GROUP OF COMPANIES

HOUSEMARKET S.A.

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

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 003804201000

OFFICES: BUILDING 501 – ATHENS INTERNATIONAL AIRPORT

INTERIM CONDENSED FINANCIAL REPORT

For the period

1/1/2017 to 30/6/2017

(TRANSLATED FROM THE GREEK ORIGINAL)

(In accordance with Law 3556/2007)

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Statements of Members of the Board of Directors

The members of the Board of Directors

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

We confirm that to the best of our knowledge:

a. The Interim Condensed Financial Statements of the Company HOUSEMARKET S.A. and the Group for the period 1/1/ - 30/6/2017 which have been prepared in accordance with International Financial Reporting Standards (IAS 34) as endorsed by the EU, provide a true and fair view of the Assets, Liabilities and Shareholders Equity along with the income statement of HOUSEMARKET S.A. as well as of the companies that are included in the consolidation taken as a whole in compliance with the provisions of paragraphs 3 to 5 of article 5 of L. 3556/2007.

b. The Six-Month Report of Board of Directors provides a true and fair view of the information required based no the paragraph 6 of Art. 5 of L. 3556/2007.

Paiania, September 4 2017

The Chairman	The Vice Chairman	The CEO
Dafni A. Fourlis	Vassilis S. Fourlis	Panagiotis D. Katiforis

REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY HOUSEMARKET SA FOR THE PERIOD 1/1 – 30/6/2017

(In accordance with L. 3556/ 2007)

1. THE GROUP – Business Segment

The parent Company HOUSEMARKET S.A. along with its subsidiaries and their subsidiaries, compose Group HOUSEMARKET which operates in the Retail Trading of Home Furniture and Household Goods (IKEA Stores). The parent company is subsidiary of the company FOURLIS HOLDINGS S.A. with a direct shareholding of 100%.

The subsidiary companies and their subsidiaries of the Group which are included in the consolidated financial statements for the period 1/1 – 30/6/2017, are as follows:

a) Full method

- H.M. HOUSEMARKET (CYPRUS) LTD which operates in Cyprus and the Company has a shareholding of 100%.
- HOUSE MARKET BULGARIA AD which operates in Bulgaria and the Company has a shareholding of 100% (except one share).
- WYLDES LTD which operates in Cyprus and the Company has a shareholding of 100%.
- RENTIS REAL ESTATE INVESTMENTS SA which operates in Greece and the company HM HOUSEMARKET (CYPRUS) LTD has a shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the Company has a shareholding of 100% (except one share). On 23/12/2016 the parent company of TRADE LOGISTICS SA until then, FOURLIS TRADE SA was merged through its absorption by HOUSEMARKET SA. Therefore TRADE LOGISTICS SA is fully consolidated in Group HOUSEMARKET within the period 1/1 – 30/6/2017.

b) Net Equity method

Affiliated companies

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

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

The aforementioned companies are included in the consolidated financial statements published in the website http://www.fourlis.gr of the parent Company FOURLIS HOLDINGS S.A. through full consolidation method except from VYNER LTD and SW SOFIA MALL ENTERPRISES LTD which are consolidated through net equity method (as affiliated companies of the parent Company FOURLIS

2. Group Consolidated Results

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

The Group realized sales of amount € 126,2 million for the 1st semester of 2017 (1st semester 2016: € 127,6 million). The EBITDA totaled € 7,4 million compared to € 7,0 million in 2016 and reported losses before tax € 1,3 million versus € 3,7 million losses in 2016. Subsidiary TRADE LOGISTICS SA during this specidic period is fully consolidated in the Group HOUSEMARKET.

Today, seven (7) IKEA Stores are operating, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria and seven (7) Pick Up & Order Points with IKEA products, five (5) of which in Greece (in Rhodes Island, Patras, Chania, Heraklion and Komotini) and two (2) in Bulgaria (Varna and Burgas). Moreover, e-commerce stores are operating in Greece, Cyprus and Bulgaria. All supply chain services are provided by the company of the Group TRADE LOGISTICS which supports IKEA Stores in Greece and Cyprus with automated warehousing and orders delivery systems.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 30/6/2017 versus 1/1 – 30/6/2016 at the following tables. (Amounts are in thousands of euros)

	1st semester 2017	1st semester 2016	2017/ 2016
Revenue	126.225	127.608	0,99
EBITDA	7.435	7.002	1,06
Losses/(Profits) before Tax	(1.332)	(3.697)	0,36

3. Basic Financial Indicators (Consolidated)

Below please find basic Indicators for the Group Financial Structure and Performance & Efficiency according to the consolidated financial statements included in the Interim Condensed Financial Report of the Group, for the period 1/1 – 30/6/2017 and 1/1 – 30/6/2016 respectively.

Financial Structure Indicators:

	30/6/2017	31/12/2016
Current Assets/ Total Assets	20,95%	23,04%
Total Liabilities/ Total Equity & Liabilities	56,08%	57,26%
Total Equity (after minority interest)/ Total Equity & Liabilities	43,92%	42,74%
Current Assets/ Short Term Liabilities	78,08%	77,43%

Performance & Efficiency basic Indicators:

	1st semester 2017	1st semester 2016
Operating Profit/ Revenues	2,3%	2,4%
Losses before tax/ Total Equity (after minority interest)	1,0%	2,9%

4. Operating Performance – Important developments:

During the period 1/1 – 30/6/2017 the following share capital changes were realised:

WYLDES LTD: Against future share capital increase of WYLDES LTD for which a resolution has not yet been made by the General Assembly of the shareholders of the company, the shareholder HOUSEMARKET S.A., following the resolutions of 9/1/2017, 16/2/2017, 6/4/2017, 9/5/2017 and 1/6/2017 of its Board of Directors, within the period 1/1 – 30/6/2017 has paid the amount of € 68,00 against acquisition of 68 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 674.932,00 premium namely has totally paid the amount of € 675.000,00. With a resolution still pending until today for the aforementioned share capital increase of WYLDES LTD, the share capital continues to amount to € 6.876,00, divided in 6.876 common (ordinary) nominal vote shares, of nominal value € 1,00 per share.

Apart from the above, there are no other changes at the share capital of the companies of the Group within the 1st semester of 2017.The parent company HOUSEMARKET SA has the following branches:

- Thessaloniki IKEA store (89 Georgikis Scholis str., Pylaia) operating since October 2001.
- Athens IKEA store – Airport («Eleftherios Venizelos» Athens International Airport, Spata) operating since April 2004.
- Athens IKEA store – Egaleo (96-98 Kifissos Av., Egaleo) operating since March 2008.
- Larissa IKEA store (8th km of Larissa - Athens Old National Road) operating since October 2009.
- Ioannina IKEA store (12th km of Ioannina – Athens National Road) operating since December 2010.
- IKEA products Pick Up & Order Point in Rhodes (5th km of Rhodes – Lindos Av.) operating since November 2012.
- IKEA products Pick Up & Order Point in Patras (250 Patras –Klaus Av.) operating since August 2013.
- IKEA products Pick Up & Order Point in Chania (404 Konstantinou Karamanli Av.) operating since September 2013.
- IKEA products Pick Up & Order Point in Heraklion (1 Velisariou str. & Ikarou Av., S. Alikarnassos)

operating since October 2013.

- IKEA products Pick Up & Order Point in Komotini (3th km Komotinis – Alexandroupolis, Roditis) operating since April 2014.
- E-commerce store operating since August 2014.

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

5. Information about Group's plan of development (2nd semester 2017)

The retail segment of furniture and household goods which operates seven (7) IKEA stores and seven (7) Pick Up & Orders Points (Greece, Cyprus and Bulgaria) as well as e-commerce Stores in all aforementioned countries, is expected to contribute with increased income within the second semester of 2017 compared to the first semester.

Despite the fact that the consequences of high taxation in Greece for households and companies restrict the sources available for consumption and investments, Management of the Group estimates that the second semester will be improved regarding the financial results against the first semester, due to the historically increased income within the second semester, the strong competitive position of retail companies of the Group but also the balanced expansion of its activities and therefore its income from foreign countries. The aforementioned estimations for the improvement of financial results of the Group within the 2nd semester of 2017, are directly connected to the developments of economic and political environment especially in Greece, from where the biggest part of income continues to arise (65% 1st semester 2017), where the quickness of implementation of reforms is the criteria for the approach of investments and increase of consumption.

Orientation of the Management towards gaining benefits from synergies within the Group will continue for the 2nd semester of 2017. "Integrity", "Respect" and "Efficiency" – continue to compose major comparative advantages through which the Group aims to achieve its goals.

6. Stock Option Plan

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

The Extraordinary General Assembly of the parent Company FOURLIS HOLDINGS SA on 27/9/2013, under the context of Stock Option Plan, approved the disposal of 1.507.678 stock options and authorized the Board of Directors to regulate the procedural issues and details. The program will be implemented in three waves, with a maturity period of three years per wave. Options must be exercised within five years since their maturity date. In case that there are undisposed options, after the allocation of options mentioned above, these options will be cancelled. The underlying share price of each wave is the closing market price of the share at the decision date of the Extraordinary General Assembly regarding the approval of the SOP.

