

## Mallouppas & Papacostas: Interim Management Statement

The Interim Management Statement of the Company and the Group for the period from January 1 to May 29, 2014, which has been examined and approved by the Board of Directors at a meeting held on May 29, 2014, has not been audited by the external auditors of the Group.

The unaudited Interim Management Statement for the period has been prepared pursuant to article 11 of the Transparency Requirements Law 190(I)/2007.

The turnover of the Group for the first quarter of 2014 stood at €7.8 million compared to €6.5 million in the corresponding period of 2013, recording an increase of 20%. The gross profit stood at €3.0 million compared to €2.2 million in the corresponding period of 2013, recording an increase of 36.4%. The increase in the turnover and the gross profit is attributable to the operation of six new shops at the Kings Avenue Mall in Paphos and the increased sales of the Four Day Clearance.

The percentage of gross profit reached 37.9% compared to 33.9% in the corresponding period of 2013.

The Management believes that the negative climate in the market due to the unfavourable economic conditions will continue in 2014. In this unfavourable economic and business environment, all necessary efforts are being made to increase revenues, to improve profitability and to restrict expenditure.