowings, as all borrowings are denominated in the functional currency.

The borrowings are secured on investment property. More specifically:

- On the property owned by the 100% subsidiary of the Company, KARELA S.A. a prenotation of mortgage was established in favor of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €106,000. Moreover, the entire share capital of KARELA SA is collateral in favor of Piraeus Bank S.A., for all amounts due under the bond program. In addition, all rights of KARELA S.A. arising from the lease with Cosmote have been assigned in a favor of the bondholders.
- Nine properties in Attica (8 in Athens and 1 in Piraeus) owned by the 82.81% subsidiary MIG Real Estate REIC have prenotations of mortgage in favor of Alpha Bank S.A., each for an amount of €9,880.
- On the office complex in Milan Italy, owned by the 100% subsidiary Picasso Fund, a first rank mortgage has been registered in favor of Banca Monte dei Paschi di Sienna S.p.A. for an amount of €72,000 and a second rank mortgage has been registered in favor of the same bank for an amount of €8,000. In addition, on the office property in Rome Italy, owned by the 100% subsidiary Picasso Fund, a first rank mortgage has been registered in favor of the aforementioned bank, for an

All amounts expressed in € thousand, unless otherwise stated

amount of €27,000. Finally, all rights of Picasso Fund arising from the leases for the properties mentioned above have been assigned in a favor of Banca Monte dei Paschi di Sienna S.p.A.

- In accordance with the terms of the bond loan program dated 11 August 2014, as amended on 20 August 2014, for the issuance of the bonds totally amounting to €237,500, the Company until 30 September 2014 registered mortgage prenotations on 5 real estate properties in Greece and mortgages on 68 real estate properties in Greece in favor of Alpha Bank S.A. (bondholder agent) as collateral for all Company's obligations under the financing documents, each for an amount of €250,000.0. The registration of mortgages of the remaining 3 properties was completed in October 2014. In order for the total number of properties, on which a mortgage or a mortgage prenotation is registered, to be 77 the registration of a mortgage on 1 property is pending.

14. Other long-term liabilities

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Long-term deposits	2,934	2,492	74	-
Lease advances	5,854	6,691	-	-
Total	**8,788**	**9,183**	**74**	**-**

The Group had received an advance relating to rental income of €6,691 which will be offset by rents from September 2015. An amount of €5,854 is depicted in other long-term liabilities, whereas an amount of €837 is included in trade and other payables as it will be offset within the next twelve months.

15. Derivative financial instruments

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Derivative liabilities	3,368	2,783	-	-
Total	**3,368**	**2,783**	**-**	**-**

The derivative financial instruments depicted in the table above comprise interest rate swaps. These derivative instruments transacted as effective economic hedges under the Group's risk management positions and do not qualify for hedge accounting under the specific rules of IAS 39.

The notional principal amount of the outstanding interest rate swaps at 30 September 2014 was €49,843 (31 December 2013: €51,468). The losses due to change in fair value of derivative financial instruments amount to €588 (30 September 2013: gain €302).

These derivative liabilities relate to gross amount and have not been offset by derivative assets, however they are subject to major or similar netting agreements, which even though not meeting the criteria established by the applicable accounting standard for offset in the statement of financial position, they provide the right to offset the relevant amounts in the event of default of the agreed terms of one of the counterparties (whether due to bankruptcy, default or handling).

All amounts expressed in € thousand, unless otherwise stated

16. Trade and other payables

The analysis of trade and other payables is as follows:

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Trade payables	1,942	222	1,818	171
Amounts due to related parties (Note 22)	329	112	329	88
Taxes – levies	7,920	5,309	6,765	5,194
Deferred rental income	4,312	-	2,886	-
Other payables	10,946	2,289	1,986	208
Total	**25,449**	**7,932**	**13,784**	**5,661**

Trade and other payables are short term and do not bear interest.

Taxes – levies at 30 September 2014 include leases stamp duty amounting to €1913 (31 December 2013: €2,568) and a provision amounting to €2,554 regarding the unified property tax of L. 4223/2013. Tax - levies at 31 December 2013 include the special real estate levy (E.E.T.A.) of L. 4152/2013 amounted to €1,406.

Deferred rental income mainly relates to rental income owed by the Hellenic Republic, as per the relevant lease agreements, for the period following 30 September 2014.

