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FINANCIAL HIGHLIGHTS

	2004	2005	2006	2007	2008
PROFIT BEFORE TAXATION (Euro mil)	7,3	4,6	9,0	18,9	39,3
EARNINGS PER SHARE OF 34 CENTS BASIC (cents) - Basic	5,1	4,1	7,6	13,5	28,3
TOTAL ASSETS (Euro mil)	249,1	266,7	290,0	451,2	491,4
SHAREHOLDERS' EQUITY (Euro mil)	121,6	116,5	126,0	149,1	174,9
BOOK VALUE PER SHARE (Euro)	1,28	1,21	1,31	1,29	1,53

Number of Shareholders 27 April 2009 - Seven thousand five hundred sixty five (7.565)

SHARE CAPITAL

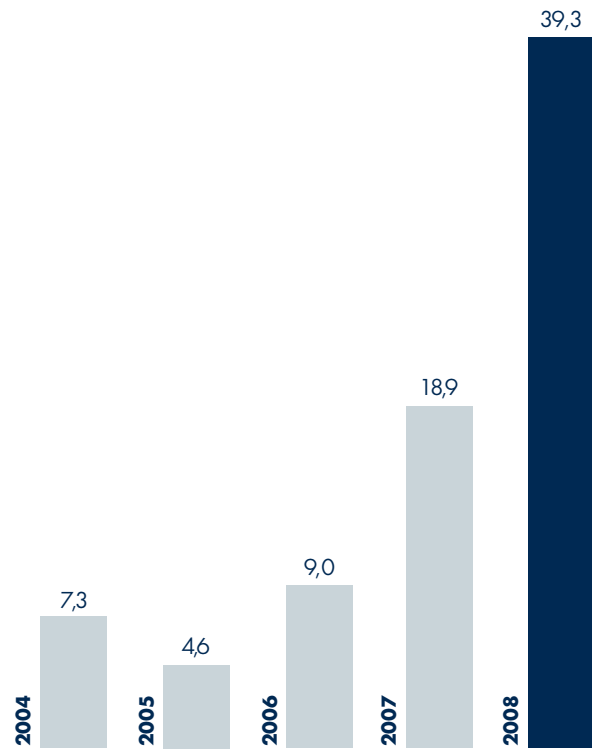
The issued share capital of Woolworth (Cyprus) Properties Plc on 27 April 2009 was:

Number of shares of 34 cents of Euro each

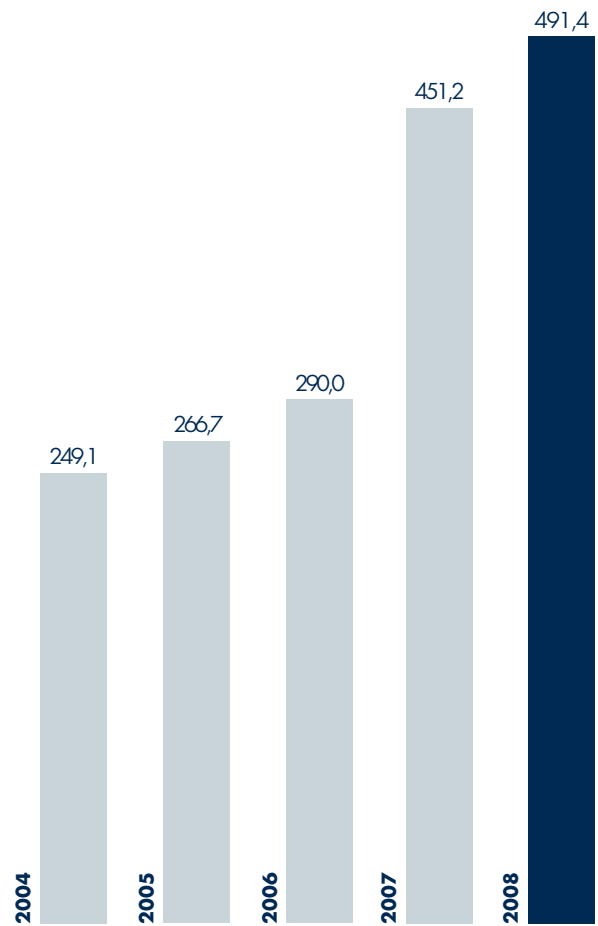
Authorised	125 000 000
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Issued and fully paid shares	114 623 855
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PROFIT BEFORE TAXATION EURO mil



TOTAL ASSETS EURO mil



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Woolworth (Cyprus) Properties Plc will be held at the Hilton Hotel, in Nicosia, on Monday 22 June 2009 at 5:30 pm.

AGENDA

1. To review the Report of the Directors and the Financial Statements for the year ended 31 December 2008
2. To elect members of the Board of Directors
3. To fix the Directors' remuneration
4. To re-appoint the auditors and authorize the Board of Directors to fix their remuneration

Every member who is entitled to attend and vote the Meeting can authorize a proxy to attend and vote on his/her behalf. A proxy does not need to be a member of the Company. The notification of the appointment of a proxy must be submitted at the Company's Registered Office, **Shacolas House, Old Nicosia - Limassol road, Athalassa, P.O. Box 21744, 1589 Nicosia**, at least 48 hours before the opening of the Meeting.

George P. Mitsides
Secretary

Nicosia, 28 May 2009

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors

Chairman

Renos Solomides - (b,d)

Honorary Chairman

Nicolas K. Shacolas - (a,d)

Managing Director

Marios Panayides - (a, d)

Executive Directors (in alphabetical order)

Eleni N. Shacola (a, d)

Marios N. Shacolas (a, d)

Directors (in alphabetical order)

Demetris Demetriou (b, d)

Pambos Ioannides (b, d)

Michalakis Koniotis (b, d) (Passed away on 14/5/2009)

Andreas Louroutziatis (b, c)

Marios A. Savvides (b, d)

Menelaos K. Shacolas (b, c)

Secretary

George P. Mitsides

Legal Advisors

Ioannides Demetriou

Tassos Papadopoulos & Associates

Registered Office

Shacolas Building

Old Road Nicosia - Limassol

Athalassa, Nicosia

a = executive

β = non-executive

c = independent

d = non-independent



Dear Shareholders,

The year 2008 was a very successful one for Woolworth (Cyprus) Properties Plc (Woolworth), marked by the significant rise in both its revenues and profitability.

RESULTS

Profits before tax for the Woolworth Group for the year 2008 amounted to €39.327.054 compared to €19.054.791 last year, showing an increase of 106,4%. Net profits attributable to the Shareholders amounted to €32.315.935 rising by 120,8% compared to €14.638.018 in 2007.

The revenues from license fees for the use of space and leasing of the Group's properties, amounted to €18.676.460 compared to €10.106.687 in 2007, rising significantly by 84,8%. This increase was mainly due to the operation for a full year of The Mall of Cyprus and IKEA in Shacolas Emporium Park, and of The Mall of Engomi, which commenced in September and December 2007 respectively. Included also in these revenues are the license fees received, for the whole year, of the investment properties Shacolas Tower, in Ledra Street, and Super Home Center (DIY), in Strovolos, which were acquired in July 2007.

Fair value gains from investment properties, before the deduction of deferred taxation, in 2008 rose to €35.968.000 compared to €13.583.381 in 2007. This substantial increase by 164,8% is attributable mainly to the revaluation of the investment properties of the subsidiary ITTL Trade Tourist and Leisure Park Plc, which was made following the conclusion of the construction works of all the commercial buildings and the completion of the Shacolas Emporium Park, which includes the Mall, IKEA and buildings Annex 3 and Annex 4. The revaluation was based on valuations by two independent professional land valuers. It is worth noting that no revaluation was made for these properties since 2004.

There was an evident reduction in operating expenses.

Following the completion of each of the abovementioned buildings, all accruing interest costs are no longer capitalized and are recognised in the Profit & Loss, increasing the financial charge for the year.

The provision for taxation for the year amounted to €405.580. Additionally, there is a provision for deferred taxation on fair value gains from investments in property of €6.605.539 which does not constitute a cash outflow.

PROJECTS AND INVESTMENTS

ITTL Trade Tourist & Leisure Park Plc - Shacolas Emporium Park

With the conclusion of the construction works of the two additional commercial buildings, Annex 3 and Annex 4 (with showroom spaces), the Mother's Square with an open air theater and a children's play area, the Shacolas Emporium Park has been completed, consisting of about 60.000 square meters of retail space and 2.500 parking places. In Annex 4, it is expected that soon will commence the operations of the Volvo and Hyundai showrooms, a Bank of Cyprus branch, a large pharmacy, a modern bakery and confectionery, a kiosk, a restaurant, a cafeteria and a large thematic children play area.

In 2008, the number of visitors in The Mall of Cyprus and IKEA was 4,4 million and 1,3 million respectively. The total turnover of all the stores that were operational during the year in the Shacolas Emporium Park is estimated at about €150 million Euro. These facts prove that the Shacolas Emporium Park is already established as a major destination for shopping and leisure.

Woolworth has already obtained the necessary approvals for the listing of the shares of its subsidiary ITTL Trade Tourist & Leisure Park Plc on the Cyprus Stock Exchange and will proceed with the Initial Public Offering within 2009.

Cyprus Limni Resorts & GolfCourses Plc

Cyprus Limni Resorts & GolfCourses Plc, in which Woolworth holds a significant stake, is progressing with its plans to create a large-scale, unique development project which includes 2 golf courses, golf clubs, building plots, villas, apartments and other housing units, a 5-star luxury hotel and related facilities. In October 2008, the company commenced the earthmoving works for the preparation of the ground and the restoration of the environment. In parallel, the planning process has started for the preparation of the Master Plan for the future development of the company's land in Kinoussa village. These projects have a long term horizon of 5-10 years and are expected to contribute significantly not only to the Group but also to the economy and will create employment during the development period and permanent jobs during their operation.

Other Investments

Improvements and extensions were carried out or are still in progress at the department store buildings Debenhams Apollon in Limassol and Debenhams Korivos in Pafos. The Board of Directors was examining the commencement of new development projects in its properties in Pafos, Limassol and Larnaca and the expansion in Engomi Nicosia, but it deemed prudent to postpone these projects, of an estimated value of €25 million, due to the economic crisis.

GOALS AND PROSPECTS

Due to the qualitative and unique characteristics of the real estate assets of the Group, its future prospects are favourable, despite the international economic crisis that affects Cyprus as well.

The successful operation of the Shacolas Emporium Park and The Mall of Engomi have added value to the wealth of the Group and have increased significantly its revenues. In parallel, they have contributed qualitatively to the diversification of the property portfolio of Woolworth, as the space in these properties is licensed to and used by a large number of quality tenants.

The reduction of interest rates globally, in the medium term, is expected to benefit to a great extent the values of the properties of the Group and to reduce the financing costs. The main strategy remains the focus in the real estate sector and the best utilisation of the assets of the Group for the benefit of its shareholders. As a consequence, in 2009, Woolworth sold its share in the associate company CTC-ARI Airports Ltd, which manages exclusively the commercial operations in the Larnaca and Pafos airports until 2031, to Ermes Department Stores Plc, for the consideration of €16,4 million. This transaction will enhance the profitability of the Group in 2009 and will reduce its obligations.

CONVERSION OF THE NOMINAL VALUE PER SHARE

Following a special resolution during the Extraordinary General Meeting of the Shareholders of the Company on 1st July 2008, the nominal value per share of Woolworth (Cyprus) Properties Plc has been converted from 20 cents of a Cyprus Pound to 34 cents of a Euro. The issued share capital of the Company remains 114.623.855. This conversion is effective from 15th July 2008.

DIVIDEND

The Board of Directors has not yet decided the payment of dividend to the shareholders due to the continuing economic crisis.

NET BOOK VALUE PER SHARE

The net book value per share of the Company as at 31 December 2008 was €1,53 Euro. Excluding the provision for deferred taxation, which is a contingent liability, the net book value per share rises to €1,77 Euro.

CORPORATE GOVERNANCE

The Board of Directors and the Management of the Company take all necessary steps to ensure compliance with the Corporate Governance Code and have adopted systems and procedures aiming to ensure the best possible management and yield to Shareholders wealth.

THANKS

Our warm thanks are due to the members of staff of the Group and the Managing Director Mr Marios Panayides. We also express our special thanks to the Members of the Boards of Directors of all the Companies of the Group for their valuable cooperation and contribution to the progress of the business of our Group. Special thanks are explicitly expressed to our Honorary Chairman Mr Nicolas Shacolas whose continuous, diverse and significant contribution to the Group is invaluable.

Finally, our warm thanks are expressed to all of you, the shareholders of the Company, for your constant support and confidence.

Yours Sincerely



Renos Solomides
Chairman

Nicosia 27 April 2009

OUR PROPERTIES





Shacolas Emporium Park

The Shacolas Emporium Park is a unique, in its sector, infrastructure project for Cyprus with total land area 102.000 m². Its operations commenced in September 2007 with the opening of the "The Mall of Cyprus" and IKEA, the internationally famous Swedish chain of furniture and home accessories stores.

The Shacolas Emporium Park was completed with the completion of the two commercial buildings, Annex 3 and Annex 4 which will accommodate shops, showrooms and leisure areas, "Mana square", with a statue honoring the modern day Cypriot Mother, an open-air amphitheatre and a children playground.

The Shacolas Emporium Park has in total about 60.000m² net retail space and 2.500 car park spaces.





shacolas
emporium
PARK



The Mall of Cyprus

The "Mall of Cyprus" includes 27.000m² of retail space, including Debenhams, Carrefour, Zara, Next, K-Cineplex cinema with 5 screens, restaurants and other known shops.

Additionally, there is a customer information point, a children's play area, ATM's, first aid room, infants care facilities, lifts and escalators. It also has 2.500 car park spaces.

The operations in the "Mall of Cyprus" are very successful during the first year with the number of visitors reaching very high numbers.





The Mall of Engomi

"The Mall of Engomi" was completed in December 2007 and belongs to the 100% subsidiary company, Woolworth Commercial Centre Ltd.

"The Mall of Engomi" is situated on 28th October Avenue in Engomi, Nicosia, near the Nicosia Airport round-a-bout on a commercial piece of land 20.100m² and car park spaces for 500 cars.

The retail areas of "The Mall of Engomi" are 13.600m². It includes an Ermes Department store, which is managed and operated by Carrefour, Debenhams, Super Home Center D.I.Y., Oviessa, Germanos and Venue café.

