LAMPSA HELLENIC HOTELS S.A.

SIX-MONTH FINANCIAL REPORT

for the period

from January 1 to June 30, 2014

In compliance with Article 5 of Law 3556/2007

TABLE OF CONTENTS

A. Representations of the Members of the Board of Directors 3

B. Report on Review of Interim Financial Information..5

C. Six-Month Report of the Board of Directors...7

1. Interim Condensed Financial Statements for the period from January 1 to June 30, 2014 15

1.1. Condensed Statement of Financial Position..15
1.2. Condensed Statement of Comprehensive Income for the period................16
1.3. Condensed Statement of Changes in Equity 18
1.4. Condensed Statement of Cash Flows for the period (indirect method)........20

2. Notes to the Interim Financial Statements 21

2.1. General Information..21
2.2. Basis for preparation of interim condensed financial statements................21
2.3. Segment Reporting 25
2.4. Tangible & intangible fixed assets...26
2.5. Investment in subsidiaries – Group Structure 27
2.6. Investment in Joint Venture – Other Long-term Liabilities.........................28
2.7. Equity Analysis 30
2.8. Income tax – Deferred tax 30
2.9. Borrowings..31
2.10. Results for the period from January 1, 2014 to June 30, 2014 32
2.11. Profit / (Loss) per share 33
2.12. Analysis of provisions..34
2.13. Transactions with related parties..34
2.14. Salaries of BoD and Management members 35
2.15. Contingent assets-liabilities..35
2.16. Guarantees..37
2.17. Dividends 37
2.18. Personnel number & fees 38
2.19. Post Interim Period Balance Sheet Date events 39

3. Financial Data and Information 40

A. Representations of the Members of the Board of Directors

(under Article 5, par. 2, Law 3556/2007)

The below statements are made by the following members of the Board of Directors of the Company "LAMPSA HELLENIC HOTELS S.A.":

1. George Galanakis, father's name Emmanuail, President of the Board of Directors,
2. Anastasios Homenidis, father's name Georgios, Chief Executive Officer,
3. Fikippos Spyropoulos, father's name Konstantinos, member of the Board of Directors

We hereby certify that as far as we know:

A) The attached six-month separate and consolidated Financial Statements of "LAMPSA HELLENIC HOTELS S.A." (hereinafter "the Company" or "Lampsa S.A.") for the period 01/01-30/06/2014, prepared according to the effective accounting standards, present truly and fairly the assets and liabilities, the equity as of 30/06/2014 and the financial results of the Company for the first six months of 2014, as well as the companies included in the consolidation as aggregate, according to par. 3 - 5 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD of the Hellenic Capital Market Commission, and

B)The attached six-month Board of Directors Management Report presents in a true and fair way the information required according to par. 6 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD of the Hellenic Capital Market Commission.

Athens, August 28, 2014

The designees ,

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	MEMBER OF THE BOARD OF DIRECTORS
GEORGE GALANAKIS	ANASTASIOS HOMENIDIS	FILIPPOS SPYROPOULOS
I.D. No Ξ 282324	I.D. No AI 506406	I.D. No AK 121283

Interim Condensed Financial Statements for the period from January 1 to June 30, 2014 All the amounts are reported in thousand € unless stated otherwise

B. Report on Review of Interim Financial Information

To the Shareholders of **LAMPSA S.A.**

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company **LAMPSA S.A.** as at 30 June 2014 and the related separate and consolidated condensed income statement and statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of article 5 of Law 3556/2007.

Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "**IAS 34**"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

We draw attention to Note 2.15 of the financial statements which describes statements which describes the existence of pending court cases of subsidiary company of amount EUR 2.2 million, the outcome of which cannot be estimated at present. Group's Management believes that the outcome of these cases will not materially affect the financial results of the Group. Our conclusion is not qualified in respect of this matter.

Reference to other legal requirements

Based on our review, we concluded that the content of the six-month financial report, as required by article 5 of L.3556/2007, is consistent with the accompanying condensed interim financial information.

Athens, 29 August 2014

The Chartered Accountant

George Deligiannis

SOEL Reg. No 15791

Grant Thornton

An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

C. Six-Month Report of the Board of Directors

of the Company

«LAMPSA HELLENIC HOTELS S.A. »

The current Six-month Report of the Board of Directors (hereinafter **"the Report"**) pertains to the first sox-month period of the current year 2014 (1.1-30.6.2014) and has been prepared in accordance in compliance with the relevant provisions of the law 3556/2007 (Article 5, paragraph 6) (Government Gazette 91A/30.04.2007) as well as the publicized resolution of the BoD of the Hellenic Capital Market Commission (Decision 1/434/03.07.2007, Article 3 and Decision 7/448/11.10.2007, Article 4).

The current report accompanies the six-month consolidated financial statements (01/01/2014 - 30/06/2014) and is included together with the full text of the statements of the BoD members in the consolidated financial report for the first six months of 2014.

The current report presents an in brief but effective way all the necessary significant information, based on the above legislative framework and records, in a true and fair manner, all the relevant information, required by legislation, in order to provide significant and reliable information about the operations, performed within the aforementioned period, by the company "LAMPSA HELLENIC HOTELS S.A." (hereinafter "the Company" or "Lampsa S.A.") as well as the Group. As at 30/6/2014 , the Group incorporates the following companies:

Amounts in thousand €	DOMICILE	DIRECT PART/ING INTEREST %	INDIRECT PART/ING INTEREST %	RELATIONSHIP	CONSOLIDATION METHOD	OPERATING SEGMENT
LAMPSA HELLENIC HOTELS S.A.	Greece	PARENT		PARENT	FULL	Hotel services
LUELLA ENTERPRISES LTD	Cyprus	100,00%		SUBSIDIARY	FULL	Holding
TOURISTIKA THERETRA S.A.	Greece	50,00%		JOINT VENTURE	EQUITY	Hotel services
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	Serbia	80,33%		SUBSIDIARY	FULL	Hotel services
BEOGRADSKO MESOVITO PREDUZECEE A.D.	Serbia	-	93,90%	SUBSIDIARY	FULL	Hotel services
NORTH HAVEN LTD	Hong Kong	-	100,00%	SUBSIDIARY	FULL	Holding
MARKELIA ENTERPRISES COMPANY LTD	Cyprus	-	100,00%	SUBSIDIARY	FULL	Services

The thematic units of the Report and their contents are as follows:

UNIT 1 Financial developments and data on the course of the period from 1/1/2014 to 30/6/2014

1.1 Significant Events for the Period from 1/1/2014 to 30/6/2014

Relative political stability achieved over the last two year has facilitated partial recovery of the Tourist Industry, since within the first six-month period of 2014, despite the consequences of financial crises, faced by the country, the Group hotels, located in Greece, substantially increased their revenue. However, these consequences have not been completely eliminated regarding the results of the Company hotels and are presented in the segment of F & B (Food & Beverage), where revenue growth in respect of food section, which relies on domestic customers, is less that the rooms revenue increase.

Room occupancy ratio of the luxury hotel industry in Athens increased by 16,5 % compared to 2013, adjusting the ratio to 60,9% versus 52,3% in 2013. Smaller scale adjustments were made to the average room rate of luxury hotels, amounting to 2,7% growth compared to 2013. Therefore, room occupancy ratio of the luxury hotel industry in Athens increased by 24,8% while the total room revenue – by 28,1%.

"Grande Bretagne" hotel recorded a 27% sales growth, while «King George» hotel recorded 817% sales increase (given than it operated within the entire period of the current year in contrast to a month within the previous period), Sheraton Rhodes Hotel recorded an increase in sales of 21% (even within a short operating period). Regarding the Group Hotels in Serbia, given high level of competition, they recorded a decrease in sales, in particular, «Hyatt Regency Belgrade» - by 22% and «Excelsior" by 6%. In terms of EBITDA, increase in sales and expenditure restraint (despite the rigidity of the salary and wages expenses) had a very positive effect, with an increase of about 2.14 m for the Group and 2.85 m. the Company in relation to the corresponding period of 2013.

The Group on 30/06/2014 had negative working capital as current liabilities exceed current assets by € 7,234 k. (parent company € 8,939 k.). The most important part of current liabilities (44% group - 45% parent) is short-term borrowings and long-term debt installments payable in the following year. Within the current period, the parent company repaid to the banks an amount of € 2,320 k and the Group - € 2,371. The additional amending act of the repayment schedule was signed on May 29, 2014 with the lending bank Eurobank concerning the modification of the repayment of the loan. Specifically, the debenture installment due amounting at € 900 k was integrated in the end of March 2018. Within the following years, the Group and the company shall repay to the banks the amounts of € 7,218 and € 6,854 respectively. The Company Managements considers that the amounts will be covered by the operating cash flows of the Parent Company as well as by the dividends expected to flow to the Parent Company, amounting to € 2 m till 30.06.2015.

Two major shareholders of the parent company «NAMSOS ENTERPRISES COMPANY LIMITED» and «DRYNA ENTERPRISES COMPANY LIMITED», representing 28.48% share in the share capital of each (total of 56.96%), are bound to meet any needs, although it is estimated that it will not be necessary, for working capital for at least the next twelve months from the date of approval of the annual financial statements of 30/06/2014.

Without taking into account short-term borrowing liabilities, the working capital of the group is represented negative by € 17 k and the working capital of the company – by € 2.085.

It is noted that the financial statements of the companies included in the consolidation have been prepared based on the going concern principle.

Finally, the Annual General Meeting of the shareholders of the Company took place on the 30/6/2014, with the presence of Shareholders representing 15.042.439 common registered shares on a total of 21.364.000 common registered shares of the Company, i.e. approximately 70,41% and decided unanimously on the items on the agenda as follows:

(1) the AGM approved the annual financial statements of Lampsa S.A. (company's and consolidated) of the financial year 2013 of the financial year 2013 (1.1.2013-31.12.2013),
(2) the AGM approved the readjusted annual financial statements of Lampsa S.A. (company's and consolidated) of the financial year 2012 (1.1.2012-31.12.2012), together with the reports of the Board of Directors and the auditors,
(3) the AGM released the members of the Board of Directors as well as the auditors from any responsibility on the drafting and audit of the annual financial statements as well as on the management of the company of the financial year 2013,
(4) the AGM elected auditing firm for the annual and interim financial statements of the Company for the financial year 2014 and set its remuneration,

(5) the AGM approved a total amount of 45,000 Euro as fees for the Board of Directors for the year 2013 and has pre-approved an amount of 22,224 Euro for the year 2014,
(6) the resignation of the member of the Board of Directors Mr. Tichomir Tribounac was announced,
(7) the AGM decided on transferring to the account of retained earnings an amount of tax-exempt reserves,
(8) the AGM decided on the amendment of article 3 of the Articles of Association of the Company,
(9) regarding «Various Announcements», the Company informed its shareholders about the course of the developments.

1.2 Data, Performance & Financial Position of the Company and the Group

Turnover in the first six-month period of 2014 at consolidated level stood at € 21,206 k versus € 16,759 k in the same period last year, presenting an increase of 26,54%. The turnover of the parent company (Hotels "Grande Bretagne and "King George") stood at € 16,435 k versus € 10,742 k in the comparative 2013 period increased by 53,00% in the current period, an increase that is attributed by € 3,187 k. to the operation of King George.

