

Louis plc: Announcement December 2016

Please see attached.

Attachments:

1. **LOUIS - Announcement**
2. **LOUIS - Results**

Regulated

Publication Date: 29/12/2016

LOUIS

Announcement

Louis plc – Decisions of the meeting of the Board of Directors dated 22 December 2016

Nicosia, 23 December 2016

The Board of Directors of Louis plc met on 22 December 2016 and resolved, inter alia, the following:

Annual Report / Audited Final Results 2015

It examined and approved the publication of the Company's Annual Report for 2015 comprising the Corporate Governance Report, the consolidated and separate Management Report and the audited consolidated and separate financial statements of Louis plc and of its subsidiaries for the year ended 31 December 2015.

In December 2016, following negotiations amongst companies of the Group, the holding company and the financing Banks, an agreement was concluded regulating and/or amending their loan obligations. The procedure for the approval of the agreement and its signing has not been completed yet. The agreement provides, inter alia, for the method of meeting the loan obligations of the aforementioned companies based on their expected organic cash flows on a long-term basis, so as to enable the Group to smoothly continue its operations and development plan.

At operational level, the results of Louis plc for 2015 appear to be reduced compared to those for 2014. Had the results of the subsidiary, Celestyal Cruises Ltd – which are not included in the operational results but are presented separately under “non-ongoing activities” – also been taken into account, then the total profit from operations for 2015 would be significantly improved compared to 2014 (€13.6m in 2015 compared to €6.6m in 2014). The change in the presentation of the results of Celestyal Cruises Ltd is hereby noted since, as of 2016, this company will no longer be considered as a subsidiary under the International Accounting Standards.

The final net results attributable to the shareholders of Louis plc amount to a loss of €111.3m due to accounting forecasts of €106m as a result of the agreement with the Banks, compared to a loss of €5.2m in the preliminary results announced in February 2016. This possibility had been pointed out in the announcement of February 2016, i.e. “the final results for 2015 may suffer a material decrease in the context of restructuring the Company's loan and other related obligations”.

In particular, by applying the International Accounting Standards, Louis plc made (a) a provision for the amount of €62.2m regarding liabilities of the holding company, arising from guarantees granted in the past, in exchange of guarantees and financial support received by the holding company, and which appear in its financial statements as contingent liabilities and (b) a provision for the amount of €43.3m regarding amounts receivable by the holding company.

Copies of the complete and full text of the Company's Annual Report for 2015 will be available to interested parties free of charge (1) from the Company's head office, 11, Limassol Avenue, 2112 Nicosia (tel: 22588168, fax: 22442957, email: group.secretarial@louisgroup.com) or (2) by email upon request sent to group.secretarial@louisgroup.com. The Annual Report and the information referred to in clause (4) of Article 127A of the Companies Law, Cap.113 (the “Law”) will also be posted on the Company's website, www.louisgroup.com.

LOUIS PLC**CONSOLIDATED PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2015**

	2015	2014
	€'000	Adjusted €'000
Turnover	96.599	92.913
Operating expenses	(35.048)	(31.602)
Staff cost	(29.440)	(28.489)
Selling and administrative expenses	(3.395)	(2.247)
	<u>(67.883)</u>	<u>(62.338)</u>
Operating profit before interest, taxes, depreciation, amortization and hotel rents	28.716	30.575
Hotel rents	(10.332)	(9.569)
Depreciation	(7.316)	(7.870)
Amortisation of leases	(688)	(688)
Other amortisations	347	324
Profit from operations	<u>10.727</u>	<u>12.772</u>
Loss from decrease in value of assets	(3.796)	-
Write-offs and forecasts for bad debts	(44.398)	-
Forecast for acknowledgment of liability in relation to corporate guarantees	(62.200)	-
Loss from forecasts	<u>(110.394)</u>	<u>-</u>
Finance income	2.271	2.671
Finance cost	(13.591)	(13.310)
Net finance cost	<u>(11.320)</u>	<u>(10.639)</u>
Share in profit from investment in associated company	218	173
(Loss)/profit before taxation	(110.769)	2.306
Taxation	(4.815)	2.856
(Loss)/profit for the year from ongoing activities	<u>(115.584)</u>	<u>5.162</u>
Non-ongoing activities		
Profit/(loss) from non-ongoing activities	2.928	(6.187)
Loss for the year	<u>(112.656)</u>	<u>(1.025)</u>
Loss for the year attributable to:		
Company owners	(111.348)	(514)
Minority interest	(1.308)	(511)
Loss for the year	<u>(112.656)</u>	<u>(1.025)</u>
(Loss)/profit per share		
Basic and fully diluted (loss)/basic and fully diluted profit per share (€ cents)		
Ongoing activities	(24.81)	1.23
Non-ongoing activities	0.64	(1.34)
	<u>(24.17)</u>	<u>(0.11)</u>

