Global City Holdings N.V.

Interim Financial Report

as at 30 June 2015

CONTENTS

	Page
Directors' report	1
Interim Condensed Consolidated Financial Statements as at 30 June 2015	
Interim Condensed Consolidated Statement of Financial Position	4
Interim Condensed Consolidated Income Statement	6
Interim Condensed Consolidated Statement of Comprehensive Income	7
Interim Condensed Consolidated Statement of Changes in Equity	8
Interim Condensed Consolidated Statement of Cash Flows	10
Notes to the Interim Condensed Consolidated Financial Statements as at 30 June 2015	11

DIRECTORS' REPORT

General

Introduction

Global City Holdings N.V. (the "Company"; formerly Cinema City International N.V.), incorporated in the Netherlands, is a subsidiary of I.T. International Theatres Ltd. The Company (together with its subsidiaries, the "Group"), following the combination of its cinema business with the cinema business of Cineworld Group Plc. ("Cineworld") is operating in the following areas: **[1]** Cinema business, through its 29.0% holding in Cineworld, the second largest cinema operator in Europe and cinema real estate through seven owned cinema properties leased to Cineworld **[2]** Real estate operations, through a portfolio that includes (i) commercial real estate (mainly the Mall of Rousse shopping mall in Bulgaria), (ii) residential real estate through its 39.8% holding in Ronson Europe N.V. ("Ronson"), a mid-scale apartment developer in Poland, and (iii) office real estate (office building in Herzliya, Israel), and **[3]** Leisure operations, through the development of the Park of Poland project, which is expected to be the first large scale entertainment park in Poland.

The Company's shares are listed on the Warsaw Stock Exchange. The number of issued and outstanding ordinary shares as at 30 June 2015 and as at 31 December 2014 was 51,200,000. On 10 April 2014, the Company purchased 2,370,724 of its own shares through a tender offer. The Company cannot vote on its own shares and these shares are not entitled to any dividends.

Delisting from the Warsaw Stock Exchange and tender offer by the Company

On 23 March 2015, the Company filed with the Warsaw Stock Exchange an application for the delisting of its shares from trading. Following this request, on 29 May 2015, the Company received the resolution of the Management Board of the Warsaw Stock Exchange on the delisting of the Company's shares from trading on the main market of the Warsaw Stock Exchange under the condition that (1) the majority shareholder will announce a tender offer for sale of the Company's shares by all remaining shareholders, and (2) the General Meeting of Shareholders of the Company with the majority of 4/5 of votes casted in presence of shareholders representing at least a half of the share capital will adopt the resolution approving the delisting of the Company's shares from trading on the stock exchange.

On 9 June 2015, the Company announced a public tender offer (the "Tender Offer") to subscribe for the sale of the Company's own shares. The Tender Offer applied to 20,769,368 ordinary bearer shares, which as at 9 June 2015 constituted 42.5% of all of the effective votes at the general meeting of shareholders of the Company (40.6% of all of the votes at the general meeting of shareholders of the Company attached to the outstanding shares in the Company). The purchase price for the shares subject to the Tender Offer was PLN 47.70 per share subject to withholding tax, unless otherwise stipulated in the applicable tax treaty..

On 21 July 2015, the Extraordinary General Meeting of Shareholders resolved by unanimous vote to approve the delisting of the Company's Shares from the WSE (the "Delisting") as soon as possible following the completion of the Tender Offer.

On 28 July 2015, the Company announced that as a result of the Tender Offer, the Company purchased a total of 20,639,017 ordinary bearer shares in the Company listed on the Warsaw Stock Exchange. Following settlement of the transactions involving the purchase of the 20,639,017 shares in the Company, the overall number of shares held by the Company increased to 23,009,741 shares.

DIRECTORS' REPORT

Highlights during the six months ended 30 June 2015

On 6 March 2015, Cineworld announced a distribution of a final year end dividend for 2014 of GBP 0.097 (9.7 pence) per share. The dividend was paid on 9 July 2015. The Company's share in the dividend was GBP 7.4 million (EUR 10.4 million). On 14 August 2015 Cineworld declared an interim dividend of GBP 0.05 (5 pence) per share, which will be paid on 3 October 2015 to ordinary shareholders on the register at the close of business on 5 September 2015. The Company's expected share in the dividend is GBP 3.8 million (EUR 5.4 million).

As announced in December 2014, the Company is reviewing its strategic options regarding its interest in Ronson Europe N.V. ("Ronson"), where it holds 39.8% of the shares and jointly controls Ronson with U. Dori Group. The Company, together with U. Dori Group, began to explore a sales process, which has been ongoing since early 2015.