Consolidated gross profit amounted to € 5,917 k from € 3,648 k in 2013, presenting a substantial increase mainly due to the increase in turnover and decrease in operating expenses of the Group, while gross profit margins increased from 22% in 2013 to 28% in 2014. The contribution of King George hotel to the increase in gross profit stood at 14%. Gross profit of the parent company amounted to profit of € 4,675 k compared to profit of € 1,298 in 2013. The gross profit margin of the Company stood at profit of 28,45 % in 2014 versus profit of 12,08% in the respective last year period.

The aforementioned increase in turnover that affected almost the total of the Group gross earning, also affected the Group operating earnings **(EBITDA)** that presented profit of € 3,852 k. versus profit of € 1,715 k. in 2013. Respectively, the parent company operating earnings stood at profit of € 2,438 k. versus losses of € 410 k. in 2013.

Financial Cost of the Group and the company fluctuated at the same level as that recorded last year.

Other financial results relate mainly to distribution of dividends by Luella Enterprises to the parent company, standing at € 767 k. The remaining balances are exchange differences arising to euro / dollar exchange ratios.

Share from (loss)/profit of associates for the current FY pertains to valuation of TOURISTIKA THERETRA joint venture, while for the previous FY it mainly pertained losses of the above joint venture amounting to € 1 m and income from collecting the compensation from the previous shareholders of the joint venture amounting to € 1,7 m.

Earning before tax of the Group recorded profit of € 100 k. versus losses of € 842 k. for the comparative 2013 period, due to the aforementioned factors. Earnings before tax of the parent company recorded profit of € 1,093 k, versus losses of € 2.392 for the comparative 2013 period.

Income Tax of the Company and the Group includes calculation of deferred tax. Tax expenses for the Group stood at € 37 k and for the Company at income of € 44 k versus tax income of € 1,773 k and € 1,793 for the Group and the Company for the comparative period. Respectively, weighted tax rate for both periods stood at 37% (30.06.2014) and -211% (30.06.2013) at Group and Company level. In the current period, deferred tax was not recognized in the results of the subsidiary companies and TOURISTIKA THERETRA, while as far as the parent company is concerned, deferred tax assets were recognized for offsetting tax losses of the previous years, amounting to € 925 k, which were not recognized in the past. The high percentage of positive tax rate in the previous period is due to the change in tax rate from 20% to 26%, under Law 4110/2013 effective for the parent company as from FY 2013.

Net earnings after tax and before non-controlling interests rights for the Group recorded losses of € 39 k, versus profit of € 869 k for the comparative period of 2013. The company recorded profit of € 1,137 k versus losses of € 599 k for the comparative period of 2013.

UNIT 2 Risks and Uncertainties for the Second Six-month Period of 2014

Financial Risk Factors

The Group is exposed to financial risks such as changes in exchange rates, interest rates, credit risk, liquidity risk and fair value interest rate risk. The overall risk management of the Group focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Risk management is carried out by the central cash available management service, which identifies and evaluates financial risks in cooperation with the services that face these risks. Prior to the relevant transactions it is taken acceptance by officers with the right to bind the Company to its counterparties.

2.1.1. Currency Risk

The Group operates internationally and therefore is exposed to foreign exchange risk arising primarily from U.S. dollar. This type of risk arises mainly from loans and deposits in foreign currency as well as net investments in foreign entities. The Group holds investments in foreign entities, net assets of which are exposed to foreign currency exchange rates (primarily the U.S. dollar). The exchange rate risk of this kind arises from the rate of these currencies against the euro, partially offset by corresponding liabilities (e.g. loans) of the same currency.

This risk arises from the arrival of American customers representing approximately 30% of the total number of nights booked at the Group Hotels, which was negatively impacted by the high rate of Euro / Dollar. The Group has not adopted implementation of currency risk hedging instruments. However, within the context of adequate addressing the above risk, the Group Management is in constant contact with its financial consultants in order to determine the best offsetting policy in a constantly changing environment.

2.1.2. Credit Risk & Liquidity Risk

Over 80% of Group's sales are performed through credit cards, the credit sales though are made to customers with evaluated credit history.

The Group on 30/06/2014 had negative working capital as current liabilities exceed current assets by € 7,234 k. (parent company € 8,939 k.). The most important part of current liabilities (44% group - 45% parent) is short-term borrowings and long-term debt installments payable in the following year. Within the current period, the parent company repaid to the banks an amount of € 2,320 k and the Group - € 2,371. The additional amending act of the repayment schedule was signed on May 29, 2014 with the lending bank Eurobank concerning the modification of the repayment of the loan. Specifically, the debenture installment due amounting at € 900 k was integrated in the end of March 2018. Within the following years, the Group and the company shall repay to the banks the amounts of € 7,218 and € 6,854 respectively. The Company Managements considers that the amounts will be covered by the operating cash flows of the Parent Company as well as by the dividends expected to flow to the Parent Company, amounting to € 2 m till 30.06.2015.

Two major shareholders of the parent company «NAMSOS ENTERPRISES COMPANY LIMITED» and «DRYNA ENTERPRISES COMPANY LIMITED», representing 28.48% share in the share capital of each (total of 56.96%), are bound to meet any needs, although it is estimated that it will not be necessary, for working capital for at least the next twelve months from the date of approval of the annual financial statements of 30/06/2014.

Without taking into account short-term borrowing liabilities, the working capital of the group is represented negative by € 17 k and the working capital of the company – by € 2.085.

2.1.3. Risk of Changes of Fair Value due to Changes in Interest Rates

Operational revenue and operational cash flows of the Group are substantially independent of changes in market interest rates. The Group has assets of interest-bearing assets with fixed performance and the policy of the Group is to maintain approximately total borrowings at floating rate. At the end of the administrative period, the total borrowings were in floating interest rate loans.

UNIT 3: Prospects & Development for the Second Six-month period of 2014

The country's tourism industry shows obvious signs of recovery. Already the first positive signals were seen during the first six-month period of 2014, when instability of tourist destinations in the region works beneficial to the destination Greece as a safe country in the Eurozone. "Grande Bretagne" Hotel showed a 26% increase in sales (given the operation of «King George» hotel, the increase in sales of the company versus 2012 stood at 53%), and Sheraton Rhodes Hotel showed sales increase of 21% (even given a short operating period, given its seasonality). Regarding the Group Hotels in Serbia, given high level of competition, they recorded a decrease in sales, in particular, "Hyatt Regency Belgrade" - by 22% and "Excelsior" by 6%. However, it is to be noted that the low payroll cost in these hotels still maintains their operating results at satisfactory levels. This rate of growth of sales in the hotels located of Greece is expected to continue at least in the third quarter of the year, while it is estimated that it will remain in stagnation regarding the Hotels located in Serbia. At the same time, it is considered that the integration of King George hotel with the Group will be positive because of economies of scale brought about by the synergy of two hotels both - at management level and at the level of personnel development and the contribution to the turnover of the company.

The Management regularly monitors the cause of the economy under crisis, which directly affects all the production segments. With springboard the successful course of the Group, both in Greece and abroad, the Management believes that the current economic crisis will continue to adversely affect the sales arising form the domestic market (mainly the food segment). In contrast, relative recovery is recorded in inbound numbers of tourists in the last two years, leading to cautious optimism for the future. Regarding the further development, the group will take into account extremely volatile market conditions and reluctance expressed by the banks regarding company financing.

Consequently, the Management will focus on the following objectives:

1. Maintaining sufficient profit margins by reducing expenditure and effort to reduce wage costs. Towards this purpose it is expected to help the new insurance regulatory framework that will contribute to business sustainability and growth of competitiveness. The main concern of the Managemnt, however, remains the maintenance of high quality of rendered services and job positions.

2. Focus on smooth and profitable operation of hotels owned by the company in the Belgrade and Rhodes. Specifically, the company will focus on efforts to increase the rate of profitability of the Hyatt Regency Belgrade Hotel, the further development of Excelsior Belgrade Hotel and further revenues increase from the operation of the Sheraton Rhodes Hotel. It is mentioned that there have been completed the renovations of rooms and common spaces (ballroom) at Hyatt Regency Belgrade Hotel (BMP), while a new floor (penthouse) has been erected at Excelsior Belgrade Hotel, which will increase capacity in the first class rooms with high average room by 12 %.

4. Alternative methods of recovery under the new legislation for joint tourism uses will also be examined, especially for Sheraton Hotel Rhodes.

5. After the completion of negotiations with Hyatt International to reduce management fees of Hyatt Regency Belgrade Hotel, this saving is expected to contribute both to the improvement of the economic size of the hotel and to finance from its own resources renovation projects.

6. After the completion of the agreement with the Bank Eurobank Ergasias for long-term leasing of King George Hotel and integration of direct upgrade works, the historic Hotel started operating under the management of the multinational group Starwood Hotels & Resorts Worldwide Inc. at the category Luxury Collection of luxury hotels. Emphasis will be given to offer excellent service to customers and to maximize profitability, leveraging synergies with the adjacent hotel, Grande Bretagne Hotel.

7. Further development of the Group will be considered in accordance with the impact of the international crisis in Greece and abroad. The Company constantly monitors and participates in the arising investing opportunities.

To achieve the above mentioned objectives and to meet the highly volatile market conditions and the tight financing policy of banks, while aiming to strengthen the Group's cash and the planned growth financing for 2014 through equity, the Management will constantly monitor the progress of work on a monthly basis and will intervene directly to ensure adequate liquidity.

UNIT 4: Related Parties Transactions

This section includes the most significant transactions between the Company and its related parties as defined in International Accounting Standard 24 and in particular in this section, includes:

(a) Transactions between the Company and any related party made during the first six months of 2014, which have materially affected the financial position or performance of the Company during the mentioned period,

b) any changes in the transactions between the Company and any related party described in the last annual report that could have a material effect on the financial position or performance of the Company during the first six-month period of 2014.

It is noted that the reference to those transactions includes the following elements:

(a) the amount of such transactions for the first six-month period of 2014

(b) the outstanding balance at the end of the period (30/6/2014)

(c) the nature of the related party relationship with the issuer and

(d) any information on transactions that are necessary for understanding the financial position of the Company, but only if such transactions are material and have not been conducted under normal market conditions.

Specifically, transactions and balances with related legal entities and natural persons, as defined by the International Accounting Standard 24 on 30/6/2014 and 30/6/2013 respectively, are as follows:

Amounts in thousand €	**THE GROUP**		**THE COMPANY**	
Sales of goods – services	**01/01 - 30/06/2014**	**01/01 - 30/06/2013**	**01/01 - 30/06/2014**	**01/01 - 30/06/2013**
Other associates	-	8	-	8
Total	**-**	**8**	**-**	**8**
Balance of Payables	**30/6/2014**	**31/12/2013**	**30/6/2014**	**31/12/2013**
Subsidiaries/jointly controlled entities	-	-	-	23
Other associates	-	-	-	-

Total	**-**	**-**	**-**	**23**
Balance of Receivables	**30/6/2014**	**31/12/2013**	**30/6/2014**	**31/12/2013**
Subsidiaries/jointly controlled entities	-	6	12	16
Other associates	-	-	-	-
Total	**-**	**6**	**12**	**16**

Out of the above transactions, any transactions and outstanding balances with subsidiary companies have been excluded from the consolidated financial statements of the Group.

In addition, receivables / loan liabilities between subsidiary companies of total amount € 4,181 k and accordingly interest income / expenses of € 128 k and FX differences income / expenses / Capital Reserve of € 175 k are also excluded from the consolidated financial statements.

