NBG PANGAEA

NBG PANGAEA R.E.I.C.

INTERIM CONDENSED FINANCIAL STATEMENTS

for the period from January 1 to March 31, 2017

This interim financial report has been translated from the original report that has been prepared in the Greek language. Reasonable care has been taken to ensure that this report represents an accurate translation of the original text. In the event that differences exist between this translation and the original Greek language financial report, the Greek language financial report will prevail over this document.

May 2017

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All amounts expressed in € thousand, unless otherwise stated

	Note	Group 31.03.2017	Group 31.12.2016	Company 31.03.2017	Company 31.12.2016
ASSETS					
Non-current assets					
Investment property	5	1,490,036	1,490,000	1,235,626	1,235,590
Investment in subsidiaries	6	-	-	180,842	155,742
Property and equipment		13,029	2,265	2,480	2,424
Intangible assets		152	159	152	159
Deferred tax assets		1	1	-	-
Other long-term receivables	7	6,624	17,325	6,623	17,325
		1,509,842	**1,509,750**	**1,425,723**	**1,411,240**
Current assets					
Trade and other receivables	8	65,289	61,015	61,141	57,137
Cash and cash equivalents	9	65,812	54,732	52,932	40,624
		131,101	**115,747**	**114,073**	**97,761**
Total assets		**1,640,943**	**1,625,497**	**1,539,796**	**1,509,001**
SHAREHOLDERS' EQUITY					
Share capital	10	766,484	766,484	766,484	766,484
Share premium	10	15,890	15,890	15,970	15,970
Reserves	11	336,173	336,119	336,182	336,182
Retained Earnings		93,521	76,448	99,145	80,241
Total equity		**1,212,068**	**1,194,941**	**1,217,781**	**1,198,877**
LIABILITIES					
Long-term liabilities					
Borrowings	12	345,352	344,843	233,744	233,339
Retirement benefit obligations		178	174	178	174
Deferred tax liabilities		205	198	-	-
Other long-term liabilities	13	3,334	3,329	3,158	3,153
		349,069	**348,544**	**237,080**	**236,666**
Short-term liabilities					
Trade and other payables	15	16,525	15,521	25,632	10,217
Borrowings	12	58,939	59,230	55,658	56,665
Derivative financial instruments	14	1,629	1,897	937	1,236
Current tax liabilities		2,713	5,364	2,708	5,340
		79,806	**82,012**	**84,935**	**73,458**
Total liabilities		**428,875**	**430,556**	**322,015**	**310,124**
Total shareholders' equity and liabilities		**1,640,943**	**1,625,497**	**1,539,796**	**1,509,001**

Athens, May 29, 2017

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

	Note	Group From 01.01. to 31.03.2017	Group From 01.01. to 31.03.2016	Company From 01.01. to 31.03.2017	Company From 01.01. to 31.03.2016
Revenue		28,709	28,644	25,406	22,916
		28,709	**28,644**	**25,406**	**22,916**
Net loss from the fair value adjustment of investment property	5	-	(453)	-	(392)
Direct property related expenses		(3,090)	(2,557)	(2,548)	(1,911)
Personnel expenses		(542)	(566)	(542)	(566)
Depreciation of property and equipment		(6)	(7)	(6)	(8)
Amortisation of intangible assets		(7)	(7)	(7)	(7)
Net change in fair value of financial instruments at fair value through profit or loss	14	365	212	302	-
Other income		79	83	3.536	894
Other expenses		(495)	(776)	(340)	(638)
Corporate Responsibility		(27)	-	(27)	-
Operating Profit		**24,986**	**24,573**	**25,774**	**20,288**
Interest income		6	66	5	66
Finance costs		(5,198)	(5,252)	(4,167)	(3,398)
Profit before tax		**19,794**	**19,387**	**21,612**	**16,956**
Taxes	17	(2,721)	(390)	(2,708)	(350)
Profit for the period		**17,073**	**18,997**	**18,904**	**16,606**
Attributable to:					
Non-controlling interests		-	-	-	-
Company's equity shareholders		**17,073**	**18,997**	**18,904**	**16,606**
Earnings per share (expressed in € per share) - Basic and diluted	18	0.0668	0.0744	0.0740	0.0650

Athens, May 29, 2017

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All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	**31.03.2016**	**31.03.2017**	**31.03.2016**
Profit for the period	**17,073**	**18,997**	**18,904**	**16,606**
Other comprehensive income / (expense):				
Items that may not be reclassified subsequently to profit or loss:				
Revaluation reserve	-	30	-	30
Total of items that may not be reclassified subsequently to profit or loss	**-**	**30**	**-**	**30**
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	13	(77)	-	-
Cash flow hedges	41	(329)	-	-
Total of items that may be reclassified subsequently to profit or loss	**54**	**(406)**	**-**	**-**
Other comprehensive income/(expense) for the period	**54**	**(376)**	**-**	**30**
Total comprehensive income/(expense) for the period	**17,127**	**18,621**	**18,904**	**16,636**
Attributable to:				
Non-controlling interests	-	-	-	-
Company's equity shareholders	**17,127**	**18,621**	**18,904**	**16,636**

Athens, May 29, 2017

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	Attributable to Company's shareholders						
	Share capital	**Share premium**	**Reserves**	**Retained Earnings / (Losses)**	**Total**	**Non-controlling interests**	**Total**
Balance January 1, 2016	**766,484**	**15,890**	**333,615**	**77,719**	**1,193,708**	**-**	**1,193,708**
Other comprehensive expense for the period	-	-	(376)	-	**(376)**	-	**(376)**
Profit for the period	-	-	-	18,997	**18,997**	-	**18,997**
Total comprehensive income/(expense) after tax	**-**	**-**	**(376)**	**18,997**	**18,621**	**-**	**18,621**
Balance March 31, 2016	**766,484**	**15,890**	**333,239**	**96,716**	**1,212,329**	-	**1,212,329**
Movements to December 31, 2016	-	-	2,880	(20,268)	**(17,388)**		(17,388)
Balance December 31, 2016	**766,484**	**15,890**	**336,119**	**76,448**	**1,194,941**	**-**	**1,194,941**
Balance January 1, 2017	**766.484**	**15,890**	**336,119**	**76,448**	**1,194,941**	**-**	**1,194,941**
Other comprehensive income for the period	-	-	54	-	**54**	-	**54**
Profit for the period	-	-	-	17,073	**17,073**	-	**17,073**
Total comprehensive income after tax	**-**	**-**	**54**	**17,073**	**17,127**	**-**	**17,127**
Balance March 31, 2017	**766,484**	**15,890**	**336,173**	**93,521**	**1,212,068**	**-**	**1,212,068**