On 25/11/2013, the BoD granted 502.550 stock options, which compose the first of the three waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 3,4 per share which is the closing market price of the share on the date of the Extraordinary General Assembly.

On 24/11/2014, the BoD granted 502.550 stock options, which compose the second of the three waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 3,4 per share which is the closing market price of the share on the date of the Extraordinary General Assembly.

On 23/11/2015, the BoD granted 502.578 stock options, which compose the third of the three waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 3,4 per share which is the closing market price of the share on the date of the Extraordinary General Assembly.

Within the year 2016, 338.088 stock options were excersiced which had been granted following the resolutions of the BoD 25/11/2016, 24/11/2014 and 23/11/2015. Following the resolution of the BoD on 22/12/2016 (relevant minutes of the BoD with number 379/22.12.2016), the exersice of the aforementioned options by their corresponding beneficiaries of the SOP was certified by payment of the defined underlying price of the new shares, which, according to the terms of the SOP of 27/9/2016, amounts to € 3,40 per share, namely the payment of total amount of € 1.149.499,20 and equal number of new common nominal shares of the Company were issued and delivered to their corresponding beneficiaries of the SOP, namely 338.088 new common nominal shares of nominal value € 1,07 each. 4 beneficiaries responded to this invitation among which members of the Management are included.

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

The General Assembly of the Company FOURLIS HOLDINGS S.A. on 16/6/2017, under the context of the SOP, approved the disposal of 2.566.520 stock options and the supply of authorization to the BoD regarding the settlement of procedural issues and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options should be exercised within five years since their maturity date. In case that, after the grant some of the options remain undisposed, those options will be cancelled. The option grant price of each wave is the market closing price on the day of Extraordinary General Assembly's resolution regarding the approval of the program. Grant date of the first wave of stock options has been set by the Stock Option Plan on 20/11/2017.

7. Major Threats & Uncertainties for the Group

a) Financial Risk Management

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

Foreign Exchange Risk:

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

Interest rate risk/liquidity:

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

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

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Interim Condensed Financial Statements of the Group or Company for the period 1/1 - 30/6/2017.

8. Social Responsibility

Focused on our Principles, Integrity, Respect, Efficiency, as well as on the ten (10) Principles of the UN Global Compact, relating to human rights, working conditions, environmental protection and anti-corruption which the FOURLIS Group has committed to adopt, support and promote through its business practices, being a member of the UN GLOBAL COMPACT since November 2008, the first semester of 2017 at HOUSEMARKET A.E (IKEA) we continued to operate with a view to contributing to the sustainable development of the company as well as of the societies of the countries where we operate.

In this context, the Corporate Social Responsibility Department continued the EF ZIN program, a wellness program implemented since 2010, aiming to motivate employees towards a healthier lifestyle. In 2017 the program included the following actions for the HOUSEMARKET S.A. (IKEA) employees:

- Sports Tournaments in Northern Greece, (with the participation of HOUSEMARKET S.A. employees in Larissa, Ioannina and Thessaloniki) as well as in Cyprus.

- Newsletters on health, nutrition and wellbeing issues
- A weekly balanced diet menu for the IKEA stores' employees in Greece

The Group's Scholarships program for the academic year 2016-2017 continued, giving the opportunity to students-children of HOUSEMARKET S.A. (IKEA) employees in Greece and Cyprus, who study away from their permanent place of residence and whose families are experiencing financial difficulties, to continue their studies.

HOUSEMARKET S.A. (IKEA) employees participated in the voluntary blood drive organized by the FOURLIS Group twice a year, in the context of the actions implemented for the support of the Society. The voluntary blood drive was held in January and in June at the IKEA stores in Greece, Cyprus and Bulgaria.

HOUSEMARKET S.A. (IKEA) continued the FURNISHED WITH JOY program, in the context of which it undertakes the full refurbishment of municipal nursery schools and kindergartens in Greece, in cooperation with the municipal authorities. Since the beginning of 2017 fourteen out of the twenty, in total, schools included in the annual program have already been refurbished.

In the context of the actions taken to protect the environment, at HOUSEMARKET S.A (IKEA) we continued to intensively monitor our activities' impact and to implement a series of volunteer actions and interventions aiming to the reduction of our environmental impact and to the saving of natural resources, as for example the implementation of recycling and energy saving programs at the IKEA stores.

In June 2017 the Social Responsibility Department issued the eighth Social Responsibility and Sustainable Development Report, which includes information on the FOURLIS Group and HOUSEMARKET S.A. (IKEA) management and sustainable development performance and covers the period from January 1st, 2016 to December 31, 2016. The Report is available on www.fourlis.gr.

9. Related parties transactions

Rerlated parties transactions are analysed in Note 17 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2017.

10. Human Recourses

The total number of employees of the Group as at 30, June 2017 and 30, June 2016 is 2.302 and 2.141 respectively. The total number of employees of the Company for the same reporting periods set above is at 1.508 and 1.538 respectively.

11. Management members' transactions and remuneration

Management members' transactions and remuneration are analysed in Note 17 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2017.

12. Subsequent Events

The General Assembly of shareholders held on 28/7/2017 did not propose a dividend distribution for the year 2016.

There are no other commitments and subsequent events that can affect the financial condition and results of the Group other than those mentioned in Note 10 for the new loan agreement of subsidiary company.

This Report, the Interim Condensed Financial Statements of the 1st semester of 2017, the Notes on the Interim Condensed Financial Statements along with the Auditor's Report, they are published at the Group's web site, address: http:// www.housemarket.gr and www.ikea.gr.

Paiania, September 4th 2017

The Board of Directors

The Interim Condensed Financial Statements of the Company and Group included in pages 15 to 47 are in accordance with the IFRS (IAS 34) as applied in the European Union and approved by the Board of Directors on 4/9/2017 and are signed by the following:

Chairman of the Board of Directors	CEO

Dafni A. Fourlis ID No. S – 019071	Panagiotis D. Katiforis ID No. AK – 129648
Finance Manager Controlling & Planning	Chief Accountant
Emmanouil D. Manousakis ID No. T - 669252	Christos G. Vasilopoulos ID No. AI – 067556 Ch. Acct. Lic. No. 62815 A Class

ERNST & YOUNG (HELLAS)
Certified Auditors – Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders of "HOUSEMARKET S.A."

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of "Housemarket S.A." (the "Company") as at 30 June 2017, and the related interim condensed separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

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

Conclusion

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

Report on other legal requirements

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

Athens, 4 September 2017

The Certified Auditor Accountant

ANDREAS HADJIDAMIANOU
S.O.E.L. R.N. 61391
ERNST &YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B,
151 25 MAROUSSI
SOEL REG. No. 107

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Interim Condensed Statement of Financial Position (Consolidated and Separate) as at June 30, 2017 and December 31, 2016

(In thousands of Euro, unless otherwise stated)

		Group		Company	
Assets	**Note**	**30/06/2017**	**31/12/2016**	**30/06/2017**	**31/12/2016**
Non-current assets					
Property plant and equipment	6	186.379	188.831	91.816	93.158
Investment Property	7	27.358	27.330	12.239	12.239
Intangible assets	6	6.335	6.492	4.849	5.017
Investments in affiliates and associates	8	23.149	23.503	74.587	73.912
Long Term receivables		3.399	3.405	5.888	5.895
Deferred taxes	12	5.558	4.305	4.741	3.394
Total Non-current assets		**252.179**	**253.867**	**194.120**	**193.615**
Current assets					
Inventory	19	35.338	33.840	23.994	22.770
Income tax receivable		343	347	343	347
Trade receivables		2.118	2.020	1.743	1.674
Other receivables		12.895	13.533	10.686	11.054
Cash & cash equivalents	19	16.152	24.971	12.553	22.109
Investments/Financial data available for sale	13	0	1.254	0	1.254
Non current assets classified as held for sale		0	40	0	40
Total current assets		**66.846**	**76.005**	**49.319**	**59.247**
Total Assets		**319.025**	**329.872**	**243.439**	**252.862**
SHAREHOLDERS EQUITY AND LIABILITIES					
Shareholders Equity					
Share Capital	14	47.451	47.451	47.451	47.451
Share premium reserve		(561)	(456)	(217)	(217)
Reserves		17.465	17.437	17.504	17.683
Retained earnings		75.771	76.542	77.753	81.741
Total Shareholders Equity (a)		**140.126**	**140.974**	**142.490**	**146.657**
Non controlling interest (b)		0	0	0	0
Total Equity (c) = (a) + (b)		**140.126**	**140.974**	**142.490**	**146.657**
Liabilities					
Non current Liabilities					
Loans and borrowings	10*	85.446	82.707	39.275	39.190
Employee retirement benefits		2.978	2.828	2.687	2.560
Other non-current liabilities		4.868	5.198	65	65
Total non current Liabilities		**93.291**	**90.732**	**42.027**	**41.815**
Current Liabilities					
Short term loans for working capital	10	2.401	4.400	2.000	3.000
Current portion of non-current loans and borrowings	10*	14.452	20.516	0	0
Short term poerion of non-current Lease	10	241	472	241	472
Income Tax Payable	12	2.085	1.827	1.801	1.796
Accounts payable and other current liabilities	19	66.428	70.950	54.879	59.122
Total current Liabilities		**85.608**	**98.165**	**58.921**	**64.390**
Total Liabilities (d)		**178.899**	**188.898**	**100.948**	**106.205**
Total Equity & Liabilities (c) + (d)		**319.025**	**329.872**	**243.439**	**252.862**

* The data for the previous period have been reclassified to be similar and comparable with the figures of corresponding period of 2017 (Note 10).

