



Inspiring confidence

We aim to be recognised as the leading professional services firm in Cyprus bringing real value to our clients, investing in our people and supporting our local communities.

With nearly 1000 partners and staff in offices around the island we are able to draw on the knowledge and skills of our people and of colleagues in our global network of firms.

We stick to a simple winning strategy: leading in the markets we choose to serve based on quality and being a great place to work for all our people.

There's no escaping the fact that this last year has been one of the most challenging. But, as the old saying goes, 'smooth seas do not make skilful sailors' and the recent turmoil has presented us with the opportunity to demonstrate the Firm's ability to continue deliver quality services in even the most testing environment.

Managing the firm

PricewaterhouseCoopers Ltd is a limited liability company. It is wholly owned by its members/shareholders who, in professional firms, are commonly referred to as partners.

The Executive Board is responsible for developing and implementing the policies, strategy, direction and management of the firm. It is chaired by the CEO, Phidias Pilides, whose second term of office runs for five years from January 2007. The Chairman appoints five Executive Board members and the other five are elected. All the Executive Board members are partners in the firm and have the same term as the CEO.



The current members of the Executive Board all of whom have served throughout the period from 1 July 2007 are:

Phidias Pilides (CEO)
Dinos Papadopoulos (Deputy CEO)
Panikos Tsiailis
Chris Santis
Stephos Stephanides
Costas Mavrocordatos
Vasilis Hadjivassiliou
George Loizou
Pantelis Evangelou
Evgenios Evgeniou
Philippos Soseilos

Tasos Televantides who has served as a member of the EB through the period from 1 July 2007 retired on 30 September 2008.

The Executive Board holds one main monthly meeting, but also conducts formal business at additional meetings as necessary.

Assisting the CEO in the day to day operational management of the firm is the Management Team which has also been enlarged to four persons comprising the CEO, the Deputy CEO, Dinos Papadopoulos as well as Panikos Tsiailis and Chris Santis. The management team meets on a need basis to discuss and resolve matters arising.

Corporate governance

Sound governance and transparency form the bedrock of leadership. At PricewaterhouseCoopers, we are committed to serving as a force for integrity, good sense and wise solutions to the problems facing businesses and the capital markets today.

Transparency and good standards of corporate governance – both in our clients' businesses and in our own – are central to our ability to achieve those objectives. We aim to continue to achieve them from a position of strength as a leader in our profession.

New partners and directors

We focus on recruiting and retaining top talented people and developing them to be the next generation leaders. This year Tony Hadjiloucas, ACA and Petros N Maroudias, ACA both in Global Compliance Services were admitted to partnership and appointed members of the Board of Directors of the company. Also Antonis C Christodoulides, ACA – Tax Services and Anna G Loizou, ACA – Assurance Services were appointed Directors of Operations.



From left to right: Antonis C Christodoulides, Anna G Loizou, Tony Hadjiloucas, Petros N Maroudias

Service Line Leaders

Our client facing activities are managed through a Lines of Service structure and the firm operates under five separate Service Lines:

Service Line	Leader
Assurance	Chris Santis
Advisory	Stephos Stephanides
Tax	Panicos Kaouris
Global Compliance Services	Costas Mavrocordatos
Corporate Support Services	Angelos Loizou

Global knowledge local expertise

163.000 people in 151 countries working together to offer solutions that build public trust and enhance value for clients and stakeholders.

At PwC Cyprus, we utilize the knowledge and experience of our international network to help our local clients solve complicated business problems and manage risk in an extremely competitive environment. In a global network like PwC, people from different countries and cultures have the opportunity to exchange knowledge, ideas and experience that result in new ways to support our clients.

But PwC is not only a recipient of the global network's benefits. We have also contributed with some of our own talented people holding positions in the network.



Ethics and business conduct

PricewaterhouseCoopers (“PwC”) is one of the world’s pre-eminent professional services organisations. As professional advisers we help our clients solve complex business problems and aim to enhance their ability to build value, manage risk and improve performance. As business advisors we play a significant role in the operation of the world’s capital markets. We take pride in the fact that our services add value by helping to improve transparency, trust and consistency of business processes. In order to succeed, we must grow and develop, both as individuals and as a business. Our core values of excellence, teamwork and leadership help us to achieve this growth.

While we conduct our business within the framework of applicable professional standards, laws, regulations and internal policies, we also acknowledge that these standards, laws, regulations and policies do not cover all types of behaviour.