The remuneration of key executives and BoD members for the current and comparative period was as follows:

Amounts in thousand €	**The Group**		**The Company**	
	01.01-30.06.2014	**01.01-30.06.2013**	**01.01-30.06.2014**	**01.01-30.06.2013**
Salaries – Fees	455	557	253	240
Social Insurance Cost	67	81	44	46
Bonus	103	66	90	46
Total	**625**	**704**	**387**	**332**

No loans have been granted to BoD members and top-level management of the Group or their families. All the transactions presented above were performed under market conditions. .

Athens, August 28, 2014

The President of the Board of Directors

George Galanakis

Interim Condensed Financial Statements for the period from January 1 to June 30, 2014

It is hereby certified that the accompanying Financial Statements for the period from 1/1/2014 to 30/06/2014 were approved by the Board of Directors of **«LAMPSA HELLENIC HOTELS S.A.»** on August 28, 2014 and are available on the website www.lampsa.gr, where they will remain at the disposal of the investing public for at least 5 years as starting from their preparation and publication date.

Athens, August 28, 2014

The President of the Board of Directors

George Galanakis

I.D. No Ξ 282324

1. Interim Condensed Financial Statements for the period from January 1 to June 30, 2014

1.1. Condensed Statement of Financial Position

		CONSOLIDATED			CORPORATE		
Amounts in thousand €	**Σημ**	**30.06.2014**	**31.12.2013**	**31.12.2012**	**30.06.2014**	**31.12.2013**	**31.12.2012**
ASSETS							
Current Assets							
Property, plant and equipment	2.4	124.553	125.025	126.506	73.099	73.841	74.315
Intangible Assets	2.4	302	303	247	79	68	21
Goodwill		5.731	5.731	5.731			
Investments in Subsidiaries	2.5	0	-	(0)	26.167	26.165	28.888
Investments in Joint Ventures	2.6	-	497	-	0	-	-
Other Long-term Assets		239	239	171	107	107	75
Deferred Tax Assets	2.8	7.276	7.232	5.445	7.276	7.232	5.881
Total		**138.101**	**139.027**	**138.101**	**106.728**	**107.413**	**109.180**
Current Assets							
Inventory		971	860	761	687	578	432
Trade and other receivables		2.998	1.576	1.407	2.843	1.334	1.136
Other Receivables		696	713	2.405	336	294	331
Other Current Assets		1.554	1.244	795	1.454	1.175	542
Cash and cash available		2.863	3.947	2.267	1.038	1.204	972
Total		**9.082**	**8.339**	**7.634**	**6.359**	**4.584**	**3.412**
Total Assets		**147.183**	**147.366**	**145.735**	**113.087**	**111.997**	**112.592**
EQUITY AND LIABILITIES							
Equity	**1.3,2.7**						
Share Capital		23.928	23.928	23.928	23.928	23.928	23.928
Share Premium		38.641	38.641	38.641	38.641	38.641	38.641
Statutory Reserves		878	878	882	878	878	878
Other Reserves		876	5.093	4.765	849	5.049	5.020
Retained Earnings		19.288	15.006	11.415	(4.270)	(9.607)	(9.986)
Foreign Exchange Difference Reserves		(497)	(300)	(209)			
Equity attributable to owners of the parent		83.114	83.247	79.422	60.026	58.889	58.480
Non-controlling interest		3.746	3.749	4.299			
Total Equity		**86.861**	**86.996**	**83.721**	**60.026**	**58.889**	**58.480**
Long-term liabilities							
Employee termination benefits liabilities		1.981	1.872	1.806	1.981	1.872	1.806
Long-term Debt Liabilities	2.9	37.271	38.827	28.353	35.645	37.035	26.706
Deferred Tax Obligations	2.8	4.264	4.258	4.382		-	-
Other Long-term Liabilities		321	71	1.002	5	17	23
Other Provisions	2.12	168	239	150	132	202	134
Total		**44.006**	**45.266**	**35.692**	**37.764**	**39.126**	**28.668**
Short-term Liabilities							
Suppliers and other liabilities		2.216	1.988	1.466	2.190	1.909	1.357
Income tax payable		58	315	165		1	-
Short-term debt	2.9	1.198	1.903	245	1.000	1.705	100
Short-term portion of bond and bank loans	2.9	6.019	6.003	21.042	5.854	6.003	21.042
Total liabilities		6.825	4.896	3.404	6.254	4.364	2.944
Total		**16.316**	**15.105**	**26.323**	**15.298**	**13.982**	**25.444**
Total liabilities		**60.322**	**60.371**	**62.015**	**53.061**	**53.108**	**54.112**
Total Equity and Liabilities		**147.183**	**147.367**	**145.735**	**113.087**	**111.997**	**112.592**

* Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).

The accompanying notes form an integral part of the interim financial statements.

1.2. Condensed Statement of Comprehensive Income for the period

		CONSOLIDATED		**CORPORATE**		**CONSOLIDATED**		**CORPORATE**	
Amounts in thousand €	**Σημ**	**01.01-30.06.2014**	**01.01-30.06.2013**	**01.01-30.06.2014**	**01.01-30.06.2013**	**1.4-30.6.2014**	**1.4-30.6.2013**	**1.4-30.6.2014**	**1.4-30.6.2013**
Sales	2.3,2.10	21.206	16.759	16.435	10.742	13.824	10.708	11.085	7.241
Cost of Sales		(15.288)	(13.110)	(11.760)	(9.444)	(8.799)	(7.446)	(6.943)	(5.573)
Gross Profit	2.10	5.917	3.648	4.675	1.298	5.026	3.262	4.142	1.668
Distribution Expenses		(1.486)	(1.316)	(1.198)	(946)	(850)	(789)	(699)	(580)
Administrative Expenses		(3.369)	(3.279)	(2.685)	(2.411)	(1.717)	(1.758)	(1.345)	(1.266)
Other Income		690	785	495	528	368	533	266	402
Other expenses		(168)	(358)	(98)	(98)	(97)	(194)	(66)	(60)
Operating Profit		1.585	(519)	1.189	(1.630)	2.730	1.055	2.297	164
Financial expenses	2.10	(841)	(832)	(763)	(758)	(424)	(448)	(385)	(410)
Financial income		39	31	1	2	25	13	1	2
Other financial results	2.10	73	5	665	(5)	42	283	246	356
Portion from (loss)/profit of associates		(755)	474	-		(247)	1.171	-	-
Profit / (Loss) before Tax	**2.10**	**100**	**(842)**	**1.093**	**(2.392)**	**2.126**	**2.074**	**2.159**	**112**
Income Tax	2.10	(37)	1.773	44	1.793	(47)	62	30	(55)
Net Profit / (Loss) for the period		**63**	**932**	**1.137**	**(599)**	**2.079**	**2.136**	**2.189**	**57**
Other Comprehensive Income									
Foreign exchange differences on translation of financial statements of foreign operations		(197)	(185)	-	-	(223)	(42)	-	-
Other total comprehensive income for the period after tax		**(197)**	**(185)**	**-**	**-**	**(223)**	**(42)**	**-**	**-**
Total Comprehensive Income for the Period		**(134)**	**747**	**1.137**	**(599)**	**1.856**	**2.094**	**2.189**	**57**
Profit for the period allocated to:									
Owners of the parent		39	869	1.137	(599)	2.051	2.080	2.189	57
Non-controlling interest		24	63			28	57		
		63	932	1.137	(599)	2.079	2.136	2.189	57
Total Comprehensive Income for the Period allocated to:									
Owners of the parent		(158)	684	1.137	(599)	1.828	2.038	2.189	57
Non-controlling interest		24	63	-	-	28	57		
		(134)	747	1.137	(599)	1.856	2.095	2.189	57
Earnings per share allocated to owners of the parent									
Basic in €	**2.11**	**0,0018**	**0,0407**	**0,0532**	**(0,0280)**	**0,0960**	**0,0974**	**0,1024**	**0,00027**

		CONSOLIDATED		CORPORATE			CONSOLIDATED		CORPORATE	
		01.01-30.06.2014	**01.01-30.06.2013**	**01.01-30.06.2014**	**01.01-30.06.2013**		**1.4-30.6.2014**	**1.4-30.6.2013**	**1.4-30.6.2014**	**1.4-30.6.2013**
EBIT		1.585	(519)	1.189	(1.630)		2.730	1.055	2.297	164
EBITDA		3.852	1.715	2.438	(410)		3.865	2.159	2.922	780

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

Potential differences are due to rounding

The accompanying notes form an integral part of the interim financial statements.

Interim Condensed Financial Statements for the period from January 1 to June 30, 2014 All the amounts are reported in thousand € unless stated otherwise

1.3. Condensed Statement of Changes in Equity

THE GROUP								
Amounts in thousand €	**Equity allocated to owners of the parent**							
	Share Capital	**Share Premium**	**Forex Differences Reserves**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
Balances as at January 1, 2013	**23.928**	**38.641**	**(210)**	**5.323**	**11.777**	**79.459**	**4.299**	**83.758**
Changes in Equity for the period								
Distribution of earnings for 2013						-		-
Transactions with owners					599	599	(694)	(95)
Total Comprehensive Income for the period			(185)		868	683	63	746
Balances as at June 30th, 2013	**23.928**	**38.641**	**(395)**	**5.323**	**13.244**	**80.741**	**3.668**	**84.409**
Balances as at January 1, 2014	**23.929**	**38.642**	**(300)**	**5.972**	**15.005**	**83.246**	**3.749**	**86.995**
Changes in Equity for the period								
Change due to amendment to participating interest in subsidiary					-	-	-	-
Transactions with owners					-	-	-	-
Transfer of reserves				(4.217)	4.245	27	(27)	-
Total Comprehensive Income for the period	-	-	(197)		39	(158)	24	(134)
Balances as at June 30th, 2014	23.929	38.642	(497)	1.754	19.288	83.114	3.746	86.861

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

Potential differences are due to rounding

The accompanying notes form an integral part of the interim financial statements.

THE COMPANY					
Amounts in thousand €	**Share Capital**	**Share Premium**	**Other Reserves**	**Retained Earnings**	**Total**
Balances as at January 1, 2013	**23.928**	**38.641**	**5.609**	**(9.569)**	**58.609**
Changes in Equity for the period					-
Distribution of earnings for 2012					-
Transactions with owners	-	-			-
Total Comprehensive Income for the period	-	-	-	(599)	(599)
Balances as at June 30th, 2013	**23.928**	**38.641**	**5.609**	**(10.168)**	**58.010**
Balances as at January 1, 2014	**23.928**	**38.641**	**5.927**	**(9.607)**	**58.889**
Changes in Equity for the period					
Transactions with owners	-	-	-	-	-
Transfer of reserves			(4.200)	4.200	-
Total Comprehensive Income for the period	-	-	-	1.137	1.137
Balances as at June 30th, 2014	**23.928**	**38.641**	**1.727**	**(4.270)**	**60.026**

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

Potential differences are due to rounding

The accompanying notes form an integral part of the interim financial statements.

