Prodea Real Estate Investment Company
Société Anonyme

Interim Condensed Consolidated and Separate Financial Information
for the period from January 1 to September 30, 2019

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.

November 2019

All amounts expressed in € thousand, unless otherwise stated

		Group		Company	
	Note	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
ASSETS					
Non-current assets					
Investment property	5	2,029,430	1,779,481	1,408,037	1,359,579
Investment in subsidiaries	9	-	-	440,514	226,228
Equity method investments	10	439	-	-	-
Investments in joint venture	10	8,964	-	9,107	-
Property and equipment	6	121,870	2,149	2,293	2,147
Goodwill, Software and other Intangible assets	7	15,155	101	79	101
Other long-term assets	11	13,489	10,821	39,564	19,181
		2,189,347	**1,792,552**	**1,899,594**	**1,607,236**
Current assets					
Trade and other assets	12	29,674	47,525	17,084	45,605
Inventories	13	31,739	-	-	-
Cash and cash equivalents	14	74,192	45,788	38,030	33,216
		135,605	**93,313**	**55,114**	**78,821**
Total assets		**2,324,952**	**1,885,865**	**1,954,708**	**1,686,057**
SHAREHOLDERS' EQUITY					
Share capital	15	766,484	766,484	766,484	766,484
Share premium	15	15,890	15,890	15,970	15,970
Reserves	16	346,737	342,176	345,878	341,748
Other equity	20	(8,869)	-	-	-
Retained Earnings		207,700	162,132	156,663	143,331
Total shareholders' equity		**1,327,942**	**1,286,682**	**1,284,995**	**1,267,533**
Non-controlling interests		41,965	-	-	-
Total equity		**1,369,907**	**1,286,682**	**1,284,995**	**1,267,533**
LIABILITIES					
Long-term liabilities					
Borrowings	17	824,565	111,859	618,337	55,862
Retirement benefit obligations		237	218	237	218
Deferred tax liability	19	25,964	4,586	-	-
Other long-term liabilities	20	13,812	3,955	3,653	3,426
		864,578	**120,618**	**622.227**	**59,506**
Short-term liabilities					
Trade and other payables	18	54,150	24,118	26,518	15,139
Borrowings	17	32,373	448,280	17,364	337,897
Derivative financial instruments		9	148	-	-
Current tax liabilities		3,935	6,019	3,604	5,982
		90,467	**478,565**	**47,486**	**359,018**
Total liabilities		**955,045**	**599,183**	**669,713**	**418,524**
Total equity and liabilities		**2,324,952**	**1,885,865**	**1,954,708**	**1,686,057**

Athens, November 28, 2019

The Vice-Chairman of the BoD and CEO	The CFO / COO	The Deputy CFO
Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Note	Group From 01.01. to 30.09.2019	Group From 01.01. to 30.09.2018	Company From 01.01. to 30.09.2019	Company From 01.01. to 30.09.2018
Revenue					
Rental Income	27	100,705	90,906	81,016	79,326
Revenue from Hospitality and ancillary services	27	25,603	-	-	-
Sale of development properties	27	4,673	-	-	-
Other	27	80	-	-	-
		131,061	**90,906**	**81,016**	**79,326**
Net gain from the fair value adjustment of investment property	5	71,802	29,298	46,219	6,601
Repairs and maintenance		(1,058)	(204)	(46)	(82)
Other direct property related expenses		(4.169)	(2,812)	(3,219)	(2,382)
Property taxes-levies	22	(7,159)	(6,892)	(5,746)	(5,683)
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Investment Property	23	(4,588)	(2,386)	(4,522)	(2,384)
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Hospitality and ancillary services	23	(7,776)	-	-	-
Consumables used		(2,860)	-	-	-
Net change in real estate inventories		(4,416)	-	-	-
Depreciation of property and equipment	6	(827)	(18)	(80)	(18)
Amortisation of intangible assets	7	(36)	(22)	(22)	(22)
Net change in fair value of financial instruments at fair value through profit or loss		56	139	-	-
Net impairment loss on financial assets		(1,980)	(152)	(1,914)	(110)
Net impairment loss on non-financial assets		(4,143)	-	-	-
Other income		322	268	7,621	5,879
Other expenses - Investment Property	24	(3,055)	(3,228)	(2,257)	(2,722)
Other expenses - Hospitality and ancillary services	24	(10,038)	-	-	-
Corporate Responsibility		(125)	(244)	(125)	(244)
Operating Profit		**151,011**	**104,653**	**116,925**	**78,159**
Share of profit of associates and joint ventures	10	(3)	-	-	-
Negative goodwill from acquisition of subsidiaries	8	13,550	-	-	-
Interest income		12	38	1,119	332
Finance costs	25	(22,883)	(16,316)	(17,260)	(12,986)
Profit before tax		**141,687**	**88,375**	**100,784**	**65,505**
Taxes	26	(14,151)	(8,836)	(10,251)	(8,717)
Profit for the period		**127,536**	**79,539**	**90,533**	**56,788**
Attributable to:					
Non-controlling interests		(4,597)	-	-	-
Company's equity shareholders		**122,939**	**79,539**	**90,533**	**56,788**
Earnings per share (expressed in € per share) - Basic and diluted	28	0.48	0.31	0.35	0.22

Athens, November 28, 2019

The Vice-Chairman of the BoD and CEO	The CFO / COO	The Deputy CFO
Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Profit for the period	**127,536**	**79,539**	**90,533**	**56,788**
Other comprehensive income / (expense):				
Items that may be reclassified subsequently to profit or loss:				
Revaluation Reserve	101	-	-	-
Currency translation differences	100	4	-	-
Cash flow hedges	83	124	-	-
Total of items that may be reclassified subsequently to profit or loss	**284**	**128**	**-**	**-**
Other comprehensive income/(expense) for the period	**284**	**128**	**-**	**-**
Total comprehensive income for the period	**127,820**	**79,667**	**90,533**	**56,788**
Attributable to:				
Non-controlling interests	(4,597)	-	-	-
Company's equity shareholders	**123,223**	**79,667**	**90,533**	**56,788**

Athens, November 28, 2019

The Vice-Chairman of the BoD and CEO	The CFO / COO	The Deputy CFO
Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

Income Statement
for the three-month period ended September 30, 2019

All amounts expressed in € thousand, unless otherwise stated

	Group From 01.07. to		Company From 01.07. to	
	30.09.2019	**30.09.2018**	**30.09.2019**	**30.09.2018**
Revenue				
Rental Income	34,707	30,202	26,810	26,482
Revenue from Hospitality and ancillary services	14,150	-	-	-
Sale of development properties	2,673	-	-	-
Other	80	-	-	-
	51,610	**30,202**	**26,810**	**26,482**
Net gain from the fair value adjustment of investment property	(2,082)	(377)	(1,325)	(377)
Repairs and maintenance	(334)	(50)	(18)	(2)
Other direct property related expenses	(1,559)	(1,149)	(989)	(1,000)
Property taxes-levies	(2,420)	(2,283)	(1,916)	(1,859)
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Investments Properties	(970)	(986)	(906)	(985)
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Hospitality and ancillary services	(3,933)	-	-	-
Consumables used	(905)	-	-	-
Net change in real estate inventories	(2,555)	-	-	-
Depreciation of property and equipment	(218)	(6)	(43)	(6)
Amortisation of intangible assets	(17)	(8)	(8)	(8)
Net change in fair value of financial instruments at fair value through profit or loss	8	38	-	-
Net impairment loss on financial assets	(1,774)	(29)	(1,810)	(18)
Net impairment loss on non-financial assets	(1,191)	-	-	-
Other income	143	85	4,994	3,299
Other expenses - Investment Properties	(1,108)	(2,109)	(875)	(1,936)
Other expenses - Hospitality and ancillary services	(5,899)	-	-	-
Corporate Responsibility	(48)	(2)	(48)	(2)
Operating Profit	**26,748**	**23,326**	**23,866**	**23,588**
Share of profit of associates and joint ventures	(82)	-	-	-
Negative goodwill from acquisition of subsidiaries	195	-	-	-
Interest income	2	4	503	103
Finance costs	(8,300)	(5,588)	(6,345)	(4,415)
Profit before tax	**18,563**	**17,742**	**18,024**	**19,276**
Taxes	(3,891)	(2,952)	(3,609)	(2,948)
Profit for the period	**14,672**	**14,790**	**14,415**	**16,328**
Attributable to:				
Non-controlling interests	(326)	-	-	-
Company's equity shareholders	**14,346**	**14,790**	**14,415**	**16,328**
Earnings per share (expressed in € per share) - Basic and diluted	0.06	0.06	0.06	0.06

Athens, November 28, 2019

The Vice-Chairman of the BoD and CEO	The CFO / COO	The Deputy CFO
Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

	Group From 01.07. to		Company From 01.04. to	
	30.09.2019	**30.09.2018**	**30.09.2019**	**30.09.2018**
Profit for the period	**14,672**	**14,790**	**14,415**	**16,328**
Other comprehensive income / (expense):				
Items that may be reclassified subsequently to profit or loss:				
Revaluation Reserve	16	-	-	-
Currency translation differences	18	3	-	-
Cash flow hedges	-	41	-	-
Total of items that may be reclassified subsequently to profit or loss	**34**	**44**	**-**	**-**
Other comprehensive income/(expense) for the period	**34**	**44**	**-**	**-**
Total comprehensive income for the period	**14,706**	**14,834**	**14,415**	**16,328**
Attributable to:				
Non-controlling interests	(326)	-	-	-
Company's equity shareholders	**14,380**	**14,834**	**14,415**	**16,328**

Athens, November 27, 2019

The Vice-Chairman of the BoD and CEO	The CFO / COO	The Deputy CFO
Aristotelis Karytinos	Thiresia Messari	Anna Chalkiadaki

All amounts expressed in € thousand, unless otherwise stated

		Attributable to Company's shareholders							
	Note	**Share capital**	**Share premium**	**Reserves**	**Other equity**	**Retained Earnings / (Losses)**	**Total**	**Non-controlling interests**	**Total**
Balance January 1, 2018		**766,484**	**15,890**	**339,152**	**-**	**106,327**	**1,227,853**	**-**	**1,227,853**
Adjustment due to adoption of IFRS 9		-	-	-	-	(234)	**(234)**	-	**(234)**
Balance January 1, 2018 as adjusted		**766,484**	**15,890**	**339,152**	**-**	**106,093**	**1,227,619**	**-**	**1,227,619**
Other comprehensive income for the period		-	-	128	-	-	**128**	-	**128**
Profit for the period		-	-	-	-	79,539	**79,539**	-	**79,539**
Total comprehensive income after tax		**-**	**-**	**128**	**-**	**79,539**	**79,667**	**-**	**79,667**
Transfer to reserves		-		2,856	-	(2,856)	**-**		**-**
Dividend distribution 2017	21	-		-	-	(56,209)	**(56,209)**		**(56,209)**
Balance September 30, 2018		**766,484**	**15,890**	**342,136**	**-**	**126,567**	**1,251,077**	**-**	**1,251,077**
Movements up to December 31, 2018		-	-	40	-	35,565	**35,605**	-	**35,605**
Balance December 31, 2018		**766,484**	**15,890**	**342,176**	**-**	**162,132**	**1,286,682**	**-**	**1,286,682**
						-			
Balance December 31, 2018		**766,484**	**15,890**	**342,176**	**-**	**162,132**	**1,286,682**	**-**	**1,286,682**
Other comprehensive income for the period		-	-	284	-	-	**284**		**284**
Profit for the period		-	-	-	-	122,939	**122,939**	4,597	**127,536**
Total comprehensive income after tax		**-**	**-**	**284**	**-**	**122,939**	**123,223**	**4,597**	**127,820**
Transfer to reserves		-	-	4,277		(4,277)	**-**	-	**-**
Dividend distribution 2018	21	-	-	-	-	(73,071)	**(73,071)**	-	**(73,071)**
Put option held by non-controlling interests	20	-	-	-	(8,869)	-	**(8,869)**	-	**(8,869)**
Acquisition of subsidiaries		-	-	-	-	-	**-**	38,403	**38,403**
Acquisition of Non-controlling interests		-	-	-	-	(23)	**(23)**	(1,035)	**(1,058)**
Balance September 30, 2019		**766,484**	**15,890**	**346,737**	**(8,869)**	**207,700**	**1,327,942**	**41,965**	**1,369,907**

All amounts expressed in € thousand, unless otherwise stated

	Note	Share capital	Share premium	Reserves	Retained Earnings / (Losses)	Total
Balance January 1, 2018		**766,484**	**15,970**	**338,894**	**117,788**	**1,239,136**
Adjustment due to adoption of IFRS 9		-	-	-	(249)	**(249)**
Balance January 1, 2018 as adjusted		**766,484**	**15,970**	**338,894**	**117,539**	**1,238,887**
Profit for the period		-	-	-	56,788	**56,788**
Total comprehensive income after tax		**-**	**-**	**-**	**56,788**	**56,788**
Transfer to reserves		-		2,856	(2,856)	-
Dividend distribution 2017	21	-		-	(56,209)	**(56,209)**
Balance September 30, 2018		**766,484**	**15,970**	**341,750**	**115,262**	**1,239,466**
Movements up to December 31, 2018		-	-	(2)	28,069	**28,067**
Balance December 31, 2018		**766,484**	**15,970**	**341,748**	**143,331**	**1.267.533**
Balance December 31, 2018		**766,484**	**15,970**	**341.748**	**143,331**	**1,267,533**
Profit for the period		-	-	-	90,533	**90,533**
Total comprehensive income after tax		**-**	**-**	**-**	**90,533**	**90,533**
Transfer to reserves		-	-	4,130	(4,130)	-
Dividend distribution 2018	21	-	-	-	(73,071)	**(73,071)**
Balance September 30, 2019		**766,484**	**15,970**	**345,878**	**156,663**	**1,284,995**

All amounts expressed in € thousand, unless otherwise stated

	Note	From 01.01. to 30.09.2019	30.09.2018
Cash flows from operating activities			
Profit before tax		141,687	88,375
Adjustments for:			
- Provisions for employee benefits		19	3
- Depreciation of property and equipment	6	827	18
- Amortization of intangible assets	7	36	22
- Net (gain) / loss from the fair value adjustment of investment property	5	(71,802)	(29,298)
- Interest income		(12)	(38)
- Finance costs		22,883	16,316
- Net change in fair value of financial instruments at fair value through profit or loss		(56)	(139)
- Net impairment loss on financial assets		1,980	152
- Net impairment loss on non- financial assets		4,144	-
- Negative goodwill from acquisition of subsidiaries		(13,550)	-
- Other		286	9
Changes in working capital:			
- (Increase) / Decrease in receivables		(37)	1,004
- (Increase) / Decrease in inventories		1,762	-
- Increase / (Decrease) in payables		(723)	8,505
Cash flows from operating activities		87,444	84,929
Interest paid		(21,596)	(13,700)
Tax paid		(13,071)	(11,488)
Net cash flows from operating activities		**52,777**	**59,741**
Cash flows from investing activities			
Acquisition of investment property	5	-	(24,782)
Subsequent capital expenditure on investment property	5	(3,318)	(795)
Purchases of property and equipment	6	(1,346)	-
Prepayments and expenses related to future acquisition of investment property		(2,629)	(4,124)
Acquisitions of subsidiaries (net of cash acquired)	8	(187,466)	(7,560)
Acquisition of investment in joint ventures	10	(9,107)	-
Dividends received from equity method investments		40	-
Interest received		12	39
Net cash flows used in investing activities		**(203,814)**	**(37,222)**
Cash flows from financing activities			
Proceeds from share capital increase of subsidiaries		5,735	-
Proceeds from the issuance of bond loans and other borrowed funds	17	614,499	75,000
Expenses related to the issuance of bond loans and other borrowed funds		(6,499)	(1,242)
Expenses related to share capital increase		(76)	-
Repayment of borrowings and lease liabilities		(384,126)	(48,537)
Dividends paid	21	(50,077)	(33,214)
Net cash flows used in financing activities		**179,456**	**(7,993)**
Net increase in cash and cash equivalents		**28,419**	**14,526**
Cash and cash equivalents at the beginning of the period		45,788	49,335
Effect of foreign exchange currency differences on cash and cash equivalents		(15)	-
Cash and cash equivalents at the end of the period		**74,192**	**63,861**

