



GROUP OF COMPANIES

HOUSEMARKET S.A.

REG. NO: 46208/04/B/00/37(04)

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 003804201000

OFFICES: BUILDING 501 – ATHENS INTERNATIONAL AIRPORT

INTERIM CONDENSED FINANCIAL REPORT

For the period

1/1/2018 to 30/6/2018

(TRANSLATED FROM THE GREEK ORIGINAL)

(In accordance with Law 3556/2007)



Table of Contents

Statements of Members of the Board of Directors	3
Report of the Board of Directors.....	4
REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION.....	13
Interim Condensed Statement of Financial Position (Consolidated and Separate) as at June 30, 2018 and at December 31,2017	15
Interim Income Statement (Consolidated) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	16
Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	17
Interim Income Statement (Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	18
Interim Statement of Comprehensive Income (Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	19
Interim Statement of Changes in Equity (Consolidated) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	20
Interim Statement of Changes in Equity (Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	21
Interim Statement of Cash Flow (Consolidated and Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017	22
Notes to the interim condensed financial statements (consolidated and separate) as of Jun 30, 2018 and for the year then ended.....	23
Report on Use of Funds Raised.....	42
Report on factual findings in connection with the "Report on Use of Funds Raised".....	44
Web site for the publication of the Six-Month Financial Statements	46



Statements of Members of the Board of Directors

(In accordance with article 4 par. 2 L. 3556/ 2007)

The members of the Board of Directors

1. Dafni A. Furlis, Chairman
2. Vassilis S. Furlis, Vice Chairman and
3. Panagiotis D. Katiforis, CEO

We confirm that to the best of our knowledge:

- a. The Interim Condensed Financial Statements of the Company HOUSEMARKET S.A. and the Group for the period 1/1/ - 30/6/2018 which have been prepared in accordance with International Financial Reporting Standards (IAS 34), provide a true and fair view of the Assets, Liabilities and Shareholders Equity along with the income statement of HOUSEMARKET S.A. as well as of the companies that are included in the consolidation taken as a whole in compliance with the provisions of paragraphs 3 to 5 of article 5 of L. 3556/2007.
- b. The Six-Month Report of Board of Directors provides a true and fair view of the information required based on paragraph 6 of Art. 5 of L. 3556/2007.

Paiania, September 3 2018

The Chairman

The Vice Chairman

The CEO

Dafni A. Furlis

Vassilis S. Furlis

Panagiotis D. Katiforis



Report of the Board of Directors of the Company HOUSEMARKET SA for the period 1/1 – 30/6/2018

(In accordance with L. 3556/ 2007)

1. THE GROUP – Business Segment

The parent Company HOUSEMARKET S.A. along with its subsidiaries and their subsidiaries compose Group HOUSEMARKET which operates in the retail trading of home furniture and household goods segment (IKEA Stores). The parent company is a subsidiary of the company FOURLIS HOLDINGS S.A. with a direct shareholding of 100%.

The subsidiary companies of the Group and their subsidiaries included in the consolidated financial statements for the period 1/1 – 30/6/2018, are as follows:

a) Full method

- H.M. HOUSEMARKET (CYPRUS) LTD which operates in Cyprus and the Company has a shareholding of 100%.
- HOUSE MARKET BULGARIA AD which operates in Bulgaria and the Company has a shareholding of 100% (except one share).
- WYLDES LTD which operates in Cyprus and the Company has a shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Group has a shareholding in the company SOFIA SOUTH RING MALL EAD, which operates one of the biggest malls in Sofia of Bulgaria, as well as all relative activities.
- RENTIS REAL ESTATE INVESTMENTS SA which operates in Greece and the company HM HOUSEMARKET (CYPRUS) LTD has a shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the Company has a shareholding of 100% (except one share).

b) Net Equity method

Affiliated companies

The Group's consolidated data include, the following affiliated companies:

- VYNER LTD which operates in Cyprus and the company WYLDES LTD has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD which operates in Cyprus, in which WYLDES LTD has a direct shareholding of 50%.

2. Group Consolidated Results

(All the amounts are in thousands of euro unless otherwise stated)



The Group realized sales of amount € 132,6 million for the 1st semester of 2018 (1st semester of 2017: € 126,2 million). The EBITDA totaled € 9,2 million compared to € 7,4 million in 2017 and reported profits before tax € 1,4 million versus € 1,3 million losses in 2017.

Today, seven (7) IKEA Stores are operating, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria and seven (7) Pick up & Order Points with IKEA products, five (5) of which in Greece (in Rhodes Island, Patras, Chania, Heraklion and Komotini). Within the semester, one (1) new IKEA PoP Up Store started operating in Piraeus (20/3/2018) with limited duration. Two (2) in Bulgaria (Varna and Burgas) and moreover, e-commerce stores are operating in Greece, Cyprus and Bulgaria. All supply chain services are provided by the company of the Group TRADE LOGISTICS which supports IKEA Stores in Greece and Cyprus with automated warehousing and order delivery systems.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 30/6/2018 versus 1/1 – 30/6/2017 at the following tables. (Amounts are in thousands of euros)

	a' semester 2018	a' semester 2017	2018/2017
Revenue	132.617	126.225	1,05
EBITDA	9.187	7.435	1,24
Profit / (Loss) before Tax	1.416	(1.332)	-
Equity holders of the parent	1.820	(772)	-

We note that on a consolidated basis the parent company's Total Equity (after minority interest) at June 30, 2018 amounts to € 146,7 million versus an amount of € 146,5 million at December 31, 2017.

3. Basic Financial Indicators (Consolidated)

Below please find basic Indicators for the Group Financial Structure and Performance & Efficiency according to the consolidated financial statements included in the Interim Condensed Financial Statements of the Group.

Financial Structure Indicators:

	30/6/2018	31/12/2017
Current assets/Total Assets	21,75%	22,83%
Liabilities/SHAREHOLDERS EQUITY & LIABILITIES	54,81%	54,66%
Shareholders Equity/SHAREHOLDERS EQUITY & LIABILITIES	45,19%	45,34%
Current assets/Current Liabilities	84,69%	94,00%



Performance & Efficiency basic Indicators:

	a' semester 2018	a' semester 2017
Operating Profit/Revenue	3,74%	2,26%
Profit/(Loss) before Tax/Total shareholders equity (a)	0,97%	1,00%

4. Operating Performance – Important developments:

During the period 1/1 – 30/6/2018 the following share capital changes were realised:

- WYLDES LTD: The BoD of the shareholder HOUSEMARKET S.A. decided, on 8/1/2018, to proceed to the payment of € 530,00 for acquiring 530 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 5.299.470,00 share premium namely the payment of the total amount of € 5.300.000,00. Upon implementation of the aforementioned resolution of its BoD, HOUSEMARKET S.A. had paid until 30/6/2018 (and until today) the amount of € 5.220.000,00 against the aforementioned amount.

The share capital of WYLDES LTD amounts to € 6.948,00, divided in 6.948 common (ordinary) nominal vote shares, of nominal value € 1,00 per share.

It is noted that WYLDES LTD has an indirect shareholding of 50% in the company SOFIA SOUTH RING MALL EAD which exploits the mall owned by Sofia Ring Mall and all funds invested aim to the development and optimization of the mall's operation.

- VYNER LTD: Following the resolution of 22/2/2018 of the BoD of the company, its share capital increased by the amount of € 100,00 by issuing 100 new common (ordinary) shares, of nominal value €1,00 per share and share premium value of € 99.999,00 per share.

Through the payment of the total amount of € 5.000.000,00, the investment of WYLDES LTD in VYNER LTD was maintained at the percentage of 50% (except one share) of the totally paid share capital of VYNER LTD (namely 5.086 shares against totally 10.174 shares).

It is noted that VYNER LTD, through the associated company SOFIA SOUTH RING MALL EAD (www.sofiaring.bg), operates and exploits the mall of its ownership, Sofia Ring Mall. The dynamically growing mall of surface 68.250 sqm which was constructed by the company, started its operation on 6 November 2014. Geographically, it is located 10 km southeast of Sofia in one of the most developing regions of Bulgaria's capital, while it is adjacent to the only IKEA Store in Sofia of the subsidiary of the Group HOUSE MARKET BULGARIA EAD.

Apart from the above, no other changes in the share capital of the companies of the Group were made



within the 1st semester of 2018.

On 6/10/2016, the Company holds 40.000.000 issued for trading bonds in the fixed income securities category of the regulated market of Athens Stock Exchange. The trading code of the bonds is XAOYΣMO1 in Greek font and HOUSEMB1 in Latin font.

