O1 Properties Group

Condensed Consolidated Interim Financial Information
30 June 2017 (Unaudited)

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE MEMBERS OF O1 PROPERTIES LIMITED

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of O1 Properties Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2017, and the related condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended and notes to the condensed consolidated interim financial information on pages 4 to 32. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

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

Board Members:

N.G. Syrimis, A.K. Christofides, P.G. Loizou, A.M. Gregoriades, D.S. Vakis, A.A. Apostolou, S.A. Loizides, M.A. Loizides, S.G. Sofocleous, M.M. Antoniades, C.V. Vasiliou, P.E. Antoniades, M.J. Halios, M.P. Michael, P.A. Peleties, G.V. Markides, M.A. Papacosta, K.A. Papanicolaou, A.I. Shiammoutis, G.N. Tziortzis, H.S. Charalambous, C.P. Anayiotos, I.P. Ghalanos, M.G. Gregoriades, H.A. Kakoullis, G.P. Savva, C.A. Kalias, C.N. Kallis, M.H. Zavrou, P.S. Elia, M.G. Lazarou, Z.E. Hadjizacharias, P.S. Theophanous, M.A. Karantoni, C.A. Markides, G.V. Andreou, J.C. Nicolaou, G.S. Prodromou, A.S. Sofocleous, G.N. Syrimis, T.J. Yiasemides, A.A. Bargilly, K.A. Christofides, P.P. Vanezis

KPMG Limited, a private company limited by shares, registered in Cyprus under registration number HE 132822 with its registered office at 14, Esperidon Street, 1087, Nicosia, Cyprus.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

Other matters

Auditors' responsibility
This report, including the conclusion, has been prepared for and only for the Company's members as a body. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

KPMG Limited

KPMG Limited
Certified Public Accountants and Registered Auditors
14 Esperidon Street
1087 Nicosia
Cyprus

13 September 2017

In thousands of US Dollars	Note	30 June 2017	31 December 2016
ASSETS			
Non-current assets			
Property, plant and equipment		21 223	22 091
Investment property	6	3 634 481	3 674 942
Investment in joint venture		9 698	10 103
Loans issued	7	296 240	289 105
Prepayments and deferred expenses		8 151	4 792
Deferred income tax asset		86 446	79 587
Total non-current assets		**4 056 239**	**4 080 620**
Current assets			
Derivative financial instruments	16	2 622	1 369
Loans issued	7	719	644
Prepayments and deferred expenses		6 510	5 508
VAT receivable		696	2 510
Trade and other receivables	8	65 069	42 111
Current income tax prepayments		2 115	778
Cash and cash equivalents		104 258	107 988
Total current assets		**181 989**	**160 908**
TOTAL ASSETS		**4 238 228**	**4 241 528**
LIABILITIES			
Non-current liabilities			
Borrowings	9	2 966 884	2 850 177
Tenant deposits		38 465	47 022
Deferred income tax liability		83 298	88 171
Total non-current liabilities		**3 088 647**	**2 985 370**
Current liabilities			
Borrowings	9	59 206	67 477
Derivative financial instruments	16	4 188	7 942
Tenant deposits		4 985	4 558
Deferred rental income		68 131	85 979
Current income tax liability		2 462	1 290
Trade and other payables	10	47 660	93 731
Total current liabilities		**186 632**	**260 977**
TOTAL LIABILITIES		**3 275 279**	**3 246 347**
EQUITY			
Share capital and share premium	11	1 194 359	1 194 359
Property revaluation reserve		14 963	15 898
Currency translation reserve		(5 636)	(60 063)
Retained earnings		(287 002)	(200 004)
Equity attributable to the owners of the Company		**916 684**	**950 190**
Non-controlling interest		**46 265**	**44 991**
TOTAL EQUITY		**962 949**	**995 181**
TOTAL LIABILITIES AND EQUITY		**4 238 228**	**4 241 528**

Approved for issue by the Board of Directors and signed on its behalf on 13 September 2017.

Dmitriy Mints, Director

Tomasz Zamiara, Director

Alexander Ostrovskiy, Director

Alexander Erdman, Director

In thousands of US Dollars	Note	For the six months ended 30 June 2017	2016
Rental revenue		164 999	166 992
Operating expenses of investment property	12	(27 929)	(12 840)
Net rental income	12	**137 070**	**154 152**
Net loss from fair value adjustment on investment property	6	(143 753)	(448 190)
General and administrative expenses	13	(9 550)	(8 185)
Other operating expenses	13	(2 911)	(2 020)
Other operating income		717	277
Finance income	14	14 918	13 936
Finance costs	14	(123 836)	(128 424)
Share of result of joint venture		(31 525)	(11 613)
Foreign exchange translation gains less losses	2	62 720	315 473
Loss before income tax		**(96 150)**	**(114 594)**
Income tax credit/(expense)		8 219	(3 540)
Loss for the period		**(87 931)**	**(118 134)**
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Effect of translation to presentation currency of the financial statements of foreign operations		25 514	103 449
Share of other comprehensive income of joint venture		31 120	8 152
Items that will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment		(1 224)	(2 647)
Deferred tax asset on the property revaluation		289	441
Total other comprehensive income for the period		**55 699**	**109 395**
Total comprehensive loss for the period		**(32 232)**	**(8 739)**
Loss is attributable to:			
- Owners of the Company		(86 998)	(117 653)
- Non-controlling interest		(933)	(481)
Total comprehensive (loss)/income is attributable to:			
- Owners of the Company		(33 506)	(17 971)
- Non-controlling interest		1 274	9 232

		Attributable to owners of the Company							
In thousands of US Dollars	**Note**	**Share capital**	**Share premium**	**Property revaluation reserve**	**Currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance at 1 January 2016		**1 139**	**1 193 219**	**18 215**	**(192 258)**	**11 946**	**1 032 261**	**43 146**	**1 075 407**
Total comprehensive (loss)/income									
Loss for the period		-	-	-	-	(117 653)	(117 653)	(481)	(118 134)
Other comprehensive (loss)/income for the period		-	-	(2 206)	101 888	-	99 682	9 713	109 395
Total comprehensive (loss)/income for the period		-	-	(2 206)	101 888	(117 653)	(17 971)	9 232	(8 739)
Transactions with owners of the Company									
Contributions and distributions									
Shares issued to top management	9	1	-	-	-	-	1	-	1
Balance at 30 June 2016		**1 140**	**1 193 219**	**16 009**	**(90 370)**	**(105 707)**	**1 014 291**	**52 378**	**1 066 669**
Balance at 1 January 2017		**1 140**	**1 193 219**	**15 898**	**(60 063)**	**(200 004)**	**950 190**	**44 991**	**995 181**
Total comprehensive (loss)/income									
Loss for the period		-	-	-	-	(86 998)	(86 998)	(933)	(87 931)
Other comprehensive (loss)/income for the period		-	-	(935)	54 427	-	53 492	2 207	55 699
Total comprehensive (loss)/income for the period		-	-	(935)	54 427	(86 998)	(33 506)	1 274	(32 232)
Balance at 30 June 2017		**1 140**	**1 193 219**	**14 963**	**(5 636)**	**(287 002)**	**916 684**	**46 265**	**962 949**

In thousands of US Dollars	Note	For the six months ended 30 June 2017	2016
Loss before income tax		**(96 149)**	**(114 594)**
Adjustments for:			
Depreciation	13	318	288
Net loss from fair value adjustment on investment property	6	143 753	448 190
Finance costs	14	123 836	128 424
Finance income	14	(14 918)	(13 936)
Share of result of joint venture		31 525	11 613
Foreign exchange translation gains less losses		(62 721)	(315 473)
Other non-cash adjustments		(532)	(247)
Operating cash flows before working capital changes		**125 112**	**144 265**
Net decrease in VAT receivable		1 814	29
Net increase in trade and other receivables		(3 243)	(3 387)
Net (increase)/decrease in prepayments		(1 673)	1 277
Net decrease in tenant deposits		(9 196)	(5 990)
Net decrease in deferred rental income		(21 447)	(11 915)
Net decrease in trade and other payables		(5 580)	(960)
Effect of translation to presentation currency		4 266	6 326
Changes in working capital		**(35 059)**	**(14 620)**
Income tax paid		(2 937)	(1 546)
Net cash from operating activities		**87 116**	**128 099**
Cash flow used in investing activities			
Expenditures on subsequent improvements of investment property	6	(2 936)	(1 217)
Payments for land lease		(1 893)	(1 743)
Cash outflow on acquisition of subsidiaries	19	(35 001)	-
Loans issued		(38 079)	(71 634)
Repayment of loans issued		17 154	48 090
Interest received		491	3 400
Net cash used in investing activities		**(60 264)**	**(23 104)**
Cash flows used in financing activities			
Proceeds from borrowings		492 610	-
Repayment of borrowings		(414 864)	(46 951)
Interest paid		(101 892)	(103 186)
Dividends paid	11	(5 000)	-
Net cash used in financing activities		**(29 146)**	**(150 137)**
Effect of exchange rate changes on cash and cash equivalents		(1 436)	(1 317)
Net decrease in cash and cash equivalents		**(3 730)**	**(46 459)**
Cash and cash equivalents at beginning of the period		107 988	210 639
Cash and cash equivalents at the end of the period		**104 258**	**164 180**

1 General Information

This condensed consolidated interim financial information for the six months ended 30 June 2017 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU") for O1 Properties Limited (the "Company") and its subsidiaries ("O1 Properties Group" or the "Group"). This condensed consolidated interim financial information has been reviewed but not audited by the statutory auditors of the Group.