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Income Statement (Consolidated) for the period 1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

		Group	
	Note	1/1 - 30/6/2017	1/1 - 30/6/2016
Revenue		126.225	127.608
Cost of Goods Sold		(74.151)	(75.693)
Gross Profit		**52.074**	**51.915**
Other operating income		2.227	1.538
Distribution expenses		(44.518)	(43.428)
Administrative expenses		(6.720)	(6.792)
Other operating expenses		(214)	(234)
Operating Profit/(Loss)		**2.848**	**2.999**
Total finance cost		(3.695)	(5.714)
Total finance income		353	43
Contribution associate companies losses		(839)	(1.025)
Profit/(Loss) before Tax		**(1.332)**	**(3.697)**
Income tax	12	561	1.212
Net Income/(Loss) (A)		**(772)**	**(2.485)**
Attributable to:			
Equity holders of the parent		(772)	(2.485)
Non controlling interest		**0**	**0**
Net Income/(Loss) (A)		**(772)**	**(2.485)**
Losses after Tax per Share - Basic and Diluted (in Euro)	15	**(0,0163)**	**(0,0641)**

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

	Group	
	1/1 - 30/6/2017	1/1 - 30/6/2016
Net Income/(Loss) (A)	(772)	(2.485)
Other comprehensive income/(expenses)		
Other comprehensive income/(expenses) transferred to the income statement		
Effective portion of changes in fair value of cash flow hedges	205	13
Total Other comprehensive income/(expenses) transferred to the income statement	205	13
Other comprehensive income/(expenses) not transferred to the income statement		
Actuarial gain/losses on defined benefit pension plans	0	4
Total Other comprehensive income/(expenses) not transferred to the income statement	0	4
Comprehensive Income/Losses after Tax (B)	205	17
Total Comprehensive Income/(Losses) after Tax (A)+(B)	(567)	(2.468)
Attributable to :		
Equity holders of the parent	(567)	(2.468)
Non controlling interest	0	0
Total Comprehensive Income/(Losses) after Tax (A)+(B)	(567)	(2.468)

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Income Statement (Separate) for the period
1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

		Company	
	Note	1/1 - 30/6/2017	1/1 - 30/6/2016
Revenue		81.230	87.256
Cost of Goods Sold		(47.019)	(51.253)
Gross Profit		**34.211**	**36.002**
Other operating income		1.598	1.427
Distribution expenses		(31.873)	(32.502)
Administrative expenses		(7.172)	(6.681)
Other operating expenses		(133)	(222)
Operating Profit/(Loss)		**(3.368)**	**(1.975)**
Total finance cost		(2.236)	(3.856)
Total finance income		352	33
Profit/(Loss) before Tax		**(5.253)**	**(5.797)**
Income tax	12	1.264	1.704
Net Losses		**(3.988)**	**(4.093)**

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Comprehensive Income (Separate) for the period 1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

	1/1 - 30/6/2017	1/1 - 30/6/2016
Net Income/(Loss) (A)	(3.988)	(4.093)
Other comprehensive income/(expenses)		
Other comprehensive income/(expenses) transferred to the income statement		
Total Other comprehensive income/(expenses) transferred to the income statement	0	0
Other comprehensive income/(expenses) not transferred to the income statement		
Total Other comprehensive income/(expenses) not transferred to the income statement	0	0
Comprehensive Income/Losses after Tax (B)	0	0
Total Comprehensive Income/(Losses) after Tax (A)+(B)	(3.988)	(4.093)

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Changes in Equity (Consolidated)

for the period 1/1 to 30/6/20167 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Revaluation Reserves	Foreign currency translation from foreign operations	Retained earnings / (Accumulated losses)	Total	Non-controlling interest	Total Equity
Balance at 1.1. 2016	38.740	(331)	6.993	0	5	83.370	128.776	0	128.776
Total comprehensive income/(loss) for the period									
Profit or loss	0	0	0	0	0	(2.485)	(2.485)	0	(2.485)
Other comprehensive income/(loss)									
Effective portion of changes in fair value of cash flow hedges	0	0	13	0	0	0	13	0	13
Actuarial gains (losses) on defined benefit pension plan	0	0	0	0	0	4	4	0	4
Total other comprehensive income/loss	**0**	**0**	**13**	**0**	**0**	**(2.481)**	**(2.468)**	**0**	**(2.468)**
Total comprehensive income/loss for the period after taxes	**0**	**0**	**13**	**0**	**0**	**(2.481)**	**(2.468)**	**0**	**(2.468)**
Transactions with shareholders, recorded directly in equity									
SOP Reserve	0	0	72	0	0	0	72	0	72
Net Income directly booked in the statement movement in Equity	0	(37)	264	0	0	(1)	226	0	226
Total transactions with shareholders	**0**	**(37)**	**336**	**0**	**0**	**(1)**	**298**	**0**	**298**
Balance at 30.6. 2016	**38.740**	**(368)**	**7.341**	**0**	**5**	**80.887**	**126.605**	**0**	**126.605**

Balance at 1.1. 2017	47.451	(456)	16.710	722	5	76.542	140.974	0	140.974
Total comprehensive income/(loss) for the period									
Profit or loss	0	0	0	0	0	(772)	(772)	0	(772)
Other comprehensive income/(loss)									
Effective portion of changes in fair value of cash flow hedges	0	0	205	0	0	0	205	0	205
Total other comprehensive income/loss	**0**	**0**	**205**	**0**	**0**	**(772)**	**(567)**	**0**	**(567)**
Total comprehensive income/loss for the period after taxes	**0**	**0**	**205**	**0**	**0**	**(772)**	**(567)**	**0**	**(567)**
Transactions with shareholders, recorded directly in equity									
SOP Reserve	0	0	20	0	0	0	20	0	20
Net Income directly booked in the statement movement in Equity	0	(105)	(197)	0	0	0	(302)	0	(302)
Total transactions with shareholders	**0**	**(105)**	**(177)**	**0**	**0**	**0**	**(282)**	**0**	**(282)**
Balance at 30.6. 2017	**47.451**	**(561)**	**16.738**	**722**	**5**	**75.771**	**140.126**	**0**	**140.126**

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Changes in Equity (Separate)
for the period 1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Revaluation Reserves	Retained earnings / (Accumulated losses)	Total
Balance at 1.1. 2016	38.740	(208)	7.125	0	84.292	129.949
Total comprehensive income/(loss) for the period						
Profit or loss	0	0	0	0	(4.093)	(4.093)
Other comprehensive income/(loss)						
Total comprehensive income/loss for the period after taxes	0	0	0	0	(4.093)	(4.093)
Transactions with shareholders, recorded directly in equity						
SOP Reserve	0	0	66	0	0	66
Net Income directly booked in the statement movement in Equity	0	0	264	0	0	264
Total transactions with shareholders	0	0	330	0	0	330
Balance at 30.6. 2016	38.740	(208)	7.456	0	80.199	126.186
Balance at 1.1. 2017	47.451	(217)	16.961	722	81.741	146.657
Total comprehensive income/(loss) for the period						
Profit or loss	0	0	0	0	(3.988)	(3.988)
Total comprehensive income/loss for the period after taxes	0	0	0	0	(3.988)	(3.988)
Transactions with shareholders, recorded directly in equity						
SOP Reserve	0	0	18	0	0	18
Net Income directly booked in the statement movement in Equity	0	0	(197)	0	0	(197)
Total transactions with shareholders	0	0	(179)	0	0	(179)
Balance at 30.6. 2017	47.451	(217)	16.782	722	77.753	142.490

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Cash Flows (Consolidated and Separate)

for the period 1/1 to 30/6/2017 and 1/1 to 30/6/2016

(In thousands of Euro, unless otherwise stated)

