2014 ANNUAL REPORT

WOOLWORTH (CYPRUS) PROPERTIES PLC

Woolworth Group

MEMBER OF THE SHACOLAS GROUP

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Lifetime Honorary Chairman
Nicolas K. Shacolas

Board of Directors

Chairman
Demetris Demetriou (b,d)

Managing Director
Marios Panayides (a,d)

Executive Directors
Chrysoula N. Shacola (a,d)
Eleni N. Shacola (a,d)
George Louca (a,d)
Marios N. Shacolas (a,d)
Antonis Ayiomamitis (resigned on 4 Auqust 2015)

Non-Executive Directors (in alphabetical order)
Pambos Ioannides (b,d)
Nicolas Const. Shacolas (b,c)
Stephos Stephanides (b,c) (Appointed on 4 Auqust 2015)
Nicolas Wilson (b,d) (Appointed on 4 Auqust 2015)
Makis Constantinides (resigned on 4 Auqust 2015)
Dinos Lefkarites (resigned on 4 Auqust 2015)
Menelaos Const. Shacolas (resigned on 4 Auqust 2015)

Secretary
George P. Mitsides

Assistant Secretary
George Michael

Financial Controller
Maria Aristidou

Legal Advisors
Ioannides Demetriou
Tassos Papadopoulos & Associates

Registered Office
Shacolas Building
Old Nicosia – Limassol Road, Athalassa, Nicosia

a = executive b = non-executive
c = independent d = non-independent

FINANCIAL STATEMENTS

Statement of the members of the Board of Directors and other Company officials for the drafting of the financial statements

According to article 9, sections (3) (c) and (7) of the Transparency Conditions (Marketable values for negotiation in an Adjustable Market) Law of 2007 ('Law'), we the members of the Board of Directors and other Company officials responsible for the drafting of the financials statements of Woolworth (Cyprus) Properties Plc for the year ended 31 December 2014, based on our knowledge we confirm that:

(a) The Annual Consolidated and Separate Financial statements that are presented in pages 20 to 72:

(i) Are prepared according to International Financial Reporting Standards, as adopted by the European Union and according to section (4) of the Law, and

(ii) Give a true and fair view of the assets and liabilities, financial position and profit/loss of Woolworth (Cyprus) Properties Plc and the companies that are included in the Consolidated Financial Statements as a total, and

(b) the Report of the Board of Directors gives a fair overview of the developments and the performance as well as the financial position of Woolworth (Cyprus) Properties Plc and the companies that are included in the consolidated financial statements as a total, with a description of the principal risks and uncertainties that are encountering.

Members of the Board of Directors

Nicolas K. Shacolas – Executive Director

Demetris Demetriou – Non – executive Director

Marios Panayides – Managing Director

Eleni N. Shacola – Executive Director

Pambos Ioannides – Non – excecutive Director

Marios N. Shacolas – Executive Director

Menelaos Const. Shacolas – Non – executive Director

Chrysoula N. Shacola – Executive Director

Nicolas Const. Shacolas – Non – executive Director

Makis Constantinides – Non – executive Director

Dinos Lefkarites – Non – executive Director

George Louca – Executive Director

Antonis Ayiomamitis – Executive Director

Responsible for the drafting of the financial statements

Maria Aristidou - Financial controller

Nicosia, 28 April 2015

The Board of Directors of Woolworth (Cyprus) Properties Plc (the "Company") and its subsidiary companies, collectively referred to as the "Group", presents to its members its Annual Report together with the audited consolidated financial statements and the Company's audited separate financial statements for the year ended 31 December 2014.

ACTIVITIES

The main activity of the Company and the Group is the ownership, exploitation, management and trading of real estate property. The consolidated results of the Group for the year 2014 include the subsidiary companies of Woolworth (Cyprus) Properties Plc that are property owners, that is, Zako Ltd, FWW Super Department Stores Ltd, Zaco Estate Ltd, Apex Ltd, Niola Estates Limited, parent company of Estelte Limited, and Realtra Limited, parent company of Calandra Limited. The majority of this property is licensed/rented to Ermes Department Stores Plc, which carries its retail operations in these properties. It is also the parent company of ITTL Trade Tourist and Leisure Park Plc, which owns the land in which the Shacolas Emporium Park was developed, which includes the large Commercial Centre "The Mall of Cyprus", an IKEA multistore and other operations. It also includes the subsidiary company Woolworth Commercial Centre Limited, owner of the Commercial Centre "The Mall of Engomi".

Woolworth (Cyprus) Properties Plc also holds indirectly through Chrysochou Merchants Limited and Arsinoe Investments Limited, 11,7% and 35% respectively of the share capital of the company Cyprus Limni Resorts and GolfCourses Plc which owns a large plot of land in Polis Chrysochous.

The Group results also include the associated company Akinita Lakkos Mikelli Limited.

FINANCIAL RESULTS

The Group's operating profit for the year 2014 amounted to €12.711.323 compared to the operating losses of €20.502.679 in 2013. The Company's operating profit for the year 2014 amounted to €613.555 compared to the operating losses of €20.865.893 in 2013. The Group's profit before tax for the year 2014 amounted to €178.459 compared to the loss of €34.155.179 in 2013. The Company's profit before tax for 2014 amounted to €19.947.828 compared to the loss of €29.839.395 in 2013.

The results for the year showed a significant improvement over the results of the previous year. For 2014, based on the external independent qualified valuers report there was a total reduction in the carrying value of investment properties and investments at fair value through profit or loss, of €5.016.111, whereas in 2013 there was a significant reduction in the carrying value of investment properties and investments of financial assets at fair value through profit and loss, of €33.796.403.

More specifically, the Group's and the Company's results for year 2014 include a loss of €5.016.111, for the Group and a loss of €6.929.688 for the Company arising from the revaluation of investment properties and the revaluation of financial asset at fair value through profit and loss (2013: loss of €33.796.403 and loss of €29.931.508 for the Group and the Company respectively). The Group's income for the year also includes loss of €683.193 (2013: loss €369.272) representing the share of loss from the associate company Akinita Lakkos Mikelli Limited. The Company's results for the year 2014 also include a gain of €26.853.995 deriving from the disposal of 45% shareholding of subsidiary company ITTL Trade Tourist and Leisure Park Plc to the related Company Ermes Department Stores Plc. The corresponding amount for the Group is € 8.081.843 and is included in the Consolidated Statement of Changes in Equity in accordance with IFRS requirements.

The increase in the rights of use of space and other income is due to the reinstatement during 2014 of the majority of the temporary concessions that the Group has provided for the deferment of the payment of the license fees in 2013 to the tenants/licensees due to the reduction of activity in retail trade, after the events of March 2013, that inevitably affected the tenants/licensees of the various properties of the Group.

It must be emphasized that for the Group and the Company, the provision for fair value losses on the investment and other properties and the financial assets at fair value through profit and loss and the share of loss from the associate company, amounting to €5.699.304 as well as the deferred tax of €1.024.965 and the depreciation charge of €293.357, represent accounting provisions and not cash outflows.

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Profit/(loss) before tax	**178.459**	(34.155.179)	**19.947.828**	(29.839.395)
Corporation tax and defence contribution	**(588.647)**	(49.666)	**-**	-
Deferred tax	**(1.024.965)**	(1.592.131)	**65.652**	236.785
(Loss)/profit after tax	**(1.435.153)**	(35.796.976)	**20.013.480**	(29.602.610)
Non-controlling interests	**(1.233.462)**	(11.540)	**-**	-
(Loss)/profit attributable to the shareholders	**(2.668.615)**	(35.808.516)	**20.013.480**	(29.602.610)
Basic (losses)/earnings per share (cents)	**(2,3)**	(31,3)	**17,5**	(25,9)
Fully diluted (losses)/earnings per share (cents)	**(2,3)**	(31,3)	**17,5**	(25,9)

DIVIDEND
The Board of Directors does not recommend the payment of a dividend, but will reconsider the payment of an interim dividend before the end of the current year.

PRINCIPAL RISKS AND UNCERTAINTIES
Due to the nature of the Company and the Group's activities, the main risks they face are:
- The liquidity risk arising from the current state of the Cyprus Banking System.
- The fluctuation of property values.
- Fluctuations in demand for retail space for leasing/granting (relates to a great extent to the company Ermes Department Stores Plc),
- Financial risk factors as described in notes 1 and 3.

FUTURE DEVELOPMENTS AND PROFITABILITY
It is expected that 2015 will be another year of challenges for the Cyprus economy. The Management of the Group takes all the necessary measures to deal effectively with the problems that arise from the general economic crisis. As a result of the qualitative characteristics of the Group's properties, its future prospects are considered satisfactory and the Group's revenue from rights of use of space and rents are expected to increase for 2015, compared to 2014.

The Group continues with the expansion of the Shopping Malls, the Mall of Cyprus, The Mall of Engomi and Ledra Arcade in Nicosia and Korivos Shopping Center in Paphos in order to offer a greater variety and services to visitors and the public. The subsidiary companies, ITTL Trade Tourist & Leisure Park Plc and Woolworth Commercial Center Ltd have already submitted requests for planning permission permits for the Shopping Malls, the Mall of Cyprus and The Mall of Engomi in Nicosia, and it is expected that soon a request for planning permits for Korivos Shopping Center and Ledra Arcade, will be submitted.

Cyprus Limni Resorts & GolfCourses Plc has secured the planning permits for two golf courses for the development of Limni Bay Resort, in the area of Polis Chrysochous in December 2013. In addition, during 2014 the Company has submitted an application for amending the above planning permits in order to secure additional building incentives provided by the government of Cyprus to golf course developments, by increasing the total building coefficient by 50% per golf course, meaning a total from 200.000 square meters to 300.000 square meters for the Company including the hotel. These incentives add significant extra value on the Cyprus Limni Resorts & GolfCourses Plc's land and made the project even more attractive. The Company also proceeds in a detailed design of all the elements of the project for securing the building permits in order to proceed with the implementation of the project soon.

It must be noted that the total area of the Cyprus Limni Resorts & GolfCouses consists of 3.020 single decares of unified land with 750 meters seafront which will be used for the development of the resort plus 250 decares of land at Kinousa village. The Limni Bay Resort will include, amongst others, two golf courses, a five-star hotel, a significant number of residential units and other associated developments. The Group continues to take actions to attract investors and banks to finance the project.

EXISTENCE OF COMPANY AND GROUP BRANCHES
The Company and the Group do not maintain any branches either in Cyprus or abroad.

SHARE CAPITAL
There were no changes in the share capital of the Company.

BOOK VALUE OF THE SHARES
The book value of the Group's share, with a nominal value of 34 Euro Cents, on 31 December 2014, was €1,51. The book value of the Group's share excluding the provision for deferred tax, which constitutes a potential liability, amounts to €1,72.

TREASURY SHARES
During 2014 the Company did not have any transactions relating to treasury shares.

SOCIAL CONTRIBUTION
The Shacolas Group of companies continues its contribution to the society by providing on a daily basis, thousands of breakfast meals to the indigent children of primary schools and some high schools, in all provinces of Cyprus, in full cooperation with the Ministry of Education.

BOARD OF DIRECTORS
The members of the Board of Directors at the date of this report are shown on page 1. All of them were members of the Board of Directors throughout the year 2014, except Mr George Louca, who was appointed as Director on 15 July 2014 and Mr Antonis A. Ayiomamitis, who was appointed as Director on 23 December 2014.
According to the company's Memorandum, Messrs Marios Panayides, Eleni N. Shacola, Makis Constantinides, Nicolas Const. Shacolas, George Louca and Antonis A. Ayiomamitis retire and, being eligible, offer themselves for re-election.

There were no other significant changes in the assignment of responsibilities or in the remuneration of the Members of the Board of Directors.

DIRECTORS' INTERESTS IN THE COMPANY'S SHARE CAPITAL

The direct and indirect interest of the members of the Board of Directors in the share capital of the Company on 31 December 2014 and at the date of this report, were as follows:

	31 December 2014	28 April 2015
	%	%
Nicolas K. Shacolas	**77,04**	77,04
Eleni N. Shacola	-	-
Marios N. Shacolas	-	-
Menelaos Const. Shacolas	-	-
Demetris Demetriou	-	-
Pambos Ioannides	-	-
Marios Panayides	-	-
Chrysoula N. Shacola	-	-
Nicolas Const. Shacolas	-	-
Makis Constantinides	-	-
Dinos Lefkarites	-	-
Antonis A. Ayiomamitis	-	-
George Louca	-	-

The interests of Mr Nicolas K. Shacolas include the interests of his wife and children, who are not members of the Board of Directors, as well as those of Cyprus Trading Corporation Plc and of other companies in which he owns, directly or indirectly, at least 20% of the voting rights.

Except for the balances and transactions disclosed in Note 31, there were no other significant contracts with the Company or its subsidiaries or associates, in which a Director or related parties had a material interest.

MAIN SHAREHOLDERS

At the date of this report, the following Shareholders held directly or indirectly over 5% of the Company's issued share capital.

	Percentage holding %
Nicolas K. Shacolas (through Cyprus Trading Corporation Plc)	77,04

MATERIAL DIFFERENCES BETWEEN THE INDICATIVE RESULTS ANNOUNCED AND THE AUDITED CONSOLIDATED RESULTS FOR THE YEAR

The audited consolidated financial results of the Group present the following differences between the indicative results announced and the audited consolidated results for the year.

	€
Profit according to announcement	3.844.000
Deferred tax	333.623
Corporation tax	(517.733)
Other differences	(95.043)
Loss on the revaluation of financial assets at fair value through profit or loss	(5.000.000)
Loss after tax according to consolidated financial statements	(1.435.153)

EVENTS AFTER THE BALANCE SHEET DATE

There were no material post balance sheet events which have a bearing on the understanding of the financial statements of the Group and the Company.

INDEPENDENT AUDITORS

The Independent Auditors, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board

George P . Mitsides
Secretary

Nicosia, 28 April 2015

PART A

The Board of Directors recognising the importance of the Corporate Governance Code for the proper and prudent management of the Company and the continuous protection of the interests of all the Shareholders, has adopted as from 2004, the Code on Corporate Governance and applies its Principles.

PART B

By decision of the Cyprus Stock Exchange, the Company's securities are transferred from the Parallel Market to the Alternative Market, with implementation date on the 20th of April 2015. The Board of Directors confirms the compliance with all the provisions of the Code on Corporate Governance.

BOARD OF DIRECTORS AND DIRECTORS' REMUNERATION

Duties and Responsibilities of the Board of Directors

The Company is managed by the Board of Directors which consists of 13 members, 6 of whom are non-executive and of whom 3 are Independent.

The position of the Chairman of the Board of Directors is held by Mr Demetris Demetriou. The Managing Director of the Company is Mr. Marios Panayides, who deals with the management of the Company as far as the day to day operations and activities of the Company are concerned.

The Company's Board of Directors after obtaining timely, complete and reliable information, meets at regular intervals to consider and take decisions, which are accurately recorded in minutes. During 2014, 6 meetings were held. The Board of Directors has set out a formal agenda of issues on which decisions must be taken only by the Board. Some of the issues can be referred to special committees of the Board of Directors, without this meaning that the members of the Board are exempted from their collective responsibility. No category of members of the Board of Directors is differentiated as to its responsibility towards any other category.

The Company's Secretary is responsible to provide timely, complete and reliable information to all the members of the Board of Directors and the Chairman of the Board of Directors has the responsibility to ensure that all members of the Board are properly informed on the issues discussed in meetings.

All the Directors may have consultations with the Chairman, the Managing Director, the Secretary as well as with the External and Internal Auditors of the Company. Every newly appointed Director receives adequate briefing upon appointment, as well as during his service, whenever considered necessary. All the Directors exercise, independently and impartially their judgement during the execution of their duties and, whenever deemed necessary, obtain independent professional advice, at the Company's cost.