As a result, we also have a code of conduct for all PwC people and firms. This code is based on our values and it takes them to the next level demonstrating our values in action. The code also provides a frame of reference for PwC firms to establish more specific supplements to address territorial issues.

Awards and Accreditations

The numerous accreditations and awards, which we have received throughout the years, are a recognition that our firm excels in providing quality services to our clients, as well as in managing our people. These independent third-party, local and international awards and accreditations, make us proud of the quality of our work and innovative Human Capital Management practices.

Our goal is to continuously improve our working environment and facilitate the provision of high quality services to our clients.

- 2009 – Best Tax Team of the Year Award (won by PwC) – by World Finance magazine “Legal Awards 2009”.
- 2009 – Investor in People – International Accreditation in Human Capital Management – awarded by Investors in People UK.
- 2009 – Channels of Access Accreditation (Part of the EQUAL project) – Co-sponsored by the European Social Fund (50%) and the Cyprus Government (50%).
- 2009 – CSR/Environment Award – Business Awards 2008 by In Business Magazine.





Transparency

In 2005, the European Council adopted the 8th Directive which has been enacted in Cyprus in April 2009. The legislation requires that audit firms must prepare a transparency report and post it on their website within 3 months of the end of their financial year. In our case, that means before 30 September of each year.

We, at PwC, being at the leading edge of what is happening in our profession have introduced this reporting as from the year 2008 with a view to give the reader an impression of the design of the quality control system of PricewaterhouseCoopers Limited (the audit firm in the meaning of the 8th Directive), as well as of the effectiveness of its operation in the past financial year. Within this framework, the present report looks at the following aspects:

- the legal and organisational structure, including the organisational measures taken to assure optimal quality
- the organisation of our European and worldwide network

- a brief description of our quality control system
- the measures taken to ensure that we are independent from our clients and principals
- the policy to maintain optimal expertise among our partners, directors and staff
- the distribution of our revenue between statutory audits and other assurance services
- the basis for the remuneration of our external auditors, as well as the importance of delivering optimal quality
- our sanctions policy if partners, directors or employees fail to meet our quality requirements
- the list of our audit clients, which are classified as Public Interest Entities (PIE) and therefore have seen additional quality measures.

Legal and organisational structure

PricewaterhouseCoopers Limited, the audit firm, is owned 100% by the Partners of the Cyprus firm who are professional practitioners working with the firm, either directly or through PricewaterhouseCoopers, a partnership registered in Cyprus.

The CEO, together with the Executive Board, is responsible for the design, maintenance and operation of an effective quality control system. They are therefore designated as policymakers in the meaning of the 8th Directive.

External auditors

The policy within the audit firm is that only experienced professionals at partner and director level can be designated as external auditors in the meaning of the 8th Directive. All other employees operate under the responsibility of, and report to, the external auditor in charge of the engagement and have no authority to sign opinions.

Business units

The audit line of service is divided into business units (BUs). The tasks of the Assurance Line of Service Leader (ALSL) include the following:

- implement relevant regulations in the field of quality, risk management and Code of Conduct
- pursue objectives in terms of revenue, productivity and profitability
- develop and manage an effective infrastructure (required staffing and resources, industry knowledge)
- manage staffing with a focus on client service and also monitor the development, experience and behaviour of our people. The ALSL is assisted in this respect by the Assurance Human Capital partner.

In addition to the Human Capital partner, the ALSL is also supported by the Assurance Risk Management Partner. On behalf of the ALSL the ARM Assurance partner ensure compliance with the set quality and risk management standards. Among other things, these relate to the acceptance, continuation and implementation of statutory audits.

Independence Office

Our organisation has been strengthened with an Independence Officer 'conflict checking' independence and monitoring. This supervision concerns assessing the effectiveness of our internal quality assurance and control system. The assessment comprises both the organisation and its procedures as well as the quality guidelines to be applied per individual engagement.