		GROUP		COMPANY	
	Note	1/1-30/6/2017	1/1-30/6/2016	1/1-30/6/2017	1/1-30/6/2016
Operating Activities					
(Loss)/Profit before taxes		(1.332)	(3.697)	(5.253)	(5.797)
Adjustments for:					
Depreciation / Amortization	6,7	4.587	4.003	2.525	2.525
Income on depreciation in fixed subsidy		(102)			
Provisions		189	216	145	199
Foreign exchange differences		18	11	7	0
Results (Income, expenses, profit and loss) from investment activity		(292)	1.655	(291)	1.655
Interest Expense		3.635	4.010	2.188	2.171
Plus/less adj for changes in working capital related to the operating activities:					
Decrease / (increase) in inventory		(1.498)	(2.437)	(1.223)	(1.930)
Decrease / (increase) in trade and other receivables		550	(483)	308	(667)
(Decrease) / increase in liabilities (excluding banks)		(3.992)	(6.253)	(4.231)	(8.209)
Less:					
Interest paid		(3.568)	(4.021)	(2.109)	(2.171)
Income taxes paid		(74)	(25)	0	0
Net cash generated from operations (a)		(1.880)	(7.022)	(7.934)	(12.224)
Investing Activities					
Purchase or Share capital increase of subsidiaries and related companies		(485)	(1.015)	(675)	(1.200)
Purchase of tangible and intangible fixed assets	6,7	(2.001)	(1.939)	(1.036)	(1.391)
Proceeds from disposal of tangible and intangible assets		3	0	3	0
Addition of other investments		(278)	(34)	(250)	0
Interest Received		32	18	31	17
Proceeds from the sale of other investments		1.535	0	1.535	0
Total inflow / (outflow) from investing activities (b)		(1.194)	(2.970)	(392)	(2.575)
Financing Activities					
Proceeds from issued loans	10	9.900	19.010	9.500	19.010
Outflow from share capital increase		(105)	0	0	0
Repayment of loans	10	(15.310)	(12.968)	(10.500)	(9.006)
Repayment of leasing liabilities	10	(230)	(1.126)	(230)	(1.126)
Total inflow / (outflow) from financing activities (c)		(5.745)	4.916	(1.230)	8.878
period (a)+(b)+(c)		(8.819)	(5.075)	(9.556)	(5.921)
Cash and cash equivalents at the beginning of the period		24.971	16.260	22.109	14.197
Closing balance, cash and cash equivalents		16.152	11.185	12.553	8.277

The accompanying notes on pages 23 to 47 are an integral part of the Interim Condensed Financial Statements.

Notes to the Interim Condensed Financial Statements (consolidated and separate) as at Jun 30, 2017

1. Corporate information

1.1 General Information

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

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

The current Board of Directors of the parent company is as follows:

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

The total number of employees of the Company and its subsidiaries (hereinafter the "Group") on 30/6/2017 and 30/6/2016 was 2.302 and 2.141 respectively while the total number of employees of the Company on 30/6/2017 was 1.508 and on 30/6/2016 was 1.538.

1.2 Activities

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

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

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

VYNER LTD*	Nicosia, Cyprus	50,00	Net Equity
SW SOFIA MALL ENTERPISES LTD*	Cyprus	50,00	Net Equity

** Companies with indirect shareholding*

During the period 1/1 – 30/6/2017 the following share capital changes were realised at the parent Company and its subsidiaries:

WYLDES LTD: Against future share capital increase of WYLDES LTD for which a resolution has not yet been made by the General Assembly of the shareholders of the company, the shareholder HOUSEMARKET S.A., following the resolutions of 9/1/2017, 16/2/2017, 6/4/2017, 9/5/2017 and 1/6/2017 of its Board of Directors, within the period 1/1 – 30/6/2017 has paid the amount of € 68,00 against acquisition of 68 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 674.932,00 a reserve namely has totally paid the amount of € 675.000,00. With a resolution still pending until today for the aforementioned share capital increase of WYLDES LTD, the share capital continues to amount to € 6.876,00, divided in 6.876 common (ordinary) nominal vote shares, of nominal value € 1,00 per share.

2. Basis of presentation of the Financial Statements

The accompanying Interim Condensed Consolidated and Separate Financial Statements (hereinafter "Interim Condensed Financial Statements") have been prepared in accordance with IFRS 34 and therefore they do not include all information required for the annual financial statements and must be read combined with the published financial statements of the Group on 31/12/2016 uploaded at the website http:// www.housemarket.gr and www.ikea.gr. The Board of Directors of the Company approved the Interim Condensed Financial Statements on September 4, 2017.

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

3. Summary of significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group and Company as of 1st January 2017.

- **IAS 12: Recognition of Deferred Tax Assets for Unrealized Losses (Amendments)**
  The objective of the Amendments is to clarify the requirements of deferred tax assets for unrealized losses in order to address diversity in practice in the application of IAS 12 Income Taxes. The specific issues where diversity in practice existed relate to the existence of a deductible temporary difference upon a decrease in fair value, to recovering an asset for more than its carrying amount, to probable future taxable profit and to combined versus separate assessment.

These amendments have not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

- **IAS 7: Disclosure Initiative (Amendments)**

  The objective of the amendments is to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The Amendments require that legal entities must provide disclosures which will allow investors to evaluate changes at liabilities arising from financing activities, including changes from financing cash flows and changes of non cash nature. These amendments have not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. The following annual improvement has not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

Standards issued but not yet effective and not early adopted by the Group

- **IFRS 12 Disclosure of Interests in Other Entities:** The amendments clarify that the disclosure requirements in IFRS 12, other than those of summarized financial information for subsidiaries, joint ventures and associates, apply to an entity's interest in a subsidiary, a joint venture or an associate that is classified as held for sale, as held for distribution, or as discontinued operations in accordance with IFRS 5.
- **IFRS 9 Financial Instruments: Classification and Measurement**

  The standard is effective for annual periods beginning on or after 1 January 2018, with early application permitted. The final version of IFRS 9 Financial Instruments reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. Management has made an assessment of the effect of the standard and considers that it wil not have an impact on its financial statements.

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

  The standard is effective for annual periods beginning on or after 1 January 2018. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. Management of the Group is in the process of assessing the impact of the aforementioned Standard on their financial position or performance.

In particular, IFRS 15 Revenue from Contracts with Customers, will be applied by the Group on 1 January 2018 and with regards to the effect of contracts remaining open on 1 January 2018 from previous periods (in case that such contracts exist since Group operates in retail industry), a cumulative catch- up adjustment will be made to the Group's equity on 1 January 2018.

The underlying principle is that an entity recognizes revenue in a way that reflects the transfer of the goods or services to customers to the amount it expects to be entitled to in exchange for those goods or services. IFRS 15 provides a single model based on five steps to identify and recognize revenue to be applied to all customer contracts. It requires entities to allocate contract revenue to individual promises, i.e. performance obligations, at a relative standard selling price, based on the five-step model.

The management of the Group is in the process of quantifying the impact of the application of the standard, which is expected to not affect significantly the operating results and the financial position of the Group. Although at this stage the impact of the new standard on the financial statements cannot be estimated accurately, the Group is in process of planning an initial diagnostic test to identify the main revenue streams affected by the application of the new standard and examine a sample of contracts with customers focusing on the performance obligations arising from the contracts in question, on the costs of concluding contracts and on changes to the agreements with customers, drawing up preliminary accounting conclusions.

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

  The Clarifications apply for annual periods beginning on or after 1 January 2018 with earlier application permitted. The objective of the Clarifications is to clarify the IASB's intentions when developing the requirements in IFRS 15 *Revenue from Contracts with Customers*, particularly the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, of principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and of licensing providing additional guidance for accounting of intellectual property and royalties. The Clarifications also provide additional practical expedients for entities that either apply IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach. These Clarifications have not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

- **IFRS 16: Leases**

  The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). The new standard requires lessees to recognize most leases on their financial statements. Lessees will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The standard has not been yet endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

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

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

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

  The Amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The Amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. These Amendments have not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

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

  The Amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The Amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The Amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These Amendments have not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

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

  The Interpretation is effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. This Interpretation has not yet been endorsed by the EU. Management assesses the impact of the amendment on the Group's companies.

The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2018 for IFRS 1 First-time Adoption of International Financial Reporting Standards and for IAS 28 Investments in Associates and Joint Ventures. Earlier application is permitted for IAS 28 Investments in Associates and Joint Ventures. These annual improvements have not yet been endorsed by the EU. Management assesses the impact of the amendment on the financial statements of the Group and the Company.

- ***IFRS 1 First-time Adoption of International Financial Reporting Standards:*** This improvement deletes the short-term exemptions regarding disclosures about financial instruments, employee benefits and investment entities, applicable for first time adopters.
- ***IAS 28 Investments in Associates and Joint Ventures:*** The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.
- ***IFRIC INTERPETATION 23:*** Uncertainty over Income Tax Treatments

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

4. Financial Risk Management

Policies of financial risk and capital management of the Group are those analysed in the annual financial statements of 31/12/2016.

5. Management estimations

Conduction of Interim Condensed Financial Statements based on IFRS requires estimations and adopotin of assumptions, which may affect accounting balances of assets and liabilities and required disclosures for contingent assets and liabilities, during the date of conduction of the Financial Statements, as well as the amounts of income and expenses recognized within the current period. Use of information available and implementation of subjective judgement are integral parts fot the conduction of estimations.

True future results may differ from the aforementioned estimations. The estimations and judgements of the Management are under constant review based on historical data and expectations for future events, which are considered fair in accordance with the current conditions. Estimations and judgements of the Management are aligned with those followed at the conduction of annual Financial Statements of the Company and Group for the year ended at 31/12/2016.