The parent company HOUSEMARKET SA has the following branches:

- Thessaloniki IKEA store (89 Georgikis Scholis str., Pylaia) operating since October 2001.
- Athens IKEA store – Airport («Eleftherios Venizelos» Athens International Airport, Spata) operating since April 2004.
- Athens IKEA store – Egaleo (96-98 Kifissos Av., Egaleo) operating since March 2008.
- Larissa IKEA store (8th km of Larissa - Athens Old National Road) operating since October 2009.
- Ioannina IKEA store (12th km of Ioannina – Athens National Road) operating since December 2010.
- IKEA products Pick up Point in Rhodes (5th km of Rhodes – Lindos Av.) operating since November 2012.
- IKEA products Pick up Point in Patras (250 Patras –Klaus Av.) operating since August 2013.
- IKEA products Pick up Point in Chania (404 Konstantinou Karamanli Av.) operating since September 2013.
- IKEA products Pick up Point in Heraklion (1 Velisariou str. & Ikarou Av., S. Alikarnassos) operating since October 2013.
- IKEA products Pick up Point in Komotini (3th km Komotinis – Alexandroupolis, Roditis) operating since April 2014.
- IKEA products PoP Up Store in Piraeus (Filonos str. 59) operating since March 2018 with limited duration.
- E-commerce store operating since August 2014.

Through its subsidiary company HM HOUSEMARKET (CYPRUS) LTD, an IKEA store and an e-commerce store operate in Nicosia, Cyprus since September 2007. Moreover, an IKEA store operates in Sofia, Bulgaria since September 2011 through its subsidiary HOUSEMARKET BULGARIA AD, an e-commerce store, as well as two IKEA Pick up & Order Points, one in Varna since July 2015 and one in Burgas since October 2016.

5. Information about Group's plan of development (2nd semester)

The Group continues to implement its investing program.



The retail segment of furniture and household goods, which has seven (7) IKEA Stores and seven (7) Pick Up & Order Points in the countries where the Group operates (Greece, Cyprus and Bulgaria) as well as e-commerce Stores in all aforementioned countries, is expected to also contribute with increased revenues within the second semester of 2018 compared to the first semester. Moreover, a new Pick Up & Order Point in Bulgaria (Plovdiv) is expected to start operating within the second semester of 2018.

Despite the fact that the consequences of high taxation in Greece for households and companies restrict the sources available for consumption and investment, the Management of the Group estimates that the second semester will be improved regarding financial results compared to the first semester, due to the historically increased revenues within the second semester, the powerful competitive position of retail companies of the Group but also the balanced expansion of its activities and therefore its revenues. All aforementioned expectations regarding the improvement of the financial data of the Group within the second semester of 2018, are directly connected to the financial and political environment, especially in Greece, from where the biggest part of revenues continues to arise and where the speed of implementation of reforms is the criteria for the attraction of investments and increase of consumption.

Management's orientation towards gaining benefits from synergies within the Group will be continued for the 2nd semester of 2018. "Integrity", "Respect" and "Efficiency" continue to compose major comparative advantages through which the Group aims to achieve its goals.

6. Stock Option Plan

Members of the Management of the Company and its subsidiaries participate in a Stock Option Plan of the parent company FOURLIS HOLDINGS SA.

The Ordinary General Assembly of the parent Company FOURLIS HOLDINGS SA on 16/6/2017, under the context of Stock Option Plan, approved the disposal of 2.566.520 stock options and authorized the Board of Directors to regulate the procedural issues and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options must be exercised within five years since their maturity date. In case that there are undisposed options, after the allocation of options mentioned above, these options will be cancelled. The underlying share price of each wave is the closing stock price of the share at the decision date of the General Assembly regarding the approval of the SOP.

On 20/11/2017, the BoD granted 641.630 stock options, which compose the first of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,768 per share which is the closing stock price of the share adjusted with the share capital decrease which took place after the date of the General Assembly.



On 13/11/2017, the BoD of the Company issued an Invitation to the beneficiaries of the SOP which was approved by the Extraordinary General Assembly held on 27/9/2013, regarding the exercise of their options. 22 beneficiaries responded to this Invitation and exercised their option for the acquisition of 313.278 shares, of nominal value € 0,97 and underlying price € 3,34 per share and paid the total amount of € 1.046.348,52.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP since 27/9/2013 (Extraordinary General Assembly date). Due to corporate events (capital return through cash payment), the historical closing price of the share was readjusted and formed at the amount of € 3,34 per share.

During period 1/1 – 30/6/2018, no option granted based on the first, second and third wave of the SOP of 27/9/2013 and the first wave of the SOP of 16/6/2017 was exercised.

7. Major Threats & Uncertainties for the Group

a) Financial Risk Management

The Group is exposed to financial risks such as foreign exchange risk, interest rate risk and liquidity risk. The management of risk is achieved by the central Treasury department of the parent company FOURLIS HOLDINGS SA. The Treasury department identifies, determines and hedges the financial risks in cooperation with the Groups' subsidiaries. The Board of Directors provides written instructions and directions for the general management of the risk, as well as specific instructions for the management of specific risks such as foreign exchange risk and interest rate risk.

Foreign Exchange Risk:

The Group is exposed to foreign exchange risk arising from transactions in foreign currencies (SEK) with suppliers which invoice the Group in currencies other than the local. The Group, in order to minimize the foreign exchange risk, according to the needs, in certain cases pre - purchases foreign currencies.

Interest rate risk/liquidity:

The Group is subject to cash flow risk which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or outflows related to the Group's assets or liabilities.

Cash flow risk is minimized via the availability of adequate credit lines and cash. Also, the Group has entered into Interest Rate Swap (IRS) contracts in order to face interest rate risk.

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Annual Financial Statements of the Group or Company for the period 1/1 - 30/6/2018.



8. Social Responsibility

During the first half of 2018, at the HOUSEMARKET Group we continued to operate aiming to contribute to the sustainable development of both the Group and the countries in which we operate, focusing on the FOURLIS Group Values, *Integrity, Respect, Efficiency* while adopting, supporting and promoting, through our business activity, the ten (10) Principles which the United Nations GLOBAL COMPACT (a member of which is the FOURLIS Group) represents regarding Human Rights, Working Conditions, Protection of the Environment and Anti-Corruption.

In this context and in order to support the Group's employees, the Corporate Social Responsibility Department continued the EF ZIN program, a wellness program implemented since 2010, aiming to motivate employees towards a healthier lifestyle. Some of the actions that the program included and to which HOUSEMARKET Group's employees participated, during the first half of 2018, are the following:

- A sports tournament in Larissa, with the participation of the Group's employees from Larissa, Ioannina and Thessaloniki.
- Newsletters on health, exercise, nutrition and wellbeing issues
- A weekly balanced diet menu proposal, by a dietician-nutritionist, for the IKEA stores' employees in Greece
- An event for the Group employees in Cyprus, aiming to inform them on the importance of healthy and energizing breakfast and snacks.
- A seminar on Ergonomics, in collaboration with specialists, for the Group employees in Greece, Cyprus, and Bulgaria.

Furthermore, the Group's Scholarships program continued, giving the opportunity to HOUSEMARKET Group employees' children in Greece, who study away from their permanent place of residence and whose families are experiencing financial difficulties, to continue their studies.

Some of the actions implemented by the HOUSEMARKET Group, during the same period, for the support of the society are:

- A voluntary blood donation organized at the Group companies' premises in Greece, Cyprus and Bulgaria.
- The FURNISHED WITH JOY program in the context of which, since 2013, HOUSEMARKET S.A. (IKEA) undertakes the full refurbishment of municipal nursery schools and kindergartens in Greece, in cooperation with the municipal authorities. Since the beginning of 2018 seven schools have already been refurbished.
- A cooperation with the Non-Profit Organization BOROUME, in the context of which HOUSEMARKET S.A. (IKEA) daily offers meals not consumed at its stores' restaurants in Greece as well as at the Group's Headquarters, to people in need.
- Support to the work of Foundations and Organizations, either by donating products or by



providing discounts for the purchase of products from the IKEA stores.

In the framework of the actions taken for the protection of the environment, the HOUSEMARKET Group continued to implement programs and actions that are not limited to those dictated by the environmental legislation, taking initiatives that highlight the environmental awareness as a special value for the Group. Typical such examples are the recycling programs implemented by the Group's companies, interventions aimed at improving the energy efficiency of their premises, the use of renewable energy sources to support their operations and the promotion of environmentally friendly products.

In June 2018 the Social Responsibility Department issued the ninth Social Responsibility and Sustainable Development Report, which includes information on the FOURLIS as well as on the HOUSEMARKET Groups' management and their sustainable development performance and covers the period from January 1st, 2017 to December 31, 2017. The Report is available on www.fourlis.gr.

9. Related parties transactions

Related parties transactions are analysed in Note 17 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2018.

10. Human Recourses

The total number of employees of the Group as at 30, June 2018 and 30, June 2017 was 2.323 and 2.302 respectively. The total number of employees of the Company for the same reporting periods set above was at 1.509 and 1.508 respectively.