In the future, the Company will proceed with further expansion of the commercial center





Debenhams Central

The Debenhams Central department store is located in a central location in Nicosia at the junction between Makarios and Griva Dhigenis Avenues, with access and frontage from the parallel side street Annas Komninis.

Debenhams Central has:

- Land area: 3.700m²
- Building area: 4.000m²
- Parking space: for 105 cars



Debenhams Olympia

The Debenhams Olympia department store is located in a prime location by the Limassol main coastal road.

Debenhams Olympia has:

- Land area: 10.100m²
- Building area: 9.200m²
- Parking space: for 250 cars



Debenhams Apollon

The Debenhams Apollon department store is located on Makarios Avenue in Limassol.

The Debenhams Apollon has:

- Land area: 8.700 m²
- Building area: 6.900 m²
- Parking space: for 174 cars



Debenhams Zenon

The Debenhams Zenon department store in Larnaca, is on Strategou Timayia Avenue. The Company is planning, within the same land area, the renovation of an adjacent building for the operation of retail stores.

Debenhams Zenon has:

- Land area: 10.300m²
- Building area: 9.000m²
- Parking space: for 246 cars

Korivos Commercial Center

The Korivos Commercial Center is near the Korivos football stadium and the round-a-bout at the entrance to the town in Pafos. Within the commercial complex there is a Debenhams department store, a Next shop and a Super Home D.I.Y mega store. In 2008, the Company proceeded with the expansion of the car park of the commercial centre and there is the potential for further expansion on this property.

The Korivos commercial center has:

- Land area: 42.200m²
- Building area: 9.200m²
- Parking space: for 450 cars



Super Home Center D.I.Y., Strovolos

The Super Home Center D.I.Y is in the Strovolos municipal district, next to the Cyprus Stock Exchange and near "The Mall of Cyprus". The Building was acquired by Woolworth in July 2007 and in this property, there is the potential for significant further expansion.

The Super Home Center D.I.Y has:

- Land area: 20.000m²
- Building area: 3.200m²
- Parking space: for 160 cars



Shacolas Tower

The Tower is within the old walls of Nicosia and is considered to be a focal point, as it is the highest building in the city. Woolworth acquired the Shacolas Tower in July 2007. The Shacolas Tower is the home of the well known Debenhams Ledra department store, which is spans on 6 floors. The whole building comprises 14 floors. On the 10th floor there is a Conference Room and on the 11th floor there is a Museum and the Ledra observation deck, which attracts thousands of visitors.

The Shacolas Tower has:

- Land area: 798m²
- Building area: 3.000m²





Ledra Neoclassical Building

The neoclassical building is on Ledra Street in Old Nicosia, opposite the Debenhams Ledra department store. It is a five-storey very well maintained neoclassical building. It is the home of a Peacocks store, which is operating with success.

The neoclassical building in Ledra Street has:

- Building area: 1.125m²



Ledra Arcade - Old Nicosia

The Ledra Arcade is in the heart of Old Nicosia and operates with success since 2004. In the Arcade there is a Next, a Morgan - Ysatis store, and also a Starbucks and a McDonald's. The Arcade has a modern pay parking area in the basement for 170 cars.

The Ledra Arcade has:

- Land area: 1.875m²
- Building area: 1.600m²



Ermes Department Stores Head Offices

Woolworth also owns the land and the head office building and warehouses of Ermes Department Stores Plc in Latsia. The land area is about 10.000 m² and the building area is 7.500m².



Commercial outlets

The immovable property of the Company includes also various smaller commercial outlets which are in Limassol, Paphos and Larnaca and these outlets operate Next and Zako shops.

- The total area exceeds the 6.000m²

**Cyprus Limni Resorts & GolfCourses Plc
Limni Golf Resort**



Woolworth holds indirectly 46,8% of the share capital of Cyprus Limni Resorts and GolfCourses Plc.

Cyprus Limni Resorts and GolfCourses Plc is the owner a of land area of more than 3million m² (3.000 decare) at the Limni area, Polis Chrysochous district, where it is planning to develop a large modern development project with 2 golf courses, a golf club, plots of land, villas, apartments and other lodgings, a luxurious hotel and other facilities. The land has access to the beach with a pier extending 150m into the sea.

The above land area includes an area of about 300.000m² on the hill of Kinousa village, next to the government protected forest, for which the planning process has started for the preparation of the Master Plan for the future development of this property.

Akinita Lakkos Mikelli



Woolworth controls 35% of the Company Akinita Lakkos Mikelli Ltd, which was acquired in 2004. The Company's share in the land is an area of 109 acres which is located in a prime location, at the south entrance of Nicosia.

FINANCIAL STATEMENTS



Statement of the Members of the Board of Directors and the Company Officials for the drafting of the financial statements

According to article 9, section (3) (c) and (7) of the Transparency Conditions (Marketable values for negotiation in an Adjustable Market) Law of 2007, we the members of the Board of Directors and the Company officials responsible for the drafting of the financials statements of Woolworth (Cyprus) Properties Plc for the year ended 31 December 2008, based on our knowledge we confirm that:

- (a) The annual financial statements that are presented in pages 35 to 78
 - (i) prepared according to International Financial Reporting Standards (IFRS) and according to section (4), and
 - (ii) give a true and fair view of assets, liabilities, financial position and profit of Woolworth (Cyprus) Properties Plc and the companies that are included in the consolidated financial statements as a total and
- (b) the Report of the Board of Directors gives a fair overview of the developments and the performance and position of Woolworth (Cyprus) Properties Plc and the Companies that are included in the consolidated financial statements as a total with a description of the principal risks and uncertainties that are encountering.

Members of the Board of Directors

Chairman

Renos Solomides

Honorary Chairman

Nicolas K. Shacolas

Managing Director

Marios Panayides

Members of the Board

Demetris Demetriou

Pambos Ioannides

Michalakis Koniotis

Andreas Louroutziatis

Marios Savvides

Eleni Shacola

Marios Shacolas

Menelaos Shacolas

Responsible for the drafting of the financial statements

Maria Aristidou - Financial Controller

Nicosia, 27 April 2009

Report of the Board of Directors

The Board of Directors of Woolworth (Cyprus) Properties Plc (the "Company") and its subsidiary undertakings, collectively referred to as the "Group", presents its Annual Report together with the audited consolidated financial statements and the Company's separate audited financial statements for the year ended 31 December 2008.

Activities

The main activity of the Company and the Group is the ownership, exploitation, management and trading of real estate property.

The consolidated results of the Group for the year 2008 include the subsidiary Companies of Woolworth (Cyprus) Properties Plc that are property owners, that is, Zako Limited, FWW Super Department Stores Limited, Zako Estate Limited, Apex Limited, Niola Estates Ltd, the parent company of Estelte Limited and Realtra Limited, the parent company of Calandra Limited. The majority of this property is licensed/rented to Ermes Department Stores Plc, which carries its retail operations in these properties. It is also the parent company of ITTL Trade Tourist and Leisure Park Plc, which owns the land in which the Shacolas Emporium Park was developed, which includes the large commercial Centre "The Mall of Cyprus", an IKEA multistore and other operations. It also includes the subsidiary company Woolworth Commercial Center Limited, owner of the Commercial Centre "The Mall of Engomi".

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

The associated companies Akinita Lakkos Mikelli Limited and CTC - ARI Airports Limited are also included in the Group results.

Financial results

The Group's operating profits for the year 2008 amounted to €53.514.309 compared to €26.337.519 in 2007. The Company's operating profits for the year 2008 amounted to €8.909.072 compared to €12.064.771 in 2007.

The Group's profit before tax for the year 2008 amounted to €39.327.054 compared to €19.054.791 in 2007. The Company's loss before tax for the year 2008 amounted to €2.198.618 compared to a profit of €4.228.797 in 2007.

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Profit/(loss) before tax	39.327.054	19.054.791	(2.198.618)	4.228.797
Corporation tax and defence contribution	(405.580)	(1.855.236)	(81.602)	(347.972)
Deferred tax	(6.605.539)	(2.561.537)	(262.322)	(263.849)
Profit/(loss) after tax	32.315.935	14.638.018	(2.542.542)	3.616.976
Minority interest	-	-	-	-
Profit/(loss) attributable to the shareholders	32.315.935	14.638.018	(2.542.542)	3.616.976
Basic earnings per share (cents)	28,3	13,5	(2,2)	3,3
Fully diluted earnings per share (cents)	28,3	13,5	(2,2)	3,3

Dividend

As a result of the continuing financial crisis the Board decided to revisit the matter of payment or not of dividends before the end of May 2009.

Principal risks and uncertainties

Due to the nature of the Company's and the Group's activities, the main risks of the Company and the Group are:

- The fluctuation in property prices.
- The leasing or granting of usage of space in the Company's and the Group's property relates mainly to the Company Ermes Department Stores Plc.
- Financial risk factors as described in note 3.

Anticipated developments

As a result of the qualitative factors of the Group's assets, the future prospects are considered satisfactory, despite the international financial crisis that affected Cyprus as well. The successful operation of the Shacola's Emporium Park and The Mall of Engomi have augmented significantly the value of the property of the Group and have increased their revenues significantly. At the same time, they have altered the quality of Woolworth property portfolio, as the spaces in these properties were granted to a number of quality users.

The reduction of interest rates internationally, it is expected that in the short-term will significantly affect the values of Group properties and will reduce the cost of borrowing. In 2009 Woolworth sold its participation in CTC-ARI Airports Ltd, that has the exclusive administration of the retail operations at Larnaca and Paphos Airports until 2031, to Ermes Department Stores Plc for €16,4 million. This transaction will significantly improve the profitability of the Group in 2009. Furthermore, the required approvals for the introduction of the Company's subsidiary ITTL Trade Tourist & Leisure Park Plc in the Cyprus Stock Exchange were obtained and the Company will proceed with the IPO within 2009.

Profitability

It is expected that the profitability of the Company will be significant in 2009 due to the efforts of the management to exploit property assets even though the fair value gains of investments are expected to be lower.

Existence of Company and Group branches

The Company and the Group does not maintain any branches either in Cyprus or abroad.

Share capital

With the introduction of the Euro as the official currency of the Republic of Cyprus as from 1 January 2008, the issued share capital of the Company and the Group was converted from 114 623 855 ordinary shares of £0,20 each of total nominal value £22.924.770 to 114 623 855 ordinary shares of €0,34 each of total nominal value €38.972.111. From the conversion of the share capital to Euro the share capital was reduced by the total amount of €197.184 and the difference was taken to a special reserve created after a special resolution passed on 1 July 2008 called "Difference from conversion of share capital into Euro".

Book value of the shares

The Group

The book value of the Company's share, with a nominal value of 34 Euro cents, on 31 December 2008 was €1,53. The book value of the Company's share excluding the provision for deferred tax, which constitutes a contingent liability, amounts to €1,77.

The Company

The book value of the Company's share, with a nominal value of 34 Euro cents, on 31 December 2008 was €1,01. The book value of the Company's share excluding the provision for deferred tax, which constitutes a contingent liability, amounts to €1,08.

Treasury shares

During 2008 the Company acquired 593 373 of its own shares by purchases from the Cyprus Stock Exchange. The total acquisition price was €751.363 which has been deducted from Shareholder's equity.

On 27 April 2009, the Board of Directors decided to call an Extraordinary General Meeting on 22 June 2009 (right before the Annual General Meeting) for the purpose of re-approving the Special Resolution authorizing the Board of Directors to purchase the Company's own shares, if this is considered to be necessary.

Board of Directors

The members of the Board of Directors at the date of this report are shown on page 5. All of them were members of the Board throughout the year 2008.

According to the Company's Memorandum, Mr Marios N. Shacolas, Michalakis Koniotis, Marios Savvides and Menelaos K. Shacolas resign in turn, but they are re-electable and offer themselves for re-election.

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

Directors' interests in the Company's share capital

The direct and indirect interests of the members of the Board of Directors in the share capital of the Company at 31 December 2008 and at the date of this report, were as follows:

	31 December 2008 %	27 April 2009 %
Nicolas K. Shacolas	77,04	77,04
Renos Solomides	-	-
Marios A. Savvides	-	-
Eleni N. Shacola	-	-
Marios N. Shacolas	-	-
Menelaos Shacolas	-	-
Demetris Demetriou	-	-
Pambos Ioannides	-	-
Michalakis Koniotis	0,07	0,07
Marios Panayides	-	-
Andreas Louroutziatis	-	-

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

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

Major shareholders

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

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

Events after the balance sheet date

Disposal of Company's shareholding in associated company CTC-ARI Airports Limited

On 15 December 2008, the Company's Board of Directors ratified the decision to sell the Company's 20% shareholding in the associated company CTC-ARI Airports Limited, to Ermes Department Stores Plc with effect from 1 January 2009 for the amount of €16,4 million. The net profit of the above transaction amounts to €13,3 million for the Group and €16,4 million for the Company (Note 36).

Introduction of the share capital of ITTL Trade Tourist & Leisure Park Plc to the Cyprus Stock Exchange

At 31 March 2009 the Cyprus Capital Market Committee approved the Prospectus for the issue and the introduction of the shares of the Group's Subsidiary Company ITTL Trade Tourist and Leisure Park Plc to the Cyprus Stock Exchange.

Other than the above, there were no other material post balance sheet events, which have a bearing on the understanding of the financial statements.

Other matters

With the introduction of Euro as the official currency of the Republic of Cyprus from 1 January 2008, the functional currency of the Company and the Group has changed from Cyprus Pounds to Euros. As a result, the financial position of the Company at 1 January 2008 has been converted into Euro based on the definite fixing of the exchange rate €1 = C£ 0,585274.

Independent Auditors

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

By Order of the Board

Renos Solomides
Chairman

Nicosia,
27 April 2009

Directors Report on Corporate Governance

Part A

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

Part B

The Board of Directors confirms the compliance with all the Provisions of the Code of Corporate Governance.

BOARD OF DIRECTORS AND DIRECTORS' REMUNERATION

Duties and Responsibilities of the Board of Directors

The Company is managed by the Board of Directors which consists of 11 members, 7 of them are non-executive and 2 of the non executive members are independent.

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

Once the Board of Directors of the Company obtains timely, complete and reliable information, it meets at regular intervals for consideration and taking decisions, which are recorded accurately in Minutes. During 2008, 7 meetings were held. The Board of Directors has set out a formal agenda of issues on which decisions must be taken only by the Board. No committee of the Board of Directors is differentiated as to its responsibility towards any other committee.

The Board of Directors at the date of this report is composed by the Directors shown in table 1 below. All of them have been members of the Board of Directors throughout the year 2008.