Athens, May 29, 2017

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Christos Protopapas	Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Share capital	Share premium	Reserves	Retained Earnings	Total
Balance January 1, 2016	**766,484**	**15,970**	**333,435**	**62,830**	**1,178,719**
Other comprehensive income for the period	**-**	**-**	30	-	**30**
Profit for the period	-	-	-	16,606	**16,606**
Total comprehensive income after tax	**-**	**-**	**30**	**16,606**	**16,636**
Balance March 31, 2016	**766,484**	**15,970**	**333,465**	**79,436**	**1,195,355**
Movements to December 31, 2016	-	-	2,717	805	3,522
Balance December 31, 2016	**766,484**	**15,970**	**336,182**	**80,241**	**1,198,877**
Balance January 1, 2017	**766,484**	**15,970**	**336,182**	**80,241**	**1,198,877**
Profit for the period	-	-	-	18,904	18,904
Total comprehensive income after tax	**-**	**-**	**-**	**18,904**	**18,904**
Balance March 31, 2017	**766,484**	**15,970**	**336,182**	**99,145**	**1,217,781**

Athens, May 29, 2017

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	From 01.01. to	
	31.03.2017	**31.03.2016**
Cash flows from operating activities		
Profit before tax	19,794	19,387
Adjustments for:		
- Provisions for employee benefits	4	-
- Depreciation of property and equipment	6	7
- Amortization of intangible assets	7	7
- Net loss from the fair value adjustment of investment property	-	453
- Interest income	(6)	(66)
- Finance costs	5,198	5,252
- Net change in fair value of financial instruments at fair value through profit or loss	(365)	(212)
Changes in working capital:		
- (Increase) / Decrease in receivables	(4,273)	(5,437)
- Increase / (Decrease) in payables	1,009	(1,220)
Cash flows from operating activities	21,374	18,171
Interest paid	(3,816)	(4,117)
Tax paid	(5,366)	(756)
Net cash flows from operating activities	**12,192**	**13,298**
Cash flows from investing activities		
Acquisition of investment property	-	(4,478)
Subsequent capital expenditure on investment property	(36)	(61)
Expenses related to future acquisition of investment property	(64)	-
Purchases of property and equipment	(6)	-
Interest received	6	64
Net cash flows used in investing activities	**(100)**	**(4,475)**
Cash flows from financing activities		
Repayment of borrowings	(1,011)	(335)
Net cash flows used in financing activities	**(1,011)**	**(335)**
Net increase in cash and cash equivalents	**11,081**	**8,488**
Cash and cash equivalents at the beginning of the period	54,732	90,433
Effect of foreign exchange currency changes on cash and cash equivalents	(1)	1
Cash and cash equivalents at the end of the period	**65,812**	**98,922**

Athens, May 29, 2017

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All amounts expressed in € thousand, unless otherwise stated

	From 01.01. to	
	31.03.2017	**31.03.2016**
Cash flows from operating activities		
Profit before tax	21,612	16,956
Adjustments for:		
- Provisions for employee benefits	4	-
- Depreciation of property and equipment	6	8
- Amortization of intangible assets	7	7
- Net loss from the fair value adjustment of investment properties	-	392
- Interest income	(5)	(66)
- Finance costs	4,167	3,398
- Net change in fair value of financial instruments at fair value through profit or loss	(302)	-
Changes in working capital:		
- (Increase) / Decrease in receivables	6,699	(4,791)
- Increase / (Decrease) in payables	15,420	996
Cash flows from operating activities	47,608	16,900
Interest paid	(3,791)	(3,110)
Tax paid	(5,340)	(684)
Net cash flows from operating activities	**38,477**	**13,106**
Cash flows from investing activities		
Acquisition of investment property	-	(4,478)
Subsequent capital expenditure on investment property	(36)	-
Expenses related to future acquisition of investment property	(56)	-
Purchases of property and equipment	(6)	-
Interest received	5	64
Net cash flows used in investing activities	**(93)**	**(4,414)**
Cash flows from financing activities		
Repayment of borrowings	(976)	(300)
Participation in subsidiaries' capital increase	(25,100)	-
Net cash flows used in financing activities	**(26,076)**	**(300)**
Net increase in cash and cash equivalents	**12,308**	**8,392**
Cash and cash equivalents at the beginning of the period	40,624	61,885
Cash and cash equivalents at the end of the period	**52,932**	**70,277**

Athens, May 29, 2017

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NOTE 1: General Information

"NBG PANGAEA REAL ESTATE INVESTMENT COMPANY" (former "MIG REAL ESTATE INVESTMENT COMPANY") operates in real estate investment market under the provisions of Article 22 of L. 2778/1999, as in force. As Real Estate Investment Company (REIC), the company is supervised by the Hellenic Capital Market Commission. It is also noted that the Company is licensed as an alternative investment fund manager according to Law 4209/2013.

The headquarters are located at 6, Karageorgi Servias str., Athens, Greece. The Company is registered with the No. 3546201000 in the General Commercial Companies Registry (G.E.MI.) and its duration expires on December 31, 2110.

The Company together with its subsidiaries (hereinafter the "Group") operates in real estate investments both in Greece and abroad, such as Italy, Romania and Cyprus.

Following the resolution of the Boards of Directors of the Company (the "Absorbing Company") and its subsidiary "KARELA S.A." (the "Absorbed Company") held on December 28, 2015, on the commencement of the preparatory works of the merger by absorption of the latter by the first, on May 19, 2016 the Boards of Directors of the merging companies approved the draft merger agreement which was signed on May 20, 2016. The Company owned 100% of the share capital and voting rights of the Absorbed Company. The envisaged merger took place through the consolidation of assets and liabilities of the two companies, with the combined application of the provisions of articles 68 et seq., and particularly of article 78, par. 2 of the C.L. 2190/1920 and those of Greek law No. 2166/1993, as in force. December 31, 2015 has been set as the transformation date, whereas the auditing firm PRICEWATERHOUSECOOPERS S.A. proceeded to the ascertainment of the soundness of the transformation balance sheet of the Absorbed Company. On July 28, 2016, the merger by absorption of the company KARELA S.A. by its parent entity NBG PANGAEA REIC was completed in accordance with the decision protocol No. 80578/28.07.2016 of the Ministry of Economy, Development and Tourism (currently Ministry of Economy and Development) which was registered on the same day with the General Commercial Register of the abovementioned Ministry.

As of March 31, 2017, the Group's and the Company's number of employees was 27 (December 31, 2016: 25 employees for the Group and the Company, March 31, 2016: 26 employees for the Group and the Company).

The current Board of Directors has a term of three years which expires upon the election of the new Board of Directors by the Annual General Meeting of Shareholders, which will take place within 2019. The Board of Directors was elected by the Extraordinary General Meeting of Shareholders held on September 25, 2015 and was constituted as a body in its same day meeting. On February 24, 2017, the Board of Directors was reconstituted as a body and currently has the following composition:

Christos I. Protopapas	Chairman, Economist – Banker	Non-Executive Member
Ioannis P. Kyriakopoulos	Vice-Chairman A', General Manager, National Bank of Greece S.A. (hereinafter "NBG") Group CFO	Non-Executive Member
Christophoros N. Papachristophorou	Vice-Chairman B', Businessman	Executive Member
Aristotelis D. Karytinos	CEO	Executive Member
Thiresia G. Messari	CFO / COO	Executive Member
Nikolaos M. Iatrou	Business Executive	Non-Executive Member
Athanasios D. Karagiannis	Investment Advisor	Non-Executive Member
Prodromos G. Vlamis	Associate at the University of Cambridge & Visiting Professor at Athens University of Economics and Business	Independent - Non Executive Member
Spyridon G. Makridakis	Professor at the INSEAD Business School	Independent - Non Executive Member

These consolidated and separate financial statements have been approved by the Company's Board of Directors on May 29, 2017 and are available on the website address http://www.nbgpangaea.gr.