11. Management members' transactions and remuneration

Transactions and fees with the Management members are analyzed in Note 17 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2018.

12. Subsequent Events

The Ordinary General Assembly of shareholders held on 14/6/2018 did not propose a dividend distribution for the year 2017.

There are no other commitments and subsequent events that can affect the financial condition and results of the Group.

This Report, the Interim Condensed Financial Statements of the 1st semester of 2018, the Notes on the Interim Condensed Financial Statements along with the Auditor's Report, they are published at the Group's web site, address: [http:// www.housemarket.gr](http://www.housemarket.gr) and www.ikea.gr.

Paiania, September 3rd 2018

The Board of Directors



The Interim Condensed Financial Statements of the Company and Group included in pages 15 to 41 are in accordance with the IFRS (IAS 34) as applied in the European Union and approved by the Board of Directors on 3/9/2018 and are signed by the following:

Chairman of the Board of Directors

CEO

Dafni A. Furlis
ID No. S – 019071

Panagiotis D. Katiforis
ID No. AK – 129648

Finance Manager Controlling & Planning

Chief Accountant

Emmanouil D. Manousakis
ID No. T - 669252

Christos G. Vasilopoulos
ID No. AI – 067556
Ch. Acct. Lic. No. 62815 A Class

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK
REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders of “HOUSEMARKET S.A.”

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of “Housemarket S.A.” (the “Company”) as at 30 June 2018, and the related interim condensed separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

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

Report on other legal requirements

Our review has not identified any inconsistency between the other information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007 with the accompanying interim condensed financial information.

Athens, 3 September 2018

The Certified Auditor Accountant

SOFIA KALOMENIDES
S.O.E.L. R.N. 13301
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B,
151 25 MAROUSSI
SOEL REG. No. 107



**Interim Condensed Statement of Financial Position (Consolidated and Separate)
as at June 30, 2018 and at December 31, 2017**

(In thousands of Euro, unless otherwise stated)

Assets	Note	Group		Company	
		30/6/2018	31/12/2017	30/6/2018	31/12/2017
Non-current Assets					
Property plant and equipment	6	183.356	185.595	90.176	91.538
Investment Property	7	28.673	28.332	12.548	12.385
Intangible Assets	8	6.425	6.532	4.962	5.034
Investments in affiliates and associates	9	28.098	22.838	79.807	74.587
Long Term receivables		2.987	3.214	5.473	5.700
Deferred Taxes		4.443	2.839	3.252	1.560
Total non-current assets		253.982	249.351	196.218	190.804
Current assets					
Inventory		39.242	32.625	24.802	21.400
Income tax receivable		329	337	326	333
Trade receivables		2.270	2.314	2.423	1.882
Other receivables	19	9.345	18.207	8.921	18.394
Cash & cash equivalent		19.423	20.295	10.089	11.827
Total current assets		70.608	73.778	46.561	53.837
Total Assets		324.590	323.129	242.779	244.642
SHAREHOLDERS EQUITY & LIABILITIES					
Shareholders equity					
Share Capital	10	47.451	47.451	47.451	47.451
Share premium reserve		(561)	(561)	(217)	(217)
Reserves		17.608	17.578	17.660	17.588
Retained earnings		82.171	82.042	74.056	78.993
Total shareholders equity (a)		146.669	146.509	138.950	143.814
Non controlling interest (b)		0	0	0	0
Total Equity (c)=(a)+(b)		146.669	146.509	138.950	143.814
LIABILITIES					
Non Current Liabilities					
Loans and borrowings	13	86.532	90.252	39.446	39.361
Employee retirement benefits		3.268	3.115	2.880	2.756
Other non-current liabilities		4.753	4.769	37	65
Total non current Liabilities		94.553	98.136	42.362	42.181
Current Liabilities					
Short term loans for working capital	13	7.105	404	7.000	0
Current portion of non-current loans and borrowings	13	7.292	7.350	0	0
Income Tax Payable		665	70	0	0
Accounts payable and other current liabilities		68.307	70.659	54.467	58.646
Total current Liabilities		83.369	78.484	61.467	58.646
Total liabilities (d)		177.921	176.620	103.829	100.827
Total Equity & Liabilities (c) + (d)		324.590	323.129	242.779	244.642

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Interim Income Statement (Consolidated) for the period
1/1 to 30/6/2018 and 1/1 to 30/6/2017
(In thousands of Euro, unless otherwise stated)

	Note	Group	
		1/1 - 30/6/2018	1/1 - 30/6/2017
Revenue		132.617	126.225
Cost of Goods Sold		(78.288)	(74.151)
Gross Profit		54.329	52.074
Other operating income		3.500	2.227
Distribution expenses		(45.917)	(44.518)
Administrative expenses		(6.505)	(6.720)
Other operating expenses		(451)	(214)
Operating Profit		4.958	2.848
Total finance cost		(3.655)	(3.695)
Total finance income		54	353
Contribution associate companies losses	9	59	(839)
Profit/(Loss) before Tax		1.416	(1.332)
Income tax	14	403	561
Net Profit /(Loss) (A)		1.820	(772)
Attributable to:			
Equity holders of the parent		1.820	(772)
Net Profit /(Loss) (A)		1.820	(772)
Earnings/(Loss) after tax per share - basic (in Euro)	15	0,0383	(0,0163)
Earnings/(Loss) after tax per share - diluted (in Euro)	15	0,0383	(0,0163)

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017

(In thousands of Euro, unless otherwise stated)

Note	Group	
	1/1 - 30/6/2018	1/1 - 30/6/2017
Net Income/(Loss) (A)	1.820	(772)
Other comprehensive income/(expenses) Other comprehensive income/(expenses) transferred to the income statement		
Effective portion of changes in fair value of cash flow hedges	(48)	205
Total Other comprehensive income/(expenses) transferred to the income statement	(48)	205
Other comprehensive income/(expenses) not transferred to the income statement		
Other Comprehensive Income/(Losses) after Tax (B)	(48)	205
Total Comprehensive Income/(Losses) after Tax (A) + (B)	1.772	(567)
Attributable to:		
Equity holders of the parent	1.772	(567)
Non controlling interest	0	0
Total Comprehensive Income/(Losses) after Tax (A) + (B)	1.772	(567)

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Interim Income Statement (Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017

(In thousands of Euro, unless otherwise stated)

		Company	
	Note	1/1 - 30/6/2018	1/1 - 30/6/2017
Revenue		84.163	81.230
Cost of Goods Sold		(48.925)	(47.019)
Gross Profit		35.238	34.211
Other operating income		2.011	1.598
Distribution expenses		(32.478)	(31.873)
Administrative expenses		(7.262)	(7.172)
Other operating expenses		(298)	(133)
Operating Loss		(2.789)	(3.368)
Total finance cost		(2.348)	(2.236)
Total finance income		47	352
Loss before Tax		(5.090)	(5.253)
Income tax	14	1.246	1.264
Net Loss (A)		(3.844)	(3.988)
Attributable to :			
Equity holders of the parent		(3.844)	(3.988)
Net Loss (A)		(3.844)	(3.988)

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Interim Statement of Comprehensive Income (Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017

(In thousands of Euro, unless otherwise stated)

	Note	Company	
		1/1 - 30/6/2018	1/1 - 30/6/2017
Net Loss (A)		<u>(3.844)</u>	<u>(3.988)</u>
Other comprehensive income/(expenses) Other comprehensive income/(expenses) transferred to the income statement			
Total Other comprehensive income/(expenses) transferred to the income statement		<u>0</u>	<u>0</u>
Other comprehensive income/(expenses) not transferred to the income statement			
Total Other comprehensive income/(expenses) not transferred to the income statement		<u>0</u>	<u>0</u>
Other Comprehensive Income/(Losses) after Tax (B)		<u>0</u>	<u>0</u>
Total Comprehensive Income/(Losses) after Tax (A) + (B)		<u>(3.844)</u>	<u>(3.988)</u>

