



**CORPORATE ANNOUNCEMENT 28/2/2013: APROVAL OF PRELIMINARY UNAUDITED
CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	€	€
Turnover	40.100.656	44.039.042
Gross Profit	9.080.850	10.127.555
Loss before Tax	(1.708.409)	(1.046.014)
Tax	(44.708)	(206)
Loss after Tax	(1.753.118)	(1.046.220)
Basic and fully diluted Earnings per share (cents)	(21,38)	(12,76)
Weighted average number of shares	8,200,000	8,200,000

The Board of Directors of Mitsides Public Company Limited at their meeting held on 28 February 2013, examined and approved the preliminary results and explanatory statement of the Group (including Mitsides Public Company Ltd, Blue Azul Investments Ltd, Larnaca Flourmills Zenon Ltd and the Serbian company Mitsides Point AD), for the year ended December 31 2012.

EXPLANATORY STATEMENT

- The preliminary consolidated results for the year ended 31 December 2012 have not been audited by the Group's external auditors, Messrs PricewaterhouseCoopers Ltd.
- The preliminary consolidated results were prepared using the same accounting principles as those applied in the preparation of the annual financial statements of the Group and are consistent with International Financial Reporting Standards.
- The basic and fully diluted earnings per share was calculated based on the weighted average number of shares issued during the reported years.
- The Group's turnover in 2012 amounted to €40.100.656, compared to €44.039.042 in 2011, showing a decrease of 8.9%. The decrease was mainly due to the decreased sales of the Flourmill Division of the Serbian subsidiary, Mitsides Point A.D.
- The Group's gross profit in 2012 amounted to €9.080.850, compared to €10.127.555 in 2011. The gross profit margin amounted to 22.64% in 2012, compared to 23% in 2011. The decrease was mainly due to an increase in grain prices, which was not passed on to the final product prices.
- The Group's results were adversely affected by the results of the subsidiary Mitsides Point AD, which is based in Serbia and whose loss for the year 2012 amounted to €1.927.224, compared to a loss of €1.274.511 in 2011.
- The Group's loss includes the loss from revaluation of investment property amounting to €120.000 for 2012, compared to a profit of €150.582 for 2011.
- During the year the Group had a foreign exchange loss of €249.221, compared to a foreign exchange profit of €40.672 in 2011.
- The provision for bad and doubtful debts in 2012 amounted to €398.888, compared to €445.183 in 2011.
- The Group's loss after tax for 2012 amounted to €1.753.118, compared to a loss of €1.046.220 in 2011.
- Based on the evidence to date, the Group's results in 2013 are expected to be improved compared with those of 2012. The Board of Directors closely follows economic developments both in Cyprus and internationally, and takes measures to reduce operating costs and increase productivity and turnover. The recession prevailing in Cyprus may significantly affect the company's operations, as the lack of liquidity in the market, along with the rising unemployment, and the declining Gross Domestic Product may cause chain reactions in all sectors of the economy, which may affect the group's results.
- The Group's preliminary results and explanatory statement for the year ended 31 December 2012, will not be sent to shareholders but will be published in "Alitheia" newspaper on Monday, 4/3/13 and will be available at the company Headquarters in Tefkrou Anthia 16, Dhali Industrial Zone (Tel. 22572020), as well as on the company's website at www.mitsidesgroup.com.