



**CYPRUS TRADING CORPORATION PLC**

**Preliminary Unaudited Condensed Consolidated Profit and Loss Account  
for the six months ended 30<sup>th</sup> of June 2013**

**TURNOVER €163.3m  
PROFIT AFTER TAX €9,25m**

	UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30th OF JUNE 2013	AUDITED RESULTS FOR THE YEAR	
	2013 €'000	2012 €'000	2012 €'000
<b>Turnover</b>	<b>163.305</b>	191.120	407.445
<b>Gross Profit and Other Income</b>	<b>65.986</b>	58.819	133.042
<b>Net Profit of the Group after tax</b>	<b>9.254</b>	(2.008)	7.125
<b>Attributable to:</b>			
Shareholders	<b>2.470</b>	(1.778)	4.381
Minority Interest	<b>6.784</b>	(230)	2.744
<b>Basic and fully diluted earnings per share (cents)</b>	<b>2,68</b>	(1,93)	4,76

**NOTES:**

1. The Preliminary, Unaudited, Condensed, Consolidated Profit and Loss Account constitute an extract from the Consolidated Financial Statements of Cyprus Trading Corporation Plc (CTC) for the six months ended 30<sup>th</sup> of June 2013.

The Preliminary Unaudited Condensed Consolidated Profit and Loss Account include the results of the subsidiary companies:

- Ermes Department Stores Plc and subsidiaries
- Woolworth (Cyprus) Properties Plc and subsidiaries
- Argosy Trading Company Ltd
- Cassandra Trading Ltd
- CTC Automotive Ltd
- Artview Co. Ltd
- Amaracos Holding (CTC+PG) Ltd
- HOB House of Beauty Ltd

and the results of the associate companies:

- MTN Cyprus Ltd – until 26/03/2013
- Cyprus Airports (F&B) Ltd

- Akinita Lakkos Mikelli Ltd

Cyprus Trading Corporation PLC is also a shareholder in Hermes Airports Ltd that has developed and is administrating the International Airports of Cyprus, in Larnaca and Pafos, until the 11th of May 2031. CTC is being represented at the Board of Directors, whereas the Executive Chairman of the Group, Mr. Nicos K. Shacolas is Honorary Life Chairman of Hermes. In the above consolidated Profit and Loss Account, Hermes Airports results are not included.

2. The Preliminary, Unaudited, Condensed, Consolidated Profit and Loss Account for the six months ended 30<sup>th</sup> of June 2013, has not been audited by the external auditors of the Company, but has been prepared in accordance with the set of accounting standards applicable for the preparation of the annual financial statements or interim financial statements (according to the provisions of International Accounting Standard No. 34), and according to the Transparency Requirements Law, taking into account the circulars of the Securities and Exchange Commission (SEC) and Cyprus Stock Exchange (CSE), and has been approved by the Board of Directors of the Company.
3. The turnover of the Group for the period ended 30<sup>th</sup> of June 2013 amounted to €163.305.000, compared to €191.120.000 in 2012, a reduction of €27.815.000 or 14,6%. The decrease is emanating mainly from the retail and vehicles sectors which are more heavily affected from the continuing economic crisis and the reduction of consumer spendable income. After the initial decision of the Eurogroup on the 16<sup>th</sup> of March 2013 in relation to the financial rescue package for the Cyprus economy there was a significant drop in turnover that has significantly hindered the results of the first six months. However, there was a retreat in turnover reduction towards the end of the period. In addition the turnover of the Group has also been affected by the decision to terminate the lossmaking operations of Domex Trading Company Ltd, a subsidiary of Ermes Department Stores Plc, as well as Debenhams Avenue shop of Ermes.

The depreciation charge of the Group for the period was €4.937.000, compared to €5.428.000 in 2012. The depreciation does not constitute a cash outflow.

Net Profit after tax for the period reached €9.254.000, compared to a loss of €2.008.000 in 2012. Despite the reduction of the profitability in some companies of the Group, the successful completion of the sale of the participation of Amarcos Holding (CTC+PG) Ltd, a subsidiary of the Group, in MTN Cyprus Ltd (being 50%), to MTN Group South Africa has resulted in a significant profit for the period. This was done since it was decided that the investment of the Group in this business sector had matured. In addition, in the results of the period, non-recurring expenses of €2.869.000 have been recognised which comprise of impairments of the investments in fixed assets and other current assets in the terminated operations as well as impairments to cash that have been caused due to the Cyprus Banking System Resolution decree.

4. The events of last March, the conclusion of the Memorandum of understanding with Troika, the serious restructuring of the Cyprus banking sector, mainly with the closure of Cyprus Popular Bank, the increase in unemployment and the reduction in the earnings of the consumers in all sectors, create an unprecedented and uncertain situation which affects all sectors of the economy and mainly consumption. The Board of Directors and the Management of the Group are carefully managing the current difficult environment and have implemented a series of measures to reduce expenditure, which are already generating important results, reduce credit risk and reorganize operations, with an aim to keep the Group competitive and fully capable to abide to its obligations and successfully manage through the difficult times ahead. The results from operations for 2013 are expected to be substantially lower than the previous year. The results are also expected to be negatively affected by the impairment of investments and fixed assets from the termination of some operations and from possible impairment of goodwill in the consolidated balance sheet of the Group, noting that these do not constitute a cash outflow. In addition, the recent substantial increase in immovable property tax will further affect the results of the year. Moreover, as a consequence of all these, which also affect the real estate sector in general, there is a possibility that an adjustment to investments and other properties of the Group may occur. The Group will evaluate these at the end of the year. If there will be any adjustments it may negatively affect the results of the Group for the year.

Despite all this, it is encouraging that there seems to be a positive change in the public's psychology which can help in developing and expanding investment opportunities which will positively affect the results.

5. Copies of the Preliminary, Unaudited, Condensed, Consolidated Profit and Loss Account are available at the Company's Shares Department, Shacolas House, 3rd Floor, tel.: 22740300. In addition it has been posted on the Group's website at [www.ctcgroup.com](http://www.ctcgroup.com). This report will be published in daily-circulated newspapers.

### **Cyprus Trading Corporation Plc**

Nicosia, 28<sup>th</sup> of August 2013