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



**Interim Statement of Changes in Equity (Consolidated) for the period 1/1 to
30/6/2018 and 1/1 to 30/6/2017**

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total	Non controlling interest	Total Equity
Balance at 1.1.2017		47.451	(456)	16.710	722	5	76.542	140.974	0	140.974
Total comprehensive income/(loss) for the period										
Profit or loss		0	0	0	0	0	(772)	(772)	0	(772)
Effective portion of changes in fair value of cash flow hedges		0	0	205	0	0	0	205	0	205
Total comprehensive income/(loss) after taxes		0	0	205	0	0	0	205	0	205
Total comprehensive income/(loss) after taxes		0	0	205	0	0	(772)	(567)	0	(567)
Transactions with shareholders recorded directly in equity										
SOP Reserve		0	0	20	0	0	0	20	0	20
Net Income directly booked in the statement movement in Equity		0	(105)	(197)	0	0	0	(302)	0	(302)
Total transactions with shareholders		0	(105)	(177)	0	0	0	(282)	0	(282)
Balance at 30.6.2017		47.451	(561)	16.738	722	5	75.771	140.126	0	140.126
Balance at 1.1.2018		47.451	(561)	16.850	722	5	82.042	146.509	0	146.509
Effect of adoption of new accounting standards	16	0	0	0	0	0	(1.690)	(1.690)	0	(1.690)
Balance at 1.1.2018 (Restated)		47.451	(561)	16.850	722	5	80.352	144.819	0	144.819
Total comprehensive income/(loss) for the period										
Profit or loss		0	0	0	0	0	1.820	1.820	0	1.820
Effective portion of changes in fair value of cash flow hedges	13	0	0	(48)	0	0	0	(48)	0	(48)
Total comprehensive income/(loss) after taxes		0	0	(48)	0	0	0	(48)	0	(48)
Total comprehensive income/(loss) after taxes		0	0	(48)	0	0	1.820	1.772	0	1.772
Transactions with shareholders, recorded directly in equity										
SOP Reserve	12	0	0	78	0	0	0	78	0	78
Total transactions with shareholders		0	0	78	0	0	0	78	0	78
Balance at 30.6.2018		47.451	(561)	16.880	722	5	82.171	146.669	0	146.669

The accompanying notes on pages 23 to 41 are an integral part of Consolidated Financial Statements.



Interim Statement of Changes in Equity (Separate)
for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2017		47.451	(217)	16.961	722	81.741	146.657
Total comprehensive income/(loss) for the period							
Profit or loss		0	0	0	0	(3.988)	(3.988)
Total comprehensive income/(loss) after taxes		0	0	0	0	(3.988)	(3.988)
Transactions with shareholders recorded directly in equity							
SOP Reserve		0	0	18	0	0	18
Net Income directly booked in the statement movement in Equity		0	0	(197)	0	0	(197)
Total transactions with shareholders		0	0	(179)	0	0	(179)
Balance at 30.6.2017		47.451	(217)	16.782	722	77.753	142.490
Balance at 1.1.2018		47.451	(217)	16.865	722	78.993	143.814
Effect of adoption of new accounting standards	16	0	0	0	0	(1.093)	(1.093)
Balance at 1.1.2018 (Restated)		47.451	(217)	16.865	722	77.900	142.721
Total comprehensive income/(loss) for the period							
Profit or loss		0	0	0	0	(3.844)	(3.844)
Total comprehensive income/(loss) after taxes		0	0	0	0	(3.844)	(3.844)
Transactions with shareholders, recorded directly in equity							
SOP Reserve		0	0	72	0	0	72
Total transactions with shareholders		0	0	72	0	0	72
Balance at 30.6.2018		47.451	(217)	16.938	722	74.056	138.950

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Interim Statement of Cash Flow (Consolidated and Separate) for the period 1/1 to 30/6/2018 and 1/1 to 30/6/2017

(In thousands of Euro, unless otherwise stated)

	Note	Group		Company	
		1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Operating Activities					
(Loss)/Profit before taxes		1.416	(1.332)	(5.090)	(5.253)
Adjustments for:					
Depreciation / Amortization	6,8	4.229	4.587	2.535	2.525
Income on depreciation in fixed subsidy		(75)	(102)	0	0
Provisions		268	189	233	145
Foreign exchange differences		(6)	18	(13)	7
Results (Income, expenses, profit and loss) from investment activity		(31)	(292)	(31)	(291)
Interest Expense		3.636	3.635	2.340	2.188
Plus/less adj for changes in working capital related to the operating activities					
Decrease / (increase) in inventory		(6.616)	(1.498)	(3.402)	(1.223)
Decrease / (increase) in trade and other receivables		9.141	550	9.167	308
(Decrease) / increase in liabilities (excluding banks)		(4.404)	(3.992)	(5.783)	(4.231)
Less					
Interest paid		(3.544)	(3.568)	(2.241)	(2.109)
Income taxes paid		(81)	(74)	(0)	0
Net cash generated from operations (a)		3.933	(1.880)	(2.285)	(7.934)
Investing Activities					
Purchase or Share capital increase of subsidiaries and related companies	9	(5.200)	(485)	(5.220)	(675)
Purchase of tangible and intangible fixed assets	6,8	(2.141)	(2.001)	(1.105)	(1.036)
Proceeds from disposal of tangible and intangible assets		11	3	10	3
Addition of other investments		(341)	(278)	(163)	(250)
Proceeds from the sale of other investments		0	1.535	0	1.535
Interest Received		29	32	26	31
Total inflow / (outflow) from investing activities (b)		(7.643)	(1.194)	(6.453)	(392)
Financing Activities					
Outflow from share capital increase		0	(105)	0	0
Proceeds from issued loans	13	7.000	9.900	7.000	9.500
Repayment of loans	13	(4.163)	(15.310)	0	(10.500)
Repayment of leasing liabilities	13	0	(230)	0	(230)
Total inflow / (outflow) from financing activities (c)		2.837	(5.745)	7.000	(1.230)
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)		(872)	(8.819)	(1.738)	(9.556)
Cash and cash equivalents at the beginning of the period		20.295	24.971	11.827	22.109
Closing balance, cash and cash equivalents		19.423	16.152	10.089	12.553

The accompanying notes on pages 23 to 41 are an integral part of the Consolidated Financial Statements.



Notes to the interim condensed financial statements (consolidated and separate) as of Jun 30, 2018 and for the year then ended

1. Corporate information

1.1 General Information

HOUSEMARKET S.A. (the Company) is located in Greece and has its headquarters located at Internation Airport of Athens "Eleftherios Venizelos", Building 501. It is registered in the Companies Registry of the Ministry of Development with registration number 46208/04/B/00/37(04). It is subsidiary of the company FOURLIS HOLDINGS S.A. with a shareholding of 100%.

The Company's term, in accordance with its Articles of Incorporation, is set for 50 years and expires at 24th April 2050.

The current Board of Directors of the Company is as follows:

1. Dafni A. Furlis, Chairman, executive member
2. Vassilis St. Furlis, Vice Chairman, executive member
3. Eftihios Th. Vassilakis, Independent Vice Chairman, independent non executive member
4. Panagiotis D. Katiforis, CEO, executive member
5. Apostolos D. Petalas, Director, non executive member
6. Christos G. Tsamitropoulos, Director
7. Ioannis Ath. Kostopoulos, Director, independent non executive member

The total number of employees of the Company and its subsidiaries (hereinafter the "Group") on 30/6/2018 is 2.323 (30/6/2017 2.302) while the total number of employees of the Company on 30/6/2018 is 1.509 (30/6/2017 1.508).

1.2 Activities

The Group's Companies activities are the retail trading of home furniture and household goods and real estate.

The Financial Statements include the direct and indirect subsidiaries of the Group as presented below:

Name	Location	% Holding	Consolidation Method
RENTIS SA*	Athens, Greece	100,00	Full
HOUSE MARKET BULGARIA AD	Sofia, Bulgaria	100,00	Full
HM HOUSEMARKET (CYPRUS) LTD	Nicosia, Cyprus	100,00	Full
TRADE LOGISTICS SA	Athens, Greece	100,00	Full
WYLDES LIMITED LTD	Nicosia, Cyprus	100,00	Full
VYNER LTD*	Nicosia, Cyprus	50,00	Net Equity
SW SOFIA MALL ENTERPRISES LTD*	Cyprus	50,00	Net Equity

** Companies with indirect shareholding*

Besides the aforementioned, no other changes were made at the share capital of the company within



the 1st semester of 2018.

2. Basis of presentation of the Financial Statements

The accompanying Interim Condensed Consolidated and Separate Financial Statements (hereinafter «Interim Condensed Financial Statements») have been prepared in accordance with International Financial Reporting Standards (IFRS) and therefore they do not include all required information for the annual financial statements and must be studied combined with the published financial statements of the Group on 31/12/2017 which have been uploaded at the internet, at the website <http://www.housemarket.gr> and www.ikea.gr. The Board of Directors of the Company approved the Interim Condensed Financial Statements on 3/9/2018.

All amounts are presented in thousands of Euro, unless otherwise stated and any differentiations in sums are due to rounding.

3. Significant accounting policies – Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group and Company as of 1 January 2018:

- **IFRS 9 Financial Instruments: Classification and Measurement**

The final version of IFRS 9 Financial Instruments reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. Management of the Company and Group has made an assessment of the effect of the standard and does not expect significant impact on their financial statements.