The members of the Board of Directors at the date of this report are shown on page 1. All of them were members of the Board of Directors throughout the year 2014, except Mr George Louca and Mr Antonis A. Ayiomamitis who were appointed on 15 July 2014 and on 23 December 2014, respectively.

On 16 February 2008, the Board of Directors unanimously declared Mr Nicos K. Shacolas as the Honorary Lifetime Chairman of the Company.

According to the Company's Articles of Association, at each Annual General Meeting, 1/3 of the longest serving members of the Board, as well as those appointed after the previous Annual General Meeting, retire but have the right to be re-elected. During the next Annual General Meeting, Messrs Marios Panayides, Eleni N. Shacola, Makis Constantinides, Nicolas Const. Shacolas, George Louca and Antonis A. Ayiomamitis retire and, being eligible, offer themselves for re-election.

As required by the Code, short biographical details are given below for all the Directors who retire and offer themselves for election.

Marios Panayides - A graduate of Bristol University, England, with a BSc. in Economics and Accounting and Chartered Accountant (ACA). He worked at Ernst & Young in London and as an executive in several major investment brokerage firms in Greece and Cyprus. He is the Deputy General Manager of N. K. Shacolas (Holdings) Limited, Executive Chairman of ITTL Trade Tourist & Leisure Park Plc, Managing Director of Cyprus Limni Resorts and Golfcourses Plc, and Director of Cyprus Trading Corporation Plc and other companies.

Eleni N. Shacola - Studied in England (General Degree in Business Administration) at the University of London. She is the Deputy Executive Director of Ermes Department Stores Plc, Executive Director to the companies ITTL Trade Tourist & Leisure Park Plc and Cyprus Limni Resorts and Golfcourses Plc, and other companies.

Makis Constantinides – Studied at Queen Mary College, University of London, with a degree in engineering and then at the universities of Minnesota and Washington (graduate studies), USA, in Business Administration and Public Administration fields. From 2000 until August 2004, he served as General Director at the Ministry of Agriculture, Natural Resources and Environment and from 2005 until 2011 he served as General Director at the Ministry of Communications and Works. He is a member of the Board of Directors of Hippocrateon Private Hospital. Since December 2011 he was appointed member of the Board of Directors of Woolworth (Cyprus) Properties Plc and simultaneously offers his services to the Company as a Senior Advisor.

Nicolas Const. Shacolas - A graduate of the Imperial College of Science Technology and Medicine in London with distinction in the fields of Civil Engineering and Mechanical Engineering and possesses MBA from the Insead, France. He has extensive experience in managing large construction projects. He is director of the CNS Group, Managing Director of Cablenet Communication Systems Ltd, and consultant of the group Ergo Home Group, of the Cyprus Phassouri Plantations Co. Public Ltd, and other companies.

George Louca - Studied Mechanical Engineering at Purdue University,USA, and is a Chartered Accountant FCA. He worked at Deloitte in the audit department, he was Financial Director of Infotel Ltd (Germanos), Head of Finance and Information Technology of CTC-ARI Airports Ltd, which operates the retail stores in the airports of Cyprus, Chief Financial Officer of the Group of Cyprus Trading Corporation Plc and from 2014 is Head of Group Finance and Information Technology of the Groups of the Shacolas Group of Companies. He is Executive Chairman of CTC Automotive Ltd, Director of Cyprus Trading Corporation Plc., of Woolworth (Cyprus) Properties Plc., of Ermes Department Stores Plc and other private companies.

Antonis A. Ayiomamitis - Has a degree in International Relations from the Empire State College in New York. Since 2011, he works in the company Woolworth (Cyprus) Properties Plc and from 2013 is Deputy General Manager, as well as of the company Cyprus Limni Resorts and Golfcourses Plc. He was a track champion at 400m with nationwide records and discriminations abroad with the Cyprus National.

Independence of Directors

The structure of the Board of Directors and the assignment of the Directors to categories, are presented in table 1 below:

Table 1: The Company's Board of Directors

Executive Directors	Non-executive Directors	
Nicolas K. Shacolas	Demetris Demetriou	
Marios Panayides	Pambos Ioannides	
Eleni N. Shacola	Makis Constantinides	
Marios N. Shacolas	Dinos Lefkarites	- Independent
Chrysoula N. Shacola	Menelaos Const. Shiacolas	- Independent
George Louca (from 15/07/2014)	Nicolas Const. Shiacolas	- Independent
Antonis A. Ayiomamitis (from 23/12/2014)		

Note: Despite the fact that Mr. Menelaos Const. Shacolas has completed nine years as Director of the Company, the Board of Directors still considers him Independent, because of his objectivity and the independent and unbiased judgment that he demonstrated during his tenure on the Board of Directors and its Committees.

The classification above is consistent with the independence criteria included in the Code of Corporate Governance.

Committees of the Board of Directors

The Board of Directors of the Company, adopting the Principles of the Code, proceeded with the formation of the following Committees and the approval of their Operating Regulations, which are consistent with the Code and are available for inspection by anyone who may be interested to obtain more information on the subject matter, at the Company's Registered Office. These Committees also apply for all the subsidiaries of Woolworth (Cyprus) Properties Plc.

a. Nominations Committee

The main purpose of the Nominations Committee is the operation of a defined and transparent procedure when it comes to recommendations for the appointment of new members of the Board of Directors and to express its views to the Board of Directors on such recommendations. The members of the Nomination Committee, the majority of whom are Non-Executive Directors, are the following:

Makis Constantinides, Chairman	- Non-Executive
Marios N. Shacolas	- Executive
Menelaos Const. Shiacolas	- Non-Executive, Independent

The Nomination Committee meets at least once a year and reports to the Board of Directors. Furthermore, at least once a year it presents in summary its activities during the previous Financial Year as well as any recommendations it may have.

b. Remunerations Committee

The Remunerations Committee constitutes of the following Non-Executive Directors, the majority of whom are independent:

Menelaos Const. Shacolas, Chairman	- Non-Executive, Independent
Dinos Lefkarites	- Non-Executive, Independent
Makis Constantinides	- Non-Executive

The Remunerations Committee meets at least once a year and its responsibility is the submission of suggestions to the Board of Directors over the context and amount of the remuneration of the Executive Directors, as well as the terms of the relevant employment contracts. The remuneration of the Non-Executive Directors is determined by the Annual General Meeting.

c. Audit Committee

The Audit Committee's role and responsibility relate to matters regarding the services of the External and Internal Auditors, including their independence affirmation, matters on accounting treatment, matters on review of significant transactions in which there might be a conflict of interest, as well as the preparation of the Report of the Board of Directors on Corporate Governance, with the assistance of the Compliance Officer responsible for the Code. The Audit Committee reports to the Board of Directors. The Internal Control Systems are inspected on a continuous basis by the Group's Internal Audit Department, which reports to the Audit Committee, and reviews their effectiveness.

The Audit Committee of the Company consists of the following members who meet the requirements of the Code, the majority of whom are Independent Non-Executive Directors:

Demetris Demetriou, Chairman	- Non-Executive
Menelaos Const. Shacolas	- Non-Executive, Independent
Dinos Lefkarites	- Non-Executive, Independent

The Audit Committee meets at least 4 times a year. It examines, amongst other things, the financial statements and the company's internal financial systems, the reports of the Internal Audit Department and the effectiveness of the Company's internal controls and risk management systems of the Company. It suggests the appointment or termination of the services of the Internal and External Auditors and it observes their relationship with the Company, including the balance between the audit and other non-audit services they may provide.

The External Auditors of the Company, other than the audit services offered to the Company during the year 2014, they have not provided any other work or service, except for work on assurance, Tax and V.A.T. matters that are directly related to the audit services they provide.

The Audit Committee may request independent professional advice on matters within the scope of its duties and whenever deemed necessary, may invite at its meetings, specialists on the subject matters under discussion.

Directors' Remuneration

The remuneration of the Executive Directors is determined by the Board of Directors after the recommendations of the Remunerations Committee. The Remunerations Committee acts within the framework of the Remuneration Policy, which was approved at the Annual General Meeting of the Shareholders and complies with the provisions of Paragraph B.2 of the Code on Corporate Governance.

None of the Executive Directors is involved in the determination of his/her remuneration. The existing employment contracts of the Executive Directors are of indefinite duration, the notice period does not exceed one year and the provisions of reimbursement in case of early termination of contracts is based on the provisions of the Employment Termination Law.

The remuneration of the Directors, under their capacity as members of the Committees of the Board of Directors, is determined by the Board of Directors and is proportional to the time spent on managing the Company. The remuneration of the Directors, under their capacity as members of the Board of Directors, is approved by the Shareholders at a General Meeting. The remuneration of the Non-Executive Directors is not associated with profitability, nor does it take the form of participation in a pension or insurance scheme of the Company. The remuneration of the Directors for the year 2014 is mentioned below and is separated between the Executive and Non-Executive Directors.

The remuneration of the Executive Director Mr. Marios Panayides, for the year 2014, including the employer's contributions and other benefits was €214.685 (2013: €212.993). The remaining five Executive Directors do not receive any additional reward, apart from their remuneration as members of the Board of Directors and other committees which are analysed for 2014 as follows: Mr. Nicolas K. Shacolas €4.200, Mr. Marios N. Shacolas €3.770, Mrs. Eleni N. Shacola €4.000, Mrs. Chrysoula N. Shacola €4.000 and Mr. George Louca €1.775. The remuneration of Mrs. Eleni N. Shacola, Mrs. Chrysoula N. Shacola and Mr. George Louca has been paid to their employer as compensation for the time they spend being Executive Directors of Woolworth (Cyprus) Properties Plc. Mr. Antonis Ayiomamitis, who was appointed at 23 December 2014, has not benefited from any remuneration for 2014. The total remuneration of the Executive Directors of the Group amounted to €232.430 (2013: €229.163).

During the year ended 31 December 2014, the Company did not pay any additional remuneration to Non-Executive Directors, except for their annual remuneration as members of the Board of Directors and other committees, which was approved at last year's Annual General Meeting of the Company. This is analysed as follows: Mr. Demetris Demetriou €5.900, Mr. Menelaos Const. Shacolas €5.020, Mr. Pambos Ioannides €3.800, Mr. Nicolas Const. Shacolas €3.800 and Mr. Dinos Lefkarites €1.000. The remuneration of Mr. Demetris Demetriou has been paid to his employer as compensation for the time spent being a Non-Executive Chairman of Woolworth (Cyprus) Properties Plc. Mr. Makis Constantinides who offers his services as senior advisor and for this purpose in 2014 he was rewarded with the amount of €30.000 (2013: €31.500). The total remuneration of the Non-Executive Directors of the company amounted to €49.520 (2013: €50.590).

The Directors' remuneration is also presented in Note 31 of the Consolidated and separate Financial Statements of the Group and the Company.

RESPONSIBILITY AND CONTROL

Internal Control System

The Board of Directors has received assurance that the Company maintains an adequate Internal Control System in order to safeguard to the greatest possible extent the Shareholders' investment and the assets of the Company.

The Board of Directors of the Company has reviewed the procedures and methods of validation of the correctness, completeness and accuracy of the information provided to the investors and confirms that they are effective.

The Board of Directors confirms that through its Internal Audit Department of the Shacolas Group of Companies, which acts independently and objectively and reports to the Audit Committee of the Company, inspects the Internal Control Systems of the Company and confirms that their effectiveness is satisfactory. The review of the Internal Control Systems and Risk Management Systems by the Internal Audit Department covers, on a sample basis, the financial, operating, and software systems, including the applied control systems and security systems.

The objective of the Internal Audit Department of the Group is the provision of independent and objective Internal Control services and advisory services designed to add value and improve the operation of the Company.

The Internal Audit Department helps the Group to achieve its goals through the application of systematic and disciplined methodology in the evaluation and improvement of the Risk Management Systems, Internal Control Systems, and in the application of the Code on Corporate Governance. The Internal Audit Department, is liable to the Board of Directors and to the Audit Committee of the Company regarding the execution of its duties. In the context of its independence, its staff reports both administratively and operationally directly to the Audit Committee. The manager of the Internal Audit Department is Mr Rovertos Yiousellis, Chartered Accountant (FCCA, MBA Finance).

The Board of Directors of the Company confirms that nothing has come to its attention concerning any breach of the Cyprus Stock Exchange Laws and Regulations, except of those that are known to the relevant stock exchange officials.

Loans to Directors

Any loans to Directors of the Group from Group companies and information relating to contingent interest of Directors in transactions or matters that affect the Company, are disclosed in Note 31 of the Consolidated and separate Financial Statements of the Group and the Company.

Voting and control rights

The Company has not issued any titles granting special control rights, and there are no limitations regarding voting rights. All shares have the same rights.

Going Concern

The Board of Directors confirms that the Company and the Group has sufficient resources to continue its operations as a going concern for the next twelve months.

Compliance with the Code on Corporate Governance

The Board of Directors appointed Messrs George Mitsides and Demetris Demetriou, who are very familiar with the Stock Exchange Legislation and the regulatory nature of decisions taken by the Board and the Cyprus Securities and Exchange Commission, as Compliance Officers under the Code on Corporate Governance, to observe, in cooperation with the Audit Committee, the implementation of the Code.

RELATIONSHIPS WITH THE SHAREHOLDERS

The Directors consider an important part of their responsibilities the provision of timely, clear and reliable information to the Shareholders and the adoption of the provisions of the Code on Corporate Governance regarding the constructive use of the General Meeting and the equitable treatment of Shareholders. The shareholders, given that they represent a sufficient number of shares, have the possibility to register matters for discussion in the General Meeting of the Shareholders in accordance with the procedures provided by the Companies Law. The Board of Directors appointed Mr Marios Panayides and Mrs Maria Aristidou as the Company's Shareholder liaison officers.

The Board of Directors appointed Mr. Menelaos Const. Shiacolas, Independent Non-Executive Director, as Senior Independent Director, who is available to listen to Shareholders' concerns, whose potential problems may have not been solved through the normal communication channels of the Company.

BOARD OF DIRECTOR'S REMUNERATION POLICY

The Board of Directors Remuneration policy has been determined and approved at the Shareholders' General Meeting, and is uploaded on the Company's official website.

By order of the Board of Directors

George P. Mitsides
Secretary

Nicosia, 28 April 2015

Report on the consolidated financial statements and the separate financial statements of Woolworth (Cyprus) Properties Plc

We have audited the accompanying consolidated financial statements of Woolworth (Cyprus) Properties Plc and its subsidiaries ("The Group") and the separate financial statements of Woolworth (Cyprus) Properties plc (the "Company"), which comprise the balance sheets of the Group and the Company as at 31 December 2014, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation of consolidated and separate financial statements of the Company that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements of the Company, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated and separate financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated and separate financial statements of the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements and the separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Report on other legal and regulatory requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Group and the Company, so far as appears from our examination of these books.
- The consolidated and separate financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the consolidated and separate financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the consolidated and separate financial statements.

Pursuant to the requirements of the Directive DI 190-2007-04 of the Cyprus Securities and Exchange Commission, we report that a Corporate Governance statement has been made for the information relating to paragraphs (a), (b), (c), (f) and (g) of article 5 of the above Directive, and it forms a special part of the Report of the Board of Directors.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors Statutory Audits of Annual and Consolidated Accounts Law of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Nicos A. Theodoulou

Certified Public Accountant and Registered Auditor
for and behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Nicosia, 28 April 2015

	Note	2014	2013
		€	€
Rights for use of space and other income		**20.436.099**	16.994.589
Other income	5	**812.892**	718.092
Other losses– net realised	6	**(33.234)**	(761.013)
General and administration expenses	7	**(3.488.323)**	(3.648.211)
		17.727.434	13.303.457
Other losses-unrealised	6	**(5.016.111)**	(33.806.136)
Operating Profit/(Loss)		**12.711.323**	(20.502.679)
Finance costs	10	**(13.089.966)**	(14.076.779)
Finance income	10	**1.240.295**	793.551
Share of (loss)/profit of associates after tax	18	**(683.193)**	(369.272)
Profit/(loss) profit before tax		**178.459**	(34.155.179)
Corporation tax and defence contribution		**(588.647)**	(49.666)
Deferred tax		**(1.024.965)**	(1.592.131)
Tax	11	**(1.613.612)**	(1.641.797)
Loss for the year and total comprehensive income for the year		**(1.435.153)**	(35.796.976)
Attributable to:			
Owners of the parent		**(2.668.615)**	(35.808.516)
Non-controlling interest		**1.233.462**	11.540
		(1.435.153)	(35.796.976)
Loss per share attributable to the equity holders of the company during the year (cents per share):	12		
Basic		**(2,3)**	(31,3)
Fully diluted		**(2,3)**	(31,3)

The notes on pages 23 to 66 are an integral part of these financial statements.

