

12 September 2016

Cyprus Stock Exchange
Lefkosia

ANNOUNCEMENT

Re: Approval and Publication of the Half Yearly Financial Report of SFS Group, regarding the first semester of 2016 (non-audited results)

The Board of Directors of SFS Group Public Company Ltd (the "Company"), considered and approved the Half-Yearly Financial Report of the Company of the first semester of 2016, which includes the interim financial statements with the half-yearly, consolidated, un-audited financial statements of SFS Group regarding the six-monthly period which ended on 30 June 2016, pursuant to the Cyprus Stock Exchange Laws and reference Regulations, as well as the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Laws of 2007 as amended (the "Report").

The full text of the Report is attached, and it is noted that the interim, condensed, consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34.

The full text of the Report and the included Interim Management Report, shall not be sent to the shareholders of the Company, but shall be uploaded in electronic form on the website of the Company www.sfsnet.com, from where they may be printed. Additionally, the Company has made available sufficient number of copies free of charge, at the registered office of the Company at 6 Theotoki str., Agios Antonios, Lefkosia.

The interim, consolidated statement of accounts for the period 1st January – 30th June 2016, as well as the interim management report included in the Report, shall be published on the daily, Cyprus-wide newspaper "Alithia", on Wednesday, 14 September 2016.

SFS Custodian & Trust Services Limited
Secretary

CC: Cyprus Securities and Exchange Commission

**INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2016**

	Period from 1 January to 30 June 2016 €	Period from 1 January to 30 June 2015 €
Total revenue	10.142.751	8.432.038
Gross profit from commercial and property activities	2.582.355	2.235.395
Net revenue from the provision of financial services	554.499	(111.186)
Other income	14.954	16.991
Loss on disposal and revaluation of investments	(5.857)	(52.005)
Total Contribution from Operations	3.145.951	2.089.195
Expenses		
Selling and distribution costs	(776.246)	(716.705)
Administrative expenses	(2.293.271)	(1.961.494)
Depreciation, amortisation and impairment loss of assets	(108.204)	(106.318)
Financing expenses	(4.440.450)	(5.435.441)
Loss from operations	(4.472.220)	(6.130.763)
Share of (loss)/ profit of associates	(81.844)	16.547
Loss for the period before taxation	(4.554.064)	(6.114.216)
Taxation	(22.926)	(133.191)
Loss for the period after taxation	(4.576.990)	(6.247.407)
Attributable to:		
Equity holders of the parent	(4.627.653)	(6.169.978)
Non – controlling interest	50.663	(77.429)
	(4.576.990)	(6.247.407)
Basic loss per share attributable to equity holders of the parent (cents)	(6,98)	(9,31)
Fully diluted (loss)/ earnings per share (cents)	NOT APPLICABLE	

**INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2016**

	30.6.2016	31.12.2015
	€	€
ASSETS		
Current assets		
Cash in hand and at bank	3.792.997	3.432.566
Financial assets at fair value through the Income Statement	1.334.559	1.342.089
Trade and other receivables	17.569.963	17.928.245
Inventories	15.884.200	16.803.345
Non-current assets held for sale	102.552.511	102.552.511
Total current assets	141.134.230	142.058.756
Non-current assets		
Investment property	16.550.361	16.536.052
Property, plant and equipment-net	1.367.151	1.432.732
Deferred taxation	65.019	65.019
Investment in associates	2.254.470	2.336.314
Loans receivable – long term portion	25.000	25.000
Other non-current assets	311.506	311.506
Available for sale financial assets	577.754	578.556
Intangible assets	10.239	5.084
Total non-current assets	21.161.500	21.290.263
Total assets	162.295.730	163.349.019
LIABILITIES AND EQUITY		
Current liabilities		
Bank overdrafts	31.736.395	30.670.377
Trade and other payables	13.703.666	14.751.326
Taxation	3.481.341	3.470.933
Current portion of long-term loans	110.959.835	107.278.212
Deferred taxation in relation to non-current assets classified as held for sale	4.889.768	4.889.768
Total current liabilities	164.771.005	161.060.616
Non-current liabilities		
Deferred taxation	883.308	883.308
Long-term loans	815.099	1.001.788
Total non-current liabilities	1.698.407	1.885.096
Equity		
Share capital	66.520.075	66.520.075
Reserves	(69.955.852)	(65.328.200)
Total equity before the deduction of own shares	(3.435.777)	1.191.875
Own shares	(175.949)	(175.949)
Total equity attributable to equity holders of the parent	(3.611.726)	1.015.926
Non-controlling interests	(561.956)	(612.619)
Total equity	(4.173.682)	403.307
Total liabilities and equity	162.295.730	163.349.019