- **IFRS 15 Revenue from Contracts with Customers**

IFRS 15 establishes a five-step model which will apply for income earned from a contract with a customer (with limited exceptions), regardless of the type of transaction or industry. The new standard is based on the principle that the income is recognized when control of a product or service is transferred to the customer. The Group adopted the new standard at the required date by implementing the modified retrospective adoption. The new standard does not introduce substantial differences from current accounting policies of the Group and therefore, it has not significant reflection to consolidation financial statements upon its completion. The Group operates in retail trading of furniture and household goods and sporting goods. According to IFRS 15, Revenue from contracts with customers, the Group recognizes revenue when control of the products is transferred, being when the products are delivered to the customer. Therefore, the adoption of IFRS 15 did not have an impact at the time of the revenue recognition. Net sales revenue excludes amounts collected by third



parties such as value added taxes (VAT), as these are not included in the transaction price.

However, future discounts related to customer loyalty programs of the Group's companies create a right which must be recognized when exercised or expired, only if it is considered substantial and the customer would not acquire it if the initial transaction was not implemented. The Group provides discounts to its customers based on the points gathered from transactions made by using the customer loyalty program card. All these discounts are arranged within 18 to 24 months depending on the program. According to the requirements of the standard, the Group estimates that these discounts represent substantial right for customers, create obligation for execution and therefore part of the income of each transaction which corresponds to this right will be recognized when exercised (fulfilment of obligation) or expired. The Group estimates the fair value of unredeemed points by using historical data and assessing their exercise possibility. IFRS 15 neither excludes nor defines a specific methodology for the estimation of the price of the point gathered as long as the estimation composes a reliable reflection of the price at which the Group would provide separately this product to the customer. The impact of the standard's implementation regarding the consolidated financial statements appears in income and liabilities. Particularly, the cumulative readjustment of retained earnings upon adoption of the new standard is of amount € 1,5 mil. while, the impact on revenue of the 1st semester 2018 is of amount € 312 th. For the Group, total liability arising from customer loyalty scheme amounts to € 2.284 th. on 30/6/2018 (€ 1.972 th. on 31/12/2017).

- **IFRS 15: Revenue from Contracts with Customers (Clarifications)**

The objective of the clarifications is to clarify the IASB's intentions when developing the requirements of IFRS 15 Revenue from Contracts with Customers, regarding (a) the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, (b) principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and (c) licensing providing additional guidance for accounting of intellectual property and royalties. The clarifications also provide additional practical expedients for entities that either apply IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach.

- **IFRS 2: Classification and Measurement of Share based Payment Transactions (Amendments)**

The amendments provide requirements on the accounting for (a) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, (b) for share-based payment transactions with a net settlement feature for withholding tax obligations and (c) for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. Management does not expect that the amendment has an impact on the companies of the Group.



- **IAS 40: Transfers to Investment Property (Amendments)**

The Amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The Amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Management does not expect that the amendment has an impact on the companies of the Group.

- **IFRIC INTERPETATION 22: Foreign Currency Transactions and Advance Consideration**

The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. Management does not expect that the amendment has an impact on the companies of the Group.

The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. Management does not expect that the amendment will have an impact on the companies of the Group.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards:** This improvement deletes the short-term exemptions regarding disclosures about financial instruments, employee benefits and investment entities, applicable for first time adopters.
- **IAS 28 Investments in Associates and Joint Ventures:** The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

Standards issued but not yet effective and not early adopted

- **IFRS 16: Leases**

The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties



to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). The new standard requires lessees to recognize most leases on their financial statements. Lessees will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The standard will mainly affect the accounting of operating leasing of the Group. Management of the Group estimates that this standard will have a significant impact on the Group's consolidated financial statements, given that the present value of future payments of operating leasing of the Stores will be recognized as a right to use asset and as a bearing interest liability. Now, the future payments of leases are mentioned in the notes of financial statements as commitments from operating leasing at their nominal value. These commitments, at the end of the 1st semester of 2018, are calculated at the amount of € 135 million (Note 16). The Group is in the process of assessing the impact of the standard's adoption. Given that the preview of the relevant impact of IFRS 16 requires the assessment of all leasing contracts, the selection of the transition method and other judgements of the Management, the impact of the adoption of the standard can be reliably assessed only after the whole procedure is completed.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management of the Group and Company does not expect significant impact of the specific amendment on the financial statements.

- **IFRS 9: Prepayment features with negative compensation (Amendment)**

The Amendment is effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. Management of the Group and Company does not expect significant impact of the specific amendment on the financial statements.

- **IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)**



The Amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendments relate to whether the measurement, in particular impairment requirements, of long term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The Amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. These Amendments have not yet been endorsed by the EU. Management of the Group and Company does not expect significant impact of the specific amendment on the financial statements.

- **IFRIC INTERPETATION 23: Uncertainty over Income Tax Treatments**

The Interpretation is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. This Interpretation has not yet been endorsed by the EU. Management is in the process of assessing the impact on the companies of the Group.

- **IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. These Amendments have not yet been endorsed by the EU. Management of the Group and Company does not expect significant impact of the specific amendment on the financial statements.

- **Conceptual Framework in IFRS standards**

The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual



Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

The **IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. These annual improvements have not yet been endorsed by the EU. Management is in the process of assessing the impact on the financial statements of the Group and Company.

- **IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:** The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
- **IAS 12 Income Taxes:** The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.
- **IAS 23 Borrowing Costs:** The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

4. Financial Risk Management

Polices regarding management of financial risk and capital of the Group are those analyzed in the annual financial statements of 31/12/2017.

5. Management estimates

The preparation of the Interim Condensed Financial Statements according to IFRS requires the management to make estimations and assumptions that may influence the accounting balances of Assets & Liabilities, the disclosures relating to Contingent Receivables & Payables, along with the recording of the amounts of Revenues and Expenses, recorded during the current period. The use of available information and subjective judgment are an integral part of making assumptions.

Future results may vary from the above estimates. Management's estimates and adjustments are under constant evaluation, based on historical data and the expectations for future events which are



considered as realistic under the current circumstances. Management estimates and adjustments are consistent with those followed for the issuance of the annual Financial Statements Separate and Consolidated for the year ended 31/12/2017. Historically, the consumers' demand for the Group products increases during the last four months of the year.

6. Property, plant and equipment

Property, plant and equipment for the period 1/1 – 30/6/2018 are analyzed as follows:

	Group						Total
	Land	Buildings and installations	Machinery /Installations	Vehicles	Furniture	Assets under construction	
Acquisition cost at 31.12.2017	52.266	179.034	5.257	5.120	34.141	2.645	278.462
Accumulated depreciation/amortization at 31.12.2017	0	(56.486)	(3.484)	(4.154)	(28.742)	0	(92.867)
Net book value at 31.12.2017	52.266	122.547	1.773	966	5.399	2.645	185.595
1.1 - 30.6.2018							
Additions	0	799	171	174	678	(2)	1.820
Other changes in acquisition cost	0	(29)	(11)	(5)	(41)	0	(86)
Depreciation/amortization	0	(2.578)	(225)	(108)	(890)	0	(3.801)
Other Depreciation changes	0	(250)	9	4	65	0	(173)
Acquisition cost at 30.6.2018	52.266	179.804	5.417	5.289	34.778	2.643	280.197
Accumulated depreciation at 30.6.2018	0	(59.314)	(3.701)	(4.258)	(29.568)	0	(96.840)
Net book value at 30.6.2018	52.266	120.490	1.717	1.032	5.210	2.643	183.356
	Company						Total
	Land	Buildings and installations	Machinery /Installations	Vehicles	Furniture	Assets under construction	
Acquisition cost at 31.12.2017	31.316	91.106	3.683	1.574	20.912	2	148.594
Accumulated depreciation at 31.12.2017	0	(35.579)	(2.435)	(1.262)	(17.779)	0	(57.055)
Net book value at 31.12.2017	31.316	55.526	1.248	312	3.133	2	91.538
1.1 - 30.6.2018							0
Additions	0	325	128	37	357	(2)	845
Other changes in acquisition cost	0	0	(11)	(5)	(14)	0	(29)
Depreciation/amortization	0	(1.520)	(158)	(43)	(483)	0	(2.203)
Other Depreciation changes	0	0	9	4	12	0	25
Acquisition cost at 30.6.2018	31.316	91.430	3.801	1.607	21.256	0	149.410
Accumulated depreciation at 30.6.2018	0	(37.099)	(2.585)	(1.301)	(18.250)	0	(59.234)
Net book value at 30.6.2018	31.316	54.331	1.216	306	3.006	0	90.176



Additions in Property, Plant and Equipment for the period refer to the purchase of retail stores (new and existing) equipment and formation expenses.

On 20/3/2018, one new Pop Up Store in Piraeus started operating with limited duration.

Other changes in property, plant and equipment are related to write-offs and sales of assets.

Property, plant and equipment of the Company and Group, include leased property, plant and equipment through financial leasing which amount to € 27.294 th. (31/12/2017: € 27.391 th.) Regarding the property of IKEA Store in Thessaloniki of amount € 27.294 th. (31/12/2017: € 27.391 th.), all obligations arising from the financial leasing contract are fulfilled and procedural issues with the National Cadastre are confronted in order for the contract, regarding the transfer of the property to HOUSEMARKET, to be signed.