	Note	2014	2013
		€	€
Assets			
Non-current assets			
Property, plant and equipment	16	619.001	909.540
Investment property	17	371.451.968	368.942.436
Investments in associates	18	19.096.882	19.863.514
Available-for-sale financial assets	20	2.433	2.433
Financial assets at fair value through profit or loss	21	77.712.100	82.712.100
Non-current receivables	22	25.709.157	17.172.857
		494.591.541	489.602.880
Current assets			
Trade and other receivables	23	4.253.522	3.688.499
Tax refundable		21.251	21.251
Cash in hand and at bank	24	723.728	264.526
		4.998.501	3.974.276
Total assets		499.590.042	493.577.156
Equity and Liabilities			
Capital and reserves attributable to owners of the parent			
Share capital	25	38.972.111	38.972.111
Difference from conversion of share capital into Euro		197.184	197.184
Share premium	25	25.018.383	25.018.383
Treasury shares	25	(154.437)	(154.437)
Fair value reserves	26	29.524.070	29.524.070
Retained earnings		79.318.764	73.905.536
		172.876.075	167.462.847
Non-controlling interest		33.828.515	204.121
Total equity		206.704.590	167.666.968
Non-current liabilities			
Payables and accrued expenses	29	4.036.762	3.784.385
Borrowings	27	230.588.225	252.950.982
Deferred income tax liabilities	28	31.247.747	30.222.782
		265.872.734	286.958.149
Current liabilities			
Payables and accrued expenses	29	6.941.524	6.601.317
Current income tax liabilities		1.785.129	1.318.595
Borrowings	27	18.286.065	31.032.127
		27.012.718	38.952.039
Total liabilities		292.885.452	325.910.188
Total equity and liabilities		499.590.042	493.577.156

On 28 April 2015 the Board of Directors of Woolworth (Cyprus) Properties Plc authorised these consolidated financial statements for issue.

Demetris Demetriou
Chairman

Marios Panayides
Managing Director

The notes on pages 23 to 66 are an integral part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2014

	Attributable to owners of the parent								
	Share capital	Difference from conversion of share capital into Euro	Treasury shares	Share Premium (2)	Fair value reserves	Retained earnings (1)	Capital and reserves attributable to equity holders of the Company	Non-controlling interests	Total
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2013	38.972.111	197.184	(154.437)	25.018.383	29.524.070	109.714.052	203.271.363	215.667	203.487.030
Comprehensive income									
(Loss)/profit for the year	-	-	-	-	-	(35.808.516)	(35.808.516)	11.540	(35.796.976)
Total comprehensive income for the year	-	-	-	-	-	(35.808.516)	(35.808.516)	11.540	(35.796.976)
Transactions with owners									
Dividend relating to 2011	-	-	-	-	-	-	-	(23.086)	(23.086)
Total transactions with owners	-	-	-	-	-	-	-	(23.086)	(23.086)
Balance at 31 December 2013	**38.972.111**	**197.184**	**(154.437)**	**25.018.383**	**29.524.070**	**73.905.536**	**167.462.847**	**204.121**	**167.666.968**

Consolidated statement of changes in equity for the year ended 31 December 2014

	Attributable to owners of the parent								
	Share capital	Difference from conversion of share capital into Euro	Treasury shares	Share Premium (2)	Fair value reserves	Retained earnings (1)	Capital and reserves attributable to equity holders of the Company	Non-controlling interests	Total
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2014	38.972.111	197.184	(154.437)	25.018.383	29.524.070	73.905.536	167.462.847	204.121	167.666.968
Comprehensive income									
(Loss)/profit for the year	-	-	-	-	-	(2.668.615)	(2.668.615)	1.233.462	(1.435.153)
Total comprehensive income for the year	-	-	-	-	-	(2.668.615)	(2.668.615)	1.233.462	(1.435.153)
Transactions with owners									
Dividend relating to 2012	-	-	-	-	-	-	-	(2.277.225)	(2.277.225)
Partial disposal of subsidiary (Note 31(viii))	-	-	-	-	-	8.081.843	8.081.843	34.668.157	42.750.000
Total transactions with owners	-	-	-	-	-	8.081.843	8.081.843	32.390.932	40.472.775
Balance at 31 December 2014	38.972.111	197.184	(154.437)	25.018.383	29.524.070	79.318.764	172.876.075	33.828.515	206.704.590

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. Special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and is reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

(2) The share premium reserve is not distributable in the form of dividends.

The notes on pages 23 to 66 are an integral part of these financial statements.

	Note	2014 €	2013 €
Cash flows from operating activities			
Profit/(loss) before tax		178.459	(34.155.179)
Adjustments for:			
Depreciation of property, plant and equipment	16	293.357	364.664
Interest expense	10	13.089.966	14.076.779
Interest income	10	(1.240.295)	(793.551)
Share of loss/(profit) of associates	18	683.193	369.272
Fair value loss on investment property	6	16.111	9.284.369
Fair value loss on financial assets at fair value through profit and loss	6	5.000.000	24.512.034
Profit from sale of property, plant and equipment	16	33.234	(4.500)
Impairment of available for sale financial assets	6	-	9.733
		18.054.025	13.663.621
Changes in working capital:			
Trade and other receivables		(7.862.969)	(7.262.601)
Payables and accrued expenses		592.584	1.047.849
Cash generated from operations		10.783.640	7.448.869
Tax paid		(122.113)	(171.617)
Net cash from operating activities		10.661.527	7.277.252
Cash flows from investing activities			
Purchases of property, plant and equipment	16	(39.341)	(14.173)
Purchases of investment property	17	(2.525.643)	(877.132)
Proceeds from sale of subsidiary shares	19	42.750.000	-
Proceeds from sale of property, plant and equipment	16	3.289	4.500
Interest received		1.941	345
Dividends received from associates	18	83.439	917.839
Purchase of available for sale financial assets	20	-	(12.166)
Net cash from investing activities		40.273.685	19.213
Cash flows from financing activities			
Net borrowings		(35.108.819)	6.469.043
Interest paid		(13.089.966)	(14.076.779)
Dividends paid by subsidiary companies to non-controlling interest		(2.277.225)	(23.086)
Net cash used in financing activities		(50.476.010)	(7.630.822)
Net increase/(decrease) in cash and cash equivalents		459.202	(334.357)
Cash and cash equivalents at beginning of year		264.526	598.883
Cash and cash equivalents at end of year	24	723.728	264.526

The notes on pages 23 to 66 are an integral part of these financial statements.

	Note	2014 €	2013 €
Rights for use of space and other income			
Other income		**3.739.559**	3.537.325
Other gains/(losses) – net realised	5	**5.646.349**	7.771.856
General and administration expenses	6	**3.000**	(500.000)
	7	**(1.845.665)**	(1.743.566)
		7.543.243	9.065.615
Other losses – unrealised	6	**(6.929.688)**	(29.931.508)
Operating profit/(loss)		**613.555**	(20.865.893)
Profit from the disposal of subsidiary share	9	**26.853.995**	-
		27.467.550	(20.865.893)
Finance costs			
Finance income	10	**(10.769.657)**	(11.620.407)
Profit/(loss) before tax	10	**3.249.935**	2.646.905
		19.947.828	(29.839.395)
Corporation tax and defence contribution		**-**	-
Deferred tax		**65.652**	236.785
Tax	11	**65.652**	236.785
Profit/(loss) for the year and total comprehensive income for the year		**20.013.480**	(29.602.610)
Profit/(loss) per share attributable to the equity holders of the company during the year (cents per share)	12		
Basic		**17,5**	(25,9)
Fully diluted		**17,5**	(25,9)

The notes on pages 23 to 66 are an integral part of these financial statements.

Assets	Note	2014 €	2013 €
Non-current assets			
Property, plant and equipment			
Investment property	16	**34.568**	26.962
Investments in subsidiaries	17	**88.500.002**	90.373.690
Investments in associates	19	**43.559.132**	59.455.137
Financial assets at fair value through profit or loss	18	**8.332.623**	8.332.623
Non-current receivables	21	**77.712.100**	82.712.100
	22	**60.876.681**	53.499.036
		279.015.106	294.399.548
Current assets			
Current portion of non-current receivables	22	**1.000.000**	1.000.000
Trade and other receivables	23	**3.747.247**	2.288.196
Cash in hand and at bank	24	**156.655**	47.217
		4.903.902	3.335.413
Total assets		**283.919.008**	297.734.961

Equity and Liabilities

	Note	2014 €	2013 €
Capital and reserves attributable to owners of the parent			
Share capital			
Difference from the conversion of share capital into Euro	25	**38.972.111**	38.972.111
Share premium		**197.184**	197.184
Treasury shares	25	**25.018.383**	25.018.383
Fair value reserves	25	**(154.437)**	(154.437)
Retained earnings	26	**26.013.836**	26.013.836
		21.136.481	1.123.001
Total equity		**111.183.558**	91.170.078
Non-current liabilities			
Borrowings	27	**151.950.432**	173.594.698
Deferred income tax liabilities	28	**7.602.394**	7.668.046
		159.552.826	181.262.744
Current liabilities			
Payables and accrued expenses	29	**1.888.599**	1.454.002
Current income tax liabilities		**1.031.969**	1.031.969
Borrowings	27	**10.262.056**	22.816.168
		13.182.624	25.302.139
Total liabilities		**172.735.450**	206.564.883
Total equity and liabilities		**283.919.008**	297.734.961

On 28 April 2015 the Board of Directors of Woolworth (Cyprus) Properties Plc authorised these financial statements for issue.

Demetris Demetriou
Chairman

Marios Panayides
Managing Director

The notes on pages 23 to 66 are an integral part of these financial statements.

Statement of changes in equity of the Company for the year ended 31 December 2014

Attributable to the owners of the parent

	Share capital	Difference from conversion of share capital into Euro	Treasury shares	Share premium (2)	Fair value reserves	Retained earnings (1)	Total
	€	€	€	€	€	€	€
Balance at 1 January 2013	38.972.111	197.184	(154.437)	25.018.383	26.013.836	30.725.611	120.772.688
Comprehensive income							
Loss for the year	-	-	-	-	-	(29.602.610)	(29.602.610)
Total loss for the year	-	-	-	-	-	(29.602.610)	(29.602.610)
Balance at 31 December 2013	38.972.111	197.184	(154.437)	25.018.383	26.013.836	1.123.001	91.170.078
Balance at 1 January 2014	38.972.111	197.184	(154.437)	25.018.383	26.013.836	1.123.001	91.170.078
Comprehensive income							
Profit for the year	-	-	-	-	-	20.013.480	20.013.480
Total comprehensive income for the year	-	-	-	-	-	20.013.480	20.013.480
Balance at 31 December 2014	38.972.111	197.184	(154.437)	25.018.383	26.013.836	21.136.481	111.183.558

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. Special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and is reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

(2) The share premium reserve is not distributable in the form of dividends.

The notes on pages 23 to 66 are an integral part of these financial statements.

	Note	2014 €	2013 €
Cash flows from operating activities			
Profit/loss) before tax		19.947.828	(29.839.395)
Adjustments for:			
Depreciation of property, plant and equipment	16	12.072	23.728
Interest expense	10	10.769.657	11.620.407
Interest income	10	(3.249.935)	(2.646.905)
Dividend income	5	(5.411.216)	(7.428.254)
Profit from sale of available for sale financial assets	16	(3.000)	-
Fair value loss on investment property	6	1.929.688	5.419.474
Fair value loss on financial assets at fair value through profit and loss	6	5.000.000	24.512.034
Profit on the disposal of subsidiary company	19	(26.853.995)	-
		2.141.099	1.661.089
Changes in working capital:			
Trade and other receivables		(220.697)	(118.320)
Payables and accrued expenses		434.597	395.155
Cash generated from operations		2.354.999	1.937.924
Tax paid		-	-
Net cash from operating activities		2.354.999	1.937.924
Cash flows from/(used in) investing activities			
Purchases of property, plant and equipment	16	(19.678)	(1.343)
Purchases of investment property	17	(56.000)	(21.300)
Proceeds from sale of property, plant and equipment	16	3.000	-
Net borrowings to related parties		(7.377.645)	(9.602.837)
Proceeds from sale of subsidiary company	19	42.750.000	-
Interest received		2.011.581	1.853.699
Dividends received		5.411.216	7.428.254
Net cash from/(used in) investing activities		42.722.474	(343.527)
Cash flows used in financing activities			
Net borrowings		(34.198.378)	10.072.875
Interest paid		(10.769.657)	(11.620.407)
Net cash used in financing activities		(44.968.035)	(1.547.532)
Net increase in cash and cash equivalents		109.438	46.865
Cash and cash equivalents at beginning of year		47.217	352
Cash and cash equivalents at end of year	24	156.655	47.217

The notes on pages 23 to 66 are an integral part of these financial statements.

1 GENERAL INFORMATION

Country of incorporation

The Company was incorporated and domiciled in Cyprus in 1971 as a private limited liability company in accordance with the provisions of the Companies Law, Cap. 113 and in 1987 it became a public company. In 1996 the Company's shares were quoted on the Cyprus Stock Exchange.

The Company's registered office is at Shacolas Building, Old Nicosia-Limassol Road, Athalassa, Nicosia.

Principal activities

The Company is the parent company of the Woolworth Group. As from 31 December 2003 the Group's activities involve mainly the ownership, development, management and trading of property. The Company also owns 35% of the share capital of the company Akinita Lakkos Mikelli Ltd.

The principal activity of the Company and the Group up until 31 December 2003 was the conduct of retail trading in Cyprus and in Greece, through multistores and specialised stores. As from that date, after the restructuring that took place, all the retail activities were transferred to Ermes Department Stores Plc. This restructuring resulted in the separation of the trading activities of the Company and the Group from the property and investing activities.

Operating Environment of the Company and the Group

The Cyprus economy has been adversely affected from the crisis in the Cyprus banking system in conjunction with the inability of the Republic of Cyprus to borrow from international markets. These events led to negotiations between the Republic of Cyprus and the European Commission, the European Central Bank and the International Monetary Fund (the "Troika") for financial support which resulted into the Eurogroup decision on 25 March 2013. The decision included the restructuring of the two largest banks in Cyprus through a "bail in". Additionally, during 2013 and 2014 the Cyprus economy further contracted with a decrease in the Gross Domestic Product.

The economic conditions described above, together with the impact of the Eurogroup decision of 25 March 2013 for Cyprus, may have an adverse impact on the Group's and the Company's debtors (inability to meet their obligations towards the Group and the Company), suppliers (inability to continue trading, or to continue supply products and services with the same terms as previously), the valuation of investment property and the valuation of financial assets at fair value through profit and loss, bankers (inability to provide adequate finance with terms and conditions that applied to previous transactions), and future income from rental income/ rights of use of space or disposal of properties.

The deterioration of operating conditions could also have an impact on the cash flow forecasts of the Company and Group's management and in effect:

(a) in the assessment for impairment of financial assets,

(b) in the valuation of assets that are measured at fair value based on discounted cash flows,

(c) in the management's assessment for the existence of satisfactory financial assistance for the Company and the Group.