6. Property, plant and equipment and intangible assets

Property, plant and equipment for the period 1/1 – 30/6/2017 are analyzed as follows:

	Group						
	Land	Buildings and installations	Machinery-Installations-Miscellaneous equipment	Motor vehicles	Furniture and miscellaneous equipment	Construction in progress	Total of Property plant and equipment
Acquisition cost at 31.12.2016	52.266	176.066	4.762	5.115	33.436	2.951	274.596
Accumulated depreciation at 31.12.2016	0	(50.958)	(3.082)	(3.951)	(27.774)	0	(85.765)
Net book value at 31.12.2016	52.266	125.108	1.681	1.164	5.662	2.951	188.831
1.1 - 30/6/2017							
Additions	0	797	234	66	672	0	1.769
Other changes in acquisition cost	0	443	0	0	(186)	(451)	(195)
Depreciation/amortisation	0	(2.742)	(215)	(199)	(1.042)	0	(4.198)
Other Depreciation changes	0	0	0	0	172	0	173
Acquisition cost at 30.6.2017	52.266	177.306	4.996	5.181	33.921	2.500	276.170
Accumulated depreciation at 30.6.2017	0	(53.700)	(3.296)	(4.150)	(28.644)	0	(89.790)
Net book value at 30.6.2017	52.266	123.606	1.700	1.031	5.278	2.500	186.379

Company

	Land	Buildings and installations	Machinery-Installations-Miscellaneous equipment	Motor vehicles	Furniture and miscellaneous equipment	Construction in progress	Total of Property plant and equipment
Acquisition cost at 31.12.2016	31.316	89.595	3.213	1.556	21.050	0	146.730
Accumulated depreciation at 31.12.2016	0	(32.637)	(2.159)	(1.251)	(17.525)	0	(53.572)
Net book value at 31.12.2016	31.316	56.958	1.054	305	3.525	0	93.158
1.1 - 30/6/2017							
Additions	0	390	225	66	224	0	905
Other changes in acquisition cost	0	(8)	0	0	(186)	0	(194)
Depreciation/amortisation	0	(1.453)	(147)	(47)	(577)	0	(2.225)
Other Depreciation changes	0	0	0	0	172	0	172
Acquisition cost at 30.6.2017	31.316	89.977	3.438	1.622	21.088	0	147.440
Accumulated depreciation at 30.6.2017	0	(34.090)	(2.306)	(1.298)	(17.931)	0	(55.624)
Net book value at 30.6.2017	31.316	55.887	1.132	324	3.157	0	91.816

Additions in property, plant and equipment of the period concern the purchase of equipment and formation expenses of existing retail Stores.

Property, plant and equipment of the Company, include leased property, plant and equipment with finance leasing which amount to € 27.487 th. (31/12/2016: € 27.583 th.)

Additions in intangible assets of the period 1/1 – 30/6/2017 are as follows:

	GROUP		
	Royalties	**Software**	**Total**
Cost 31.12.2016	**8.872**	**6.527**	**15.398**
Accumulated depreciation/amortization 31/12/2016	(4.242)	(4.664)	(8.906)
Net book value at 31/12/2016	**4.630**	**1.862**	**6.492**
1.1 - 30.6.2017			
Additions	0	232	232
Depreciation/Amortization	(139)	(250)	(389)
Cost 30.6.2017	**8.872**	**6.759**	**15.631**
Accumulated depreciation/amortization 30/6/2017	(4.381)	(4.914)	(9.295)
Net book value at 30/6/2017	**4.491**	**1.845**	**6.335**

	COMPANY		
	Royalties	Software	Total
Cost 31.12.2016	7.210	5.081	12.291
Accumulated depreciation/amortization 31/12/2016	(3.543)	(3.730)	(7.273)
Net book value at 31/12/2016	3.667	1.351	5.017
1.1 - 30.6.2017			
Additions	0	132	132
Depreciation/Amortization	(125)	(176)	(301)
Cost 30.6.2017	7.210	5.213	12.423
Accumulated depreciation/amortization 30/6/2017	(3.668)	(3.906)	(7.574)
Net book value at 30/6/2017	3.542	1.307	4.849

During the current period there are no impairement indications of property, plant and equipment and intangible assets.

7. Investment property

Investment property for the period 1/1 – 30/6/2017 is analyzed as follows:

	GROUP		COMPANY	
	30/6/2017	**31/12/2016**	**30/6/2017**	**31/12/2016**
Opening	27.330	21.424	12.239	5.200
Additions	28	207	0	165
Additions from merge	0	6.874	0	6.874
Impairment	0	1.174	0	0
Closing balance	**27.358**	**27.330**	**12.239**	**12.239**

The amount of € 27,4 million (31/12/2016: € 27,3 million) includes:

- property of subsidiary company, operating in real estate segment, of amount € 15,1 million (31/12/2016: € 15,1 million). The assumptions of the assessments effectuated by independent appraisors within the year 2014 were confirmed by the Management. More specifically, the assessments of fair value were performed by Savills Hellas in accordance with the Valuation Standard V.S. 1.5&1.6 of RICS Valuation Standard prescribed by the Royal Institution of Chartered Surveyors. For the calculation of the fair value the Investment Method was used, according to which the investment property value is calculated by capitalizing the real and future leasing that it may create. The valuation of fair value method was ranked at level 3 of the hierarchy. The significant assumptions used for the retail stores that the subsidiary, operating in real estate, leases were: Rent price/month €12/sqm, capitalization rate at the end of the leasing period 8% and annual rent increase 2%.
- property for exploitation of amount € 6,9 million (31/12/2016: 6,9 million). The assessment of fair value was effectuated for the year 2016 by certified appraisers of the company Savills Hellas in accordance with the Valuation Standard V.S. 1.5&1.6 of RICS Valuation Standard prescribed by

the Royal Institution of Chartered Surveyors. For the calculation of the fair value the Investment Method was used, according to which the investment property value is calculated by capitalizing the real and future leases that it may create. The valuation of fair value method was ranked at level 3 of the hierarchy. The significant assumptions used for the property were: Sale price/sqm from € 180-300, capitalization rate at the end of the leasing period 11%.

- property for exploitation of value € 5,4 million (31/12/2016: € 5,3 million).

On 30/6/2017 there were no impairement indications of investment property of the Group.

8. Investments in affiliates and associates

Investments are as analyzed as follows:

AFFILIATES	COUNTRY	COMPANY			
		% SHAREHOLDING 30/6/2017	**30/6/2017**	**% SHAREHOLDING 31/12/2016**	**31/12/2016**
HM HOUSEMARKET (CYPRUS) LTD	Cyprus	100%	11.041	100%	11.041
HM HOUSEMARKET BULGARIA AD	Bulgaria	100%	9.999	100%	9.999
TRADE LOGISTICS SA	Greece	100%	18.520	100%	18.520
WYLDES LTD	Cyprus	100%	35.027	100%	34.352
ASSOCIATE					
VYNER LTD	Cyprus	50,00%	-	50,00%	-
SW SOFIA MALL ENTERPRISES LTD	Cyprus	50,00%	-	50,00%	-
TOTAL			**74.587**		**73.912**

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

On 30/6/2017 there were no indications for the conduction of impairment test of subsidiaries and associated companies of the Group.

Associated companies VYNER LTD and SW SOFIA MALL ENTERPISES LTD are included in the consolidated financial statements through net equity method. After applying the equity method, a loss of € 839 th. (1/1-30/6/2016: € 1.025 th.) was recognised in the income statement under "Contribution to associate companies losses" with a corresponding decrease in the carrying value of the investments in associates and affiliates.

9. Dividends

The Gereral Assembly of shareholders held on 28/7/2017 did not propose a dividend distribution for the year 2016. The Extraordinary General Assembly of shareholders of the Company on 30/12/2016 approved the distribution of dividend from retained earnings of amount € 8,5 million.

10. Borrowings

Borrowings for the period 1/1 – 30/6/2017 abd 31/12/2016 are analyzed as follows:

	Group		Company	
	30/6/2017	31/12/2016	30/6/2017	31/12/2016
Non - current loans	99.898	103.223	39.275	39.190
Finance leases	241	472	241	472
Total long term loans and short term portion of long term loans	100.139	103.695	39.517	39.662
Current portion of non-current loans and borrowings*	14.452	20.516	0	0
Short-term portion of non-current Lease	241	472	241	472
Non - current loans*	85.446	82.707	39.275	39.190
Short term loans for working capital	2.401	4.400	2.000	3.000
Total loans and borrowings	102.540	108.095	41.517	42.662

*The data of the previous year have been reclassified to be similar and comparable to the data of the corresponding period of 2017.

