

We have assessed the extent that our Group has been affected by the recent negative developments in the banking sector and we inform the investing public that:

a) We have deposits in Bank of Cyprus exceeding €100 thousand (€120,000) and, therefore, we expect a capital conversion of €45,000 in new shares of BOCY.

b) The investment portfolios of the Group on 31/12/2012 are as follows:

<b>Investment</b>	<b>Value 31/12/2012</b>	<b>Number of securities</b>	<b>Impact</b>
Bank of Cyprus shares	€12.600	847.000	Expects impairment
Cyprus Popular Bank shares	€8.000	2.000.000	Expects write-off
BCOCO bonds of Bank of Cyprus	€25.700	1.947.000	Expects conversion in shares of Bank of Cyprus and impairment

c) The turnover of the Group remains at the same level as last year. Due to the negative developments, the turnover is expected to drop 5%-10%.

d) The results of the Group for 2013 are expected to be loss making for the reasons mentioned above.

e) Within the framework of these unprecedented developments, the Group is taking all necessary measures to deal successfully with this situation that affects negatively all sectors of the economy.

We are optimistic and certain that with hard work, will, decisiveness, methodology and great effort we will manage to recreate our prosperity. As Cypriots, we have done this before, we know how to do it again.