The Company's and the Group's management has assessed whether any impairment allowances are deemed necessary for the financial assets carried at amortized cost by considering the economic situation and outlook at the end of the reporting period. Impairment of trade receivables is determined using the "incurred loss" model required by International Accounting Standard 39 "Financial Instruments: Recognition and Measurement". This standard requires recognition of impairment losses for receivables that arose from past events and prohibits recognition of impairment losses that could arise from future events, no matter how likely those future events are.

The Company's and the Group's management is unable to predict all developments which could have an impact on the Cyprus economy and consequently, what effect, if any, they could have on the future financial performance, cash flows and financial position of the Company and the Group.

The Company's and the Group's management believes that it is taking all the necessary measures to maintain the viability of the Company and the Group and the development of its business in the current business and economic environment.

These measures include, among the successful restructuring of the Group's loans during 2014, the deleveraging through liquidation of non-core activities and surplus assets, reduce spending including management and staff costs, rigorous management of working capital and closing/restructuring non-profitable operations.

The parent company confirmed that it will financially support the Company and the Group in case they need it.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Basis of preparation

The consolidated financial statements of Woolworth (Cyprus) Properties Plc and its subsidiaries and the Company's separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), the requirements of the Cyprus Companies Law, Cap. 113, and the Cyprus Stock Exchange Laws and Regulations.

As of the date of the authorisation of the consolidated and separate financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2014 have been adopted by the EU through the endorsement procedure established by the European Commission, with the exception of certain provisions of IAS 39 "Financial Instruments: Recognition and Measurement" relating to portfolio hedge accounting.

The consolidated and separate financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, available-for-sale financial assets and financial assets at fair value through profit or loss.

The consolidated and separate financial statements have been prepared on a going concern basis. The Board of Directors has made an assessment of the ability of the Company and the Group to continue as a going concern (Note 1), and has satisfactorily concluded that the financial statements can be prepared on this basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Company's and the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2014. This adoption did not have a material effect on the accounting policies of the Company and the Group with the exception of the following:

IFRS 12, "Disclosures of Interests in Other Entities". IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 sets out the required disclosures for entities reporting under the two new standards: IFRS 10, Consolidated financial statements, and IFRS 11, Joint arrangements, and replaces the disclosure requirements currently found in IAS 28, Investments in associates. IFRS 12 requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. To meet these objectives, the new standard requires disclosures in a number of areas, including significant judgments and assumptions made in determining whether an entity controls, jointly controls, or significantly influences its interests in other entities, extended disclosures on share of non-controlling interests in group activities and cash flows, summarised financial information of subsidiaries with material non-controlling interests, and detailed disclosures of interests in unconsolidated structured entities. Refer to Notes 18 and 19 for the relevant disclosures.

At the date of approval of these financial statements a number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

Consolidated financial statements

General

The consolidated financial statements include the financial statements of Woolworth (Cyprus) Properties Plc (the "Company") and all its subsidiaries which are collectively referred to as the "Group".

Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies and generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control when it does not have more than 50% of the voting rights but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of other shareholders participation, give to the group the power to govern the financial and operating policies etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred for the previous owner of the acquired business and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed in profit or loss as incurred. Identifiable assets acquired and liabilities, including contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the fair value at the acquisition date of the previously held interest by the group is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is considered as an asset or liability is recognised in accordance with IAS 39 either in the profit and loss account or as a change to other comprehensive income. Contingent consideration classified as equity is not remeasured and is subsequently accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses arising from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the consolidated profit or loss.

After application of the equity method, including recognising the associates' losses, the carrying amount of the investment in associate which includes the goodwill arising on acquisition is tested for impairment by comparing its recoverable amount with its carrying amount whenever there is an indication of impairment.

Sale of subsidiary or associate companies

The gain or loss from the disposal of subsidiary or associate companies is estimated as the difference between the sale proceeds and the Group's share of net assets of the subsidiary or associate at the date of disposal, less any unamortised goodwill resulting during the acquisition of the subsidiary or associate.

Separate financial statements of the Company

(i) Subsidiaries
In the balance sheet of the Company investments in subsidiaries are carried at cost less any impairment.

(ii) Associates
In the balance sheet of the Company investments in associates are carried at cost less any impairment.

In the separate financial statements of the Company the profit or loss from the sale of subsidiaries or associates is calculated as the difference between the selling price and the carrying amount of the subsidiary or associate company.

Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for the sale of goods and services in the ordinary course of the Group activities net of Value Added Taxes, returns and discounts.

The Company and the Group recognise revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's and the Group's activities as described below. The Company and the Group base their estimate of return on historic results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenues earned by the Company are recognised on the following bases:

(i) Income from rights for use of space
The income from rights for use of space is recognised on an accrual basis according to the substance of the relevant rights agreements.

(ii) Rental income
Rental income arising on operating leases is recognised on a straight-line basis over the lease term.

(iii) Interest income
Interest income is recognised on a time proportion basis using the effective interest method.

(iv) Dividend income
Dividend income is recognised when the Company's and the Group's right to receive payment is established.

(v) Sale of services
Sales of services are recognised in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Employee benefits

The Group's companies and the employees contribute to the Government Social Insurance Fund based on employees' salaries. In addition, the Group's companies operate a defined contribution scheme the assets of which are held in a separate trustee-administered fund. The scheme is funded by payments from employees and by the companies. The Group's companies contributions are expensed as incurred and are included in staff costs. The Group's companies have no further payment obligations once the contributions have been paid. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Foreign currency translation

(i) Functional and presentation currency
Items included in the consolidated and separate financial statements of the Group and the Company are measured using the currency of the primary economic environment in which the Group and the Company operates ("the functional currency"). The consolidated and separate financial statements are presented in Euros (€), which is the Group's and the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax is calculated in the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which each company of the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

No deferred taxation arises for investments in subsidiaries and associates because the profits from the sale of securities are not taxable.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company and the Group where there is an intention to settle the balances on a net basis.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's and the Group's financial statements in the year in which the dividends are appropriately authorised and are no longer at the discretion of the Company. More specifically, interim dividends are recognised as a liability in the period in which these are authorised by the Board of Directors of the Company and in the case of final dividends, these are recognised in the period in which these are approved by the Company's shareholders.

Property, plant and equipment

Property, plant and equipment are stated at historic cost less depreciation. Historic cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values, over their estimated useful lives. The annual depreciation rates are as follows:

	%
Motor vehicles	20
Furniture and fittings	15
Office equipment	15
Computers	33
Machinery	20
Improvements on leasehold properties	10

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which they were incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the Group and the cost of the item can be measured reliably.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are recognised in profit or loss. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Investment property

Investment property is held for long-term rental yields or for capital appreciation or both and is not occupied by the Company and the Group. Investment property is carried at fair value, representing open market value determined annually by the Company's and Group's management taking into consideration all relevant information available, including valuations from external independent valuers, market conditions and others.

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Company's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Impairment of non financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

(i) Classification

The Company and the Group classify their financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

- Financial assets at fair value through profit or loss
  This category has two sub categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performance is evaluated on a fair value basis, in accordance with the Company's and the Group's documented investment strategy. Information about these financial assets is provided internally on a fair value basis to the Company's

and the Group's key management personnel. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the balance sheet date. Financial assets included in this category and for which the range of reasonable estimates of fair values is material and the likely values within this range cannot be reliably estimated, are recognised at cost.

- Loans and receivables
  Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which there is no intention of trading the receivable. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non current assets. The Company's and the Group's loans and receivables comprise "trade and other receivables" and "cash and bank balances", "non-current receivables" and "current portion of non-current receivables" in the balance sheet.

- Available-for-sale financial assets
  Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets, unless management intends to dispose of the investment within twelve months of the balance sheet date.

(ii) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade date which is the date on which the Company and the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company and the Group have transferred substantially all risks and rewards of ownership.

Available- for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within 'other gains/(losses) net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the Company's and the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available for sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss, while translation differences on non monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as gains and losses on available for sale financial assets.

Interest on available for sale securities calculated using the effective interest method is recognised in the profit or loss as part of other income. Dividends on available for sale equity instruments are recognised in profit or loss as part of other income when the Company's and the Group's right to receive payments is established.

(iii) Impairment of financial assets

The Company and the Group assess at the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measures as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest date determined under the contract. As a practical expedient, the Company and the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rate, the reversal of the previously recognised impairment loss is recognised in the profit or loss.

In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through the profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company and the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of estimated future cash flows, discounted at the effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within 'general and administrative expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'general and administrative expenses' in profit or loss.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs for the issue of shares directly attributable to the acquisition of a business are included in the cost of acquisition as part of the purchase consideration.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purpose, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of tax) is deducted from shareholders' equity as treasury shares until they are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in shareholders' equity attributable to the Company's equity holders.

Provisions

Provisions are recognised when the Company and the Group have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase to the provision due to the passage of time is recognised as interest expense.

Restructuring provisions comprise lease termination penalties and employee termination payments, and are recognised in the period in which the Company and the Group become legally or constructively committed to payment. Costs related to the ongoing activities of the Company and the Group are not provided in advance. Provisions are not recognised for future operating losses.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extend there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment (for liquidity services) and amortised over the period of the facility to which it relates.

Borrowing costs are interest and other costs that the Company and the Group incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest expense.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the Group and the costs can be measured reliably.

Borrowings are classified as current liabilities, unless the Company and the Group have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business of the Company and the Group from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial Guarantee Contracts

Financial Guarantee Contracts are recognised as financial liabilities, when they are material, the date of the issuance of guarantee. Liabilities arising from financial guarantee contracts, including subsidiaries corporate guarantees, through contracts of mutual guarantee are initially recognised at fair value and subsequently at the higher of the amount determined by the accounting policy of provisions of the consolidated entity and the amount initially recognised minus depreciation. The fair value of financial guarantee contracts is determined by the net present value of the difference of the future cash flows between payments under contracts and payments that would be required without the guarantee, or the calculation of the amount that would have been payable to third parties to undertake the relative liability.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand and current deposits held at call with banks with original maturities of three months or less.

Segmental reporting

The group considers that there are no separate operating segments according to IFRS 8 "Operating segments" for which there is discretionary financial information for making decisions on allocating resources and evaluating their performance. The Group's management (Board of Directors) (highest operating decisions-maker) makes its decisions on allocating resources and evaluating their performance based on internal reports at a group level. These reports are in accordance with IFRS used for the preparation of the consolidated and separate financial statements. There is no additional information for the performance of separate segments.

Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3 FINANCIAL RISK MANAGEMENT

(i) Financial risk factors

The Company's and the Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The Company's and the Group's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's and the Group's financial performance. Risk management is carried out by a central treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's and the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

- Market risk

Cash flow and fair value interest rate risk

As the Company and the Group have significant interest bearing assets, the Company's and the Group's income and operating cash flows are substantially dependent of changes in market interest rates. The interest rates of the most interest bearing assets are fixed and expose the Company and the Group to fair value interest rate risk. The majority of interest bearing assets is associated with related Companies. The interest rates are set by the Group's management and are reassessed at regular intervals based on market conditions.

The Company's and the Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Company and the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company and the Group to fair value interest rate risk.

At 31 December 2014, if interest rates on Euro denominated borrowings had been 0,5% (2013: 0,5%) higher/lower with all other variables held constant, post tax profit for the year would have been €977.957 (2013: €1.047.310) lower/higher for the Group and €513.856 (2013: €561.467) lower/ higher for the Company, mainly as a result of higher/lower interest expense on floating rate borrowings.

The Company's and the Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

- Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and financial institutions, only those which are positively evaluated, under the circumstances, by the Board of Directors are accepted, taking into account the condition of the financial sector of Cyprus as described in Note 1 of the financial statements.

Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. See Note 15 for further disclosure on credit risk.

- Liquidity risk

The table below analyses the Company's and the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances of trade and other payables due within 12 months equal their carrying balances as the impact of discounting is not significant.

The Group	Less than 1 year	Between 1 and 2 years	Between 2 to 5 years	Over 5 years
	€	€	€	€
At 31 December 2014				
Bank overdrafts	6.493.633	-	-	-
Borrowings	19.487.221	22.174.169	125.416.953	145.373.992
Trade and other payables	6.658.627	-	-	-
	32.639.481	22.174.169	125.416.953	145.373.992
At 31 December 2013				
Bank overdrafts	6.237.152	-	-	-
Borrowings	32.982.422	22.217.004	113.048.083	194.202.339
Trade and other payables	6.337.325	-	-	-
	45.556.899	22.217.004	113.048.083	194.202.339

The Company	Less than 1 year	Between 1 and 2 years	Between 2 to 5 years	Over 5 years
	€	€	€	€
At 31 December 2014				
Bank overdrafts	2.449.712	-	-	-
Borrowings	13.041.307	15.162.544	57.303.786	126.454.060
Trade and other payables	1.888.599	-	-	-
	17.379.618	15.162.544	57.303.786	126.454.060
At 31 December 2013				
Bank overdrafts	2.537.065	-	-	-
Borrowings	25.276.149	16.452.320	45.207.548	181.539.514
Trade and other payables	1.454.002	-	-	-
	29.267.216	16.452.320	45.207.548	181.539.514

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The management maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's and the Group's liquidity reserve (includes undrawn borrowing facilities (Note 27) and cash and cash equivalents (Note 24) on the basis of expected cash flows).

The Board of Directors and the Management of the Company and the Group have taken all the necessary actions needed to refinance the existing debt.

The borrowings of the Company and the Group are secured by guarantees from related companies (Note 27), whereas the Company and the Group have guaranteed borrowings of related companies (Note 30).

The parent company confirmed that it will financially support the Company and the Group in case they need it.

(ii) Capital risk management

The Company's and the Group's objectives when managing capital are to safeguard the Company's and the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders of the Company and the Group and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company and the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company and the Group monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

During 2014, the Company's and the Group's strategy, which was unchanged from 2013, was to maintain the gearing ratio within sustainable levels. The gearing ratios at 31 December 2014 and 2013 were as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Total borrowings (Note 27)	**248.874.290**	283.983.109	**162.212.488**	196.410.866
Less: cash and cash equivalents (Note 24)	**(723.728)**	(264.526)	**(156.655)**	(47.217)
Net debt	**248.150.562**	283.718.583	**162.055.833**	196.363.649
Total equity	**206.704.590**	167.666.968	**111.183.558**	91.170.078
Total capital as defined by management	**454.855.152**	451.385.551	**273.239.391**	287.533.727
Gearing ratio	**55%**	**63%**	**59%**	**68%**

(iii) Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been identified as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables present the Company's and the Group's assets and liabilities that are measured at fair value at 31 December 2013.

The Group	Level 1	Level 2	Level 3	Total
Assets	€	€	€	€
Financial assets at fair value through profit or loss:				
-Non-Trading Securities	-	-	82.712.100	82.712.100
Available for sale financial assets				
- Non - Trading securities	-	-	2.433	2.433
Total assets measured at fair value	-	-	82.714.533	82.714.533

The Company	Level 1	Level 2	Level 3	Total
Assets	€	€	€	€
Financial assets at fair value through profit or loss:				
- Non - Trading securities	-	-	82.712.100	82.712.100
Total assets measured at fair value	-	-	82.712.100	82.712.100

The following tables present the Company's and the Group's assets and liabilities that are measured at fair value at 31 December 2014.

The Group	Level 1	Level 2	Level 3	Total
Assets	€	€	€	€
Financial assets at fair value through profit or loss:	-	-	77.712.100	77.712.100
- Non - Trading securities				
Available for sale financial assets				
- Non - Trading securities	2.433	-	-	2.433
Total assets measured at fair value	2.433	-	77.712.100	77.714.533

The Company	Level 1	Level 2	Level 3	Total
Assets	€	€	€	€
Financial assets at fair value through profit or loss:				
- Non - Trading securities	-	-	77.712.100	77.712.100
Total assets measured at fair value	-	-	77.712.100	77.712.100

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company and the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Cyprus Stock Exchange equity investments classified as available for sale.