On 30/6/2018 the Group tested the value of property, plant and equipment per store (CGU) and wherever there was existence of indication for impairment of value, an impairment test was conducted. On 30/6/2018, no impairment of the Group's property, plant and equipment value arised. Net book value of property, plant and equipment regarding IKEA Stores for the Group amounts to € 183.356 th. (2017: 160.237 th.) and for the Company amounts to € 90.176 th. (2017: 91.538 th.)

7. Investment property

Investment property for the period 1/1 – 30/6/2018 is analyzed as follows:

	Group		Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Opening Balance	28.332	27.330	12.385	12.239
Additions	341	1.002	163	146
Closing Balance	28.673	28.332	12.548	12.385

The amount of € 28,6 million (31/12/2017: € 28,3 million) includes:

- Property of parent company for exploitation, of amount € 7,3 million (31/12/2017: € 7,1 million). Assumptions of the assessments that were implemented by independent appraisers within the year 2017 were confirmed by the Management. Assumptions of the study do not have significant changes compared to 31/12/2017. The assessment of fair value was effectuated for the year 2017 by certified appraisers in accordance with the Valuation Standard V.S. 1.5&1.6 of RICS Valuation Standard prescribed by the Royal Institution of Chartered Surveyors. For the calculation of the fair value the average of Investment Method and Comparative Method was used. For the calculation of land value the Comparative Method was used and for the calculation of fair value a market research was conducted. The valuation of fair value method was ranked at level 3 of the hierarchy. The significant assumptions used for the property were: Sale price/m² from € 180-300, capitalization rate at the end of the leasing period 11%.



- Property of a subsidiary, operating in real estate segment, of amount € 16,1 million (2107: € 15,9 million). Assumptions of the assessments that were implemented by independent appraisers within the year 2017 were confirmed by the Management. Assumptions of the study do not have significant changes compared to 31/12/2017. The assumptions of the assessments effectuated by independent appraisors within the year 2017 were confirmed by the Management. More specifically, the assessments of fair value were performed in accordance with the Valuation Standard V.S. 1.5&1.6 of RICS Valuation Standard prescribed by the Royal Institution of Chartered Surveyors. For the calculation of the fair value the Investment Method was used, according to which the investment property value is calculated by capitalizing the real and future leasing that it may create. The valuation of fair value method was ranked at level 3 of the hierarchy. The significant assumptions used for the retail stores that the subsidiary, operating in real estate, leases were: Rent price/month €13/sqm, capitalization rate at the end of the leasing period 7,5% and annual rent increase 1,75%.
- Property of value € 5,3 million of the parent company which is leased for trading use (31/12/2017: € 5,3 million). The fair value assessment was conducted by the Management in compliance with the agreed terms of leasing.

On 30/6/2018, no impairment indications existed for the investment property of the Group.

8. Intangible assets

Intangible assets are analyzed as follows:

	Group			
	Royalties	Software	Miscellaneous	Total
Acquisition cost at 31.12.2017	8.872	7.345	12	16.229
Accumulated depreciation/amortization at 31.12.2017	(4.520)	(5.177)	0	(9.697)
Net book value at 31.12.2017	4.352	2.168	12	6.532
1.1 - 30.6.2018				
Additions	0	322	0	322
Depreciation/amortization	(139)	(289)	0	(428)
Acquisition cost at 30.6.2018	8.872	7.666	12	16.550
Accumulated depreciation/amortization at 30.6.2018	(4.659)	(5.466)	0	(10.125)
Net book value at 30.6.2018	4.213	2.201	12	6.425

Other changes in acquisition cost and changes in depreciation are related to foreign exchange differences.

Intangible assets of the Company are analyzed as follows:



	Company			
	Royalties	Software	Miscellaneous	Total
Acquisition cost at 31.12.2017	7.210	5.693	12	12.915
Accumulated depreciation/amortization at 31.12.2017	(3.793)	(4.088)	0	(7.881)
Net book value at 31.12.2017	3.417	1.605	12	5.034
1.1 - 30.6.2018				
Additions	0	260	0	260
Depreciation/amortization	(125)	(207)	0	(332)
Acquisition cost at 30.6.2018	7.210	5.953	12	13.175
Accumulated depreciation/amortization at 30.6.2018	(3.918)	(4.295)	0	(8.213)
Net book value at 30.6.2018	3.292	1.658	12	4.962

Royalties include the use of brand names (IKEA).

9. Investments in affiliates and associates

Investments are as analyzed as follows:

	COUNTRY	COMPANY			
		% SHAREHOLDING 30/6/2018	30/6/2018	% SHAREHOLDING 31/12/2017	31/12/2017
SUBSIDIARIES					
HM HOUSEMARKET (CYPRUS) LTD	Cyprus	100%	11.041	100%	11.041
HM HOUSEMARKET BULGARUA AD	Bulgaria	100%	9.999	100%	9.999
TRADE LOGISTICS SA	Greece	100%	18.520	100%	18.520
WYLDES LTD	Cyprus	100%	40.247	100%	35.027
TOTAL			79.807		74.587

Operation of each company is analysed in the Report of the Board of Directors.

On 30/6/2018 there were no indications for the conduction of impairment test of the subsidiaries.

Associated companies VYNER LTD and SW SOFIA MALL ENTERPISES LTD are included in the consolidated financial statements through equity method. During consolidation by equity method, a loss of € 59 th. (1/1 – 30/6/2017: losses of amount € 839 th.) was recognised in the consolidated income statement under "Contribution to associate companies losses" with a corresponding increase in the carrying value of the investments in associates. Further differentiation of the investment value is due to the increase of the share capital of the associate SW SOFIA MALL ENTERPISES LTD of amount € 200 thousand and VYNER LTD of amount € 5.000 th.

10. Share Capital

On 30/6/2018 and 31/12/2017 the share capital amounted to € 47.450.647 divided into 47.450.647 shares of nominal value € 1,00 per share.



11. Dividends

The Ordinary Shareholders General Assembly dated on 14/6/2018 did not propose a dividend distribution for the year 2017.

12. Employee retirement benefits

12.1 Liabilities due to termination of service

The basic assumptions of the actuarial study conducted in the year 2017 are in force.

12.2 Share based payments

During the period 1/1 – 30/6/2018, no option that was granted based on the first, second and third wave of the SOP of 27/9/2013 and the first wave of the SOP of 16/6/2017 was exercised.

During the period 1/1 – 30/6/2018, the amount of € 78 th. was registered in the consolidated income statement as an expense.

13. Borrowings

Borrowings on 30/6/2018 and 31/12/2017 are analyzed as follows:

	Group		Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Non - current loans	93.824	97.602	39.446	39.361
Total long term loans and short term portion of long term loans	93.824	97.602	39.446	39.361
Current portion of non-current loans and borrowings	7.292	7.350	0	0
Non - current loans	86.532	90.252	39.446	39.361
Short term loans for working capital	7.105	404	7.000	0
Total loans and borrowings	100.929	98.006	46.446	39.361

The repayment period of non - current loans varies between 1 to 7 years and the average effective interest rate of the Group was 3,83% during the period 1/1 -30/6/2018 (1/1 – 30/6/2017: 3,92%). Repayments and proceeds of loans of the Group for the current period amounted to € 4.163 thousand and € 7.000 thousand respectively. Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans as follows:

30/6/2018		<u>Amount in th. euros</u>	<u>Issuing Date</u>	<u>Duration</u>
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.939	17/3/2016	5 years from the issuing date (€1.117 th. payable forthcoming period)
	Bilateral	1.000	30/3/2016	3,5 years from the issuing date (€800 th. payable forthcoming period)
	Bilateral	1.650	30/3/2016	6 years from the issuing date (€600 th. payable forthcoming period)
		5.589		
RENTIS SA	Bond	8.250	19/7/2017	3 years from the issuing date (payment at maturity date)
		8.250		
HOUSE MARKET BULGARIA AD	Syndicated	34.289	11/7/2016	9 years from the issuing date (€4.174 th. payable forthcoming period)
		34.289		
HOUSEMARKET SA	Bond	39.446	4/10/2016	5 years from the issuing date
		39.446		
TRADE LOGISTICS SA	Bond	6.250	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
		6.250		
Total		93.824		

31/12/2017		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	305	17/8/2011	7 years from the issuing date (€305 th. payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.900	17/3/2016	5 years from the issuing date (€514 th. payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	582	17/3/2016	2 years from the issuing date (€582 th. payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.400	30/3/2016	3,5 years from the issuing date (€800 th. payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.950	30/3/2016	6 years from the issuing date (€600 th. payable forthcoming period)
		7.137		

31/12/2017		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
TRADE LOGISTICS SA	Bond	6.550	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
		6.550		
RENTIS SA	Bond	8.250	19/7/2017	3 years from the issuing date (payment at maturity date)
		8.250		
HOUSE MARKET BULGARIA AD	Syndicated	36.304	11/7/2016	9 years from the issuing date (€3.948 th. payable forthcoming period)
		36.304		
HOUSEMARKET SA	Bond	39.361	4/10/2016	5 years from the issuing date
		39.361		
Total		97.602		

Non –current loans include the bond loan issued by the company HOUSEMARKET S.A. of five-year maturity. The Bond Loan, was disposed through a public offering between 28 and 30 September 2016 in Greece by cash payment and the available 40.000.000 bearer bonds were issued on 6/10/2016 for trading in the fixed income securities category of the regulated market of Athens Stock Exchange. The loan is subject to Greek law, has a five year maturity date with fixed interest rate 5% per year and quarterly interest payment. Direct issue expenses of the bond loan amounted to € 853 th., € 43 th. of which had been allocated in the year 2016, € 171 th. have been allocated in the year 2017, € 85 th. have been will allocated within the 1st semester of 2018, € 171 th. will be allocated within the following 12 months and € 383 th. in the following years.