The Company was incorporated on 24 August 2010 as a private limited liability company and is domiciled in Cyprus. The address of its registered office is 18, Spyrou Kyprianou, 2nd floor, 1075 Nicosia, Cyprus.

At 30 June 2017 the Company's principal immediate shareholders were Nori Holding Limited (Cyprus), Coniston Management Limited (Cyprus) and some other companies which owned 70.545%, 18.051% and 11.404% of Class "A" shares respectively (31 December 2016: 88.596% of Class "A" shares were owned by Nori Holding Limited and 11.404% of Class "A" shares were owned by certain other companies). At 30 June 2017 the owners of Class "B" shares were Centimila Services Ltd (Cyprus) which owned 56.522% of Class "B" shares (31 December 2016: 51.275% of Class "B" shares were owned by Centimila Services Ltd), ICT Holding Ltd (Cyprus), Goldman Sachs International (UK), certain other companies and number of the members of the key management. The Group is ultimately controlled by Mr. Boris Mints, citizen of the Russian Federation (the "Ultimate Controlling Shareholder"). Refer to Note 11 for an overview of the differences in rights and obligations of Class "A" and Class "B" shareholders.

Principal activity: The principal activities of the Company are the holding and financing of investments. The Group operates in the Russian real estate market. In particular, the Group is focused on buying both active and developing investment properties in the Russian Federation to derive profit from their activities. Refer to Note 5 for the segment information.

At 30 June 2017 the Company's long-term corporate credit rating assigned by the international agency Standard & Poor's is B+ (31 December 2016: B+).

At 30 June 2017 and 31 December 2016 the consolidated subsidiaries and joint ventures of the Group were as follows:

Entity	Country of incorporation	Principal activity	% of effective ownership at 30 June 2017	% of effective ownership at 31 December 2016
Almos CJSC	Russian Federation	Investment property	82.34	82.34
Avrasis Limited (Note 19)	Cyprus	Investment property	100	100
Bolshevik OJSC	Russian Federation	Investment property	49.81[3]	49.81[3]
Business Center Stanislavsky (Cyprus) Limited	Cyprus	Investment property	100 [1]	100 [1]
Finance Marekkon Limited	Cyprus	Investment property	50+1 share[1,3]	50+1 share[1,3]
Firma "Morava" LLC	Russian Federation	Investment property	85	85
Gasheka Realty Limited	Russian Federation	Investment property	100 [1]	100 [1]
Goldstyle Holdings Limited	Cyprus	Investment property	50.5[1]	50.5[1]
Krugozor Business Center (Cyprus) Limited	Cyprus	Investment property	100 [1]	100 [1]
Kvartal 674-675 LLC	Russian Federation	Investment property	100 [1]	100 [1]
Le Fortaco Limited	Cyprus	Investment property	100 [1]	100 [1]
Levisoma Trading Limited	Cyprus	Investment property	100 [1]	100 [1]
Levium Limited	Russian Federation	Investment property	50.52[1]	50.52[1]
Merissania Holding Limited	Cyprus	Investment property	50+1 share[1,3]	50+1 share[1,3]
Mervita Holdings Limited	Cyprus	Investment property	100 [1]	100 [1]
Meteolook Investments Limited	Cyprus	Investment property	100 [1]	100 [1]
Nezoral Limited	Cyprus	Investment property	50+1 share[1,3]	50+1 share[1,3]
Pianconero Investments Limited	Cyprus	Investment property	100 [1]	100 [1]
"Silver city" LLC	Russian Federation	Investment property	100 [1]	100 [1]
Tzortis Limited	Cyprus	Investment property	100 [1]	100 [1]
VKS Invest LLC	Russian Federation	Investment property	100	100
Zarechie LLC	Russian Federation	Investment property	100 [1]	100 [1]
Annabeth Services Limited	Cyprus	Investment property	85	85
Afelmor Overseas Limited	Cyprus	Holding company	100 [1]	100 [1]
Amortilla Holding Limited	Cyprus	Holding company	100 [1]	100 [1]
Argam Limited	Cyprus	Holding company	100 [1]	100 [1]
Asabelle Limited	Cyprus	Holding company	50+1 share[1,3]	50+1 share[1,3]
Bayroad Group Limited	British Virgin Islands	Holding company	50+1 share[1,3]	50+1 share[1,3]

1 General Information (Continued)

Entity	Country of incorporation	Principal activity	% of effective ownership at 30 June 2017	% of effective ownership at 31 December 2016
Bitlena Holdings Limited	Cyprus	Holding company	100	100
Blandid Limited	Cyprus	Holding company	100	100
Cemvertia Investments Ltd	Cyprus	Holding company	100	100
Collins Crest Limited	British Virgin Islands	Holding company	100	100
Filmotinia Ventures Limited	Cyprus	Holding company	100 [1]	100 [1]
Freyamoon Limited	Cyprus	Holding company	100 [1]	100 [1]
Granisforth Investment Limited	Cyprus	Holding company	50.52[1]	50.52[1]
Gunilla Limited	Cyprus	Holding company	50.5	50.5
Hannory Holdings Limited	Cyprus	Holding company	100	100
Isida Limited	Russian Federation	Holding company	50.52[1]	50.52[1]
Labiumo Holdings Ltd	Cyprus	Holding company	50.52[1]	50.52[1]
Letvion Investments Limited	Cyprus	Holding company	85	85
Lillix Limited (Note 19)	Cyprus	Holding company	-	50+1 share[3]
Minesign Limited	Cyprus	Holding company	100 [1]	100 [1]
Mistalda Holdings Limited	Cyprus	Holding company	50.52[1]	50.52[1]
Mokati Limited	Cyprus	Holding company	100	100
Moonbow Limited (Note 19)	Cyprus	Holding company	100	100
Mooncrown Limited	Cyprus	Holding company	100	100
Moonpeak Limited	Cyprus	Holding company	100	100
Narvi Finance Limited	Cyprus	Holding company	50.5[1]	50.5[1]
Paremos Limited	Cyprus	Holding company	100	100
Quintiliano Limited	Cyprus	Holding company	100	100
Quotex Limited	Cyprus	Holding company	100 [1]	100 [1]
Ratado Holding Limited	Cyprus	Holding company	100 [2]	100 [2]
Sabaton Holdings Limited	Cyprus	Holding company	100	100
Sharezone Capital Limited	Cyprus	Holding company	100 [1]	100 [1]
Silverflair Limited	Cyprus	Holding company	100	100
Simeona Limited	Cyprus	Holding company	100	100
Solorita Holding Limited	Cyprus	Holding company	50+1 share[1,3]	50+1 share[1,3]
Taavo Enterprises Limited	Cyprus	Holding company	85	85
Thabit Holdings Limited	Cyprus	Holding company	100	100
Theochristel Limited	Cyprus	Holding company	100	100
Unisure Limited	Cyprus	Holding company	50.52[1]	50.52[1]
Vielle Limited	Cyprus	Holding company	100	100
Vivaldi Holdings Limited	Cayman Islands	Holding company	100 [1]	100 [1]
Wakovia Limited	Cyprus	Holding company	100 [1]	100 [1]
Wizgate Holding Limited	Cyprus	Holding company	100 [1]	100 [1]
Starglance Limited (former Balaton Holding S.à r.l.)	Cyprus	Financing company	100 [1]	100 [1]
Belegar Limited	Cyprus	Financing company	100 [1]	100 [1]
Chainlord Limited (former Vardarac S.à.r.l.)	Cyprus	Financing company	50.5[1]	50.5[1]
Dipotravi Holdings Limited	Cyprus	Financing company	50+1 share[1,3]	50+1 share[1,3]
Eagleman Limited	Cyprus	Financing company	100	100
Fundin Investments Limited	Cyprus	Financing company	100	100
Gisoral Holdings Limited	Cyprus	Financing company	50+1 share[3]	50+1 share[3]
Kinevart Investments Limited	Cyprus	Financing company	100 [1]	100 [1]
Kolston Group Limited	British Virgin Islands	Financing company	100	100
Lermondo Limited	Cyprus	Financing company	100 [1]	100
Lomnia Services Limited	Cyprus	Financing company	100 [1]	100 [1]
Moonshard Limited (former Margo S.à r.l.)	Cyprus	Financing company	50.52[1]	50.52[1]
Mistmoores Holding Limited (former Silver City Finance S.à r.l.)	Cyprus	Financing company	100 [1]	100 [1]
Nokana Limited	Cyprus	Financing company	100	100
O1 Properties Finance Plc (former Pareso Limited)	Cyprus	Financing company	100	100
Vivaldi Plaza Finance S.à r.l.	Luxembourg	Financing company	100 [1]	100 [1]
Wallasey Limited	Cyprus	Financing company	100 [1]	100 [1]
City-Developer LLC	Russian Federation	Management company	100	100
Nash Standart CJSC	Russian Federation	Management company	100	100
O1 Advisory Limited	Cyprus	Management company	100	100
O1 Properties Management CJSC	Russian Federation	Management company	100	100
Teplovik LLC (Note 19)	Russian Federation	Management company	100	100