According to the Company's Articles of Association, at each Annual General Meeting, 1/3 of the longest serving members of the Board, as well as those appointed after the previous Annual General Meeting, retire but have the right to be re-elected.

During the next Annual General Meeting Messrs Marios N Shacola, Michalakis Koniotis, Marios Savvides and Menelaos K Shacolas retire and, being eligible, offer themselves for re-election.

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

Marios N Shacolas - Studied in America business administration and also holds a post graduate degree. He is the Executive Vice-president of N.K. Shacolas (Holdings) Limited, Executive Director of Cyprus Trading Corporation Plc and Ermes Department Stores Plc and Director of MTN (Cyprus) Limited and Director in other companies.

Michalakis Koniotis - Businessman. Member of the board of directors of various companies. He had also been a member of the board of directors of Laiki Bank Limited and Astarti Development Limited.

Marios Savvides - London School of Economics graduate having obtained BSc and MSc Accounting & Finance titles as well as M.B.A. from the University of Chicago. Qualified Accountant (Chartered Accountant), General Manager of Piraeus Bank (Cyprus) Ltd.

Menelaos K Shacolas - Studied law at the University of Kent of Canterbury (England) and got the Barrister at Law title at Kings' College University of London. He is the manager of the family businesses AKS Hotels (Athens) and CN Shacolas (Investments) Limited while he participates in the boards of directors of Apollo Investments, Cyprus Trading Corporation Plc, Ermes Department Stores Plc and Cyprus Development Bank.

Independence of Directors

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

Table 1: The Company's Board of Directors

Executive Directors	
Nicolas K. Shacolas	
Marios Panayides	
Eleni N. Shacola	
Marios N. Shacolas	
Non-executive Directors	
Renos Solomides	
Demetris Demetriou	
Pambos Ioannides	
Michalakis Koniotis	
Andreas Louroutziatis	- Independent
Marios Savvides	
Menelaos Shacolas	- Independent

The classification above is consistent with the independence criteria of the Code of Corporate Governance of January 2009.

Committees of the Board of Directors

The Board of Directors of the Company, adopting the Principles of the Code, proceeded with the formation of the following Committees and the approval of Regulations, which are consistent with the Code and are available for inspection by anyone who may be interested to obtain more information on the subject, at the Company's Head Office.

a. Nominations Committee

The main purpose of the Nominations Committee is the operation of a defined and comprehensive procedure when it comes to suggestions for the appointment of new members of the Board of Directors. The members of the Nomination Committee, the majority of which are Non-Executive Directors, are the following:

Renos Solomides, President	- Non Executive
Nicolas K. Shacolas	- Executive
Andreas Louroutziatis	- Non Executive, Independent

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

b. Remunerations Committee

The Remuneration Committee constitutes of the following Non-Executive Directors, the majority of which are Independent:

Renos Solomides, President	- Non Executive
Andreas Louroutziatis	- Non Executive, Independent
Menelaos Shacolas	- Non Executive, Independent

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

c. Audit Committee

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

The Audit Committee of the Company consists of the following members, the majority of which are Independent Non-executive Directors:

Demetris Demetriou, President	- Non Executive
Andreas Louroutziatis	- Non Executive, Independent
Menelaos Shacolas	- Non Executive, Independent

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

The External Auditors of the Company, other than the audit services that were offered to the Company during the year 2008, no other work or service was provided except from the offering of services on Tax and V.A.T. matters that are directly related to the provision of audit services.

Directors' Remuneration

The remuneration of the Executive Directors is determined by the Board of Directors after the recommendation of the Remuneration Committee. The Remuneration Committee acts within the boundaries of the Remuneration Policy, as defined in paragraph B2 of the Code on Corporate Governance which is described at the end of this Report.

No Executive Director is involved in the determination of his/her remuneration. The existing employment contracts of the Executive Directors are of indefinite duration, the notice period does not exceed one year and the provisions of reimbursement in case of early termination of contracts is based on the provisions of the Law of Termination of Employment.

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

The total remuneration of the Executive Directors for their services for the Company for the year 2008 was: one Director under €85.000. The remaining three Directors do not receive any sort of remuneration as Executive Directors. Their remuneration as members of the Board of Directors amounted to €9.000.

During the year ended 31 December 2008, the Company did not pay any additional remuneration to Non-Executive Directors, besides their annual remuneration as members of the Board of Directors, which amounted to €36.000 and the remuneration for the participation in different Committees of the Board of Directors which amounted to €4.250. The total remuneration of the Non-Executive Directors of the Group amounted to €40.250.

The Directors' remuneration is presented in Note 31 of the Financial Statements.

RESPONSIBILITY AND CONTROL

Internal Control System

The Board of Directors makes sure that the Company maintains an adequate Internal Control System to ensure the greatest possible protection of the Shareholders' investment and of the assets of the Company.

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

The Board of Directors confirms that it reviews the effectiveness of the Internal Control System of the Company through its Internal Control Department of the Shacola's Group of Companies, which acts independently, reports to the Audit Committee of the Company and confirms that the effectiveness of the Internal Control Systems is satisfactory. The review of the Internal Control Systems by the Internal Control Department covers, on a sample basis, the financial, operating, and software systems, including the applied systems and security systems.

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

The Internal Control Department helps the Company to achieve its goals through the application of systematic and disciplined methodology in the evaluation and improvement of the Risk Management Systems, Internal Control Systems, and in the application of the Code of Corporate Governance.

The Internal Control Department, is liable to the Board of Directors and to the Audit Committee of the Company for the implementation of its duties. In the context of its independency, its staff reports both administratively and operationally directly to the Audit Committee.

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

Loans to Directors

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

Going Concern

The Board of Directors confirms that the Company has sufficient resources to continue in operational existence as a going concern for the next twelve months.

Compliance with the Code of Corporate Governance

The Board of Directors appointed Messrs George Mitsides and Demetri Demetriou as Compliance Officers under the Code of Corporate Governance, to observe, in cooperation with the Audit Committee, the implementation of the Code.

RELATIONSHIPS WITH THE SHAREHOLDERS

The Directors consider an important part of their responsibilities the provision of timely, clear and reliable information to the Shareholders and the adoption of the provisions of the Code on Corporate Governance regarding the constructive use of the General Meeting and the equitable treatment of Shareholders. The Board of Directors appointed Mr Marios Panayides and Mrs Maria Aristidou as the Company's Shareholder liaison Officers.

The Board of Directors appointed Mr. Andreas Louroutziatis, Independent Non Executive Director, as Executive Independent Director, who is responsible to listen to the Shareholders' concerns whose problems have not been solved via the normal communication channels of the Company.

BOARD OF DIRECTOR'S REMUNERATION POLICY

After a relevant suggestion of the Remunerations Committee, the Board of Directors approved the following Board of Director's Remuneration Policy, which complies with the relevant provisions of the Code of Corporate Governance, and was implemented during 2008. The Remuneration Policy is submitted to the Shareholders for voting at the Annual General Meeting.

Executive Directors

1. No Director is involved in the determination of his/her remuneration.
2. The objective is the provision of remuneration needed for the attraction, continuance and provision of incentives to the Executive Directors who have the required knowledge and experience, and avoiding at the same time paying them more than what is required for this purpose.
3. The determination of the total remuneration of the Executive Directors takes seriously into account the academic knowledge, the experience and the remuneration levels of people in similar positions in other companies or trade business in particular, as well as the wider environment of the Company, including the remuneration terms and the employment conditions in other levels of the Group.
4. The remuneration of an Executive Director could be divided into non-variable and variable. The variable remuneration will give significant motive to the Executive Director and at the same time it will be a measure of his/her total contribution to the advancement of the Company and the Group. In variable remuneration, performance criteria will not be included, on which the granting of share options or shares is based. Possible adoption of Bonus Scheme will be mostly based on the profitability of the Company.
5. In the case where part of the remunerations of the Executive Directors will be associated with performance, this part of the remuneration is designed in such a way so that they are aligned with the Shareholders' interests, providing in this way incentives to the Directors for high level performance.
6. Schemes with which share options are provided will comply with the provision B.2.5 of the Code of Corporate Governance, according to which no shares options must be provided to Executive Directors at a lower price than the average stock exchange closing price of the last 30 stock exchange meetings, before the date of their concession. The share options are adopted only after approval at an Extraordinary General Meeting of the Shareholders of the Company.
7. At the new appointments (contracts) of Executive Directors the determination of employment contracts of a definite duration that do not exceed 5 years is promoted. For the employment contracts of an indefinite duration the notice period does not exceed one year.
8. Emphasis is given on the provisions of the employment contracts of the Directors and on the indemnity commitments in particular (including pension contributions) that arise, if any, in the case of premature termination. These employment contracts do not include provisions which can be considered to be prohibitory in the cases of purchase or merger of the Company, or provisions for any fines that were imposed to Directors to be charged on the Company.

9. The Executive Directors, who are at the same time employees of the Company, participate in the existing Benefit Schemes of the Group (Provident Fund, Medical Fund, Life Insurance Fund). The existing Retirement Plan (Provident Fund) of the personnel is a defined contribution scheme. The participation terms do not differ from the participation terms that applies to the remaining staff of the Group. Except of the above Benefit Plans, no other Pension Plan nor Early Retirement Plan operates.
10. Any other benefits that are provided to the Executive Directors, are granted according to the existing regulations as they are applied to the remaining staff of the Group.

Non Executive Directors

The remuneration of the non executive members of the Board of Directors relates to the responsibilities and the time spend on the meetings of the Board of Directors and on the decision making process for the management of the Company and on their participation in Committees of the Board of Directors; they are not associated with the profitability of the Company nor do they take the form of participation in a pension Scheme of the Company (Provident Fund).

The remuneration of the Directors under their capacity as members of the Board of Directors, is approved by the Shareholders at the General Meeting.

By order of the Board of Directors,

Renos Solomides
Chairman

Nicosia, 27 April 2009

Independent Auditors' Report to the Members of Woolworth (Cyprus) Properties Plc

Report on the Consolidated and Company's Separate Financial Statements

We have audited the consolidated financial statements of Woolworth (Cyprus) Properties Plc (the "Company") and its subsidiaries ("the Group") and the company's separate financial statements on pages 19 to 78, which comprise the balance sheets of the Group and the Company as at 31 December 2008, and the income statements, statements of changes in equity and cash flow statements of the Group and the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes

Board of Directors' responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these consolidated and separate financial statements of the Company in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

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

Opinion

In our opinion, the Consolidated and the Company's separate financial statements of the Group and the Company give a true and fair view of the financial position of the Group and the Company as of 31 December 2008, and of the financial performance and the cash flows of the Group and the Company for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113.

Report on Other Legal Requirements

Pursuant to the requirements of the Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on pages 23 to 26 is consistent with the financial statements.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 156 of the Companies Law, Cap. 113 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

PriceWaterhouseCoopers Limited
Chartered Accountants

Nicosia, 27 April 2009

Consolidated income statement for the year ended 31 December 2008

	Note	2008 €	2007 €
Rights for use of space and other income	7	18.676.460	10.106.687
Fair value gains from investment property	17	35.968.000	13.583.381
Interest income	5	368.804	468.881
Other gains - net	6	1.133.463	7.266.119
General and administrative expenses	8	(2.632.418)	(5.087.549)
Operating profit		53.514.309	26.337.519
Finance costs	10	(15.739.475)	(11.260.627)
Share of profit of associated companies after taxation	19	1.552.220	1.558.745
Profit on disposal of associated company	34 (2)	-	2.419.154
Profit before taxation		39.327.054	19.054.791
Corporation tax and defence contribution		(405.580)	(1.855.236)
Deferred tax		(6.605.539)	(2.561.537)
Taxation	11	(7.011.119)	(4.416.773)
Net profit for the year		32.315.935	14.638.018
Attributable to:			
Company Shareholders		32.315.935	14.638.018
Minority Interest		-	-
		32.315.935	14.638.018
Earnings per share (cents per share):	12		
Basic		28,3	13,5
Fully diluted		28,3	13,5

The notes on pages 45 to 78 are an integral part of these financial statements.

Income statement for the Company for the year ended 31 December 2008

	Note	2008 €	2007 €
Rights for use of space and other income	7	4.851.325	4.818.840
Fair value gains from investment property	17	851.000	1.606.085
Interest income	5	2.767.446	1.496.364
Other gains - net	6	1.963.840	7.677.893
General and administrative expenses	8	(1.524.539)	(3.534.411)
Operating profit		8.909.072	12.064.771
Finance costs	10	(11.107.690)	(9.950.819)
Profit on sale of associated company	34 (2)	-	2.114.845
(Loss)/profit before taxation		(2.198.618)	4.228.797
Corporation tax and defence contribution		(81.602)	(347.972)
Deferred tax		(262.322)	(263.849)
Taxation	11	(343.924)	(611.821)
(Loss)/profit for the year		(2.542.542)	3.616.976
Earnings per share (cents per share)	12		
Basic		(2,2)	3,3
Fully diluted		(2,2)	3,3

The notes on pages 45 to 78 are an integral part of these financial statements.

Consolidated balance sheet at 31 December 2008

	Note	2008 €	2007 €
Assets			
Non-current assets			
Property, plant and equipment	16	1.112.542	119.734.600
Investment property	17	353.772.059	178.416.969
Intangible asset	18	1.635.900	1.635.900
Investments in associated companies	19	18.433.902	17.232.592
Available-for-sale financial assets	21	862.884	2.226.836
Financial assets at fair value through profit or loss	22	107.224.134	107.224.134
		483.041.421	426.471.031
Current assets			
Receivables	23	6.149.155	16.793.314
Cash and cash equivalents	24	1.908.854	7.971.550
Tax refundable		280.677	-
		8.338.686	24.764.864
Total assets		491.380.107	451.235.895
Equity			
Capital and reserves attributable to the Company's shareholders			
Share capital	25	38.972.111	39.169.295
Difference from conversion of share capital to Euro		197.184	-
Treasury shares	25	(751.363)	-
Share premium	25	25.018.383	25.018.383
Fair value reserves	26	26.799.312	27.610.589
Retained earnings		84.697.868	57.318.398
Total equity		174.933.495	149.116.665
Liabilities			
Non-current liabilities			
Payables and accrued expenses	29	2.046.107	2.496.733
Borrowings	27	217.280.655	222.422.925
Deferred tax liabilities	28	26.727.278	20.174.414
		246.054.040	245.094.072
Current liabilities			
Payables and accrued expenses	29	35.971.782	30.677.310
Current tax liabilities		1.100.791	3.581.267
Borrowings	27	33.319.999	22.766.581
		70.392.572	57.025.158
Total liabilities		316.446.612	302.119.230
Total equity and liabilities		491.380.107	451.235.895

On 27 April 2009 the Board of Directors of Woolworth (Cyprus) Properties Plc authorized these consolidated financial statements for issue.