The fair value of financial instruments that are not traded in an active market (for example, unlisted equity securities) or that are traded but for which there is no active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

It must be noted that the amount included in Level 3 amounting to €77.712.100 (2013: €82.712.100) relates to financial assets at fair value through profit or loss the securities of which are not traded but they are themselves owners of equity investments in financial assets carried at fair value the securities of which are traded in a non-regulated market.

The following table presents the changes in Level 3 investments for the years ended 31 December 2013 and 31 December 2014:

	Equity securities 2014	Equity securities 2013
The Group	€	€
At 1 January	82.714.533	107.224.134
Additions of available-for-sale financial assets	-	12.166
Loss recognised in profit or loss from financial assets at fair value through profit or loss	(5.000.000)	(24.512.034)
Loss recognised in profit or loss from available-for-sale financial assets	-	(9.733)
Transfer to Level 1	(2.433)	-
At 31 December	77.712.100	82.714.533
Total losses for the period included in profit or loss for assets held at the end of the reporting period under other gains/losses	(5.000.000)	(24.521.767)
Change in unrealised gains or losses for the year included in profit or loss for assets held at the end of the reporting period	(5.000.000)	(24.521.767)

The Company	Equity securities 2014 €	Equity securities 2013 €
At 1 January	82.712.100	107.224.134
Loss recognised in profit or loss from financial assets at fair value through profit or loss	(5.000.000)	(24.512.034)
At 31 December	77.712.100	82.712.100
Total losses for the period included in profit or loss for assets held at the end of the reporting period under other gains/losses	(5.000.000)	(24.512.034)
Change in unrealised gains or losses for the year included in profit or loss for assets held at the end of the reporting period	(5.000.000)	(24.512.034)

During 2013, following the March Eurogroup decisions, the Group obtained 12.166 shares in Bank of Cyprus which are valued using a level 3 valuation (Note 4).

During 2014, following the listing of the Bank of Cyprus shares in an active market, these were reclassified from level 3 to level 1 fair value measurement category, at their fair value of €2.433 at the date of the transfer.

Refer to Notes 17, 20 and 21 for disclosures relating to fair values for investment property, financial assets at fair value through profit or loss and available for sale financial assets respectively carried at fair value.

(iv) Offsetting financial assets and liabilities

The Company and the Group do not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company and the Group make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Income taxes

  Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. The Company and the Group recognise liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

- Impairment loss on bank deposits

  As of 26 March 2013, one Company of the Group held deposits of €125.613 in Bank of Cyprus and another company held deposits of €365.513 in Laiki Bank. Following the Eurogroup decision on 25 March 2013, the Companies' uninsured bank deposit balances with Laiki Bank and Bank of Cyprus have suffered an impairment loss. In estimating the impairment loss suffered, the Company and the Group have assessed that in view of the resolution of Laiki Bank, it will not be able to recover any amounts in excess of the insured balance and as a result has recognised an impairment loss for the entire uninsured balance of €265.513. In estimating the impairment loss on the uninsured bank balances with Bank of Cyprus held as of 26 March 2013, the Company and the Group have considered that there was no impairment loss on the bank deposits which had not been converted into shares, but an impairment loss has been suffered as a result of the conversion of 47,5% of the uninsured bank deposits into ordinary shares of Bank of Cyprus. The impairment loss has been estimated at €9.733, being the difference between the deposit balance of €12.166 which was converted into 12.166 ordinary shares of Bank of Cyprus and the fair value of these shares which has been estimated at €0.20 per share.

  In the absence of a listed market price for the Bank of Cyprus shares during 2013, and in view of the drastic changes in the activities, operations and structure of Bank of Cyprus as a result of the Eurogroup decisions in March 2013, the Company and the Group have estimated the fair value of the shares both for the purposes of initial recognition of the shares and as of 31 December 2014, using a level 3 valuation. The approach followed in this valuation entailed consideration of comparable price-to-book value multiples on which adjustments have made to take into consideration differences in liquidity, capital adequacy, credit rating and also impact of bail-in relating specifically to Bank of Cyprus. Such adjustments entail significant degree of estimation uncertainty and judgment.

- **Classification of Financial Assets at Fair Value through Profit and Loss**
  For the determination of the classification of the investment in Cyprus Limni Resorts and GolfCources Plc significant judgement is required. Specifically, although the Company and the Group holds shareholding of between 20% to 50% of the voting rights of the company, bearing in mind that the other related company controls on its own more than 50% of voting rights, it has been classified as financial asset at fair value through profit and loss and not as an associate company in accordance with the documented investment strategy of the Company and the Group. Information on this basis of the fair value of financial assets is provided to the management of the Company and the Group.
- **Fair Value of Investment Properties and financial instruments**
  The fair value of investment properties and financial instruments that are not traded in an active market is determined using valuation techniques. Adverse developments in the rental property or comparable property values will have a similar impact on the fair value of the investment properties of the Company and the Group. The sensitivity of the significant estimates involved is disclosed in Notes 17 and 21.

5 OTHER INCOME

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
Dividend income	**-**	-	**5.411.216**	7.428.254
Consultancy services	**154.160**	308.427	**234.004**	321.234
Other income	**658.732**	409.665	**1.129**	22.368
	812.892	718.092	**5.646.349**	7.771.856

Consultancy services represent services of management nature that were provided to related companies.

6 OTHER GAINS/(LOSSES) – NET

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
Realised profits/(losses)				
Investment property:				
Return part of the amount of the compensation received (1)	**-**	(500.000)	**-**	(500.000)
Property, plant and equipment:				
(Loss)/profit on sale (Note 16)	**(33.234)**	4.500	**3.000**	-
Cash in hand and at bank:				
Impairment charges (Note 4)	**-**	(265.513)	**-**	-
Total realised (losses)/gains				
	(33.234)	(761.013)	**3.000**	(500.000)
Unrealised losses				
Investment property:				
Fair value loss (Note 17)	**(16.111)**	(9.284.369)	**(1.929.688)**	(5.419.474)
Financial assets at fair value through profit or loss:				
Fair value loss (Note 21)	**(5.000.000)**	(24.512.034)	**(5.000.000)**	(24.512.034)
Available for sale financial assets:				
Impairment loss (Note 20)	**-**	(9.733)	**-**	-
Total unrealised losses	**(5.016.111)**	(33.806.136)	**(6.929.688)**	(29.931.508)

(1) The Group's and Company's results for 2013, include loss of €500.000 arising after a settlement agreement reached for the return of part of the amount of the compensation received after the termination of the contract of sale of part of the land at Strovolos area, due to the inability of the buyer to fulfil his financial obligations.

7 EXPENSES BY NATURE

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Depreciation of property, plant and equipment (Note 15)	**293.357**	364.664	**12.072**	23.728
Directors' remuneration	**37.265**	35.260	**37.265**	35.260
Remuneration of directors of subsidiaries	**6.600**	33.600	-	-
Professional fees	**450.099**	511.163	**412.776**	362.013
Building and equipment expenses	**62.566**	49.067	**12.409**	26.782
Office expenses	**29.265**	27.854	**25.615**	22.039
Travelling expenses	**7.192**	927	**6.038**	300
Insurance	**163.149**	154.603	**77.351**	82.635
Auditors' remuneration	**107.079**	103.856	**64.000**	64.000
Legal fees	**52.001**	13.910	**5.000**	3.881
Bank charges	**31.091**	35.102	**23.512**	29.551
Donations and subscriptions	**157.133**	450	**152.333**	450
Cyprus Stock Exchange expenses	**30.782**	33.195	**21.679**	20.929
Staff costs (Note 8)	**587.403**	679.125	**541.480**	632.009
Advertising and other promotional expenses	**50.496**	19.016	**38.609**	24.721
Receivables - impairment charge for receivables	**82.031**	89.800	-	-
Taxes and licenses	**760.323**	821.936	**190.670**	198.323
Annual General Meeting expenses	**8.690**	10.453	**7.856**	10.412
Common use expense	**297.034**	362.235	-	-
Other expenses	**274.767**	301.995	**217.000**	206.533
	3.488.323	3.648.211	**1.845.665**	1.743.566

The fees other than auditor's remuneration charged by the Group's and the Company's statutory audit firm are as follows:

Group €52.381 (2013: €51.508) and Company €38.200 (2013: €32.800) for tax consultancy services, Group €48.127 (2013: €27.913) and Company €28.500 (2014: €15.730) for other assurance services, Group €3.850 (2013: €11.778) and Company €Nil (2013: €11.000) for other non-assurance services.

8 STAFF COSTS

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Salaries	**526.043**	616.487	**483.373**	572.493
Social insurance and other funds	**52.043**	56.527	**48.897**	53.432
Provident fund contributions	**9.317**	6.111	**9.210**	6.084
	587.403	679.125	**541.480**	632.009

9 PROFIT ON DISPOSAL OF SUBSIDIARY'S SHARES

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Investments in Subsidiaries:				
Profit on disposal (Note 19) – recognised in Income Statement	-	-	**26.853.995**	-
Profit on disposal transferred to reserves (Note 31 (viii))	**8.081.843**	-	-	-
	8.081.843	-	**26.853.995**	-

10 FINANCE COSTS/INCOME

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Finance costs				
Interest expense:				
Bank borrowings	**(8.002.980)**	(8.931.662)	**(5.481.249)**	(6.312.048)
Bank overdrafts	**(380.410)**	(474.674)	**(135.100)**	(192.938)
Overdue taxation	**(14.519)**	(17.410)	**-**	-
Loans from related companies (Note 31 (iv))	**(4.682.683)**	(4.643.779)	**(4.675.667)**	(4.643.779)
Loans from subsidiaries (Note 31 (iv))	**-**	-	**(477.641)**	(471.642)
Other interest	**(9.374)**	(9.254)	**-**	-
	(13.089.966)	(14.076.779)	**(10.769.657)**	(11.620.407)
Finance income				
Interest income:				
Bank balances	**1.941**	345	**-**	-
Loans to subsidiaries (Note 31(v))	**-**	-	**2.011.581**	1.853.699
Loans to related company (Note 31(v))	**1.238.354**	793.206	**1.238.354**	793.206
	1.240.295	793.551	**3.249.935**	2.646.905
Total finance (costs)/income	**(11.849.671)**	(13.283.228)	**(7.519.722)**	(8.973.502)

11 INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Current tax:				
Corporation tax	**517.733**	-	**-**	-
Defence contribution	**70.914**	49.666	**-**	-
Total current tax	**588.647**	49.666	**-**	-
Deferred tax (Note 28):				
Origination and reversal of temporary differences	**1.024.965**	1.592.131	**(65.652)**	(236.785)
Total deferred tax	**1.024.965**	1.592.131	**(65.652)**	(236.785)
Income tax expense /(credit)	**1.613.612**	1.641.797	**(65.652)**	(236.785)

The tax on the Company's and the Group's profits/(losses) before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Profit/(loss) before tax	**178.459**	(34.155.179)	**19.947.828**	(29.839.395)
Tax calculated at the applicable corporation tax rate of 12,5%	**22.307**	(4.269.397)	**2.493.479**	(3.729.924)
Tax effect of expenses not deductible for tax purposes	**1.174.398**	4.250.924	**782.384**	3.745.598
Tax effect of allowances and income not subject to tax	**(495.988)**	52.735	**(4.033.526)**	(931.328)
Difference between income tax and Capital gains tax rates and indexation effect	**224.005**	(481.201)	**(201.012)**	(786.120)
Effect of utilisation of tax losses from previous years for which no provision for deferred tax was made	**(2.002)**	-	**-**	-
Tax effect of group relief	**(340.731)**	(515.990)	**-**	-
Effect of tax losses for which no provision for deferred tax was made	**913.642**	1.115.556	**893.023**	1.047.508
Defence contribution	**70.914**	49.666	**-**	-
Re-measurement of deferred tax due to change in applicable tax rate from 10% to 12,5%	**-**	1.439.504	**-**	417.481
Penalty 10%	**47.067**	-	**-**	-
Income tax expense /(credit)	**1.613.612**	1.641.797	**(65.652)**	(236.785)

The Companies of the Group are subject to corporation tax on taxable profits at the rate of 10% up to 31 December 2012, and at the rate of 12,5% as from 1 January 2013.

As from tax year 2012 brought forward losses of only five years may be transferred and utilised against profits.

From 1 January 2009 onwards, under certain conditions interest may be exempt from income tax and only subject to defence contribution at the rate of 10%, increased to 15% as from 31 August 2011 and to 30% as from 29 April 2013.

Gains on disposal of qualifying titles (including shares, bonds, debentures, wrights thereon, etc) are exempt from Cyprus income tax.

12 EARNINGS/(LOSSES) PER SHARE

The basic (loss)/profit per share is calculated by dividing the (loss)/profit attributable to the Company's shareholders by the weighted average number of issued shares during the year excluding the ordinary shares purchased by the Company which are held as treasury shares (Note 25).

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
(Loss)/profit for the year attributable to shareholders	**(2.668.615)**	(35.808.516)	**20.013.480**	(29.602.610)
Weighted average number of issued shares	**114 500 019**	114 500 019	**114 500 019**	114 500 019
Basic (losses)/earnings per share - cents	**(2,3)**	(31,3)	**17,5**	(25,9)
Adjusted weighted average number of shares	**114 500 019**	114 500 019	**114 500 019**	114 500 019
Fully diluted (losses)/earnings per share – cents	**(2,3)**	(31,3)	**17,5**	(25,9)

13 DIVIDEND PER SHARE

The Board of Directors does not recommend the payment of dividend but will reconsider the payment of interim dividend before the end of the current year.

Dividend paid to individuals who are tax residents of Cyprus are subject to a deduction of special contribution for defence at the rate of 20%.