1 General Information (Continued)

Entity	Country of incorporation	Principal activity	% of effective ownership at 30 June 2017	% of effective ownership at 31 December 2016
Aldino Holding Limited	Cyprus	Inactive	100	100
Construction-Invest LLC (Note 19)	Russian Federation	Inactive	-	50+1 share[3]
Barkmere Limited	Cyprus	Inactive	100	100
Blackheart Limited	Cyprus	Inactive	100	-
Goldflavour Limited	Cyprus	Inactive	100	100
Jale Holdings Limited	Cyprus	Inactive	100	100
Nikkon Global Ltd	British Virgin Islands	Inactive	100	100
Silvershade Limited	Cyprus	Inactive	50+1 share[3]	50+1 share[3]
Starye serebryaniki CJSC	Russian Federation	Inactive	100	100
Stoneface Limited	Cyprus	Inactive	100	-

[1] Pledged in relation to borrowings (Note 9).

[2] Refer to Note 16 for the information on pledge of shares in Ratado Holding Limited.

[3] Investment of the Group in these entities is classified as a joint venture.

Refer to Note 19 for the information on acquisitions and disposals by the Group during the six months ended 30 June 2017 and the year ended 31 December 2016.

2 Operating Environment of the Group

The Group through its operations has a significant exposure to the economic, legal and tax conditions in the Russian Federation and in Cyprus. The management of the Group constantly monitors the developments in the operating environment of the Group in order to estimate the full impact that these developments may have on the business of the Group.

Russian Federation. The Russian Federation displays certain characteristics of an emerging market. Its economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations (Note 16). During 2016 and 2017 the Russian economy was negatively impacted by a decline in oil prices and ongoing political tension in the region and international sanctions against certain Russian companies and individuals. As a result during the six months ended 30 June 2017:

- the CBRF exchange rate was RR 60.6569 and RR 59.0855 per USD as of 1 January 2017 and 30 June 2017 respectively and varied between 55.8453 and 60.6569 during the six months ended 30 June 2017;
- the CBRF key refinancing interest rate decreased from 10% p.a. to 9% p.a.;
- bank lending activity decreased as banks continued to reassess the business models of their borrowers and their ability to withstand the increased volatility of exchange rates;
- in 2017, Fitch Ratings stated Russia's credit rating at BBB-, Standard & Poor's at BB+, and Moody's Investors Service at Ba1. Fitch Ratings improved the outlook from "negative" to "stable" and kept Russia's sovereign rating at the investment grade. Standard & Poor's improved the outlook from "stable" to "positive" and kept Russia's sovereign rating below the investment grade. Moody's Investors Service improved the outlook for the future from "negative" to "stable";
- access to international financial markets to raise funding was limited for certain entities.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. Subsequent to 30 June 2017:

- the CBRF exchange rate fluctuated between RR 56.9966 per USD and RR 60.7503 per USD;
- the CBRF key refinancing interest rate was kept at 9% p.a.

2 Operating Environment of the Group (Continued)

Whilst a significant percentage of the Group's rental income is denominated in the US dollars, the tenants are operating in Russia and earning a significant proportion of their income in Russian Roubles.

These events may have a further significant impact on the Group's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Group's operations may differ from management's current expectations.

Cyprus. According to the Cyprus Statistical Service, economic growth for 2016 was estimated at + 2.8% compared to 2015. The economic growth for 2017 is expected to be at 3.1%. Even though the financial services sector showed negative growth, there has been an increase in the Gross Domestic Product which is mainly attributed to the hotels, construction, manufacturing and the wholesale and retail trade sectors. The economic growth was mainly driven by the increase in private consumption, which benefited from the reduction in unemployment and the consequent increase in disposable income. The growth was also supported by the slower pace of reductions in public spending and the increase in investments. On 28 July 2017 Moody's set the credit rating of the country at Ba3 with positive outlook.

Despite the significant steps towards economic recovery, a degree of uncertainty still exists, as certain issues remain to be resolved, such as the high index of non-performing loans, the high unemployment and the implementation of privatization and reforms of the public services sector.

The above could affect, among others, the Group's ability to obtain new loans on favorable terms and conditions or/and its ability to achieve satisfactory turnover.

The Group's management believes that it takes all the necessary measures to maintain the viability of the Group and expand its operations in the current business and economic environment.

3 Basis of Preparation

Basis of presentation. This condensed consolidated interim financial information of the Group for the six months ended 30 June 2017 has been prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed consolidated interim financial information does not include all of the information required for a complete set of IFRS financial statements. However, selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

The principal accounting policies applied in the preparation of this condensed consolidated interim financial information are consistent with the principal accounting policies applied in the preparation of the consolidated financial statements for the year ended 31 December 2016.

Functional currency. The individual financial statements of each of the companies within the Group are prepared in the currency of the primary economic environment in which they operate (functional currency). The functional currency of the Company is the US Dollar ("USD"). The functional currency of the property holding companies is the Russian Rouble ("RR"). Refer to Note 4.

Presentation currency. All amounts in this condensed consolidated interim financial information are presented in thousands of USD.

At 30 June 2017 the principal rate of exchange used for translating foreign currency balances was USD 1 = RR 59.0855 (31 December 2016: USD 1 = RR 60.6569) and the average exchange rate calculated on daily basis used for translating income and expenses for the six months ended 30 June 2017 was USD 1 = RR 57.9862 (for the six months ended 30 June 2016: USD 1 = RR 70.2583).

Interim period tax measurement. Income tax expense is recorded in the condensed consolidated interim financial information based on management's best estimate of the weighted average effective income tax rate expected for the full financial year. The income tax rate applicable to the majority of the Group's income (the Russian Federation) is 20%. The income tax rate on the Group's income in Cyprus is 12.5%.

3 Basis of Preparation (Continued)

Adoption of New and Revised Standards and Interpretations.

During the period ended 30 June 2017 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 2017. This adoption did not have a material effect on the accounting policies of the Group.

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

(i) Adopted by the European Union

- IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2018).
- IFRS 15 “Revenue from contracts with customers” (effective for annual periods beginning on or after 1 January 2018).

(ii) Not adopted by the European Union

- IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019).
- IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2021).
- IFRS 2 “Classification and Measurement of Share-based Payment Transactions” (effective for annual periods beginning on or after 1 January 2018).
- IFRS 4 “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts” (effective for annual periods beginning on or after 1 January 2018)
- IAS 7 “Disclosure Initiative” (effective for annual accounting periods beginning on or after 1 January 2017).
- IAS 12 “Recognition of Deferred Tax Assets for Unrealised Losses” (effective for annual accounting periods beginning on or after 1 January 2017).
- Annual Improvements to IFRSs 2014-2016 Cycle (effective for annual periods beginning on or after 1 January 2017 (IFRS 12) and 1 January 2018 (IFRS 1 and IAS 28)).
- IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1January 2018).
- IFRIC 22 “Foreign Currency Transactions and Advance Consideration” (effective for annual periods beginning on or after 1 January 2018).
- IAS 40 “Transfers of Investment Property” (effective for annual periods beginning on or after 1 January 2018).
- IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual periods beginning on or after 1 January 2019).

The Board of Directors expects that the adoption of these financial reporting standards in future periods will not have a material effect on the financial statements of the Group with the exception of IFRS 9 “Financial Instruments”, IFRS 15 “Revenue from Contracts with Customers” and IFRS 16 “Leases”. The impact of these new standard on the consolidated financial statements of the Group is explained in the consolidated financial statements for the year ended 31 December 2016.