All amounts expressed in € thousand, unless otherwise stated

	Note	From 01.01. to 30.09.2019	30.09.2018
Cash flows from operating activities			
Profit before tax		100,784	65,505
Adjustments for:			
- Provisions for employee benefits		19	3
- Depreciation of property and equipment	6	80	18
- Amortization of intangible assets	7	22	22
- Net gain from the fair value adjustment of investment property	5	(46,219)	(6,601)
- Interest income		(1,119)	(332)
- Finance costs		17,260	12,986
- Net impairment (gain) / loss on financial assets		1,914	110
- Other		264	9
Changes in working capital:			
- (Increase) / Decrease in receivables		66	2,432
- Increase / (Decrease) in payables		3,863	8,057
Cash flows from operating activities		76,934	82,209
Interest paid		(17,760)	(11,668)
Tax paid		(12,629)	(11,413)
Net cash flows from operating activities		**46,545**	**59,128**
Cash flows from investing activities			
Acquisition of investment property	5	-	(24,320)
Subsequent capital expenditure on investment property	5	(2,239)	(795)
Prepayments and expenses related to future acquisition of investment property		(2,629)	(4,124)
Purchases of property and equipment	6	(37)	-
Acquisition of subsidiaries	8	(146,536)	(7,560)
Acquisition of investment in joint ventures		(9,107)	-
Participation in subsidiaries' capital increase		(56,604)	(511)
Proceeds from share capital decrease of subsidiaries		-	14,300
Loans granted to foreign subsidiaries		(17,080)	-
Interest received		7	37
Net cash flows used in investing activities		**(234,225)**	**(22,973)**
Cash flows from financing activities			
Proceeds from the issuance of bond loans and other borrowed funds	17	599,500	60,000
Expenses related to the issuance of bond loans and other borrowed funds		(6,189)	(831)
Repayment of borrowings and lease liabilities		(350,740)	(46,813)
Dividends paid	21	(50,077)	(33,214)
Net cash flows used in financing activities		**192,494**	**(20,858)**
Net increase in cash and cash equivalents		**4,814**	**15,297**
Cash and cash equivalents at the beginning of the period		33,216	36,308
Cash and cash equivalents at the end of the period		**38,030**	**51,605**

All amounts expressed in € thousand, unless otherwise stated

NOTE 1: General Information

"Prodea Real Estate Investment Company Société Anonyme" (hereinafter "Company") (former "NBG PANGAEA REAL ESTATE INVESTMENT COMPANY") operates in the real estate investment market under the provisions of Article 22 of L. 2778/1999, as in force. As a 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 Cyprus, Italy, Bulgaria and Romania.

The Extraordinary General Meeting of the shareholders of the Company which took place on September 11, 2019 resolved upon the amendment of the Company's corporate name to «Prodea Real Estate Investment Company Société Anonyme», with distinctive title «Prodea Investments». The amendment was approved by the Ministry of Development and Investments with its decision No. 1695248/01.10.2019 which was registered in the General Commercial Registry of the abovementioned Ministry on October 1, 2019. On September 11, 2019 the Extraordinary General Meeting of the Company's Shareholders resolved upon the granting of an authorization to the Company's Board of Directors so that the latter proceeds with a share capital increase through the issuance of new dematerialized common registered voting shares to be paid in cash under the terms that the Company's Board of Directors will determine in the future. Such authorization must be exercised by the Board of Directors within 10 months from the date of the General Meeting of the Company's Shareholders granting the authorization for the share capital increase to the Company's Board of Directors.

As of September 30, 2019, the number of employees of the Group and of the Company was 674 and 34 respectively (December 31, 2018: 30 employees for the Group and the Company, September 30, 2018: 29 employees for the Group and the Company).

The current Board of Directors has a term of three years which expires on June 18, 2022 with an extension until the first Annual General Meeting of Shareholders, which will take place after the end of the term. The Board of Directors was elected by the Annual General Meeting of Shareholders held on June 18, 2019 and was constituted as a body in its same day meeting. The Board of Directors has the following composition:

The current Board of Directors has the following composition:

Christophoros N. Papachristophorou	Chairman, Businessman	Executive Member
Aristotelis D. Karytinos	Vice-Chairman, 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
Ioannis P. Kyriakopoulos	General Manager of NBG Group	Non Executive Member
Georgios E. Kountouris	Economist	Non Executive Member
Prodromos G. Vlamis	Assistant Professor at University of Piraeus & Associate at the University of Cambridge	Independent - Non Executive Member
Spyridon G. Makridakis	Professor at University of Nicosia & Emeritus Professor at INSEAD Business School	Independent - Non Executive Member

These interim condensed Financial Statements have been approved for issue by the Company's Board of Directors on November 28, 2019 and are available on the website address http://www.prodea.gr.

NOTE 2: Summary of Significant Accounting Policies

2.1 Basis of Preparation

The interim condensed financial information of the Group and the Company for the nine-month period ended September 30, 2019 (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, 2018, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim period, except for the adoption of new and amended standards as set out below (Note 2.2.1). In addition the Group adopted new accounting policies for the property and equipment, for the inventories and for the intangible assets acquired through business combinations (Note 2.2.2).

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 current period's presentation. Management believes that such adjustments do not have a 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 property, property and equipment which include land and buildings related to hotel and other facilities and derivative financial instruments, which have been measured at fair value.

2.2 Adoption of International Financial Reporting Standards (IFRSs)

2.2.1 New standards, amendments and interpretations to existing standards applied from 1 January 2019:

- **IFRS 16 (new standard) "Leases".** On January 1, 2019, the Group adopted IFRS 16. IFRS 16 supersedes the relevant lease guidance included in IAS 17 leases and sets out the principles for the recognition, measurement, presentation and disclosure of lease agreements, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

  IFRS 16 introduces a single on-balance sheet accounting model for lessees. A lessee recognizes a Right of Use (RoU) Asset, representing its right to use the underlying asset and a lease obligation representing its obligation to make lease payments. The lease liability is initially measured at the present value of future lease payments, discounted using the rate implicit in the lease or, if this rate cannot be readily determined, the lessee's incremental borrowing rate (IBR). The RoU is initially measured at the amount of the lease liability.

  Subsequently, the RoU is amortized over the lease term and the financial liability is measured at amortized cost. The operating lease expense recognized in accordance with IAS 17 is replaced by a depreciation charge of the RoU and an interest expense arising from the unwinding of the discount on the lease liability. The change in the presentation of operating lease expenses will result in improved cash flows from operating activities and a corresponding reduction in cash flows from financing activities.

  Lessor accounting remains the same as in the current standard – i.e. lessors continue to classify the leases as finance or operating leases using similar classification criteria as IAS 17.

Leases in which the Group is lessor
There was no significant impact for the Group's finance leases or for the leases in which the Group is a lessor.

Leases in which the Group is a Lessee
The Group applied the modified retrospective approach, where the right is set equal to the amount of the lease liability upon adoption and did not restate the comparative information. The Group has elected to take the recognition exemption for short-term and low-value leases for which lease payments are recognized as operating expenses on a straight-line basis over the term of the lease.

The most significant estimate used to measure the lease liability relates to the interest rate used to discount the lease at the present value as of the date of initial application and is considered from the date of first application and is considered to be a critical accounting estimate.

The Impact of IFRS Adoption 16 in the Interim Financial Statements of the Group and the Company were not material. The adoption of IFRS 16 as of January 1, 2019 increased the Group's assets and liabilities by €207.

The RoU is included in the item "Property and Equipment" (Note 6) and the lease liabilities are included in the items "Other long term liabilities" and "Trade and other payables" (Note 18).

- **IAS 19 (Amendment) Plan Amendment, Curtailment or Settlement**. The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendment has no impact on the Interim Financial Statements of the Group and the Company.

- **IFRS 9 (Amendment) Prepayment Features with Negative Compensation**. The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met, instead of at fair value through profit or loss. The amendment has no impact on the Interim Financial Statements of the Group and the Company.

- **IAS 28 (Amendment) Long-Term Interests in Associates and Joint Ventures**. The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9. The amendment has no impact on the Interim Financial Statements of the Group and the Company.

- **IFRIC 23 Uncertainty over Income Tax Treatments** (effective for annual periods on or after 1 January 2019, as issued by the IASB). The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has no impact on the Interim Financial Statements of the Group and the Company.

- **"Annual Improvements to IFRS Standards 2015–2017 Cycle"**. The amendments impact the following standards:

  - **IFRS 3 "Business Combinations"** - amended to clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

  - **IFRS 11** "Joint Arrangements" - amended to clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

  - **IAS 12** "Income Taxes"- clarified to state that a company accounts for all income tax consequences of dividend payments in the same way.

- **IAS 23** “Borrowing costs” - clarified to provide that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The amendments had no impact on the Interim Financial Statements of the Group and the Company.

2.2.2 New Standards, amendments and interpretations existing standards effective after 2019

- **Definition of a business - Amendment to IFRS 3** (effective for annual periods beginning on or after 1 January 2020, as issued by the IASB). The IASB issued amendments to the definition concept of business in IFRS 3 “Business Combination” to help entities to determine whether an acquired set of activities and assets is a business combination or not. They clarify the minimum requirements for a Business, remove the assessment of whether market participants are capable of replacing any missing elements or processes and continuing to produce outputs, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments should apply to transactions made on or after the beginning of the first reporting period of 1 January 2020. Consequently, entities do not have to revisit such transactions that occurred in prior periods. The amendments have not yet been adopted by the EU.

- **Definition of materiality - Amendments to IAS 1 and IAS 8** (effective for the Group as of 1 January 2020). In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, to align the definition of "material" across the standards and to clarify its definitions. The new definition states that 'information is material if, by omitting, misstating or obscuring it, could reasonably be expected to influence decisions that the primary users of general purposes financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of the information or both. An entity will need to assess whether information individually or in combination with other information is material in the context of the Financial Statements. The amendments have not yet adopted by the EU.

- **Conceptual framework.** In March 2018, the IASB issued a revised version of the Conceptual Framework for Financial Reporting ("the Framework"), which will be effective for annual periods beginning on or after 1 January 2020. The Framework sets out the fundamental financial reporting concepts that guide the IASB in developing of IFRSs. The Framework underpins existing IFRS Standards but does not overrides them. Preparers of the financial statements use the Framework as a point of reference for developing accounting policies in the rare instances where a particular business transaction is not covered by existing IFRSs. The IASB and the IFRS Interpretations Committee will begin to use the new Framework immediately in developing new or amending existing IFRSs and interpretations. The Group is currently evaluating the impact of the amended Framework on its accounting policies.

2.2.3 Update of Significant Accounting Policies disclosed in Note 2 of Annual Financial Statement of NBG Pangaea REIC:

2.2.3.1 Property and Equipment

The Group acquired through business combinations property and equipment which include land and buildings relating to hotel and other facilities (Note 6 and 8). In relation to those property and equipment the Group has adopted the revaluation method. The accounting policy disclosed below replaces Note 2.7 of Annual Financial Statements of NBG Pangaea REIC for the year ended 31 December 2018.

« Note 2.7 Property and Equipment»

There are two categories of Property and Equipment:

a) Property and equipment which include land, buildings and equipment held by the Group for use in the supply of services and for administrative purposes.

Property and equipment are initially recorded at cost, which includes all costs that are required to bring an asset into operating condition. Subsequent to initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset, which is classified as property and equipment, are capitalized only when it is probable that they will result in future economic benefits to the Group beyond those originally anticipated from the asset, otherwise they are expensed as incurred.

Depreciation of an item of property and equipment begins when it is available for use and ceases only when the asset is derecognised. Therefore, the depreciation of an item of property and equipment that is retired from active use does not cease unless it is fully depreciated. Property and equipment are depreciated on a straight-line basis over their estimated useful lives, which can be reassessed. Estimated useful lives of property and equipment per category is as follows:

Land: No depreciation
Buildings: 40 years
Leasehold improvements: During the remaining lease term
Furniture and other equipment: 3 – 10 years
Motor vehicles: up to 10 years
Other tangible assets: 5 years

At each reporting date, the Group assesses whether there is an indication that an item of property and equipment may be impaired. If any indication exists, the Group estimates the recoverable amount of the asset and when the carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and the amount of the gains/losses is recognized in the income statement.

b) Property and equipment which include land and buildings relating to hotel and other facilities.

Property and equipment are initially recorded at cost, which includes all costs that are required to bring an asset into operating condition. Subsequent to initial recognition, property and equipment is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment. Under the revaluation model, revaluations are carried out regularly, so that the carrying amount of property and equipment does not differ materially from its fair value at the balance sheet date. If a revaluation results in an increase in value, it is credited to other comprehensive income and accumulated in equity under the heading "revaluation surplus" unless it represents a reversal of a revaluation decrease previously recognised as an expense, in which case it is recognised in income statement. A decrease arising as a result of a revaluation is recognised as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus.

Property and equipment are depreciated on a straight-line basis over their estimated useful lives, which can be reassessed. Estimated useful lives of property and equipment per category is as follows:

Land: No depreciation
Hotel and other facilities: 100 years

2.2.3.2 Inventories

The Group acquired through business combinations inventories which relate to residences, land plot for the development of residences for subsequent sale and to consumables (Note 8). Group's accounting policy relating to the inventories is presented below:

Inventories are initially recorded at cost. Subsequent measurement is at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business of the Group, less the estimated costs necessary to make the sale. When the inventories are considered obsolete or slow moving the Group records a provision for impairment. Write-offs and impairment losses are recognized when incurred and are recorded to the income statement. Cost is determined using the weighted average method.

2.2.3.3 Goodwill, Software and other intangible assets

The Group acquired intangible assets through business combinations which have an indefinite useful life and are related to management and service contracts directly related to the use, operation and exploitation of the villas and apartments of Aphrodite Hills Resort (Note 7 and 8). In addition, the Group through business combinations recognized goodwill through the indirect acquisition of The Cyprus Tourism Development Public Company Limited ('CTDC') (Note 7 and 8).

The following accounting policy replaces Note 2.8 of the annual consolidated Financial Statements of NBG Pangaea REIC for the year ended 31 December 2018.

"Note 2.8 Intangible Assets"

Goodwill
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the income statement. Subsequent to initial recognition, goodwill is measured at carrying amount.

Intangible assets acquired through business combinations
Intangible assets acquired through business combinations that have an indefinite useful life include management contracts and services directly related to the use, operation and exploitation of the villas and apartments located at Aphrodite Hills Resort (Note 7 and 8).

Software
Software acquisition cost includes costs that are directly attributable to specific and identifiable software products owned by the Group and which are expected to generate future benefits for more than one year and which will exceed the related acquisition costs. Costs that improve or extend the operation of software beyond their original specifications are capitalized and added to their initial acquisition value.

Such intangible assets are amortised using the straight-line method over their useful lives, which may not exceed 12 years.

Expenses such as establishment and initial installation costs, personnel training costs, advertising and promotional expenses, and relocation and reorganization costs for a part or for the whole Company are recognized as expenses at the time they are incurred.

