



**HOUSEMARKET S.A.**

**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 31.12.2016**

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 31.12.2016:



**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 during the second Semester of 2016	Remaining balance to be utilized
		Second Semester 2016	2017	2018	2019	2020		
Participation in the Share Capital Increase of TRADE LOGISTICS S.A.* for partial repayment of loans		-	10.500	-	-	-	10.500	0
Investments in Fixed Assets and Electromechanical equipment	Installation of Information Systems related to the management of retail sales	900	-	-	-	-	900	0
	Upgrade of electromechanical equipment of existing stores	-	2.100		-	-	0	2.100
	Refurbishment of IKEA stores	5.000					75,40	4.924,60
Working Capital Facilities		21.500					21.500	0
<b>Total</b>		<b>40.000</b>					<b>32.975,40</b>	<b>7.024,60</b>

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

Paiania, March 13 2017

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 19 December 2016 , 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 31 December 2016.
- 3) We examined whether the amounts used from the 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, 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 31 December 2016.

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 financial statements prepared by the Company for the year ended 31 December 2016, for which we have issued a separate Audit Report, dated 13 March 2017.

Athens, 13 March 2017  
The Certified Auditor

ANDREAS HADJIDAMIANOU  
SOEL reg. no 61391  
ERNST & YOUNG (HELLAS)  
CERTIFIED AUDITORS ACCOUNTANTS S.A.  
8b CHIMARRAS, MAROUSSI  
151 25, ATHENS  
SOEL reg. no 107