1.4. Condensed Statement of Cash Flows for the period (indirect method)

	THE GROUP		THE COMPANY	
Amounts in thousand €	**01/01-30/6/2014**	**01/01-30/6/2013**	**01/01-30/6/2014**	**01/01-30/6/2013**
Operating activities				
Profit / (Loss) before tax	**100**	**(841)**	**1.093**	**(2.392)**
Plus / less adjustments for:				
Depreciation	2.279	2.246	1.259	1.231
Amortization of grants	(11)	(11)	(11)	(11)
Provisions/ Revenues from unused provisions of previous years	(182)	114	(182)	114
Profit / (Loss) of asset sale & depreciations	-	-		
Foreign exchange differences	92	133	92	52
Interest income	(39)	(31)	(1)	(2)
Interest expenses	841	832	763	758
Investing results	682	(474)	(665)	(230)
Operating profit prior to changes in working capital	3.762	1.969	2.347	(478)
Plus/ less adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease / (increase) in inventories	(111)	(76)	(110)	(170)
Decrease / (increase) in receivables	(1918	(1.405)	(1.831)	(899)
(Decrease) / increase in short term liabilities (except for banks)	2.079	612	1.897	2.248
Less:				
Interest expense and related expenses paid	(478)	(671)	(399)	(514)
Taxes paid	(315)	(120)	(1)	-
Total inflows / (outflows) from operating activities (a)	**3.022**	**309**	**1.903**	**187**
<u>Investing activities</u>				
Acquisition of tangible and intangible assets	(1.797)	(1.715)	(517)	(1.399)
Proceeds from disposal of tangible assets	-	-	-	-
Return of share capital to parent company	-	1.706		4.354
Collection of Amortization		1.801		
Increase in subsidiary share capital/payment due to change in subsidiary participating interest		(95)		(1.696)
Interest collectable	67	40	1	2
Dividends collectible	-	-	767	
Total inflows / (outflows) from investing activities (b)	**(1.730)**	**1.737**	**251**	**1.261**
<u>Financing activities</u>				
Proceeds from issued/received loans	-	700	-	700
Disposal / (Acquisition) of equity shares	-	-		
Dividends payable to parent shareholders	-	-		
Repayment of loans	(2.371)	(2.022)	(2.320)	(2.022)
Repayment of Finance Lease	(5)	(5)		
Dividends paid	-	-		
Total inflows / (outflows) from financing activities (c)	**(2.376)**	**(1.327)**	**(2.320)**	**(1.322)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(1.084)	719	(166)	126
Cash and cash equivalents at the beginning of year	3.947	2.374	1.204	972
Cash and cash equivalents at the end of year	**2.863**	**3.093**	**1.038**	**1.098**

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

Potential differences are due to rounding

The accompanying notes form an integral part of the interim financial statements.

2. Notes to the Interim Financial Statements

2.1. General Information

The parent company of the Group is "LAMPSA HELLENIC HOTELS S.A. based in Athens, Vasileos Georgiou A1, and is registered in the Companies Register of the Ministry of Economy, Competitiveness and Shipping, No. REG 6015/06 / V/86/135 and GSC Reg. No. 223101000 and its term of duration is set at one hundred (100) years, which began from the publication in the Government Gazette of the Royal Decree approving its memorandum of association. The company has been operating continuously since its foundation, over ninety-five (95) consecutive years.

The Group objective is acquisition, construction and operation of hotels in Athens and elsewhere in Greece or abroad, as well as related businesses, such as acquisition and / or exploitation of thermal spring water, resorts, public entertainment, clubs, etc. . The Company website is www.lampsa.gr.

The shares of the group are listed on the Athens Stock Exchange since 1946.

The interim condensed financial statements were approved for issue by the Company Board of Directors on 28 August, 2014.

The company LAMPSA and Starwood Hotels and Resorts Worldwide Inc, signed an agreement on management and hotel operation in December 2001. According to the agreement, Starwood, agreed to provide management and operation services to the hotel «Grande Bretagne». The term of the Management Agreement is initially of twenty five (25) years, with option to extend for another 25 years. Both companies have limited rights to terminate the agreement without reason.

There was also signed a management agreement with Starwood Hotels & Resorts Worldwide Inc. and Touristika Theretra S.A., the owner of «Sheraton Rhodes Resort» Hotel. The agreement concerns the assumption of operational management of the hotel (operating services agreement). It is to be noted that LAMPSA holds 50% of the shares of Touristika Theretra S.A.

On 24/12/2012, between the parent company and the bank "Eurobank Ergasias S.A." there was signed a definitive notarized leasing contract of the King George Hotel. The leasing agreement became effective following signing Lease Delivery and Reception Protocol as at 20/3/2013.

2.2. Basis for preparation of interim condensed financial statements

LAMPSA Group has fully adopted all IFRSs and interpretations adopted by the European Union and their application is mandatory for the preparation of corporate and consolidated financial statements for the current year.

The company interim condensed financial statements as of 30/06/2014 cover the period from January to June 30, 2014and have been prepared in compliance with International Accounting Standard («IAS») 34 «Interim Financial Reporting».

The accounting policies based on which the interim financial statements were prepared and are presented are in accordance with those used in the preparation of the Group and the Company Annual Financial Statements for the FY ended as at December 31, 2013. The interim financial statements shall be considered in line with the annual financial statements as of December 31st, 2013, which are available on the group website www.lampsa.gr.

The interim financial statements for the period 1/1–31/03/2014 have been prepared under the historical cost convention as modified due to revaluation of certain assets and liabilities at fair value and going concern principle.

There are no changes to accounting policies applied regarding those used under the preparation of the annual financial statements as of December 31st, 2013 apart from amendments to the standards mandatorily effective as from 01/01/2014. Due to the aforementioned modifications, the comparative consolidated Financial Statements have been restated. Analytical description of the impact of the revised standards applying to the Group operations are presented in Note §2.6.

The preparation of interim financial statements according to IFRSs requires use of accounting estimates and judgments of the Management under the application of the accounting principles. It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the best knowledge of the Management with respect to current events and actions, actual results may finally differ from those estimates.

2.3.1. Amendments to publicized standards

New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The Group has fully adopted all IFRSs and interpretations adopted by the European Union and their application is mandatory for the preparation of corporate and consolidated financial statements covering FY 2012. The following amendments and interpretations of the IFRS have been issued by IASB and their application is mandatory from or after 01/01/2014. The most significant Standards and Interpretations are as follows:

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"**

In May 2011, IASB issued three new Standards, namely IFRS 10, IFRS 11 and IFRS 12. IFRS 10 "Consolidated Financial Statements" sets out a new consolidation method, defining control as the basis under consolidation of all types of entities. IFRS 10 supersedes IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation — Special Purpose Entities". IFRS 11 "Joint Arrangements" sets out the principles regarding financial reporting of joint arrangements participants. IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". IFRS 12 "Disclosure of Interests in Other Entities" unites, improves and supersedes disclosure requirements for all forms of interests in subsidiaries, under common audit, associates and non-consolidated entities. As a result of these new standards, IASB has also issued the revised IAS 27 entitled IAS 27 "Separate Financial Statements" and revised IAS 28 entitled IAS 28 "Investments in Associates and Joint Ventures". The effect of the above is presented in §2.6.

- **Transition Guidance: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12)**

In June 2012, IASB issued Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) to clarify the transition guidance in IFRS 10 Consolidated Financial Statements. The amendments also provide additional transition relief in IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information before the first application of IFRS 12. The effect of the above is presented in §2.6.

- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)**

In October 2012, IASB issued Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27). The amendments apply to a particular class of business that qualifies as investment entities. The IASB uses the term 'investment entity' to refer to an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis. Such entities could include private equity organizations, venture capital organizations, pension funds, sovereign wealth funds and other investment funds. The Investment Entities amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities. The above amendments do not affect the consolidated Financial Statements.

- **Amendments to IAS 32 "Financial Instruments: Presentation" – Offsetting financial assets and financial liabilities**

In December 2011, IASB issued amendments to IAS 32 "Financial Instruments: Presentation", which provides clarification on some requirements for offsetting financial assets and liabilities in the statement of financial position. The above amendments do not affect the consolidated Financial Statements.

- **Amendments to IAS 36 "Impairment of Assets" - Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods starting on or after 01/01/2014)**

In May 2013, IASB issued amendments to IAS 36 "Impairment of Assets". These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The above amendments do not affect the consolidated Financial Statements.

- **Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" - Novation of Derivatives and Continuation of Hedge Accounting**

In June 2013, IASB issued amendments to IAS 39 "Financial Instruments: Recognition and Measurement". The narrow-scope amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 "Financial Instruments". The above amendments do not affect the consolidated Financial Statements.

- **IFRIC 21 "Levies" (effective for annual periods starting on or after 01/01/2014)**

In May 2013, the IASB issued IFRIC 21. IFRIC 21 provides guidance on when a company recognises a liability for a levy imposed by the state in its Financial Statements. IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as an obligating event. This interpretation indicates that the obligating event is the activity that triggers the payment of the levy in accordance with the relevant legislation. The above amendments do not affect the consolidated Financial Statements.

New Standards and Interpretations that have been issued and are mandatory for accounting periods starting on or after January 1st, 2014, but have not been adopted by the European Union and have not been earlier implemented by the Group and the Company.

- Annual Improvements cycle 2010-2012 (effective for annual periods starting on or after 01/07/2014)

In December 2013, the IASB issued *Annual Improvements to IFRSs 2010-2012 Cycle*, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments reflect issues discussed by the IASB during the project cycle that began in 2010, and that were subsequently included in the exposure draft of proposed amendments to IFRSs, *Annual Improvements to IFRSs 2010-2012 Cycle* (published in May 2012). The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 2: Definition of 'vesting condition', IFRS 3: Accounting for contingent consideration in a business combination, IFRS 8: Aggregation of operating segments, IFRS 8: Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13: Short-term receivables and payables, IAS 7: Interest paid that is capitalised, IAS 16/IAS

38: Revaluation method—proportionate restatement of accumulated depreciation and IAS 24: Key management personnel. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- Annual Improvements cycle 2011-2013 (effective for annual periods starting on or after 01/07/2014)

In December 2013, IASB issued the Annual Improvements to IFRSs 2011–2011 Cycle which constitute a number of amendments to 4 Standards as a part of annual improvements to the Standards. The amendments reflect the issues discussed by IASB during the project cycle that began in 2011, and were included in the exposure draft of proposed amendments to IFRS Annual Improvements 2011-2011 cycle (published in November 2012). The amendments are effective for annual periods beginning on or after July 1, 2014, although entities are permitted to apply them early. The Cycle covers the following issues: IFRS 1: The concept of existing IFRS, IFRS 3: Exceptions for joint ventures, IFRS 13: Scope of paragraph 52 (excluding securities), and IAS 40: Clarification of interdependence of IFRS 3 Business Combinations and IAS 40 Investment property under the classification of property as investment property or owner-occupied property. The Group will consider the impact of all the aforementioned on its consolidated Financial Statements. The Improvements have not been adopted by the European Union.

- Defined Benefit Plans: Employee contributions (for annual periods beginning on or after 1/7/2014) Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

The International Accounting Standards Board (IASB) published narrow scope amendments to IAS 19 Employee Benefits entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) on 21 November 2013. The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

2.3. Segment Reporting

In accordance with the provisions of IFRS 8, the identification of operating segments is based on the "management approach". According to this approach, the information to be disclosed regarding the operating segments should be based on internal organizational and management structure of the Group and the main items of internal financial reporting provided to the key decision makers. The Management monitors the operating results of its operating segments separately for the purpose of making decisions on resource allocation and performance assessment thereof. It is to be noted that the Group applies the same accounting principles for the measurement of operating segment's results as those in the Financial Statements. The Group financing comprises "Financial Expenses" and "Financial income" and income taxes are monitored at the consolidated level without being allocated to result generating operating segments.

Transactions between operating segments are performed within the regular business operations of the Group. Inter-segment sales are eliminated on consolidation.