Impairment
At each reporting date, the Management of the Company examines the value of intangible assets (intangible assets acquired through business combinations and software) in order to determine whether there is any impairment. If such is the case, the Management of the Company carries out an impairment test to determine whether the book value of those assets can be fully recovered. When the carrying amount of an intangible asset exceeds its recoverable amount, a provision for impairment is performed.

For the purpose of testing of impairment of goodwill, goodwill is allocated to Cash Generating Units ("CGUs"). The allocation is performed to those CGUs, which expect to benefit from the business combination from which the goodwill arise. The Group assesses the carrying value of goodwill on an annual basis or more frequently to determine whether there is a possible impairment of its value. In assessing this, it is estimated whether the carrying value of goodwill remains fully recoverable. The assessment is made by comparing the carrying value of the CGU where the goodwill has been allocated to with its recoverable amount, which is the greater of its fair value less costs to sell and its value in use. Fair value is valued at market value, if available, either determined by an independent valuer or derived from a valuation model. If the recoverable amount is below the carrying amount, an impairment loss is recognized and the goodwill is impaired by the surplus of the carrying value of the CGU over the recoverable amount.

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, 2018, with the exception of the incremental borrowing rate for the discounting of the lease liabilities upon application of IFRS 16.

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 assets, 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.

In the context of a prudent financial management policy, the Company's Management seeks to manage its borrowing (short and long term) by utilizing a mix of funding sources in accordance with its business planning and strategic objectives. The Company assesses its financing needs and available funding sources in the international and domestic financial markets and explores any opportunities to raise additional capital through financing in those markets.

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, 2018.

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 described below:

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

All amounts expressed in € thousand, unless otherwise stated

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 September 30, 2019 and December 31, 2018, respectively.

September 30, 2019		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	9	-	**9**

December 31, 2018		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments	-	148	-	**148**

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.

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 instruments not carried at fair value*

The tables below analyse financial assets and liabilities of the Group not carried at fair value as at September 30, 2019 and December 31, 2018, respectively:

September 30, 2019		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowings	-	-	856,938	**856,938**

December 31, 2018		**Valuation hierarchy**		
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowings	-	-	560,139	**560,139**

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

As at September 30, 2019 and December 31, 2018, the carrying value of cash and cash equivalents, trade and other assets as well as trade and other payables approximates 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 - Hotels
- Greece - Other (include student housing, storage space, archives, petrol stations and parking spaces),
- Italy - Offices,
- Italy - Retail,
- Italy - Other (relates to a land plot and storage space),
- Cyprus - Retail,
- Cyprus – Hotel,
- Cyprus – Other (relates to land plot and residences and land plots for development)
- Other Countries[1] - Retail,
- Other Countries - Offices,

Due to the acquisition of the companies Aphrodite Hills Resort Limited, Aphrodite Springs Public Limited and CTDC that the Group concluded during 2019, the geographical segment "Cyprus" and the operational segment "Hotels" were recognized as separate business segments.

As of September 30, 2019 additional information is disclosed for the segment Retail (High Street Retail & Supermarket and Bank Branches). The equivalent information is also disclosed for the comparative figures as of September 30, 2018 and December 31, 2018.

[1] The category "Other Countries" as of September 30, 2019 includes Romania and Bulgaria while as of September 30, 2018 and December 31, 2018 it includes Romania, Bulgaria and Cyprus.

All amounts expressed in € thousand, unless otherwise stated

From 01.01. to 30.09.2019

Country	**Greece**				**Italy**			**Cyprus**				**Other Countries**		
Segment	**Retail**	**Offices**	**Hotel**	**Other**	**Retail**	**Offices**	**Other**	**Retail**	**Office**	**Hotel**	**Other**	**Retail**	**Offices**	**Total**
Revenue	42,755	36,703	1,314	1,404	644	8,984	-	2,362	636	25,851	5,023	77	5,308	**131,061**
Total segment revenue	**42,755**	**36,703**	**1,314**	**1,404**	**644**	**8,984**	**-**	**2,362**	**636**	**25,851**	**5,023**	**77**	**5,308**	**131,061**
Net gain / (loss) from the fair value adjustment of investment property	19,981	25,225	978	1,560	(393)	8,478	(2,801)	621	1	748	16,870	246	288	**71,802**
Consumables used & net change in real estate inventories	-	-	-	-	-	-	-	-	-	(2,860)	(4,416)	-	-	**(7,276)**
Repairs and maintenance	(6)	(40)	-	(1)	(26)	(213)	(3)	(40)	(20)	(689)	(12)	-	(8)	**(1,058)**
Other direct property related expenses (incl. property taxes-levies)	(3,568)	(4,189)	(872)	(434)	(67)	(1,235)	(298)	(263)	(126)	(79)	(72)	(47)	(78)	**(11,328)**
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Investment Property	-	-	-	-	-	-	-	-	-	-	-	-	(52)	**(52)**
Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Hospitality and ancillary services	-	-	-	-	-	-	-	-	-	(7,776)	-	-	-	**(7,776)**
Depreciation of property, plant and equipment	-	-	-	-	-	-	-	-	-	(625)	-	-	-	**(625)**
Net impairment gain / (loss) on financial assets	(1,788)	(67)	(27)	(1)	(27)	(85)	3	(3)	(2)	18	(1)	-	-	**(1,980)**
Net impairment gain / (loss) on non- financial assets	-	-	-	-	-	-	-	-	-	(403)	(3,740)	-	-	**(4,143)**
Total segment operating profit / (loss)	**57,374**	**57,632**	**1,393**	**2,528**	**131**	**15,929**	**(3,099)**	**2,677**	**489**	**14,185**	**13,652**	**276**	**5,458**	**168,625**
Unallocated operating income														**378**
Unallocated operating expenses														**(17,992)**
Operating Profit														**151,011**
Unallocated interest income														**12**
Unallocated finance costs														**(19,412)**
Allocated finance costs	(385)	(263)	(737)	(155)	-	-	-	-	-	(642)	(259)	-	(1,030)	**(3,471)**
Unallocated income														**13,547**
Profit before tax														**141,687**
Deferred Taxes	-	-	-	-	-	-	-	(1,150)	(9)	(425)	(2,760)	(1)	(167)	**(3,451)**
Unallocated Taxes														**(10,700)**
Profit for the period														**127,536**

All amounts expressed in € thousand, unless otherwise stated

	Greece				Italy			Cyprus				Other Countries		
	Retail	**Offices**	**Hotel**	**Other**	**Retail**	**Offices**	**Other**	**Retail**	**Office**	**Hotel**	**Other**	**Retail**	**Offices**	**Total**
Segment assets as at September 30, 2019														
Segment assets	744,474	651,487	24,720	31,362	14,132	201,611	53,003	96,255	48,554	159,548	97,348	11,589	90,454	**2,224,337**
Unallocated assets														**100,615**
Total assets														**2,324,952**
Segment liabilities as at September 30, 2019														
Segment liabilities	44,728	37,427	50,065	16,344	212	2,515	2,941	2,240	1,311	45,334	28,637	66	41,980	**273,800**
Unallocated liabilities														**681,245**
Total liabilities														**955,045**
Non-current assets additions as at September 30, 2019	429	1,871	195	-	-	-	131	71,442	46,174	22,114	35,784	-	7	**178,147**

The segment "Retail" as of September 30, 2019 is further analysed below:

	Greece		Italy		Cyprus	Other Countries		
Segment	**High Street Retail & Supermarket**	**Bank Branches**	**High Street Retail & Supermarket**	**Bank Branches**	**High Street Retail & Supermarket**	**High Street Retail & Supermarket**	**Bank Branches**	**Total**
Revenue	11,717	31,038	490	154	2,362	-	77	**45,838**
Total segment revenue	**11,717**	**31,038**	**490**	**154**	**2,362**	**-**	**77**	**45,838**
Net gain / (loss) from the fair value adjustment of investment property	7,204	12,777	(303)	(90)	621	270	(24)	**20,455**
Repairs and maintenance	(2)	(4)	(17)	(9)	(40)	-	-	**(72)**
Other direct property related expenses (incl. property taxes-levies)	(1,747)	(1,821)	(54)	(13)	(263)	(41)	(6)	**(3,945)**
Net impairment gain / (loss) on financial assets	(1,787)	(1)	(27)	-	(3)	-	-	**(1,818)**
Total segment operating profit / (loss)	**15,385**	**41,989**	**89**	**42**	**2,677**	**229**	**47**	**60,458**
Segment Assets as of September 30, 2019								
Assets	254,219	490,255	10,489	3,643	96,255	10,384	1,205	**866,450**
Segment liabilities as of September 30, 2019								
Liabilities	41,677	3,051	121	91	2,240	6	60	**47,246**
Non-current assets additions as at September 30, 2019	427	2	-	-	71,442	-	-	**71,871**

All amounts expressed in € thousand, unless otherwise stated

From 01.01. to 30.09.2018											
Country	**Greece**				**Italy**			**Other countries**			
Segment	**Retail**	**Offices**	**Hotels**	**Other**	**Retail**	**Offices**	**Other**	**Retail**	**Offices**	**Hotels**	**Total**
Revenue	41,817	36,485	361	918	674	9,022	-	1,202	427	-	**90,906**
Total segment revenue	**41,817**	**36,485**	**361**	**918**	**674**	**9,022**	**-**	**1,202**	**427**	**-**	**90,906**
Net gain / (loss) from the fair value adjustment of investment property	3,446	2,959	79	340	296	6,284	13,822	1,674	398	-	**29,298**
Other direct property related expenses (incl. property taxes-levies)	(3,580)	(4,040)	(115)	(440)	(57)	(1,309)	(255)	(83)	(25)	(4)	**(9,908)**
Net impairment gain / (loss) on financial assets	43	(170)	-	(4)	(20	(27)	(3)	-	-	-	**(163)**
Total segment operating profit / (loss)	**41,726**	**35,234**	**325**	**814**	**911**	**13,970**	**13,564**	**2,793**	**800**	**(4)**	**110,133**
Unallocated operating income											**279**
Unallocated operating expenses											**(5,759)**
Operating Profit											**104,653**
Unallocated interest income											**38**
Unallocated finance costs											**(15,810)**
Allocated finance costs	-	(506)	-	-	-	-	-	-	-	-	**(506)**
Profit before tax											**88,375**
Taxes											**(8,836)**
Profit for the period											**79,539**
Segment assets as at December 31, 2018											
Segment assets	736,578	619,948	12,356	32,357	14,493	192,040	55,693	35,148	92,154	11,206	**1,801,973**
Unallocated assets											**83,892**
Total assets											**1,885,865**
Segment liabilities as at December 31, 2018											
Segment liabilities	2,870	8,391	3,760	2,835	186	2,365	2,523	17	39,032	-	**61,979**
Unallocated liabilities											**537,204**
Total liabilities											**599,183**
Non-current assets additions as at December 31, 2018	21,301	5,592	7,252	13,069	-	-	60	9,528	84,600	11,200	**152,602**

The segment "Retail" is further analysed as of 30 September 2019 and December 31, 2018 as below:

All amounts expressed in € thousand, unless otherwise stated

	Greece		Italy		Other Countries		
Segment	**High Street Retail & Supermarket**	**Bank Branches**	**High Street Retail & Supermarket**	**Bank Branches**	**High Street Retail & Supermarket**	**Bank Branches**	**Total**
Revenue	11,047	30,770	521	153	1,097	105	**43,693**
Total segment revenue	**11,047**	**30,770**	**521**	**153**	**1,097**	**105**	**43,693**
Net gain / (loss) from the fair value adjustment of investment property	13,907	(10,461)	226	70	1,558	116	**5,416**
Other direct property related expenses (incl. property taxes-levies)	(1,476)	(2,104)	(43)	(14)	(76)	(7)	**(3,720)**
Net impairment gain / (loss) on financial assets	43	-	(2)	-	-	-	**41**
Total segment operating profit / (loss)	**23,521**	**18,205**	**702**	**209**	**2,579**	**214**	**45,430**
Segment Assets as of 31 December 2018							
Assets	253,612	482,966	10,761	3,732	33,921	1,227	**786,219**
Segment Liabilities as of 31 December 2018							
Liabilities	1,168	1,702	99	87	7	10	**3,073**
Non-current assets additions as at 31 December 2018	21,301	-	-	-	9,528	-	**30,829**

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, inventories, property and equipment, other intangible assets (customer contracts) and trade & other assets.
(c) Unallocated assets include property and equipment, goodwill, software, equity method investments, investment in joint ventures, cash and cash equivalents, other long-term and current assets.
(d) Unallocated liabilities as of September 30, 2019 and December 31, 2018 mainly include borrowings amounted to €656,603 and €521,504 respectively.

Concentration of customers

NBG, lessee of the Group, represent more than 10% of Group's rental income. Rental income from NBG for the nine-month period ended September 30, 2019 amounted to €50,224, i.e. 49.8% (nine-month period ended September 30, 2018: €50,135 i.e. 55.2%).

NOTE 5: Investment Property

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Balance at the beginning of the period	**1,779,481**	**1,580,698**	**1,359,579**	**1,309,775**
Additions:				
- Direct acquisition of investment property	-	42,784	-	28,840
- Acquisitions through business combinations (Note 8)	166,721	84,600	-	-
- Acquisitions of subsidiaries other than through business combinations (Note 8)	8,108	24,257	-	-
- Subsequent capital expenditure on investment property	3,318	961	2,239	901
- Transfer from property and equipment	-	13	-	13
- Transfer to property and equipment	-	(158)	-	-
Net gain from the fair value adjustment of investment property	71,802	46,326	46,219	20,050
Balance at the end of the period	**2,029,430**	**1,779,481**	**1,408,037**	**1,359,579**

On June 25, 2019 the Company proceeded with the acquisition of 100% of the management shares and 88.2% of the investment shares of CYREIT Variable Investment Company PLC ("CYREIT") based in Cyprus (Note 8). CYREIT, which has been incorporated as an Alternative Investment Fund (AIF), owns, through its subsidiaries, 21 commercial properties (e.g., offices, retail, big boxes, hotel) with a total gross surface area of more than 120 thousand sq.m., in Cyprus (Nicosia, Limassol, Larnaca and Paphos). CYREIT is supervised by the Cyprus Securities and Exchange Commission and its investment shares are listed on the Cyprus Stock Exchange (in the Market of Non-Trading Investment Plans). The acquisition value of the properties amounted to €147,635 and the fair value at the date of the acquisition amounted to €163,021, according to the valuation performed by the independent statutory valuers.

On May 14 and 15, 2019, the Company proceeded with the signing of preliminary agreements for the acquisition of a property located in Athens. Within the context of the pre-agreements the Company paid an amount of €1,170 as a prepayment. On November 14, 2019 the Company concluded on the acquisition of the property (Note 31).

On May 13, 2019, the Company proceeded with the signing of a preliminary agreement for the acquisition of 100% of a company's shares, owner of a land plot, on which a building that is used as warehouses with modern specifications has been developed. On November 15, 2019 the Company proceeded with the acquisition of the company's shares (Note 31).

On March 28, 2019, the Company proceeded with the acquisition of a majority stake (60%) of the company Aphrodite Springs Public Limited in Paphos, Cyprus. Aphrodite Springs spreads over 150 hectares of land, adjacent to Aphrodite Hills Resort, and is licensed to develop a golf course and 125 thousand sq.m. of residential properties and properties of supplementary uses. The acquisition value of the land plot amounted to €8,108 and the fair value at the date of the acquisition amounted to €25,500. At the same date, the Company proceeded with the acquisition of a majority stake (60%) of the company Aphrodite Hills Resort Limited in Paphos, Cyprus (Note 8). The fair value of the investment property at the date of the acquisition, not including the hotel and the other relating to the hotel facilities (Note 6), amounted to €3,700.