Organisational structure of the international network

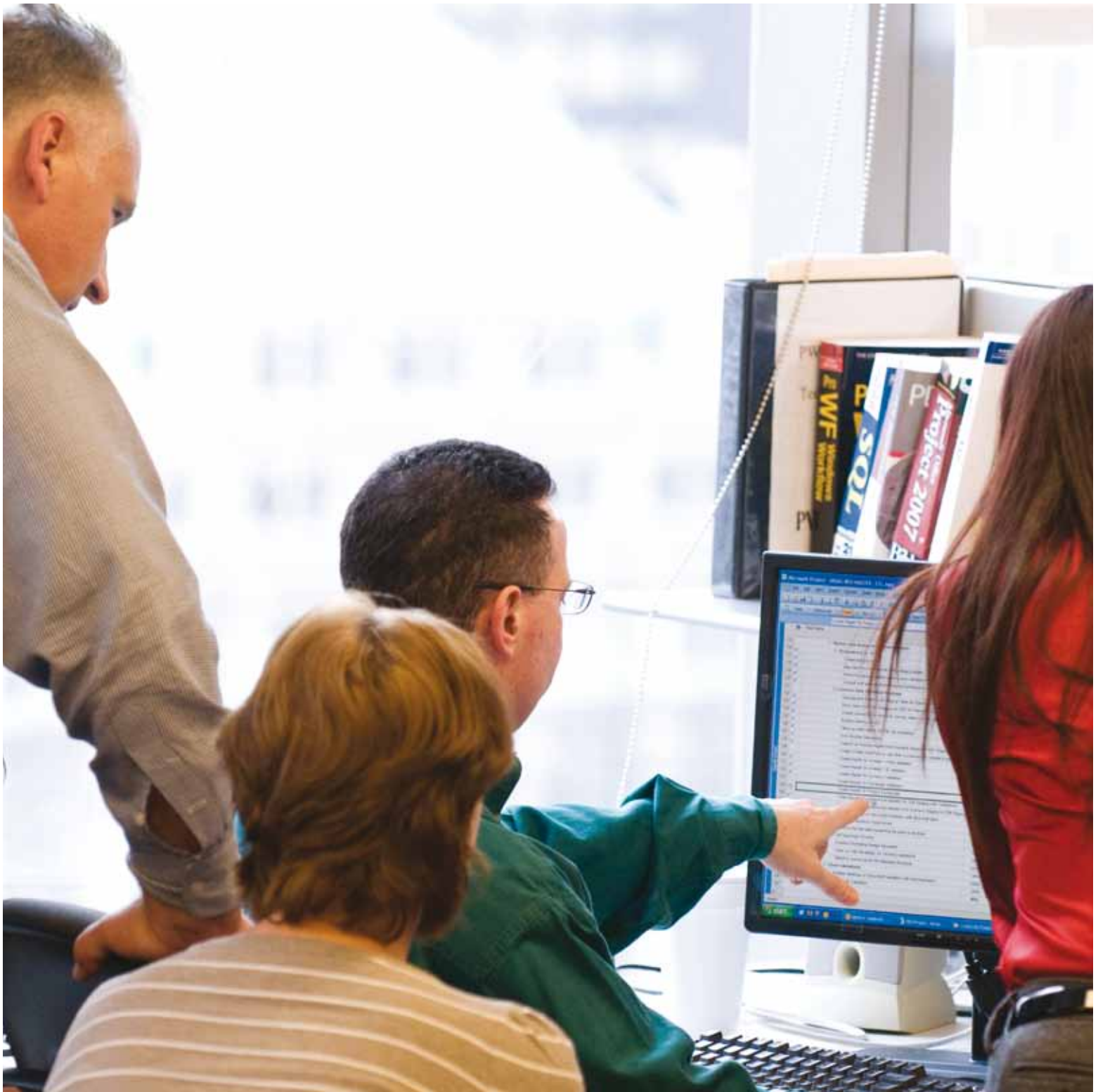
PricewaterhouseCoopers Limited, along with other firms across the world, is a member of PricewaterhouseCoopers International Limited, a company limited by guarantee registered in England. Each member firm is legally separate, locally owned and locally managed.

This legal structure gives each member firm the flexibility and autonomy to respond quickly and effectively to local conditions in its marketplace. It also reflects the fact that regulatory authorities in most countries grant the right to practise accountancy to nationally-based firms in which locally qualified professionals have at least majority ownership and control.

When they become members of PricewaterhouseCoopers International Limited and join the global network member firms acquire the right to use the PricewaterhouseCoopers name and gain ready access to the network's shared resources, methodologies, knowledge and expertise. In return, each firm commits to abide by a set of common policies and maintain agreed quality standards.