Other payables of the Group as at 30 September 2014 include an amount of €7,711 (31 December 2013: €2,057), which relates to the amount that the Group shall reimburse the previous shareholder of the subsidiary KARELA S.A.. More specifically, the subsidiary KARELA S.A. selected to apply to the existing commercial lease agreement the VAT regime under the provisions of article 17 of L.4110/23.01.2013. In accordance with the above provisions, the Company requested the deduction of input VAT amounted to €7,711 which had burdened the construction of the property. The Group has the obligation to return the individual amounts of reimbursed or offset VAT of construction works to the previous shareholder of KARELA S.A.. It is noted that the competent tax authority has already refunded the VAT to the Group (Note 10).

17. Revenue

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Rental income	66,393	58,928	56,183	53,347
Total	**66,393**	**58,928**	**56,183**	**53,347**

According to the terms of the Group's investment property portfolio's operating lease agreements, the duration of leases ranges, in most cases, between 20 and 25 years, whereby for the majority of lease agreements, rentals are revised annually by reference to the consumer price index plus a spread of 1.0%.

There are no contingent rental arrangements under the existing operating leases. Rental income of the Group and the Company is not subject to seasonality.

All amounts expressed in € thousand, unless otherwise stated

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
No later than 1 year	85,551	-	68,566	-
Later than 1 year and no later than 5 years	331,384	-	262,684	-
Later than 5 years	1,013,073	-	968,029	-
Total	**1,430,008**	**-**	**1,299,279**	**-**

18. Direct property related expenses

Direct property related expenses include the followings:

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Property taxes - levies	2,902	1,752	2,280	1,575
Expenses for lawyers, notaries, land registrars, technical and other advisors	559	60	435	58
Insurance expenses	163	60	82	18
Valuation expenses	88	83	84	83
Office utilities (electricity, common building expenses, water rates, heating etc) and other service charges	62	11	12	11
Repair and maintenance expenses	49	-	1	-
Brokerage expenses	26	-	26	-
Other expenses	85	-	4	-
Total	**3,934**	**1,966**	**2,924**	**1,745**

Property taxes – levies for the period ended 30 September 2014 include the unified property tax amounted to €2,455 and €2,280 for the Group and the Company. Property taxes – levies for the period ended 30 September 2013 include the Real Estate Tax (“FAP”) of L.3842/2010 amounted to €530 and €388 for the Group and the Company and the special real estate levy (“E.E.T.A.”) of L.4152/2013 amounted to €1,131 and €1,096 for the Group and the Company. It is noted that from 1 January 2014, the unified property tax replaced the Real Estate Tax and the special real estate levy (ex special electricity powered surfaces levy (EETHDE) of L. 4021/2011).

Direct property related expenses incurred in leased and vacant properties were as follows:

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
Leased properties	3,738	1,900	2,829	1,679
Vacant properties	196	66	95	66
Total	**3,934**	**1,966**	**2,924**	**1,745**

19. Taxes

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
REICs' tax	1,121	1,282	986	1,154
Deferred tax	13	-	-	-
Total	**1,134**	**1,282**	**986**	**1,154**

As a REIC, in accordance with article 3, par. 3 of L.2778/1999, as in force, the Company is subject to an annual tax determined by reference to the fair value of its investment properties and cash and cash equivalents at the tax rate of 10.0% of the aggregate European Central Bank reference rate plus 1.0% (the taxation formula is as follows: 10.0% * (ECB reference rate + 1.0%)). MIG Real Estate REIC and KARELA S.A., subsidiaries of the Company in Greece, have the same tax treatment. The above tax relieves the Company and its shareholders of any further tax liabilities.

The Company's foreign subsidiaries, Nash S.r.L. and Egnatia Properties S.A. are taxed on their income, assuming a tax rate of 31.4% in Italy and 16.0% in Romania, respectively. The Company's subsidiary, Picasso Fund, in Italy, is not subject to income tax. No significant foreign income tax expense was incurred for the nine-month period ended 30 September 2014.

20. Earnings / (losses) per share

Basic earnings / (losses) per share ratio is calculated by dividing the profit / (loss) for the period attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Group		Company	
9-month period ended 30 September	**2014**	**2013**	**2014**	**2013**
Profit / (loss) attributable to equity shareholders	168,786	(45,934)	154,613	(50,698)
Weighted average number of ordinary shares in issue (thousands)	184,541	147,500	184,541	147,500
Basic earnings / (losses) per share (€ per share)	**0.91**	**(0.31)**	**0.84**	**(0.34)**

The dilutive earnings per share are the same as the basic earnings per share for all periods presented as there were no dilutive potential ordinary shares.