On March 28, 2019 the Company agreed with Bank of Cyprus Public Company Limited the acquisition of two adjacent commercial properties in Athens (one of which has a total area of 6.9 thousands sq.m. and is located on Syggrou Avenue and Lagoumtzi Avenue and the other has total area of 2 thousands sq.m. and is located on Evridamantos and Lagoumtzi Street) for a total consideration of €10,000. On September 10, 2019 the properties were acquired by Panterra S.A., in which the Company owns 49% (Note 10).

The Group's borrowings which are secured on investment property are stated in Note 17.

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 for September 30, 2019. 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.

All amounts expressed in € thousand, unless otherwise stated

	Greece				Italy			Romania		Cyprus				Bulgaria		30.09.2019
Segment	**Retail**	**Offices**	**Hotels**	**Other[1]**	**Retail**	**Offices**	**Other[2,3]**	**Retail**	**Offices**	**Retail**	**Offices**	**Hotels**	**Other[4]**	**Retail**	**Offices**	**Total**
Level	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Fair value at the beginning of the period	**725,300**	**615,941**	**14,013**	**26,689**	**14,321**	**189,344**	**55,590**	**1,226**	**5,344**	**23,688**	**2,115**	**11,200**	**-**	**10,110**	**84,600**	**1,779,481**
Additions:																
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	71,391	46,174	22,002	27,154	-	-	**166,721**
Acquisitions other than through business combinations	-	-	-	-	-	-	-	-	-	-	-	-	8,108	-	**-**	**8,108**
Subsequent capital expenditure on investment property	429	1,871	195	-	-	-	131	-	-	51	-	112	522	-	7	**3,318**
Transfers among segments	(10,722)	2,247	8,475	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Net gain / (loss) from the fair value adjustment of investment property	19,981	25,225	978	1,560	(393)	8,478	(2,801)	(24)	80	621	1	748	16,870	270	208	**71,802**
Fair value at the end of the period	**734,988**	**645,284**	**23,661**	**28,249**	**13,928**	**197,822**	**52,920**	**1,202**	**5,424**	**95,751**	**48,290**	**34,062**	**52,654**	**10,380**	**84,815**	**2,029,430**

[1] The segment "Other" in Greece includes student housing, commercial warehouses, storage spaces, archives, petrol stations and parking spaces.
[2] The segment "Other" in Italy relates to land plot 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.
[4] The segment "Other" in Cyprus relates to land plot, storage spaces and other properties with special use.

All amounts expressed in € thousand, unless otherwise stated

The segment “Retail” is further analysed as below:

Country	**Greece**		**Italy**		**Romania**	**Cyprus**	**Bulgaria**	
Segment	**High Street Retail & Supermarket**	**Bank Branches**	**High Street Retail & Supermarket**	**Bank Branches**	**Bank Branches**	**High Street Retail & Supermarket**	**High Street Retail & Supermarket**	**Total**
Level	3	3	3	3	3	3	3	
Fair value at the beginning of the period	**242,403**	**482,897**	**10,651**	**3,670**	**1,226**	**23,688**	**10,110**	**774,645**
Additions:								
Acquisitions through business combinations	-	-	-	-	-	71.391	-	**71,391**
Subsequent capital expenditure on investment property	427	2	-	-	-	-	-	**429**
Transfers among segments	(5,194)	(5,528)	-	-	-	-	-	**(10,722)**
Net gain / (loss) from the fair value adjustment of investment property	7,204	12,777	(303)	(90)	(24)	621	270	**20,455**
Fair value at the end of the period	**244,840**	**490,148**	**10,348**	**3,580**	**1,202**	**95,751**	**10,380**	**856,249**

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurements of investment property per business segment and geographical area as of September 30, 2019:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Highstreet Retail & Supermarkets	244,840	15%-20% market approach and 80%-85% discounted cash flows (DCF)	1,429	7.06% - 10.54%	6.00% - 9.50%
Greece	Bank Branches	490,148	15%-20% market approach and 80%-85% DCF	2,232	7.32% - 10.06%	6.00% - 8.75%
Greece	Offices	645,284	15%-20% market approach and 80%-85% DCF	3,572	8.14% - 11.10%	6.75% - 9.25%
Greece	Hotels	23,661	0%-15%-20% market approach and 80%-85%-100% DCF	-	8.70% - 10.30%	7.50% - 8.50%
Greece	Other[1]	28,249	0%-15%-20% market approach and 80%-85%-100% DCF	165	9.70% - 10.37%	8.50% - 9.25%
Italy	Highstreet Retail & Supermarkets	10,348	0% market approach and 100% DCF	260	6.00% - 7.10%	4.65% - 5.40%
Italy	Bank Branches	3,580	0% market approach and 100% DCF	16	6.57%	4.85%
Italy	Offices	197,822	0% market approach and 100% DCF	4,300	5.50% - 7.20%	4.65% - 6.00%
Italy	Other[2]	52,500	0% market approach and 100% residual method	-	-	-
Italy	Other[3]	420	0% market approach and 100% DCF	3	6.75%	5.70%
Romania	Bank Branches	1,202	15% market approach and 85% DCF	11	9.23% - 10.98%	7.75% - 9.50%
Romania	Offices	5,424	15% market approach and 85% DCF	31	9.23%	7.75%
Cyprus	Highstreet Retail & Supermarkets	95,751	0%-15%-20% market approach and 80%-85%-100% DCF	459	6.95% - 9.40%	5.00% - 8.00%
Cyprus	Offices	48,290	15%-20% market approach and 80%-85% DCF	251	6.90% - 7.99%	5.00% - 6.00%
Cyprus	Hotels	34,062	0% market approach and 100% DCF	-	10.00% - 10.02%	8.50%
Cyprus	Other[4]	52,654	0%-20% market approach and 80%-100% DCF	129	6.90% - 12.70%	5.00% - 9.00%
Bulgaria	Highstreet Retail & Supermarkets	10,380	0% market approach and 100% DCF	178	11.04%	8.75%
Bulgaria	Offices	84,815	20% market approach and 80% DCF	546	9.39%	7.76%

[1] The segment “Other” in Greece includes student housing, storage spaces, archives, petrol stations and parking spaces.
[2] The segment “Other” in Italy relates to land plot.
[3] The segment “Other” in Italy relates to storage space.
[4] The segment “Other” in Cyprus relates to land plot, storage spaces and other properties with special use.

All amounts expressed in € thousand, unless otherwise stated

Information about fair value measurement of investment property as of December 31, 2018 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Monthly market rent	Discount rate (%)	Capitalization rate (%)
Greece	Highstreet Retail & Supermarkets	242,403	15%-20% market approach and 80%-85% discounted cash flows (DCF)	1,395	7.25% - 10.49%	6.25% - 9.25%
Greece	Bank Branches	482,897	15%-20% market approach and 80%-85% DCF	2,273	7.19% - 10.39%	6.00% - 9.00%
Greece	Offices	615,941	15%-20% market approach and 80%-85% discounted cash flows (DCF)	3,302	8.17% - 10.73%	7.00% - 9.50%
Greece	Hotels	14,013	0%-20% market approach and 80%-100% discounted cash flows (DCF)	35	9.41% - 11.21%	7.75% - 9.00%
Greece	Other[1]	26,689	0%-15%-20% market approach and 80%-85%-100% DCF	166	10.64% -12.20%	8.50% - 11.75%
Italy	Highstreet Retail & Supermarkets	10,651	0% market approach and 100% DCF	58	5.43% - 6.90%	5.10% - 6.35%
Italy	Bank Branches	3,670	0% market approach and 100% DCF	19	6.14%	5.00%
Italy	Offices	189,344	0% market approach and 100% DCF	1,027	5.85% - 8.19%	5.10% - 6.90%
Italy	Other[2]	55,100	0% market approach and 100% residual method	-	-	-
Italy	Other[3]	490	0% market approach and 100% direct capitalization	2	-	4.50%
Romania	Highstreet Retail & Supermarkets	1,226	20% market approach and 80% DCF	10	9.55% - 10.80%	7.75% - 9.00%
Romania	Offices	5,344	20% market approach and 80% DCF	35	9.55%	7.75%
Cyprus	Highstreet Retail & Supermarkets	23,688	20% market approach and 80% DCF	88	7.60%	6.25%
Cyprus	Offices	2,115	20% market approach and 80% DCF	8	7.60%	6.25%
Cyprus	Hotels	11,200	20% market approach and 80% DCF	79	9.97%	7.50%
Bulgaria	Highstreet Retail & Supermarkets	10,110	0% depreciated replacement cost method and 100% DCF	131	10.26%	8.10%
Bulgaria	Offices	84,600	20% market approach and 80% DCF	549	9.31%	7.50%

[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 plot.
[3] The segment "Other" in Italy relates to storage space.

In accordance with the Greek REIC legislation, as in force, property valuations are supported by appraisals performed by independent professionally qualified valuers who prepare their reports twice a year as at June 30 and December 31. 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. As at March 31 and September 30 each year, the Management estimates, based on the market conditions and any real events in relation to the properties portfolio, if there is a change in these values. If there is a significant change it is taken into consideration for the determination of the fair value of investment property. Management considers that there were no events or circumstances that could cause a significant diversification in the fair value of investment property portfolio as of September 30, 2019 from the fair value as of June 30, 2019.

The last valuation of the Group's properties was performed at June 30, 2019 by independent valuers, as stipulated by the relevant provisions of L.2778/1999, as in force. For the Group's portfolio the market approach and the discounted cash flow (DCF) method were used, for the majority of the valuations. For the valuation of the Group's properties, except for one property, the discounted cash flow (DCF) method was assessed by the independent valuers to be the most appropriate.

For the valuation of Group's properties in Greece, Cyprus and Romania, the method of discounted cash flow (DCF) was used in all properties and in the most properties the market approach. For the weighing of the two methods (DCF and market approach), the rates 80%, 85% or 100% for the DCF method and 20%, 15% or 0%, respectively, for the market approach have been applied, as shown in the table above. The increased weighting for the DCF method is due to the fact that this method reflects more effectively the manner in which investment properties, such as the properties of our portfolio, transact in the market.

For the property in Bulgaria, which constitutes Retail, two methods were used, the method of discounted cash flow (DCF) and the market approach. For the weighing of the two methods the rates 100% for the DCF method and 0% for the depreciated replacement cost method have been applied, as shown in the table above. The increased weighting for the DCF method is due to the fact that this method reflects more effectively the manner in which investment properties, as the appraised one, transact in the market, while the property is under development thus the other methods are considered as less appropriate.

For the property in Bulgaria, which constitutes Offices, two methods were used, the discounted cash flow (DCF) method and the market approach. For the weighing of the two methods (DCF and market approach), the rates 100% for the DCF method and 0% for the market approach, respectively have been applied, as shown in the table above. The increased weighting for the DCF method is due to the fact that this method reflects more effectively the manner in which investment properties, as the appraised one, transact in the market.

For properties in Italy, which constitute commercial properties (offices and retail) and storage spaces, the independent valuers used two methods, the discounted cash flow (DCF) method and the market approach, as shown in the table above. For the weighing of the two methods the rates 100% for the DCF method and 0% for the market approach have been applied. The increased weighting for the DCF method is due to the fact that this method reflects more effectively the manner in which investment properties, as the appraised ones, transact in the market and represents the common appraisal practice, while the value derived by using the market approaches 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, two methods were used, the residual method and the market approach according to the the data depicted in the above table. For the weighing of the two methods the rates 100% for the residual method and 0% for the market approach have been applied. The increased weighting for the residual method is due to the fact that the valuers take into consideration the current development plan, which is difficult to be considered by using another method, and and that the value derived by using the market approach is very close to the one derived by using the residual method.

All amounts expressed in € thousand, unless otherwise stated

NOTE 6: Property and Equipment

Group	Land and buildings (Administrative Use)	Land and buildings (Hotel & Other Facilities)	Motor vehicles	Fixtures and equipment	Leasehold improvements	Assets under construction & Advances	Right-of-use Asset	Total
Cost or Fair value								
Balance at January 1, 2018	**2,153**	**-**	**2**	**20**	**-**	**47**	**-**	**2,222**
Additions	-	-	-	2	-	-	-	**2**
Transfer to investment property	-	-	-	-	-	(13)	-	**(13)**
Other transfers	282	-	7	291	-	(33)	-	**547**
Balance at December 31, 2018	**2,435**	**-**	**9**	**313**	**-**	**1**	**-**	**2,758**
Accumulated depreciation								
Balance at January 1, 2018	**(149)**	**-**	**(2)**	**(13)**	**-**	**-**	**-**	**(164)**
Depreciation charge	(21)	-	-	(3)	-	-	-	**(24)**
Other transfers	(123)	-	(7)	(291)	-	-	-	**(421)**
Balance at December 31, 2018	**(293)**	**-**	**(9)**	**(307)**	**-**	**-**	**-**	**(609)**
Net book value at December 31, 2018	**2,142**	**-**	**-**	**6**	**-**	**1**	**-**	**2,149**
Cost or Fair value								
Balance at January 1, 2019	**2,435**	**-**	**9**	**313**	**-**	**1**	**-**	**2,758**
Impact of IFRS 16	-	-	-	-	-	-	207	**207**
Balance at January 1, 2019 adjusted for impact of IFRS 16	**2,435**	**-**	**9**	**313**	**-**	**1**	**207**	**2,965**
Additions	-	802	-	362	66	-	94	**1,324**
Additions through acquisition of subsidiary (Note 8)	-	111,719	-	7,093	-	-	513	**119,325**
Other	-	98	-	-	-	-	(4)	**94**
Balance at September 30, 2019	**2,435**	**112,619**	**9**	**7,768**	**66**	**1**	**810**	**123,708**
Accumulated depreciation								
Balance at January 1, 2019	**(293)**	**-**	**(9)**	**(307)**	**-**	**-**	**-**	**(609)**
Depreciation charge	(16)	(318)	-	(322)	(1)	-	(170)	**(827)**
Impairment	-	(402)	-	-	-	-	-	**(402)**
Balance at September 30, 2019	**(309)**	**(720)**	**(9)**	**(629)**	**(1)**	**-**	**(170)**	**(1,838)**
Net book value at September 30, 2019	**2,126**	**111,899**	**-**	**7,139**	**65**	**1**	**640**	**121,870**

All amounts expressed in € thousand, unless otherwise stated

The category "Land and buildings - Hotel & Other Facilities" of the Group comprises the properties of the company Aphrodite Hills Resort Limited in which the Company acquired a majority stake (60%) on March 28, 2019 (Note 8) and the properties of the company "The Cyprus Tourism Development Public Company Limited" which the Company acquired through its subsidiary, Vibrana Holdings Ltd., on April 18, 2019 (Note 8). Aphrodite Hills Resort has the only certified PGA National Cyprus golf course in Paphos, as well as hotel facilities and other properties related to the use, operation and exploitation of the resort. CTDC is the owner of the 5* hotel "The Landmark Nicosia" in Nicosia, Cyprus.