The operating segments presented include renting rooms, food and beverage sales and other activities (Income SPA-Health Club, Telephone Revenue, etc.). The group results, assets and liabilities per segment in respect of the presented periods are analyzed as follows:

Segment results as at 30/6/2014	RENTING ROOMS	SALE OF FOOD AND BEVERAGE	OTHER ACTIVITIES	NON-ALLOCATED	TOTAL
Sales					
- to external clients	13.462	6.549	1.194		21.206
- to other segments				-	-
Net sales of the segment	**13.462**	**6.549**	**1.194**	**-**	**21.206**
Financial Income	24	12	2		39
Financial Expenses	(530)	(261)	(50)		(841)
Depreciation	1.687	524	68		2.279
Earnings before tax	63	31	6		100
Income tax	(23)	(11)	(2)		(37)
Earnings after tax	40	20	4		63
30/6/2014					
Non-current assets	82.420	40.556	7.849		130.825
Other Non-current Assets (Deferred Tax Assets)				7.276	7.276
Other assets	5.722	2.815	545		9.082
Total Assets	**88.141**	**43.371**	**8.394**	**7.276**	**147.183**
Total Liabilities	**38.003**	**18.700**	**3.619**		**60.322**

Segment results as at 30/06/2013*	RENTING ROOMS	SALE OF FOOD AND BEVERAGE	OTHER ACTIVITIES	NON-ALLOCATED	TOTAL
Sales					
- to external clients	10.518	5.218	1.023		16.759
- to other segments				-	-
Net sales of the segment	**10.518**	**5.218**	**1.023**		**16.759**
Financial Income	19	10	2		31
Financial Expenses	(507)	(274)	(50)		(832)
Depreciation	1.644	506	96		2.246
Earnings before tax	(513)	(278)	(50)		(841)
Income tax	1.081	585	106		1.773
Earnings after tax	568	307	56		931
31/12/2013*					
Non-current assets	80.395	43.492	7.908		131.795
Other Non-current Assets (Deferred Tax Assets)				7.232	7.232
Other assets	5.087	2.752	500		8.339
Total Assets	**85.482**	**46.244**	**8.408**	**7.232**	**147.366**
Total Liabilities	**36.826**	**19.922**	**3.622**		**60.371**

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

All the amounts are reported in thousand € unless stated otherwise

The company's hotels located in Athens ("Grande Bretagne" and "King George") follow the seasonality of the tourist destination, therefore, the average completeness nearly doubles in the summer season (May - October) versus the corresponding winter season (November-April).

Geographical segments

The headquarters of the Group are in Greece. Geographically, the Group operates mainly in Greece, Cyprus, Serbia, and has investments in Hong Kong (§ 2.5).

	1/1-30/6/2014	1/1-30/6/2014	1/1-30/6/2013	31/12/2013
Amounts in thousand €	SALES	NON-CURRENT ASSETS	SALES	NON-CURRENT ASSETS
GREECE	16.435	79.016	10.742	80.244
SERBIA	4.771	51.809	6.017	51.551
Total	21.206	130.825	16.759	131.795

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

2.4. Tangible & intangible fixed assets

During the period for the Company net investments into tangible and intangible assets amounted to € 534 k. At the Group level, the respective amount was € 1,800 k., mainly concerning net investment in consolidated companies for the purposes of hotel facilities reconstruction.

The Group property items are burdened with liens amounting to € 48,850 as well as 43,551 USD for outstanding loans amounting to € 41,498. TOURISTIKA THERETRA S.A. property is burdened with liens amounting to € 38,400 for outstanding loans amounting to € 27,500.

As at 30 June, 2014 and 31 December 2013 the Group and the Company had no commitments for capital expenditures.

2.5. Investment in subsidiaries – Group Structure

The following is an analysis of equity of the parent Company in subsidiaries and associates:

Amounts in thousand €	ACQUISITION VALUE as at 30/06/2014	ACQUISITION VALUE as at 31/12/2013	ACQUISITION VALUE as at 31/12/2012	DOMICILE – COUNTRY	Func. Currency	DIRECT PARTICIPATING INTEREST %	INDIRECT PARTICIPATING INTEREST %	RELATIONSHIP	CONSOLIDATION METHOD	OPERATING SEGMENT
GRAND BRETAGNE LTD	-	-	100	Greece	€	99,94%		SUBSIDIARY	FULL CONSOLIDATION	Retail
LUELLA ENTERPRISES LTD	18.732	18.730	18.109	Cyprus	€	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Holding
HARVARD INVESTMENTS CORPORATION	-	-	359	Liberia	$	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Holding
WORLD SPIRIT S.A.	-	-	3.080	Panama	$	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Holding
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	7.435	7.435	7.340	Serbia	€	80,33%		SUBSIDIARY	FULL CONSOLIDATION	Hotel services
MARKELIA ENTERPRISES COMPANY LTD	-	-	-	Cyprus	€	-	100,00%	SUBSIDIARY	FULL CONSOLIDATION	Services
TOTAL	**26.167**	**26.165**	**28.988**							
Provisions for impairment			(100)							
TOTAL	**26.167**	**26.165**	**28.888**							

Amounts in thousand €	30.06.2014	31.12.2013	31.12.2012
Opening balance	**26.165**	**28.888**	**38.059**
Acquisitions	2	95	
Share Capital Increase		1.850	
Disposals			
Share Capital Decrease		(2.818)	(6.171)
Fair value adjustments (Equity)			
Impairment loss recognized in the income statement		(1.850)	(3.000)
Impairment loss reversed in the income statement			
FOREX Differences			
Closing balance	**26.167**	**26.165**	**28.888**

Within the current period:

- The Parent Company received from LUELLA ENTERPRISE Co dividends amounting to €261 k., €127 k., € 127 k., €128 k. and €125 k., following the decisions of as at 18/02/2014, 19/03/2014, 21/04/2014, 21/05/2014, 12/06/2014 General Meetings of the subsidiary.
- Following as of May 12th, 2014 decision of the Republic of Liberia, the operations of the subsidiary company Harvard Investments Company based in Liberia were terminated. The decision on its liquidation was made by the General Meeting as of 15 April, 2014. The liquidation of Harvard Investments is not expected to affect the Group Consolidated Financial Statements.
- Following as of May 22nd, 2014 decision of the Republic of Panama, the operations of the subsidiary company World Spirit LTD SA based in Panama were terminated. The decision on its liquidation was made by the General Meeting as of 31 March, 2014. The liquidation of World Spirit LTD SA is not expected to affect the Group Consolidated Financial Statements.
- There are no discontinued operations of a segment or another company in accordance with IFRS.

2.6. Investment in Joint Venture – Other Long-term Liabilities

The Group jointly participates with other parties (50%) in the Management of the company «Touristika Theretra S.A.».
In accordance with IAS 31 "Interests in Joint Ventures" (prior to transition to IFRS 11), Joint Ventures are consolidated in the Group financial sizes under proportional consolidation method. The implementation of IFRS 11 "Joint Arrangements", which is mandatory from 1 January 2014, eliminated the option of proportionate consolidation and jointly controlled entities that meet the definition of a joint venture shall be accounted for using the "equity" method. Therefore, the Group no longer consolidates Joint Ventures using this method, implementing the aforementioned method, while the standard was applied retrospectively as from 1 January 2013. The effect of the application of IFRS 11 retrospectively on the published financial sizes of the Group is as follows:

- Effect on the statement of Financial Position as at 31/12/2013 & 31/12/2012

Amounts in thousand €	**31/12/2013**	**31/12/2012**
ASSETS		
Non-current Assets		
Total	(16.727)	(18.177)
Current Assets		
Total	(884)	(544)
Total Assets	**(17.611)**	**(18.722)**
IEQUITY AND LIABILITIES		
Equity		
Equity attributable to owners of the parent	0	(0)
Non-controlling interest	-	-
Total equity	**0**	**(0)**
Long-term liabilities		
Total	**(14.860)**	**(13.519)**
Short-term Liabilities		
Total	**(2.752)**	**(5.202)**
Total Liabilities	(17.612)	(18.721)
Total Equity and Liabilities	**(17.611)**	**(18.722)**

- Effect on the Statement on Comprehensive Income 01/01-30/06/2013

Amounts in thousand €	**01.01-30.06.2013**	**1.4-30.6.2013**
Gross Profit	311	(36)
Operating profit	**741**	**248**
Financial cost	249	45
Portion from (loss)/profit of associates	(1.002)	(305)
Earnings before tax	(12)	(12)
Income Tax	**12**	**12**
Net Profit/ (Loss) for the period	**-**	**(0)**
Other comprehensible income for the period after tax	**-**	**-**

Total Comprehensive Income for the Period	-	-
Profit / (Loss) for the period allocated to:	**-**	**-**
Owners of the parent	-	-
Non-controlling interest	-	-
	-	-
Total Comprehensive Income for the Period allocated to:	**-**	**-**
Owners of the parent	-	-
Non-controlling interest	-	-
Earnings per share allocated to owners of the parent	**-**	**-**
Basic in €	**-**	**-**

Changes in Joint Ventures are presented in the following table:

	Acquisition value 01/01/13/(Other Long-term Liabilities)	**Loss after tax**	**Other comprehensive income**	**Share Capital increase**	**Acquisition value 31/12/13**	**Loss after tax**	**Value 30/06/14/(Other Long-term Liabilitiesς)**
TOURISTIKA THERETRA S.A.	(838)	(521)	7	1.849	497	(755)	(258)
TOTAL	**(838)**	**(521)**	**7**	**1.849**	**497**	**(755)**	**(258)**

If positive, the percentage in Equity is presented in the Consolidated Statement of financial Position in the item of Assets «Investments in Joint Ventures», otherwise, in the item of Liabilities «Other Long-term Liabilities».

Joint Venture acquisition cost in the parent company books is recorded as follows:

Amounts in thousand €	**ACQUISITION VALUE 30/06/2014**	**ACQUISITION VALUE 31/12/2013**	**ACQUISITION VALUE 31/12/2012**
TOURISTIKA THERETRA S.A.	9.260	9.260	7.409
TOTAL	**9.260**	**9.260**	**7.509**
Provisions for impairment	(9.260)	(9.260)	(7.509)
TOTAL	**-**	**-**	**-**

Amounts in thousand €	**30/06/2014**	**31/12/2013**	**31/12/2012**
Opening balance	**-**	**-**	**3.000**
Share Capital Increase		1.850	
Impairment loss recognized in the income statement		(1.850)	(3.000)
Closing balance	**-**	**(0)**	**-**

Condensed data on Touristika Theretra S.A. is presented below as follows:

	30/6/2014	**31/12/2013**	**31/12/2012**
Statement of financial Position			
Non-current Assets	34.220	34.448	36.400
Current Assets	2.536	1.768	1.268
Total Assets	**36.758**	**36.216**	**37.667**
Total Equity	**(519)**	**964**	**(1.678)**
Long-term Liabilities	29.766	29.785	28.942
Short-term Liabilities	7.510	5.467	10.404
Total Liabilities	**37.276**	**36.216**	**37.667**
Statement of Comprehensive Income	**01/01-30/06/2014**	**01/01-31/12/2013**	**01/01-31/12/2012**
Profit / Loss after tax	(1.511)	(1.070)	(4.172)
ΛOther comprehensive income / (loss)	-	14	46
Total comprehensive income / (loss)	**(1.511)**	**(1.056)**	**(4.126)**
Depreciations	1.391	2.173	2.227
Financial income	-	4	2
Financial expenses	197	911	1.557
Income tax	76	64	545

2.7. Equity Analysis

The Group and the Company Equity is analyzed as follows:

Amounts in thousand €	The Group			The Company		
EQUITY	**30/6/2014**	**31/12/2013**	**31/12/2012**	**30/6/2014**	**31/12/2013**	**31/12/2012**
Capital and reserves attributable to parent owners						
Share capital	23.928	23.928	23.928	23.928	23.928	23.928
Share premium	38.641	38.641	38.641	38.641	38.641	38.641
Foreign currency translation differences	(497)	(300)	(209)			
Other reserves	1.754	5.972	5.645	1.727	5.927	5.898
Retained earnings	19.288	15.005	11.415	(4.270)	(9.607)	(9.986)
Total	**83.114**	**83.246**	**79.421**	**60.026**	**58.889**	**58.480**
Non-controlling interest	3.746	3.749	4.299	-		
Total Equity	**86.861**	**86.996**	**83.721**	**60.026**	**58.889**	**58.480**

As at 30/06/2014, the Company share capital amounts to € 23.927.680, divided in 21.364.000 common shares of nominal value € 1,12 each. Company shares are listed on the Athens Stock Exchange Security Market (Travel & Leisure Sector, Branch Hotels).