21. Contingent liabilities and commitments

Groups' companies have not yet been tax audited for tax purposes for certain financial years and accordingly their tax obligations for those years may not be considered final. Additional taxes and penalties may be imposed as a result of such tax audits; although the amount cannot be determined, it is not expected to have a material effect on the consolidated or separate statement of financial position of the Group and the Company. The Company has not been audited for tax purposes for the year ended 31 December 2010. The financial years 2011, 2012 and 2013 were audited by the Company's independent auditors, Deloitte Hadjipavlou Sofianos & Cambanis S.A., in accordance with article 82 of L. 2238/1994. The relevant tax audit certificates for the years 2011, 2012 and 2013 were unqualified and issued on 19 July 2012, 30 September 2013 and 10 July 2014 respectively. Financial year 2011 is considered closed for tax purposes, since, as per ministerial decision POL 1236/2014, the deadline of 30 April 2014 has elapsed after which the tax authorities cannot tax audit the said financial year. In particular, POL 1236/2014 extended, in the case of financial year 2011, the 18 months deadline (as from the date of submission of the "Tax Compliance Report") which was set by art. 6 of ministerial decision POL 1159/22.7.2011 as the period after the lapse of which the tax authorities cannot tax audit the respective fiscal year. The financial years 2012 and 2013 should be considered closed for tax purposes following the lapse of a period of 18 months from the submission of the "Tax Compliance Report" to the Ministry of Finance (unless the said deadline is extended in the future by a new decision of the Ministry of Finance). Information about the unaudited tax years of the subsidiaries are included in Note 9.

In the context of the acquisition of the 14 properties portfolio by HRADF, the Company undertook the commitment to perform any improvements required. Management estimates that these capital expenditure commitments amounts to €2,500 (incl. VAT).

On 12 August 2014, the Company entered into a Framework Agreement (the "Framework Agreement") with shareholders of MIG Real Estate REIC. Parties to the Framework Agreement also were NBG and Invel. Under the Framework Agreement, on 12 August 2014, the shareholders of MIG Real Estate REIC transferred, over the counter, to the Company all of their shares and voting rights (6,734,011) in MIG Real Estate REIC, representing approximately 47.85% of MIG Real Estate REIC's total share capital, as an in kind contribution to a share capital increase by the Company for a total amount of €13,395. The abovementioned share capital increase corresponding to the issuance of 3,348,651 redeemable common voting shares was approved by the Extraordinary General Meeting of the Company's shareholders. Each party to the Framework Agreement has the right to terminate the Framework Agreement in the event of default by the other party on any of the terms of the Framework Agreement, provided that such default has not been remedied within the deadlines set in the Framework Agreement. Furthermore, in the event that the Company violates the obligation to proceed with any of the share capital increases as described in the Framework Agreement, the Company shall be obliged to pay a penalty of €3,000 to the MIG Real Estate Shareholders.

In the context of the credit agreement to open a current account with Alpha Bank S.A. (Note 13), the Company provided specific and irrevocable power of attorney, authorization and right to lawyers acting for Alpha Bank S.A. so that they may attend and represent the Company before any competent court for the purpose of the registration of mortgage prenotation amounting to €55,440 into fourteen (14) Company's properties in Greece, which were the subject of the tender "sale and leaseback" by HRADF (Note 7), in favor of Alpha Bank S.A.. The power of attorney shall expire automatically, either with the full and complete settlement of all Company's obligations under the credit agreement (i.e. 30 January 2015), or the moment that Alpha Bank S.A. covers entirely the debentures of a bond loan, as it may be issued in the future by the Company, and it will be subject to full and complete settlement of any amount under the aforementioned credit agreement.

There are no pending lawsuits against the Group, nor any other contingent liabilities resulting from commitments at 30 September 2014, which would affect the Group's financial position.

All amounts expressed in € thousand, unless otherwise stated

22. Related party transactions

The National Bank of Greece S.A. (parent company), which holds 33.40% of the Company’s share capital, controls, by agreement, the Company (Note 1). All transactions with related parties are objective and are carried out on an arm's length basis and on normal commercial terms for similar transactions with third parties.