NOTE 2: Summary of Significant Accounting Policies

2.1 Basis of Preparation

The interim condensed financial statements of the Group and the Company for the three-month period ended March 31, 2017 (the "Interim Financial Statements") have been prepared in accordance with the 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 consolidated and separate financial statements of NBG Pangaea REIC as at and for the year ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

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

It is mentioned that where necessary, comparative figures have been adjusted to conform to changes in the current period's presentation. The adjustments made is considered that they do not have material impact in the presentation of financial information.

The Interim Financial Statements have been prepared based on the going concern principle, applying 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)

2.2.1. New standards, amendments and interpretations to existing standards applied from 1 January 2017:

- **IAS 12 (Amendment) "Recognition of Deferred Tax Assets for Unrealised Losses**" (effective for annual periods beginning on or after January 1, 2017, as issued by the IASB). This amendment clarifies the following aspects: Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use. The carrying amount of an asset does not limit the estimation of probable future taxable profits. Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences. An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type. There was no impact from the amendment of IAS 12 in the Interim Financial Statements of the Group and the Company.

- **IAS 7 (Amendment) "Disclosure Initiative"** (effective for annual periods beginning on or after January 1, 2017). The amendment requires that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. There was no impact from the amendment of IAS 7 in the Interim Financial Statements of the Group and the Company.

- **"Annual Improvements to IFRS Standards 2014–2016 Cycle".** The amendments impact the following standards:

    - **IFRS 12 "Disclosure of Interests in Other Entities"**. Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* (effective for annual periods beginning on or after January 1, 2017, as issued by the IASB).

There was no impact from these amendments in the Interim Financial Statements of the Group and the Company.

All amounts expressed in € thousand, unless otherwise stated

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 consolidated and separate Financial Statements for the year ended December 31, 2016.

NOTE 3: Financial Risk Management

3.1 Financial Risk Management

The Group is exposed 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 risk management policy, followed by the Group, focuses on minimizing the impact of unexpected market changes.

The Interim Financial Statements do not include all information regarding the financial risk management and the relevant disclosures required in the annual financial statements and should be read in conjunction with the published consolidated and separate financial statements for the year ended December 31, 2016.

3.2 Fair Value Estimation of Financial Assets and Liabilities

The Group measures the fair value of financial instruments based on a framework for measuring fair value that categorises financial instruments based on three-level hierarchy in accordance with the hierarchy of the inputs used to the valuation technique, as discussed below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. More specifically, 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 maximise 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.

Level 3: Inputs for the asset or liability that are not based on observable market data. More specifically if one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

- *Financial instruments carried at fair value*

The table below analyses financial assets and liabilities of the Group carried at fair value, by valuation method, as at March 31, 2017 and December 31, 2016, respectively.

March 31, 2017		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	1,629	-	**1,629**

December 31, 2016		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	1,897	-	**1,897**

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.

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

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 that transfer.

- *Financial instrument not carried at fair value*

The tables below analyse financial assets and liabilities of the Group not carried at fair value as at March 31, 2017 and December 31, 2016, respectively:

March 31, 2017		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowings	-	-	404,291	**404,291**

December 31, 2016		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowings	-	-	404,073	**404,073**

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

As at March 31, 2017 and December 31, 2016, the carrying value of cash and cash equivalents, trade and other receivables as well as trade and other payables approximate their fair value.

NOTE 4: Segment Reporting

The Group has recognized the following business segments, depending on the origin of the revenues per geography (country) and type of properties:

- Greece – Retail,
- Greece – Offices,
- Greece – Other (include city hotels, storage space, archives, petrol stations and parking spaces),
- Italy – Offices,
- Italy – Retail,
- Italy – Other (relates to a land plot and storage space),
- Romania – Retail,
- Romania – Offices,
- Cyprus – Retail.

All amounts expressed in € thousand, unless otherwise stated

From 01.01. to 31.03.2017

Country	**Greece**	**Greece**	**Greece**	**Italy**	**Italy**	**Italy**	**Romania**	**Romania**	**Cyprus**	
Segment	**Retail**	**Offices**	**Other**	**Offices**	**Retail**	**Other**	**Retail**	**Offices**	**Retail**	**Total**
Revenue	12,886	12,241	279	2,923	221	9	34	116	-	**28,709**
Total segment revenue	**12,886**	**12,241**	**279**	**2,923**	**221**	**9**	**34**	**116**	**-**	**28,709**
Net gain / (loss) from the fair value adjustment of investment properties	-	-	-	-	-	-	-	-	**-**	**-**
Direct property related expenses	(956)	(1,456)	(140)	(417)	(20)	(80)	(4)	(17)	-	**(3,090)**
Total segment operating profit / (loss)	**11,930**	**10,785**	**139**	**2,506**	**201**	**(71)**	**30**	**99**	**-**	**25,619**
Unallocated operating income										**79**
Unallocated operating expenses										**(712)**
Operating Profit										**24,986**
Unallocated interest income										**6**
Unallocated finance costs										**(4,220)**
Allocated finance costs	-	(978)	-	-	-	-	-	-	-	**(978)**
Profit before tax										**19,794**
Taxes										**(2,721)**
Profit for the period										**17,073**
Segment assets as at March 31, 2017										
Segment assets	644,525	614,621	17,301	179,215	14,603	54,270	1,445	5,063	-	**1,531,043**
Unallocated assets										**109,900**
Total assets										**1,640,943**
Segment liabilities as at March 31, 2017										
Segment liabilities	4,015	58,017	395	2,515	180	2,023	11	43	8	**67,207**
Unallocated liabilities										**361,668**
Total liabilities										**428,875**
Non-current assets additions as at March 31, 2017	9	27	-	-	-	-	-	-		**36**

All amounts expressed in € thousand, unless otherwise stated

NBG PANGAEA

From 01.01. to 31.03.2016

Country	**Greece**	**Greece**	**Greece**	**Italy**	**Italy**	**Italy**	**Romania**	**Romania**	
Segment	**Retail**	**Offices**	**Other**	**Offices**	**Retail**	**Other**	**Retail**	**Offices**	**Total**
Revenue	9,883	15,299	276	3,025	14	-	34	113	28,644
Total segment revenue	**9,883**	**15,299**	**276**	**3,025**	**14**	**-**	**34**	**113**	**28,644**
Net gain / (loss) from the fair value adjustment of investment properties	46	(438)	-	-	-	(61)	-	-	**(453)**
Direct property related expenses	(1,055)	(816)	(112)	(396)	(2)	(154)	(3)	(19)	**(2,557)**
Total segment operating profit / (loss)	**8,874**	**14,045**	**164**	**2,629**	**12**	**(215)**	**31**	**94**	**25,634**
Unallocated operating income									**83**
Unallocated operating expenses									**(1,144)**
Operating Profit									**24,573**
Unallocated interest income									**66**
Unallocated finance costs									**(4,229)**
Allocated finance costs	-	(1,023)	-	-	-	-	-	-	**(1,023)**
Profit before tax									**19,387**
Taxes									**(390)**
Profit for the period									**18,997**
Segment assets as at December 31, 2016									
Segment assets	653,093	612,970	17,308	178,979	14,523	54,335	1,434	5,015	**1,537,657**
Unallocated assets									**87,840**
Total assets									**1,625,497**
Segment liabilities as at December 31, 2016									
Segment liabilities	3,345	58,184	480	2,485	141	1,999	11	43	**66,688**
Unallocated liabilities									**363,868**
Total liabilities									**430,556**
Non-current assets additions as at December 31, 2016	7,977	3,294	3,716	10,177	11,453	682	-	-	**37,299**