There aren't at the end of the current fiscal year, shares of the parent company held by it or by its subsidiaries or jointly controlled companies.

The account «Other Reserves» of the Group includes the following reserves categories: «Statutory Reserves», «Extraordinary Reserves» and «Tax exempted reserves under special regulations».

The amended IAS 19," Employee Benefits" was applied in the financial Statements doe FY 2013 and retrospectively from 1 January 2012. Under the amended standard, the option of gradual recognition of actuarial gains and losses is eliminated under the ' corridor approach '. Therefore, actuarial gains and losses, presented in a fiscal year, will be recognized fully and directly in the Statement of Comprehensive Income for this year and will be presented in separate reserves, Actuarial results reserves, in Equity of the Group and the Company.

From the above, the statutory reserve is mandatory formed from the profits of each financial year and remains in equity of the Company to offset any losses incurred in the future and is taxed in each period in which they were formed and therefore is tax exempted.

In the context of Article 72, Law 4172/23-7-2013, combined with POL. 1007/2013 and POL. 1143/2014,it was established that none of the company tax-exempt reserves falls within the provisions of Article 72 of Law 4172/2013. Tax exempted reserves of approximately € 4.5 m are formed in compliance with the general provisions of corporate profits, ie taxed retained earnings, no matter the title, as "tax exempted reserves" given that they have been offset with the corresponding tax losses recognized within the year they were incurred, Therefore, the Annual General Meeting held on June 30, 2014 decided to transfer the said amount to the account "Retained Earnings".

As far as the remaining reserves are concerned, they can be distributed to shareholders given that the attributable tax has been paid.

Changes in the Group and the Company Equity are analytically presented in § 1.3 «Condensed Statement of Changes in Equity».

2.8. Income tax – Deferred tax

Offsetting deferred tax assets and liabilities is performed, in terms of company, when there is an enforceable legal right to do so and when the deferred income taxes relate to the same taxation authority.

The tax rates for the current year regarding the companies operating abroad are as follows:

Country	Tax Rate
SERBIA	15%
CYPRUS	12,50%
HONG KONG	16,50%

Deferred income tax is provided on temporary differences using the tax rates expected to apply to the countries where the Group companies are active. The amounts shown in the balance sheet are expected to be recovered or settled after the current period.

Tax losses are recognized as deferred tax assets to the extent that the recovery of the tax benefit through future taxable profits is probable.

2.9. Borrowings

The borrowings of the Group and of the Company, both long and short term are analyzed in the following table:

Amounts in thousand €	The Group			The Company		
	30/6/2014	31/12/2013*	31/12/2012*	30/6/2014	31/12/2013	31/12/2012
Long-term debt						
Bond loans	37.271	37.035	26.706	35.645	37.035	26.706
Long-term bank loans		1.792	1.647			
Total long-term debt	**37.271**	**38.827**	**28.353**	**35.645**	**37.035**	**26.706**
Short-term debt						
Short-term bank loans	1.198	1.903	245	1.000	1.705	100
Short-term portion of bond and bank loans	6.019	6.003	21.042	5.854	6.003	21.042
Total short-term debt	**7.218**	**7.906**	**21.287**	**6.854**	**7.708**	**21.142**
Total	**44.489**	**46.733**	**49.640**	**42.499**	**44.743**	**47.848**

** Adjusted figures are due to New IFRS 11 «Joint Arrangements» (Note 2.6).*

The Group has used all authorized long-term credit lines available.

On the property of the parent company and the Group there are liens amounting to € 48,850 k and $ 43,551 k for outstanding loans amounting to € 41,498 k. Touristika Theretra property is burdened with liens amounting to € 38,400 k for outstanding loan balance of € 27,500 k.

Also there is a lien on 100% of the issued share capital of TOURISTIKA THERETRA S.A. securing a bond loan.

During the period, the Company and the Group received no new loans while they repaid € 2,371 k and €2,320 k accordingly.

The effective weighted average interest rates of the Group, on the balance sheet date are:

	30/06/2014	31/12/2013
Bank debt	3,69%	3,36%

Working Capital

The Group on 30/06/2014 had negative working capital as current liabilities exceed current assets by € 7,234 k. (parent company € 8,939 k.). The most important part of current liabilities (44% group - 45%

parent) is short-term borrowings and long-term debt installments payable in the following year. Within the current period, the parent company repaid to the banks an amount of € 2,320 k and the Group - € 2,371. The additional amending act of the repayment schedule was signed on May 29, 2014 with the lending bank Eurobank concerning the modification of the repayment of the loan. Specifically, the debenture installment due amounting at € 900 k was integrated in the end of March 2018. Within the following years, the Group and the company shall repay to the banks the amounts of € 7,218 and € 6,854 respectively. The Company Managements considers that the amounts will be covered by the operating cash flows of the Parent Company as well as by the dividends expected to flow to the Parent Company, amounting to € 2 m till 30.06.2015.

Two major shareholders of the parent company «NAMSOS ENTERPRISES COMPANY LIMITED» and «DRYNA ENTERPRISES COMPANY LIMITED», representing 28.48% share in the share capital of each (total of 56.96%), are bound to meet any needs, although it is estimated that it will not be necessary, for working capital for at least the next twelve months from the date of approval of the annual financial statements of 30/06/2014.

Without taking into account short-term borrowing liabilities, the working capital of the group is represented negative by € 17 k and the working capital of the company – by € 2.085.

It is noted that the financial statements of the companies included in the consolidation have been prepared based on the going concern principle.

2.10. Results for the period from January 1, 2014 to June 30, 2014

Greece is still facing the effects of a deep and prolonged economic crisis. The global economic downturn coupled with chronic fiscal problems of Greek economy resulted in a reduction in the disposable income of consumers, shrinking consumer spending and, in combination with the lack of promotion of the necessary structural reforms, created a vicious downturn cycle that led to shrinking of the national GDP by 13 % over the last three years.

Relative political stability achieved over the last two years has facilitated partial recovery of the Tourist Industry, and a substation increase in the revenue of the Group hotels located in Greece was recorded within the first six-month period of 2014.

Room occupancy ratio of the luxury hotel industry in Athens increased by 16,5% compared to 2013, adjusting the ratio to 60,9% versus 52,3% in 2013. Smaller scale adjustments were made to the average room rate of luxury hotels, amounting to 2,7% growth compared to 2013. Therefore, room occupancy ratio of the luxury hotel industry in Athens increased by 24,8% while the total room revenue – by 28,1%.

2.10.1. Significant changes in the items of the Statement of Financial Position and Statement of Comprehensive Income for the period

Significant changes in consolidated items of the Statement of Comprehensive Income for the period are as follows:

Turnover in the first six-month period of 2014 at consolidated level stood at € 21,206 k compared to € 16,759 k in the comparative 2013 period, presenting an increase of 26,54%. The turnover of the parent company ("Grande Bretagne" and "King George") amounted to € 16,435 k from € 10,742 k in the comparative 2013 period increased by 53,00%, an increase that is attributed by €3,187 k. to the operation of King George.

Consolidated gross profit amounted to € 5,917 k from € 3,648 k in 2013, presenting a substantial increase mainly due to the increase in turnover and decrease in operating expenses of the Group, while gross profit margins increased from 22% in 2013 to 28% in 2014. The contribution of King George hotel to the increase in gross profit stood at 14%. Gross profit of the parent company amounted to profit of € 4,675 k compared to profit of € 1,298 in 2013. The gross profit margin of the Company stood at profit of 28,45 % in 2014 versus profit of 12,08% in the respective last year period.

The aforementioned increase in turnover that affected almost the total of the Group gross earning, also affected the Group operating earnings **(EBITDA)** that presented profit of € 3,852 k. versus profit of € 1,715 k. in 2013. Respectively, the parent company operating earnings stood at profit of € 2,438 k. versus losses of € 410 k. in 2013.

Financial Cost of the Group and the company fluctuated at the same level as that recorded last year.

Other financial results relate mainly to distribution of dividends by Luella Enterprises to the parent company, standing at € 767 k. The remaining balances are exchange differences arising to euro / dollar exchange ratios.

Share from (loss)/profit of associates for the current FY pertains to valuation of TOURISTIKA THERETRA joint venture, while for the previous FY it mainly pertained losses of the above joint venture amounting to € 1 m and income from collecting the compensation from the previous shareholders of the joint venture amounting to € 1,7 m.

Earning before tax of the Group recorded profit of € 100 k. versus losses of € 842 k. for the comparative 2013 period, due to the aforementioned factors. Earnings before tax of the parent company recorded profit of € 1,093 k, versus losses of € 2,392 for the comparative 2013 period.

Income Tax of the Company and the Group includes calculation of deferred tax. Tax expenses for the Group stood at € 37 k and for the Company at income of € 44 k versus tax income of € 1,773 k and € 1,793 for the Group and the Company for the comparative period. Respectively, weighted tax rate for both periods stood at 37% (30.06.2014) and -211% (30.06.2013) at Group and Company level. In the current period, deferred tax was not recognized in the results of the subsidiary companies and TOURISTIKA THERETRA, while as far as the parent company is concerned, deferred tax assets were recognized for offsetting tax losses of the previous years, amounting to € 925 k, which were not recognized in the past. The high percentage of positive tax rate in the previous period is due to the change in tax rate from 20% to 26%, under Law 4110/2013 effective for the parent company as from FY 2013.

Net earnings after tax and before non-controlling interests rights for the Group recorded losses of € 39 k, versus profit of € 869 k for the comparative period of 2013. The company recorded profit of € 1,137 k versus losses of € 599 k for the comparative period of 2013.

2.11. Profit / (Loss) per share

Basic profit / (losses) per share are calculated based on profits / (losses) after taxes and Non-controlling interests from continuing operations, on the weighted average number of ordinary shares of the parent company.