4 Critical Accounting Estimates and Judgements in Applying Accounting Policies

In preparing this condensed consolidated interim financial information, management makes judgments, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets and liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the condensed consolidated interim financial information and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

4 Critical Accounting Estimates and Judgements in Applying Accounting Policie (Continued)

Valuation of investment properties. Refer to Note 17.

Functional currencies of different entities of the Group. Different entities within the Group have different functional currencies, based on the underlying economic conditions of their operations. This determination of what the specific underlying economic conditions are requires judgment. In making this judgment, the Group evaluates among other factors, the location of activities, the sources of revenue and expense, risks associated with activities, and denomination of currencies of operations of different entities.

The Group concluded that the functional currency of O1 Properties Limited, the parent company of the Group, is the US Dollar, the currency in which (1) funds are obtained and invested, (2) receipts from activities are retained, (3) the business risks and exposures are measured and (4) performance of the business is measured. The Group concluded that the functional currency of the property holding subsidiaries of the Group is the Russian Rouble since the primary economic environment in which these entities generate and spend cash is the Russian Federation where the properties are located. The Group concluded that the functional currency of other, mainly financing, subsidiaries of the Group is either the Russian Rouble or the US Dollar depending on their operations. The above analysis and conclusions were based on consideration of the own activities of the respective entities and not on the basis of consideration of activities of their subsidiaries, if any.

Given the significant exposure of the Group to the economy and markets of the Russian Federation, the alternative to the US Dollar functional currency of the Company and some of its subsidiaries would have been the Russian Rouble. In such case the Company and respective subsidiaries would have recorded foreign exchange translation gains or losses related to the US Dollar balances in the profit or loss.

Foreign exchange translation gains or losses are attributable mostly to the borrowings.

Tax, currency and customs legislation. Russian tax, currency and customs legislation is subject to varying interpretations. Refer to Note 16.

Acquisitions of investment property. The Group concluded that the acquisition of Avrasis constituted acquisition of assets and liabilities rather than acquisition of business as defined in IFRS 3 “Business combinations”. The Group purchased assets and not the accompanying processes. The Group identified and recorded the individual identifiable assets acquired and liabilities assumed. The purchase price was allocated to those assets and liabilities on the basis of their relative fair values at the date of acquisition. The Group has not recorded any goodwill or deferred taxation arising from the assets acquired and liabilities assumed (including those paid by shares of the Company) as no business combination was recognised.

Initial recognition of related party transactions. In the normal course of business the Group enters into transactions with its related parties. IAS 39 requires initial recognition of financial instruments based on their fair values. Judgment is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is the pricing for similar types of transactions with unrelated parties and effective interest rate analysis.

Recognition of reimbursement of operating expenses on investment property. Certain operating expenses related to investment property (security, utilities, cleaning, etc.) are reimbursed by tenants to the Group. Such receipts from the tenants are recorded by the Group as rental revenues since (1) usually there is a significant time period between respective payments and receipts and (2) the expenses are allocated to the tenants on the basis stipulated by a respective lease agreement which does not completely reflect the volume of specific services actually consumed by a particular tenant.

5 Segment Information

The Group has determined that its Chief Operating Decision Maker ("CODM") is the Board of Directors of the Company.

As the property under development is considered insignificant compared to the yielding property the CODM considers all operations of the Group as one segment "Investment Property".

As the Group's activities are concentrated in Moscow, the Group's portfolio of investment property is not geographically diversified. Investment decisions of the CODM are based on analysis of the local Moscow market and on the characteristics of a building in terms of location, size and quality.

6 Investment Property

In thousands of US Dollars	**2017**	**2016**
Total investment property at 1 January	**3 674 942**	**3 698 590**
Subsequent expenditure	2 936	1 217
Fair value adjustment	(143 753)	(448 190)
Effect of translation to presentation currency	100 356	454 704
Total investment property at 30 June	**3 634 481**	**3 706 321**

The investment property represents land and office buildings located in Moscow, Russia. Land is leased from the Moscow City Authorities under renewable leases (from 2 to 46 years). Under the relevant Russian legislation and the lease contracts the owner of the building has priority right to lease and renew the lease of the land on which the building is located. The lease rates are indexed annually.

6 Investment Property (Continued)

Investment property comprises the following premises intended for use as Class A, Class B+ and Class B office accommodation:

		30 June 2017		31 December 2016	
Property name		**Net rentable area (square metres)**	**Amount (in thousands of US Dollars)**	**Net rentable area (square metres)**	**Amount (in thousands of US Dollars)**
WHITE SQUARE - Lesnaya Str., 5, Butyrsky Val Str., 10		76 407	833 200	76 407	876 600
LeFORT - Elektrozavodskaya Str., 27, bldg. 1, 1A, 2, 3, 3A, 3D, 4-11		55 367	179 400	55 375	172 400
KRUGOZOR - Obrucheva Str., 30/1, bldg. 1-3		50 965	261 700	50 965	259 100
VIVALDI PLAZA - Letnikovskaya Str., 2, bldg. 1-3		48 202	367 000	48 150	372 800
SILVER CITY - Serebryanicheskaya Emb., 29		41 966	268 500	41 926	262 300
LEGENDA TSVETNOGO - Tsvetnoy Boulevard, 2		40 279	356 300	40 277	356 900
WHITE STONE (formerly "LESNAYA PLAZA") - 4th Lesnoy Lane, bldg. 4		39 698	257 100	39 681	249 500
STANISLAVSKY FACTORY - Stanislavskogo Str. 21, bldg. 1-3, 5, 16-20		34 578	206 100	34 585	204 900
DUCAT III - Gasheka Str., 6		33 482	342 700	33 464	362 200
LIGHTHOUSE - Valovaya Str., 26		27 426	229 400	27 464	235 300
ICUBE - Nakhimovsky Prospect, 58		19 164	81 000	19 164	79 400
ZARECHIE - Novokuznetskaya Str. 7/11 bldg. 1, 3, Stary Tolmachevsky Pereulok 5		15 517	128 600	15 517	122 900
AVRASIS - Sadovnicheskaya Embankment, 82		9 260	103 930[1]	9 223	110 880[1]
GREENDALE - Oktyabrskaya Str., 98		under development	26 360	under development	24 670
KUTUZOV - Vasilisy Kozhinoy Str., 25		under development	12 470	under development	11 900
Total fair value of property per valuation reports		**492 311**	**3 653 760**	**492 198**	**3 701 750**
Less: Reclassification of owner occupied premises in LIGHTHOUSE			(20 650)		(21 518)
Total investment property at fair value			**3 633 110**		**3 680 232**
Add: Finance lease liabilities accounted for separately	8		22 991		22 529
Add: Prepayments for residential properties			4 156		-
Less: Straight line adjustment on rental income accounted for separately within trade and other receivables			(25 776)		(27 819)
Total carrying value of investment property			**3 634 481**		**3 674 942**

[1] At 30 June 2017 this amount includes an investment property under development amounting to USD 37 530 thousand (31 December 2016: USD 47 080 thousand).

6 Investment Property (Continued)

At 30 June 2017 and 31 December 2016 the fair value of investment property was based on a report issued by the independent firm of valuers CB Richard Ellis. The basis used for the valuation was the income approach using the discounted cash flow technique. The critical assumptions used in the valuation are disclosed in Note 17.

IAS 40 requires the fair value of investment property to exclude prepaid lease income because the entity recognises it as a separate liability. The Group already considered the prepaid lease income in determining the fair value of investment property and thus no additional adjustment for deferred rental income is required to arrive to the carrying value of investment property.

The minimum future rental income of the Group under non-cancellable operating leases was as follows:

In thousands of US Dollars	**30 June 2017**	**31 December 2016**
- not later than one year	296 443	315 383
- later than 1 year and not later than 5 years	861 958	882 052
- later than 5 years	121 109	128 135
Total future rental income	**1 279 510**	**1 325 570**

7 Loans Issued

In thousands of US Dollars	**30 June 2017**	**31 December 2016**
Loans issued - due in more than 12 months	296 240	289 105
Loans issued - current portion	719	644
Total loans issued	**296 959**	**289 749**
Loans issued to related parties (Note 18)	163 323	189 500
Loans issued to other companies	133 636	100 249
Total loans issued	**296 959**	**289 749**

At 30 June 2017 the Group had two counterparties (31 December 2016: two counterparties) with balances of loans issued above 10% of the aggregate balances of loans issued. Aggregate balances of loans issued to the above counterparties as at 30 June 2017 amounted to USD 243 380 thousand (31 December 2016: USD 244 946 thousand).

At 30 June 2017 and 31 December 2016 loans issued were neither past due nor impaired, were not secured, were denominated in USD and RR, had maturity dates from 31 August 2017 to 31 December 2021 (31 December 2016: 15 February 2017 to 28 December 2020) and fixed interest at rates from 7% to 14% per annum.