All amounts expressed in € thousand, unless otherwise stated

In relation to the above segment analysis we state that:

(a) There are no transactions between business segments.
(b) Segment assets include investment properties and trade receivables.
(c) Unallocated assets include property and equipment, intangible assets, cash and cash equivalents, deferred tax assets and other receivables.

Group's and Company's rental income is not subject to seasonal fluctuations.

Concentration of customers

NBG and Hellenic Republic, lessees of the Group, represent, each one individually, more than 10% of Group's revenue. Rental income from NBG for the three-month period ended March 31, 2017 amounted to €17,088 thousand, i.e. 59.5% (three-month period ended March 31, 2016: €16,988 thousand, i.e. 59.6%) and rental income from Hellenic Republic for the aforementioned period amounted to €2,889 thousand, i.e. 10.1% (three-month period ended March 31, 2016: €2,884 thousand, i.e. 10.1%).

NOTE 5: Investment Property

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Balance at the beginning of the period	**1,490,000**	**1,470,079**	**1,235,590**	**1,111,067**
Additions:				
- Direct acquisition of investment property	-	33,215	-	10,999
- Acquisitions through business combinations	-	3,716	-	-
- Subsequent capital expenditure on investment property	36	368	36	272
- Transfer from property and equipment	-	1,789	-	1,789
- Transfer to property and equipment	-	(947)	-	(947)
- Effect from merger	-	-	-	125,136
Net gain / (loss) from the fair value adjustment of investment property	-	(18,220)	-	(12,726)
Balance at the end of the period	**1,490,036**	**1,490,000**	**1,235,626**	**1,235,590**

Due to the merger by absorption of the company NBG PANGAEA REIC ("Absorbed Company) by its subsidiary MIG Real Estate REIC ("Absorbing Company") and the resulting quasi-universal succession, in accordance with the provisions of article 75 par.1, subpar. a' of C.L. 2190/1920, the Company has automatically substituted the Absorbed Company vis-à-vis all of its rights and obligations, among others over all properties of the latter. Therefore, Investment Property of the Company includes the properties of both the Absorbing Company and the Absorbed Company. The Company is in the process of registering the transfer of the Absorbed Company's properties with the relevant land registries or cadastral offices. Four (4) properties of the Absorbed Company in Athens and one (1) property in Paros of a total fair value of €15,463 thousand as of March 31, 2017 and December 31, 2016 will be subject to a transfer in rem, once the necessary legal and technical procedures are concluded.

Additionally, due to the merger through absorption of the company KARELA S.A. by the Company and the resulting quasi-universal succession, in accordance with the provisions of article 75 par.1, subpar. a' of C.L. 2190/1920, the Company has automatically substituted the company KARELA S.A. vis-à-vis all of its rights and obligations, among others over the property of the latter. Therefore, Investment Property of the Company also includes the property of KARELA S.A., the legal transfer of which in the relevant cadastral office took place on August 2, 2016.

The Group's borrowings which are secured on investment property are stated in Note 12.

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**	**Italy**	**Romania**	**Romania**	**31.03.2017**	**31.12.2016**
Segment	**Retail**	**Offices**	**Other[1]**	**Offices**	**Retail**	**Other[2,3]**	**Retail**	**Offices**	**Total**	**Total**
Level	3	3	3	3	3	3	3	3		
Fair value at the beginning of the period	**623,454**	**599,962**	**16,247**	**175,399**	**14,441**	**54,050**	**1,433**	**5,014**	**1,490,000**	**1,470,079**
Additions:										
Direct acquisition of investment property	-	-	-	-	-	-	-	-	**-**	**33,215**
Acquisitions through business combinations	-	-	-	-	-	-	-	-	**-**	**3,716**
Subsequent capital expenditure on investment property	9	27	-	-	-	-	-	-	**36**	**368**
Transfer from property and equipment	-	-	-	-	-	-	-	-	**-**	**1,789**
Transfer to property and equipment	-	-	-	-	-	-	-	-	**-**	**(947)**
Net gain / (loss) from the fair value adjustment of investment property	-	-	-	-	-	-	-	-	-	**(18,220)**
Fair value at the end of the period	**623,463**	**599,989**	**16,247**	**175,399**	**14,441**	**54,050**	**1,433**	**5,014**	**1,490,036**	**1,490,000**

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 period, there were no transfers into and out of Level 3.

In accordance with existing Greek REIC legislation, property valuations are supported by appraisals performed by independent professionally qualified valuers as at June 30 and December 31 each year. 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. In accordance with existing Greek REIC legislation JMD 26294/B1425/19.7.2000, valuations are based on at least two methods.

[1] The segment «Other» in Greece includes city hotels, storage space, archives, petrol stations and parking spaces.

[2] The segment «Other» in Italy relates to land and storage space.

[3] It is noted that regarding the fair value of land plot in Italy, under the existing agreement, the Company is entitled to receive compensation from the previous owner in case of loss from the sale of land and provided certain conditions are met.

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurement of investment property as of 31.03.2017 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Retail	623,463	15%-20% sales comparison and 80%-85% discounted cash flows (DCF)	3,248	8.47% - 11.98%	6.50% - 10.00%
Greece	Offices	599,989	15%-20% sales comparison and 80%-85% DCF	3,307	8.61% - 11.65%	7.50% - 10.00%
Greece	Other[1]	16,247	10%-20% sales comparison and 80%-90% DCF	68	9.82% - 16.94%	8.50% - 15.00%
Italy	Offices	175,399	0% sales comparison and 100% DCF (see note below)	990	5.80% - 7.40%	5.25% - 6.83%
Italy	Retail	14,441	0% sales comparison and 100% DCF (see note below)	77	5.47% - 6.76%	4.95% - 6.28%
Italy	Other[2]	53,500	100% sales comparison and 0% residual method (see note below)	-	-	-
Italy	Other[3]	550	0% sales comparison and 100% DCF (see note below)	2	4.50%	4.54%
Romania	Retail	1,433	20% sales comparison and 80% DCF	9	8.27% - 9.76%	8.00% - 9.25%
Romania	Offices	5,014	20% sales comparison and 80% DCF	34	8.22% - 8.27%	8.00%

The last valuation of the Group's properties was performed at June 30, 2016 by independent valuers, as stipulated by the relevant provisions of L.2778/1999, as in force. For the Group's portfolio the comparative method and the discounted cash flow (DCF) method were used. For properties in Italy, which constitute commercial properties (offices and retail), the independent valuers used two methods, according to the data depicted in the above table. According to the valuers' reports, the fair value of these properties is based on the latter method (DCF), as a) the method of discounted cash flows reflects more effectively the manner in which investment properties, as the appraised ones, transact in the market and represents the common appraisal practice and b) the value derived by using the comparative method is very close to the one derived by using the DCF method.