14 FINANCIAL INSTRUMENTS BY CATEGORY

The Group

	Loans and receivables	Assets at fair value through profit or loss	Available -for-sale	Total
31 December 2014	€	€	€	€
Assets as per balance sheet				
Available-for-sale financial assets	-	-	2.433	2.433
Non-current receivable	25.709.157	-	-	25.709.157
Trade and other receivables (excluding prepayments)	3.907.875	-	-	3.907.875
Financial assets at fair value through profit or loss	-	77.712.100	-	77.712.100
Cash and cash equivalents	723.728	-	-	723.728
Total	30.340.760	77.712.100	2.433	108.055.293

	Other financial liabilities	Total
Liabilities as per balance sheet	€	€
Borrowings	248.874.290	248.874.290
Trade and other payables (excluding statutory liabilities)	9.851.458	9.851.458
Total	258.725.748	258.725.748

	Loans and receivables	Assets at fair value through profit or loss	Available -for-sale	Total
	€	€	€	€
31 December 2013				
Assets as per balance sheet				
Available-for-sale financial assets	-	-	2.433	2.433
Non-current receivable	17.172.857	-	-	17.172.857
Trade and other receivables (excluding prepay-ments)	3.303.848	-	-	3.303.848
Financial assets at fair value through profit or loss	-	82.712.100	-	82.712.100
Cash and cash equivalents	264.526	-	-	264.526
Total	20.741.231	82.712.100	2.433	103.455.764

	Other financial liabilities	Total
	€	€
Liabilities as per balance sheet		
Borrowings	283.983.109	283.983.109
Trade and other payables (excluding statutory liabilities)	9.425.446	9.425.446
Total	293.408.555	293.408.555

The Company	Loans and receivables	Assets at fair value through profit or loss	Total
	€	€	€
31 December 2014			
Assets as per balance sheet			
Non-current receivables	61.876.681	-	61.876.681
Trade and other receivables (excluding prepayments)	3.711.879	-	3.711.879
Financial assets at fair value through profit or loss	-	77.712.100	77.712.100
Cash and cash equivalents	156.655	-	156.655
Total	65.745.215	77.712.100	143.457.315

	Other financial liabilities	Total
	€	€
Liabilities as per balance sheet		
Borrowings	162.212.488	162.212.488
Trade and other payables (excluding statutory liabilities)	1.634.245	1.634.245
Total	163.846.733	163.846.733

	Loans and receivables	Assets at fair value through profit or loss	Total
	€	€	€
31 December 2013			
Assets as per balance sheet			
Non-current receivables	54.499.036	-	54.499.036
Trade and other receivables (excluding prepayments)	2.263.228	-	2.263.228
Financial assets at fair value through profit or loss	-	82.712.100	82.712.100
Cash and cash equivalents	47.217	-	47.217
Total	56.809.481	82.712.100	139.521.581

	Other financial liabilities	Total
	€	€
Liabilities as per balance sheet		
Borrowings	196.410.866	196.410.866
Trade and other payables (excluding statutory liabilities)	1.220.742	1.220.742
Total	197.631.608	197.631.608

15 CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if applicable) or to historical information about counterparty default rates:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Trade Receivables				
Counterparties without external credit rating				
Group 1	**348.958**	334.125	**-**	-
Fully performing other receivables				
Group 2	**28.199.586**	18.923.634	**65.568.603**	56.744.677
Group 3	**12.511**	6.407	**-**	-
Group 4	**374.742**	521.753	**19.957**	17.587
	28.586.839	19.451.794	**65.588.560**	56.762.264

	The Group		The Company	
	2014	2013	**2014**	2013
Cash and bank balances (1)	**€**	€	**€**	€
Caa1	**220.215**	68.124	**30.366**	45.240
Caa3	**480.658**	91.132	**104.385**	-
Ca	**-**	102.345	**-**	2
Not rated	**21.554**	1.625	**21.554**	1.625
	722.427	263.226	**156.305**	46.867

(1) The rest of the balance sheet item 'cash and cash equivalents' is cash in hand.
Group 1 – existing customers without any defaults in the past.
Group 2 – companies within the group, common control companies and associates with no defaults in the past.
Group 3 – new receivables (less than 6 months).
Group 4 – existing receivables (more than 6 months) with no defaults in the past.
None of the financial assets that are fully performing has been renegotiated in the last year.
None of the loans and receivables from related parties is past due or impaired.

16 PROPERTY, PLANT AND EQUIPMENT

The Group

	Improvements on leasehold properties	Plant and equipment	Motor vehicles	**Total**
At 1 January 2013	€	€	€	**€**
Cost	83.136	3.029.400	235.934	**3.348.470**
Accumulated depreciation	(65.480)	(1.800.217)	(222.742)	**(2.088.439)**
Net book amount	17.656	1.229.183	13.192	**1.260.031**
Year ended 31 December 2013				
Opening net book amount	17.656	1.229.183	13.192	**1.260.031**
Additions	-	14.173	-	**14.173**
Depreciation charge (Note 7)	(2.464)	(351.907)	(10.293)	**(364.664)**
Closing net book amount	15.192	891.449	2.899	**909.540**
At 31 December 2013				
Cost	83.136	3.043.573	235.934	**3.362.643**
Accumulated depreciation	(67.944)	(2.152.124)	(233.035)	**(2.453.103)**
Net book amount	15.192	891.449	2.899	**909.540**
Year ended 31 December 2014				
Opening net book amount	15.192	891.449	2.899	**909.540**
Additions	-	21.341	18.000	**39.341**
Disposals-Cost	-	(56.190)	(36.632)	**(92.822)**
Depreciation charge (Note 7)	(2.464)	(286.793)	(4.100)	**(293.357)**
Disposals-Accumulated depreciation	-	19.667	36.632	**56.299**
Closing net book amount	12.728	589.474	16.799	**619.001**
At 31 December 2014				
Cost	83.136	3.008.724	217.302	**3.309.162**
Accumulated depreciation	(70.408)	(2.419.250)	(200.503)	**(2.690.161)**
Net book amount	12.728	589.474	16.799	**619.001**

In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

	2014 **€**	2013 €
Net book amount	**36.523**	-
(Loss)/Gain on sale of property, plant and equipment (Note 6)	**(33.234)**	4.500
Proceeds from sale of property, plant and equipment	**3.289**	4.500

The Company

	Improvements on leasehold properties	Plant and equipment	Motor vehicles	**Total**
	€	€	€	**€**
At 1 January 2013				
Cost	24.636	86.882	200.938	**312.456**
Accumulated depreciation	(6.980)	(68.384)	(187.745)	**(263.109)**
Net book amount	17.656	18.498	13.193	**49.347**
Year ended 31 December 2013				
Opening net book amount	17.656	18.498	13.193	**49.347**
Additions	-	1.343	-	**1.343**
Depreciation charge (Note 7)	(2.464)	(10.971)	(10.293)	**(23.728)**
Closing net book amount	15.192	8.870	2.900	**26.962**
At 31 December 2013				
Cost	24.636	88.225	200.938	**313.799**
Accumulated depreciation	(9.444)	(79.355)	(198.038)	**(286.837)**
Net book amount	15.192	8.870	2.900	**26.962**
Year ended 31 December 2014				
Opening net book amount	15.192	8.870	2.900	**26.962**
Additions	-	1.678	18.000	**19.678**
Disposals-Cost	-	-	(36.632)	**(36.632)**
Depreciation charge (Note 7)	(2.464)	(5.508)	(4.100)	**(12.072)**
Disposals-Accumulated depreciation	-	-	36.632	**36.632**
Closing net book amount	12.728	5.040	16.800	**34.568**
At 31 December 2014				
Cost	24.636	89.903	182.306	**296.845**
Accumulated depreciation	(11.908)	(84.863)	(165.506)	**(262.277)**
Net book amount	12.728	5.040	16.800	**34.568**

In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

	2014	2013
	€	€
Net book amount	**-**	-
(Loss)/Gain on sale of property, plant and equipment (Note 6)	**3.000**	-
Proceeds from sale of property, plant and equipment	**3.000**	-

17 INVESTMENT PROPERTY

The Group

Country	Malls	Department Stores	Stand alone shops	Offices/ flats	Idle land and buildings	**2014 Total**	2013 Total
Fair Value hierarchy	3	3	3	3	3		
	€	€	€	€	€	**€**	€
Fair Value at 1 January	217.502.982	121.800.383	14.558.515	6.957.385	8.123.171	**368.942.436**	377.349.673
Additions	1.889.986	531.889	103.768	-	-	**2.525.643**	877.132
Net (loss)/gain from fair value adjustments on investment property	-	(2.062.272)	1.197.717	471.615	376.829	**(16.111)**	(9.284.369)
Fair value at 31 December	219.392.968	120.270.000	15.860.000	7.429.000	8.500.000	**371.451.968**	368.942.436

The Company

Country	Department Stores	Idle land and buildings	**2014 Total**	2013 Total
Fair Value hierarchy	3	3		
	€	€	**€**	€
Fair Value at 1 January	82.250.519	8.123.171	**90.373.690**	95.771.864
Additions	56.000	-	**56.000**	21.300
Net (loss)/gain from fair value adjustments on investment property	(2.306.517)	376.829	**(1.929.688)**	(5.419.474)
Fair value at 31 December	80.000.002	8.500.000	**88.500.002**	90.373.690

The Group's and the Company's investment property is measured at fair value. The Group holds five classes of investment property being malls, department stores, stand alone shops, offices/flats and idle land and buildings.

The Company holds two classes of investment property being department stores and idle land and buildings.

The Group's and the Company's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

At 31 December 2014, the Group had contractual obligations to complete the roof insulation at Annex 4 of Shacolas Emporium Park of €98.947, and for the alterations of the premises at The Mall of Engomi together with mechanical, electrical installations, and other associated external works of €1.273.618 (Note 30).

After the balance sheet date and before the date of approval of the financial statements, the Group approved an amount of € 185.000 for repairs of the basement in the building of Zako Limited Koumandarias Street, Limassol.

Bank borrowings are secured on the Group's investment property for €246.593.910 (2013: €242.593.910) (Note 27) and on the Company's investment property for €145.382.091 (2013: €141.382.091) (Note 27).

The investment properties are valued annually on 31 December at fair value comprising open-market value, determined by the management of the Company and the Group, taking into consideration all relevant information available, including valuations for all the Group's properties by the external independent valuers, Antony Loizou and Associates, and taking into account market conditions and others.

Fair value is based on an active market process, adjusted, if necessary for any differences in the nature, location or condition of the specific asset. If the information is not available, the Company and the Group uses alternative valuation methods such as recent prices or less active markets or discounted cash flow projections. These valuations are reviewed annually by the Management of the Company and the Group, based on valuations of independent professional valuers taking into account the market conditions. Changes in fair values are recorded in profit and loss and are included in "other gains-net".

The following amounts have been recognised in profit or loss:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Income from rights of use of space	**17.354.828**	14.781.165	**3.739.559**	3.537.325
Rental income	**3.081.271**	2.213.424	**-**	-
	20.436.099	16.994.589	**3.739.559**	3.537.325

Valuation processes

The Company's investment properties were valued at 31 December 2014 by independent professionally qualified valuers who hold a recognised relevant professional qualification, Antony Loizou and Associates and Rois Nicolaides & Associates, Chartered Surveyors, members of RICS, and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Company's finance department reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the CFO, Management and the independent valuers at least once every year. At each financial year end the finance department:

- verifies all major inputs to the independent valuation report
- assesses property valuation movements when compared to the prior year valuation report; and
- holds discussions with the independent valuer.

Information about fair value measurement using significant unobservable inputs (Level 3)

The Group

Property	Valuation	Valuation technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Rental yield	Occupancy
	€			€	%	%
Shopping Malls	219.392.968	Income method	License fee/ rental income per sq. meter per month (1)	€4- €203 (€26)	6,5-7	99%
Department Stores	120.270.000	Income method	License fee/ rental income per sq. meter per month (1)	€5 - €14 (€9)	5-7,5	100%
Stand alone shops	15.860.000	Income method	License fee/ rental income per sq. meter per month (1)	€2 - €45 (€12)	5-7,5	99%
Offices/flats	7.429.000	Income method/ comparable prices	License fee/ rental income per sq. meter per month (1)	€6 / €76	7	97%
Idle land and buildings	8.500.000	Comparable prices	Price per sq. meter	€600 - €1200	-	0%
	371.451.968					

The Company

Property	Valuation	Valuation technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Rental yield	Occupancy
	€			€	%	%
Department Stores	80.000.002	Income method	License fee/ rental income per sq. meter per month (1)	€10 – €20 (€12)	6-7,5	100%
Idle land and buildings	8.500.000	Comparable prices	Price per sq. meter	€600 – €1.200	-	-
	88.500.002					

Sensitivity of management's estimates

The Group

			Change in rental yield		
			-0,50%	0,00%	0,50%
		-10%	211.673.077	195.626.374	181.842.857
Shopping Malls	Change in license fee/rental income	0,00%	235.192.308	**219.392.968**	202.047.619
		10%	258.711.538	230.241.758	222.252.381
		-10%	114.092.219	105.062.219	97.379.115
Department stores	Change in license fee/rental income	0,00%	126.769.132	**120.270.000**	108.199.017
		10%	139.446.045	128.409.379	119.018.919
		-10%	15.841.289	14.613.510	13.563.584
Stand alone shops	Change in license fee/rental income	0,00%	17.601.432	**15.860.000**	15.070.649
		10%	19.361.575	17.860.957	16.557.713
		-10%	7.403.835	6.874.990	6.416.657
Offices/flats	Change in license fee/rental income	0,00%	8.226.483	**7.429.000**	7.129.619
		10%	9.049.132	8.402.765	7.842.581

		Decrease value per sq. meter	Increase value per sq. meter
		€	€
Idle land and buildings	Comparable prices +/-15%	(1.275.000)	1.275.000

The Company

			Change in rental yield		
			-0,50%	0,00%	0,50%
		-10%	74.430.999	68.888.450	64.118.306
Department Stores	Change in license fee/rental income	0,00%	82.701.110	**80.000.002**	71.242.563
		10%	90.971.221	84.196.994	78.366.819

		Decrease value per sq. meter	Increase value per sq. meter
		€	€
Idle land and buildings	Comparable prices +/-15%	(1.275.000)	1.275.000

There are inter-relationships between unobservable inputs. Increase in rental yield and decrease in license fee/rental income per square meter results in a decrease in fair values. Increase or decrease in the price per square meter results in an increase/decrease in fair values. For investment property under construction, increases in construction costs that enhance the property's features may result in an increase in future rental values. An increase in the future rental income may be linked with higher costs.

Valuation techniques underlying management's estimation of fair value

For shopping malls in Cyprus, department stores, stand alone shops and offices/flats, the valuation was determined using income methods based on the following inputs.

Rental yields: The basis of the assessment is the expected net income after allowing for the owners property taxes and other direct expenses and the net income is capitalized using an appropriate yield.

For Idle land and buildings, the valuation was determined using comparable prices.

Comparable prices: Based on the location, the size and the quality of the properties including market conditions at the date of the valuation.

There were no changes to the valuation techniques during the year.

(1) The rental value represents the market value of rent for the properties. Actual income of the Group and the Company has been temporarily reduced due to the conditions after the Eurogroup decision of 25 March 2013 and in most of the cases it has been reinstated to its contractually agreed amounts.

18 INVESTMENTS IN ASSOCIATES

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
At the beginning of the year	**19.863.514**	21.150.625	**8.332.623**	8.332.623
Share of (loss)/profit after tax	**(683.193)**	(369.272)	**-**	-
Dividends received	**(83.439)**	(917.839)	**-**	-
At the end of the year	**19.096.882**	19.863.514	**8.332.623**	8.332.623

Set out below are the associates of the Company as at 31 December 2014, which, in the opinion of the Directors, are material to the Company. The associates listed below have share capital consisting solely of ordinary shares, which are held directly by the Company; the country of incorporation or registration is also their principal place of business.

Nature of investments in associates in 2014:

Name of entity	Place of business/country of Incorporation	% of ownership interest	
2014		**2014**	2013
Akinita Lakkos Mikelli Limited	Cyprus	35	35

The main activity of the associate company which is a private company and there is no quoted market price available for its shares, is the holding of investment property which is revalued annually by the independent valuers, Rois Nicolaides and Associates.

There are no contingent liabilities relating to the Company's interest in the associates.

Summarised financial information for associates

Set out below are the summarised financial information for the associate company which at the consolidated financial statements is accounted for using the equity method.

Summarised balance sheet	Akinita Lakkos Mikelli Limited	
	2014	2013
Current	**€**	€
Assets	**5.736.635**	5.894.679
Liabilities	**(2.653.192)**	(2.720.857)
Total net current assets	**3.083.443**	3.173.822
Non-Current		
Assets	**55.124.371**	57.524.371
Liabilities	**(4.565.695)**	(4.865.695)
Total net non-current assets	**50.558.676**	52.658.676
Net Assets	**53.642.119**	55.832.498

Summarised statement of comprehensive income

	2014 €	2013 €
Revenue	-	-
Loss before tax	(2.251.235)	(130.774)
Corporation tax	299.256	(924.289)
Loss for the year	(1.951.979)	(1.055.063)
Dividends received	238.400	2.622.400

The information above reflects the amounts presented in the financial statements of the associate company and not the Group's share of those amounts.

Reconciliation of summarised financial information

	2014 €	2013 €
Opening net assets	55.832.498	59.509.961
Loss for the period	(1.951.979)	(1.055.063)
Dividends received	(238.400)	(2.622.400)
Closing net assets	53.642.119	55.832.498

	2014 €	2013 €
Interests in associate (35%)	18.774.742	19.541.373
Goodwill	322.140	322.140
Book value	19.096.882	19.863.513

19 INVESTMENTS IN SUBSIDIARIES

The Company	2014 €	2013 €
At the beginning of the year	59.455.137	59.455.137
Disposals (Note 31(viii))	(15.896.005)	-
At the end of the year	43.559.132	59.455.137

During the year the Company proceeded with the disposal of 45 000 000 shares held in the subsidiary ITTL Trade Tourist and Leisure Park Plc to the related company Ermes Department Stores Plc for € 42.750.000 (€ 0,95 per share).

