



The Public Companies Cyprus Trading Corporation Plc, Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc issued the following Press Release/Announcement

CTC GROUP POSTS EXCELLENT RESULTS IN 2014 DESPITE A DIFFICULT YEAR

Thanks to its strategic moves and the divestment of mature investments at the right time, Cyprus Trading Corporation Plc Group succeeded, in a difficult year such as 2014, to post a net profit of €35,766,000. Significantly affecting these results was the profit of €39,626,000 arising from the Group's divestment of its share in CTC-ARI (Holdings) Ltd, the company which operates the commercial stores at the Larnaca and Paphos international airports, as well as of its share in Cyprus Airports (F&B) Ltd, the company that operates the cafes and restaurants at the two airports, for which relevant announcements have already been made.

It should be stressed that once again, in 2014, and thanks to targeted actions, CTC kept its operating expenses at the same level and significantly cut down financing costs, having succeeded in reducing its bank debt by another €38 million, thus cumulatively slashing borrowing by €100 million over the last two years. Together with the cash flow generated from the divestment of the investments at the Shacolas Emporium Park and the Mall of Engomi, the Group has further decreased its borrowing by €125 million, thus reaching total of €225 million in less than three years.

All the financial results were presented at the Annual General Meetings (AGMs) of the shareholders of the three companies - Cyprus Trading Corporation Plc, Ermes Departments Stores Plc και Woolworth (Cyprus) Properties Plc - held successively at Nicosia's Hilton Hotel on Thursday, September 10, 2015.

Presiding over the CTC AGM for the first time was Mr. Marios N. Shacolas, the new Executive Chairman and Managing Director of CTC, who succeeded the Group's founder Mr. Nicos Shacolas, who in turn was named Honorary Life Chairman by the board.

During the course of a detailed presentation, Mr. Marios Shacolas drew an analogy with the world-famous Volvo Ocean Race, showing an exciting video clip of the sailing race, and stressing how important strategy is to the success of any business enterprise. It is thanks to its proactive strategy, its large size and its diversification, Mr. Shacolas noted, that CTC has become a successful, robust and profitable organization.

The large size of the CTC Group, Mr. Marios Shacolas said, requires the Group's administration to be especially proactive and to be able to predict worsening conditions. This in turn entails a solid knowledge of macroeconomic conditions and trends that may affect the economy in general and the markets in which the Group operates.

He added that this understanding is a result of the investment of significant resources, as well as the tireless efforts of a strong strategic team, comprising experienced professionals and consultants, both within and outside the Group. It is an infrastructure which CTC's management relies upon to draw the necessary information and data allowing for the forging of appropriate strategies, in this way protecting shareholders' assets and at the same time maximizing the Group's overall performance.

CTC results

Mr. George Louca, Group Director of Finance and Information Technology, presented, on behalf of the Executive Chairman Mr. Marios Shacolas, CTC's financial results for 2014. Mr. Louca noted that the turnover of the Group - including of subsidiaries and associated companies - came to €303,217,000, compared to €313,161,000 in 2013.

The CTC Group's results from operations for 2015 are in line with initial projections. The divestment by the subsidiaries Ermes and Woolworth of their investments in Shacolas Emporium Park and The Mall of Engomi has significantly boosted cash flow. It is noted that, despite these divestments having created an accounting loss - expected according to preliminary estimates at around €17,000,000 - the real profit from the divestment, in relation to the cost, comes to €71,000,000.

ERMES results

Presenting the financial results of Ermes Department Stores Plc, Chairman Mr. George Aniliades noted that turnover in 2014 came to €156,039,000, compared to €167,020,000 in 2013, a 6.6 percent decline.

After operating costs, depreciation, non-recurring income, financing costs and taxation, net profit in 2014 came to €8,821,000, compared to €2,575, 000 in 2013. The 2014 results include a non-recurring profit of €10,199,000, generated through the divestment of the Group's share in CTC-ARI (Holdings) Ltd and Cyprus Airports (F&B) Ltd. Mr. Aniliades went on to announce that a new Superhome Centre DIY is now being constructed in Larnaca and is expected to start operating in December.

Woolworth results

Taking into account the recession throughout the year, the 2014 financial results for Woolworth (Cyprus) Properties Plc were satisfactory, according to company Chairman Mr. Demetris Demetriou.

In 2014 Woolworth posted an operating profit of €12,711,000, compared to losses of €20,503,000 in 2013. The net loss to shareholders for the year comes to €2,668,000, compared to losses of €35,808,000 in 2013. This was due to a book value loss as a result of a revaluation/reduction in the value of the Group's immovable property investments, which in turn are attributable to accounting provisions and are not a cash outflow.

As Mr. Demetriou noted, the Group's management is focusing on maximizing revenue and improving the prospects, value and marketability of its current commercial immovable properties. Regarding immovable properties that generate an annual income, efforts are underway to increase this income and improve their prospects. In addition, actions are being taken to ensure that properties not yet generating an annual income - such as the investment in the Lakkos Mikeli Properties in Nicosia, at Limni, and elsewhere - can be made more attractive to foreign investors.

Mr Nicos Shacolas honoured

During a short ceremony held before the AGMs wrapped up, Mr. Marios Shacolas, on behalf of CTC, presented to the Group's founder Mr. Nicos Shacolas an authentic scale replica of the VOLVO sailing craft that was used by all the crews during the last Volvo Ocean Race. Mr. Nicos Shacolas, he said, was an accomplished captain who is now handing over to his successors a sturdy and battle-worthy ship.

Evidently emotional, Mr. Nicos Shacolas said he is pleased and content in the knowledge that the ship he is handing over will continue sailing safely to its destination. People, he said, should dream creatively and explore possibilities, and through sound organisation, methodically, with enthusiasm and passion, press ahead with realizing their dreams.

Nicosia, September 11, 2015