Renos Solomides
Chairman

Marios Panayides
Managing Director

The notes on pages 45 to 78 are an integral part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2008

Attributable to the Company's shareholders

	Share capital €	Difference from conversion of share capital into Euro €	Treasury shares €	Share premium €	Fair value reserves €	Retained earnings (1) €	Total €
Balance at 1 January 2007	32.935.071	-	(184.638)	21.901.272	27.986.977	43.529.713	126.168.395
Available for sale financial assets:							
Revaluation surplus of investments of associated company (Note 26)	-	-	-	-	3.363.332	-	3.363.332
Revaluation surplus of investments (Note 26)	-	-	-	-	707.874	-	707.874
Transfer due to disposal of associated company (Note 26)	-	-	-	-	(2.495.638)	-	(2.495.638)
Transfer due to sale of available for sale financial assets (Note 26)	-	-	-	-	(1.951.956)	-	(1.951.956)
Net losses recognized directly in equity	-	-	-	-	(376.388)	-	(376.388)
Net profit for the year	-	-	-	-	-	14.638.018	14.638.018
Total recognized income for 2007	-	-	-	-	(376.388)	14.638.018	14.261.630
Dividends (Note 13)	-	-	-	-	-	(3.053.320)	(3.053.320)
Exercise of share warrants (Note 25)	6.234.224	-	-	3.117.111	-	-	9.351.335
Purchase of treasury shares (Note 25)	-	-	(1.100.613)	-	-	-	(1.100.613)
Exercise of share warrants by the Company (Note 25)	-	-	(757.792)	-	-	-	(757.792)
Disposal of treasury shares (Note 25)	-	-	2.043.043	-	-	2.203.987	4.247.030
Balance at 31 December 2007	39.169.295	-	-	25.018.383	27.610.589	57.318.398	149.116.665

The notes on pages 45 to 78 are an integral part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2008

Attributable to the Company's shareholders

	Share capital €	Difference from conversion of share capital into Euro €	Treasury shares €	Share premium €	Fair value reserves €	Retained earnings (1) €	Total €
Balance at 1 January 2008	39.169.295	-	-	25.018.383	27.610.589	57.318.398	149.116.665
Available for sale financial assets:							
Loss on revaluation of investments (Note 26)	-	-	-	-	(863.952)	-	(863.952)
Land and Buildings:							
Adjustment of deferred taxation (Note 26)	-	-	-	-	52.675	-	52.675
Net losses recognized directly in equity	-	-	-	-	(811.277)	-	(811.277)
Net profit for the year	-	-	-	-	-	32.315.935	32.315.935
Total recognized income for 2008	-	-	-	-	(811.277)	32.315.935	31.504.658
Dividends (Note 13)	-	-	-	-	-	(3.115.049)	(3.115.049)
Income tax and defence tax that were not deducted at source on dividend payment	-	-	-	-	-	(1.735.680)	(1.735.680)
Purchase of treasury shares (Note 25)	-	-	(751.363)	-	-	-	(751.363)
Reduction of share capital from the conversion of the share capital to Euro (Note 25)	(197.184)	197.184	-	-	-	-	-
Shareholders' special contribution for defence due on deemed dividend distribution	-	-	-	-	-	(85.736)	(85.736)
Balance at 31 December 2008	38.972.111	197.184	(751.363)	25.018.383	26.799.312	84.697.868	174.933.495

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

The notes on pages 45 to 78 are an integral part of these financial statements.

Balance sheet for the Company at 31 December 2008

	Note	2008 €	2007 €
Assets			
Non-current assets			
Plant and equipment	16	200.858	197.894
Investment property	17	85.171.575	83.338.980
Investments in subsidiaries	20	59.572.023	59.572.023
Investments in associated companies	19	8.317.216	8.317.216
Available-for-sale financial assets	21	862.884	2.226.836
Financial assets at fair value through profit or loss	22	107.224.134	107.224.134
		261.348.690	260.877.083
Current assets			
Receivables	23	46.413.912	54.913.311
Cash and cash equivalents	24	47.511	3.190.571
Tax refundable		259.195	-
		46.720.618	58.103.882
Total assets		308.069.308	318.980.965
Equity			
Capital and reserves attributable to the Company's shareholders			
Share capital	25	38.972.111	39.169.295
Difference from the conversion of share capital to Euro		197.184	-
Share premium	25	25.018.383	25.018.383
Treasury shares	25	(751.363)	-
Fair value reserves	26	17.346.121	18.210.073
Retained earnings		34.649.334	42.128.341
Total equity		115.431.770	124.526.092
Liabilities			
Non-current liabilities			
Borrowings	27	121.560.816	144.660.421
Deferred tax liabilities	28	7.461.256	7.198.934
Payables and accrued expenses	29	62.026	-
		129.084.098	151.859.355
Current liabilities			
Payables and accrued expenses	29	34.305.158	21.284.721
Current tax liabilities		722.793	1.621.583
Borrowings	27	28.525.489	19.689.214
		63.553.440	42.595.518
Total liabilities		192.637.538	194.454.873
Total equity and liabilities		308.069.308	318.980.965

On 27 April 2009 the Board of Directors of Woolworth (Cyprus) Properties Plc authorized these financial statements for issue.

Renos Solomides Marios Panayides
Chairman Managing Director

The notes on pages 45 to 78 are an integral part of these financial statements.

Statement of changes in equity for the Company for the year ended 31 December 2008

Attributable to the Company's shareholders

	Share capital €	Difference from conversion of share capital into Euro €	Treasury shares €	Share premium €	Fair value reserves €	Retained earnings (1) €	Total €
Balance at 1 January 2007	32.935.071	-	(184.638)	21.901.272	19.454.155	39.360.698	113.466.558
Available for sale financial assets:							
Revaluation surplus (Note 26)	-	-	-	-	707.874	-	707.874
Transfer as a result of sale of available for sale financial assets (Note 26)	-	-	-	-	(1.951.956)	-	(1.951.956)
Net losses recognized directly in equity	-	-	-	-	(1.244.082)	-	(1.244.082)
Net profit for the year	-	-	-	-	-	3.616.976	3.616.976
Total recognized income for 2007	-	-	-	-	(1.244.082)	3.616.976	2.372.894
Dividends (Note 13)	-	-	-	-	-	(3.053.320)	(3.053.320)
Exercise of share warrants (Note 25)	6.234.224	-	-	3.117.111	-	-	9.351.335
Purchase of treasury shares (Note 25)	-	-	(1.100.613)	-	-	-	(1.100.613)
Exercise of share warrants by the Company (Note 25)	-	-	(757.792)	-	-	-	(757.792)
Disposal of treasury shares (Note 25)	-	-	2.043.043	-	-	2.203.987	4.247.030
Balance at 31 December 2007	39.169.295	-	-	25.018.383	18.210.073	42.128.341	124.526.092

The notes on pages 45 to 78 are an integral part of these financial statements.

Statement of changes in equity for the Company for the year ended 31 December 2008

Attributable to the Company's shareholders

	Share capital €	Difference from conversion of share capital into Euro €	Treasury shares €	Share premium €	Fair value reserves €	Retained earnings (1) €	Total €
Balance at 1 January 2008	39.169.295	-	-	25.018.383	18.210.073	42.128.341	124.526.092
Available for sale financial assets: Loss on revaluation (Note 26)	-	-	-	-	(863.952)	-	(863.952)
Net losses recognized directly in equity	-	-	-	-	(863.952)	-	(863.952)
Net loss for the year	-	-	-	-	-	(2.542.542)	(2.542.542)
Total recognized income for 2008	-	-	-	-	(863.952)	(2.542.542)	(3.406.494)
Dividends (Note 13)	-	-	-	-	-	(3.115.049)	(3.115.049)
Income tax and defence tax that were not deducted at source on dividend payment	-	-	-	-	-	(1.735.680)	(1.735.680)
Purchase of treasury shares (Note 25)	-	-	(751.363)	-	-	-	(751.363)
Decrease of share capital from the conversion into Euro (Note 25)	(197.184)	197.184	-	-	-	-	-
Shareholders' special contribution for defence due on deemed dividend distribution	-	-	-	-	-	(85.736)	(85.736)
Balance at 31 December 2008	38.972.111	197.184	(751.363)	25.018.383	17.346.121	34.649.334	115.431.770

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

The notes on pages 45 to 78 are an integral part of these financial statements.

Consolidated cash flow statement for the year ended 31 December 2008

	Note	2008 €	2007 €
Cash flows from operating activities			
Profit before tax		39.327.054	19.054.791
Adjustments for:			
Depreciation of property, plant and equipment	16	246.918	106.571
Interest expense	10	15.812.726	10.623.404
Interest income	5	(368.804)	(468.881)
Share of profit of associated companies	19	(1.552.220)	(1.558.745)
Fair value gains on investment property	17	(35.968.000)	(13.583.381)
Dividend income	6	(62.388)	(62.704)
Loss/(profit) on sale of property, plant and equipment	8	18.605	(3.759)
Profit on sale of available for sale financial assets	6	-	(5.645.569)
Profit on sale of associated company	34 (2)	-	(2.419.154)
Impairment loss on available for sale financial assets	6	500.000	-
		17.953.891	6.042.573
Changes in working capital:			
Receivables		10.644.159	(6.618.921)
Payables and accrued expenses		4.758.110	68.601.453
Cash generated from operations		33.356.160	68.025.105
Tax paid		(4.902.412)	(1.417.086)
Net cash from operating activities		28.453.748	66.608.019
Cash flows from investing activities			
Purchases of property, plant and equipment	16	(11.389.359)	(33.338.049)
Purchases of investment property	17	(8.611.262)	(31.523.627)
Purchase of financial assets at fair value through profit and loss	34 (3)	-	(90.138.120)
Proceeds from sale of investment property		-	146.940
Proceeds from sale of subsidiary company	34 (1)	-	632.183
Proceeds from sale of property, plant and equipment	16	29.508	3.759
Proceeds from sale of associated company	34 (2)	-	21.528.378
Proceeds from sale of available-for-sale financial assets		-	9.404.035
Interest received		368.804	468.881
Dividends received from associated companies	19	350.910	-
Dividends received		62.388	62.704
Net cash used in investing activities		(19.189.011)	(122.752.916)
Cash flows from financing activities			
Net borrowings		5.411.148	67.889.987
Interest paid		(16.872.168)	(12.352.657)
Receipts from issue of share warrants	25	-	8.593.543
Purchase of treasury shares	25	(751.363)	(1.100.613)
Proceeds from sale of treasury shares	25	-	4.247.030
Dividends paid	13	(3.115.049)	(4.814.981)
Net cash (used in)/from financing activities		(15.327.432)	62.462.309
Net (decrease)/increase in cash and cash equivalents		(6.062.695)	6.317.412
Cash and cash equivalents at beginning of year		7.971.550	1.654.138
Cash and cash equivalents at end of year	24	1.908.855	7.971.550

The notes on pages 45 to 78 are an integral part of these financial statements.

Cash flow statement for the Company for the year ended 31 December 2008

	Note	2008 €	2007 €
Cash flows from operating activities			
(Loss)/profit before tax		(2.198.618)	4.228.797
Adjustments for:			
Depreciation of plant and equipment	16	43.441	31.009
Interest expense	10	11.107.690	9.859.461
Interest income	5	(2.767.446)	(1.496.364)
Fair value gains on investment property	17	(851.000)	(1.606.085)
Dividend income	6	(1.116.743)	(676.430)
Loss from sale of plant and equipment	16	5.707	-
Profit on sale of available for sale financial assets	6	-	(5.645.569)
Profit on sale of associated company	34 (2)	-	(2.114.845)
Impairment of available for sale financial assets	6	500.000	-
		4.723.031	2.579.974
Changes in working capital:			
Receivables		8.499.399	(23.440.281)
Payables and accrued expenses		12.996.727	60.029.779
Cash generated from operations		26.219.157	39.169.472
Tax paid		(2.975.267)	(6.259)
Net cash from operating activities		23.243.890	39.163.213
Cash flows from investing activities			
Purchases of plant and equipment	16	(71.976)	(59.230)
Purchases of investment property	17	(981.595)	(54.348)
Purchase of subsidiary companies		-	(3.417)
Proceeds from sale of plant and equipment	16	19.864	-
Purchase of financial assets at fair value through profit or loss	34 (3)	-	(90.138.120)
Proceeds from sale of investment property		-	18.795
Proceeds from sale of subsidiary company	34 (1)	-	632.183
Proceeds from sale of associated company	34 (2)	-	21.528.377
Proceeds from income of available-for-sale financial assets		-	9.404.035
Interest received		2.767.446	1.496.364
Dividends received		1.116.743	676.430
Net cash from/(used in) investing activities		2.850.482	(56.498.931)
Cash flows from financing activities			
Net borrowings		(14.263.330)	22.267.904
Interest paid		(11.107.690)	(9.005.160)
Receipts from issue of share warrants	25	-	8.593.543
Purchase of treasury shares	25	(751.363)	(1.100.613)
Proceeds from sale of treasury shares	25	-	4.247.030
Dividends paid	13	(3.115.049)	(4.814.981)
Net cash (used in)/from financing activities		(29.237.432)	20.187.723
Net (decrease)/increase in cash and cash equivalents		(3.143.060)	2.852.005
Cash and cash equivalents at beginning of year		3.190.571	338.566
Cash and cash equivalents at end of year	24	47.511	3.190.571

The notes on pages 45 to 78 are an integral part of these financial statements.

1. GENERAL INFORMATION

Country of incorporation

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

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

Principal activities

The Company is the parent company of the Woolworth Group. From 31 December 2003 the Group's activities involve mainly the ownership, development, management and trading of property. The Company also owns 35% of the share capital of the company Akinita Lakkos Mikelli Ltd and owns 20% of the share capital of the company CTC - ARI Airports Limited which administrates the duty free shops of Larnaca and Paphos Airports.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

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

All International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and effective as at 1 January 2008 have been adopted by the EU through the endorsement procedure established by the European Commission, with the exception of certain provisions of IAS 39 "Financial Instruments: Recognition and Measurement" relating to portfolio hedge accounting. IFRIC 12 "Service Concession Arrangements" has been endorsed by the EU on 26 March 2009 and its mandatory effective date was changed from annual periods beginning on or after 1 January 2008 in IFRIC 12 to an entity's first financial year starting after 29 March in the EU-endorsed version, but with earlier adoption permitted.