On December 2017, the financial leasing has expired, regarding the property and improvements of the building of IKEA Store in Pylaia Thessaloniki.

Short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers. The weighted average interest rate of short term loans for the period 1/1/2018 to 30/6/2018 is approximately 4,11% (1/1 – 30/6/2017: 5,20%).

During the current period, Interest Rate Swaps or IRSs continue to exist, in order to mitigate the risk of subsidiaries of a sudden increase in interest rates in the interbank market.

The terms of the swap agreements are as follows:

- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 25,1 million euros, with a negative fair value for HOUSE MARKET BULGARIA AD on 30/6/2018 of € 191 thousand (31/12/2017: € 122 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income.



- 5year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 5 million euros, with a negative fair value for HOUSE MARKET BULGARIA AD on 31/12/2017 of € 16 thousand, which expired on 11/6/2018.

Some of Group's loans include loan covenants. On 30/6/2018 the Group complied with the terms of its loans.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital.

14. Income taxes

The nominal tax rates in the countries that the Group is operating vary between 10% and 29%, as follows:

Country	Income Tax Rates (30/6/2018)
Greece	29,0%
Bulgaria	10,0%
Cyprus	12,5%

The parent company and its subsidiaries have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
HOUSEMARKET SA	2012 – 2017 (*)
HM HOUSEMARKET (CYPRUS) LTD	2012 – 2017
HOUSE MARKET BULGARIA AD	2013 – 2017
TRADE LOGISTICS SA	2012 – 2017 (*)
RENTIS SA	2012 – 2017 (*)
WYLDES LTD	2009 – 2017

Associate companies have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
VYNER LTD	2009 – 2017
SW SOFIA MALL ENTERPRISES LTD	2015 – 2017

(*) For the fiscal years 2011, 2012 and 2013 all companies of the Group located in Greece, have been subjected to tax audit by Certified Audit Accountants in compliance with the provisions of Article 82 par. 5 of Law 2238/1994 and for the fiscal years 2014, 2015, 2016 and 2017 in compliance with the provisions of Article 65 a of Law 4174/2013 and received a Tax Compliance Certificate for fiscal years



2011, 2012, 2013, 2014, 2015 and 2016, while tax audit for the fiscal year 2017 is in progress. Upon completion of the audit, the Management of the Company does not expect any significant liabilities to occur, other than those recorded in the Financial Statements. In order for the years 2011, 2012 and 2013 to be considered integrated, provisions specified in par. 1a of Article 6 POL 1159/2011 should apply. The integration of the years 2014 and 2015 is implemented based on POL 1124/2015.

On 31/12/2017, the years until 31/12/2011 were integrated in compliance with provisions of par. 1 article 36 L. 4174/2013 as announced with POL 1208/2017.

The income tax expense for the period 1/1 – 30/6/2018 and 1/1 – 30/6/2017 is as follows:

	Group		Company	
	1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Income tax	687	553	0	0
Tax audit differences	0	78	0	0
Deferred Taxes:				
Differences of fixed assets	113	214	74	192
Provisions for employee benefits	(39)	(40)	(36)	(37)
Provisions	(61)	266	(56)	220
Accrued Taxes	(1.219)	(1.748)	(1.344)	(1.755)
Inventory Write Off Provision	116	116	116	116
Total Deferred taxes	(1.090)	(1.192)	(1.246)	(1.264)
Income Tax Expense	(403)	(561)	(1.246)	(1.264)

Deferred taxes on 30/6/2018, which appear in the Statement of Comprehensive Income and compose income due to valuation of cash flow hedging at the fair value, amount to € 5 th. (€ 22,8 th. on 30/6/2017).

Deferred income taxes result from temporary differences between assets and liabilities tax recognition and financial statements composition.

On 30/6/2018, the Group had accumulated carried forward tax losses in its subsidiaries on part of which a provision was made for deferred tax asset of amount € 5.712 thousand (31/12/2017: € 4.493 th.) and the Company had accumulated carried forward tax losses for which a provision was made for deferred tax asset of amount € 4.248 thousand (31/12/2017: € 2.903 th.), as the Management considered that the recognition criteria were met. For the part of tax losses on which a deferred tax asset has been recognized, the Management estimates that they will be covered against taxable profits before their expiration date.

Given that some of the Group companies have not been audited by the tax authorities for a few years, as mentioned above, it is considered by the Group that adequate provisions for current and future tax audit differences have been made. On 30/6/2018, the cumulative Group's provision for unaudited tax years amounts to € 19 thousand (€ 19 thousand on 31/12/2017).

15. Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the



Company by the weighted average number of shares during the period. The weighted average number of shares as at 30 June 2018 is 47.450.647 and as at 30 June 2017 was 47.450.647.

	Group	
	1/1 - 30/6/2018	1/1 - 30/6/2017
Profit / (Loss) after tax attributable to owners of the parent	1.820	(772)
Number of issued shares	47.450.647	47.450.647
SOP Impact	0	0
Effect from purchase of own shares	0	0
Weighted average number of shares	<u>47.450.647</u>	<u>47.450.647</u>
Basic Earnings / (Losses) per Share (in Euro)	0,0383	(0,0163)
Diluted Earnings / (Losses) per Share (in Euro)	0,0383	(0,0163)

16. Commitments and Contingencies

The Group's contingent liabilities on 30/6/2018 are analyzed as follows:

- Letters of guarantee from the Company, amounting to € 2.182 thousand for the proper execution of the contract between the Company and Athens International Airport, € 8.000 thousand for the proper execution of the contract between the Company and BIOHALCO and € 1.024 thousand for the timely and accurate payment of exchanges and utilities expenditure between the Company and BHTA TETARTI, whereas furthermore other letters of guarantee of amount € 24 thousand have been given. Other guarantees of the Company for its subsidiaries H.M. HOUSEMARKET (CYPRUS) LIMITED amounting to € 5.589 thousand, RENTIS SA (subsidiary of H.M. HOUSEMARKET (CYPRUS) LIMITED) amounting to € 8.250 thousand and TRADE LOGISTICS of amount € 6.250 th.
- The Company has contractual liability for inventory of minimum amount € 25.000 thousand.
- The Company mortgage its property to secure liabilities of amount € 15.000 th.
- A subsidiary company of the Group has mortgage its property to secure a bond loan amounting to € 45.372 th.
- A subsidiary company of the Group has mortgage its property to secure a bond loan amounting to € 11.005 th.
- A subsidiary company of the Group has mortgage its property to secure a bond loans amounting to € 22.700 th.
- A subsidiary company has provided fluctuating guarantee on assets until the amount of € 6.800 th. to secure bilateral loans.
- The Group has undertaken contingent obligations for future operating leasing payments as lessee according to signed contracts as follows: a) up to 1 year amount to € 10.203 th. b) from 1 to 5 years amount to € 39.155 th. and c) more than 5 years amount to € 85.798 th.
- Liabilities from customers' loyalty programs which are included in suppliers and other payables, are related to the amount that the Group estimates that will be redeemed during the current



scheme. For the Group, total liability arising from customers' loyalty scheme is of amount € 2.284 th. on 30/6/2018 (€ 1.972 th. on 31/12/2017) and for the Company € 1.601 th. on 30/6/2018 (€ 1.406 th. on 31/12/2017).

17. Related parties

Related parties of the Group include the Company FOURLIS HOLDINGS SA, subsidiary and associated companies, the management and the first line managers.