The fair value of loans issued is disclosed in Note 17.

8 Trade and other receivables.

The increase of trade and other receivables is a result of the assignment of loans issued to a related party in the amount of USD 23 245 thousand.

9 Borrowings

In thousands of US Dollars	**30 June 2017**	**31 December 2016**
Non-current borrowings		
Loans from banks	2 069 145	2 146 914
Loans from related parties	10 368	9 656
Loans from other companies and individuals	1 000	1 000
Rouble bonds financing	37 566	332 251
Eurobonds financing	341 472	340 614
USD bonds financing	487 183	-
Finance lease liabilities	20 150	19 742
Total non-current borrowings	**2 966 884**	**2 850 177**
Current borrowings		
Loans from banks	37 432	44 591
Loans from related parties	173	240
Loans from other companies and individuals	-	72
Rouble bonds financing	1 236	12 605
Eurobonds financing	7 327	7 182
USD bonds financing	10 197	-
Finance lease liabilities	2 841	2 787
Total current borrowings	**59 206**	**67 477**
Total borrowings	**3 026 090**	**2 917 654**

During the six months ended 30 June 2017 part of Russian rouble bonds was refinanced by USD bonds of nominal value USD 335 000 thousand issued by a company controlled by the Ultimate Controlling Shareholder on Moscow Exchange.

Rouble and USD bonds financing represents funding received by the Group as a result of the issue of Rouble and USD bonds by a company controlled by the Ultimate Controlling Shareholder. The Rouble and USD bonds are guaranteed by the Company.

9 Borrowings (Continued)

The detailed information on borrowings at 30 June 2017 is presented below:

Name of Lender	Facility	Carrying amount in thousands of US Dollars	Currency	Contractual interest rate, % per annum		Repayment terms	Investment property pledged
Sberbank Russia	Facility Agreement dated 5 December 2012	585 741	USD	3 months LIBOR + 5.5%	payable quarterly	by quarterly installments to 5 December 2023	WHITE SQUARE
Sberbank Russia	Facility Agreement dated 20 March 2013	234 875	USD	3 months LIBOR + 5.6%	payable quarterly	by quarterly installments to 20 March 2023	VIVALDI PLAZA
Sberbank Russia	Facility Agreement dated 13 March 2014	159 700	USD	6.9%	payable quarterly	by quarterly installments to 13 March 2022	WHITE STONE
Aareal Bank	Facility Agreement dated 20 July 2007	335 783	USD	3 months LIBOR + 4.45%	payable quarterly	by quarterly installments to 31 January 2020	KRUGOZOR, STANISLAVSKY FACTORY, LeFORT
Eurobonds	Agreement dated 23 September 2016	348 799	USD	8.25%	payable semi-annualy	by 27 September 2021	-
VTB PJSC	Facility Agreement dated 16 August 2016	158 251	RR	CBR Key Rate + 2.0%	payable quarterly	by 2 August 2022	SILVER CITY
VTB Bank (Deutchland) AG	Facility Agreement dated 29 May 2013	142 800	USD	6.5%	payable quarterly	by quarterly installments by 2 August 2022	LIGHTHOUSE
UniCredit Bank AG London	Facility Agreement dated 3 June 2013	210 727	USD	3 months LIBOR + 5.0%	payable quarterly	by 1 December 2018	DUCAT III
UniCredit Bank Austria AG	Facility Agreement dated 17 April 2014	38 524	USD	3 months LIBOR + 5.7%	payable quarterly	by quarterly installments by 4 June 2021	ICUBE
Gazprombank	Facility Agreement dated 6 December 2013	183 157	USD	3 months EURIBOR + 4.75%	payable quarterly	by quarterly installments to 16 December 2019	LEGENDA TSVETNOGO
USD bonds financing	Agreement dated 3 February 2017	346 024	USD	7.0%	payable semi-annualy	by 29 January 2021	-
USD bonds financing	Agreement dated 23 May 2017	151 357	USD	6.0%	payable semi-annualy	by 18 May 2021	-
PPF Banka A.S.	Facility Agreement dated 14 April 2015	57 018	USD	6.0%	payable quarterly	by quarterly installments to 15 April 2020	ZARECHIE
Rouble bonds financing	Agreement dated 5 October 2015	33 497	RR	13.0%	payable semi-annualy	by 2 October 2020	-
Rouble bonds financing	Agreement dated 7 August 2013	5 305	RR	12.0%	payable semi-annualy	by 8 August 2018	-
Other	-	11 541	-	from 10.0% to 14.0%	payable at maturity date	-	-
Finance lease liabilities	-	22 991	RR	-	-	-	-
Total borrowings		**3 026 090**					

9 Borrowings (Continued)

The detailed information on borrowings at 31 December 2016 is presented below:

Name of Lender	Facility	Carrying amount in thousands of US Dollars	Currency	Contractual interest rate, % per annum		Repayment terms	Investment property pledged
Sberbank Russia	Facility Agreement dated 5 December 2012	587 034	USD	3 months LIBOR + 5.5%	payable quarterly	by quarterly installments to 5 December 2023	WHITE SQUARE
Sberbank Russia	Facility Agreement dated 20 March 2013	234 350	USD	3 months LIBOR + 5.6%	payable quarterly	by quarterly installments to 20 March 2023	VIVALDI PLAZA
Sberbank Russia	Facility Agreement dated 13 March 2014	161 735	USD	6.9%	payable quarterly	by quarterly installments to 13 March 2022	WHITE STONE
Aareal Bank	Facility Agreement dated 20 July 2007	337 330	USD	3 months LIBOR + 4.45%	payable quarterly	by quarterly installments to 31 January 2020	KRUGOZOR, STANISLAVSKY FACTORY, LeFORT
Eurobonds	Agreement dated 23 September 2016	347 796	USD	8.25%	payable semi-annualy	by 27 September 2021	-
VTB PJSC	Facility Agreement dated 16 August 2016	149 310	RR	CBR Key Rate + 2.0%	payable quarterly	by 2 August 2022	SILVER CITY
VTB Bank (Deutchland) AG	Facility Agreement dated 29 May 2013	141 882	USD	6.5%	payable quarterly	by quarterly installments by 2 August 2022	LIGHTHOUSE
UniCredit Bank AG London	Facility Agreement dated 3 June 2013	223 483	USD	3 months LIBOR + 5.0%	payable quarterly	by 27 November 2018	DUCAT III
UniCredit Bank Austria AG	Facility Agreement dated 17 April 2014	71 935	USD	3 months LIBOR + 6.2%	payable quarterly	by quarterly installments by 4 June 2021	ICUBE
Gazprombank	Facility Agreement dated 16 December 2013	226 299	USD	3 months LIBOR + 5.25%	payable quarterly	by quarterly installments to 16 December 2019	LEGENDA TSVETNOGO
Rouble bonds financing	Agreement dated 5 October 2015	254 707	RR	13.0%	payable semi-annualy	by 2 October 2020	-
Rouble bonds financing	Agreement dated 7 August 2013	90 149	RR	12.0%	payable semi-annualy	by 8 August 2018	-
PPF Banka A.S.	Facility Agreement dated 14 April 2015	58 147	USD	8.0%	payable quarterly	by quarterly installments to 15 April 2020	ZARECHIE
Other	-	10 968	-	from 10.0% to 14.0%	payable at maturity date	-	-
Finance lease liabilities	-	22 529	RR	-	-	-	-
Total borrowings		**2 917 654**					

9 Borrowings (Continued)

At 30 June 2017 and 31 December 2016 the undrawn facilities totalled USD 50 000 thousand.

The Group is subject to a number of financial covenants related to its borrowings including the following key ratios and indices:

- Loan to Value Ratios – represented by different types of ratios expressed as a percentage of the aggregate loans outstanding under the specific credit facility (subject to certain adjustments and depending on the amount of the committed loan facility) to the aggregate market value of a specific property or the property portfolio according to the most recent valuation;
- Debt Service Cover Ratios – represented by different types of ratios expressed as a percentage of the net rental income of the Group or its subsidiaries for the specified period to the aggregate of principal, interest and other amounts payable under the specific credit facility for the same period;
- Equity ratios – expressed as a percentage of total equity to the aggregate amount of debt; and
- Minimum amounts of total equity.

The Group is also subject to compliance with a number of various non-financial covenants. Additional information on covenants is disclosed in Note 16.

The Group was in compliance with or had waivers on all covenants related to borrowings at 30 June 2017 and 31 December 2016.