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

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

Adoption of new and revised IFRSS

During the current year the Company and the Group adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2008. This adoption did not have a material effect on the accounting policies of the Company and the Group.

At the date of approval of these financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

Standard / Interpretation	Effective for annual periods beginning on or after
(i) Adopted by the European Union	
Improvements to IFRSs - 2008	1 January 2009
Amendments to IFRS 1 and International Accounting Standard (IAS) 27 "Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate"	1 January 2009
Amendment to IFRS 2 "Share Based Payment: Vesting Conditions and Cancellations"	1 January 2009
IFRS 8 "Operating Segments"	1 January 2009
IAS 1 (Revised) "Presentation of Financial Statements"	1 January 2009
IAS 23 (Revised) "Borrowing Costs"	1 January 2009
Amendments to IAS 32 and IAS 1 "Puttable Financial Instruments and Obligations arising on Liquidation"	1 January 2009
International Financial Reporting Interpretation Committee (IFRIC) 12 "Service Concession Arrangements"	29 March 2009
International Financial Reporting Interpretation Committee (IFRIC) 13 "Customer Loyalty Programmes"	1 July 2008
(ii) Not adopted by the European Union	
IFRS 1 (Revised) "First Time Adoption of International Financial Reporting Standards"	1 January 2009
IFRS 7 (Modifications) - Financial Instruments: Disclosures: Disclosure Improvements for financial Instruments"	1 January 2009
IFRS 3 (Revised) "Business Combinations"	1 July 2009
IAS 27 (Revised) "Consolidated and Separate Financial Statements"	1 July 2009
Amendment to IAS 39 "Eligible Hedged Items"	1 July 2009
Amendment to IAS 39 "Reclassification of Financial Assets: Effective date and Transition"	1 July 2008
IFRIC 15 "Agreements for the Construction of Real Estate"	1 January 2009
IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"	1 October 2008
IFRIC 17 "Distributions of Non cash Assets to Owners"	1 July 2009
IFRIC 18 "Transfers of Assets from Customers"	1 July 2009

The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company and the Group except for the application of International Accounting Standard 1 (Revised) "Presentation of Financial Statements" which will have a material effect on the presentation of the financial statements and the application of IFRS 7" Modifications - Financial Instruments: Disclosures: Disclosure improvements for financial instruments", that will improve the disclosures for fair value valuations and liquidity risk.

Consolidated financial statements

General

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

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies and generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered

when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are initially recognised at cost and subsequently are accounted for by the equity method of accounting.

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

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

Sale of subsidiary or associated companies

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

Separate financial statements of the Company

(a) Subsidiary Companies

In the balance sheet of the Company investments in subsidiary companies are carried at cost less any impairment.

(b) Associated Companies

In the balance sheet of the Company investments in associated companies are carried at cost less any impairment.

Revenue recognition

The accounting principle applied by the Company and the Group for revenue recognition in the income statement is as follows:

(a) Income from rights for use of space

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

(b) Rental income

Rental income is recognised on a straight-line basis over the lease term.

(c) Interest income

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

(d) Dividend income

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

Employee benefits

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

Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

Deferred tax on investments in subsidiaries and associates does not arise, as the profit on sale of securities is not taxable.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's and the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Property, plant and equipment

Land and buildings comprising mainly buildings under construction are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Revaluations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Increases in the carrying amount arising on revaluation of land and buildings are credited to fair value reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity. All other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from fair value reserves to retained earnings.

The land and buildings under construction that are not yet ready for their intended use are not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values, over their estimated useful lives. The annual depreciation rates are as follows:

	%
Land	Nil
Buildings under construction	Nil
Motor vehicles	20
Furniture and fittings	15
Office equipment	15
Computers	33
Machinery	20

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

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

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

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and these are included in the consolidated income statement. When revalued assets are sold, the amounts included in the fair value reserves are transferred to retained earnings.

Loan interest expense for financing the construction of property are capitalised during the period and until the asset is completed and ready for its intended use.

Leases

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

Investment property

Investment property is held for long-term rental yields or for capital appreciation and is not occupied by the Company and the Group. Investment property is carried at fair value, representing open market value determined annually by external valuers and the management of the Company and the Group. Changes in fair values are recorded in the income statement.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an undertaking include the carrying amount of goodwill relating to the undertaking sold. Goodwill is allocated to cash generating units for the purpose of impairment testing.

Impairment of assets

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

Financial assets

The Company and the Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re evaluates this designation at every balance sheet date.

(i) Financial assets at fair value through profit or loss

This category has two sub categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performance is evaluated on a fair value basis, in accordance with the Company's and the Group's documented investment strategy. Information about these financial assets is provided internally on a fair value basis to the Company's and the Group's key management personnel. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the balance sheet date.

(ii) Loans and receivables

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

(iii) Held to maturity investments

Held to maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that the Company's and the Group's management has the positive intention and ability to hold to maturity. During the year, the Company and the Group did not hold any investments in this category.

(iv) Available for sale financial assets

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

Regular way purchases and sales of investments are recognised on trade date which is the date on which the Company and the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company and the Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest method.

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

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

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

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company and the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis, making maximum use of market inputs and relying as little as possible on entity specific inputs.

The Company and the Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available for sale financial assets the cumulative loss which is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company and the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within "general expenses and administrative expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the general expenses and administrative expenses in the income statement.

Share capital

Ordinary shares are classified as equity.

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

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

Provisions

Provisions are recognised when the Company and the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. No provisions are recognised for future losses.

The provisions are estimated as the current value of the expenses which are expected to be demanded for the settlement of the liabilities, using a pre-tax percentage, which attributes running market valuations of the value of money over time, reflecting the risks related with the liability. The increase to the provisions due to the passing of time is recognised as interest payable.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

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

Trade payables

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand and current deposits held at call with banks and bank overdrafts.

Comparatives

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

3. FINANCIAL RISK MANAGEMENT

(i) Financial risk factors

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

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

- **Market risk**

Foreign exchange risk

The Company and the Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. The volume of these transactions is small. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Management does not have a policy of hedging foreign exchange risk exposure arising from future commercial transactions and recognised assets. Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

- **Cash flow and fair value interest rate risk**

As the Company and the Group have significant interest-bearing assets, the Company's and the Group's income and operating cash flows depend on changes in market interest rates.

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

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

- **Credit risk**

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

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

The table below shows the balance of the major counterparties at the balance sheet date.

The Group	Rating (Moody's)	31 December 2008	31 December 2007
		Balance €	Balance €
Bank A	A2	191.012	1.826.797
Bank B	A3	32.237	1.772.413
Bank C	A1	1.414.220	1.682.130
Bank D	Baa2	264.748	<u>2.528.344</u>
		<u>1.902.217</u>	<u>7.809.684</u>

The Company	Rating (Moody's)	31 December 2008	31 December 2007
		Balance €	Balance €
Bank A	A2	41.953	1.128.102
Bank B	A3	-	1.767.591
Bank C	Baa2	5.518	155.138
Bank D	Aa2	-	82.944
Bank E	A1	-	56.765
		<u>47.471</u>	<u>3.190.540</u>

- **Liquidity risk**

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

The Group	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years
	€	€	€	€	€	€	€
At 31 December 2008							
Borrowings	661.599	3.970.285	4.969.890	23.718.225	31.296.090	92.503.042	176.823.606
Trade and other payables	<u>408.576</u>	<u>1.304.353</u>	<u>18.216.666</u>	<u>16.042.187</u>	<u>2.046.107</u>	-	-
	<u>1.070.175</u>	<u>5.274.638</u>	<u>23.186.556</u>	<u>39.760.412</u>	<u>33.342.197</u>	<u>92.503.042</u>	<u>176.823.606</u>

At 31 December 2007							
Borrowings	1.285.107	2.570.215	4.615.970	14.295.289	32.306.547	91.080.712	193.392.510
Trade and other payables	<u>5.959.727</u>	<u>6.480.180</u>	<u>9.118.701</u>	<u>9.118.702</u>	<u>2.496.733</u>	-	-
	<u>7.244.834</u>	<u>9.050.395</u>	<u>13.734.671</u>	<u>23.413.991</u>	<u>34.803.280</u>	<u>91.080.712</u>	<u>193.392.510</u>

The Company	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years
	€	€	€	€	€	€	€
At 31 December 2008							
Borrowings	661.599	2.830.285	4.969.890	20.063.715	25.099.412	72.349.399	64.801.885
Trade and other payables	<u>461.776</u>	<u>313.145</u>	<u>16.765.119</u>	<u>16.765.118</u>	<u>62.026</u>	-	-
	<u>1.123.375</u>	<u>3.143.430</u>	<u>21.735.009</u>	<u>36.828.833</u>	<u>25.161.438</u>	<u>72.349.399</u>	<u>64.801.885</u>

At 31 December 2007							
Borrowings	1.285.107	2.570.215	4.615.970	11.217.922	26.249.921	73.523.917	93.577.317
Trade and other payables	<u>478.908</u>	<u>212.519</u>	<u>10.296.647</u>	<u>10.296.647</u>	-	-	-
	<u>1.764.015</u>	<u>2.782.734</u>	<u>14.912.617</u>	<u>21.514.569</u>	<u>26.249.921</u>	<u>73.523.917</u>	<u>93.577.317</u>

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

Management monitors rolling forecasts of the Company's and the Group's liquidity reserve on the basis of expected cash flow.

(ii) Capital risk management

The capital as defined by management at 31 December 2008 and 2007 was as follows:

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Total borrowings (Note 27)	250.600.654	245.189.506	150.086.305	164.349.635
Less: cash and cash equivalents (Note 24)	(1.908.854)	(7.971.550)	(47.511)	(3.190.571)
Net debt	248.691.800	237.217.956	150.038.794	161.159.064
Total equity	174.933.495	149.116.665	115.431.770	124.526.092
Total capital as defined by management	423.625.295	386.334.621	265.470.564	285.685.156
Gearing ratio	59%	61%	57%	56%

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

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

The Company and the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

During 2008, the Company's and the Group's strategy, which was unchanged from 2007, was to maintain the gearing ratio within 45% to 60%.

(iii) Fair value estimation

The fair value of financial instruments traded in active markets, such as available-for-sale financial assets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company and the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in active markets is determined using various valuation techniques that are based on market conditions existing at the balance sheet date.

The nominal value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Company and the Group for similar financial instruments.

4. Critical accounting estimates and judgements

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

Critical accounting estimates and assumptions

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

(i) Estimated impairment of goodwill

The Company and the Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2. The recoverable amount of cash-generating units has been determined based on value-in-use calculations. These calculations require the use of estimates as disclosed in Note 18.

Given the agreements for the rights of use of space in the Shacolas Emporium Park which is owned by ITTL Trade Tourist and Leisure Park Plc, even if the expected rent per square meter in Shacolas Emporium Park, based on which the assessment for impairment of goodwill that resulted from the acquisition of ITTL Trade Tourist and Leisure Park Plc was based, was 10% lower compared to management's calculations at 31 December 2008, there would not be any reduction in the book value of goodwill.

(ii) Income taxes

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

5. INTEREST INCOME

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Loans to related companies	282.103	311.083	2.765.177	1.424.755
Bank balances	86.701	157.798	2.269	71.609
	368.804	468.881	2.767.446	1.496.364

6. OTHER GAINS - NET

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Consultancy services	1.233.702	1.187.478	1.181.238	1.187.478
Dividend income	62.388	62.704	1.116.743	676.430
Other gains	337.373	370.368	165.859	168.416
Available for sale financial assets:				
Profit on sale (Note 21)	-	5.645.569	-	5.645.569
Impairment loss (Note 21)	(500.000)	-	(500.000)	-
	1.133.463	7.266.119	1.963.840	7.677.893

The consultancy services represent services of management nature rendered to related companies.

7. RIGHTS FOR GRANTING OF SPACE AND OTHER INCOME

The amounts reported in the income statement of the Company and the Group include additional income from rights received for the granting of space for the operation of commercial shops in "The Mall of Cyprus" and in "The Mall Engomi". These amounted to €1.104.820 (2007: €1.551.465) for the Group and €1.000.000 (2007: €1.000.000) for the Company.

8. EXPENSES BY NATURE

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Depreciation of property, plant and equipment (Note 16)	246.918	106.571	43.441	31.009
Loss/(profit) on sale of property plant and equipment (Note 16)	18.605	(3.759)	5.707	-
Directors' remuneration	60.420	88.890	60.420	75.221
Remuneration of directors of subsidiaries	13.669	13.668	-	-
Professional fees	273.665	590.511	213.431	510.351
Building and equipment expenses	41.256	18.914	13.904	7.482
Office expenses	31.396	41.623	24.845	29.866
Travelling expenses	3.679	6.264	3.679	1.733
Insurance	138.266	162.042	81.951	85.129
Auditors' remuneration	109.636	91.454	66.310	61.937
Legal fees	9.308	127.932	6.308	12.259
Bank charges	177.883	568.580	10.743	392.679
Donations and subscriptions	66.506	191.377	65.506	184.522
Cyprus Stock Exchange expenses	72.222	45.174	30.737	45.174
Staff costs (Note 9)	501.911	332.169	428.211	231.071
Advertising and promotional expenses	252.250	539.313	35.816	52.914
Mortgage expenses	95.114	56.763	95.114	56.763
Receivables - impairment charge for receivables	-	1.419.318	-	1.419.318
Taxes and licences	157.376	150.558	130.813	92.085
Annual General Meeting expenses	27.340	31.835	27.340	31.835
Other expenses	334.998	508.352	180.263	213.063
	2.632.418	5.087.549	1.524.539	3.534.411

9. STAFF COST

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Wages and salaries	437.980	291.166	370.947	199.083
Social insurance costs and other contributions	40.569	28.378	33.901	20.264
Provident fund contributions	23.362	12.625	23.363	11.724
	501.911	332.169	428.211	231.071

10. FINANCE COSTS

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Interest expense:				
Bank borrowings	(10.606.775)	(4.912.373)	(6.105.009)	(4.027.317)
Bank facilities	(187.416)	(286.883)	(62.427)	(259.103)
Interest on taxation	(979.305)	(6.341)	(750.000)	-
Provision for interest on taxation	-	(854.301)	-	(854.301)
Debenture loan	-	(812.804)	-	(812.804)
Loans from associated companies (Note 31(d))	-	(183.485)	-	(183.485)
Balances with related companies	(3.894.535)	(3.282.963)	(4.112.960)	(3.519.741)
Loan from related parties (Note 31(e))	(77.294)	(202.710)	(77.294)	(202.710)
Other interest	(67.401)	(81.544)	-	-
	(15.812.726)	(10.623.404)	(11.107.690)	(9.859.461)
Net foreign exchange transaction gain/(loss) from financing activities	73.251	(637.223)	-	(91.358)
	(15.739.475)	(11.260.627)	(11.107.690)	(9.950.819)

11. TAXATION

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Current taxation:				
Corporation tax	569.756	84.169	338.804	-
Defence contribution	73.845	62.466	6.242	6.252
Corporation tax of previous years	(238.021)	1.708.601	(263.444)	341.720
Deferred tax (Note 28)	6.605.539	2.561.537	262.322	263.849
	7.011.119	4.416.773	343.924	611.821

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

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Profit/(loss) before tax	39.327.054	19.054.791	(2.198.618)	4.228.797
Tax calculated at the applicable corporation tax rate of 10%	3.932.705	1.905.480	(219.862)	422.880
Tax effect of expenses not deductible for tax purposes	527.105	216.447	501.052	340.737
Tax effect of allowances and income not subject to tax	(289.742)	(954.549)	(121.091)	(852.150)
Difference between corporation tax rate and capital gains tax rate	2.635.269	1.358.338	83.278	232.392
Tax effect of tax losses for which no deferred tax asset was recognised	348.962	119.990	357.749	119.990
Defence contribution	73.845	62.466	6.242	6.252
10% penalty	20.996	-	-	-
Corporation tax of previous years	(238.021)	1.708.601	(263.444)	341.720
Tax charge	7.011.119	4.416.773	343.924	611.821

The Group's companies are subject to corporation tax on taxable profits at the rate of 10%.