Information about fair value measurement of the category "Land and buildings - Hotel & Other Facilities" as of September 30, 2019 per business segment and geographical area:

Country	Segment	Fair Value	Valuation Method	Discount rate (%)	Capitalization rate (%)
Cyprus	Hotel	111,899	100% DCF	10.25% - 13.70%	7.50% - 9.00%

Company	Land and buildings (Administrative use)	Motor vehicles	Fixtures and equipment	Assets under construction & Advances	Right-of-use Asset	Total
Cost						
At January 1, 2018	**2,435**	**9**	**310**	**46**	**-**	**2,800**
Additions	-	-	1	-	-	**1**
Transfer to investment property	-	-	-	(13)	-	**(13)**
Other transfers	-	-	-	(33)	-	**(33)**
At December 31, 2018	**2,435**	**9**	**311**	**-**	**-**	**2,755**
Accumulated depreciation						
At January 1, 2018	**(272)**	**(9)**	**(303)**	**-**	**-**	**(584)**
Depreciation charge	(21)	-	(3)	-	-	**(24)**
At December 31, 2018	**(293)**	**(9)**	**(306)**	**-**	**-**	**(608)**
Net book value December 31, 2018	**2,142**	**-**	**5**	**-**	**-**	**2,147**
Cost						
Balance at January 1, 2019	**2,435**	**9**	**311**	**-**	**-**	**2,755**
Impact of IFRS 16	-	-	-	-	95	**95**
Balance at January 1, 2019 adjusted for impact of IFRS 16	**2,435**	**9**	**311**	**-**	**95**	**2.850**
Additions	-	-	37	-	94	**131**
Balance at September 30, 2019	**2,435**	**9**	**348**	**-**	**189**	**2,981**
Accumulated depreciation						
Balance at January 1, 2019	**(293)**	**(9)**	**(306)**	**-**	**-**	**(608)**
Depreciation charge	(16)	-	(18)	-	(46)	**(80)**
Balance at September 30, 2019	**(309)**	**(9)**	**(324)**	**-**	**(46)**	**(688)**
Net book value at September 30, 2019	**2,126**	**-**	**24**	**-**	**143**	**2,293**

The category "Land and buildings – Administrative Use" of the Group and the Company comprise the owner-occupied property of the Company located at 6, Karageorgi Servias Street, Athens, used for administration purposes.

During the nine-month period ended September 30, 2019 an impairment loss of Group's and Company's property and equipment was recognised amounted to €402 and Nil for the Group and the Company respectively. (December 31, 2018: Nil for Group and Company). Impairment loss is included in the item "Net impairment loss on non-financial assets" in the Income Statement for the period ended as of September 30, 2019.

The borrowings of Group and Company are secured on land and buildings of the Company and the Group (Note 16).

All amounts expressed in € thousand, unless otherwise stated

NOTE 7: Goodwill, Software and other Intangible Assets

Group	Software	Other (Customer Contracts)	Goodwill	Total
Cost				
Balance at January 1, 2018	**428**	-	-	**428**
Balance at December 31, 2018	**428**	**-**	**-**	**428**
Accumulated amortisation				
Balance at January 1, 2018	**(298)**	**-**	**-**	**(298)**
Amortisation charge	(29)	-	-	**(29)**
Balance at December 31, 2018	**(327)**	**-**	**-**	**(327)**
Net book value at December 31, 2018	**101**	**-**	**-**	**101**
Cost				
Balance at January 1, 2019	**428**	**-**	**-**	**428**
Acquisition of subsidiary (Note 8)	33	13,200	1,741	**14,974**
Additions	116	-	**-**	**116**
Balance at September 30, 2019	**577**	**13,200**	**1,741**	**15,518**
Accumulated amortisation				
Balance at January 1, 2019	**(327)**	**-**	**-**	**(327)**
Amortisation charge	(36)	-	-	**(36)**
Balance at September 30, 2019	**(363)**	**-**	**-**	**(363)**
Net book value at September 30, 2019	**214**	**13,200**	**1,741**	**15,155**

Other intangible assets of €13,200 as of September 30, 2019 relate to management and service contracts directly related and relevant with the use, operation and exploitation of the holiday villas and apartments which are located in Aphrodite Hills Resort.

On April 18, 2019 the Group, through the indirect acquisition of the company "The Cyprus Tourism Development Public Company Limited" ("CTDC"), recognized a goodwill amounting to €1,741 (Note 8).

NOTE 8: Acquisition of Subsidiaries (business combinations and asset acquisitions)

a) Business combinations

The Company proceeded with the following acquisitions during the nine-month period ended September 30, 2019 as part of its investment policy:

- On June 25, 2019 the Company concluded the acquisition of 100% of the management shares and 88.2% of the investment shares of CYREIT Variable Investment Company PLC ("CYREIT") based in Cyprus. CYREIT, which has been incorporated as an Alternative Investment Fund (AIF), owns, through its subsidiaries, 21 commercial properties (e.g., offices, retail, big boxes, hotel) with a total gross surface area of more than 120 thousand sq.m., in Cyprus (Nicosia, Limassol, Larnaca and Paphos). CYREIT is supervised by the Cyprus Securities and Exchange Commission and its investment shares are listed on the Cyprus Stock Exchange (in the Market of Non-Trading Investment Plans).

  The acquisition was accounted for as a business combination. Therefore all transferred assets and liabilities of CYREIT were valued at fair value. Until the date of the approval of the Interim Financial Statements the fair values of assets and liabilities as of the date of acquisition are not final.

All amounts expressed in € thousand, unless otherwise stated

The following table summarizes the provisional fair values of assets and liabilities of CYREIT as of the date of acquisition, which is June 25, 2019:

	25.06.2019
ASSETS	
Investment property	163,021
Cash and cash equivalents	10,582
Other assets	2,273
Total assets	**175,876**
LIABILITIES	
Deferred tax (Note 19)	(3,077)
Other liabilities	(1,269)
Total liabilities	**(4,346)**
Fair value of acquired interest in net assets	**171,530**
Fair value of acquired interest in net assets attributable to non-controlling interests	(20,240)
Negative Goodwill	(10,853)
Total purchase consideration	**140,437**

Source: Unaudited financial information

The consideration for the acquisition of CYREIT amounted to €140,437, out of which amount of €2,836 will be paid out gradually subject to conditions that have been agreed to between the parties. The consideration was lower than the fair value of the net assets acquired and the gain (negative goodwill) amounted to €10,853 was recognized directly in the Income Statement for six-month period ended 30 September 2019 in "Negative goodwill from acquisition of subsidiaries". The expenses for the acquisition of CYREIT up to September 30, 2019 amounted to €383, out of which an amount of €57 was recognized in "Directly property related expenses" in the Income Statement for the nine-month period ended September 30, 2019 and an amount of €326 had been recognized in "Directly property related expenses" in the Income Statement for the year ended December 31, 2018.

- On April 18, 2019 the company Vibrana Holdings Ltd., in which the Company owns 90% of its share capital (Note 9), concluded on the acquisition of 97.93% of the shares of the Cypriot company "The Cyprus Tourism Development Public Company Limited" ("CTDC"). The consideration for the acquisition of 97.93% of CTDC shares from Vibrana amounted to €55,524, through the public offer submitted on February 26, 2019 for the acquisition of at least 90% and up to 100% of the shares of CTDC. The consideration that corresponds to the indirect percentage of the Company (90% of the 97.93%) amounted to €49,972. CTDC is the owner of the 5* hotel "The Landmark Nicosia" in Nicosia, Cyprus. On August 13, 2019 Vibrana Holdings Ltd. exercised its rights to acquire the 100% of the shares of CTDC for an additional consideration of €1.176), therefore as of September 30, 2019 Vibrana Holdings Ltd. owns 100% of the shares of CTDC.

  The acquisition was accounted for as a business combination. Therefore all transferred assets and liabilities of CTDC were valued at fair value. Until the date of the approval of the Interim Financial Statements the fair values of assets and liabilities as of the date of acquisition are not final.

  The following table summarizes the provisional fair values of assets and liabilities of CTDC as of the date of acquisition, which is April 18, 2019:

All amounts expressed in € thousand, unless otherwise stated

	18.04.2019
ASSETS	
Property and Equipment (Note 6)	63,600
Intangible Assets (Note 7)	33
Inventories	176
Cash and cash equivalents	1,780
Other assets	475
Total assets	**66,064**
LIABILITIES	
Borrowings	(1,476)
Deferred tax (Note 18)	(7,841)
Other liabilities	(2,022)
Total liabilities	**(11,339)**
Fair value of acquired interest in net assets	**54,725**
Fair value of acquired interest in net assets attributable to non-controlling interests	(6,494)
Goodwill (Note 7)	1,741
Total purchase consideration	**49,972**

Source: Unaudited financial information

The consideration for the acquisition of CTDC was set at €49,972. The consideration was higher than the fair value of the net assets acquired by €1,741 (goodwill). The expenses for the acquisition of CTDC up to September 30, 2019 amounted to €381, out of which an amount of €331 was recognized in “Directly property related expenses” in the Income Statement for the nine-month period ended September 30, 2019 and an amount of €50 had been recognized in “Directly property related expenses” in the Income Statement for the year ended December 31, 2018.

- On March 28, 2019, the Company proceeded with the acquisition of a majority stake (60% of the share capital) of the company Aphrodite Hills Resort Limited in Paphos, Cyprus (Note 5 and 6). The aforementioned acquisition was accounted for as a business combination. Therefore all transferred assets and liabilities of Aphrodite Hills Resort Limited were valued at fair value. Until the date of the approval of the Interim Financial Statements the fair values of assets and liabilities as of the date of acquisition are not final.

The following table summarizes the provisional fair values of assets and liabilities of Aphrodite Hills Resort Limited as of the date of acquisition, which is March 28, 2019:

	28.03.2019
ASSETS	
Investment property (Note 5)	3,700
Property and equipment (Note 6)	55,725
Intangible assets (Note 7)	13,200
Equity method investments	340
Inventories	37,066
Cash and cash equivalents	3,408
Other assets	8,391
Total assets	**121,830**
LIABILITIES	
Borrowings	(70,311)
Deferred tax (Note 19)	(7,035)
Other liabilities	(19,504)
Total liabilities	**(96,850)**
Fair value of acquired interest in net assets	**24,980**
Fair value of acquired interest in net assets attributable to non-controlling interests	(9,992)
Negative Goodwill	(2,697)
Total purchase consideration	**12,291**

Source: Unaudited financial information

All amounts expressed in € thousand, unless otherwise stated

Inventories include residences and land plot for the development of residences for their subsequent sale. The Company and its partners aim to continue to expand the resort as there is a significant residual building factor for the development of additional housing.

The consideration for the acquisition of Aphrodite Hills Resort Limited amounted to €12,291 (out of which an amount of €1,800 is payable by December 31, 2019), while the Company also paid to Aphrodite Hills Resort Limited an amount of €17,080 for repayment (in proportion to its participation) of the company's existing financing obligations. The amount of €17,080 is included in the Statement of Financial Position of the Company as of September 30, 2019 in the item "Other long-term assets". The consideration was lower than the fair value of the net assets acquired and the gain (negative goodwill) amounted to €2,697 was recognized directly in the Income Statement for the period ended September 30, 2019 in "Negative goodwill from acquisition of subsidiaries". The expenses for the acquisition of Aphrodite Hills Resort Limited up to September 30, 2019 amounted to €348, out of which an amount of €345 was recognized in "Directly property related expenses" in the Income Statement for the nine-month period ended September 30, 2019 and an amount of €3 had been recognized in "Directly property related expenses" in the Income Statement for the year ended December 31, 2018.

The acquired subsidiaries contributed, from the day of their acquisition up to September 30, 2019, revenue of €32,692 and profit for the period of €42. If the above acquisition had occurred on January 1, 2019, with all other variables held constant, Group's revenue for the nine-month period ended September 30, 2019 would have been €145,702 and Group's profit for the nine-month period ended September 30, 2019 would have been €131,026.

b) Asset Acquisitions

- On March 28, 2019, the Company proceeded with the acquisition of 60% of the share capital of the company Aphrodite Springs Public Limited in Paphos, Cyprus (Note 5). The consideration for the acquisition of Aphrodite Springs Public Limited amounted to €2,400. The acquisition was accounted for as an assets acquisition.

  The assets and liabilities recognized in the Statement of Financial Position on the date of the acquisition were:

	28.03.2019
ASSETS	
Investment property (Note 5)	8,108
Cash and cash equivalents	83
Other assets	182
Total assets	**8,373**
LIABILITIES	
Other liabilities	(4,373)
Total liabilities	**(4,373)**
Fair value of acquired interest in net assets	**4,000**
Fair value of acquired interest in net assets attributable to non-controlling interests	(1,600)
Total purchase consideration	**2,400**

Source: Unaudited financial information

All amounts expressed in € thousand, unless otherwise stated

NOTE 9: Investment in Subsidiaries

Subsidiaries	Country of incorporation	Unaudited tax years	Group		Company	
			30.09.2019	31.12.2018	30.09.2019	31.12.2018
Nash S.r.L.	Italy	2013 – 2018	100.00%	100.00%	100.00%	100.00%
Picasso Fund	Italy	2013 – 2018	100.00%	100.00%	100.00%	100.00%
Egnatia Properties S.A.	Romania	2013 – 2018	99.96%	99.96%	99.96%	99.96%
Quadratix Ltd.	Cyprus	2016 – 2018	100.00%	100.00%	100.00%	100.00%
Karolou Touristiki S.A.	Greece	2013 – 2018	100.00%	100.00%	100.00%	100.00%
PNG Properties EAD	Bulgaria	2017 - 2018	100.00%	100.00%	100.00%	100.00%
Pangaea UK Finco Plc	United Kingdom	-	100.00%	100.00%	-	100.00%
Lasmane Properties Ltd.	Cyprus	2016 - 2018	100.00%	100.00%	100.00%	100.00%
Anaptixi Fragokklisia Real Estate S.A.	Greece	2018	100.00%	100.00%	100.00%	100.00%
Irina Ktimatiki S.A.	Greece	2017-2018	100.00%	100.00%	100.00%	100.00%
I&B Real Estate EAD	Bulgaria	2016 - 2018	100.00%	100.00%	100.00%	100.00%
Aphrodite Hills Resort Limited	Cyprus	2016-2018	60.00%	-	60.00%	-
Aphrodite Hotels Limited	Κύπρος	2016-2018	60.00%	-	-	-
Aphrodite Hills Property Management Limited	Κύπρος	2016-2018	60.00%	-	-	-
The Aphrodite Tennis and Spa Limited	Κύπρος	2016-2018	60.00%	-	-	-
Aphrodite Hills Services Limited	Κύπρος	2016-2018	60.00%	-	-	-
Aphrodite Springs Public Limited	Cyprus	2016-2018	60.00%	-	60.00%	-
Vibrana Holdings Ltd.	Cyprus	2018	90.00%	-	90.00%	-
The Cyprus Tourism Development Public Company Limited	Cyprus	2013 - 2018	90.00%	-	-	-
CYREIT Variable Investment Company Plc	Cyprus	2018	88.20%	-	88.20%	-
Letimo Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Elizano Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Artozaco Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Consoly Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Smooland Properties Ltd.	Cyprus	2013-2018	88.20%	-	-	-
Threefield Properties Ltd.	Cyprus	2013-2018	88.20%	-	-	-
Bascot Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Nuca Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Vanemar Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Alomnia Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Kuvena Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Azemo Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Ravenica Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Wiceco Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Lancast Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Rouena Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Allodica Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Vameron Properties Ltd.	Cyprus	2014-2018	88.20%	-	-	-
Orleania Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-
Primaco Properties Ltd.	Cyprus	2016-2018	88.20%	-	-	-
Arleta Properties Ltd.	Cyprus	2017-2018	88.20%	-	-	-

The subsidiaries are consolidated with the full consolidation method.

All amounts expressed in € thousand, unless otherwise stated

The financial years 2013 – 2014 of Karolou Touristiki S.A. have not been audited for tax purposes from the Greek tax authorities and consequently the tax obligations for these years are not considered as final. The years 2015 up to 2018 have been audited by the elected under L. 4548/2018 statutory auditor, in accordance with article 82 of L. 2238/1994 and the article 65A of L. 4174/2013 and the relevant tax audit certificates were issued 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, the 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 2018 for the companies Irina Ktimatiki S.A. and Anaptixi Fragokklisia Real Estate S.A. has been audited by the elected under L. 4548/2018 statutory auditor, in accordance with article 82 of L. 2238/1994 and the article 65A of L. 4174/2013 and the relevant tax audit certificates were issued 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, the 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.