The global PricewaterhouseCoopers network creates a platform on which member firms share knowledge, skills and resources in order to deliver services of consistently high quality to clients across the world. In every country, PwC member firms are supported by shared methodologies, knowledge bases and technology, and by access to highly specialist expertise and thought leadership.

Our global industries programme provides our clients and our people with thought leadership on the most important issues for the industry sectors we support.



Quality control system

Quality policy

Delivering a high quality of service means more to us than just complying with rules and regulations. It also testifies to our commitment to adding value to our clients. We want to perform our social role as accountants and participate in the 'global' and 'local' challenges across a broad spectrum of industries and sectors. Our policy is that we do not compromise in handling conflicts, and always remain true to our professional standards and ethical principles. In short, quality is a high priority within our organisation. Our policymakers also constantly stress the importance of quality during courses and internal meetings. In addition, a designated member of the Executive Board carries ultimate responsibility for our quality and risk management. In this context we also regularly carry out client visits and client satisfaction surveys.

Any client of the audit firm who wishes at any time to report (a suspicion of) business wrongdoing or an incident can do so using a careful procedure that is surrounded by safeguards and assurances.

Other complaints concerning our services can be communicated directly to the partner or director with whom the client maintains relations.

Quality assurance and control system

To meet the required standards for services rendered, we have competent professionals and industry experts. They ensure a rapid exchange of knowledge and information. They can rely on a good organisational and technical infrastructure with a strongly developed internal quality assurance and control system. Quality and risk management within our services thus forms an integral part of the way in which our organisation is run.

The quality assurance and control system is designed and set up to provide the policymakers with a reasonable degree of assurance that statutory audits are performed in accordance with the applicable rules and regulations.

The central pillars of this system are:

- clear responsibility and accountability structure (governance)
- broadly supported Code of Conduct, including the Complaints and Whistleblowing Policy

- extensive professional quality and risk management system in our operational business processes under the supervision of the Assurance LOS Leader.
- wide-ranging training programme, including the annual Summer School
- procedure for acceptance and retention of clients and engagements (including Client Selectivity)
- support from professionals by the Technical Panels on professional issues
- monitoring of quality control programme performed periodically by the Assurance LOS Leader
- annual confirmation from all partners and directors testifying to their compliance with all relevant laws and regulations
- a global audit methodology (PwC Audit) using, on the one hand, a state-of-the-art audit approach, standard electronic files and sector-specific audit programmes and on the other hand, based on each client's specific problems and complexities.

Periodic evaluation

We regularly evaluate the design and effective functioning of our internal quality assurance and control system. Any identified shortcomings is addressed through a remediation procedure to adjust the systems or correct our practices.

Public Interest Entities

The term Public Interest Entities is defined in the 8th Directive. In short, the definition includes listed companies, credit institutions and insurance companies whose registered office is in Cyprus.

The appendix contains the names of the Public Interest Entities where PricewaterhouseCoopers Limited performed statutory audits in the current reporting year.

Amathus Public Ltd
Apollo Investment Fund Plc
Astarti Development Plc
Claridge Public Ltd
CLR Investment Fund Public Ltd
Constantinou Bros Hotels Public Co Ltd
Cytrustees Investment Public Company Ltd – Cyprus Shares
D.H. Cyprotels Plc
Ermes Department Stores Plc
Europrofit Capital Investors Public Ltd
G.A.P. Vassilopoulos Public Ltd
Interfund Investments Plc
K & G Complex Public Company Limited
Kanika Hotels Plc

L.P. Transbeton Public Ltd
Leptos Calypso Hotels Public Ltd
Libra Holidays Group Plc
Mallouppas & Papacostas Public Co Ltd
Marfin CLR Public Co Ltd
Marfin Popular Bank Public Co Ltd
Mitsides Public Company Ltd
Pandora (Investments) Public Ltd
Philoktimatiki Public Ltd
The Cyprus Cement Public Company Ltd
Unifast Finance & Investments Public Co Ltd
Unigrowth Investments Public Ltd
Woolworth (Cyprus) Properties Plc

Compliance with independence requirements

We have developed various systems to guarantee our independence. Apart from meeting the personal independence requirements, it is also extremely important to meet the requirements applicable to the other services (other assurance services).