Under certain conditions interest may be subject to defence contribution at the rate of 10%. In such cases 50% of the same interest will be exempt from corporation tax thus having an effective tax rate burden of approximately 15%.

Capital gains from the sale of property are subject to capital gains tax at the rate of 20%.

At 31 December 2008, the Company had tax losses carried forward of €16.535.746 (2007: €12.958.255)

12. EARNINGS PER SHARE

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

	The Group		The Company	
	€	€	€	€
Profit/(loss) for the year attributable to shareholders	32.315.935	14.638.018	(2.542.542)	3.616.976
Weighted average number of issued shares	114 252 147	108 776 377	114 252 147	108 776 377
Basic earnings per share - cents	28,3	13,5	(2,2)	3,3
Adjusted weighted average number of shares	114 252 147	108 776 377	114 252 147	108 776 377
Fully diluted earnings per share - cents	28,3	13,5	(2,2)	3,3

13. DIVIDEND PER SHARE

As a result of the continuing financial crisis the Board decided to revisit the matter of payment or not of dividends before the end of May 2009.

The dividends declared at the General Meeting on 1 July 2008 and paid during 2008 were €3.115.049 and relate to profits from previous years.

The dividends declared at the General Meeting on 7 June 2007 and paid during 2007 were €3.053.320 and relate to 2006 profits.

The interim dividends declared and approved in December 2005 which relate to 2003 profits were €6.585.895. On 30 June 2006 the first instalment of the dividend was paid and the second instalment amounting to €1.761.660 was paid on 30 June 2007.

As from 1 January 2003 dividends paid to individuals who are tax residents of Cyprus are subject to a deduction of special contribution for defence at the rate of 15%.

14. FINANCIAL INSTRUMENTS BY CATEGORY

The Group

	Loans and receivables €	Assets at fair value through profit and loss €	Available-for-sale €	Total €
31 December 2008				
Assets as per balance sheet				
Available-for-sale financial assets	-	-	862.884	862.884
Trade and other receivables (1)	5.675.643	-	-	5.675.643
Financial assets at fair value through profit or loss	-	107.224.134	-	107.224.134
Cash and cash equivalents	1.908.854	-	-	1.908.854
Total	7.584.497	107.224.134	862.884	115.671.515

	Other financial liabilities €	Total €
Liabilities as per balance sheet		
Borrowings	250.600.654	250.600.654
Trade and other payables	38.017.889	38.017.889
Total	288.618.543	288.618.543

	Loans and receivables €	Assets at fair value through profit and loss €	Available-for- sale €	Total €
Assets as per balance sheet				
31 December 2007				
Available-for-sale financial assets	-	-	2.226.836	2.226.836
Trade and other receivables (1)	15.746.560	-	-	15.746.560
Financial assets at fair value through profit or loss	-	107.224.134	-	107.224.134
Cash and cash equivalents	7.971.550	-	-	7.971.550
Total	<u>23.718.110</u>	<u>107.224.134</u>	<u>2.226.836</u>	<u>133.169.080</u>

		Other financial liabilities €	Total €
Liabilities as per balance sheet			
Borrowings		245.189.506	245.189.506
Trade and other payables		33.174.043	33.174.043
Total		<u>278.363.549</u>	<u>278.363.549</u>

(1) The rest of the balance sheet item "trade and other receivables" is prepayments

The Company

	Loans and receivables €	Assets at fair value through profit and loss €	Available-for- sale €	Total €
Assets as per balance sheet				
31 December 2008				
Available-for-sale financial assets	-	-	862.884	862.884
Trade and other receivables (1)	46.225.662	-	-	46.225.662
Financial assets at fair value through profit or loss	-	107.224.134	-	107.224.134
Cash and cash equivalents	47.511	-	-	47.511
Total	<u>46.273.173</u>	<u>107.224.134</u>	<u>862.884</u>	<u>154.360.191</u>

		Other financial liabilities €	Total €
Liabilities as per balance sheet			
Borrowings		150.086.305	150.086.305
Trade and other payables		34.367.184	34.367.184
Total		<u>184.453.489</u>	<u>184.453.489</u>

	Loans and receivables €	Assets at fair value through profit and loss €	Available-for- sale €	Total €
31 December 2007				
Assets as per balance sheet				
Available-for-sale financial assets	-	-	2.226.836	2.226.836
Trade and other receivables (1)	54.869.042	-	-	54.869.042
Financial assets at fair value through profit or loss	-	107.224.134	-	107.224.134
Cash and cash equivalents	3.190.571	-	-	3.190.571
Total	58.059.613	107.224.134	2.226.836	167.510.583

		Other financial liabilities €	Total €
Liabilities as per balance sheet			
Borrowings		164.349.635	164.349.635
Trade and other payables		21.284.721	21.284.721
Total		185.634.356	185.634.356

(1) The rest of the balance sheet item "trade and other receivables" is prepayments.

15. CREDIT QUALITY OF FINANCIAL ASSETS

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

	<u>The Group</u>		<u>The Company</u>	
	2008 €	2007 €	2008 €	2007 €
Fully performing trade receivables				
Counterparties without external credit rating				
Group 1	805.367	1.262.260	-	-
Total fully performing trade receivables	805.367	1.262.260	-	-
Fully performing other receivables				
Group 2	2.757.253	9.706.625	45.462.721	53.606.285
Group 3	2.586.535	5.824.429	951.191	1.307.026
	5.343.788	15.531.054	46.413.912	54.913.311
Cash at bank and short-term bank deposits (1)				
A2	191.002	1.826.697	41.953	1.128.102
A3	32.237	1.772.413	-	1.767.591
A1	1.414.220	1.682.130	-	56.765
Baa2	264.748	2.528.344	5.518	155.138
Aa2	-	82.944	-	82.944
Not rated	-	75.061	-	-
	1.902.207	7.967.589	47.471	3.190.540

(1) the rest of the balance sheet item "cash and cash equivalents" is cash in hand.

Group 1 - clients without any defaults in the past.

Group 2 - companies within the group, common control companies and associates with no defaults in the past.

Group 3 - new receivables (less than 6 months).

None of the financial assets that are fully performing has been renegotiated.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Land and buildings €	Plant and equipment €	Motor vehicles €	Total €
At 1 January 2007				
Cost or valuation	83.628.086	1.839.767	143.989	85.611.842
Accumulated depreciation	-	(1.682.502)	(9.772)	(1.692.274)
Net book amount	<u>83.628.086</u>	<u>157.265</u>	<u>134.217</u>	83.919.568
Year ended 31 December 2007				
Opening net book amount	83.628.086	157.265	134.217	83.919.568
Additions	35.068.746	799.656	53.201	35.921.603
Disposals	-	-	(29.901)	(29.901)
Depreciation charge - sales	-	-	29.901	29.901
Depreciation charge (Note 8)	-	(79.329)	(27.242)	(106.571)
Closing net book amount	<u>118.696.832</u>	<u>877.592</u>	<u>160.176</u>	119.734.600
At 31 December 2007				
Cost or valuation	118.696.832	2.639.423	167.289	121.503.544
Accumulated depreciation	-	(1.761.831)	(7.113)	(1.768.944)
Net book amount	<u>118.696.832</u>	<u>877.592</u>	<u>160.176</u>	119.734.600
Year ended 31 December 2008				
Opening net book amount	118.696.832	877.592	160.176	119.734.600
Additions	11.019.554	308.651	61.154	11.389.359
Disposals	-	(37.085)	(36.009)	(73.094)
Transfer to Investment Property (IAS 40) (Note 17)	(129.716.386)	-	-	(129.716.386)
Disposals - depreciation charge	-	14.543	10.438	24.981
Depreciation charge (Note 8)	-	(210.024)	(36.894)	(246.918)
Closing net book amount	<u>-</u>	<u>953.677</u>	<u>158.865</u>	1.112.542
At 31 December 2008				
Cost or valuation	-	2.910.989	192.434	3.103.423
Accumulated depreciation	-	(1.957.312)	(33.569)	(1.990.881)
Net book amount	<u>-</u>	<u>953.677</u>	<u>158.865</u>	1.112.542

The land and buildings at the beginning of the year included buildings under construction of the subsidiary company ITTL Trade Tourist and Leisure Park Plc that were transferred to investment property at project completion (Note 17).

The net book value of the Group's land and buildings at 31 December includes the following:

	2008 €	2007 €
Revalued land	-	45.277.939
Buildings under construction	-	53.981.094
Capitalised interest and expenses	-	19.437.799
	<u>-</u>	<u>118.696.832</u>

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

	2008 €	2007 €
Net book amount	48.113	-
(Loss)/profit on sale of property, plant and equipment (Note 8)	(18.605)	3.759
Proceeds from sale of property, plant and equipment	<u>29.508</u>	<u>3.759</u>

If the land and buildings were stated on a historical cost basis, the amounts would be as follows:

	2008	2007
	€	€
Cost	-	79.845.230
Accumulated depreciation	-	-
Net book amount	<u>-</u>	<u>79.845.230</u>

The Company

	Plant and equipment €	Motor vehicles €	Total €
At 1 January 2007			
Cost	65.356	114.090	179.446
Accumulated depreciation	-	(9.773)	(9.773)
Net book amount	<u>65.356</u>	<u>104.317</u>	<u>169.673</u>
Year ended 31 December 2007			
Opening net book amount	65.356	104.317	169.673
Additions	41.027	18.203	59.230
Depreciation charge (Note 8)	<u>(8.239)</u>	<u>(22.770)</u>	<u>(31.009)</u>
Closing net book amount	<u>98.144</u>	<u>99.750</u>	<u>197.894</u>
At 31 December 2007			
Cost	106.383	132.293	238.676
Accumulated depreciation	<u>(8.239)</u>	<u>(32.543)</u>	<u>(40.782)</u>
Net book amount	<u>98.144</u>	<u>99.750</u>	<u>197.894</u>
Year ended 31 December 2008			
Opening net book amount	98.144	99.750	197.894
Additions	10.822	61.154	71.976
Disposals	-	(36.009)	(36.009)
Depreciation charge - disposals	-	10.438	10.438
Depreciation charge (Note 8)	<u>(13.547)</u>	<u>(29.894)</u>	<u>(43.441)</u>
Closing net book amount	<u>95.419</u>	<u>105.439</u>	<u>200.858</u>
At 31 December 2008			
Cost	117.205	157.438	274.643
Accumulated depreciation	<u>(21.786)</u>	<u>(51.999)</u>	<u>(73.785)</u>
Net book amount	<u>95.419</u>	<u>105.439</u>	<u>200.858</u>

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

	2008	2007
	€	€
Net book value	25.571	-
Loss on sale of property, plant and equipment (Note 8)	(5.707)	-
Proceeds from sale of property, plant and equipment	<u>19.864</u>	<u>-</u>

17. INVESTMENT PROPERTY

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
At the beginning of year	178.416.969	134.089.083	83.338.980	81.697.342
Transfer from Property, Plant and Equipment (Note 16)	129.716.386	-	-	-
Sale due to disposal of subsidiary company (Note 34 (1))	-	(632.183)	-	-
Additions	9.670.704	31.523.627	981.595	54.348
Disposals	-	(146.939)	-	(18.795)
Fair value gains	35.968.000	13.583.381	851.000	1.606.085
At end of year	353.772.059	178.416.969	85.171.575	83.338.980

Part of the bank loans and facilities are secured on investment property of the Group for an amount of €190.895.787 (2007: €94.728.281) (Note 27). The corresponding amounts for the Company were €89.683.968 (2007: €64.901.226) (Note 27).

Investment property is revalued annually on 31 December at fair value representing the open-market value, as estimated by the management of the Company and the Group and by an independent, professional qualified valuer, with significant experience in the valuation of similar properties in Cyprus.

Interest of €1.059.442 (2007: €2.583.554) that relate to borrowings specifically obtained for the funding of the construction costs, were capitalized during the year and were included in the cost of the building. The interest rate that was used for the capitalization is 6,5% (2007: 6,5%) and represents the cost of borrowings for the year 2008.

18. INTANGIBLE ASSET

	Goodwill €
At 1 January 2007	
Cost	1.635.900
Accumulated amortisation and impairment	-
Net book amount	<u>1.635.900</u>
Year ended 31 December 2007	
Opening net book amount	1.635.900
Impairment charge	-
Closing net book amount	1.635.900
At 31 December 2007	
Cost	1.635.900
Accumulated amortisation and impairment	-
Net book amount	<u>1.635.900</u>
Year ended 31 December 2008	
Opening net book amount	1.635.900
Impairment charge	-
Closing net book amount	<u>1.635.900</u>
At 31 December 2008	
Cost	1.635.900
Accumulated amortisation and impairment	-
Net book amount	<u>1.635.900</u>

Impairment test for goodwill

Goodwill is allocated to cash-generating units. The goodwill included in the Group's financial statements represents the premium paid to acquire the company ITTL Trade Tourist and Leisure Park Plc, ("ITTL"), which represents a single cash-generating unit.