Cost of Investment	**30.09.2019**	**31.12.2018**
Nash S.r.L.	69,428	69,428
Picasso Fund	80,752	80,752
Egnatia Properties S.A.	20	20
Quadratix Ltd.	10,802	10,802
Karolou Touristiki S.A.	4,007	4,007
PNG Properties EAD	26	26
Pangaea UK Finco Plc	-	57
Lasmane Properties Ltd.	11,410	11,410
Anaptixi Fragokklisia Real Estate S.A.	6,000	6,000
Irina Ktimatiki S.A.	11,174	3,574
I & B Real Estate EAD	40,152	40,152
Aphrodite Hills Resort Limited	12,291	-
Aphrodite Springs Public Limited	2,400	-
Vibrana Holdings Ltd.	51,615	-
CYREIT Variable Investment Company Plc	140,437	-
Total	**440,514**	**226,228**

On June 25, 2019 the Company concluded with the acquisition of 100% of the management shares and 88.2% of the investment shares of CYREIT Variable Investment Company PLC (“CYREIT”) based in Cyprus (Note 8).

On March 28, 2019 the Company proceeded with the acquisition of 60% of the share capital of the companies Aphrodite Hills Resort Limited και Aphrodite Springs Public Limited in Cyprus (Note 8).

On March 26, 2019 the Extraordinary General Meeting of of the shareholders of Irina Ktimatiki S.A. resolved on its share capital increase by the amount of €7,600 with the issuance of 760,000 new ordinary common shares with a par value of €10 each.

On February 22, 2019 the Company proceeded with the acquisition of 90% of share capital of the company Vibrana Holdings Ltd. in Cyprus. On April 18, 2019 the Board of Directors of Vibrana Holdings Ltd. resolved on its share capital increase by the amount of €57,350 with the issuance of 100 new ordinary common shares with a par value of €1 each, out of which an amount of €57,349.9 represents the share premium. In the context of the abovementioned share capital increase, the Company paid on the same day an amount of €51,615 (in proportion to its participation in Vibrana), which was financed by loans.

On January 8, 2019 the liquidation of the company Pangaea UK Finco Plc. was completed.

All amounts expressed in € thousand, unless otherwise stated

It is noted that the financial statements of the consolidated non-listed subsidiaries of the Group are available on the Company's website address (http://www.prodea.gr).

NOTE 10: Equity method investments and Investments in joint ventures

	Country of Incorporation	Unaudited tax years	Group 30.09.2019	Company 30.09.2019
AEP Chanion S.A.	Greece	2013-2018	40%	40%
Panterra S.A.	Greece	-	49%	49%
Aphrodite Hills Pantopoleion Ltd.	Cyprus	2016-2018	27%	-

On May 31, 2019 the Company acquired 40.0% of the shares of the company "AEP Chanion S.A." for a consideration of €3,472. The company owns two land plots in Chania of a total area of 11.4 thousand sq.m. The aim of the Company and its partners is the development and exploitation of these land plots taking into account the prime area in which they are located.

On April 25, 2019, the company Panterra SA was established in Maroussi Attica. The share capital of the company amounts to €11,500 and divided to 1,150,000 common ordinary shares with a par value of €10 each. The Company owns 49% of the share capital of Panterra S.A. On September 10, 2019, Panterra SA concluded on the acquisition of two adjacent commercial properties in Athens (one of which is located on Syggrou Avenue and Lagoumtzi Avenue with a total surface of c. 6.9 thousand sq.m. and the second is located on Evridamantos and Lagoumtzi Street with a total surface of c. 2 thousand sq.m), for a total consideration of €10,000. The plan provides for the demolition of the buildings and the construction of one or more modern buildings in accordance with the principles of sustainable development, with an estimated total area of over 24 thousand sq.m. (above - ground area of over 14 thousand sq.m. and underground auxiliary areas and parking spaces of 10 thousand sq.m.).

Aphrodite Hills Resort Limited, in which the Company owns 60% of its shares, owns the 45% of the company Aphrodite Hills Pantopoleion Ltd.. As of September 30, 2019 the Group's investment in Aphrodite Hills Pantopoleion Ltd. amounted to €439.

As of September 30, 2019, the Group's share of profit of associates and joint ventures amounted to €35:
- Loss of €44 from Panterra S.A. (joint venture).
- Loss of €99 from AEP Chanion S.A. (joint venture).
- Profit of €140 from Aphrodite Hills Pantopoleion Ltd. (equity method investment).

As of September 30, 2019 the Group's and Company's investment in Panterra S.A. (49%) amounted to €5,591 and €5,635 respectively, while the investment in AEP Chanion S.A. (40%) amounted to €3,373 and €3,472 respectively.

NOTE 11: Other long term Assets

The increase of the Company's "Other long Term-assets" on 30 September 2019 compared to 31 December 2018 is mainly due to an amount of €17,080 paid by the Company to Aphrodite Hills Resort Limited at the date of its acquisition for the repayment of its borrowings (Note 8), to accrued interest income of €1,112 (31 December 2018: €395) as well as advances and expenses related to future acquisition of property of €1,495 (31 December 2018: €324).

In addition, as at 30 September 2019, the Group's and the Company's other long-term assets include deposits of €1,906 and €562, respectively, which are pledged based loan agreements until their maturity (31 December 2018: €1,088 for the Group and Nil for Company). It is noted that an amount of €1,088 for the Group was transferred from cash and cash equivalents to other long-term assets in the statement of financial position as of 31 December 2018, in order to be comparable to the statement of financial position at 30 September 2019 (Note 14).

All amounts expressed in € thousand, unless otherwise stated

Finally, other long-term assets include amounts of €10,476 and €9,147 for the Group and the Company, respectively (31 December 2018: €9,374 and €8,652, for the Group and the Company, respectively) relating to lease incentives under certain lease agreements. The accounting treatment of these incentives, in accordance with the relevant accounting standards, provides for their partial amortization over the life of each lease.

NOTE 12: Trade and Other Assets

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Trade receivables	15,619	6,839	4,902	3,775
Trade receivables from related parties (Note 30)	1	2	1	2
Receivables from Greek State	8,141	9,522	7,932	8,248
Prepaid expenses	1,886	763	692	709
Preliminary dividend paid (Note 21)	-	22,995	-	22,995
Other receivables	2,997	6,401	1,533	6,278
Other receivables from related parties (Note 30)	1,030	1,003	2,024	3,598
Total	**29,674**	**47,525**	**17,084**	**45,605**

The classification of the item "Trade and Other Assets" of the Group and the Company to financial and non-financial assets and the ECL allowance for financial assets as of September 30, 2019 and December 31, 2018 is presented below:

Group				
Financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 30.09.2019	11,513	2,525	4,786	**18,823**
ECL allowance	(6)	(2)	(3,089)	**(3,097)**
Net carrying amount 30.09.2019	**11,507**	**2,523**	**1,697**	**15,727**
Non-financial assets 30.09.2019				13,947
Total Trade and other assets 30.09.2019				**29,674**

Company				
Financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 30.09.2019	3,333	1,203	2.722	**7,258**
ECL allowance	(2)	(2)	(2,272)	**(2,276)**
Net carrying amount 30.09.2019	**3,331**	**1,201**	**450**	**4,982**
Non-financial assets 30.09.2019				12,102
Total Trade and other assets 30.09.2019				**17,084**

Group				
Financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2018	11,033	477	697	**12,207**
ECL allowance	(20)	(1)	(406)	**(427)**
Net carrying amount 31.12.2018	**11,013**	**476**	**291**	**11,780**
Non-financial assets 31.12.2018				35,745
Total Trade and other assets 31.12.2018				**47,525**

Company				
Financial assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2018	10,840	185	669	**11,694**
ECL allowance	(26)	(1)	(373)	**(400)**
Net carrying amount 31.12.2018	**10,814**	**184**	**296**	**11,294**
Non-financial assets 31.12.2018				34,311
Total Trade and other assets 31.12.2018				**45,605**

All amounts expressed in € thousand, unless otherwise stated

The Group's and the Company's trade receivables as at September 30, 2019 include an amount of €314 and €152 respectively (December 31, 2018: €103 for the Group and the Company) relating to lease incentives under certain lease agreements. The accounting treatment of these incentives, according to the relevant accounting standards, provides for their partial amortization over the life of each lease.

Company's receivables from Greek State of an amount of €7,932 (December 31, 2018: €8,248) mainly relate to capital accumulation tax paid by NBG Pangaea at April 14, 2010, September 16, 2014 and September 17, 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 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. It is noted that according to the decision of the Council of State No. 90/2019, which was published on January 16, 2019, the application for appeal was accepted for the amount of €5,900.

The analysis of other receivables is as follows:

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Pledged deposits	198	3,009	70	3,009
Other	2,799	3,392	1,463	3,269
Total	**2,997**	**6,401**	**1,533**	**6,278**

The decrease of other receivables of the Group and the Company as of September 30, 2019, in comparison to December 31, 2018 is due to the impairment of the Company's receivable from Stirling Bulgaria EOOD of €1,824. Specifically, 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 "Plaza West AD" and "Plaza West 2 AD", which owned an area of approximately 23 thousand sq.m of the shopping mall West Plaza in Sofia, Bulgaria, for a consideration of €33,000, out of which the Company has paid in advance an amount of €6,600. 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. However, the Company proceeded with the unwinding of the transaction, as certain terms of the agreement were not met by the seller, Stirling Properties Bulgaria EOOD. On March 22, 2018 the Company received part of the abovementioned receivable of €4,776. It is noted that the Company has received a corporate guarantee (joint liability) from Marinopoulos Holding Sarl, located in Luxembourg. It is finally noted that the Company continues its actions for the recovery of the remaining amount of €1,824. The impairment of the receivable is included in the item "Net impairment loss on non-financial assets" in the Income Statement for the period ended September 30, 2019.

As of December 31, 2018 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, which was repaid on July 10, 2019 (Note 17).

NOTE 13: Inventories

	Group	
	30.09.2019	**31.12.2018**
Residences for sale	9,962	-
Land and residences under development	24,689	-
Impairment of inventories	(3,741)	-
Consumables	829	-
Total	**31,739**	**-**

All amounts expressed in € thousand, unless otherwise stated

The impairment of inventories amounting to €3,741 is included in the item "Net impairment loss on non-financial assets" in the Income Statement for the period ended as of September 30, 2019.

The Group's borrowings are secured on inventories (Note 17).

NOTE 14: Cash and Cash Equivalents

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Cash in hand	53	2	2	1
Sight and time deposits	74,139	45,786	38,028	33,215
Total	**74,192**	**45,788**	**38,030**	**33,216**

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

As of September 30, 2019 sight and time deposits of the Group and the Company include pledged deposits amounted to €2,448 and €79, respectively (December 31, 2018: €2,344 and €537 respectively), in accordance with the provisions of the loan agreements. It is noted that an amount of €1,088 for the Group was transferred from cash and cash equivalents to other long-term assets in the statement of financial position as of 31 December 2018, in order to be comparable to the statement of financial position as of 30 September 2019 (Note 11).

NOTE 15: Share Capital & Share Premium

			Group	Company
	No. of shares	**Share Capital**	**Share Premium**	
Balance at September 30, 2019 and December 31, 2018	**255,494,534**	**766,484**	**15,890**	**15,970**

The total paid up share capital of the Company as of September 30, 2019 and December 31, 2018, amounted to €766,484 divided into 255,494,534 common shares with voting rights with a par value of €3.0 per share.

The Company does not hold own shares.

On September 11, 2019 the Extraordinary General Meeting of the Company's Shareholders resolved upon the granting of an authorization to the Company's Board of Directors so that the latter proceeds with a share capital increase through the issuance of new dematerialized common registered voting shares to be paid in cash under the terms that the Company's Board of Directors will determine in the future. Such authorization must be exercised by the Board of Directors within 10 months from the date of the General Meeting of the Company's Shareholders granting the authorization for the share capital increase to the Company's Board of Directors.

NOTE 16: Reserves

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Statutory reserve	22,272	17,995	21,846	17,716
Special reserve	323,987	323,987	323,987	323,987
Other reserves	478	194	45	45
Total	**346,737**	**342,176**	**345,878**	**341,748**

According to article 158 of L. 4548/2018, 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 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 17: Borrowings

All borrowings have variable interest rates. The Group is exposed to fluctuations in interest rates prevailing in the market which affect its financial position, its income statement 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 caps for hedging the Group's exposure to variations in variable rate.

On June 26, 2019 the Company proceeded with the signing of a bond loan agreement for an amount of up to €300,000 with NBG and the European Bank for Reconstruction and Development ("EBRD").The bond loan has a five years maturity bearing interest of 3-month Euribor plus a margin of 3.2%. The purpose of the loan is a) the refinancing of existing borrowings amounting to €237,500 and b) the realization of investments and the overall development of the Company's operations amounting to €62,500. On July 10, 2019 an amount of €237,500 was disbursed and used for the refinancing of existing short term borrowings.

On May 6, 2019 the Company proceeded with the signing of a bond loan agreement for an amount up to €200,000 with Alpha Bank S.A.. The bond loan has a seven years maturity bearing interest of 3-month Euribor plus a margin of 3.25%. Up to September 30, 2019, an amount of €90,000 was disbursed, out of which an amount of €50,000 was used for the refinancing of existing short term borrowings and the remaining amount of €40,000 was used for investments and the overall development of the Company's operations.

On April 18, 2019 the Company proceeded with the signing of a bond loan agreement for an amount up to €32,000 with Bank of Cyprus Ltd.. The bond loan has a three years maturity bearing interest of 3-month Euribor plus a margin of 3.5%. The total amount of the loan was disbursed on the same day and was exclusively used for the share capital increase of the subsidiary Vibrana Holdings Ltd. (Note 9).

On April 12, 2019 the Company proceeded with the signing of a bond loan agreement for an amount up to €90,000 with Bank of Cyprus Ltd.. The bond loan has a ten years maturity bearing interest of 3-month Euribor plus a margin of 3.35%. The loan was used for the financing of part of the consideration for the acquisition of 100% of the management shares and 88.2% of the investment shares of CYREIT (Note 8).

On February 27, 2019 the Company proceeded with the signing of a loan agreement with Piraeus Bank S.A. for an amount of €20,000 bearing interest of 3-month Euribor plus a margin of 3.25%. The loan has five years maturity and its purpose is the financing of investments.

On December 13, 2018, the Company signed a bond loan agreement for an amount of up to €120,000 with Piraeus Bank S.A. with a five years duration. The bonds bear interest of 3-month Euribor plus a margin of 3.20%. On March 29, 2019 the total amount of the loan was disbursed, out of which an amount of €55,000 was used for the refinancing of existing short term liabilities and more specifically for the refinancing of the bridge loan with Piraeus Bank S.A. signed by the Company on November 2, 2018. From the total amount of €55,000 an amount of €10,000 was disbursed on March 2019, while the remaining amount of €45,000 had been disbursed during the year 2018.

It is noted that under the terms of the majority of the borrowing facilities, the Group is required to comply with certain financial covenants. It is noted that throughout the nine-month period ended September 30, 2019 and the year 2018 the Group has complied with this obligation.

All amounts expressed in € thousand, unless otherwise stated

In the context of a prudent financial management policy, the Company's Management seeks to manage its borrowing (short and long term) by utilizing a variety of funding sources in accordance with its business planning and strategic objectives. The Company assesses its financing needs and available funding sources in the international and domestic financial markets and explores any opportunities to raise additional capital through financing in these markets.