Our monitoring system consists of:

- detailed guidelines and procedures
 - an obligatory independence course
 - a periodic obligatory written statement on personal independence
 - a partner rotation programme ensuring periodic rotation of the client portfolio
 - independence statements for specific client situations
 - an automated assessment system (CES) for making independence assessments for new clients and/or engagement
 - automated international assessment system ('My Portfolio') for recording holdings of securities and stocks
- consultations with our independence experts
 - (random) checks on compliance with our independence procedures
 - a system that documents the nature of our services for our international clients (AFS). This takes place worldwide to ensure we avoid entering into any engagements that could jeopardise our independence in relation to the engagement in question.

Staff Expertise Policy

To meet our stringent professional standards, PwC can rely on the services of competent professionals. By means of a good organisational and technical infrastructure, our professionals are encouraged to maintain and expand their professional expertise. The basis of this infrastructure is formed by our professional policy. Part of this infrastructure consists of the quality assurance system where our professionals can access all professional rules and regulations (both external and internal PwC rules) through a single portal. The Assurance Risk Management Manual (ARM) is particularly important in this connection.

Modern audit practice demands the use of a broad range of specialists. Our training programme is especially geared to meeting these needs. The PwC audit method is highly advanced and client-focused. Our people receive regular training in the application of this functionality, according to the level of their work.

Revenue

The total revenue for the financial year 2008/2009 of PricewaterhouseCoopers Limited amounted to €75,4 (2007/2008: €68,9m).

The revenue of the audit line of service breaks down as follows:

(X € 1m)	2008/2009	2007/2008
Statutory audits	21,9	19,7
Other Assurance services	1,7	1,2
Services for non-audit clients	0,4	0,7
Total	24,0	21,6

The other Assurance Services include the voluntary annual audits and work relating to e.g. capital market transactions. Other services concern administrative support, among other things.

Partners Remuneration

The firm has implemented a remuneration system for partners which reflects three elements, responsibility, equity and performance of each individual partner.

The responsibility component is paid in the form of monthly salary and is based on what work a partner is asked to do and the degree of complexity and responsibility of this work.

The equity component is paid by way of dividend to all equity holding partners on the basis of the ordinary shares held by each partner in PricewaterhouseCoopers Ltd.

The performance component is paid to partners in the form of dividends based on the preference shares of PricewaterhouseCoopers Ltd held through a trust for the partners. The preference shares are paid incentive achievement dividends.

Sanctions policy

We consider compliance with regulations, directions and instructions in the field of quality policy a matter of the utmost importance. Non-compliance not only jeopardises the good reputation and financial position of PwC, but also that of

others. A sanctions policy is in place as part of our overall quality assurance and control system in order to implement the applicable quality policy. Action is therefore taken in the event of any instance of non-compliance with the (external and internal) rules. This may eventually result in a sanction varying from a written warning or reprimand to, in extreme cases, actual dismissal of the employee or termination of the affiliation agreement.

The sanctions policy contains an overview of possible sanctions and the manner in which certain regulatory infringements are referred to relevant bodies. The latter takes place in conformity with the carefully prepared procedures and, depending on the nature of the infringement and the phase of the process in question, to bodies such as the Complaints Committee, the Business Conduct Committee, the Independence Sanctions Committee or other administrative and supervisory bodies.

We plan(t) for the future: Experience for life

Since its early stages PwC in Cyprus is playing a leading role in our business and social community. Corporate responsibility for PwC is about creating the right culture for our business – one in which we not only understand our impacts, but are motivated to manage them effectively.

We believe that modern forward looking organisations of the future will be those organisations creating and maintaining a sustainable society with equal opportunities for people today and for the future generations. Which develop responsible people and nurture cultures to address this great challenge.

The CSR activity in our organisation is all about abiding with our Code of Conduct and our three main values: Excellence, Leadership and Teamwork in our relationships with all our stakeholders:

- our people and their families,
- our peers,
- our clients,
- our regulators,
- our society at large as well as with our natural environment



Our CSR activities are led by Androulla Aristidou, Director of Operations (Marketing & Communications) with a committee chaired by Stelios Anastasiou, Senior Manager (Global Compliance Services) The members of the committee are the followings:

1. George Ioannou
2. Yiannis Televantides
3. Thoula Yerasimou Stavrou
4. Elina Karayianni
5. Christina Hadjigeorgiou
6. Varnavas Nicolaou
7. Theonie Adamidou

Our mission is reflected in our Corporate Social Responsibility (CSR) Motto: We plan(t) for the future: Experience for life We: Working together, our capacity for supporting our community is far greater than the sum of its parts. Our aim is to involve as many people as possible in ... plan(t) for: "Planting seeds". Planning and acting responsibly to our society and our

stakeholders in order to safeguard ... the future: a sustainable future Experience for: Commit our values and our PwC Experience to bring our mission to Life: Life, in an effort to enhance and preserve the quality of life.