The recoverable amount of the ITTL cash-generating unit is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets which are based on the prices and the proposed duration of the granting of space at Shacolas Emporium Park which commenced operations in September 2007 and have been approved by management. The growth rates used do not exceed those used in similar space granting agreements.

The key assumptions used for the value-in-use calculations are as follows:

- Percentage increase of fees for space usage: expected inflation +1% annually
- Discount rate: 6,25%

The discount rate that was used, reflects specific risks that associate with the cash-generating unit. Based on the above assumptions it was established that the indicative value of goodwill that arises from the acquisition of the subsidiary company amounting to €1.635.900 is lower than the value in use of the business and therefore there is no need for impairment.

19. INVESTMENTS IN ASSOCIATED COMPANIES

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
At the beginning of the year	17.232.592	33.915.377	8.317.216	27.730.749
Share of profit after taxation	1.552.220	1.558.745	-	-
Share of surplus from revaluation of investments of associated company (Note 26)	-	3.363.332	-	-
Disposal of associated company (Note 34 (2))	-	(21.604.862)	-	(19.413.533)
Dividend paid	(350.910)	-	-	-
At the end of the year	18.433.902	17.232.592	8.317.216	8.317.216

The Company's and the Group's interest in its associated companies, all of which are unlisted, was as follows:

	Country of incorporation	Assets €	Liabilities €	Revenue €	Profit/ (loss) €	% share holding
2008						
Akinita Lakkos Mikelli Limited	Cyprus	15.903.732	903.160	-	(7.671)	35
CTC - ARI Airports Limited	Cyprus	8.068.343	4.977.655	17.264.375	1.559.891	20
					<u>1.552.220</u>	
2007						
Olymbos Investments Limited	Cyprus	-	-	(3.029.825)	(1.555.716)	50
Akinita Lakkos Mikelli Limited	Cyprus	15.902.719	894.477	5.702.181	1.753.842	35
CTC - ARI Airports Limited	Cyprus	4.291.845	3.040.138	16.154.791	1.360.619	20
					<u>1.558.745</u>	

20. INVESTMENTS IN SUBSIDIARIES

The Company	2008		2007	
	€		€	
At the beginning of the year	59.572.023		60.200.788	
Acquisitions	-		3.418	
Disposals (Note 34 (1))	-		(632.183)	
At the end of the year	59.572.023		<u>59.572.023</u>	

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group		The Company	
	2008	2007	2008	2007
	€		€	
At the beginning of the year	2.226.836	7.229.383	2.226.836	7.229.383
Disposals	-	(5.710.421)	-	(5.710.421)
Fair value (loss)/gain (Note 26)	(863.952)	707.874	(863.952)	707.874
Impairment charge (Note 6)	(500.000)	-	(500.000)	-
At the end of the year	862.884	<u>2.226.836</u>	862.884	<u>2.226.836</u>

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

	The Group		The Company	
	2008	2007	2008	2007
	€		€	
Listed equity securities:				
Cyprus Stock Exchange	508.583	1.372.535	508.583	1.372.535
Unlisted securities	354.301	854.301	354.301	854.301
At the end of the year	862.884	<u>2.226.836</u>	862.884	<u>2.226.836</u>

The following are included in the income statement with respect to available-for-sale financial assets:

	The Group		The Company	
	2008	2007	2008	2007
	€		€	
Profit on sale of available-for-sale financial assets	-	3.693.613	-	3.693.613
Transfer from fair value reserves (Note 26)	-	1.951.956	-	1.951.956
Impairment charge on available-for-sale financial assets	(500.000)	-	(500.000)	-
Net (loss)/gain on available-for-sale financial assets (Note 6)	(500.000)	<u>5.645.569</u>	(500.000)	<u>5.645.569</u>

In addition, during the year the Group received dividend income of €62.388 (2007: €62.704) (Note 6) from available-for-sale financial assets, which is included in "other gains - net" in the income statement. The corresponding amount for the company was €1.116.743 (2007: €676.430) (Note 6).

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

	The Group		The Company	
	2008	2007	2008	2007
	€		€	
Euro - functional and presentation currency	862.884	<u>2.226.836</u>	862.884	<u>2.226.836</u>

None of the financial assets is either past due or impaired.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
At the beginning of the year	107.224.134	17.086.014	107.224.134	17.086.014
Additions (Note 34 (3))	-	90.138.120	-	90.138.120
At the end of the year	107.224.134	107.224.134	107.224.134	107.224.134
Unlisted securities:				
Financial assets obtained through the acquisition of subsidiary company	107.224.134	107.224.134	107.224.134	107.224.134

The carrying amounts of the above financial assets are classified as follows:

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Designated at fair value through profit and loss on initial recognition	107.224.134	107.224.134	107.224.134	107.224.134

Financial assets at fair value through profit or loss are presented within the section of operating activities as part of changes in working capital, in the cash flow statement.

23. RECEIVABLES

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Other receivables	1.399.010	2.045.384	1.259.025	1.758.841
Receivables: Provision for impairment of receivables	(496.084)	(496.084)	(496.084)	(496.084)
Other receivables - net	902.926	1.549.300	762.941	1.262.757
Trade receivables	805.367	1.262.260	-	-
Receivable from subsidiary companies (Note 31 (c))	-	-	42.967.349	44.188.462
Receivable from associated company (Note 31 (c))	1.177.289	5.762.301	1.177.289	5.762.301
Receivable from related companies (Note 31(c))	1.579.964	3.944.324	1.318.083	3.655.522
VAT receivable	1.210.097	3.228.375	-	-
Advances and prepayments	473.512	1.046.754	188.250	44.269
	6.149.155	16.793.314	46.413.912	54.913.311

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

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Other receivables	902.926	1.549.300	762.941	1.262.757
Trade receivables	805.367	1.262.260	-	-
Receivables from subsidiary companies	-	-	42.967.349	44.188.462
Receivables from associated companies	1.177.289	5.762.301	1.177.289	5.762.301
Receivables from related parties	1.579.964	3.944.324	1.318.083	3.655.522
VAT refundable	1.210.097	3.228.375	-	-
Prepayments	473.512	1.046.754	188.250	44.269
	6.149.155	16.793.314	46.413.912	54.913.311

As of 31 December 2008, trade receivables of the Group of €805.367 (2007: €1.262.260) were fully performing.

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

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

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Euro - functional and presentation currency	6.149.155	16.793.314	46.413.912	54.913.311

24. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Cash at bank and in hand	1.908.854	7.971.550	47.511	3.190.571

The effective interest rate on cash at bank was 4% (2007: 4%).

For the purposes of the cash flow statement cash and bank overdrafts include the following:

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Cash and cash equivalents	1.908.854	7.971.550	47.511	3.190.571

25. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of ordinary shares of 34 cents	Share capital €	Share Premium reserve €	Treasury shares €	Total €
At 1 January 2007	96 116 147	32.935.071	21.901.272	(184.638)	54.651.705
Exercised warrants	18 243 644	6.234.224	3.117.111	-	9.351.335
Exercised warrants by the Company	(1 478 387)	-	-	(757.792)	(757.792)
Purchase of Treasury shares	(1 192 230)	-	-	(1.100.613)	(1.100.613)
Sale of treasury shares	2 934 681	-	-	4.247.030	4.247.030
Transfer to retained earnings	-	-	-	(2.203.987)	(2.203.987)
At 31 December 2007	<u>114 623 855</u>	<u>39.169.295</u>	<u>25.018.383</u>	<u>-</u>	<u>64.187.678</u>
At 1 January 2008	114 623 855	39.169.295	25.018.383	-	64.187.678
Purchase of own shares	(593 373)	-	-	(751.363)	(751.363)
Reduction of share capital from the conversion to Euro	-	(197.184)	-	-	(197.184)
At 31 December 2008	<u>114 030 482</u>	<u>38.972.111</u>	<u>25.018.383</u>	<u>(751.363)</u>	<u>63.239.131</u>

The share premium reserve is non-distributable.

The total authorized number of ordinary shares is 125 000 000 shares (2007: 125 000 000 shares) with a par value of €0,34 per share.

During 2007 the Company acquired 1 192 230 of its own shares through purchases on the Cyprus Stock Exchange. The total amount paid to acquire the shares was €1.100.613 which has been deducted from shareholders' equity.

On 26 October 2007 the total number of treasury shares, which amounted to 2 934 681 shares with nominal value of €0,34 per share, were sold to Cyprus Trading Corporation Plc. The total amount received from this sale amounted to €4.247.030 and the profit amounting to €2.203.987 was transferred to retained earnings.

During 2008 the Company acquired 593 373 of its own shares through purchases on the Cyprus Stock Exchange. The total amount paid to acquire the shares was €751.363 which has been deducted from shareholders' equity.

Following the introduction of the Euro as the official currency of the Republic of Cyprus on 1 January 2008, the issued share capital of the Company was converted from 114 623 855 ordinary shares of £0,20 each of total nominal value £22.924.700 to 114 623 855 ordinary shares of €0,34 each of total nominal value of €38.972.111. From the conversion of the share capital to Euro the share capital was reduced by the total amount of €197.184 and the difference was taken to a special reserve created after a special resolution passed on 1 July 2008 called "Difference from conversion of Share Capital into Euro".

Share Warrants (SW)

On 24 April 2003 the Company had issued 18 243 644 warrants with exercise price of 51,26 cents and exercise period 1-30 March 2007. For every warrant a new share of Woolworth (Cyprus) Properties Plc was issued with nominal value of 34 cents. In total 18 243 644 new shares were issued raising the total issued number of the Company's shares to 114 623 855. From this exercise the Company has received the amount of €8,5 million. A small number of warrants have been exercised by the Company.

26. FAIR VALUE RESERVES

The Group

	Land and buildings €	Available-for- sale financial assets €	Total €
At 31 December 2007	29.471.395	(1.484.418)	27.986.977
Revaluation surplus of associated company's investments (Note 19)	-	3.363.332	3.363.332
Revaluation surplus of investments (Note 21)	-	707.874	707.874
Transfer due to sale of associated company (Note 34 (2))	-	(2.495.638)	(2.495.638)
Transfer due to sale of available for sale financial assets (Note 21)	-	(1.951.956)	(1.951.956)
As at 31 December 2007/ 1 January 2008	<u>29.471.395</u>	<u>(1.860.806)</u>	<u>27.610.589</u>
Fair value loss (note 21)	-	(863.952)	(863.952)
Adjustment of deferred taxation	52.675	-	52.675
As at 31 December 2008	<u>29.524.070</u>	<u>(2.724.758)</u>	<u>26.799.312</u>

These reserves are available for distribution.

The Company

	Land and buildings €	Available-for- sale financial assets €	Total €
At 31 December 2007			
Revaluation surplus of investments (Note 21)	26.013.836	(6.559.681)	19.454.155
Transfer due to sale of available for sale	-	707.874	707.874
Financial assets (Note 21)	-	(1.951.956)	(1.951.956)
As at 31 December 2007/ 1 January 2008			
	26.013.836	(7.803.763)	18.210.073
Fair value loss (Note 21)	-	(863.952)	(863.952)
As at 31 December 2008			
	26.013.836	(8.667.715)	17.346.121

These reserves are available for distribution.

27. BORROWINGS

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Current				
Bank facilities	5.868.123	6.584.642	2.213.613	3.507.275
Bank loans	17.901.376	15.421.292	16.761.376	15.421.292
Loan from related parties (Note 31(e))	621.868	351.338	621.868	351.338
Other borrowings (Note 3 (e))	428.632	409.309	428.632	409.309
Borrowings from related Company (Note 31 (f))	8.500.000	-	8.500.000	-
	33.319.999	22.766.581	28.525.489	19.689.214
Non-current				
Bank loans	176.834.689	164.840.537	81.114.850	87.078.033
Loan from related parties (Note 31(e))	-	583.271	-	583.271
Other borrowings (Note 31 (e))	-	409.309	-	409.309
Loan from related company (Note 31(f))	40.445.966	56.589.808	40.445.966	56.589.808
	217.280.655	222.422.925	121.560.816	144.660.421
Total borrowings	250.600.654	245.189.506	150.086.305	164.349.635
Maturity of non-current borrowings				
Between 1 and 2 years	29.459.828	26.469.624	25.099.400	15.865.211
Between 2 and 5 years	95.226.108	82.843.752	83.679.389	109.648.785
Over 5 years	92.594.719	113.109.549	12.782.027	19.146.425
	217.280.655	222.422.925	121.560.816	144.660.421

The carrying amounts of current and non-current borrowings approximate their fair value.

The weighted average effective borrowing interest rates at the balance sheet date were as follows:

	2008 %	2007 %
Loans and overdrafts	6,0	6,5
Loans from related parties	5,4	5,5
Other borrowings	7,0	7,0

The bank loans and overdrafts of the Company and the Group are mainly arranged at variable interest rates. Borrowing at fixed interest rate exposes the Company and the Group at interest rate risk that relates to fair value. For variable interest rate borrowings, the Company and the Group are exposed to interest rate risk in relation to cash flows.

The bank loans are repayable by monthly instalments until 2022.

The bank loans and overdrafts are secured as follows:

The Group

- (a) By mortgage on land and buildings for €190.895.787 (Note 17).
- (b) By guarantees from related companies for €115.483.985.
- (c) By assignment of insurance for fire and earthquake on the property of the Group.
- (d) By general assignment of rights for use of space and rental income which will be received by the Group's subsidiary companies Woolworth Commercial Centre Limited, Apex Limited, ITTL Trade Tourist and Leisure Park Plc, Estelte Limited and Calandra Limited.
- (e) By commitment of 4 150 000 shares of Akinita Lakkos Mikelli Limited and 6 201 744 shares of ITTL Trade Tourist and Leisure Park Plc.

The Company

- (a) By mortgage on investment property for €89.683.968 (Note 17).
- (b) By guarantees from related companies for €109.663.504
- (c) By assignment of insurance for fire and earthquake on the property of the Company.
- (d) By general assignment of rights for use of space and rental income which will be received by the company.
- (e) By commitment of 4 150 500 shares of Akinita Lakkos Mikelli Limited and 6 201 744 shares of ITTL Trade Tourist and Leisure Park Plc.