Specifically for the property in Torvaianica area, in the municipality of Pomezia, Rome, which is a land plot with development potential, the comparative method and the residual method were used according to the the data depicted in the above table. According to the valuer's report, the fair value of the property in based on the comparative method, as, a) the residual method requires the adoption of the optimal scenario of development of the whole land plot, which is more sensitive to the parameters which are adopted and b) the value derived by using the residual method is very close to the one derived by using the comparative method. It is noted that in cases of similar properties (land plots with development potential), the choice of the valuation method is even more dependent on the valuer's judgment.

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

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurement of investment property as of 31.12.2016 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Retail	623,454	15%-20% sales comparison and 80%-85% discounted cash flows (DCF)	3,248	8.47% - 11.98%	6.50% - 10.00%
Greece	Offices	599,962	15%-20% sales comparison and 80%-85% DCF	3,307	8.61% - 11.65%	7.50% - 10.00%
Greece	Other[1]	16,247	10%-20% sales comparison and 80%-90% DCF	68	9.82% - 16.94%	8.50% - 15.00%
Italy	Offices	175,399	0% sales comparison and 100% DCF (see note above)	990	5.80% - 7.40%	5.25% - 6.83%
Italy	Retail	14,441	0% sales comparison and 100% DCF (see note above)	77	5.47% - 6.76%	4.95% - 6.28%
Italy	Other[2]	53,500	100% sales comparison and 0% residual method (see note above)	-	-	-
Italy	Other[3]	550	0% sales comparison and 100% DCF (see note above)	2	4.50%	4.54%
Romania	Retail	1,433	20% sales comparison and 80% DCF	9	8.27% - 9.76%	8.00% - 9.25%
Romania	Offices	5,014	20% sales comparison and 80% DCF	34	8.22% - 8.27%	8.00%

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

All amounts expressed in € thousand, unless otherwise stated

NOTE 6: Investment in Subsidiaries

			Group		Company		
Subsidiaries	**Country of incorporation**	**Unaudited tax years**	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**	**Consolidation Method**
Nash S.r.L.	Italy	2012 – 2016	100.00%	100.00%	100.00%	100.00%	Full Consolidation
Picasso Fund	Italy	2012 – 2016	100.00%	100.00%	100.00%	100.00%	Full Consolidation
Egnatia Properties S.A.	Romania	2011 – 2016	99.96%	99.96%	99.96%	99.96%	Full Consolidation
Quadratix Ltd. (1)	Cyprus	2016	100.00%	100.00%	100.00%	100.00%	Full Consolidation
Karolou S.A. (2)	Greece	2010 – 2016	100.00%	100.00%	100.00%	100.00%	Full Consolidation

(1) It relates to over 12-month period as this subsidiary was incorporated on December 11, 2015, for the acquisition of properties in Cyprus. On March 21, 2017 the Board of Directors of Quadratix Ltd, 100.00% subsidiary of the Company, decided on its share capital increase by: a) the amount of €10,700 thousand due to the contribution in kind on behalf of the Company to Quadratix Ltd of the agreement dated June 30, 2016 between the Company and Chris Cash & Carry Ltd for the sale by the latter of properties in Limassol Cyprus (hypermarket and offices), with the issuance of 2,675 ordinary common shares with a par value of one (1) euro each and an issue price of four (4) thousand euros each and b) the amount of €14,400 thousand to be paid in cash, with the issuance of 3,600 ordinary common shares, with a par value of one (1) euro each and an issue price of four (4) thousand euros each. On April 6, 2017, Quadratix Ltd acquired the above properties for a total consideration of €24,000 thousand, which were leased to Chris Cash & Carry Ltd, a company of Sklavenitis Group, with a 25-year duration.

(2) The Company acquired 100% of the share capital of this subsidiary on December 21, 2016. The company is subject to the provisions of L.3888/2010 regarding the settlement of tax cases for the financial years 2002-2009, years which are considered tax-settled. The financial years 2010 – 2014 are considered “open” for tax audit from the Greek tax authorities and consequently the tax obligations for these years are not considered as final. The year 2015 has been audited by the elected under C.L. 2190/1920 statutory auditor, in accordance with article 82 of L. 2238/1994 and the article 65A of L. 4174/2013 and the relevant tax audit certificate was issued on September 30, 2016 with no qualification. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company. Until the date of the approval of the Financial Statements, the tax audit for the year 2016 has not been completed by the statutory auditor.

NOTE 7: Other Long-Term Assets

On September 30, 2015, the Company entered into a preliminary agreement with Stirling Properties Bulgaria EOOD and other entities related to it, for the purchase of the companies named “Plaza West A.D.” and “Plaza West 2 A.D.”, which own an area of approximately 23 thousand sq.m. of the shopping mall West Plaza in Sofia, Bulgaria, for a consideration of €33,000 thousand. The signing of the final agreement was conditional, among others, on the successful and time demanding completion of construction and commencement of the shopping mall’s operation. It is noted that the Company has received, among others, a corporate guarantee (joint liability) from Marinopoulos Holding Sarl, located in Luxembourg. Moreover, under the preliminary agreement dated September 30, 2015, the Company has established the following pledges, which are still in place: pledges over the shares of Plaza West A.D. and Plaza West 2 A.D. and enterprise pledges of Plaza West A.D. and Plaza West 2 A.D., which also includes (the enterprise pledge) the real estate assets owned by the companies.

All amounts expressed in € thousand, unless otherwise stated

NOTE 8: Trade and Other Receivables

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Trade receivables	32,802	28,658	28,914	25,077
Trade receivables from related parties (Note 20)	2	1	2	1
Receivables from Greek State	8,179	8,254	8,179	8,177
Prepaid expenses	2,202	2,136	2,017	2,057
Preliminary dividend paid	17,118	17,118	17,118	17,118
Other receivables	3,996	3,791	3,764	3,560
Other receivables from related parties (Note 20)	990	1,057	1,147	1,147
Total	**65,289**	**61,015**	**61,141**	**57,137**

Receivables from Greek State mainly relate to capital accumulation tax paid by NBG Pangaea at April 14, 2010, September 16, 2014 and September 17, 2014. Upon the 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 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 payment of the aforementioned tax, because of the lack of response of the relevant authority after a three months period, the Company filed an appeal. The Company's Management, based on the advice of its legal advisors, believes that the reimbursement of the amounts is in essence certain.

As of March 31, 2017 and December 31, 2016 prepaid expenses mainly relate to deferred expenses (legal expenses, insurance costs, valuers' fees etc.).