The analysis of the related party receivables and payables as at 30 June 2018 and 31 December 2017 are as follows:

		Group		Company	
		1/1 - 30/6/2018	1/1 - 31/12/2017	1/1 - 30/6/2018	1/1 - 31/12/2017
Receivables from:	FOURLIS HOLDINGS SA	219	1	149	0
	INTERSPORT SA	282	413	48	116
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	3.023	3.006
	HOUSE MARKET BULGARIA AD	0	0	531	148
	INTERSPORT (CYPRUS) LTD	5	5	0	0
	GENCO BULGARIA	5	3	0	0
	Total	510	421	3.751	3.271
Payables to:	FOURLIS HOLDINGS SA	5.359	5.396	5.245	5.248
	TRADE LOGISTICS SA	0	0	414	371
	HOUSE MARKET BULGARIA AD	0	0	16	13
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	37	30
	INTERSPORT (CYPRUS) LTD	0	1	0	0
	SPEEDEX SA	0	13	0	13
	Total	5.359	5.409	5.712	5.675

Related party transactions for the periods 1/1 – 30/6/2018 and 1/1 – 30/6/2017 are as follows:

	Group		Company	
	1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Revenue	1.815	1.544	553	57
Other operating income	205	161	187	184
Total	2.020	1.705	740	241

	Group		Company	
	1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Distribution expenses	363	357	114	137
Administrative expenses	1.496	1.439	3.062	2.873
Other operating expenses	27	2	13	2
Total	1.886	1.798	3.189	3.012



During periods 1/1 – 30/6/2018 and 1/1 – 30/6/2017, transactions and fees of management members were as follows:

	Group		Company	
	1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Transactions and fees of management members	799	908	707	816

There are no other transactions between the Group and the management. The transactions with related parties are arm's length.

18. Transactions with Subsidiaries

During the periods 1/1 – 30/6/2018 and 1/1 – 30/6/2017, between the parent company and its subsidiaries the following transactions occurred:

	Group		Company	
	1/1 - 30/6/2018	1/1 - 30/6/2017	1/1 - 30/6/2018	1/1 - 30/6/2017
Revenue	2.500	1.852	550	55
Cost of sales	578	65	550	55
Other income	109	121	71	71
Administrative expenses	1.929	1.805	1.927	1.803
Distribution expenses	102	103	0	0

	Group		Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Trade receivables	4.013	3.572	3.554	3.155
Creditors	4.013	3.572	467	414

19. Significant Additions in Consolidated Data

The most significant changes recorded in the Consolidated and Separate Statement of Financial Position as of 30/6/2018 in comparison with the corresponding data as at 31/12/2017 are the following:

- Increase in the amount of "Inventory" is due to the seasonality of purchases.
- Decrease in the amount of "Other current assets" is due to the timing of collection of assigned receivables from credit cards discount program of subsidiary.

20. Subsequent events

There are no other significant events following the date of 30/6/2018 that may affect the financial position and results of the Group.



Report on Use of Funds Raised from the issuance of Non-Convertible Bond Loan through payment in cash from the period from 04.10.2016 until 30.06.2018

In accordance with the provisions of paragraph 4.1.2 of the Athens Exchange Stock Market Regulation, the decision no. 25/17.07.2008 of the Board of Directors of Athens Stock Exchange and the decision no. 8/754/14.04.2016 of the Board of Directors of Hellenic Capital Markets Commission, it is hereby announced that from the issuance of the Non-Convertible Corporate Bond Loan of forty million euros (€40.000.000) with the issuance of the forty million bearer bonds with offer price of €1 each, that was implemented according to the decision of the Extraordinary General Assembly of the shareholders of HOUSEMARKET SOCIETE ANONYME FOR TRADING HOUSEHOLD ITEMS, FURNITURE AND CATERING ITEMS (hereafter the "Company") dated 21.06.2016 and the approval of the content of the Prospectus from the Hellenic Capital Market Commission dated 12.09.2016, a total net amount of forty million euros (€40.000.000) was raised. The cost of the issuance amounted at €852.568,27 and it was covered in total from own other funds of the Company.

The issuance of the Non-Convertible Bond Loan was covered in full and the Board of Directors of the Company certified the deposit of the funds raised from the issuance at its meeting held on 04.10.2016.

Furthermore, the forty million bearer bonds commenced trading in the fixed income securities category of the regulated market of Athens Stock Exchange on 06.10.2016.

The table below presents the specific use of the raised funds per category of use/investment, the timetable of the utilization of the funds raised as well as the use of raised funds until 30.06.2018:



Table for the Use of Raised Funds from the Issuance of Non-Convertible Corporate Loan of €40.000.000
Amounts in thousand of euros

Purpose of Use of Raised Funds		Timetable and Distribution of Raised Funds					Amount of Raised Funds that utilized				Remaining balance to be utilized
		Second Semester 2016	2017	2018	2019	2020	H2 2016	H1 2017	H2 2017	H1 2018	
Participation in the Share Capital Increase of TRADE LOGISTICS S.A.* for partial repayment of loans		-	10.500	-	-	-	10.500	0	0	0	0
Investments in Fixed Assets and Electromechanical equipment	Installation of Information Systems related to the management of retail sales	900	-	-	-	-	900	0	0	0	0
	Upgrade of electromechanical equipment of existing stores	-	2.100		-	-	0	375,11	375,69	558,22	790,98
	Refurbishment of IKEA stores	5.000					75,40	256,37	848,79	564,90	3.254,54
Working Capital Facilities		21.500					21.500	0	0	0	0
Total		40.000					32.975,40	631,48	1.224,48	1.123,12	4.045,52

* TRADE LOGISTICS S.A. is a subsidiary company of HOUSEMARKET S.A., participating in its share capital by 100% (minus one share).

Paiania, September 3rd, 2018

Chairman of the BoD

Vice Chairman of the BoD

Managing Director

Dafni Fourli

Vassileios Furlis

Panagiotis Katiforis

Report on factual findings in connection with the "Report on Use of Funds Raised" as resulted from the Agreed Upon Procedures processes

(Translation from the original in Greek)

To the Board of Directors of Housemarket SA

According to the engagement letter dated 3 September 2018 , we were assigned by the Board of Directors of Housemarket SA (hereafter the "Company") to perform the agreed upon procedures enumerated below, within the context of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council on 16 April 2014 about market abuse (Market Abuse Regulation) (hereafter the "Resolutions") with respect to the "Report of Use of Funds Raised" from the issuance of Non- Convertible Bond Loan amounting to € 40.000.000" (hereafter the "Report") issued in 2016. The Management is responsible for the preparation of the Report in compliance with the Regulation (EU) No. 596/2014 of the European Parliament and of the Council on 16 April 2014 about market abuse (Market Abuse Regulation) and Directive No. 2003/6 / EC of the European Parliament and the Council and Commission Directives No. 2003/124 / EC, 2003/125 / EC and 2004/72 / EC and in accordance with what is requested in the Prospectus dated 12 September 2016, in the field E2b of the Summary.

Our engagement was undertaken in accordance with the International Standard on Related Services 4400, applicable to agreed-upon-procedures engagements regarding Financial Information. Our responsibility is solely to perform the procedures described below and for reporting to you on our findings.

Procedures performed

Our procedures are summarized as follows:

1. We examined the content of the Report and its consistency with what is referred to in the Prospectus issued by the Company on 12 September 2016.
2. We have compared the amounts used from the bond loan, as reported in the Report, with the amounts recognized in the books and records of the Company, from the date the funds were raised up to 30 June 2018.
3. We examined whether the amounts used from the bond loan, from the date the funds were raised up to 30 June 2018, were allocated according to their intended uses, in accordance with what is requested in the Prospectus dated 12 September 2016, in the field E2b of the Summary, by examining on a sample basis documents that support the relevant accounting entries.

Findings

We report our findings below:

1. We noted that the content of the Report is consistent with the provisions of the Prospectus mentioned above.
2. The amounts used from the bond loan, as reported in the attached «Report on Use of Funds raised from the issuance of Non- Convertible Bond Loan of € 40.000.000», are in accordance with the amounts recognized in the books and records of the Company as at 30 June 2018.

By examining on a sample basis the relevant documents, we ensured that the amounts raised by the issue of the Non-Convertible bond loan were allocated according to their intended uses, in accordance with what is requested in the Prospectus dated 12 September 2016, in the field E2b of the Summary.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what we have referred to above.

Had we performed additional procedures or had we perform an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Use Limitation

This report is addressed exclusively to the Board of Directors, in compliance with its obligations to the current regulatory framework of the Athens Stock Exchange. This report is not to be used for any other purpose, since it is limited to what is referred above and does not extend to the interim financial statements prepared by the Company for the period ended 30 June 2018, for which we have issued a separate Review Report, dated 3 September 2018.

Athens, 3 September 2018

The Certified Auditor

SOFIA KALOMENIDES
SOEL reg. no 13301
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
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Web site for the publication of the Six-Month Financial Statements

The Interim Condensed Financial Statements (Consolidated and Separate) for the period 1/1 – 30/6/2018 has been published by posting on the internet at the web address of the Company <http://www.ikea.gr> and www.housemarket.gr.