The Company publishes the Interim Management Statement of the first quarter of pursuant to article 11 of the Transparency Requirements Law 2007 (N.190 (I) of 2007). The statement is based on the financial results of the first quarter of the year, which have not been audited by the external auditors of the Company.

A. General description of the financial condition

1. The results for the first quarter are affected by the fact that during the period, due to seasonality, Golden Coast Hotel remained closed and the occupancy ratio of Golden Bay Hotel was relatively low. The turnover for the period is 10% of the total turnover of the year, while the drop in operating cost is not proportional.

2. The turnover increased by €170 thousand to €532.613. This is mostly attributable to the lower reservations as a result of the lower demand in Cyprus this period.

3. The gross profit fell by €77 thousand to €4.364. Despite the significant decrease in the turnover, the drop in the gross profit was lower as a result of a restraining in the cost of sales.

4. The administrative expenses include depreciations and amortizations of €265.524 (2012: €249.658).

5. The other operating expenses increased by €28 thousand to €286.861. This increase is linked to the provisions for increased property tax.

6. The finance cost fell by €29 thousand to €96.611 due to a decrease in borrowing.

7. The net loss after taxation increased by €77.607 to €935.883.

The unaudited profit and loss account is as follows:

	From 1/1 to 30/9/2013 €	*From 1/1 to 30/9/2012* €
Turnover	532.613	702.067
Cost of sales	(528.249)	(620.402)
Gross profit	4.364	81.665
Selling and advertising expenses	(66.312)	(66.946)
Administrative expenses	(490.373)	(485.758)
Other operating expenses	(286.861)	(258.658)
Interests and other expenses	(96.611)	(125.290)
Increase/decrease in fair value of investments in financial assets via the profit and loss account	113	(298)
Loss before taxation	(935.680)	(855.285)
Taxation	(203)	(2.991)

Net loss for the period	(935.883)	(858.276)
Attributable to:		
Shareholders of parent company	(877.358)	(803.943)
Minority interest	(58.525)	(54.333)
	(935.883)	(858.276)
Loss per share attributable to shareholders of parent company	(2,51)	(2,30)

B. Main events

There were no significant events or attractions affecting the Group's financial condition during the period.

C. Risk Management

The Group is exposed to risks the most important of which are the credit risk, the exchange risk, the interest rate risk, the liquidity risk and the risk of the variation of the current value of investments in financial assets in fair value via the profit and loss account. The main risks are analyzed in note 29 of the consolidated financial statements for the year ended December 31, 2012 and are not expected to change in the next quarter of 2013. The risks also include those that follow the global crisis and are usually related to the variations of the bank behaviours in the management of the credit risks and the consumer intentions in the sector that the Company is actively involved in.

The Board of Directors is working towards dealing effectively with the aforementioned risks on the basis of new data.

D. Prospects

Despite the negative change in the environment, for which an extended reference is made in note 33 of the consolidated financial statements for the year ended December 31, 2012, Based on the results so far, the results for 2013 are expected to be at the same level as those of 2012.