The finance lease liabilities are related to the lease of land under investment properties (Note 6). The reconciliation between the total future minimum lease payments and their present value is set out below:

In thousands of US Dollars	**30 June 2017**	**31 December 2016**
Minimum lease payments:		
- not later than one year	2 663	2 589
- later than 1 year and not later than 5 years	10 031	9 862
- later than 5 years	76 813	76 053
Total minimum lease payments	**89 507**	**88 504**
Less future finance charges	(66 516)	(65 975)
Present value of minimum lease payments	**22 991**	**22 529**

At 30 June 2017 and 31 December 2016 the interest rate implicit in the leases was 11.25%.

The fair value of borrowings is disclosed in Note 17.

10 Trade and other payables.

The decrease in trade and other payables is a result of settlement of payables for Avrasis acquisition in the amount USD 35 000 thousand.

11 Share Capital and Share Premium

Share capital issued and fully paid comprises:

In thousands of US Dollars	Number of class A shares issued	Number of class B shares issued	Nominal amount	Share premium	Total
Balance at 1 January 2016	**21 694 704**	**69 086 269**	**1 139**	**1 193 219**	**1 194 358**
Shares issued to top management (Subscribed in April 2014)	-	88 748	1	-	1
Balance at 30 June 2016	**21 694 704**	**69 175 017**	**1 140**	**1 193 219**	**1 194 359**
Balance at 1 January 2017	**21 694 704**	**69 175 017**	**1 140**	**1 193 219**	**1 194 359**
Balance at 30 June 2017	**21 694 704**	**69 175 017**	**1 140**	**1 193 219**	**1 194 359**

11 Share Capital and Share Premium (Continued)

At 30 June 2017 and 31 December 2016 the authorized share capital of the Company was 21 694 704 Class "A" shares of nominal value USD 0.01 each and 200 000 000 Class "B" shares of nominal value EUR 0.01 each.

In accordance with the Articles of Association of the Company Class "A" shares (1) do not have voting rights in the event that the holders of Class A shares do receive dividends in the preceding calendar quarter, (2) are entitled to non-cumulative quarterly dividends at the absolute discretion of directors of the Company not exceeding USD 2.17 per share p.a. and in priority to other shares, (3) receive maximum USD 18.11 per share upon liquidation and (4) give the holder the right to convert its Class "A" shares into Class "B" shares. Class "B" shares (1) have voting rights, (2) may receive dividends only if at least minimum amount of dividends has been distributed to the holders of Class "A" shares within the same period, and (3) are entitled to distributions upon liquidation.

2016 events. On 1 January 2016 in accordance with the Subscription agreement dated 17 April 2014 the installment of 88 748 Class "B" shares was registered in the name of certain members of top management of the Group or legal entities they control.

Nature and purpose of reserves

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation.

The revaluation reserve comprises the revaluation of property, plant and equipment immediately before its reclassification as investment property and any surplus or deficit from the revaluation of property, plant and equipment after initial recognition.

12 Net Rental Income

		For the six months ended 30 June	
In thousands of US Dollars	**Note**	**2017**	**2016**
White Square		32 273	36 798
Vivaldi Plaza		15 551	18 738
Ducat III		13 506	15 081
Legenda Tsvetnogo		13 405	16 649
White Stone		10 404	11 615
Krugozor		9 602	12 214
Silver City		9 307	11 237
Stanislavsky Factory		8 509	10 265
Lighthouse		7 605	8 022
Zarechie		6 665	6 553
LeFort		5 642	6 264
Avrasis	18	2 454	-
Icube		529	5
Other		1 618	711
Total net rental income		**137 070**	**154 152**

12 Net Rental Income (Continued)

The operating expenses for the six months ended 30 June 2017 and 30 June 2016:

	For the six months ended 30 June	
In thousands of US Dollars	**2017**	**2016**
Property management fees	6 711	5 193
Cleaning and utilities	5 944	4 222
Security	1 402	1 007
Repairs and maintenance	890	625
Insurance	674	511
Property tax	11 668	492
Other	640	790
Total operating expenses of investment property	**27 929**	**12 840**

The difference in the property tax amount for the six months ended 30 June 2017 and 30 June 2016 is due to application of the property tax benefits in the comparative period.

	For the six months ended 30 June	
In thousands of US Dollars	**2017**	**2016**
Leasing commissions	1 410	451
Professional services	1 264	1 541
Impairement of receivables and other impairment	164	-
Other	73	28
Total other operating expenses	**2 911**	**2 020**

All operating expenses relate to the Investment property generating the revenue.

13 General and Administrative Expenses and Other Operating Expenses

	For the six months ended 30 June	
In thousands of US Dollars	**2017**	**2016**
Employees compensation and related social contributions	6 666	4 730
Professional services	829	807
Marketing and advertising	371	521
Depreciation of property, plant and equipment	318	288
Own premises related expenses	291	247
Travel	256	95
Bank fees	195	215
Information services	108	95
Taxes other than income	9	7
Other	507	1 180
Total general and administrative expenses	**9 550**	**8 185**

The professional services stated above include the fees related to incremental expenses related to administering of individual investment properties and related holding structures.

Information on transactions with related parties is presented in Note 16.

14 Finance Income and Finance Costs

In thousands of US Dollars	For the six months ended 30 June 2017	2016
Interest income on loans	10 474	8 472
Net gain from derivatives	3 778	-
Income from guarantees issued	489	907
Interest income on deposits	138	4 542
Other	39	15
Total finance income	**14 918**	**13 936**
Interest expense on borrowings (excluding finance lease liability)	113 813	109 001
Interest expense on accretion of interest on tenants deposits	4 665	4 718
Impairment of loans issued	4 121	8 700
Finance charge on lease liabilities	1 237	1 005
Net loss from derivatives	-	3 733
Other	-	1 267
Total finance costs	**123 836**	**128 424**

Information on transactions with related parties is presented in Note 18.

15 Financial Risk Management

The Group is exposed to the following risks arising from the financial instruments it holds:

(a) Credit risk
(b) Liquidity risk
(c) Market risk

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. There were no significant changes to the risk management policies descripted in the consolidated financial statements for the year ended 31 December 2016.

16 Contingencies, Commitments and Operating Risks

***Legal proceedings*.** From time to time and in the normal course of business, claims against the Group may be received. On the basis of management's own estimates and internal professional advice, management is of the opinion that no material losses will be incurred in respect of any such claims, and accordingly no provision has been recorded in this condensed consolidated interim financial information.

Tax contingencies. Russian tax legislation which was recently enacted is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be successfully challenged by relevant authorities. Russian tax administration is gradually strengthening, including the fact that there is a higher risk of review of transactions without a clear business purpose or with tax incompliant counterparties. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

16 Contingencies, Commitments and Operating Risks (Continued)

As Russian tax legislation does not provide definitive guidance in certain areas, from time to time, the Group adopts interpretations of such uncertain areas that reduce the overall tax rate of the Group. While management currently estimates that the tax positions and interpretations that it has taken can probably be sustained, there is a possible risk that outflow of resources will be required should such tax positions and interpretations be challenged by the relevant authorities. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

The Russian transfer pricing legislation is generally aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD), with certain specific features. This legislation allows tax authorities to assess additional taxes for controllable transactions (transactions between related parties and certain transactions between unrelated parties) if such transactions are not on an arm's length basis.

Tax liabilities arising from intercompany transactions are determined using actual transaction prices. It is possible, with the evolution of the interpretation of the transfer pricing rules, that such prices could be challenged. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the Company's operations.

Most of the Group's companies incorporated outside of Russia. The tax liabilities of the Group are determined on the assumption that these companies are not subject to Russian profits tax, because they do not have a permanent establishment in Russia, except for those entities that have registered commercial Branches in the Russian Federation. This interpretation of relevant legislation may be challenged but the impact of any such challenge cannot be reliably estimated currently; however, it may be significant to the financial position and/or the overall operations of the Group.

Certain changes into Russian Tax Code that came into force starting 1 January 2015, which introduced the following concepts: (i) the "controlled foreign companies rules" (the "CFC Rules"). Under the Russian CFC Rules, in certain circumstances, undistributed profits of foreign companies and non-corporate structures (e.g., trusts, funds or partnerships) domiciled in foreign jurisdictions, which are ultimately owned and/ or controlled by Russian tax residents (legal entities and individuals), shall be subject to taxation in Russia; (ii) the concept of tax residency for legal entities. Under this concept a legal entity may be recognized as Russian tax resident if such entity is in fact managed from Russia. When an entity is recognized as Russian tax resident it is obligated to register, calculate tax on its worldwide income and comply with other tax-related rules established for Russian entities; (iii) the concept of "beneficial ownership". Under the Federal Law, a beneficial owner is defined as a person holding directly, through its direct and/or indirect participation in other organizations or otherwise, the right to own, use or dispose of income, or the person on whose behalf another person is authorized to use and/or dispose of such income.