As a result of this disposal, the share of Woolworth (Cyprus) Properties Plc in ITTL Trade Tourist and Leisure Park Plc decreased from 99.7% to 54.7%. Woolworth (Cyprus) Properties Plc remains the main shareholder of ITTL Trade Tourist and Leisure Park Plc.

The gain on disposal of subsidiary's shares for the Company and the Group is presented in Note 31(viii).

In the cash flow statement, proceeds from disposal of subsidiary's shares comprise:

	2014 €	2013 €
Net book value	15.896.005	-
Profit from disposal of shares	26.853.995	-
Proceeds from disposal of subsidiary's shares	42.750.000	-

The details of the subsidiaries are as follows:		Interest Held		
Name	Principal activity	2014 %	2013 %	Country of incorporation
Company's subsidiaries				
F.W.W. Super Department Stores Limited	Rental of property in Larnaca	100	100	Cyprus
Woolworth Commercial Centre Limited	Owner of land and of a commercial centre in Engomi area in Nicosia	99	99	Cyprus
Zako Limited	Rental of property in Limassol, Larnaca, Paphos	100	100	Cyprus
ITTL Trade Tourist and Leisure Park Plc	Owner of commercial centre in Athalassa area, Nicosia	54,7	99,7	Cyprus
Niola Estates Limited	Holding company of Estelte Limited which owns immovable property	100	100	Cyprus
Realtra Limited	Holding company of Calandra Limited which owns immovable property	100	100	Cyprus
Chrysochou Merchants Limited	Investment in Cyprus Limni Resorts & GolfCourses Plc, owner of large piece of land in Polis Chrysochous	100	100	Cyprus
Subsidiaries of Zako Limited				
Zaco Estate Limited	Rental of owned property in Ledras Street, Nicosia	100	100	Cyprus
The Cyprus Supply Company Limited	Dormant	100	100	Cyprus
Elermi General Trading Limited	Dormant	100	100	Cyprus
Apex Limited	Exploitation of rights of use of space of the Ledra Arcade Building in Ledras Street, Nicosia and owner of property in Latsia, and management of own parking space in Ledras Street	100	100	Cyprus

All subsidiary companies are included in the consolidation.

Total minority interest at 31 December 2014 is € 33.828.515, of which an amount of €33.682.213 corresponds to ITTL Trade Tourist and Leisure Park Plc and an amount of €146.302 corresponds to Woolworth Commercial Centre Limited.

Summarised financial information for subsidiaries with significant minority interest

Set out below are the summarised financial information for the subsidiary companies with significant minority interest.

Refer to Note 31 for transactions with non-controlling interest.

Summarised balance sheet	ITTL Trade Tourist and Leisure Park Plc	
	2014 €	2013 €
Current		
Assets	**2.581.319**	2.419.895
Liabilities	**(12.868.628)**	(12.375.401)
Total net current assets	**(10.287.309)**	(9.955.506)
Non-Current		
Assets	**179.954.807**	178.669.547
Liabilities	**(94.967.121)**	(95.479.041)
Total net non-current assets	**84.987.686**	83.190.506
Net Assets	**74.700.377**	73.235.000

Summarised statement of comprehensive income

	2014 €	2013 €
Rights for use of space and other income	**10.729.479**	8.730.026
Profit before tax	**7.867.406**	5.251.658
Corporation tax	**(1.402.029)**	(1.700.982)
Profit after tax and total income for the year	**6.465.377**	3.550.676
Total income for the year attributable to non-controlling interest	**1.218.030**	11.540
Dividends paid to non-controlling interest	**2.266.255**	13.686

Summarised statement of cash flows

	2014 €	2013 €
Cash flows from operating activities		
Cash generated from operations	**10.482.506**	8.228.876
Tax paid	**(17.424)**	(14.130)
Net cash from operating activities	**10.465.082**	8.214.746
Net cash for investing activities	**(1.579.571)**	(863.587)
Net cash used in financing activities	**(9.550.462)**	(6.640.452)
Net (decrease)/increase in cash and cash equivalents	**(664.951)**	710.707
Cash and cash equivalents at beginning of year	**(2.765.384)**	(3.476.091)
Cash and cash equivalents at end of year	**(3.430.335)**	(2.765.384)

The above information is before any intercompany elimination.

20 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
At the beginning of the year	**2.433**	-	-	-
Disposals	-	-	-	-
Additions	-	12.166	-	-
Impairment charge (Note 6)	-	(9.733)	-	-
At the end of the year	**2.433**	2.433	-	-

Available-for-sale financial assets are analysed as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Listed securities	**2.433**	2.433	-	-

Available-for-sale financial assets are denominated in the following currencies:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Euro-functional and presentation currency	**2.433**	2.433	**-**	-

21 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Company	
	2014	2013	**2014**	2013
Non-listed securities:	**€**	€	**€**	€
Designated at fair value through profit or loss on initial recognition	**77.712.100**	82.712.100	**77.712.100**	82.712.100

Charges in fair values of financial assets at fair value through profit or loss are recorded in 'other gains – net' (Note 6) in the profit and loss and are analysed as follows:

	2014	2013
	€	€
Financial assets at fair value through profit or loss – designated at fair value through profit or loss on initial recognition:		
Fair value losses	**(5.000.000)**	(24.512.034)
Net fair value loss on financial assets at fair value through profit or loss	**(5.000.000**	(24.512.034)

	The Group		The Company	
	2014	2013	**2014**	2013
Fair value hierarchy	**3**	3	**3**	3
	€	€	**€**	€
Fair value at 1 January	**82.712.100**	107.224.134	**82.712.100**	107.224.134
Net loss from the fair value adjustments on financial assets at fair value through profit or loss	**(5.000.000)**	(24.512.034)	**(5.000.000)**	(24.512.034)
Fair value at 31 December	**77.712.100**	82.712.100	**77.712.100**	82.712.100

The financial assets at fair value through profit or loss represent the Company's investment in the 100% subsidiary company Chrysochou Merchants Limited which itself holds 11,73% of the share capital of Cyprus Limni Resorts and GolfCourses Plc and the investment in Arsinoe Investments Limited with shareholding of 49,65% which itself holds the 70,57% of the share capital of Cyprus Limni Resorts and GolfCourses Plc.

Cyprus Limni Resorts and GolfCourses Plc is the owner of a large piece of land in the area of Polis Chrysochous, which has obtained the required planning permits for the development of this land, at the Limni Bay Resort, which includes amongst others, two golf courses, a five-star hotel, a significant number of residential units and other associate developments.

Financial assets designated as at fair value through profit or loss at inception are those whose performance is evaluated on a fair value basis, in accordance with the Company's and the Group's documented investment strategy. Information based on the fair value of these financial assets, is provided internally to the Company's and the Group's key management personnel.

Cyprus Limni Resorts and GolfCourses Plc is a listed company and its shares are traded on the Emerging Companies Market (E.C.M), of the Cyprus Stock Exchange. In total, 300 million shares were subscribed. In doing so it facilitates the future attraction of strategic and institutional investors to the share capital of the Company.

Information about fair value measurement using significant unobservable inputs (Level 3)

The valuation was performed using the discounted cash flows of the project. For the calculation of the fair value a discount rate of 9-10% was used. The table below shows the sensitivity analysis of the fair value based on the discount rate and the sales value and the capital expenditures of residential units. As per management's opinion there was no substantial variation of the significant assumptions used in the fair value during 2014 compared to the previous year.

Sensitivity of management's estimates

			Change in discount rate		
			-1%	0,00%	1%
		-10%	65.262.877	57.642.622	50.892.919
Financial assets at fair value through profit or loss	Change in sales price	0,00%	86.728.232	**77.712.100**	69.690.016
		10%	108.193.588	97.782.046	88.487.113
	Change in capital expenditure	-10%	99.773.189	81.576.959	73.387.406
		0,00%	86.728.232	**77.712.100**	69.690.016
		10%	82.683.276	73.847.709	65.992.625

22 NON-CURRENT RECEIVABLES

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Non-current				
Loan to subsidiaries (Note 31 (v))	**-**	-	**35.167.524**	36.326.179
Loan to related company (Note 31 (v))	**25.709.157**	17.172.857	**25.709.157**	17.172.857
	25.709.157	17.172.857	**60.876.681**	53.499.036
Current				
Loan to subsidiaries (Note 31 (v))	**-**	-	**1.000.000**	1.000.000
Total	**25.709.157**	17.172.857	**61.876.681**	54.499.036

At 31 December 2013, the related parties signed an agreement that no repayment will be demanded within the next five years from the date of the agreement.

The fair value of non-current receivables approximates their carrying amount.

The effective interest rates on non-current receivables were as follows:

	2014	2013
	%	%
Loan to subsidiaries	**5,75**	5,75
Loan to related company	**5,75**	7,00

The carrying amounts of the Company's and the Group's non-current receivables are denominated in the following currencies:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Euro – functional and presentation currency	**25.709.157**	17.172.857	**61.876.681**	54.499.036

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above. The Company and the Group do not hold any collateral as security. None of the non-current receivables is either past due or impaired.

23 TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Trade receivables	**1.368.066**	1.326.019	-	-
Less: provision for impairment of receivables	**(204.660)**	(122.630)	-	-
Trade receivables - net	**1.163.406**	1.203.389	-	-
Other receivables	**737.215**	694.177	**516.041**	513.671
Less: provision for impairment of receivables	**(496.084)**	(496.084)	**(496.084)**	(496.084)
Other receivables – net	**241.131**	198.093	**19.957**	17.587
Receivables from subsidiaries (Note 31 (iii))	-	-	**1.894.763**	1.307.409
Receivables from related companies (Note 31 (iii))	**1.572.589**	832.937	**879.319**	20.392
Receivables from associated companies (Note 31 (iii))	**917.840**	917.840	**917.840**	917.840
VAT refundable	**29.089**	131.722	-	-
Advances and prepayments	**329.467**	404.518	**35.368**	24.968
	4.253.522	3.688.499	**3.747.247**	2.288.196

The fair values of trade and other receivables are as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Other receivables	**241.131**	198.093	**19.957**	17.587
Trade receivables	**1.163.406**	1.203.389	-	-
Receivables from related companies	**1.572.589**	832.937	**879.319**	20.392
Receivables from subsidiaries	-	-	**1.894.763**	1.307.409
Receivables from associated companies	**917.840**	917.840	**917.840**	917.840
VAT refundable	**29.089**	131.722	-	-
Advances and prepayments	**329.467**	404.518	**35.368**	24.968
	4.253.522	3.688.499	**3.747.247**	2.288.196

As of 31 December 2014, trade receivables of the Group amounting to €348.958 (2013: €334.125) were neither past due nor impaired.

Trade receivables that are less than three months past due are not considered impaired. As of 31 December 2014, trade receivables of €814.448 (2013: €869.264) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	The Group	
	2014	2013
	€	€
Up to 3 months	**814.448**	869.264

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivable mentioned above. The Company and the Group do not hold any collateral as security.

The carrying amounts of the Company's and the Group's trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Euro – functional and presentation currency	**4.253.522**	3.688.499	**3.747.247**	2.288.196

24 CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Cash at bank and in hand	**723.728**	264.526	**156.655**	47.217

Cash and bank balances and bank overdrafts include the following for the purposes of the cash flow statement:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Cash and bank balances	**723.728**	264.526	**156.655**	47.217

Cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Euro-functional and presentation currency	**723.728**	264.526	**156.655**	47.217

25 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of ordinary shares of 34 cents each	Share capital €	Share premium reserve €	Treasury shares €	**Total €**
At 1 January 2013/ 31 December 2013 and 31 December 2014	114 500 019	38.972.111	25.018.383	(154.437)	**63.836.057**

The share premium reserve is non-distributable.

The total authorized number of ordinary shares is 125 000 000 shares (2013: 125 000 000 shares) with a par value of €0,34 per share. All issued shares are fully paid.

The number of treasury shares at 31 December 2014 was 123 836 (2013: 123 836).

26 FAIR VALUE RESERVES

The Group

	Land and buildings revaluation	Total
	€	€
At 1 January 2013 /31 December 2013 and 31 December 2014	29.524.070	29.524.070

The Company

At 1 January 2013 /31 December 2013 and 31 December 2014	26.013.836	26.013.836

27 BORROWINGS

	The Group		The Company	
	2014	2013	**2014**	2013
Current	**€**	€	**€**	€
Bank overdrafts	**6.493.633**	6.237.152	**2.449.712**	2.537.065
Bank borrowings	**11.792.432**	24.794.975	**7.812.344**	20.279.103
	18.286.065	31.032.127	**10.262.056**	22.816.168
Non-current				
Bank borrowings	**176.623.485**	169.070.028	**93.021.852**	82.168.396
Borrowings from related parties (Note 31 (iv))	**53.964.740**	83.880.954	**51.714.740**	83.880.954
Borrowings from subsidiaries (Note 31 (iv))	**-**	-	**7.213.840**	7.545.348
	230.588.225	252.950.982	**151.950.432**	173.594.698
Total borrowings	**248.874.290**	283.983.109	**162.212.488**	196.410.866
Maturity of non-current borrowings				
Between 1 and 2 years	**16.171.442**	16.497.642	**10.478.046**	12.197.642
Between 2 and 5 years	**141.236.268**	105.007.839	**43.939.800**	28.964.774
Over 5 years	**73.180.515**	131.445.501	**97.532.586**	132.432.282
	230.588.225	252.950.982	**151.950.432**	173.594.698

The carrying amounts of current and non-current borrowings approximate their fair value.
The weighted average effective borrowing interest rates were as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	%	%	**%**	%
Bank overdrafts	**6,22**	6,41	**5,81**	5,91
Bank borrowings	**4,23**	4,37	**5,46**	5,79
Borrowings from related company	**6,58**	6,72	**6,05**	6,72

The Company's and the Group's bank borrowings and overdrafts are mainly arranged at floating interest rates. Borrowings at fixed interest rates expose the Company and the Group to fair value interest rate risk. For borrowings at floating rates, the Company and the Group are exposed to cash flows interest rate risk.

The bank loans are repayable by instalments until 2025.

The bank borrowings and overdrafts are secured as follows:

The Group

(a) By mortgage on land and buildings for €242.948.910 (2013: €242.593.910) (Note 17).
(b) By guarantees from related companies amounting to €66.297.785 (2013: €69.320.320).
(c) By assignment of the fire and earthquake insurance on the properties of the Group.
(d) By general assignment of rights for use of space and rental income which will be received by the Company and the Group's subsidiaries Woolworth Commercial Centre Limited, Apex Limited, ITTL Trade Tourist and Leisure Park Plc, Zako Limited, Estelte Limited and Calandra Limited.
(e) Assignment of all license income from the rights of use of space in the Shacolas Emporium Park, bank accounts, insurance contracts, construction contracts, construction guarantees and performance bonds in favour of Hypothekenbank Frankfurt A.G. (formerly Eurohypo A.G.).
(f) By pledging of 4 150 500 shares of Akinita Lakkos Mikelli Limited and 50 000 001 shares of ITTL Trade Tourist and Leisure Park Plc.

THE COMPANY

(a) By mortgage on investment property for €141.737.091 (2013: €141.382.091) (Note 17).
(b) By guarantees from related companies amounting to €157.240.439 (2013: €157.262.974).
(c) By assignment of fire and earthquake insurance on the property of the Company.
(d) By general assignment of rights for use of space and rental income which will be received by the company.
(e) By pledging of 4 150 500 shares of Akinita Lakkos Mikelli Limited.