The analysis of other receivables is as follows:

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Receivables from Italian State	176	175	-	-
Pledged deposits	3,693	3,475	3,693	3,475
Other	127	141	71	85
Total	**3,996**	**3,791**	**3,764**	**3,560**

Pledged deposits mainly relate to deposits pledged in accordance with the terms of the bond loan agreement dated August 11, 2014 as amended on August 20, 2014 (Note 12).

NOTE 9: Cash and Cash Equivalents

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Cash in hand	1	1	1	1
Sight and time deposits	65,811	54,731	52,931	40,623
Total	**65,812**	**54,732**	**52,932**	**40,624**

The fair value of the Group's cash and cash equivalents is estimate to approximate their carrying value.

Group's and Company's sight and time deposits include restricted cash amounting to €5,500 thousand and €3,830 thousand, respectively (December 31, 2016: €5,515 thousand and €3,843 thousand, respectively), in accordance with the provisions of the loan agreements.

All amounts expressed in € thousand, unless otherwise stated

NOTE 10: Share Capital & Share Premium

			Group	Company
	No. of shares	Share Capital	Share Premium	
Balance at December 31, 2016 & March 31, 2017	**255,494,534**	**766,484**	**15,890**	**15,970**

As of March 31, 2017 and December 31, 2016, the total paid up share capital of the Company amounted to €766,484 thousand divided into 255,494,534 common shares with voting rights with a par value of €3.00 per share.

Regarding the merger by absorption of KARELA S.A. by the Company, it is noted that the share capital of the Company did not change since there was no need for the Company to issue new shares, as the Company owned 100% of the shares of the company KARELA S.A..

The Company does not hold own shares.

NOTE 11: Reserves

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Statutory reserve (art. 44 of the C.L. 2190/1920)	12,419	12,419	12,140	12,140
Special reserve	323,987	323,987	323,987	323,987
Other reserves	30	30	84	84
Defined benefit plan	(54)	(54)	(29)	(29)
Foreign exchange differences	164	151	-	-
Cash flow hedges	(373)	(414)	-	-
Total	**336,173**	**336,119**	**336,182**	**336,182**

According to article 44 of C.L.2190/1920, as in force, the Company is required to withhold from its net profit a percentage of 5% per year as statutory reserve until the total statutory reserve amounts to the 1/3 of the paid share capital. The statutory reserve cannot be distributed throughout the entire life of the Company.

Special reserve amounting to €323,987 thousand relates to the decision of the Extraordinary General Meeting of the Company's Shareholders held on August 3, 2010 to record the difference between the fair value and the tax value of the contributed properties at September 30, 2009 by NBG, established upon the incorporation of the Company.

NOTE 12: 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 fluctuations.

It is noted that in accordance with the terms of loans, the Group has entered into interest rate swaps for hedging the Group's exposure to variations in variable rate (Note 14).

On December 19, 2016 the subsidiary Picasso Fund signed a loan agreement with the bank "Intesa Sanpaolo S.p.A.", totally amounted to €9,850 thousand, bearing interest of 6-month EURIBOR plus a margin of 2.30% and relates to the financing of the portfolio of nine commercial properties located in Italy.

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Long term				
Bond loans	233,744	233,339	233,744	233,339
Other borrowed funds	111,608	111,504	-	-
Long term borrowings	**345,352**	**344,843**	**233,744**	**233,339**
Short term				
Bond loans	53,055	54,051	53,058	54,056
Other borrowed funds	5,884	5,179	2,600	2,609
Short term borrowings	**58,939**	**59,230**	**55,658**	**56,665**
Total	**404,291**	**404,073**	**289,402**	**290,004**

As of March 31, 2017, short-term borrowings of the Group and the Company include an amount of €2,132 thousand which relates to accrued interest expense on the bond loans (December 31, 2016: €2,199 thousand for the Group and the Company) and also an amount of €1,023 thousand for the Group and €30 thousand for the Company, which relate to accrued interest expense on other borrowed funds (December 31, 2016: €319 thousand and €39 thousand, respectively).

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

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Up to 1 year	58,939	59,230	55,658	56,665
From 1 to 5 years	340,147	339,603	233,744	233,339
More than 5 years	5,205	5,240	-	-
Total	**404,291**	**404,073**	**289,402**	**290,004**

The contractual re-pricing dates are limited to a maximum period up to 6 months.

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 properties. More specifically:

- Nine properties of the Company in Attica, 8 in Athens and 1 in Piraeus, have prenotations of mortgage in favour of Alpha Bank S.A., each for an amount of €9,880 thousand.

- In accordance with the terms of the bond loan program dated August 11, 2014, as amended on August 20, 2014, for the issuance of the bonds totally amounting to €237,500 thousand, the Company registered mortgages on 77 properties in Greece (included the owneroccupied property located at 6, Karageorgi Servias str., Athens) in favour 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 thousand.

- On one property of the Company (owned by KARELA S.A. which was absorbed by the Company) a prenotation of mortgage was established in favour of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €106,000 thousand. In addition, all rights of the Company, arising from the lease agreement with Cosmote, have been assigned in a favour of the bondholders.

- Four properties owned by subsidiary Picasso Fund are burdened with first class mortgage in favour of Banca IMI S.p.A. for an amount of €204,000 thousand. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender.

- Nine properties owned by subsidiary Picasso Fund are burdened with first class mortgage in favour of Intesa Sanpaolo S.p.A. for an amount of €19,700 thousand. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender.

All amounts expressed in € thousand, unless otherwise stated

NOTE 13: Other Long-Term Liabilities

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Long-term guarantees	3,334	3,329	3,158	3,153
Total	**3,334**	**3,329**	**3,158**	**3,153**

NOTE 14: Derivative Financial Instruments

	Group 31.03.2017		Company 31.03.2017	
	Notional amount	Fair value Liabilities	Notional amount	Fair value Liabilities
Derivatives held for trading				
Interest rate derivatives - OTC	125,106	1,629	45,954	937
Total	**125,106**	**1,629**	**45,954**	**937**

	Group 31.12.2016		Company 31.12.2016	
	Notional amount	Fair value Liabilities	Notional amount	Fair value Liabilities
Derivatives held for trading				
Interest rate derivatives - OTC	125,745	1,897	46,593	1,236
Total	**125,745**	**1,897**	**46,593**	**1,236**

Derivative financial instruments comprise interest rate swaps and these derivative instruments transacted as effective economic hedges under the Management's positions.

Credit risk

The Group calculates a separate Credit Valuation Adjustment ("CVA") for each counterparty to which the Group has exposure. The CVA is estimated considering expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA calculation is based on expected loss rates derived from CDS rates observed in the market, or, if there are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied.

With respect to own credit risk, the Group estimates a Debit Value Adjustment ("DVA") by applying a methodology symmetric to the one applied for CVA.

