



MEMBER OF THE SHACOLAS GROUP OF COMPANIES

ERMES DEPARTMENT STORES PLC

Indicative Unaudited Consolidated Condensed Statement of Comprehensive Income for the six months ended 30 June 2011

	UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2011		Year Ended 31 December 2010
	2011 6 months €000'ς	2010 6 months €000'ς	2010 12 months €000'ς
Net Sales (note 3)	<i>€116.974</i>	€119.905	€268.807
Gross Profit and Other Income	<i>€43.095</i>	€43.931	€96.073
Net Profit for the Group (after tax)	<i>€107</i>	€703	€8.005
Allocated to :			
Company's Shareholders	<i>€(369)</i>	€140	€6.309
Minority Interest	<i>€476</i>	€563	€1.696
Basic and Fully Diluted Earnings per Share (cent)	<i>(0,21)</i>	0,08	3,6

NOTES

- The Indicative Unaudited Condensed Consolidated Statement of Comprehensive Income of Ermes Department Stores Plc, for the six months ended 30 June 2011, incorporates the results of:
 - The subsidiary companies Superhome Center (D.I.Y.) Ltd, Artopolis Ltd, Fashionlink S.A., Scandia Company Ltd, Domex Trading Co Ltd
 - The joint ventures of Ermes Department Stores Plc – Sodexo Defence Services Ltd and CTC – ARI Holdings Ltd
 - The associated CTC – ARI (F&B) Ltd

2. The Indicative Unaudited Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2011, has not been audited by the external auditors of the Company, however, it has been prepared following the same accounting principles that have been applied for the preparation of the annual and interim financial statements (according to the requirements of the International Accounting Standard 34), and according to the Transparency Requirements (Securities admitted to trading on a regulated market) Law, taking into account the directives and circulars of the Cyprus Securities and Exchange Commission and of the Cyprus Exchange Commission, and has been approved by the Board of Directors of the Company.
3. Although the results of the first six months do not reflect the impact of the regrettable events of July the 11th at Mari naval base, undoubtedly, these will affect the results of the second half of the year. The Group of Companies, the Boards of Directors, the Management and the Employees, express their deepest sorrow for the victims and the destruction which incurred due to the explosion.
4. Turnover amounted to €116.974.000 compared to €119.905.000 in the corresponding period of 2010, showing a decrease of 2,4%. The decrease is attributed to the continuous financial crisis affecting our country and to the fact that the operating hours of the shops in the Limassol tourist area have been reduced substantially in relation to last year. It is important to note that sales towards the end of the first six months have recovered and as a result the reduction in sales came to 2,4% in relation to 9,3% of the first quarter.
5. Gross Profit and Other Income amounted to €43.095.000 compared to €43.931.000, showing a decrease of 1,9%.
6. Following the deduction of operating expenses, depreciation, finance expenses and taxation the Net Profit for the first six months amounted to €107.000 compared to €703.000 in the corresponding period last year.

At the Annual General Meeting of the Group, that was held on 28 June 2011, the payment of a dividend of €2.268.496 was approved, out of 2009 profits. The dividend that corresponds to 1,3 cents of the euro or 3,82% on the nominal value of the share, was paid on 4 August 2011.

7. The per share net book value of the Company's shares, with nominal value of €0,34, was €0,49 on 30 June 2011 (31/12/2010: €0,50).
8. The Board of Directors and the Management of the Group, even though they consider the financial standing of the Group very healthy, continuously assess all the available information to date, the government decisions regarding the proposed measures for the restoration of the public debt and take every necessary action to maximize sales, to control expenses and to achieve satisfactory results.

Taking into account the seasonality in the Group's turnover, (in the second half of the year sales are higher), it is expected that the financial results of the Group in the second half of the year will be substantially improved in relation to the first half of the year and that the total results of 2011 will be satisfactory. Nonetheless, it has to be recognized that with today's conditions of the economic environment in its entirety, which is extremely competitive with reduced activities and increased expenses, especially in the sectors of energy and electricity, and with reduced turnover, the profitability of the Group is not expected to reach last year's level.

9. Copies of the Indicative Unaudited Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2011, are available at the Company's Shares Department, Shacolas House, Athalassa, 3rd floor, tel: 22740000, as well as on the Group's website on the internet at www.ermes.com.cy, and it will be published in daily newspapers.

Ermes Department Stores Plc.

Nicosia 29 August 2011.