The Company and the Group have the following undrawn borrowing facilities:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Floating rate:				
Expiring within one year	**956.585**	1.219.521	**213.812**	122.517

The facilities expiring within one year are annual facilities subject to review at various dates during 2015.

The carrying amounts of borrowings approximate their fair value.

The carrying amounts of the Group's and the Company's borrowings are analysed per currency as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Euro – Functional and presentation currency	**248.874.290**	283.983.109	**162.212.488**	196.410.866

During the year, the Company and the Group completed the restructuring of its borrowing with the financial institutions it cooperates.

28 DEFERRED INCOME TAX LIABILITIES

The analysis of deferred income tax assets and deferred income tax liabilities are as follows:

	2014	2013
	€	€
The Group		
Deferred income tax liabilities:		
Deferred tax liabilities to be settled after more than twelve months	**31.247.747**	30.222.782
Deferred income tax liabilities – net	**31.247.747**	30.222.782

The gross movement on the deferred income tax account is as follows:

	2014	2013
	€	€
At the beginning of the year	**30.222.782**	28.630.651
Charge included in profit or loss (Note 11)	**1.024.965**	1.592.131
At the end of the year	**31.247.747**	30.222.782

The movement in deferred tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Difference between depreciation and wear and tear allowance	Fair value gains	Total
Deferred tax liabilities	€	€	€
At 1 January 2013	5.747.810	22.882.841	28.630.651
Charged/(credited) to:			
Profit or loss (Note 11)	2.073.332	(481.201)	1.592.131
At 31 December 2013/1 January 2014	7.821.142	22.401.640	30.222.782
Charged/(credited) to:			
Profit or loss (Note 11)	800.960	224.005	1.024.965
At 31 December 2014	8.622.102	22.625.645	31.247.747

	2014	2013
The Company	**€**	€
Deferred income tax liabilities:		
- Deferred tax liabilities to be settled after more than twelve months	**7.602.394**	7.668.046
Deferred income tax liabilities - net	**7.602.394**	7.668.046

The gross movement on the deferred income tax account as follows:

	2014	2013
	€	€
At the beginning of the year	**7.668.046**	7.904.831
Charge/(credit) included in profit or loss (Note 11)	**(65.652)**	(236.785)
At the end of the year	**7.602.394**	7.668.046

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Difference between depreciation and wear and tear allowance	Fair value gains	Total
	€	€	€
Deferred tax liabilities			
At 1 January 2013	1.659.718	6.245.113	7.904.831
Charged/(credited) to:			
Profit or loss (Note 11)	549.335	(786.120)	(236.785)
At 31 December 2013/1 January 2014	2.209.053	5.458.993	7.668.046
Charged/(credited) to:			
Profit or loss (Note 11)	135.360	(201.012)	(65.652)
At 31 December 2014	2.344.413	5.257.981	7.602.394

29 PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2014	2013	**2014**	2013
Current	**€**	€	**€**	€
Trade payables	**581.216**	739.187	**-**	-
Payables to related companies (Note 31 (iii))	**1.540.370**	748.609	**1.260.778**	424.436
Other payables and accrued expenses	**4.537.041**	4.849.529	**627.821**	1.029.566
Deferred income	**282.897**	263.992	**-**	-
	6.941.524	6.601.317	**1.888.599**	1.454.002
Non-current				
Deferred income	**1.695.386**	1.615.122	**-**	-
Advances for the rights of use of space	**2.336.376**	2.169.263	**-**	-
Cash guarantee	**5.000**	-	**-**	-
	4.036.762	3.784.385	**-**	-
Total payables and accrued expenses	**10.978.286**	10.385.702	**1.888.599**	1.454.002
Maturity of non-current payables and accrued expenses				
More than 5 years	**4.036.762**	3.784.385	**-**	-
	4.036.762	3.784.385	**-**	-

The fair value of the current and non-current payables approximates their carrying amount at the balance sheet date.

30 COMMITMENTS

(I) GUARANTEES

The Group has provided guarantees amounting to €71.342.629 (2013: €41.867.021) and the Company has provided guarantees amounting to €100.453.695(2013: €70.939.954) in order to secure bank facilities of related companies. It is not expected that any losses would arise for the Group and the Company from the breach of the conditions and obligations of the arrangements signed by the related parties with the financial institutions.

The Group and the Company has granted mortgage on investment properties held amounting to €3.645.000 and assigned fire and earthquake insurance on these properties to secure bank facilities of an associate company.

(II) OPERATING LEASE COMMITMENTS – WHERE THE GROUP AND THE COMPANY ARE THE LESSORS

The future aggregate minimum space usage fees/rentals receivable under non-cancellable operating leases are as follows:

	The Group		The Company	
	2014 **€**	2013 €	**2014** **€**	2013 €
Not later than 1 year	**20.956.659**	20.798.327	**4.272.825**	4.348.203
Between 1 and 5 years	**64.194.697**	69.788.016	**11.841.727**	15.219.026
Later than 5 years	**27.486.066**	38.379.227	**-**	-
	112.637.422	128.965.570	**16.114.552**	19.567.229

For the agreements with related parties that will expire during 2017, there is intention to further extend the agreements.

(III) CAPITAL COMMITMENTS

Capital expenditure contracted for at the balance sheet date or at the date of approval of the financial statements but not yet incurred is as follows:

	2014 €
Investment property (Note 17)	1.557.565

During the year the Group signed new contracts for repairs and alterations of the facilities at the "Shacolas Emporium Park" and The Mall of Engomi. After the balance sheet date and before the date of approval of the financial statements, the Group approved repairs of the basement in the building of Zako Limited at Koumandarias Street, Limassol.

31 RELATED PARTY TRANSACTIONS

At the date of this report the main shareholder of the Company is Cyprus Trading Corporation Plc which owns 77,04% of the Company's shares. Mr Nicolas K. Shacolas, Honorary Chairman, owns directly or indirectly (including his share in Cyprus Trading Corporation Plc) 77,04% of the Company's shares.

The following transactions were carried out on a commercial basis with related companies (companies in which Mr Nicolas K. Shacolas has a significant interest) and with associated companies:

(i) Sales of services and other transactions

		The Group		The Company	
	Nature of transaction	**2014 €**	2013 €	**2014 €**	2013 €
Subsidiaries	Financing and interest	**-**	-	**2.011.581**	1.853.699
	Dividends	**-**	-	**5.411.216**	7.428.254
		-	-	**7.422.797**	9.281.953
Related companies	Financing and interest	**1.238.354**	793.206	**1.238.354**	793.026
	Property usage rights	**10.466.495**	8.702.586	**3.739.559**	3.537.334
	Consultancy services	**187.671**	229.428	**273.755**	321.234
	Right for use of space for advertising	**65.807**	-	**62.337**	-
	Dividends	**-**	-	**83.440**	917.840
	Sale of shares (Note 31 (viii))	**-**	-	**42.750.000**	-
		11.958.327	9.725.220	**48.147.445**	5.569.434

(ii) Purchases of goods, services and other transactions

		The Group		The Company	
	Nature of transaction	**2014 €**	2013 €	**2014 €**	2013 €
Subsidiaries	Financing and interest	**-**	-	**477.641**	471.642
Related companies	Financing and interest	**4.542.574**	4.643.779	**4.542.574**	4.643.779
	Purchase of services	**339.021**	629.497	**287.513**	447.778
	Purchase of goods	**36.801**	26.434	**7.959**	12.588
		4.918.396	5.299.710	**4.838.046**	5.104.145

(iii) Year-end balances arising from the above transactions

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
Receivables from related parties (Note 23)				
Related companies	**1.572.589**	832.937	**879.319**	20.392
Subsidiaries	**-**	-	**1.894.763**	1.307.409
Associates	**917.840**	917.840	**917.840**	917.840
	2.490.429	1.750.777	**3.691.922**	2.245.641
Payables to related parties (Note 29)				
Related companies	**1.540.370**	748.609	**1.260.778**	424.436

The above amounts bear no interest and are repayable on demand.

(iv) Borrowings from related companies

The total borrowings from related companies are analysed in the tables below::

The Company	2014 €	2013 €
At the beginning of the year	**7.545.348**	7.774.037
Borrowings advanced during the year	**808.376**	1.132.220
Loan repaid during the year	**(1.866.638)**	(2.078.935)
Balances transferred from related parties	**249.113**	246.384
Interest payable (Note 10)	**477.641**	471.642
At the end of the year (Note 27)	**7.213.840**	7.545.348

The borrowing analysed above was provided by the subsidiaries, Woolworth Commercial Centre Limited, Zaco Estate Limited, Zako Limited and The Cyprus Supply Company Limited. The loans bear interest at 5,75% (2013: 5,75%) and on 31 December 2013 the related parties agreed that no repayment will be demanded for the above amounts for the next five years.

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
Borrowings from related parties:				
At the beginning of the year	**83.880.954**	67.241.613	**83.880.954**	67.241.613
Loans advanced during the year	**39.784.197**	31.004.607	**36.572.018**	31.004.607
Loans repaid during the year	**(74.411.594)**	(19.343.226)	**(74.411.594)**	(19.343.226)
Balances transferred from related parties	**28.500**	334.181	**997.695**	334.181
Interest payable (Note 10)	**4.682.683**	4.643.779	**4.675.667**	4.643.779
At the end of the year (Note 27)	**53.964.740**	83.880.954	**51.714.740**	83.880.954

The borrowings from related companies, are analysed per company in the tables below:

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
N.K. Shacolas (Holdings) Limited:				
At the beginning of the year	**5.836.399**	13.055.094	**5.836.399**	13.055.094
Loan advanced during the year	**1.480.420**	6.811.637	**1.480.420**	6.811.637
Loan repaid during the year	**(5.543.194)**	(14.769.096)	**(5.543.194)**	(14.769.096)
Balances transferred from related companies	**28.500**	165.748	**28.500**	165.748
Interest payable	**329.882**	573.016	**329.882**	573.016
At end of year (Note 27)	**2.132.007**	5.836.399	**2.132.007**	5.836.399

The borrowing from the related company N. K. Shacolas (Holdings) Limited carries interest at 6% (2013: 6%) and at 31 December 2013 the related parties agreed that no repayment will be demanded within the next four years.

	The Group		The Company	
	2014 €	2013 €	**2014 €**	2013 €
Cyprus Trading Corporation Plc:				
At the beginning of the year	**66.071.321**	40.850.611	**66.071.321**	40.850.611
Loan advanced during the year	**5.800.000**	21.842.970	**5.800.000**	21.842.970
Loan repaid during the year	**(26.050.000)**	-	**(26.050.000)**	-
Balances transferred from related companies	-	168.433	-	168.433
Interest payable	**3.761.412**	3.209.307	**3.761.412**	3.209.307
At the end of the year (Note 27)	**49.582.733**	66.071.321	**49.582.733**	66.071.321

The borrowing from Cyprus Trading Corporation Plc carries interest at 6,05% (2013: 6,69%) and on 31 December 2013 an agreement was made between the related parties that the loan will be repaid in 7 years with one instalment including capitalised interest.

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Ermes Department Stores Plc:				
At the beginning of the year	**11.973.234**	13.335.908	**11.973.234**	13.335.908
Loan advanced during the year	**32.503.777**	2.350.000	**29.291.598**	2.350.000
Loan repaid during the year	**(42.818.400)**	(4.574.130)	**(42.818.400)**	(4.574.130)
Balances transferred from related companies	**-**	-	**969.195**	-
Interest payable	**591.389**	861.456	**584.373**	861.456
At the end of the year (Note 27)	**2.250.000**	11.973.234	**-**	11.973.234

The borrowing from Ermes Department Stores Plc carries interest at 4,50% up to 7,25% (2013: 7,25%). The amount due of €11.973.234 has been fully repaid during the current year. On 31 December 2013 an agreement was made between the related parties that no repayment will be demanded within the next five years.

(v) Loans to related parties

The Company	**2014**	2013
	€	€
Loan to subsidiaries:		
At the beginning of the year	**37.326.179**	35.137.478
Loan advanced during the year	**6.316.926**	6.317.387
Loan repaid during the year	**(9.487.162)**	(5.943.335)
Balances transferred from related companies	**-**	(39.050)
Interest charged (Note 10)	**2.011.581**	1.853.699
At the end of the year (Note 22)	**36.167.524**	37.326.179

The above loans represent borrowings to the subsidiaries ITTL Trade Tourist and Leisure Park Plc, FWW Super Department Stores Limited, Apex Limited, Calandra Limited and Estelte Limited and bear interest of 5,75% (2013: 5,75%). On 31 December 2013, an agreement was made between the subsidiaries that no repayment will be demanded within the next five years, except for the loan to the subsidiary company ITTL Trade Tourist and Leisure Park Plc where €1.000.000 will be paid annually in the next five years and the remaining non-current balance will be received after the end of the five year period.

The company and the Group	**2014**	2013
	€	€
Loan to related company:		
At the beginning of the year	**17.172.857**	9.758.721
Loan advanced during the year	**7.135.728**	6.426.960
Loan repaid during the year	**-**	(50.000)
Balances transferred from related companies	**162.218**	243.970
Interest charged (Note 10)	**1.238.354**	793.206
At the end of the year (Note 22)	**25.709.157**	17.172.857

The above loan to the related company, Cyprus Limni Resorts and GolfCourses Plc bears interest of 5,75% (2013: 7%). On 31 December 2013, an agreement was made between the related parties that no repayment will be demanded within the next five years.

(vi) Directors' remuneration

The total remuneration of the Directors (including the key management personnel compensation below) was as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Compensation of Executive Director	**214.685**	212.993	**214.685**	212.993
Fees as Executive directors	**17.745**	16.170	**17.745**	16.170
Fees as Non - Executive directors	**26.120**	52.690	**19.520**	19.090
Professional fees	**30.000**	31.500	**30.000**	31.500
	288.550	313.353	**281.950**	279.753

(vii) Key management personnel compensation

The compensation of key management personnel is as follows:

	The Group		The Company	
	2014	2013	**2014**	2013
	€	€	**€**	€
Emoluments	**401.319**	529.472	**353.319**	414.196

(viii) Sale of shares of related company

On 15 July 2014, the Company and the Group disposed 45 000 000 shares held in the subsidiary company ITTL Trade Tourist and Leisure Park Plc, to its related company Ermes Department Stores Plc for €42.750.000 (€0,95 per share).

From the above disposal the following gain arose:

	2014
The Group	€
Proceeds from sale of investment	42.750.000
Less: Increase in Minority Interest	(34.668.157)
Profit transferred from retained earnings to the profit and loss account due to the sale (Note 25)	8.081.843
The Company	
Proceeds from sale of investment	42.750.000
Net book value at the date of sale	(15.896.005)
Profit arising from the sale (Note 9)	26.853.995

As a result of this disposal, the share of Woolworth (Cyprus) Properties Plc in ITTL Trade Tourist and Leisure Park Plc decreased from 99,7% to 54,7%. Woolworth (Cyprus) Properties Plc remains the main shareholder of ITTL Trade Tourist and Leisure Park Plc.

(ix) Guarantees

The Group and the company granted guarantees to secure bank facilities of related companies (Note 30 (i)).

32 MATERIAL DIFFERENCES BETWEEN THE INDICATIVE RESULTS ANNOUNCED AND THE AUDITED CONSOLIDATED RESULTS FOR THE YEAR

The audited consolidated financial results of the Group present the following differences between the indicative results announced and the audited consolidated results for the year.

	€
Profit according to announcement	3.844.000
Deferred tax	333.623
Corporation tax	(517.733)
Other differences	(95.043)
Loss on the revaluation of financial assets at fair value through profit and loss	(5.000.000)
Loss after tax according to consolidated financial statements	(1.435.153)

33 EVENTS AFTER THE BALANCE SHEET DATE

There were no material events after the balance sheet date, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 12 and 13.

DESIGN / LAYOUT: GRANDAD ADVERTISING