Tax liabilities of the Group companies are determined based on the underlying assumption that Group companies except those registered in the Russian Federation are not Russian tax residents and are beneficial owners of income received from Russia. It is possible, with the evolution of the above concepts, that such approach could be challenged both for the reporting period and in certain cases for previous years open for tax audits. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the Company's operations.

Management assessed the impact of these changes and believe that it is not probable that the manner of doing operations by, and with, the foreign Group companies will give rise to material tax liabilities other than those provided in this condensed consolidated interim financial information. The tax legislation in Russia is subject to varying interpretations which can change frequently and as such an unquantifiable risk remains that the tax authorities could seek to challenge this position in the future and levy additional tax on the Group. Accordingly as of 30 June 2017 no provision for potential tax liabilities had been recognized.

The Group is assessing the impact that the changes introduced by the above laws may have on its operations and/or reporting.

16 Contingencies, Commitments and Operating Risks (Continued)

In addition to the above matters, management estimates that at 30 June 2017 the Group had possible obligations from exposures to other than remote tax risks of approximately up to USD 60 193 thousand (31 December 2016: approximately up to USD 49 602 thousand). In the event that these possible tax risks crystallise as liabilities in the near future, the tax losses could be used to settle these liabilities. These exposures are estimates that result from uncertainties in interpretation of applicable legislation and related documentation requirements. Based on various valid arguments Management will vigorously defend the Group's positions and interpretations that were applied in determining taxes recognised in this condensed consolidated interim financial information if these are challenged by the authorities.

Capital commitments. At 30 June 2017 the Group has contractual capital expenditure commitments in respect of properties under development approximating USD 4 900 thousand (31 December 2016: USD 3 130 thousand). The Group believes that future net income and funding will be sufficient to cover this and any similar such commitments.

Assets pledged and restricted. At 30 June 2017 investment properties and owner occupied premises with a fair value of USD 3 490 350 thousand and USD 20 650 thousand respectively (31 December 2016: USD 3 532 782 thousand and USD 21 518 thousand respectively) and related land lease and lease proceeds were pledged in relation to borrowings (Notes 6 and 9). Also refer to Note 1 for the information on shares of subsidiaries of the Group pledged.

Compliance with covenants. The Group is subject to certain covenants related primarily to its borrowings. Non-compliance with such covenants may result in negative consequences for the Group including growth in the cost of borrowings and declaration of default. Refer to Note 9.

In relation to the Borrowings detailed above in the section “Assets pledged and restricted” the Company accepted an obligation to comply with certain covenants and conditions.

During the six months ended 30 June 2017, the Group was in in compliance with all covenants.

During 2016 the Group was in breach of some financial covenants. The Group received a waiver in respect of such breach and at 31 December 2016 was in compliance with all covenants.

Management is currently in active discussion with a number of lenders with a view to amend certain covenants in order to introduce more favourable covenants for the Group in future.

Share based payments to employees. As at 30 June 2017 and 31 December 2016 there is no liability from the directors’ share based payments plan.

Also refer to Note 11 for the information on shares allocated to top management.

Derivatives. The Group uses derivatives to manage interest rate and currency risk. Derivative financial instruments have potentially favourable (assets) or unfavourable (liabilities) conditions as a result of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

The valuation of the derivatives is performed based on discounted cash flows models. The key inputs to the models are the interest rate curves and future foreign exchange rates which are based on the market information. The valuations are performed internally and for interest rate swap and interest rate cap contracts values are validated against the valuations of the transactions obtained independently from the counterparty banks.

At 30 June 2017 the Group had interest rate swap contracts with a total notional amount of USD 1 076 240 thousand (31 December 2016: USD 1 211 762 thousand) whereby the Group was paying a fixed interest rate in exchange for floating interest rate. At 30 June 2017 the positive fair value of these contracts was USD 1 153 thousand and the negative fair value of these contracts was USD 4 188 thousand (31 December 2016: USD 1 301 thousand positive fair value and USD 4 928 thousand negative fair value).

16 Contingencies, Commitments and Operating Risks (Continued)

At 30 June 2017 the Group had an interest rate cap contracts with a total notional amount of USD 313 367 thousand (31 December 2016: USD 73 062 thousand) whereby the Group fixes the highest level of the floating part of the interest rate. At 30 June 2017 the positive fair value of these contracts was USD 291 thousand (31 December 2016: USD 68 thousand).

At 30 June 2017 the Group had currency swap contracts with a total notional amount of USD 185 385 thousand (31 December 2016: nil) whereby the Group was paying fixed rate interest and principal in USD in exchange for fixed rate interest and principal in Russian Rouble. At 30 June 2017 the positive fair value of these contracts was USD 1 178 thousand (31 December 2016: nil).

The Group issued number of discounts to tenants in a form of foreign currency exchange derivatives. As a result the Group recognised during the six months ended 30 June 2017: (1) discounts issued in the amount of USD nil (During the six months ended 30 June 2016: USD 1 066 thousand), accounted in Prepayments and deferred expenses; (2) foreign currency exchange derivatives in the amount of USD nil (During the six months ended 30 June 2016: USD 1 066 thousand) whereby the Group had obligation to cover part of revenue related USD/RR exchange rate difference to number of tenants. At 30 June 2017 the fair value of these contracts was USD nil (31 December 2016: the negative value was USD 3 014 thousand) with a total notional amount of USD nil (31 December 2016: USD 12 722 thousand) and residual value of discounts issued was USD nil (31 December 2016: USD 842 thousand).

Guarantees. In relation to a USD 175 million borrowing (the “Borrowing”) by a company (the “Controlling Shareholder”) which (1) is controlled by the Ultimate Controlling Shareholder (Note 1) and (2) owns and controls 100% interests in Centimila Services Limited (Note 1), the Group: (1) guaranteed performance of the Controlling Shareholder and issued a number of securities with respect to the Borrowing. The securities include the pledge of all shares in Ratado Holding Limited (“Ratado”, a holding company for subsidiaries of the Group which owns Vivaldi, Lighthouse, Silver City, Ducat III, Legenda Tsvetnogo, White Stone and Bolshevik properties (Note 1)), the acceptance of obligation to comply with certain covenants and conditions and the guarantee of payment of certain fees. The guarantee could be called on or prior to 28 April 2020.

In relation to a USD 20 million facility agreement between one of the non-controlling shareholders of the Company (the “Shareholder”) and Public Joint-Stock Company Promsvyazbank (the "Bank"), the Group guaranteed the performance of the Shareholder in respect to this facility. The guarantee is valid until and including 5 July 2025.

At 30 June 2017, the Group and O1 Group Limited have jointly and severally provided an indemnity to two non-controlling shareholders of the Company, regarding losses that might arise from each of the above guarantees provided by the Group. The amount of the indemnity will be determined as the percentage of the losses from each of the above guarantees, that corresponds to their shareholdings in the Company.

At 30 June 2017 the Group guaranteed liabilities of its joint venture in the amount of USD 123 370 thousand (31 December 2016: USD 126 944 thousand). The Group was indemnified by a guarantee issued by Cesium Limited for 49.9% of the guaranteed liability which amounts to USD 61 562 thousand (31 December 2016: USD 63 345 thousand). As a result, the total exposure of the Group in relation to this guarantee is USD 61 808 thousand (31 December 2016: USD 63 345 thousand).

17 Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

17 Fair Value (Continued)

The estimated fair values have been determined by the Group using available market information, when such information exists and is considered a reliable indicator, and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. The Russian Federation continues to display some characteristics of an emerging market (Note 2). Market quotations may be outdated or reflect distressed sale transactions and therefore not represent fair values of financial instruments. Management has used all available market information in estimating the fair value of financial instruments.

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) Level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) Level 2 measurements are valuation techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) Level 3 measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Valuation of investment properties. The fair value of investment properties represents Level 3 measurement. In determining the fair value of the Group's investment property, management have regard to reports of independent appraisers who hold a recognised and relevant professional qualification and who have recent experience in valuation of property of similar location and category (Refer to Note 3). Since the information on current or recent prices of comparable investment properties was limited, the fair value of investment properties was determined mainly using discounted cash flow valuation techniques. The Group used assumptions that were mainly based on market conditions existing and contracted rental agreements as at each reporting date. Changes in assumptions used in the valuation techniques could affect reported fair values. The valuation recognised that most rental contracts are denominated in USD.

The methodology used for the valuation of investment property has not changed since 31 December 2016.