The repayment period of non - current loans varies between 1 to 8 years and the average effective interest rate of the Group was 3,92% during the period 1/1- 30/6/2017 (1/1–30/6/2016: 4,39%). Repayments and proceeds of loans of the current period amounted to € 15.540 thousand and € 9.900 thousand respectively. Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans as follows:

30/6/2017		Amount	Issuing Date	Duration
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	742	17/8/2011	7 years from the issuing date (€742 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.900	17/3/2016	5 years from the issuing date
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.114	17/3/2016	2 years from the issuing date (€1.077 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.800	30/3/2016	3,5 years from the issuing date (€800 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.250	30/3/2016	6 years from the issuing date (€600 payable forthcoming period)
		8.806		
RENTIS SA	Bond	4.700	2/3/2013	4 years from the issuing date (an extension was agreed until 20/7/2017) (€4.700 payable forthcoming period). New loan agreement was signed with disbursement date on 19/7/2017 and maturity date on 17/7/2020.
	Bond	2.300	20/1/2010	7 years from the issuing date (an extension was agreed until 20/7/2017) (€2.300 payable forthcoming period). New loan agreement was signed with disbursement date on 19/7/2017 and maturity date on 17/7/2020.
		7.000		
HOUSE MARKET BULGARIA AD	Syndicated	37.966	11/7/2016	9 years from the issuing date (€3.656 payable forthcoming period)
		37.966		
HOUSEMARKET SA	Bond	39.275	4/10/2016	5 years from the issuing date
		39.275		
TRADE LOGISTICS SA	Bond	6.850	8/3/2017	5 years from the issuing date (€600 payable forthcoming period)
		6.850		
	Total	**99.898**		

31/12/2016		Amount	Issuing Date	Duration
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.169	17/8/2011	7 years from the issuing date (€804 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.900	17/3/2016	5 years from the issuing date
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	1.636	17/3/2016	2 years from the issuing date (€1.110 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.150	30/3/2016	3,5 years from the issuing date (€800 payable forthcoming period)
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.600	30/3/2016	6 years from the issuing date (€600 payable forthcoming period)
		10.455		
HOUSE MARKET BULGARIA AD	Syndicated	39.579	11/7/2016	9 years from the issuing date (€3.247 payable forthcoming period)
		39.579		
HOUSEMARKET SA	Bond	39.190	4/10/2016	5 years from the issuing date
		39.190		
TRADE LOGISTICS SA	Bond	7.000	4/11/2009	8 years from the issuing date (€7.000 payable forthcoming period)
		7.000		
RENTIS SA	Bond	4.700	2/3/2013	2 years from the issuing date (an extension was agreed until 20/1/2017) (€4.700 payable forthcoming period)
	Bond	2.300	20/1/2010	7 years from the issuing date (€2.300 payable forthcoming period)
		7.000		
	Total	**103.223**		

Non –current loans include the bond loan issued by the company HOUSEMARKET S.A. of five-year maturity. The Bond Loan, was disposed through a public offering between 28 and 30 September in Greece by cash payment and the available 40.000.000 bearer bonds were issued on 6/10/2016 for trading in the fixed income securities category of the regulated market of Athens Stock Exchange. The loan is subject to Greek Law, has a five-year duration with fixed interest rate 5% per year and three-month interst payment. Direct issual expenses of the bond loan amounted to € 853 th., € 43 th. of which are allocated in the year 2016, € 85 th. has been allocated in the 1st semester of 2017, € 171 th. will be allocated within 12 months and € 554 th. will be allocated within the following years.

Total short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers. The weighted average interest rate of short term loans for the period 1/1/2017 to 30/6/2017 is approximately 5,20% (corresponding period of 2016: 5,51%). Short term loans includes the remaining finance lease liability of amount € 241 th. of the company HOUSEMARKET S.A. through which the Company financed the purchase of land and building on 27 December 2000 as well as the improvements made on the building and the purchase of equipment for the first IKEA store in Greece in Pylea Thessaloniki. The finance lease for the land and the building improvements expires on December 2017.

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

The terms of the swap agreements are as follows:

- 5year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 5 million euros, with a negative fair value for HOUSE MARKET BULGARIA AD on 30/6/2017 of € 30 thousand (31/12/2016: € 45 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income net from deferred taxes impact.
- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 25,1 million euros, with a negative fair value for HOUSE MARKET BULGARIA AD on 30/6/2017 of € 131 thousand (31/12/2016: € 344 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income net from deferred taxes impact.

Some of Group's loans include loan covenants. On 30/6/2017 the Group had the approval to wave the right to calculate them.

The subsidiary RENTIS S.A. paid on 19/7 and 20/7/2017 the bond loans which had received on 2/3/2013 and on 20/1/2010 and signed a new bond loan contract of amount € 7,8 million with maturity date on 17/7/2020.

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

The carrying amounts of the financial instruments of assets and liabilities (i.e. trade and other receivables, cash and cash equivalents, trade and other payables, derivative financial instruments, borrowings and finance leases) approximate their fair value.

The three levels of the fair value hierarchy are as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities;
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data;
- Level 3: Unobservable inputs that are not corroborated by market data.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

- Cash and cash equivalents, trade and other receivables, trade and other payables accounts: the carrying amounts approximate their fair value either due to the short maturity of these instruments or because there is no foreign currency risk exposure.
- Borrowings: The carrying amounts approximate their fair value mainly due to the fact that they bear interest at floating rates and are denominated in local currency.
- Derivative financial instruments: The valuation method took into consideration factors such as the current and the prospective interest rates trend and the duration and falls into level 2 of the fair value hierarchy.

Within the period there were neither transactions between levels 1 and 2 nor transactions inside and outside level 3 during the calculation of fair value. Moreover, within the same period there was no change to the purpose of any financial asset that would lead to a different classification of this asset.

11.Employee retirement benefits

11.1 Liabilities due to termination of service

The obligation of employee compensation due to termination of service (Law 2112/20, 4093/12 for Greek Companies and Bulgarian Labor Law for Bulgarian Company) appears in the Financial Statements in compliance with IAS 19 and is based on an actuarial study elaborated by AON Hewitt on December 31st,2016.

Basic assumptions of the actuarial study for Greece are the following:

Greek Companies	2016	2015
Average annual payroll increase	1,00%	1,00%
Discount interest rate	1,65% - 1,90%	1,86% - 2,74%
Inflation	1,00%	1,00%
Plan duration (years)	15-24	10-24

In case of an average annual payroll increase by 0,50% (namely 1,50%), the amount of liabilities due to termination of service of Greek companies would increase from 7,74% to 12,13%. In case of a discount rate increase by 0,50%, the amount of liabilities due to termination of service of Greek companies would decrease from 7,04% to 10,58%.

Bulgarian Company	2016	2015
Average annual payroll increase	3,50%	3,50%
Discount interest rate	2,15%	2,36%
Inflation	2,00%	2,00%
Plan duration (years)	24-29	24-31

In case of an average annual payroll increase by 0,50% (namely 4,00%), the amount of liabilities due to termination of service of Bulgarian company would increase from 12,27% to 14,96%. In case of a discount rate increase by 0,50% (namely 2,65%), the amount of liabilities due to termination of service of Bulgarian companies would decrease from 10,90% to 13,10%.

11.2 Share based payments

The Extraordinary General Assembly of the Company FOURLIS HOLDINGS S.A. of September 27, 2013, in the context of Stock Option Plan, approved the disposal of 1.507.678 stock options. The program will be implemented in three waves, with a maturity period of three years per wave. Options should be exercised within five years since their maturity date. In case that, after the grant some of the options remain unsold, those options will be cancelled. The underlying share price of each wave is the market closing price on the day of the Company FOURLIS HOLDINGS S.A. Extraordinary General Assembly's resolution regarding the approval of the program.

On 25/11/2013 the Board of Directors of the Company FOURLIS HOLDINGS S.A. granted 502.550 stock options, which are the first of the three waves. The underlying share price, to which conferred options reflect, is determined at the amount of 3,4 € per share which is the closing stock price of the share on the date of the Extraordinary General Assembly of the Company FOURLIS HOLDINGS S.A.

The options of the wave mentioned above are granted within three years as follows:

Vesting Date	**No of Options**
31/12/2013	77.996
31/12/2014	77.996
31/12/2015	77.996

The Fair value of options has been calculated based on the simulation of the Company FOURLIS HOLDINGS S.A. share price assuming that the price will develop to the Geometric Brown Motion model. Fair value per option and vesting date has been defined as follows:

Vesting Date	**Value per Option €**
31/12/2013	0,8589

31/12/2014	1,2718
31/12/2015	1,5701

The variables upon which the data above were calculated are as follows:

Variable	**Value**
Exercise Price	€ 3,4
Grant Date	27/9/2013
Volatility	62,47%
Dividend Yield	0%
Attrition Rate	10%
Risk Free Rate	1,5114%

On 24/11/2014 the Board of Directors of the Company FOURLIS HOLDINGS S.A. granted 502.550 stock options, which are the second of the three waves. The underlying share price, to which conferred options reflect, is determined at the amount of 3,4 € per share which is the closing stock price of the share on the date of the Extraordinary General Assembly of the Company FOURLIS HOLDINGS S.A.

The options of the wave mentioned above are granted within three years as follows:

Vesting Date	**No of Options**
31/12/2014	79.495
31/12/2015	79.495
31/12/2016	79.495

The Fair value of options has been calculated based on the simulation of the Company FOURLIS HOLDINGS S.A. share price assuming that the price will develop to the Geometric Brown Motion model. Fair value per option and vesting date has been defined as follows:

Vesting Date	**Value per Option €**
31/12/2014	0,8030
31/12/2015	1,3464
31/12/2016	1,6540

The variables upon which the data above were calculated are as follows:

Variable	**Value**
Exercise Price	€ 3,4
Grant Date	24/11/2014
Volatility	44,56%
Dividend Yield	0%
Attrition Rate	10%
Risk Free Rate	1,8416%

On 23/11/2015 the Board of Directors of the Company FOURLIS HOLDINGS S.A. granted 502.578 stock options, which are the third of the three waves. The underlying share price, to which conferred options reflect, is determined at the amount of 3,4 € per share which is the closing stock price of the share on the date of the Extraordinary General Assembly of the Company FOURLIS HOLDINGS S.A.