Outlook

With respect to the cinema business outlook as reported in the Cineworld interim statements published on 12 August, 2015:

> " *The film release programme for the second half of the year is encouraging. Family titles such as "Minions" and "Jurassic World" have continued their strong performance into July, and the new Disney title "Inside Out" has also proved popular. Trading during*
>
> *the first half of Q3 has outperformed the same period in 2014 (which was impacted by the Football World Cup) and is in line with Management's expectations. Notable releases towards the end of Q3 and Q4 include "Star Wars: Episode VII", the final Hunger Games title "Hunger Games: Mockingjay Part 2" and the next Bond film "Spectre". Overall, with the anticipated strength of the film line up in the second half, coupled with our solid first half performance, we are marginally ahead of our plans for the year as a whole."*

With respect to real estate operations, the Company will continue to generate revenue from its real estate in Bulgaria and Israel. In addition, the Company's real estate segment is expected to generate additional contribution through Ronson.

With respect to the leisure segment, the Company, in cooperation with its strategic partner WUND, continues design works for the Aquapark in in Mszczonów.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	as at 30 June 2015	as at 31 December 2014
	(Unaudited)	(Audited)
	EUR (millions)	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	**148.8**	136.8
Investment property	**63.3**	61.6
Investment in associate - Cineworld	**340.7**	308.7
Investment in associate - Ronson	**42.9**	41.8
Deferred tax asset	**0.4**	0.3
Other non – current assets	**0.4**	0.5
Total non-current assets	**596.5**	549.7
CURRENT ASSETS		
Trade receivables	**0.5**	0.4
Other accounts receivable	**10.6**	5.1
Cash and cash equivalents	**138.7**	92.3
Total current assets	**149.8**	97.8
TOTAL ASSETS	**746.3**	647.5

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	as at 30 June 2015	as at 31 December 2014
	(Unaudited)	(Audited)
	EUR (millions)	
EQUITY AND LIABILITIES		
EQUITY		
Share capital	**0.5**	0.5
Share premium reserve	**92.1**	92.1
Treasury shares	**(20.3)**	(20.3)
Accumulated other comprehensive income (loss)	**26.5**	(1.5)
Capital reserve from combination	**359.7**	359.7
Retained earnings	**227.0**	209.3
Total equity attributable to equity holders of the Company	**685.5**	639.8
Non-controlling interests	**1.4**	1.4
Total equity	**686.9**	641.2
LONG-TERM LIABILITIES		
Long-term loans, net of current portion	**39.6**	-
Deferred tax liabilities	**1.1**	0.8
Other long-term liabilities	**1.1**	1.1
Total long-term liabilities	**41.8**	1.9
CURRENT LIABILITIES		
Short-term borrowings	**3.1**	-
Trade accounts payable	**0.4**	0.3
Other accounts payable	**14.1**	4.1
Total current liabilities	**17.6**	4.4
Total liabilities	**59.4**	6.3
TOTAL EQUITY AND LIABILITIES	**746.3**	647.5

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	for the six months ended 30 June	
	2015	2014
	(Unaudited)	
	EUR (millions)	
Revenues	**6.2**	56.4
Operating costs	**2.2**	42.1
Gross profit	**4.0**	14.3
General and administrative expenses	**2.7**	5.3
Share of profit of equity-accounted investee - Cineworld	**12.9**	3.4
Operating income	**14.2**	12.4
Financial income	**4.0**	3.7
Financial expenses	**0.7**	2.1
Share of profit of equity-accounted investee - Ronson	**0.2**	0.4
Income before taxation	**17.7**	14.4
Income tax expense	**0.7**	0.5
Net income for the period	**17.0**	13.9
Attributable to:		
Equity holders of the Company	**17.0**	13.9
Non-controlling interests	**-**	-
Net income for the period	**17.0**	13.9
Earnings per share		
Weighted average number of equivalent shares (basic)	***48,829,276***	*50,131,872*
Weighted average number of equivalent shares (diluted)	***48,829,276***	*50,131,872*
Earnings per share of profit attributable to the owners of the Company (basic and diluted)	**EUR 0.35**	EUR 0.28