The following is an analysis of profit/(loss) per share:

	THE GROUP		THE COMPANY	
Amounts in thousand €	**01/01-30/6/2014**	**01/01-30/6/2013**	**01/01-30/6/2014**	**01/01-30/6/2013**
Profit attributable to the owners of the parent	39	869	1.137	(599)
Weighted average number of shares	21.364.000	21.364.000	21.364.000	21.364.000

Basic earnings per share (in €)	**0,0018**	**0,0407**	**0,0532**	**(0,0280)**

	THE GROUP		THE COMPANY	
Amounts in thousand €	**01/04-30/06/2014**	**01/04-30/06/2013**	**01/04-30/06/2014**	**01/04-30/06/2013**
Profit attributable to the owners of the parent	2.051	2.080	2.189	57
Weighted average number of shares	21.364.000	21.364.000	21.364.000	21.364.000
Basic earnings per share (in €)	**0,0960**	**0,0974**	**0,1024**	**0,0027**

2.12. Analysis of provisions

	THE GROUP				
	PROVISIONS PRESENTED IN LONG-TERM LIABILITIES				
	Loss from shares	**Provisions for fines**	**Other provisions (legal claims)**	Total	**Customers provisions**
31.12.2012	**9**	**-**	**141**	**150**	**252**
Additional provisions	-	6	64	70	(38)
Used provisions			(2)	(2)	
Reclassifications	-		20	20	
31.12.2013	**9**	**6**	**223**	**239**	**145**
Additional provisions		-		-	31
Used provisions			(70)	(70)	
30.06.2014	**9**	**6**	**153**	**168**	**176**

	THE COMPANY				
	PROVISIONS PRESENTED IN LONG-TERM LIABILITIES				
	Loss from shares	**Provisions for fines**	**Other provisions (legal claims)**	Total	**Customers provisions**
31.12.2012	**9**	**-**	**124**	**134**	**69**
Additional provisions	-	6	64	70	
Used provisions			(2)	(2)	
Unused amounts reversed	-	-		-	(69)
31.12.2013	**9**	**6**	**187**	**202**	**-**
Additional provisions				-	31
Used provisions			(70)	(70)	
30.06.2014	**9**	**6**	**117**	**132**	**31**

Under the above table, provisions for bad debts less receivables are presented.

2.13. Transactions with related parties

The following transactions refer to related parties transactions:

Amounts in thousand €	THE GROUP		THE COMPANY	
Sales of goods-services	**01/01 - 30/06/2014**	**01/01 - 30/06/2013**	**01/01 - 30/06/2014**	**01/01 - 30/06/2013**
Other associates	-	8	-	8
Total	**-**	**8**	**-**	**8**
Balance of Payables	**30/6/2014**	**31/12/2013**	**30/6/2014**	**31/12/2013**
Subsidiaries/jointly controlled entities	-	-	-	23
Other associates	-	-	-	-
Total	**-**	**-**	**-**	**23**
Balance of Receivables	**30/6/2014**	**31/12/2013**	**30/6/2014**	**31/12/2013**

Subsidiaries/jointly controlled entities	-	6	12	16
Other associates	-	-	-	-
Total	**-**	**6**	**12**	**16**

From the above transactions, transactions and balances with subsidiaries companies have been eliminated from consolidated financial statements of the Group.

Among the subsidiaries of the Group exist requirements / liabilities from the total value of loans € 4,181 k and corresponding income / expense interest of € 128 k, as well as exchange differences income / expense / Reserve Equity of € 175 k, which are eliminated on consolidation.

2.14. Salaries of BoD and Management members

Amounts in thousand €	**The Group**		**The Company**	
	01.01-30.06.2014	**01.01-30.06.2013**	**01.01-30.06.2014**	**01.01-30.06.2013**
Salaries – Fees	455	557	253	240
Social insurance cost	67	81	44	46
Bonus	103	66	90	46
Total	**625**	**704**	**387**	**332**

It is to be noted that there were no loans to members of the Board or management personnel and their families and there are no receivables/ liabilities from/to related parties.

2.15. Contingent assets-liabilities

Litigation cases

a) Administrative procedures for the compensation to former owners of the land on which the Hyatt Hotel (subsidiary company BEOGRADSKO MESOVITO PREDUZECE) and other third party structures have been constructed. The case is under inspection by the Commission for decision on the return of land in the Municipality of New Belgrade (hereinafter: the Commission). Despite the fact that the Supreme Court of Serbia annulled twice the second resolution, the Commission still supports the position that the Company is responsible and could seek compensation for the damage suffered by the legal predecessor of which the Company had acquired the land from. The company appealed to the Administrative Court and the outcome of the appeal cannot currently be determined. Given the uncertainty associated with this case, and the two decisions of the Supreme Court of Serbia to the company, the Group's management believes that the subsidiary would not have negative implications from this process, and, therefore, did not make any provision in the financial statements.

b) Court cases have been filed against the subsidiary company BEOGRADSKO MESOVITO PREDUZECE by former employees for compensation due to termination of the employment relationship relying on non-competition clause. The Group's management claims that there are no reasons for compensation concerning the termination of the employment relationship, given that both plaintiffs resigned of their own will. The management of the subsidiary has also acted against the plaintiffs, and interrogations for both conflicts have not yet started. As the cases are still at an early stage, the final outcome cannot presently be determined, and no provision for contingent liability of the Company has been made in the financial statements of the company.

There are no other litigation or arbitration disputes of courts or arbitration bodies that may have a significant influence on the financial statements or the functionality of the Group, beyond the provisions that have already been made (§ 2.12).

- The unaudited tax years of the Group are as follows:

The Company	**Unaudited tax years**
LAMPSA HELLENIC HOTELS S.A.*	2010

GRAND BRETAGNE LTD	2010 - 2013
LUELLA ENTERPRISES LTD	2007 - 2013
TOURISTIKA THERETRA S.A. *	2010
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	2007 - 2013
BEOGRADSKO MESOVITO PREDUZECE	2012 - 2013
NORTH HAVEN LTD	2000 - 2013
MARKELIA LTD	2010 - 2013

For the unaudited tax years of the Group companies there is a probability for additional taxes and penalties to be imposed, during the period that they will be examined and finalized by the relevant tax authorities. For the unaudited tax years of the Company, it is estimated that no significant additional liabilities will arise and, therefore, no relative provision was made.

* For the FY 2011-2013, the parent company and TOURISTIKA THERETRA S.A. was subject to tax audit of the Certified Public Accountants as provided by Article 82 para 5 N 2238/1994. The parent company received Unqualified Conclusion Tax Compliance Report, that is, without material differences, whereas TOURIST RESORTS S.A. received a Qualified Conclusion Tax Compliance Report given that the company did not submit the Adjustment Goodwill Tax Statement under L.2065/1992.

For years 2011 0 2013 to be considered as tax terminated, there shall apply the provisions of para. 1 of Article 6 of POL. 1159/2011. According to Article 6 of POL 1236 / 18.10.2013, the year 2011 is considered as tax terminated after 30.04.2014 provided that no tax offenses have detected by the audits conducted by the Ministry of Finance, and the other audit can be conducted only in case there is evidence or indication of offenses as defined in paragraph 6 of Article 5 of POL 1236 / 18.10.2013, which were not detected by tax compliance audit, subject to the limitation on combinatorial provisions of par. 3 of Article 36, Article 55 and para. 11, Article 66 of Law 4174/2013.

In the context of Article 72, Law 4172/23-7-2013, combined with POL ΠΟΛ 1007/2013 and POL 1143/2014,it was established that none of the company tax-exempt reserves falls within the provisions of Article 72 of Law 4172/2013. Tax exempted reserves of approximately € 4.5 m are formed in compliance with the general provisions of corporate profits, ie taxed retained earnings, no matter the title, as "tax exempted reserves" given that they have been offset with the corresponding tax losses recognized within the year they were incurred, Therefore, the Annual General Meeting held on June 30, 2014 decided to transfer the said amount to the account "Retained Earnings".

- **Operating leases - Income**

The Group leases certain offices and shops under non-cancellable operating leases. All leases include a term. They have varying terms, escalation clauses and rights. The following is an analysis of contractual rentals to be collected in the coming years:

	CORPORATE	
Amounts in thousand €	**30/06/214**	**31/12/2013**
Operating leases collectable in 1 year	291	291
Subtotal 1: Short-term operating leases	**291**	**291**
Operating leases collectable in 2 to 5 years	693	767
Subtotal 2	**693**	**767**
Operating leases collectable after 5 years	574	619
Subtotal 3	**574**	**619**
Subtotal 4 (=2+3): Long-term operating leases	**1.267**	**1.386**

TOTAL (=1+4)	**1.558**	**1.677**

Operating leases - Expenses

On 24/12/2012, a final notarized contract was established between the parent company and the "Eurobank Ergasias SA Bank", for long-term leasing of the King George Hotel, with a lease term of ten (10) years with the Lessee having the right to extend it initially for five (5) years and then for a further five (5) years. Leasing was initiated with the signature of the Protocol of Delivery and Receipt of the Lease on 20/3/2013. The annual rent is comprised of a Minimum annual lease amount of € 700 k and a percentage of annual rent in proportion to Gross Profit, calculated on the Gross Profit of the Lease and alternatively on the sum of the Gross Profits of King George & Grande Bretagne hotels. An analysis of the minimum conventional rents which will be paid in the following years is as follows:

	CORPORATE	
Amounts in thousand €	**30/6/2014**	**31/12/2013**
Operating leases payable in 1 year	700	624
Subtotal1: Short-term operating leases	**700**	**624**
Operating leases payable in 2 to 5 years	2.800	2.802
Subtotal 2	**2.800**	**2.802**
Operating leases payable after 5 years	2.602	2.952
Subtotal 3	**2.602**	**2.952**
Subtotal 4 (=2+3): Long-term operating leases	**5.402**	**5.753**
TOTAL (=1+4)	**6.103**	**6.377**

2.16. Guarantees

The Group and the Company have contingent liabilities and assets related to banks, other guarantees and other matters arising in the ordinary course of business, as follows:

	THE GROUP		**THE COMPANY**	
Amounts in thousand €	**30/6/2014**	**31/12/2013**	**30/6/2014**	**31/12/2013**
Liens on land plots and building for provision of loan in €	48.850	59.350	48.850	59.350
Liens on land plots and building for provision of loan in $	43.551	43.551	43.551	43.551
Other letters of guarantee to ensure liabilities in €	87	87	87	87

Touristika Theretra S.A. is burdened with liens amounting to €38,400 k. and letters of credit amounting to € 1,480 k.

2.17. Dividends

Due to accumulated losses carried forward, the Annual General Meeting of Shareholders decided on non-distribution of dividends.

2.18. Personnel number & fees

	THE GROUP		THE COMPANY	
	30/6/2014	30/6/2013	30/6/2014	30/6/2013
Salary employees	547	560	320	337
Daily wages employees	249	173	249	173
Total	**796**	**733**	**569**	**510**

Amounts in thousand €	The Group		The Company	
	01.01-30.06.2014	01.01-30.06.2013	01.01-30.06.2014	01.01-30.06.2013
	-			
Salaries & fees	6.632	5.522	5.301	4.135
Social insurance cost	1.317	1.150	1.217	1.016
Other employee benefits	414	402	315	289
Projected and paid employee compensation	239	164	239	164
Total	**8.602**	**7.239**	**7.072**	**5.604**

2.19. Post Interim Period Balance Sheet Date events

There are no other lost financial statements events regarding either the Group or the company that shall be reported under the international Financial Reporting Standards.

Athens, 28 August, 2014

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	FINANCIAL DIRECTOR
GEORGE GALANAKIS I.D. No Ξ 282324	ANASTASIOS HOMENIDIS I.D. No AI 506406	KOSTAS KYRIAKOS I.D. No AZ 512473 A' Class License 0010932

3. Financial Data and Information

"LAMPSA GROUP S.A."

Number in the Register of Societes Anonymes 6015/06/B/86/135, G.E.MI Number 223101000
A1, Basileos Georgiou Str, 105 64, Athens
Summary Financial Data and Information for the period from January 1, 2014 until June 30, 2014
(according to Decision 4/507/28.04.2009 of the Board of Directors of the Hellenic Capital Market Commission)

The following data and information, resulting form the Financial Statements, aim at providing general information on the financial standing and the financial results of "LAMPSA GROUP S.A." We, therefore recommend the reader, before proceeding to any kind of investment or other transaction with the company, to consult the company's website where all periodical financial statements under IFRS as well as the legal auditors' report when required, are presented.