The options of the aforementioned wave are vested in 3 years as follows:

Vesting Date	**No of options**
31/12/2015	77.520
31/12/2016	77.520
31/12/2017	77.520

The Fair value of options has been calculated based on the simulation of the Company FOURLIS HOLDINGS S.A. share price assuming that the price will develop to the Geometric Brown Motion model. Fair value per option and vesting date has been defined as follows:

Vesting Date	**Value per Option €**
31/12/2015	0,6669
31/12/2016	0,7441
31/12/2017	0,9384

The variables upon which the data above were calculated are as follows:

Variable	**Value**
Exercise Price	€ 3,40
Grant Date	23/11/2015
Volatility	61,52%
Dividend Yield	0,00%
Attrition Rate	10%
Risk Free Rate	2,0334%

During the peiod 1/1 – 30/6/2017 no option granted based on the first, second and third wave of the SOP was exercised.

The General Assembly of the parent Company FOURLIS HOLDINGS S.A. on 16/6/2017, under the context of the SOP, approved the disposal of 2.566.520 stock options and the supply of authorization to the BoD regarding the settlement of procedural issues and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options should be exercised within five years since their maturity date. In case that, after the grant some of the options remain undisposed, those options will be cancelled. The underlying share price of each wave is the market closing price on the day of Extraordinary General Assembly's resolution regarding the approval of the program. Grant date of the first wave of stock options has been set by the Stock Option Plan on 20/11/2017.

During the period 1/1 – 30/6/2017, an amount of € 20 th. was recorded in Income Statement as an expense.

12. Income taxes

The nominal tax rates in the countries that the Group operates vary between 10% and 29% for the year, as follows:

Country	Income Tax Rates (30/6/2017)
Greece	29,0%
Bulgaria	10,0%
Cyprus	12,5%

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

COMPANY	YEARS
HOUSEMARKET SA	2011 – 2016 (*)
HM HOUSEMARKET (CYPRUS) LTD	2012 – 2016
HOUSE MARKET BULGARIA AD	2013 – 2016
RENTIS SA	2010 – 2016 (*)
TRADE LOGISTICS SA	2010 – 2016 (*)
WYLDES LTD	2009 – 2016

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

COMPANY	YEARS
VYNER LTD	2009 – 2016
SW SOFIA MALL ENTERPRISES LTD	2015 – 2016

(*) For the fiscal years 2011, 2012 and 2013 all companies of the Group located in Greece, have been subjected to tax audit by Certified Audit Accountants in compliance with the provisions of Article 82 par. 5 of Law 2238/1994 and for the fiscal years 2014, 2015 and 2016 in compliance with the provisions of Article 65 a of Law 4174/2013 and received a Tax Compliance Certificate for fiscal years 2011, 2012, 2013, 2014 and 2015, while tax audit for the fiscal year 2016 is in progress. Upon completion of the audit, the Management of the Company does not expect any significant liabilities to occur, other than those recorded in the financial statements. In order for the years 2011, 2012 and 2013 to be considered integrated, provisions specified in par. 1a of Article 6 POL 1159/2011 should apply. The integration of the years 2014 and 2015 is implemented based on POL 1124/2015.

In September 2014 the tax audit for the financial years 2007-2010 for the subsidiary HOUSEMARKET S.A. was completed and taxes of amount € 1.841 thousand, as well as fines and surcharges of amount € 2.022 thousand were assessed. On 24/10/2014 an administrative appeal was submitted, according to art. 63 of the Law 4174/2013, seeking for the review of the assessment acts of the Tax Authorities, and half of the amount disputed, i.e. € 1.937 thousand was paid. On 24/2/2015 the company was informed of the decision of the Authority for the Settlement of Disputes, concerning the aforementioned administrative appeal, which reduced the taxes assessed to € 1.632 thousand and the fines and surcharges to € 1.761 thousand. On 3/4/2015 two (2) appeals (concerning VAT and income tax) were submitted to the Administrative Courts, against the decision of the Authority for the Settlement of Disputes. On 29/4/2015, based on the L. 4321/2015, the full payment of the amount of the main tax was made with a decrease of additional taxes and surcharges attributable. 22/9/2015 was the date set for the discussion of the appeal of the subsidiary HOUSEMARKET SA in the Administrative Court of Appeals, which was postponed for 1/12/2015. On 1/12/2015 the case was discussed at the Administrative Court of Appeals and the resolution 1406/2016 was issued regarding the appeal versus assesments of income tax and the resolution 1405/2016 regarding the appeal versus assesments of VAT. Based on the resolution 1406/2016, the relative Appeal conducted versus assesments of income tax of the fiscal year 2007 was, at a highly significant extent, accepted and the trial of the rest years (2008, 2009 and 2010) was postponed until December 2016 (6/12/2016). The trial of the fiscal years (2008, 2009 and 2010) took place on 6/12/2016 and the relevant resolutions are expected to be announced within the year 2017. Based on the resolution 1405/2016, the Judicial Appeal of VAT was rejected. The resolutions 1406/2016 and 1405/2016 were served on 25/7/2016. Against the 1406/2016 resolution of the Administrative Court of Appeals, the appeal of 14/11/2016 was lodged on behalf of the State, the trial date of which has not yet been determined. The Management estimates that any contigent liability may arise for the Company, as a result of this case, will not have a significant impact on the Income Statement, the cash flows or the total financial condition of the Group.

The accumulated tax provision for the unaudited tax years of the Company on 30/6/2017 amounts to € 1.796 th. (31/12/2016: € 1.796 th.)

For the period 1/1 - 30/6/2017:

- the audit of HM HOUSEMARKET (CYPRUS) LTD was completed for the years 2006-2011 and audit differences of amount € 45 th. arised.
- the audit of HOUSEMARKET BULGARIA AD was completed for the years 2010-2012 and audit differences of amount € 33 th. arised.

The income tax expense for the period 1/1-30/6/2017 and 1/1-30/6/2016 is as follows:

	GROUP		**COMPANY**	
	30/6/2017	**30/6/2016**	**30/6/2017**	**30/6/2016**
Income tax	**553**	**336**	**0**	**0**
Tax audit differences	**78**	**0**	**0**	**0**
Deferred Taxes:				
Differences of fixed assets	214	145	192	145
Provisions for employee benefits	(40)	(34)	(37)	(34)
Provisions	266	(314)	220	(470)
Deferred income tax on transferred tax losses	(1.748)	(1.430)	(1.755)	(1.430)
Provision for inventory impairment	116	84	116	84
Total Deferred taxes	**(1.192)**	**(1.548)**	**(1.264)**	**(1.704)**
Income tax expense	**(561)**	**(1.212)**	**(1.264)**	**(1.704)**

Deferred taxes on 30/6/2017, which appear in the Statement of Comprehensive Income amount to €

22,8 th. (€ 1,7 th. on 30/6/2016).

Realized tax losses of the current period based on which deferred tax was recognized, amounted to € 7.429 th.

On 30/6/2017 the Group had cumulative transferred tax losses at its subsidiaries on part of which total provision of amount € 6.896 th. for deferred tax asset was formed (€ 5.148 th. on 31/12/2016) as the Management judged that the recognition criteria are met. For the part of tax losses on which deferred tax asset has been recognized, the Management estimates that they will be covered with taxaple profits before their maturity date.

Given that tax audits for some fiscal years are pending for aforementioned companies, the Group based on the approach and interpretation of tax authorities for the determination of final tax estimates that adequate provision has been made for possible differences from future and current tax audits. Accumulated amount of tax provision for unaudited fiscal years amounts on 30/6/2017 to € 1.796 th. (31/12/2016: 1.796 th.) for the Group and is presented in Income Tax payable.

13. Investments / Financial data available for sale

Withih the 1st semester of 2017 the amount of € 307 th. was recognized as profit from shares disposal held in the portfolio of the Company and the relevant change occurred at net equity was € 204 th. The valuation method of Investments/ Financial data available for sale was ranked at level 1 of the hierarchy.

14. Share capital

On 30/6/2017 and 31/12/2016 the share capital amounted to € 47.450.647 divided into 47.450.647 shares of nominal value € 1,00 per share.

15. Losses per share

The basic losses per share are calculated by dividing the profit/(loss) attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares for basic profits per share as at 30 June 2017 is 47.450.647 and at 30 June 2016 was 38.740.000.