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	for the six months ended 30 June	
	2015	2014
	(Unaudited)	
	EUR (millions)	
Net income for the period	**17.0**	13.9
Other comprehensive income		
Item not to be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income of associate	**0.3**	0.1
Items to be reclassified to profit or loss in subsequent periods:		
Foreign currency exchange differences	**8.7**	0.3
Effective portion in fair value of cash flow hedges, net of tax	**-**	0.3
Share of other comprehensive income in respect of associates	**19.3**	5.4
Other comprehensive income, net of tax	**28.3**	6.1
Total comprehensive income for the period	**45.3**	20.0
Attributable to:		
Equity holders of the Company	**45.3**	20.0
Non-controlling interests	**-**	-
Total comprehensive income for the period	**45.3**	20.0

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributed to equity holders of the Company								
	Share capital	Share premium reserve	Treasury shares	Capital reserve from combination	Retained earnings	Accumulated other comprehensive income (loss)	Total	Non-controlling interests	Total equity
	EUR (millions) – Unaudited								
Balance as at 1 January 2015	**0.5**	**92.1**	**(20.3)**	**359.7**	**209.3**	**(1.5)**	**639.8**	**1.4**	**641.2**
Net income for the period	-	-	-	-	17.0	-	17.0	-	17.0
Other comprehensive income	-	-	-	-	0.3	28.0	28.3	-	28.3
Total comprehensive income	**-**	**-**	**-**	**-**	**17.3**	**28.0**	**45.3**	**-**	**45.3**
Share based compensation	-	-	-	-	0.4	-	0.4	-	0.4
Balance as at 30 June 2015	**0.5**	**92.1**	**(20.3)**	**359.7**	**227.0**	**26.5**	**685.5**	**1.4**	**686.9**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributed to equity holders of the Company								
	Share capital	**Share premium reserve**	**Treasury shares**	**Capital reserve from combination**	**Retained earnings**	**Accumulated other comprehensive income (loss)***	**Total**	**Non-controlling interests**	**Total equity**
	EUR (millions) – Unaudited								
Balance as at 1 January 2014	**0.5**	**92.1**	**-**	**-**	**189.9**	**(7.7)**	**274.8**	**1.4**	**276.2**
Net income for the period	-	-	-	-	13.9	-	13.9	-	13.9
Other comprehensive income	-	-	-	-	-	6.1	6.1	-	6.1
Total comprehensive income	**-**	**-**	**-**	**-**	**13.9**	**6.1**	**20.0**	**-**	**20.0**
Purchase of treasury shares	-	-	(20.3)	-	-	-	(20.3)	-	(20.3)
Combination with Cineworld	-	-	-	359.7	-	6.8	366.5	-	366.5
Share based compensation	-	-	-	-	0.2	-	0.2	-	0.2
Balance as at 30 June 2014	**0.5**	**92.1**	**(20.3)**	**359.7**	**204.0**	**5.2**	**641.2**	**1.4**	**642.6**

***** Reclassified

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	for the six months ended 30 June	
	2015	**2014**
	(Unaudited)	
	EUR (millions)	
Cash flows from operating activities		
Net income	**17.0**	13.9
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortisation	**1.2**	6.2
Share of profit of equity-accounted investees	**(13.1)**	(3.8)
Interest income	**-**	(0.1)
Interest received	**-**	0.1
Interest expenses	**-**	1.8
Interest paid	**-**	(1.8)
Income tax expenses	**0.7**	0.5
Income taxes paid	**(0.7)**	(1.7)
	5.1	**15.1**
Increase in inventories	**-**	(0.5)
(Increase)/decrease in trade receivables	**(0.1)**	2.8
Increase in other accounts receivable	**(0.2)**	(7.3)
Increase in accounts payable	**10.2**	2.4
Net cash from operating activities	**15.0**	12.5
Cash flows used in investing activities		
Purchase of property and equipment and other assets	**(7.6)**	(3.7)
Investments in intangible assets	**-**	(0.9)
Loan to Parent company	**(2.5)**	(1.5)
Proceeds from disposition of property and equipment	**0.4**	-
Net cash used in investing activities	**(9.7)**	(6.1)
Cash flows from financing activities		
Proceeds from long-term loans	**41.4**	-
Repayment of long-term loans	**-**	(219.1)
Net proceeds with respect to the combination with Cineworld	**-**	307.1
Purchase of treasury shares	**-**	(20.3)
Net cash from financing activities	**41.4**	67.7
Foreign currency exchange differences on cash and cash equivalents	**(0.3)**	2.4
Increase in cash and cash equivalents	**46.4**	76.5
Cash and cash equivalents at beginning of the period	**92.3**	34.4
Cash and cash equivalents at end of period	**138.7**	110.9

Note 1- Basis of preparation

Reporting entity

Global City Holdings N.V., formerly Cinema City International N.V., ("the Company") is incorporated and domiciled in the Netherlands. The Company shares are traded on the Warsaw Stock Exchange. As at 30 June 2015, I.T. International Theatres Ltd. ("ITIT" or "Parent Company"), incorporated in Israel, held 53.89% of the outstanding shares of the Company.

