



Cyprus Trading Corporation Plc

Indicative Unaudited Consolidated Condensed Statement of Comprehensive Income for the SIX MONTHS ended 30 June 2016

	UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE		Year ended 31 December
	2016 €000'ς	2015 €000'ς	2015 €000'ς
Turnover	<i>138.136</i>	135.422	291.826
Gross Profit and Other Income	<i>37.867</i>	35.011	77.438
Profit before Interest, Tax, and Depreciation (EBITDA)	<i>5.472</i>	3.634	11.985
(Loss) / Profit from Discontinued operations	<i>(828)</i>	4.828	(12.934)
Unrealised loss without any cash outflow, arising from the revaluation of investments and other properties and impairment of goodwill on investments	-	-	(26.522)
(Loss) / Profit for the Group (after tax)	<i>(3.226)</i>	(2.131)	(45.477)
Attributable to:			
Company's Shareholders	<i>(2.404)</i>	(1.703)	(35.374)
Non-Controlling Interest	<i>(822)</i>	428	(10.103)
Basic and fully diluted (losses) / earnings per share with nominal value €0,85 (cent)	<i>(2,58)</i>	(1,83)	(37,94)

NOTES:

- The Indicative Unaudited Condensed Consolidated Statement of Comprehensive Income of Cyprus Trading Corporation Plc (CTC), for the six months ended 30 June 2016, incorporates the results of:
 - The subsidiary Groups of Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc
 - The subsidiary Companies Argosy Trading Company Ltd, Cassandra Trading Ltd, CTC Automotive Ltd, Artview Co. Ltd, Amaracos Holding (CTC+PG) Ltd, HOB House of Beauty Ltd
 - The associate Company 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 Mr. Nicolas K. Shacolas is Honorary Life Chairman of Hermes. In the above consolidated Profit and Loss Account, Hermes Airports results are not included in the reported results.

2. The Indicative Unaudited Condensed Consolidated Statement of Comprehensive Income for the six months ended 2016, has not been audited by the external auditors of the Company, but has been prepared with the same accounting principles that have been applied for the preparation of the annual and 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. Turnover for the period amounted to €138.136.000 compared to €135.422.000 in 2015, showing an increase of 2,0%.
4. Gross Profit and Other Income amounted to €37.867.000 compared to €35.011.000 in 2015, showing an increase of 8,2%.
5. Following the deduction of operating expenses, the profit before interest, tax and depreciation (EBITDA), amounted to €5.472.000 compared to profit of €3.634.000 in 2015, recording a considerable improvement.
6. The results of the Group, following the deduction of depreciation, finance expenses, the loss from discontinued operations and tax, present a loss of €3.226.000, compared to a loss of €2.131.000 in 2015.

It is noted that the loss of €828.000 from discontinued operations for the first six months of 2016 is derived from the closure of non-profitable operations of Ermes Group, while the profit of €4.828.000 in the corresponding period of 2015, is derived from ITTL and Woolworth Commercial, the companies that own the commercial centers, the Mall of Cyprus and the Mall of Engomi. These investments have been disposed on 23 July 2015.

7. The per share net book value of the Company's shares, with nominal value of €0,85, was €1,13 on 30 June 2016 (31/12/2015: €1,17).
8. On 6 April 2016, an agreement was signed between the subsidiary company of Ermes Department Stores Plc, Idea Distribution of Appliances Ltd, owner of Scandia retail chain stores and E&G Electricplus Limited, owner of the Megaelectric retail chain stores. The agreement provides that the two companies establish a new company in which they will transfer all operations, staff, assets and liabilities. Ermes Department Stores Plc, will be controlling the new company by owning the 50% plus 1 share of its share capital, as well as by having the majority of the members in the Board of Directors.

On the 24 June 2016 the approval from the Commission for the Protection of Competition was granted and is expected that very soon the agreement will be implemented. Through the new Company, improved services and a greater range of products will be offered. Furthermore, it is expected to have, increase in turnover and a significant reduction in expenses due to synergies and economies of scale, resulting in improved profitability for the Group.

9. During the first half of 2016, the implementation of the plans for the redesign and improvement of the services offered and the improvement in the results of the Group has continued. In Ermes Group, the redesign and enrichment of the brands within its department and standalone stores continues. At the same time, the contribution of the new Super Home Center (DIY) in Larnaca is also noticeable. The Woolworth Group, proceeded in renting the Shacolas Tower in Ledra Street in Nicosia, to the famous retail chain store H&M. According to the terms of the agreement, increased revenues are expected. Regarding the issue of the planning permits for the Limni Bay project, belonging to Cyprus Limni Resorts & Golfcourses Plc, it is reminded that in December 2013 the Company was granted relevant planning permits for two golf courses that allow the development of Limni Bay resort at Polis Chrysochou. Moreover, in 2015 the Company applied for amended planning permits for the construction of a high standard 5 star hotel, with capacity of

up to 160 rooms. Recently, the Environmental Authority has published the Environmental Experts Opinion for the project, including the hotel, and is expected that soon the amended planning permits for the Master Plans will be issued. Furthermore, the Company is proceeding with the submission of all other relevant applications and plans required, in order to get the construction and other permits required for golf courses. Of great importance is for the associated company Akinita Lakkos Mikelli Ltd, the agreement for the division into plots of its large immovable property, which is situated at a very beneficial location at the entrance of Nicosia. With the separation of the land into plots and its allocation between the co-owners, the land becomes commercial, enabling the company to proceed with its development or to its disposal, with improved future revenues and by increasing its value. Hermes Airports Ltd, recorded an increase in passengers traffic up to 31 August 2016, that reached 16%, something that is expected to continue until the end of 2016, reaching around 9 million passengers. This development, together with the increase in tourist arrivals, that reached 3 million, recording an increase of 20%, will result in increased revenues, resulting to improved returns for this year but also for the following years. Finally, the subsidiary company Argosy Trading Company Ltd has signed new cooperations and commenced the distribution of new products, enhancing further its product range. With all the above, this year's results are expected to be improved compared to last year.

10. The Board of Directors and the Management of the Group, note as very important for the economy in general as well as for the Group, the increase achieved in tourism, the positive growth rates recorded in the economy and the fact that the operating hours of the retail outlets remain without restrictions. Nonetheless, they stress out that the challenges in the economy remain and that prudent and careful management is still required in all sectors by all parties involved.
11. Copies of the Preliminary, Unaudited, Condensed, Financial Statements 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. This report will be published in a daily-circulated newspaper.

Cyprus Trading Corporation Plc
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