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

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Euro - Functional and presentation currency	250.438.678	244.451.175	149.924.329	163.611.303
United States Dollars	161.976	738.331	161.976	738.332
	250.600.654	245.189.506	150.086.305	164.349.635

28. DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

The movement on the deferred tax account is as follows:

The Group	Difference between depreciation and wear and tear allowance €	Revaluation of land and buildings €	Fair value gains on investment property €	Tax losses €	Total €
At 1 January 2007	1.763.097	14.897.766	2.258.667	(1.306.653)	17.612.877
Charged/(credited) to:					
Income statement (Note 11)	182.513	-	2.379.024	-	2.561.537
At 31 December 2007/ 1 January 2008	1.945.610	14.897.766	4.637.691	(1.306.653)	20.174.414
Charged/(credited) to:					
Equity	-	(52.675)	-	-	(52.675)
Income statement (Note 11)	807.310	-	6.232.070	(433.841)	6.605.539
Transfer due to category change	-	(14.845.091)	14.845.091	-	-
At 31 December 2008	<u>2.752.920</u>	<u>-</u>	<u>25.714.852</u>	<u>(1.740.494)</u>	<u>26.727.278</u>

The amounts in the balance sheet include the following:

	2008 €	2007 €
Deferred tax assets to be recovered after more than twelve months	(1.740.494)	(1.306.653)
Deferred tax liabilities to be settled after more than twelve months	28.467.772	21.481.067

The Company

	Difference between depreciation and wear and tear allowance €	Revaluation of land and buildings €	Fair value gains on investment property €	Tax losses €	Total €
At 1 January 2007	899.920	6.541.857	668.229	(1.174.921)	6.935.085
Charged/(credited) to:					
Income statement (Note 11)	182.513	-	81.336	-	263.849
At 31 December 2007/ 1 January 2008	1.082.433	6.541.857	749.565	(1.174.921)	7.198.934
Charged/(credited) to:					
Income statement (Note 11)	93.944	-	168.378	-	262.322
Transfer due to category change	-	(6.541.857)	6.541.857	-	-
At 31 December 2008	<u>1.176.377</u>	<u>-</u>	<u>7.459.800</u>	<u>(1.174.921)</u>	<u>7.461.256</u>

The amounts in the balance sheet include the following:

	2008 €	2007 €
Deferred tax assets to be recovered after more than twelve months	(1.174.921)	(1.174.921)
Deferred tax liabilities to be settled after more than twelve months	8.636.177	8.373.855

29. PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Current				
Subsidiary companies (Note 31(c))	-	-	7.661.414	4.771.449
Related companies (Note 31(c))	28.012.054	18.237.403	25.868.823	15.821.844
Other payables and accrued expenses	7.873.992	12.439.907	689.185	691.428
Shareholders' special contribution for defence payable due on deemed dividend distribution	85.736	-	85.736	-
	35.971.782	30.677.310	34.305.158	21.284.721
Non-current				
Contractors' retentions	2.046.107	2.496.733	62.026	-
Total payables and accrued expenses	38.017.889	33.174.043	34.367.184	21.284.721
Maturity of non-current payables and accrued expenses				
Between 1 and 2 years	2.046.107	2.496.733	62.026	-

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

30. COMMITMENTS

Capital commitments

At 31 December 2008 there were capital commitments by subsidiary companies for €9.000.000 (2007: €28.191.924). The Group's share in the share capital of these subsidiary companies is 100%. These capital commitments, relate to the construction of "Shacolas Emporium Park" and the necessary funding for the relevant expenditure has been secured.

Guarantees

The Company has provided guarantees for €68.968.210 (2007: €68.968.210) in order to secure bank facilities of related companies.

Operating lease commitments - where the Group and the Company are the lessors

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

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Not later than 1 year	18.213.351	11.276.541	3.851.325	3.820.945
Later than 1 year and not later than 5 years	71.708.070	58.858.345	15.375.961	15.283.782
Later than 5 years	107.232.741	129.218.793	17.330.962	26.746.618
	197.154.162	199.353.679	36.558.248	45.851.345

31. RELATED PARTY TRANSACTIONS

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

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

(a) Sale of goods and other services

	The Group		The Company	
	2008	2007	2008	2007
Nature of transaction	€	€	€	€
Subsidiary companies				
Financing and interest	-	-	2.483.071	1.113.672
Related companies				
Financing and interest	282.103	311.083	282.103	311.083
Rights for use of property	10.009.896	5.050.030	3.851.325	3.575.706
Sale of associated company	-	21.528.378	-	21.528.378
Consultancy services	1.930.720	1.187.478	1.930.720	1.187.478
Right for use of space for advertising	219.141	-	-	-
	12.441.860	28.076.969	6.064.148	26.602.645

(b) Purchase of goods, services and other transactions

	The Group		The Company	
	2008	2007	2008	2007
Nature of transaction	€	€	€	€
Subsidiary companies				
Financing and interest	-	-	291.969	260.271
Related companies				
Financing and interest	8.934.062	3.282.963	8.820.992	2.832.320
Consultancy services	224.241	-	207.482	-
Purchase of financial asset	-	89.701.576	-	89.701.576
Purchase of goods	43.425	-	33.591	-
	9.201.728	92.984.539	9.062.065	92.533.896
Associated companies				
Financing and interest	-	183.485	-	183.485
Related parties				
Financing and interest	77.294	202.710	77.294	202.710

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

	The Group		The Company	
	2008	2007	2008	2007
	€	€	€	€
Amounts receivable				
Related companies (1) (Note 23)	1.579.964	3.944.324	1.318.083	3.655.522
Associated companies (2) (Note 23)	1.177.289	5.762.301	1.177.289	5.762.301
Subsidiary companies (3) (Note 23)	-	-	42.967.349	44.188.462
	2.757.253	9.706.625	45.462.721	53.606.285
Amounts payable				
Related companies (4) (Note 29)	28.012.054	18.237.403	25.868.823	15.821.844
Subsidiary companies (5) (Note 29)	-	-	7.661.414	4.771.449
	28.012.054	18.237.403	33.530.237	20.593.293

- (1) Amounts receivable from related companies do not bear interest and are payable on demand.
- (2) Amounts receivable from associated companies include a balance of €1.173.672 (2007: 5.758.764) that bears interest of 3 months Euribor + 1% and is payable on demand.
- (3) Amounts receivable from subsidiary companies bear interest of 3 months Euribor + 1% and are payable on demand.
- (4) Amounts payable to related companies are of a financing nature and bear interest of 3 months Euribor + 1% and are payable on demand.
- (5) Amounts payable to subsidiary companies bear interest of 3 months Euribor + 1% and are payable on demand.

(d) Loans from associated company

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
At the beginning of the year	-	7.339.409	-	7.339.409
Interest payable (Note 10)	-	183.485	-	183.485
Payments during the year	-	(7.522.894)	-	(7.522.894)
At the end of the year	-	-	-	-

The loan above was of a financing nature and carried interest with an average rate of 6% annually. The loan was repaid during the year 2007.

(e) Loan from related and other parties

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
At the beginning of the year	1.753.227	3.371.030	1.753.227	3.371.030
Loan repayable during the year	(780.021)	(1.820.513)	(780.021)	(1.820.513)
Interest payable (Note 10)	77.294	202.710	77.294	202.710
At the end of the year (Note 27)	1.050.500	1.753.227	1.050.500	1.753.227

The above amount relates to the acquisition of the remaining shares of ITTL (Note 27) and bears interest of 7%.

(f) Loan from related company

At 31 December 2007, the balance with the related company N K Shacolas (Holdings) Limited amounting to €56.589.808 was converted into a loan. The loan carries interest at 0,5% above the average bank interest rate of banking institutions in Cyprus and is repayable during a period of 9 years starting from 1 January 2009.

(g) Directors' remuneration

The total remuneration of the Directors was as follows:

	The Group		The Company	
	2008 €	2007 €	2008 €	2007 €
Fees as Non-executive directors	61.119	44.766	47.450	31.097
Fees as Executive directors	12.970	44.124	12.970	44.124
	74.089	88.890	60.420	75.221

32. INVESTMENTS IN SUBSIDIARY COMPANIES

The details of subsidiary companies are as follows:

Name	Principal activity	Interest Held		Country on incorporation
		2008 %	2007 %	
Company's subsidiaries				
F.W.W. Super Department Stores Limited	Rental of property in Larnaca	100	100	Cyprus
Woolworth Commercial Centre Limited	Owner of land and of a commercial centre in Engomi area in Nicosia	100	100	Cyprus
ZAKO Limited	Rental of property in Limassol, Larnaca, Paphos	100	100	Cyprus
ITTL Trade Tourist and Leisure Park Plc	Owner of commercial centre in Athalassa area, Nicosia	100	100	Cyprus
Niola Estates Limited	Holding company of Estelte Limited which owns immovable property	100	100	Cyprus
Realtra Limited	Holding company of Calandra Limited which owns immovable property	100	100	Cyprus
Chrysochou Merchants Limited	Investment in Cyprus Limni Resorts & Golf Courses Plc, owner of large piece of land in Polis Chrysochous	100	100	Cyprus
Subsidiaries of ZAKO Limited				
Zako Estate Limited	Rental of own property in Ledras Street, Nicosia	100	100	Cyprus
The Cyprus Supply Company Limited	Dormant	100	100	Cyprus
Elermi General Trading Limited	Dormant	100	100	Cyprus
Apex Limited	Exploitation of rights of use of space of the Ledra Arcade Building in Ledras Street, Nicosia and owner of property in Latsia, and management of own parking space in Ledras Street	100	100	Cyprus

33. PROPERTY PURCHASE RIGHT

After decision of the Board of Directors, Woolworth (Cyprus) Properties Plc, through its wholly-owned subsidiary companies, exercised during the year 2007 the option and purchased at a predetermined price Shacolas Tower in Ledras Street Nicosia, where the multistore Debenhams operates and the property in Athalassas area where the Super Home Centre (D.I.Y) megastore operates, at a total price of €16,2 million. The fair value gain derived from this exercise amounted to €8,5 million.

34. DISPOSALS/ACQUISITIONS OF SUBSIDIARY AND ASSOCIATED COMPANIES

(1) Disposal of Christis Farm Limited in 2007

During 2007 the Company and the Group sold 100% of the shares of Christis Farms Limited

No gain arose from the above disposal.

	The Group and the Company
	€
Proceeds from disposal of subsidiary company	632.183
Cost of subsidiary company (Notes 17 & 20)	(632.183)
Profit/(loss) on disposal	<u>-</u>

(2) Disposal of Olymbos Investments Limited in 2007

During 2007 the Company and the Group sold 50% of the shares of Olymbos Investments Limited.

From the above disposal the following profit arose:

	The Group	The Company
	€	€
Proceeds from disposal of associated company	21.528.378	21.528.378
Fair value of assets disposed (Note 19)	(21.604.862)	-
Cost of investment (Note 19)	-	(19.413.533)
(Loss)/profit on disposal	<u>(76.484)</u>	<u>2.114.845</u>
Transfer from fair value reserve (Note 26)	2.495.638	-
Net profit on disposal	<u>2.419.154</u>	<u>2.114.845</u>

(3) Acquisition of share in associated company Arsinoe Investments Company Limited in 2007

On 7 June 2007, the Company and the Group acquired from the related company N K Shacolas (Holdings) Limited 6 206 250 shares in Arsinoe Investments Company Limited representing 49,65% of the share capital of the Company. The price paid for the above acquisition was agreed to €90.138.120 (Note 22). Arsinoe Investments Company Limited owns 70,6% of the share capital of Cyprus Limni Resorts and Golfcourses Plc which owns land of 2.800.000 sq metres where a big project will be developed.

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

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

	€
Profit according to announcement	30.784.000
Deferred tax	588.461
Tax	930.420
Other differences	13.054
Profit according to the consolidated financial statements	<u>32.315.935</u>

36 EVENTS AFTER THE BALANCE SHEET DATE

(1) On 15 December 2008, the Board of Directors of the Company ratified the decision to sell the Company 20% shareholding in the associated Company CTC-ARI Airports Limited, to Ermes Department Stores Plc with effect from 1 January 2009 for the amount of €16,4 million.

From the above sale, the following profit arose:

	The Group	The Company
	€	€
Proceeds from disposal of investment	16.400.000	16.400.000
Fair value of assets disposed	(3.090.688)	-
Cost of investment	-	(20.503)
Net profit on disposal	<u>13.309.312</u>	<u>16.379.497</u>

(2) At 31 March 2009, the Cyprus Capital Market Commission approved the Prospectus for the issue and the introduction of the shares of the Group's subsidiary company ITTL Trade Tourist & Leisure Park Plc to the Cyprus Stock Exchange.

Other than the above, there were no other material post balance sheet events, which have a bearing on the understanding of the financial statements.

37. OTHER MATTERS

With the introduction of the Euro as the official currency of the Republic of Cyprus on 1 January 2008, the functional currency of the Company and the Group has changed from Cyprus Pounds to Euros. As a result, the financial position of the Company at 1 January 2008 has been converted into Euro based on the definite fixing of the exchange rate of €1 = £0,585274.

38. OPERATING ENVIRONMENT

The ongoing global liquidity crisis which commenced in the middle of 2007 has resulted in, among other things, a lower level of capital market funding, lower liquidity levels across the banking sector, and higher interbank lending rates. The uncertainties in the global financial market have also led to bank failures and bank rescues in the United States of America, Western Europe, Russia and other countries.

Such circumstances could affect the ability of the Company and the Group to obtain new borrowings or re-finance its existing borrowings at terms and conditions similar to those applied to earlier transactions. The debtors or borrowers of the Company and the Group may also be affected by the lower liquidity situation which could in turn impact their ability to repay their amounts owed. Deteriorating operating conditions for debtors or borrowers may also have an impact on Management's cash flow forecasts and assessment of the impairment of financial and non-financial assets of the Company and the Group. To the extent that information is available, Management has reflected revised estimates of expected future cash flows in its impairment assessments.

The uncertainty in the global markets combined with other local factors has during 2008 led to very high volatility in the stock markets and at times much higher than normal interbank lending rates. Management is unable to reliably estimate the effects on the Company's and Group's financial position of any further deterioration in the liquidity of the financial markets and the increased volatility in the currency and equity markets. Management believes it is taking all the necessary measures to support the sustainability and growth of the Company's and Group's business in the current circumstances.

Independent Auditors' Report on pages 33 and 34.