COMPANY INFORMATION

Company's website	http://www.lampsa.gr
Date of approval of the Interim financial statements	August 28, 2014
Certified Auditors	George Deligiannis (R.N. SOEL 15791)
'Audit Firm	Grant Thornton (R.N. SOEL 127)
Type of auditor's audit report	Unqualified Opinion - Matter of emphasis

BALANCE SHEET (Consolidated and Company)

(Amounts in € '000)	THE GROUP			THE COMPANY		
	30.06.2014	31.12.2013	31.12.2012	30.06.2014	31.12.2013	31.12.2012
ASSETS						
Own used fixed assets	124.553	125.025	126.506	73.099	73.841	74.315
Intangible assets	6.033	6.034	5.978	79	68	21
Other fixed assets	7.515	7.968	5.616	33.550	33.504	34.843
Inventory	971	860	761	687	578	432
Trade receivables	2.998	1.576	1.407	2.843	1.334	1.136
Other current assets	5.113	5.903	5.467	2.828	2.673	1.845
TOTAL ASSETS	**147.183**	**147.367**	**145.735**	**113.087**	**111.997**	**112.592**
CAPITAL & LIABILITIES						
Share capital	23.928	23.928	23.928	23.928	23.928	23.928
Other shareholders' equity	59.187	59.319	55.494	36.098	34.961	34.553
Total shareholders' equity (a)	**83.114**	**83.247**	**79.422**	**60.026**	**58.889**	**58.480**
Minority rights (b)	3.746	3.749	4.299	-	-	-
Total Equity (c)=(a)+(b)	**86.861**	**86.996**	**83.721**	**60.026**	**58.889**	**58.480**
Long term debt	37.271	38.827	28.353	35.645	37.035	26.706
Provisions / Other long term liabilities	6.735	6.439	7.339	2.119	2.091	1.962
Short term debt	7.218	7.906	21.287	6.854	7.708	21.142
Other short term liabilities	9.099	7.199	5.035	8.444	6.275	4.302
Total Liabilities (d)	**60.322**	**60.371**	**62.014**	**53.061**	**53.108**	**54.112**
TOTAL CAPITAL & LIABILITIES (c) + (d)	**147.183**	**147.367**	**145.735**	**113.087**	**111.997**	**112.592**

INCOME STATEMENT (Consolidated and Company)

(Amounts in € '000)	THE GROUP			
	01/01-30/6/2014	01/01-30/6/2013	01/04-30/6/2014	01/04-30/6/2013
Total sales	**21.206**	**16.759**	**13.824**	**10.708**
Gross Profit / Loss	5.917	3.648	5.026	3.262
EBIT	1.585	(519)	2.730	1.055
Total Profit / (loss) before tax	100	(842)	2.126	2.074
Total profit / (loss) after tax (A)	**63**	**932**	**2.079**	**2.136**
Shareholders of parent company	**39**	**869**	**2.051**	**2.080**
Minority interests	24	63	28	57
Other comprehensive income after tax (B)	(197)	(185)	(223)	(42)
Total comprehensive income after tax (A) + (B)	**(134)**	**747**	**1.856**	**2.094**
Shareholders of parent company	(158)	684	**1.828**	2.038
Minority interests	24	63	28	57
Earnings after tax per share - basic (in €)	**0,0018 €**	**0,0407 €**	**0,0960 €**	**0,0974 €**
EBITDA	**3.852**	**1.715**	**3.865**	**2.159**

(Amounts in € '000)	THE COMPANY			
	01/01-30/6/2014	01/01-30/6/2013	01/04-30/6/2014	01/04-30/6/2013
Total sales	**16.435**	**10.742**	**11.085**	**7.241**
Gross Profit / Loss	4.675	1.298	4.142	1.668
EBIT	1.189	(1.630)	2.297	164
Total Profit / (loss) before tax	1.093	(2.392)	2.159	112
Total profit / (loss) after tax (A)	**1.137**	**(599)**	**2.189**	**57**
Other comprehensive income after tax (B)	-	-	-	
Total comprehensive income after tax (A) + (B)	**1.137**	**(599)**	**2.189**	**57**
Earnings after tax per share - basic (in €)	**0,0532 € -**	**0,0280 €**	**0,1024 €**	**0,0027 €**
EBITDA	**2.438**	**(410)**	**2.922**	**780**

STATEMENT OF CHANGES IN EQUITY (Consolidated and Company)

(Amounts in € '000)	THE GROUP		THE COMPANY	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
Equity at the beginning of the period (01/01/2014 & 01/01/2013 respectively)	**86.995**	**83.758**	**58.889**	**58.609**
Aggregate total income after tax	(134)	746	1.137	(599)
Change of capital from acquisition of subsidiary enterprise		**(95)**		**-**
Equity at the end of the period (30/06/2014 & 30/06/2013 respectively	**86.861**	**84.409**	**60.026**	**58.010**

CASH FLOW STATEMENT - Indirect Method (Consolidated & Company)

(Amounts in € '000)	THE GROUP		THE COMPANY	
	01/01-30/6/2014	01/01-30/6/2013	01/01-30/6/2014	01/01-30/6/2013
Operating activities				
Profit before tax	**100**	**(841)**	**1.093**	**(2.392)**
Plus/less adjustments for:				
Depreciation	2.279	2.246	1.259	1.231
Amortization of grants	(11)	(11)	(11)	(11)
Provisions / Impairments	(182)	114	(182)	114
Foreign exchange differences	92	133	92	52
Interest expense	841	832	763	758
Interest income	(39)	(31)	(1)	(2)
Investment results	682	(474)	(665)	(230)
Operating profit before changes in working capital	**3.762**	**1.969**	**2.347**	**(478)**
Plus/ less adjustments for changes in working capital accounts or accounts related with operating activities:				
Decrease / (increase) in inventories	(111)	(76)	(110)	(170)
Decrease / (increase) in receivables	(1.918)	(1.405)	(1.831)	(899)
(Decrease) / increase in short term liabiliites (except for banks)	2.079	612	1.897	2.248
Minus:				
Interest expense and related expenses paid	(478)	(671)	(399)	(514)
Taxes Paid	(315)	(120)	(1)	(0)
Total inflows / (outflows) from operating activities (a)	**3.022**	**309**	**1.903**	**187**
Investing activities				
Return of share capital to parent company	-	1.706	-	4.354
Purchase of tangible and intangible assets	(1.797)	(1.715)	(517)	(1.399)
Interest income from investments	67	40	1	2
Receipts of Amortization	-	1.801	-	-
Increase of share capital and amounts paid for capital increase of consolidated company	-	(95)	-	(1.696)
Dividends Received	-	-	767	
Total inflows / (outflows) from investing activities (b)	**(1.730) -**	**1.737**	**251**	**1.261**
Financing activities				
Proceeds from issued loans	-	700	-	700
Payments of loans	(2.371)	(2.022)	(2.320)	(2.022)
Payments of obligations under finance leases	(5)	(5)	-	-
Total inflows / (outflows) from financing activities (c)	**(2.376)**	**(1.327)**	**(2.320)**	**(1.322)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**(1.084)**	**719**	**(166)**	**126**
Cash and cash equivalents at the beginning of period	3.947	2.374	1.204	972
Cash and cash equivalents at the end of period	2.863	3.093	1.038	1.098

ADDITIONAL DATA AND INFORMATION

1) The matter of emphasis mentioned in the audit report of the statutory auditor refers to the following :
In Note 2.15 of the interim financial statements which describes the existence of pending court cases of subsidiary company of amount EUR 2.2 million, the outcome of which cannot be estimated at present. Group's Management believes that the outcome of these cases will not materially affect the financial results of the Group.
2) The Group companies, the participating interest held by the Group in their share capital and their consolidation method are analytically presented in Note 2.15 of the Interim Financial Statements. Within the current period and in accordance with the requirements of IFRS, the consolidation method of the jointly controlled entity TOURISTIKA THERETRA S.A changed from proportionate consolidation to equity method. During the current period the subsidiaries companies Harvard Investments and World Spirit LTD were liquidated. These liquidations have no effect in the consolidated financial statements of the Group. There has been no event that could be considered as an operating sector action discontinuance or other company discontinuance in accordance with I.F.R.S.
3) Note 2.15 of the Interim Financial Statements presents the unaudited fiscal years of both the Company and the Group.
4) The subsidiary company "LUELLA ENTERPRISE Co" paid dividend of amount €767 th. to the parent company LAMPSA S.A.
5) The Parent and Group Property items are burdened with pledges amounting to € 48.850 th. and $ 43.551 th. respectively in respect of the outstanding loan balance of amount € 41.500 th.
6) For litigation or disputes in arbitration courts or arbitration bodies that may have impact on the financial position of the Company and the Group, a provision of € 132 th. and € 168 th. respectively has been made. In addition the Company and the Group have made a cumulative provision of € 1.981 th. pertaining to employee remuneration provision. Lastly, bad debt provisions for the Company and the Group amount to € 31 th. and € 49 th. respectively.
7) The number of staff as at the current period end is 569 persons in respect of the Company and 796 persons in respect of the Group, while as at the comparative date, the numbers stood at 510 persons and 733 persons respectively.
8) As at the current period end, there are no parent company shares held by itself or by its associates or subsidiaries.
9) Investments in tangible and intangible assets during the current period amounted on a consolidated basis to € 1.800 th. and on the parent company basis to € 534 th.
10) Other Comprehensive Income for the Group, amounting to € 197 th. pertain to exchange differences on translation of subsidiaries' balance sheets.
11) Financial statements for the current period have complied with the accounting principles used for the preparation of the financial statements of the year 2013 , adjusted with revisions that IFRS require. There are no changes in accounting policies and estimates with respect to the previous year except from those that refer to revisions of IAS and for that reason the comparative Financial Statements where revised and third comparative period of Income Statement is presented. Detailed analysis is presented in Note 2.6 of the interim Financial Statements. Besides the above, there has been no error correction and / or rearrangement of funds.
12) Profit / (loss) per share was calculated based on the profit after tax while minority interests based on the weighted average parent number of shares.
13) Potential differences in totals are due to rounding. The amounts are presented in thousand Euro as they are presented also in the interim financial statements.
14) The following transactions regard transaction with related parties during the current period, as well as the receivables and liabilities balances, on 30/06/2014, within the meaning of IAS 24:

(Amounts in € '000)	THE GROUP	THE COMPANY
Income	-	-
Expenses	-	-
Receivables	-	12
Liabilities	-	-
Transactions and fees of executives and members of Management	625	387
Receivables to executives and members of Management	-	-
Liabilities to executives and members of Management	-	-

From the transactions above, the transactions and the balances with subsidiary companies have been eliminated from the Group consolidated financial items. Among the subsidiary companies of the Group, there are receivables / liabilities arising from borrowing, totally amounting to € 4.181 th., respective interest income/expenses, amounting to € 128 th. and exchange differences income/expenses/equity reserves, amounting to € 175th., which have been eliminated under consolidation.

Athens, August 28, 2014

President of the BoD	Managing Director	Chief Financial Officer
George Galanakis	**Anastasios Homenidis**	**Constantinos Kyriakos**
ID No Ξ 282324	ID No AI 506406	ID No AZ 512473 - First Class Licence No 0010932