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Long term				
Bond loans	599,517	55,862	599,517	55,862
Other borrowed funds	225,048	55,997	18,820	-
Long term borrowings	**824,565**	**111,859**	**618,337**	**55,862**
Short term				
Bond loans	16,829	242,248	16,829	242,248
Other borrowed funds	15,544	206,032	535	95,649
Short term borrowings	**32,373**	**448,280**	**17,364**	**337,897**
Total	**856,938**	**560,139**	**635,701**	**393,759**

As of September 30, 2019, short-term borrowings of the Group and the Company include an amount of €821 which relates to accrued interest expense on the bond loans (December 31, 2018: €2,196 for the Group and the Company) and an amount of €1,702 for the Group and €17 for the Company, which relates to accrued interest expense on other borrowed funds (December 31, 2018: €943 and €649, respectively).

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

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Up to 1 year	32,373	448,280	17,364	337,897
From 1 to 5 years	584,061	70,606	463,138	55,862
More than 5 years	240,504	41,253	155,199	-
Total	**856,938**	**560,139**	**635,701**	**393,759**

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, except for the loan of I&B Real Estate EAD located in Bulgaria, which is in foreign currency (BGN), the rate of which is fixed according to European Central Bank.

The securities over the Group's loans, including the collaterals on properties, are listed below:

- On 77 properties of the Company (included the owner-occupied property located at 6, Karageorgi Servias str., Athens) a prenotation of mortgage was established in favour of National Bank of Greece S.A. (as bondholder agent) for an amount of €360,000. The outstanding balance of the bond loan as of September 30, 2019 amounted to €235,422. In addition, all rights of the Company, arising from the lease contracts of the above properties, have been assigned in favour of the lender.

- On one property of the Company a prenotation of mortgage was established in favour of Piraeus Bank S.A. (the representative of the bondholders) for an amount of €78,000. The outstanding balance of the bond loan as of September 30, 2019 amounted to €56,400. In addition, all rights of the Company, arising from the lease with Cosmote, have been assigned in favour of the bondholders.

- On 35 properties of the Company a prenotation of mortgage was established in favour of Piraeus Bank S.A. for an amount of €144,000. The outstanding balance of the bond loan as of September 30, 2019 amounted to €118,200. In addition, all rights of the Company, arising from the lease contracts of the above properties, have been assigned in favour of the lender.

- On 3 properties of the Company a prenotation of mortgage was established in favour of Piraeus Bank S.A. for an amount of €24,000. The outstanding balance of the loan as of September 30, 2019 amounted to €19,700. In addition, all rights of the Company, arising from the lease contracts of the above properties, have been assigned in favour of the lender.

- On 33 properties of the Company a prenotation of of mortgage was established in favour of Alpha Bank S.A. for an amount of €240,000. The outstanding balance of the loan as of September 30, 2019 amounted to €90,000. In addition, all rights of the Company, arising from the lease contracts of the above properties, have been assigned in favour of the lender.

- The entire share capital of Vibrana Holdings Ltd. is collateral in favour of Bank of Cyprus Ltd, for all amounts due under the bond loan agreement of up to €32,000 signed on April 18, 2019. The outstanding balance of the loan as of September 30, 2019 amounted to €31,600. Moreover, the entire share capital of CTDC owned by the company Vibrana Holdings Ltd. is collateral in favour of Bank of Cyprus Ltd.

- The entire share capital of CYREIT is collateral in favour of Bank of Cyprus Ltd, for all amounts due under the bond loan agreement of up to €90,000 signed on April 12, 2019. The outstanding balance of the loan as of September 30, 2019 amounted to €90,000.

- Four properties owned by the subsidiary Picasso Fund are burdened with first class mortgage in favour of Banca IMI S.p.A. for an amount of €204,000. The outstanding balance of the loan as of September 30, 2019 amounted to €93,840. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender.

- Nine properties owned by the subsidiary Picasso Fund are burdened with first class mortgage in favour of Intesa SanPaolo S.p.A. for an amount of €19,700. The outstanding balance of the loan as of September 30, 2019 amounted to €9,350. Finally, all rights of Picasso Fund arising from the lease agreements have been assigned in favour of the lender.

- One property owned by the subsidiary Quadratix Ltd. is burdened with mortgage in favour of Bank of Cyprus Ltd. for an amount of €16,500. The outstanding balance of the loan as of September 30, 2019 amounted to €13,750. In addition, the entire share capital of Quadratix Ltd. is collateral in favour of Bank of Cyprus Ltd, for all amounts due under the loan agreement, all rights of Quadratix Ltd. arising from the lease agreement with Sklavenitis Cyprus Limited have been assigned in favour of the lender and the assets of the subsidiary are burdened with floating charge in favour of Bank of Cyprus Ltd. It is noted that the Company has given corporate guarantee up to the amount of €5,000 for liabilities of Quadratix Ltd. under the abovementioned loan agreement.

- Two properties owned by the subsidiary Egnatia Properties S.A. are burdened with mortgage in favour of Bank of Cyprus Ltd. for an amount of €6,405. The outstanding balance of the loan as of September 30, 2019 amounted to €6,301. Finally, all rights of Egnatia Properties arising from the lease agreements for the abovementioned properties have been assigned in favour of the lender.

- On one property owned by the subsidiary Irina Ktimatiki S.A. a prenotation of mortgage was established in favour of Alpha Bank S.A. for an amount of €4,800. Moreover, the entire share capital of Irinna Ktimatiki S.A. is collateral in favour of Alpha Bank S.A, for all amounts due under the loan agreement. The outstanding balance of the loan as of September 30, 2019 amounted to €3,295.

All amounts expressed in € thousand, unless otherwise stated

- One property owned by the subsidiary I&B Real Estate EAD is burdened with mortgage in favour of Eurobank Bulgaria AD for an amount of €37,361. Moreover, the entire share capital of I&B Real Estate EAD is collateral in favour of Eurobank Bulgaria AD for all amounts due under the loan agreement. The outstanding balance of the loan as of September 30, 2019 amounted to €37,361. Finally, all rights of I&B Real Estate arising from the lease agreements have been assigned in favour of the lender.

- The property and equipment, the investment property and the inventories of the subsidiary Aphrodite Hills Resort Limited and the land plot of the company Aphrodite Springs Public Limited are burdened with mortgage in favour of Bank of Cyprus Ltd. for an amount of €143,591. The outstanding balance of the loans as of September 30, 2019 amounted to €40,383. Moreover, the entire share capital of Aphrodite Hills Resort Limited, the share capital of its subsidiaries and the share capital of Aphrodite Springs Public Limited are collateral in favour of Bank of Cyprus Ltd. Finally, the assets of the subsidiary Aphrodite Hills Resort Limited are burdened with floating charge in favour of Bank of Cyprus Ltd.

- The properties of the subsidiary "The Cyprus Tourism Development Company Limited" are burdened with mortgage in favour of Bank of Cyprus Ltd. and Astrobank Ltd. for a total amount of €6,209. In addition, the assets of the subsidiary are burdened with floating charge in favour of Bank of Cyprus Ltd. and Astrobank Ltd. for a total amount of €11,334. The outstanding balance of the loan as of September 30, 2019 amounted to €1,241.

NOTE 18: Trade and Other Payables

Trade and other payables is analysed as below:

	Group		**Company**	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Trade payables	10,736	9,910	4,831	4,758
Amounts due to related parties (Note 29)	-	155	3	142
Taxes – Levies	13,278	7,128	9,228	4,620
Deferred revenues	11,760	5,243	3,026	2,976
Lease liabilities	69	-	62	-
Other payables and accrued expenses	17,335	1,020	8,408	395
Other payables and accrued expenses due to related parties (Note 29)	972	662	960	2,248
Total	**54,150**	**24,118**	**26,518**	**15,139**

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

The Group's deferred revenues as of September 30, 2019 relate to deferred income of €5,395 for the period following September 30, 2019 according to the relevant lease agreements, received amounts of €3,035 relating to the sale of properties of Aphrodite Hills Resort Limited which have not been delivered to the buyers up to September 30, 2019, as well as to deferred income of €3,330 relating to the operation of the companies of Aphrodite Hills Resort Limited and CTDC.

The increase of "Other payables and accrued expenses" of the Company as of September 30, 2019, in comparison to December 31, 2018, is mainly due to the Company's liability of €1,800 for the acquisition of the company Aphrodite Hills Resort Limited (Note 8) and the Company's liability of €5,792 for the acquisition of the company CYREIT (Note 8). In addition, the increase of "Other payables and accrued expenses" of the Group as of September 30, 2019, in comparison to December 31, 2018, mainly derives from the companies which were acquired by the Group during 2019 (Note 8) and relates to liabilities in the context of their operations.

All amounts expressed in € thousand, unless otherwise stated

The analysis of Taxes – Levies is as follows:

	Group		Company	
	30.09.2019	**31.12.2018**	**30.09.2019**	**31.12.2018**
Stamp duty on leases	3,426	2,520	3,426	2,520
Unified Property Tax (ENFIA)	4,253	1,021	4,171	1,015
Foreign real estate tax	3,074	2,523	-	-
Other	2,525	1,064	1,631	1,085
Total	**13,278**	**7,128**	**9,228**	**4,620**

NOTE 19: Deferred tax assets and liabilities

	Group	
Deferred tax liabilities	**30.09.2019**	**31.12.2018**
Investment property	11,896	4,586
Property and equipment	9,698	-
Inventories	2,720	-
Intangible Assets	1,650	-
Total	**25,964**	**4,586**

	Group	
Deferred tax income / (expense)	**30.09.2019**	**30.09.2018**
Tax Losses	(31)	(35)
Investment property	3,974	100
Property & equipment	227	-
Inventories	(730)	-
Total	**3,440**	**65**

Movement of deferred tax assets:

	Group
	Tax Losses
Balance January 1, 2018	**4**
Credited to the Income Statement	46
Offset with deferred tax liabilities	(50)
Balance December 31, 2018	**-**
Credited to the Income Statement	31
Offset with deferred tax liabilities	(31)
Balance September 30, 2019	**-**

Movement of deferred tax liabilities:

	Group		
	Investment Property	**Other**	**Total**
Balance January 1, 2018	**223**	**-**	**223**
Deferred tax liabilities recognised following business combinations	3,974	-	3,974
Charged to the Income Statement	439	-	439
Offset with deferred tax assets	(50)	-	(50)
Balance December 31, 2018	**4,586**	**-**	**4,586**
Deferred tax liabilities recognised following business combinations (Note 8)	3,368	14,585	**17,953**
Charge to the Income Statement	3,974	(503)	3,471
Charge to Other Comprehensive income	-	(15)	(15)
Offset with deferred tax assets	(31)	-	(31)
Balance September 30, 2019	**11,897**	**14,067**	**25,964**

The tax liability of the Company (and its subsidiaries in Greece) is calculated on the basis of its investments and cash and cash equivalents rather than on its profits, therefore no temporary differences arise and accordingly no deferred tax liabilities and / or assets are recognised. The same applies to the Company's subsidiary, Picasso Fund, in Italy, which is not subject to income tax.

The Company's foreign subsidiaries, Nash S.r.L., Egnatia Properties S.A., Quadratix Ltd., Lasmane Properties, PNG Properties EAD, I&B Real Estate EAD, Aphrodite Hills Resort Limited, Aphrodite Springs Public Limited, Vibrana Holdings, CTDC and CYREIT are taxed based on their income (Note 26), therefore temporary differences may arise and accordingly deferred tax liabilities and / or assets may be recognised.

The Group have offset the deferred tax assets and deferred tax liabilities on an entity by entity basis based on the legally enforceable right to set off the recognized amounts i.e. offset current income tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority.

NOTE 20: Other long-term liabilities

The fluctuation of "Other long-term liabilities" of the Group as of September 30, 2019, in comparison to December 31, 2018, is mainly attributable to the recognition of a liability of €8,869 arising from a put option non-controlling interests to sell to the Company 36.22% of the shares of the companies Aphrodite Hills Resort Limited and Aphrodite Springs Public Limited. The Company also has the right to acquire the shares above (call option). The liability was recognized directly in equity of the Group in "Other Equity".

NOTE 21: Dividends per Share

On June 18, 2019 the Annual General Meeting of the Company's Shareholders, approved the distribution of a total amount of €73,071 (i.e. 0.286 per share – amount in €) as dividend to its shareholders for the year 2018. Due to the distribution of interim dividend of a total amount of €22,995 (i.e. €0.09 per share – amount in €), following the relevant decision of the Board of Directors dated December 18, 2018, the remaining dividend that was distributed amounted to €50,076 (i.e. €0.196 per share – amount in €). The amount of the interim dividend is included in the line trade and other assets as of 31 December 2018.

On April 23, 2018 the Annual General Meeting of the Company's Shareholders, approved the distribution of a total amount of €56,209 (i.e. 0.22 per share – amount in €) as dividend to its shareholders for the year 2017. Due to the distribution of interim dividend of a total amount of €22,995 (i.e. €0.09 per share – amount in €), following the relevant decision of the Board of Directors dated December 12, 2017, the remaining dividend that was distributed amounted to €33,214 (i.e. €0.13 per share – amount in €).

NOTE 22: Property taxes-levies

As of September 30, 2019, property taxes-levies amounted to €7,159 and €5,746 for the Group and the Company respectively (September 30, 2018: €6,892 and €5,683, respectively) and includes ENFIA of €5,764 and €5,687 for the Group and the Company, respectively (September 30, 2018: €5,600 and €5,577, respectively). The increase of ENFIA is due to the properties acquired by the Company during 2018, given that ENFIA is calculated for the properties owned by a legal entity as of January 1st of each year.

All amounts expressed in € thousand, unless otherwise stated

NOTE 23: Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees)

Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Investments Properties:

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Salaries, wages and allowances	2,261	1,931	2,197	1,929
Social security costs	440	328	438	328
Profit distributed to personnel - BoD	1,774	-	1,774	-
Other expenses	113	127	113	127
Total	**4,588**	**2,386**	**4,522**	**2,384**

Personnel expenses (incl. remuneration to the members of the Board of Directors and its committees) – Hospitality and ancillary services:

	Group	
	From 01.01. to	
	30.09.2019	30.09.2018
Salaries, wages and allowances	6,304	-
Social security costs	912	-
Other expenses	560	-
Total	**7,776**	**-**

As of September 30, 2019, the number of employees of the Group and of the Company was 674 and 34, respectively (September 30, 2018: 29 employees for the Group and the Company). The Group's personnel, as of September 30, 2019, includes 639 employees from the companies Aphrodite Hills Resort and CTDC, acquired by the Group during 2019.

On June 18, 2019, the Annual General Meeting of the Company's Shareholders, approved the distribution of a total amount of €1,774 to the personnel and members of the BoD of the Company out of the profits of the year 2018.

NOTE 24: Other Expenses

Other Expenses – Investment Property:

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Third party fees	1,618	2,036	873	1,549
Promoting and marketing expenses, etc.	477	255	476	255
Taxes-levies	522	656	471	644
Other	438	281	437	274
Total	**3,055**	**3,228**	**2,257**	**2,722**

Other Expenses – Hospitality and ancillary services:

	Group	
	From 01.01. to	
	30.09.2019	30.09.2018
Third party fees	2,070	-
Promoting and marketing expenses, etc.	1,056	-
Taxes-levies	168	-
Other	6,744	-
Total	**10,038**	**-**

All amounts expressed in € thousand, unless otherwise stated

"Other Expenses – Hospitality and ancillary services" of the Group as of September 30, 2019 relate to expenses in the context of the operations of the companies Aphrodite Hills Resort and CTDC, which were acquired by the Group during 2019.