Cash flow hedges

As at March 31, 2017, the Group's cash flow hedges consist of interest rate swaps, used to hedge the variability in cash flows of the Group's borrowings that are attributable to changes in the market interest rates. It is noted that during 2016 hedge relationships were terminated due to ineffectiveness and a loss amounted to €41 thousand was reclassified from Other Comprehensive Income into the Income Statement for the three-month period ended March 31, 2017 (three-month period ended March 31, 2016: Nil as no hedge relationships were terminated during the period). For the three-month period ended March 31, 2016, the Group recognised directly in Other Comprehensive Income a loss on cash flow hedging derivatives of €329 thousand.

Additionally, during the three-month period ended March 31, 2017, the fair value gain on derivatives held for trading for the Group and the Company amounted to €406 thousand and €302 thousand, respectively (three-month period ended March 31, 2016: gain €212 thousand and Nil for the Group and the Company, respectively).

All amounts expressed in € thousand, unless otherwise stated

Consequently, "Net change in fair value of financial instruments at fair value through profit or loss" in the Income Statement for the three-month period ended March 31, 2017 includes gains totally amounted to €365 thousand and €302 thousand for the Group and the Company, respectively (three-month period ended March 31, 2016: gains of €212 thousand and Nil for the Group and the Company, respectively). It is noted that the movement at company level is due to the merger of NBG Pangaea REIC with its former subsidiary KARELA S.A. (Note 1).

The above 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 while 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).

NOTE 15: Trade and Other Payables

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Trade payables	465	1,139	207	413
Amounts due to related parties (Note 20)	441	445	440	443
Taxes – levies	9,473	7,600	6,977	5,606
Deferred revenues	5,181	5,188	2,903	2,889
Other payables and accrued expenses	965	1,149	15,105	866
Total	**16,525**	**15,521**	**25,632**	**10,217**

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

The analysis of taxes – levies is as follows:

	Group		Company	
	31.03.2017	**31.12.2016**	**31.03.2017**	**31.12.2016**
Stamp duty on leases	3,554	2,849	3,554	2,849
Unified Property Tax (ENFIA)	1,716	997	1,715	996
Special Real Estate Levy (EETA) and Special Electricity Powered Surfaces Levy (EETHDE)	1,388	1,388	1,388	1,388
Foreign real estate tax	2,279	1,936	-	-
Other	536	430	320	373
Total	**9,473**	**7,600**	**6,977**	**5,606**

As of March 31, 2017 and December 31, 2016 taxes and levies include provision for Special Real Estate Levy (EETA) of L.4152/2013 and for Electricity Powered Surfaces Levy (EETHDE) of L.4021/2011 totally amounted to €1,388 thousand. It is noted that the Unified Property Tax (ENFIA) from January 1, 2014 replaced the Real Estate Tax of L.3842/2010 and the EETA of L. 4152/2013 (ex EETHDE of L.4021/2011).

Deferred revenues mainly relate to rental income owed by the Hellenic Republic for the period following March 31, 2017 and December 31, 2016, respectively according to the relevant lease agreements.

NOTE 16: Dividends per Share

Dividends are not recorded if they have not been approved by the Annual Shareholders Meeting.

On May 9, 2017 the Annual General Meeting of the Company's shareholders, approved the distribution of a total amount of €51,099 thousand (i.e. 0.20 per share – amount in €) as dividend to its shareholders for the year 2016. Due to the distribution of interim dividend of a total amount of €17,118 thousand (i.e. €0.067 per share – amount in €), following the relevant decision of the Board of Directors dated November 14, 2016, the remaining dividend to be distributed amounts to €33,981 thousand (i.e. €0.133 per share – amount in €). As of March 31, 2017 and December 31, 2016, the amount of the preliminary dividend is included in trade and other receivables.

On April 13, 2016, the Annual General Meeting of the Company's shareholders, approved the distribution of a total amount of €51,993 thousand (i.e. €0.2035 per share – amount in €) as dividend to its shareholders for the year 2015. The commencement date of dividend payment was April 22, 2016 as set by the Annual General Meeting of the Company's shareholders.

NOTE 17: Taxes

	Group From 01.01. to		Company From 01.01. to	
	31.03.2017	**31.03.2016**	**31.03.2017**	**31.03.2016**
REICs' tax	2,714	384	2,708	350
Deferred tax	7	6	-	-
Total	**2,721**	**390**	**2,708**	**350**

As a REIC, in accordance with article 31, par. 3 of L.2778/1999, as in force, the Company is subject to an annual tax based on its investments and cash and cash equivalents. More specifically, the tax is determined by reference to the average fair value of its investments and cash and cash equivalents (as depicted on the Company's biannual investment schedule) at current prices at the tax rate of 10.0% of the European Central Bank reference rate plus 1.0% (the taxation formula is as follows: 10.0% * (ECB reference rate + 1.0%)). The above tax relieves the Company and its shareholders of any further tax liabilities. It is noted that in accordance with par. 2 of article 45 of L.4389/2016, a minimum tax threshold of 0.375% on its average investments plus cash was imposed for each semester (i.e. 0.75% annually). KAROLOU S.A., as a Company's subsidiary in Greece, has the same tax treatment.

The Company's foreign subsidiaries, Nash S.r.L., Egnatia Properties S.A. and Quadratix Ltd. are taxed on their income, assuming a tax rate of 31.4% in Italy, 16.0% in Romania and 12.5% in Cyprus, 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 three-month period ended March 31, 2017 and 2016, respectively.

NOTE 18: Earnings per Share

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

	Group		Company	
Period ended March 31,	**2017**	**2016**	**2017**	**2016**
Profit attributable to equity shareholders	17,073	18,997	18,904	16,606
Weighted average number of ordinary shares in issue (thousand)	255,495	255,495	255,495	255,495
Earnings per share (expressed in € per share) – Basic & diluted	**0.0668**	**0.0744**	**0.0740**	**0.0650**

The dilutive Earnings per share are the same as the basic Earnings per share for the three-month period ended March 31, 2017 and 2016, as there were no dilutive potential ordinary shares.

NOTE 19: Contingent Liabilities and Commitments

Group companies have not been audited yet for tax purposes for certain financial years and consequently 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, however the amount cannot be determined. As at March 31, 2017 and December 31, 2016 the Group has not accounted for provisions for unaudited tax years. It is estimated that additional taxes and penalties that may be imposed will not have a material effect on the statement of financial position of the Group and the Company.

The tax authorities have not audited the books and records of NBG Pangaea REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011 - 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm “Deloitte Certified Public Accountants S.A.” (“the statutory auditor”), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on July 19, 2012, September 30, 2013, July 10, 2014 and September 30, 2015 respectively. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The tax authorities have not audited the books and records of MIG Real Estate REIC for the year ended December 31, 2010 and consequently the tax obligations for that year are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, Management estimates that they will not have a material effect on the financial position of the Company. The financial years 2011 - 2014 have been audited by the elected under C.L. 2190/1920 statutory auditor in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on July 25, 2012, September 23, 2013, July 7, 2014 and September 30, 2015 respectively. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The financial year 2015 of the Company has been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm “Deloitte Certified Public Accountants S.A.” (“the statutory auditor”), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificate was issued with no qualifications on September 30, 2016. According to POL. 1006/05.01.2016, the companies for which a tax audit certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

The tax authorities have not audited the books and records of KARELA S.A. for the financial years 2010-2013 and consequently the tax obligations for those years are not considered as final. In a future tax audit, additional taxes and penalties may be imposed, the amount of which cannot be determined accurately at present. However, the Management estimates that they will not have a material effect on the financial position of the company. The financial years 2014 and 2015 have been audited by the elected under C.L. 2190/1920 statutory auditor, i.e. the auditing firm “Deloitte Certified Public Accountants S.A.” (“the statutory auditor”), in accordance with article 82 of L. 2238/1994 and article 65A of L. 4174/2013 and the relevant tax audit certificates were issued with no qualifications on September 28, 2015 and September 30, 2016 respectively. According to POL. 1006/05.01.2016, the companies for which a tax certificate with no qualifications is issued, are not exempted from tax audit for offenses of tax legislation by the tax authorities. Therefore the tax authorities may come back and conduct their own tax audit. However, Management estimates that the results of future tax audits may conducted by the tax authorities, will not have a material effect on the financial position of the Company.