	Group	
	30/6/2017	30/6/2016
Loss after tax attributable to owners of the parent	(772)	(2.485)
Number of issued shares	47.450.647	38.740.000
Losses after tax per share - basic and diluted (in Euros)	(0,0162)	(0,0641)

16. Commitments and Contingencies

The Group's contingent liabilities for the period 1/1 - 30/6/2017 are analyzed as follows:

- Letters of guarantee from the Company, amounting to € 2.161 thousand for the proper execution of the contract beween the Company and Athens International Airport, € 8.000 thousand for the proper execution of the contract between the Company and BIOHALCO and € 2.320 thousand for the timely and accurate payment of compensation and utilities expenditure between the Company and BHTA TETARTI, whereas furthermore other letters of guarantee of amount € 20 thousand have been given. Other guarantees from the Company for its subsidiaries H.M. HOUSEMARKET (CYPRUS) LIMITED amounting to € 8.806 thousand, RENTIS SA (subsidiary of H.M. HOUSEMARKET (CYPRUS) LIMITED) amounting to € 7.000 thousand.
- The Company has contractual liability for inventory of minimum amount € 25.000 thousand.
- The Company mortgage its property to secure liabilities of amount € 15.000 th.
- A subsidiary company of the Group mortgage its property to secure a bond loan amounting to € 45.372 th.
- A subsidiary company of the Group mortgage its property to secure a bond loan amounting to € 14.400 th.
- A subsidiary company of the Group mortgage its property to secure a bond loan amounting to € 25.200 th.
- A subsidiary company has provided floating collateral on assets up to the amount of € 6.800 th. to secure bilateral loans.
- The Group has undertaken as a lessor based on signed contracts the obligation for future payments of leases which are allocated as follows: a) until 1 year € 9.882 th., b) 1 to 5 years € 43.688 th. and c) over 5 years € 107.992 th.

There are no litigation or arbitration proceedings that might have a material impact on the Group's Financial Statements.

17.Related parties

Related parties of the Group include the Company FOURLIS HOLDINGS S.A., its subsidiaries and associated companies, the Management and the first line managers.

The analysis of the related party receivables and payables as at 30 June 2017 and 31 December 2016 are as follows:

	The Group		The Company	
Receivables	**30/6/2017**	**31/12/2016**	**30/6/2017**	**31/12/2016**
FOURLIS HOLDINGS S.A.	856	1.019	809	926

TRADE LOGISTICS S.A.	0	0	1	155
INTERSPORT S.A.	310	212	109	116
HM HOUSEMARKET (CYPRUS) LTD	0	0	16	7
HOUSE MARKET BULGARIA AD	0	0	74	31
INTERSPORT CYPRUS S.A.	5	5	0	0
GENCO BULGARIA E.O.O.D	0	9	0	0
Total	**1.171**	**1.245**	**1.009**	**1.236**

Payables

FOURLIS HOLDINGS S.A.	8.568	8.639	8.500	8.500
INTERSPORT S.A.	62	0	62	0
TRADE LOGISTICS S.A.	0	0	252	0
HOUSEMARKET BULGARIA AD	0	0	9	0
SPEEDEX S.A.	10	18	10	18
TRADE STATUS S.A.	4	0	3	0
SERVICE ONE S.A.	0	35	0	35
Total	**8.644**	**8.692**	**8.836**	**8.553**

Related party transactions for the period 1/1 – 30/6/2017 and 1/1 – 30/6/2016 are as follows:

	The Group		**The Company**	
	1/1-30/6/2017	**1/1-30/6/2016**	**1/1-30/6/2017**	**1/1-30/6/2016**
Revenue	1.544	60	57	14
Other operating income	161	157	184	283
Total	**1.705**	**217**	**241**	**297**

	The Group		**The Company**	
	1/1-30/6/2017	**1/1-30/6/2016**	**1/1-30/6/2017**	**1/1-30/6/2016**
Distribution expenses	357	471	137	223
Administrative expenses	1.439	2.739	2.873	2.729
Other operating expenses	2	10	2	10
Total	**1.798**	**3.220**	**3.012**	**2.962**

During the periods 1/1 - 30/6/2017 and 1/1 – 30/6/2016, transactions and fees of management members were as follows:

	Group		**Company**	
	1/1-30/6/2017	**1/1-30/6/2016**	**1/1-30/6/2017**	**1/1-30/6/2016**
Transactions and fees of management members	908	631	816	631

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

18.Transactions with Subsidiaries

During financial periods 1/1 – 30/6/2017 and 1/1 – 30/6/2016, between the parent company and its subsidiaries the following transactions occurred:

	GROUP		COMPANY	
	1/1-30/6/2017	1/1-30/6/2016	1/1-30/6/2017	1/1-30/6/2016
Revenue	1.852	8	57	8
Cost of sales	65	8	55	0
Other Income	121	169	71	169
Administrative expenses	1.805	100	1.803	0
Distribution expenses	103	69	0	0

	GROUP		COMPANY	
	1/1-30/6/2017	1/1-30/6/2016	1/1-30/6/2017	1/1-30/6/2016
Trade receivables	357	200	91	193
Creditors	357	200	261	0

The Group has given guarantees to subsidiaries in order to secure liabilities, an analysis of which is presented in Note 17.

19. Significant Additions in Consolidated and Company Data

The most significant changes recorded in the Consolidated Statement of Financial Position as at 30/6/2017 in comparison with the corresponding data as at 31/12/2016 are the following:

- Increase in the amount of "Inventory" is mainly due to purchases seasonality.
- Decrease in the amount of "Cash & cash equivalents" is due to the needs of seasonal funding of the Group's operational activity.
- Decrease in the amount of "Accounts payables and other current liabilities" is due to suppliers payments of goods within the current period.

20. Subsequent events

The General Assembly of shareholders took place on 28/7/2017 (Note 9).

There are no other significant events following the date of 30/6/2017 that may affect the financial position and results of the Group other than those mentioned in Note 10 for the new loan agreement of subsidiary company.

Report on Use of Funds Raised from the issuance of Non-Convertible Bond Loan through payment in cash from the period from 04.10.2016 until 30.06.2017

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

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

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

The table below presents the specific use of the raised funds per category of use/investment, the timetable of the utilization of the funds raised as well as the use of raised funds until 30.06.2017:

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

Amounts in thousand of euros

Purpose of Use of Raised Funds		Timetable and Distribution of Raised Funds					Amount of Raised Funds that utilized during the second Semester of 2016	Amount of Raised Funds that utilized during the first Semester of 2017	Remaining balance to be utilized
		Second Semester 2016	2017	2018	2019	2020			
Participation in the Share Capital Increase of TRADE LOGISTICS S.A.* for partial repayment of loans		-	**10.500**	-	-	-	**10.500**	**0**	**0**
Investments in Fixed Assets and Electromechanical equipment	Installation of Information Systems related to the management of retail sales	**900**	-	-	-	-	**900**	**0**	**0**
	Upgrade of electromechanical equipment of existing stores	-	**2.100**		-	-	**0**	**375,11**	**1.724,89**
	Refurbishment of IKEA stores	**5.000**					**75,40**	**256,27**	**4.668,33**
Working Capital Facilities		**21.500**					**21.500**	**0**	**0**
Total		**40.000**					**32.975,40**	**631,38**	**6.393,22**

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

Paiania, September 4 2017

Chairman of the BoD	Vice Chairman of the BoD	Managing Director
Dafni Fourli	Vassileios Fourlis	Panagiotis Katiforis

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

(Translation from the original in Greek)

To the Board of Directors of Housemarket SA

According to the engagement letter dated 29 August 2017 , we were assigned by the Board of Directors of Housemarket SA (hereafter the "Company") to perform the agreed upon procedures enumerated below, within the context of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council on 16 April 2014 about market abuse (Market Abuse Regulation) (hereafter the "Resolutions") with respect to the "Report of Use of Funds Raised" from the issuance of Non- Convertible Bond Loan amounting to € 40.000.000" (hereafter the "Report") issued in 2016. The Management is responsible for the preparation of the Report in compliance with the Regulation (EU) No. 596/2014 of the European Parliament and of the Council on 16 April 2014 about market abuse (Market Abuse Regulation) and Directive No. 2003/6 / EC of the European Parliament and the Council and Commission Directives No. 2003/124 / EC, 2003/125 / EC and 2004/72 / EC and in accordance with what is requested in the Prospectus dated 12 September 2016, in the field E2b of the Summary.

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

Procedures performed

Our procedures are summarized as follows:

1) We examined the content of the Report and its consistency with what is referred to in the Prospectus issued by the Company on 12 September 2016.

2) We have compared the amounts used from the bond loan, as reported in the Report, with the amounts recognized in the books and records of the Company, from the date the funds were raised up to 30 June 2017.

3) We examined whether the amounts used from the bond loan, from the date the funds were raised up to 30 June 2017, were allocated according to their intended uses, in accordance with what is requested in the Prospectus dated 12 September 2016, in the field E2b of the Summary, by examining on a sample basis documents that support the relevant accounting entries.

Findings

We report our findings below:

1) We noted that the content of the Report is consistent with the provisions of the Prospectus mentioned above.

2) The amounts used from the bond loan, as reported in the attached «Report on Use of Funds raised from the issuance of Non- Convertible Bond Loan of € 40.000.000», are in accordance with the amounts recognized in the books and records of the Company as at 30 June 2017.

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

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

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

Use Limitation

This report is addressed exclusively to the Board of Directors, in compliance with its obligations to the current regulatory framework of the Athens Stock Exchange. This report is not to be used for any other purpose, since it is limited to what is referred above and does not extend to the interim financial statements prepared by the Company for the period ended 30 June 2017, for which we have issued a separate Review Report, dated 4 September 2017.

Athens, 4 September 2017

The Certified Auditor Accountant

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

Web site for the publication of the Financial Statements for the period 1/1 – 30/6/2017

The Interim Condensed Financial Report (Consolidated and Separate) for the period 1/1 – 30/6/2017 have been published by posting on the internet at the web address of the Company http:// www.housemarket.gr and www.ikea.gr.