NOTE 25: Finance costs

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Interest Expense	20,312	14,306	15,335	11,473
Finance and Bank Charges (incl. amortization of discount)	2,454	2,001	1,925	1,510
Foreign Exchange Differences	117	9	-	3
Total	**22,883**	**16,316**	**17,260**	**12,986**

NOTE 26: Taxes

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
REICs' tax	10,396	8,742	10,251	8,717
Other taxes	315	29	-	-
Deferred tax (Note 18)	3,440	65	-	-
Total	**14,151**	**8,836**	**10,251**	**8,717**

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 Touristiki S.A., Irinna Ktimatiki S.A. and Anaptixi Fragokklisia S.A. as the Company's subsidiaries in Greece, have the same tax treatment. It is noted that within November 2019, the public consultation for the draft law "Tax reform with development dimension for Greece tomorrow" was concluded, which includes an amendment on article 31 of l.2778/1999 regarding the tax treatment of real estate investment companies. More specifically, article 35 of the draft law abolishes the threshold of 0.375% on average investments plus cash and cash equivalents, at current prices. The draft law is expected to be voted within 2019. (Note 31)

The Company's foreign subsidiaries, Nash S.r.L. in Italy, Egnatia Properties S.A. in Romania, Quadratix Ltd., Lasmane Properties, Aphrodite Hills Resort Limited, Aphrodite Springs Public Limited, CTDC, Vibrana Holdings and CYREIT in Cyprus, PNG Properties EAD and I&B Real Estate EAD in Bulgaria, are taxed based on their income, assuming a tax rate of 27.9% in Italy, 16.0% in Romania, 12.5% in Cyprus and 10.0% in Bulgaria, 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 period ended September 30, 2019 and 2018, respectively.

The unaudited tax years for the subsidiaries of the Group and the Joint Ventures are shown in the notes 9 & 10 respectively.

NOTE 27: Revenue

	Group		Company	
	From 01.01. until		From 01.01. until	
	30.09.2019	**30.09.2018**	**30.09.2019**	**30.09.2018**
Rental Income	100,705	90,906	81,016	79,326
Revenue from hospitality and ancillary services	25,603	-	-	-
Revenue from sale of residences	4,673	-	-	-
Other	80	-	-	-
Total	**131,061**	**90,906**	**81,016**	**79,326**

Rental income is not subject to seasonality. Revenues from hospitality and ancillary services are subject to seasonality depending on the type of the hotel (city hotel or resort).

NOTE 28: Earnings per Share

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

	Group		Company	
Period ended September 30,	**2019**	**2018**	**2019**	**2018**
Profit attributable to equity shareholders	122,939	79,539	90,533	56,788
Weighted average number of ordinary shares in issue (thousands)	255,495	255,495	255,495	255,495
Earnings per share (expressed in € per share) - basic and diluted	**0.48**	**0.31**	**0.35**	**0.22**

The dilutive Earnings per share are the same as the basic Earnings per share for the nine-month period ended September 30, 2019 and 2018, as there were no dilutive potential ordinary shares.

NOTE 29: 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 September 30, 2019 and December 31, 2018 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 the of the absorbed by the Company with same legal name 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 L. 4548/2018, 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. Especially for the year 2012, it is noted that within 2018 the tax audit was completed by the competent tax authorities with no findings and therefore no additional taxes were imposed.

The years 2013 – 2018 of the Company have been audited by the elected, under L. 4548/2018, 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.

The tax authorities have not audited the books and records of KARELA S.A., which was absorbed by the Company, for the financial year 2013 and consequently the tax obligations for this year is 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 L. 4548/2018, 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.

Up until September 30, 2019, the tax authorities have not notified for any audit order for the Company and for KARELA S.A., which was absorbed by the Company, for the fiscal year 2010, 2011 and 2012. Therefore, the right of the State to disclose audit trails and transactions for the determination of tax, fees, levies and fines for the purpose of charging a tax has been time-barred for the aforementioned, per company, reported uses pursuant to a) par. 1 of article 84 of l. 2238/1995 (unaudited income tax cases); b) par. 1 of article 57 of l. 2859/2000 (non-audited cases of VAT) and c) of par. 5 of article 9 of l. 2523/1997 (imposition of fines for income tax cases). Management considers that the circumstances limiting the aforementioned laws, which could extend the five-year limitation period to ten years, are not met.

It is noted that 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.

As of September 30, 2019 Group's capital expenditure relating to improvements on investment property amounted to €21,564 (excluding VAT). Additionally Group's capital expenditure relating to the development of residential projects in Paphos, Cyprus amounted to €7,131 (excluding VAT) as of September 30, 2019. Finally, Group's capital expenditure relating to the development of land plot of Aphrodite Springs Public Limited amounted to €4,330 (excluding VAT) as of September 30, 2019.

There are no pending lawsuits against the Group nor other contingent liabilities resulting from commitments at September 30, 2019, which would affect the Group's financial position.

NOTE 30: Related Party Transactions

National Bank of Greece S.A. (NBG) controlled the Company up to May 23, 2019, based on an shareholders' agreement. More specifically, according to the shareholders' agreement, NBG appointed the majority of the members of the Board of Directors and the Investment Committee and guarantees were provided to NBG for certain other contractual rights.

On May 23, 2019 Invel Real Estate B.V. directly acquired 76,156,116 shares with voting rights in the Company, i.e. it acquired on a solo basis a percentage of 29.81% of the total number of voting rights of the Company. On the same date, May 23, 2019, CL Hermes Opportunities L.P. directly acquired, 7,281,997 shares with voting rights in the Company, i.e. 2.85% of the total number of voting rights in the Company. The above-mentioned percentage of 32.66% of voting shares was transferred to Invel Real Estate B.V. and CL Hermes Opportunities L.P. by National Bank of Greece S.A. Following those two acquisitions, NBG does not own any shares or voting rights in the Company.

Consequently, from the above mentioned date (May 23, 2019) onwards, NBG no longer controls the Company by virtue of the Shareholders Agreement dated 30.12.2013 between NBG and Invel Real Estate (Netherlands) II B.V., and consequently the control rights over the Company that, according to the law and the Company's articles of association, are conferred to Invel Real Estate (Netherlands) II B.V., in its capacity as majority shareholder of the Company with a percentage of 63.39% fully exercised by the latter.

All amounts expressed in € thousand, unless otherwise stated

As a result of the above, the Company is controlled, according to the IFRSs, by Invel Real Estate (Netherlands) II B.V..

In accordance with the TR1 notification of Law 3556/2007 dated 23.05.2019 submitted to the Company, the company Castlelake Opportunities Partners LLC is the ultimate shareholder of the Company owning 98.15%. Castlelake Opportunities Partners LLC is not controlled by any natural or legal person.

There is no natural person that holds more than 10% of the Company's share capital.

The Company's shareholding structure as of September 30, 2019 is presented below:

	% participation
• Invel Real Estate (Netherlands) II B.V.:	63.39%
• Invel Real Estate BV	29.81%
• CL Hermes Opportunities L.P.	2.85%
• Anthos Properties S.A. (a subsidiary of Invel Real Estate (Netherlands) II B.V.)	2.10%
• Other shareholders:	1.85%

It should be noted that the above percentages arise in accordance with the disclosures received by the above persons under existing legislation.

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	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
Anthos Properties S.A.	1	1	1	1
Companies related to other shareholders	-	1	-	1
Total	**1**	**2**	**1**	**2**

	Group		Company	
Other receivables from related parties	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
Invel Real Estate (Netherlands) II B.V.	990	1,003	990	990
AEP Chanion, a Joint Venture	40	-	40	-
Irina Ktimatiki SA, Company's Subsidiary	-	-	-	2,605
Pangaea UK Finco Plc, Company's subsidiary	-	-	-	2
I&B Real Estate EAD, Company's subsidiary	-	-	994	-
PNG Properties EAD, Company's subsidiary	-	-	-	1
Total	**1,030**	**1,003**	**2,024**	**3,598**

	Group		Company	
Preliminary dividends	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
National Bank of Greece	-	7,509	-	7,509
Invel Real Estate (Netherlands) II B.V.	-	14,577	-	14,577
Anthos Properties S.A.	-	483	-	483
Total	**-**	**22,569**	**-**	**22,569**

All amounts expressed in € thousand, unless otherwise stated

	Group		Company	
Prepaid expenses	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
Hellenic National Insurance Company, company of NBG Group	-	428	-	403
Total	**-**	**428**	**-**	**403**

	Group		Company	
Cash and cash equivalents	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
National Bank of Greece	-	5,603	-	5,531
NBG Cyprus, company of NBG Group	-	1,056	-	-
Total	**-**	**6,659**	**-**	**5,531**

	Group		Company	
Other long-term assets	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
PNG Properties EAD, Company's subsidiary	-	-	10,471	10,179
Aphrodite Hills Resort Limited, Company's Subsidiary	**-**	**-**	17,859	**-**
Total	**-**	**-**	**28,330**	**10,179**

	Group		Company	
Trade payables to related parties	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
National Bank of Greece	-	80	-	80
Hellenic National Insurance Company, company of NBG Group	-	69	-	56
Ethniki Leasing, company of NBG Group	-	6	-	6
CTDC, Company's subsidiary	-	-	3	-
Total	**-**	**155**	**3**	**142**

	Group		Company	
Other Liabilities	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
National Bank of Greece	**-**	1	**-**	1
Hellenic National Insurance Company, company of NBG Group	-	1	-	-
Pangaea UK Finco, Company's subsidiary	-	-	-	57
Anaptixi Fragokklisia S.A., Company's subsidiary	-	-	-	1,530
Companies related to other shareholders	619	653	619	653
Aphrodite Hills Pantopoleion Ltd. (Equity method investment)	12	-	-	
Total	**631**	**655**	**619**	**2,241**

	Group		Company	
Borrowings	**30.09.2019**	**31.12.2018**	**30.09.2019**	**31.12.2018**
Companies related to other shareholders	1,127	-	-	-
Total	**1,127**	**-**	**-**	**-**

All amounts expressed in € thousand, unless otherwise stated

ii. Rental income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
National Bank of Greece S.A.[1]	26,352	50,135	26,352	50,135
Anaptixi Fragokklisia S.A., Company's subsidiary	-	-	1	-
Anthos Properties S.A.	2	2	2	2
Companies related to other shareholders	2	2	2	2
Total	**26,356**	**50,139**	**26,357**	**50,139**

iii. Depreciation of Right of Use

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Hellenic National Insurance Company, company of NBG Group[1]	20	-	20	-
Total	**20**	**-**	**20**	**-**

iv. Other direct property related expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Hellenic National Insurance Company, company of NBG Group[1]	225	399	202	378
Companies related to other shareholders	1,278	1,229	1,278	1,229
Total	**1,503**	**1,628**	**1.480**	**1,607**

v. Personnel expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Hellenic National Insurance Company, company of NBG Group[1]	15	25	15	25
Total	**15**	**25**	**15**	**25**

vi. Other income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
I&B Real Estate EAD, Company's subsidiary	-	-	994	-
Quadratix Ltd., Company's subsidiary	-	-	1,000	-
Picasso Fund, Company's subsidiary	-	-	5,612	5,874
Total	**-**	**-**	**7,606**	**5,874**

[1] National Bank of Greece and its subsidiaries are considered as related parties until 22.05.2019, as the sale of the Company's shares held by NBG was concluded on 23.05.2019.

All amounts expressed in € thousand, unless otherwise stated

vii. Other expenses

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
National Bank of Greece S.A. [1]	48	87	48	87
Ethniki Leasing, company of NBG Group[1]	-	38	-	38
CTDC, Company's subsidiary	-	-	3	-
Companies related to other shareholders	175	-	-	-
Total	**223**	**125**	**51**	**125**

viii. Interest income

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
National Bank of Greece S.A. [1]	2	15	1	15
PNG Properties EAD, Company's subsidiary	-	-	296	296
Aphrodite Hills Resort Limited, Company's Subsidiary	-	-	816	-
Total	**2**	**15**	**1,113**	**311**

ix. Finance costs

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
National Bank of Greece S.A. [1]	10	9	9	9
Companies related to other shareholders	51	-	-	-
Total	**61**	**9**	**9**	**9**

x. Due to key management

	Group		Company	
	30.09.2019	31.12.2018	30.09.2019	31.12.2018
Payables to the members of the BoD and the Investment committee	59	-	59	-
Other liabilities to members of the BoD, its committees and Senior Management	673	7	667	7
Retirement benefit obligations	17	16	17	16
Total	**749**	**23**	**743**	**23**

xi. Key management compensation

	Group		Company	
	From 01.01. to		From 01.01. to	
	30.09.2019	30.06.2018	30.09.2019	30.09.2018
BoD, its committees and Senior Management compensation	3,514	1,188	2,972	1,186
Total	**3,514**	**1,188**	**2,972**	**1,186**

[1] National Bank of Greece (NBG) and its subsidiaries are considered as related parties until 22.05.2019, as the sale of the Company's shares held by NBG was concluded on 23.05.2019.

xii. Commitment and contingent liabilities

In the context of the new loan agreement signed by the subsidiary Quadratix Ltd. with the Bank of Cyprus Ltd. on January 31, 2018 (Note 17), the Company has given a corporate guarantee up to the amount of €5,000 thousand for liabilities of Quadratix Ltd. under the abovementioned loan agreement. Management does not expect to incur any financial losses by the subsidiary's loan.

xiii. Dividends from Equity method investments

During June 2019, the company Aphrodite Hills Resort Limited received an amount of €40 as dividend from the company Aphrodite Hills Pantopoleion Ltd. in which participates with 45%.

NOTE 31: Events after the Date of the Interim Financial Statements

Within November 2019, the public consultation for the draft law "Tax reform with development dimension for Greece tomorrow" was concluded, which includes an amendment on article 31 of l.2778/1999 regarding the tax treatment of real estate investment companies. More specifically, article 35 of the draft law abolishes the threshold of 0.375% on average investments plus cash and cash equivalents, at current prices. The draft law is expected to be voted within 2019.

On November 15, 2019 the Company concluded on the acquisition of 100% of the shares of the company "ILDIM Monoprosopi Private Capital Company" ("ILDIM M.IKE"). The company owns a building of commercial warehouses with modern specifications, with a total area of approximately 5.1 thousand sq.m., which is already leased to a creditworthy tenant. The consideration for the acquisition of ILDIM amounted to €1,010 (taking into account the liabilities and assets of ILDIM). The consideration for the acquisition of the building amounted to €2,794 and the fair value of the building at the acquisition date, according to the valuation performed by the independent statutory valuers, amounted to €2,899.

On November 14, 2019 the Company concluded on the acquisition of a commercial property which is located at 44 Syggrou str., Athens, of a total area of 5.5 thousands sq.m.. The final consideration for the acquisition amounted to €5,882. From the abovementioned amount, the Company had already paid an amount of €1,170 as prepayment.

On November 7, 2019 the Company together with the company Cante Holdings Ltd, interests of Dimand S.A. and EBRD, were pronounced, according to the decision with No 382/2019 of the Financial Committee of the Municipality of Piraeus, as the successful bidders and thus as temporary contractors for the long-term lease, i.e. 99 years, of the Naval and Commercial Centre of Piraeus ("Piraeus Tower") with a total area of approximately 32 thousand sq.m. The development of the property includes mixed uses which will comprise of, among others, underground parking spaces, ground floor retail spaces and offices on the upper floors, taking into account the prime area in which the property is located.

On October 31, 2019 the Company proceeded with the signing of preliminary agreements for the acquisition of a commercial property in Athens for a total consideration of €2,300. From the abovementioned amount, the Company has paid an amount of €164 as prepayment. The total surface of the property is about 496.5 sq.m..

On October 25, 2019 the Company announced the commencement of the sale of 4 commercial properties, located in Athens. The sale of the properties is estimated to be concluded within 2019.

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 as endorsed by the EU.