



CYPRUS TRADING CORPORATION PLC

INTERIM MANAGEMENT STATEMENT FOR THE PERIOD 01/07/2015 – 19/11/2015

Cyprus Trading Corporation Plc (CTC), member of the Shacolas Group of Companies, presents its Interim Management Statement of CTC Group, for the period 1 July 2015 until 19 November 2015. The Interim Management Statement has been prepared in accordance with article 11 of the Transparency Law of CySEC (190 (I) / 2007), and has not been audited by the external auditors of the Company

The Interim Management Statement incorporates the results and operations of:

- The subsidiary Companies 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

The principal activities of the Group for the period in review, remained the same as last year and continue to include the import, distribution and trading of a substantial number of consumer products, motor vehicles and heavy machinery, retail trade through department stores and other specialised stores and the ownership and management of immovable property.

The material events and transactions that have taken place during the relevant period and their impact on the financial position of CTC and its controlled undertakings are summarised as:

- i. On 23 July 2015, the companies of Woolworth (Cyprus) Properties Plc and Ermes Department Stores Plc, have proceeded with the disposal of their shares held in ITTL Trade Tourist and Leisure Park Plc and Woolworth Commercial Centre Plc, owners of the Shacolas Emporium Park and of The Mall of Engomi, to the South African interests company, Atterbury Cyprus Ltd. For this, relevant announcements have been made on the transaction date and at the announcement of the six monthly results of 2015. The Board of Directors considers the transaction with Atterbury Cyprus Ltd, based on the facts and prospects, as very satisfactory and beneficial for the companies of the group.
- ii. All the construction works for the new large Superhome Centre DIY Store at Syros Kyprianou Avenue, opposite Debenhams Zenon Department Store have been completed. The new Superhome Centre Store will open to the public by the end of November.
- iii. On 2 November 2015, CTC and Ermes have been awarded from the Labour Relations Department of the Ministry of Labour, Welfare and Social Insurance, with a certification for the implementation of good practices for gender equality at workplace. The certification has been granted by the National Certification Authority.

The results for the nine months ended 30 September 2015 compared to the corresponding period of last year, are summarised as indicated further below:

- Turnover for the nine months of 2015 amounted to €210.328.000, compared to €224.081.000 in 2014, showing a decrease of 6,1%.
- Gross Profit and Other Income amounted to €54.460.000, compared to €59.840.000 in 2014, showing a decrease of 9%.
- Following the deduction of operating expenses, depreciation and finance expenses, the loss from the continued normal operating activities of the Group for the nine months of 2015 amounted to €9.954.000 compared to loss of €7.674.000 in the corresponding period of 2014.

For the period up to 19 November 2015, turnover continues to show a decrease compared to corresponding period of last year

On 10 September 2015, the Annual General Meetings of the public companies Cyprus Trading Corporation Plc, Ermes Department Stores Plc and Woolworth (Cyprus) Plc have taken place, chaired by Mr Marios Shacolas as the new Executive Chairman of CTC. At his speech, Mr Marios Shacolas referred to the Group's policy over the past years, which focused in reducing its lending, something that has been succeeded, as the Group's banking borrowings have been reduced by €235 million, in a period of less than three years. For the Group's current and future strategy, Mr Shacolas stated that will proceed in two directions. The first is focused in further reducing borrowing with the disposal of mature investments and the latter is focused in growth either organic or through mergers and acquisitions, in areas related to the Group's core activities of FMCG, Retail Operations and the Automotive business.

During the course of the meeting, Mr Nicolas K. Shacolas, the founder and Lifetime Honorary Chairman of the Group, was honored and presented with a commemorative gift, for his long and valuable contribution to the Group.

The Board of Directors and the Management of the Group, note that despite some general indications of stabilization and improvement in the economy, careful management and continuous vigilance are required. The Board of Directors and the Management of the Group continue to manage effectively the challenges faced from the current situation. At the same time, it is noted all Group companies evaluate thoroughly new investment opportunities and cooperation's with new brands aiming in increasing its product portfolio, they upgrade their outlets and facilities, offering to consumers quality choices at affordable prices.

Cyprus Trading Corporation Plc
Nicosia 19 November 2015