The Company (together with its subsidiaries, the "Group") is operating in the following areas: Cinema business, Real estate operations and Leisure operations.

Following the completion of the combination with Cineworld Group Plc. ("Cineworld"), dated 27 February 2014, the Company operates its cinema business through its holding in Cineworld, the second largest cinema operator in Europe.

Statement of compliance

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union, in particular in accordance with IAS 34 and do not include all the information and disclosures required in annual consolidated financial statements, therefore should be read in conjunction with the Company's annual consolidated financial statements as at 31 December 2014 ("Annual Consolidated Financial Statements"), which are available upon request from the Company's registered office at Weena 210-212, 3012 NJ Rotterdam, the Netherlands or at the Company's website: www.globalcityholdings.com.

Significant accounting policies

These Interim Condensed Consolidated Financial Statements are unaudited and have been prepared on the basis of accounting policies consistent with those applied in the Annual Consolidated Financial Statements.

Note 2 - Segment Reporting

The Company continues to review the cinema business as a reportable segment and accordingly:

1. The cinema business figures for the current period include also the figures of Cineworld.
2. The comparative information was reclassified to combine the theatre operation and the film distribution.

	For the six months ended 30 June 2015			
	EUR (millions) - (Unaudited)			
	Cinema business*	Other	Adjustments	Consolidated
Revenues	449.4	2.2	(445.4)	6.2
Operating income	56.1	0.8	(42.7)	14.2
Share of profit of equity-accounted investees - Ronson	-	0.2	-	0.2

*Including the results of Cineworld for the first half of the 2015's fiscal year.

	As at 30 June 2015			
	EUR (millions) - (Unaudited)			
	Cinema business	Other	Adjustments	Consolidated
Segment assets	1,737.9*	300.0	(1,291.6)	746.3
Segment liabilities	735.6**	59.4	(735.6)	59.4

*Including primarily the assets of Cineworld as at the end of the first half of the 2015's fiscal year and the Company's cinema real estate.
** Including the liabilities of Cineworld as at the end of the first half of the 2015's fiscal year.

Note 2 - Segment Reporting (cont')

	For the six months ended 30 June 2014			
	EUR (millions) - (Unaudited)			
	Cinema business*	Other	Adjustments	Consolidated
Revenues	378.7	2.2	(324.5)	56.4
Operating income	30.5	0.8	(18.9)	12.4
Share of profit of equity-accounted investees - Ronson	-	0.4	-	0.4

*Including the results of Cineworld for the first half of the 2014's fiscal year and of Cinema City Holding B.V. for the period until 27 February 2014.

	As at 31 December 2014			
	EUR (millions) - (Audited)			
	Cinema business	Other	Adjustments	Consolidated
Segment assets	1,619.7*	236.9	(1,209.1)	647.5
Segment liabilities	708.7**	6.3	(708.7)	6.3

*Including primarily the assets of Cineworld and the Company's cinema real estate.
** Including the liabilities of Cineworld.

Note 3 - Subsequent events

On 9 June 2015 the Company, announced a public tender offer to subscribe for the sale of the Company's own shares (the "Tender Offer"). The Tender Offer was completed through the purchase of 20,639,017 shares in the Company on 27 July 2015. The transaction was settled on 28 July 2015 at a price of 47.70 PLN per share subject to withholding tax, unless otherwise stipulated in the applicable tax treaty for a total consideration of PLN 984.5 million (EUR 237.3 million) . Prior to the settlement of the above-mentioned transactions, the Company held 2,370,724 of its own shares. Following the transactions, the Company holds 23,009,741 of its own shares with a nominal value of EUR 0.01 each which do not entitle the Company to exercise any voting rights attached to such shares and these shares are not entitled to any dividends In connection with financing entered into in the framework of the buy-back Tender Offer, the Company has pledged all the shares it holds in Cineworld.

The Company is in the process of delisting the Company's shares from the WSE.

The Board of Directors

_____
Peter Dudolenski,
Executive Director

_____	_____	_____
Israel Greidinger	Moshe Greidinger	Mark Segall
Non-Executive Director	Non-Executive Director	Non-Executive Director
_____	_____	_____
Yair Shilhav	Caroline Twist	Peter Weishut
Non-Executive Director	Non-Executive Director	Non-Executive Director

Rotterdam, 4 September 2015