All amounts expressed in € thousand, unless otherwise stated

Until the date of the approval of the Interim Financial Statements, the tax audit for the year 2016 has not been completed by the statutory auditor.

In the context of the acquisition of the 14 properties portfolio by HRADF, the Company undertook the commitment to perform any improvements required. As of March 31, 2017, the remaining amount of these capital expenditure commitments amount to €1,930 thousand (incl. VAT) (December 31, 2016: €1,937 thousand (incl. VAT)) according to Management estimates.

In the context of the credit agreement to open a current account with Alpha Bank S.A., 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 pre-notation amounting to €65,000 thousand into fourteen (14) Company's properties in Greece, which were the subject of the tender "sale and leaseback" by HRADF, in favour 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, 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 other contingent liabilities resulting from commitments at March 31, 2017, which would affect the Group's financial position.

NOTE 20: Related Party Transactions

National Bank of Greece S.A. (parent company) controls the Company, based on an agreement signed between the shareholders. More specifically, according to the shareholders' agreement, NBG appoints the majority of the members of the Board of Directors and the Investment Committee and guarantees are provided to NBG for certain other contractual rights. As a result of this shareholders' agreement, NBG is the controlling shareholder of the Company under IFRSs.

The Company's shareholding structure is as follows:

	% participation
• National Bank of Greece S.A.:	32.66%
• Invel Real Estate (Netherlands) II B.V. (hereinafter "Invel"):	65.49%
• Other shareholders:	1.85%

It is noted that the ownership's percentage of Invel includes the ownership of Anthos Properties S.A. (a subsidiary of Invel) which directly holds 5,365,930 ordinary shares, corresponding to 2.10% of the Company's share capital.

All transactions with related parties have been carried out on the basis of the "arm's length" principle, i.e. under normal market conditions for similar transactions with third parties. The transactions with related parties are presented below:

i. Balances arising from transactions with related parties

	Group		Company	
Trade receivables from related parties	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Other shareholders	1	1	1	1
Companies related to other shareholders	1	-	1	-
Total	**2**	**1**	**2**	**1**

	Group		Company	
Other receivables from related parties	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Picasso find, Company's subsidiary	-	-	150	150
Quadratix Ltd, Company's subsidiary	-	-	7	7
Other shareholders	990	1,057	990	990
Total	**990**	**1,057**	**1,147**	**1,147**

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
Prepaid expenses	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
NBG Securities, a company of NBG Group	75	75	75	75
Hellenic National Insurance Company, a company of NBG Group	147	248	146	246
Total	**222**	**323**	**221**	**321**

	Group		Company	
Cash and cash equivalents	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Parent company	11,627	4,386	11,622	4,374
Total	**11,627**	**4,386**	**11,622**	**4,374**

	Group		Company	
Amounts due to related parties	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Parent company	265	266	50	51
Hellenic National Insurance Company, a company of NBG Group	391	391	390	389
Ethniki Leasing, a company of NBG Group	-	2	-	2
Quadratix Ltd, Company's subsidiary	-	-	14,402	2
Total	**656**	**659**	**14,842**	**444**

	Group		Company	
Other Liabilities	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Parent company	14	-	14	-
Hellenic National Insurance Company, a company of NBG Group	2	-	-	-
Companies related to other shareholders	301	581	301	581
Total	**317**	**581**	**315**	**581**

	Group		Company	
Borrowings	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Parent company	8,997	9,115	8,998	9,115
Total	**8,997**	**9,115**	**8,998**	**9,115**

	Group		Company	
Derivative financial instruments – Liabilities	**31.03.2017**	**31.12.2016**	**31.03.2017**	**31.12.2016**
Parent company	166	220	166	220
Total	**166**	**220**	**166**	**220**

ii. Rental income

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	**31.03.2016**	**31.03.2017**	**31.03.2016**
Parent company	17,088	16,988	17,088	16,988
National Μεσιτική Ασφαλίσεων, a company NBG Group [1]	2	9	2	9
Other shareholders	1	1	1	1
Companies related to other shareholders	1	1	1	1
Total	**17,092**	**16,999**	**17,092**	**16,999**

[1] Includes the rental income for the period 01.01.2017 – 19.01.2017, as the sale of National Insurance Brokers, a company of NBG Group, was completed on 20.01.2017.

All amounts expressed in € thousand, unless otherwise stated

iii. Other direct property related expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Hellenic National Insurance Company, a company of NBG Group	102	109	99	92
Companies related to other shareholders	424	406	424	406
Total	**526**	**515**	**523**	**498**

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

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Parent company[1]	54	37	54	-
Total	**54**	**37**	**54**	**-**

v. Personnel Expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Hellenic National Insurance Company, a company of NBG Group	8	9	8	9
Total	**8**	**9**	**8**	**9**

vi. Other income

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Picasso Fund, Company's subsidiary	-	-	3,535	893
Hellenic National Insurance Company, a company of NBG Group	1	-	1	-
Total	**1**	**-**	**3,536**	**893**

vii. Other expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Parent company	14	8	14	8
Ethniki Leasing, a company of NBG Group	9	9	9	9
Total	**23**	**17**	**23**	**17**

[1] The movement at company level is due to merger of NBG Pangaea REIC with its former subsidiary KARELA S.A. (Note 1).

All amounts expressed in € thousand, unless otherwise stated

viii. Interest income

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Parent company	6	65	6	65
Total	**6**	**65**	**6**	**65**

ix. Finance costs

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Parent company	172	177	172	1
UBB, a company of NBG Group	-	26	-	26
Total	**172**	**203**	**172**	**27**

x. Due to key management

	Group		Company	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
BoD, its committees and Senior Management compensation	16	3	16	3
Retirement benefit obligations	12	12	12	12
Total	**28**	**15**	**28**	**15**

xi. Key management compensation

	Group		Company	
	From 01.01. to		From 01.01. to	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
BoD, its committees and Senior Management compensation	312	359	312	359
Total	**312**	**359**	**312**	**359**

xii. Commitment and contingent liabilities

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

NOTE 21: Events after the Date of Financial Statements

Apart from the aforementioned events (Note 6 and 16), 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 the IFRSs.