We believe that in order to achieve our mission we need to identify and understand our society's needs and focus on areas where our skills, experiences, competencies and mainly our collective effort can make a difference. We recognise that individually and most importantly collectively we can have a positive impact on our society and share our knowledge, expertise and experiences with our community.

In order to ensure that all the activities we undertake are in line with our mission and strategy, we have set a number of specific criteria that each CSR activity we undertake should meet.

The CSR strategy of PwC is implemented through five pillars.

In PwC, CSR is now integral to what we do; an inherent part of our core business. Economic goals and social objects can no longer be regarded as separate and distinct. Our people are enthusiastically getting involved not only in local projects but also in initiatives driven globally by the Global Communities of PwC, understanding how they can positively make a difference. It is encouraging to see that 89% (Source Global People Survey 2009) of our people in Cyprus are satisfied with the actions we take to be socially responsible and that 65% (2009) are interested in volunteering to participate in CSR activities.

Volunteering

In addition to providing top quality services, our people demonstrate commitment to our responsibility towards our community and our environment. A total of 191 people from our firm volunteered spending 560 hours for some of our activities such as Blood Donation, Tree Planting, Cleaning of Beaches and workshops we run during the year for children and siblings of our people for career, counselling and IT.



Giving

Giving allows the firm and its people to donate to community funding. At PwC Cyprus we recognise the commitment of our people to help charities which they choose and spend from their own time. We support them either by actual contributions or by organising attendance of our own people at the events organised for fund raising for these charities. A new initiative this year which had a remarkable result were the combined efforts of our firm and its people and NewCytech Limited which enabled us to collect a total of €11,035 for our annual support to the Cyprus Anti-cancer society, which supports fully our CSR philosophy: “when we join forces, we make our society stronger”.

Other charitable organisations we have supported this year were the “Make a wish”, “Young Volunteers” “Unicef” and many others.

Corporate Community Leadership

Corporate Community Leadership is about sharing knowledge, experiences and skills with our stakeholders through surveys publications, seminars and through participation of our people in the boards of business association, specialised agencies and educational institutions.

During FY09 our main focus under this pillar was on the following activities:

- The issue and distribution of publications and other material in an effort to share our knowledge and experiences with society.
- The participation of our people in community and/or business organisations.
- The introduction of surveys in an effort to bring to the surface topical issues and new perspectives, which we can share with our society.
- The granting of awards to top university and college students focussing on supporting talented people, the future business leaders.

- Support of our Olympic athlete Andreas Cariolou, member of the Cyprus Olympics sailing team

PwC Cyprus fully supports the Cyprus economy and stands next to the businesses with professional dedication of its people by tapping into the knowledge and experience of our international network, Through our CSR activity we have always extrovertly supported the development of the economy of our country. During this year either through our own CSR programmes, or working with the Cyprus Government, Chamber of Commerce and Industry, business, professional and charitable associations and the education sector we have supported our society

Some of our projects:

Releasing and presenting our report on the results of the survey for the Economic Crisis in Cyprus, presenting the results of the Results of the Global Competitiveness Report on Cyprus with the Cyprus Development Bank and the University of Cyprus, participating in round tables and conferences for the Hotel and Leisure Industry in Cyprus, participating as speakers in HR, CFO and CSR conferences

More than 70 of our people were involved spending around 500 hours. In addition, more than 50 of our people serve as members of the boards of business and social associations.

On 12 February 2009 PwC Cyprus has signed along with another 18 Cypriot organisations the European Road Safety Charter and committed to improve road user behaviour of our members and their dependents on road safety issues like speed, alcohol use and driving , seat belts and vehicles safety.

Being an organisation with the average age of our staff being around 28, we believe that we have a duty to society to work towards saving lives. Some of the activities that we undertake include:

- Introduction of a road safety session in all the induction courses for our new colleagues
- organisation of a lecture at the Police Safety Park for the children of our staff
- Organisation of a road safety workshop for our staff. During this event we have also arranged for checking of our staff's cars for main features that could lead to accidents such as condition of tyres, breaks etc. We have also prepared and distributed to all our staff leaflets on car safety issues.