The valuation technique, inputs used in the fair value measurement of the investment property and premises, and related sensitivity to reasonably possible changes in those inputs were as follows at 30 June 2017:

In thousands of US Dollars	**Valuation technique**	**Inputs used**	**Range of inputs**	**Reaso-nable change (% of input)**	**Sensitivity of fair value measurement**	**Fair value**
Yielding Investment property	Discounted Cash Flow Technique	Discount rates	10.0 - 12.5%	+10 % -10 %	(181 400) 195 300	3 577 400
		Estimated rental value	230-730 USD/ sq.m.	+10 % -10 %	264 200 (263 600)	
		Exit capitalization rates	8.25 - 10.25%	+10 % -10 %	(185 900) 227 400	
Investment property under development	Discounted Cash Flow Technique	Discount rates	19.0-20.0%	+10 % -10 %	(2 800) 2 880	76 360
		Expected sq.m price	2600-5900 USD/ sq.m.	+10 % -10 %	19 680 (19 680)	
Total fair value of investment property per valuation reports at 30 June 2017 (Note 6)						**3 653 760**

17 Fair Value (Continued)

The valuation technique, inputs used in the fair value measurement of the investment property, including premises, and related sensitivity to reasonably possible changes in those inputs were as follows at 31 December 2016:

In thousands of US Dollars	**Valuation technique**	**Inputs used**	**Range of inputs**	**Reaso-nable change (% of input)**	**Sensitivity of fair value measurement**	**Fair value**
Yielding investment property	Discounted Cash Flow Technique	Discount rates	10.0 - 12.5%	+10 %	(140 500)	
				-10 %	148 700	
		Estimated rental value	290-780 USD/ sq.m.	+10 %	229 400	
				-10 %	(229 400)	
		Exit capitalization rates	8.5 - 10.5%	+10 %	(216 800)	
				-10 %	265 300	3 618 100
Investment property under development	Discounted Cash Flow Technique	Discount rates	19.0-20.0%	+10 %	(3 490)	
				-10 %	3 720	
		Expected sq.m price	2400-5700 USD/ sq.m.	+10 %	20 480	
				-10 %	(20 460)	83 650
Total fair value of investment property per valuation reports at 31 December 2016 (Note 6)						**3 701 750**

Refer to Note 6 for information on movements in fair value of the investment property. The sensitivity of fair value measurement to change of inputs is estimated by adjusting the variable and assuming that other variables remain the same.

During the six months ended 30 June 2017 and 2016 there were no reclassifications from or into Level 3 measurements.

All loss from valuation is unrealised and presented in net loss from fair value adjustment on investment property line in the condensed consolidated interim statement of profit and loss and other comprehensive income.

All loss from revaluation of owner occupied premises is unrealised and presented in revaluation of property, plant and equipment line in consolidated other comprehensive income.

Cash and cash equivalents. Cash and cash equivalents are carried at amortised cost which approximates their current fair value.

Financial assets carried at amortised cost. The estimated fair value of financial assets carried at amortised cost is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Interest rates used depend on the perceived credit risk of the counterparty and ranged at 30 June 2017 from 7% p.a. to 14% p.a. (31 December 2016: from 6% p.a. to 14% p.a.).

Liabilities carried at amortised cost. The estimated fair value of fixed interest rate instruments with stated maturity, for which a quoted market price is not available, was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date that the amount could be required to be paid. Interest rates used ranged from 4.45% p.a. to 14% p.a. (31 December 2016: from 4.45% p.a. to 14% p.a.).

17 Fair Value (Continued)

The comparison of the fair value and the carrying value of main assets and liabilities carried at amortised cost was as follows:

	30 June 2017		31 December 2016	
In thousands of US Dollars	**Fair value**	**Carrying value**	**Fair value**	**Carrying value**
Loans issued (Level 3)	294 626	296 959	286 038	289 749
Trade and other receivables (Level 3)	65 069	65 069	42 111	42 111
Cash and cash equivalents (Level 2)	104 258	104 258	107 988	107 988
Loans from banks (Level 3)	2 145 660	2 106 577	2 232 672	2 191 505
Loans from other companies and individuals (Level 3)	833	1 000	820	1 072
Loans from related parties (Level 3)	10 703	10 541	11 692	9 896
USD bonds financing (Level 1)	496 721	497 380	-	-
Rouble bonds financing (Level 1)	42 688	38 802	358 547	344 856
Eurobonds financing (Level 1)	377 276	348 799	376 834	347 796
Finance lease liabilities (Level 3)	22 991	22 991	22 529	22 529
Tenant deposits (Level 3)	45 934	43 451	54 131	51 580
Trade and other payables (Level 3)	32 907	32 907	73 466	73 466

All of the Group's financial liabilities except for derivative financial instruments were carried at amortised cost.

***Financial instruments carried at fair value*.** At 30 June 2017 and 31 December 2016 all derivative financial instruments were valued using valuation techniques (Discounted Cash Flow) with inputs observable in markets which is Level 2 measurement. Refer to Note 16.

18 Related Party Transactions

For the purposes of this condensed consolidated interim financial information, parties are considered to be related if they are under common control, or if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

18 Related Party Transactions (Continued)

The outstanding balances with related parties were as follows:

	30 June 2017			31 December 2016		
In thousands of US Dollars	**Immediate shareholders (excluding key management personnel)**	**Companies under significant influence of ultimate controlling shareholder**	**Joint venture**	**Immediate shareholders (excluding key management personnel)**	**Companies under significant influence of ultimate controlling shareholder**	**Joint venture**
Loans issued (Note 7)	8 223	-	155 100	8 083	-	181 417
Trade and other receivables	-	2 755	22 510	2	1 051	708
Borrowings (Note 9)	(1 173)	(9 368)	-	(1 247)	(8 632)	(17)
Trade and other payables	-	(748)	(122)	-	(748)	(61)
Dividends (Note 11)	(8 083)	(2 863)	-	(12 843)	(2 863)	-

The income and expense items with related parties for the period were as follows:

	For the six months ended 30 June 2017				For the six months ended 30 June 2016			
In thousands of US Dollars	**Immediate shareholders (excluding key management personnel)**	**Companies under significant influence of ultimate controlling shareholder**	**Joint venture**	**Key management personnel**	**Immediate shareholders (excluding key management personnel)**	**Companies under significant influence of ultimate controlling shareholder**	**Joint venture**	**Key management personnel**
Rental revenue	-	122	655	-	-	493	441	-
Salaries and bonuses and related social contribution expense	-	-	-	(894)	-	-	-	(738)
Income from guarantees issued	489	-	-	-	907	-	-	-
Finance income	140	248	5 921	-	591	1 327	2 597	-
Finance costs	(346)	(761)	-	-	(13)	(9 102)	-	-

18 Related Party Transactions (Continued)

In addition the Group guaranteed obligations of related parties and pledged shares in certain subsidiaries in relation to liabilities of related parties (Notes 1 and 16).

Non-controlling interests in companies holding Legenda Tsvetnogo and Icube properties are held by related companies.

Refer to Note 11 and 16 for the description of the share based payments to management.

Refer to Note 9 for the information funding received by the Group as a result of issue by a company controlled by the Ultimate Controlling Shareholder of Rouble bonds guaranteed by the Company.

19 Acquisitions and Disposals

Acquisition of Avrasis. On 28 December 2016 the Group acquired for total consideration of USD 53 875 thousand a 100% interest in Moonbow Ltd (Cyprus) which owns 100% interest in Avrasis Ltd (Cyprus), the owner of the office center Avrasis in Moscow. Avrasis Ltd owns 100% interest in "Teplovik" LLC. The companies acquired constituted a group of net assets, rather than businesses as defined in IFRS 3 "Business combinations", as the Group purchased physical assets and not the accompanying processes.

The details of the assets and liabilities acquired were as follows:

In thousands of US Dollars	**Attributed value**
Cash and cash equivalents	89
Loans issued	6
Prepayments	94
VAT recoverable	2
Trade and other receivables	2 623
Current income tax prepayments	9
Deferred tax asset	7 049
Investment property	46 734
Property, plant and equipment	421
Tenant deposits	(654)
Deferred tax liability	(1)
Deferred rental income	(305)
Trade and other payables	(2 192)
Attributed value of identifiable net assets of subsidiaries acquired	**53 875**
Total purchase consideration	**(53 875)**
Less: Non-cash consideration	43 875
Less: Cash and cash equivalents of subsidiary acquired	89
Outflow of cash and cash equivalents on acquisition	**(9 911)**

Non-cash consideration represents the set-off of mutual obligations under the Loan Agreement and Deed of Novation.The part of this consideration amounting to USD 35 000 thousand was paid by cash during the six months ended 30 June 2017.

Refer to Note 4 for Critical judgements on acquisition of investment properties.

Other disposals. During the six month ended 30 June 2017 and the year ended 31 December 2016 the Group also sold a number of minor subsidiaries, which do not have a material impact on this condensed consolidated interim financial information.

20 Subsequent Events

Refer to Note 2 for the information on significant changes in foreign currency exchange rates during 2017.