The following transactions were carried out with related parties:

i. Balances arising from transactions with related parties

	Group		Company	
	30.09.2014	**31.12.2013**	**30.09.2014**	**31.12.2013**
Trade receivables from related parties				
Parent company	454	239	454	239
	454	**239**	**454**	**239**
Other receivables from related parties				
Parent company	-	1,590	-	1,590
	-	**1,590**	**-**	**1,590**
Cash and cash equivalents				
Parent company	188,154	156,369	188,154	156,369
	188,154	**156,369**	**188,154**	**156,369**
Trade payables to related parties				
Parent company	33	45	33	45
Hellenic National Insurance Company, company of the NBG Group	69	66	69	42
Ethniki Leasing, company of the NBG Group	1	-	1	-
Ethnodata, company of the NBG Group	1	1	1	1
Other shareholders	225	-	225	-
	329	**112**	**329**	**88**
Borrowings				
Parent company	9,676	9,920	-	-
	9,676	**9,920**	**-**	**-**
Derivative financial instruments – Liabilities				
Parent company	593	477	-	-
	593	**477**	**-**	**-**

All amounts expressed in € thousand, unless otherwise stated

ii. Rental income

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Parent company	51,648	52,971	51,648	52,971
Other companies of the NBG Group [5]	176	212	176	212
Total	**51,824**	**53,183**	**51,824**	**53,183**

iii. Insurance expenses

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Hellenic National Insurance Company, company of the NBG Group	99	40	82	18
Total	**99**	**40**	**82**	**18**

iv. Net change in fair value of financial instruments at fair value through profit or loss

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Parent company	(116)	54	-	-
Total	**(116)**	**54**	**-**	**-**

v. Other expenses

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Parent company	23	-	23	-
Ethnodata, company of the NBG Group	3	2	3	2
Ethniki Leasing, company of the NBG Group	8	9	8	9
Other shareholders	225	-	225	-
Total	**259**	**11**	**259**	**11**

vi. Interest income

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Parent company	2,409	4,319	2,409	4,319
Total	**2,409**	**4,319**	**2,409**	**4,319**

[5] Ethniki Factors, Ethniki Kefalaiou (absorbed by NBG on 31 May 2014), Ethniki Leasing, National Insurance Brokers.

All amounts expressed in € thousand, unless otherwise stated

vii. Finance costs

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Parent company	635	514	70	-
Total	**635**	**514**	**70**	**-**

viii. Due to key management

	Group		Company	
	30.09.2014	31.12.2013	30.09.2014	31.12.2013
BoD fees payable	20	-	-	-
Total	**20**	**-**	**-**	**-**

ix. Key management compensation

	Group		Company	
	9-month period ended		9-month period ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
BoD, its committees and Senior Management compensation	229	76	199	76
Total	**229**	**76**	**199**	**76**

x. Commitments and contingent liabilities

There are no commitments and contingent liabilities between the Company and related parties.

23. Events after the reporting period

On 1 October 2014, the Company entered into a preliminary agreement with Marinopoulos S.A. for the purchase of a property used as supermarket, of a total area of approximately 11 thousand sq. m., which is located in Marousi of Attica, 3-5 Himaras Street, for a total consideration of €7,500. The Company has already paid the amount of €1,500 in advance, while the final agreement will be concluded no later than 1 December 2014. The Company has also concluded a pre-agreement for the lease of the whole property to Marinopoulos S.A. with a 25-year duration.

On 10 October 2014, the Group signed a binding agreement for the acquisition of a property portfolio, which consists of 88 commercial properties (offices and retail), owned by an Italian banking institution, mainly located in northern Italy, for a total consideration of €167,300. The properties will be leased to the banking institution under long-term lease agreements (with duration of at least 15 years with the option to renew for an additional 6-year period). The acquisition of 84 out of the 88 properties is expected to be completed by the end of the year, while the acquisition of the remaining four properties is expected to be concluded by February 2015. The above transaction is subject to fulfillment of certain conditions and to the extent that the transaction is not consummated, the banking institution will pay the Group a penalty of €200.

Moreover, on 10 October 2014, a binding agreement was signed for the acquisition of an office building, of a total area of approximately 11.5 thousand sq.m., located in Rome, Italy for a total consideration of €38,700. The property is leased to the Italian State and its acquisition is expected to be concluded by January 2015.

On 19 August 2014, the Company started the process of mandatory tender offer to the shareholders of MIG Real Estate REIC, for the acquisition of 2,419,989 shares, which represent 17.19% of the total share capital of MIG Real Estate REIC at the price of €3.10 per share. The tender offer was completed on 22 October 2014 and was accepted by the shareholders of MIG Real Estate REIC who hold 1,951,053 shares (13.86%) of MIG Real Estate REIC share capital and as a result, the total consideration must be paid by the Company amounts to €6,048. Upon the acquisition of these shares, the Company will hold 96.67% of MIG Real Estate REIC (Note 7).

There are no other significant events subsequent to the date of the financial statements relating to the Group or the Company for which disclosure is required by IFRS.