Environment

As an organisation that continuously develops, we realise that PwC Cyprus' activities have an impact on the environment, some of which may be negative. Our policy is to work towards minimizing or even eliminating them. On the other hand, we realise that utilising the strength and willingness of our people we can have a positive impact on the preservation of the environment. Our main policy in relation to environment is two-fold:

- Minimise our negative impact on the environment
- Maximise our positive impact through our contribution to initiatives directed to the preservation of the environment

In the area of minimising our negative impact on the environment we have put in place an environmental policy. Our initiatives continued in FY09 throughout all our buildings. Whether old ones being renovated or new premises follow the detailed plan of action for minimizing the impact on the environment. This plan includes amongst others, minimizing the use of electricity, water, paper, introduction of paper recycling, reduction of CO2 emissions by replacing travelling with electronic conference calls. Our building management system uses environmental friendly cleaning products. The environmental plan of our organisation is communicated to our people through our CSR policy.

External initiatives undertaken in an effort to contribute to the preservation of the environment included:

- Environmental event which included the cleaning of a beach as well as a painting competition for our staff's children in an effort to raise the environmental consciousness of our staff and our children.
- An event on saving CO2 emission. On a specific day people were encouraged to come to work on foot, by bicycle or sharing a car with a colleague.

Providing Professional Services - Pro-bono

During FY09, 64 partners and staff were involved in the provision of pro-bono and discounted services to a number of community organisations and charitable institutions worth about €42,500. In total, more than 346 hours were charged by partners and staff under this pillar.

An honourable recognition

In December 2008 PwC Cyprus was awarded the Corporate Social Responsibility/Environment Award at the ceremony of the "In Business Awards 2008". We will continue our efforts to strengthen our responsibility in ensuring that our activities support a strong and thriving community as in PwC we believe that CSR excels the "corporate responsibility". It is a truism demand of our people to participate in a better tomorrow.

PwC Survey on the impact of the financial crisis on the Cyprus businesses

PricewaterhouseCoopers have always, with professional dedication and by tapping into the knowledge and experience of our international network, supported the development of our clients and the Cyprus economy in general. Therefore, we considered it our duty and responsibility to launch a survey to research, analyse and interpret the prevailing views and perceptions in our market. Through a holistic and innovative approach, we took the pulse of small and large businesses. The responses revealed a prevailing feeling of optimism and confidence but there is also a lot of work to be done.

The results, presented on 4 May at a press conference, received a wide coverage in both paper and electronic media. Discussions of the results followed on 13 May with more than 30 professionals across industries, clients of the firm.



The survey which comprised of a qualitative and a quantitative part, took place in February and March and pioneered in its approach and analysis: More specifically, the quantitative part examined a) the opinions of larger Cypriot businesses (sample 49 businesses), b) the opinions of small to medium-sized businesses (sample 220 businesses). Through the qualitative part, the survey revealed the thoughts, concerns and expectations of productive teams of the population regarding the attitude of Cypriot businesses with respect to the economic crisis.

According to the results of the survey, 19% of the large businesses express great optimism for their business during the crisis, while 65% are quite optimistic. In the small-medium size sector the corresponding percentages are 13% (very optimistic) and 53% (quite optimistic). These percentages are recorded despite the recognition that the Cypriot economy, by a percentage of 78% - 84% (Small-Medium - Large), will be considerably influenced by the crisis.

Generally, small to medium-size businesses feel greater concern and insecurity in comparison to the large enterprises, something reflected in almost all the questions of the survey.

The findings concerning job positions during the crisis are very interesting. In the question how will their own business act, large businesses in a percentage of 76% state that they will not proceed in reductions of job positions, while in the small -medium size sector the corresponding percentage was 40%. However when asked for their general assessment on this subject, a percentage of 96%-98% of the businesses estimate that reductions of work positions will arise amongst the Cypriot businesses.

Regarding their predictions for salary increases in 2009 and 2010, an expectation of low salary increases is recorded (for 2009, 47% of the business consider the range to be in 0-3%, while 25% in the range of 4-6%).

Regarding the critical subject of the existence of a business strategy during the crisis, 67% of large businesses consider that they have a strategy in place while 29% are planning their strategy during this period. In the small - medium size sector percentages are reduced to 46% and 28% respectively.