LOUIS PLC**CONSOLIDATED STATEMENT OF TOTAL INCOME****For the year ended 31 December 2015**

	2015 €'000	2014 €'000
Loss for the year	<u>(112.656)</u>	<u>(1.025)</u>
Other total income		
Amounts which will or may be reclassified in the consolidated statement of profit and loss		
Profit/(loss) from cash flow set-offs	3.360	(798)
Exchange difference relating to a subsidiary company in a foreign currency	<u>23</u>	<u>19</u>
	<u>3.383</u>	<u>(779)</u>
Amounts not to be reclassified in the consolidated statement of profit and loss		
Revaluation of the value of property	88	111
Deferred taxation from revaluation	(22)	(30)
Impact of takeover of company under joint control	(159)	(995)
Adjustments in staff benefit obligations	83	(233)
Deferred taxation from adjustments in staff benefit obligations	(24)	62
Increase in deferred taxation due to change in income tax rate from 26% to 29%	<u>(319)</u>	<u>-</u>
	<u>(353)</u>	<u>(1.085)</u>
Other total income for the year	<u>3.030</u>	<u>(1.864)</u>
Total income for the year	<u>(109.626)</u>	<u>(2.889)</u>
Total income for the year attributable to:		
Company owners	(108.318)	(2.375)
Non-controlling interest	<u>(1.308)</u>	<u>(514)</u>
Total income for the year	<u>(109.626)</u>	<u>(2.889)</u>

LOUIS PLC**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at 31 December 2015**

	2015 €'000	2014 €'000
ASSETS		
Ships, property, plant and equipment	222.765	474.154
Hotel leases	20.883	21.571
Amounts due from related parties	-	49.570
Other assets	-	402
Investment in associated company	16.049	15.833
Non current assets	259.697	561.530
Stock	2.386	10.991
Trade and other receivables	11.437	20.558
Amounts due from related parties	416	10.053
Blocked bank deposits	10.776	9.521
Cash and cash equivalents	16.225	19.954
Assets classified as held for sale	278.648	-
Current assets	319.888	71.077
Total assets	579.585	632.607
EQUITY		
Share capital	78.293	78.293
Reserves	(117.864)	(9.521)
Equity attributable to Company owners	(39.571)	68.772
Minority interest	(5.433)	(4.121)
Total equity	(45.004)	64.651
LIABILITIES		
Borrowing	156.022	104.262
Liabilities of finance leases	22.805	192.602
Amounts due to related parties	-	8.392
Other liabilities	1.230	1.261
Deferred income	3.675	8.688
Deferred taxation	31.558	28.294
Current liabilities	215.290	343.499
Bank overdrafts	28.028	32.532
Borrowing	77.994	94.768
Liabilities of finance leases	2.964	34.263
Trade and other liabilities	12.521	30.462
Derivative financial instruments	-	3.181
Amounts due to related parties	801	11.768
Deferred income	4.345	12.563
Tax due	3.702	4.920
Liabilities classified as held for sale	278.944	-
Non current liabilities	409.299	224.457
Total liabilities	624.589	567.956
Total equity and liabilities	579.585	632.607

LOUIS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Equity attributable to Company owners						Difference from conversion of capital into Euro	Revenue reserve	Total	Non-controlling interest	Total equity
	Share capital	Premium reserve	Set off reserve	Property revaluation reserve	Staff benefits reserve	Other reserves	of capital into Euro	€'000	€'000	€'000	€'000
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance as at 1 January 2015	78.293	94.301	(3.360)	18.422	162	197	364	(119.607)	68.772	(4.121)	64.651
Total income for the year											
Loss for the year	-	-	-	-	-	-	-	(111.348)	(111.348)	(1.308)	(112.656)
Other total income											
Profit from cash flow set offs	-	-	3.360	-	-	-	-	-	3.360	-	3.360
Exchange difference relating to a subsidiary in a foreign currency	-	-	-	-	-	24	-	(1)	23	-	23
Impact to revenue reserve from merge with allied company	-	-	-	-	-	-	-	(159)	(159)	-	(159)
Deferred taxation from revaluation	-	-	-	(22)	-	-	-	-	22	-	(22)
Additional depreciation from revaluation brought forward	-	-	-	(67)	-	-	-	67	-	-	-
Revaluation	-	-	-	88	-	-	-	-	88	-	88
Increase in deferred taxation due to change in income tax rate from 26% to 29%	-	-	-	(312)	(7)	-	-	-	(319)	-	(319)
Adjustments in staff benefit obligations	-	-	-	-	83	-	-	-	83	-	83
Deferred taxation from adjustments in staff benefit obligations	-	-	-	-	(24)	-	-	-	(24)	-	(24)
Other total income for the year	-	-	3.360	(313)	52	24	-	(93)	3.030	-	3.030

Total income for the year	-	-	3.360	(313)	52	24	-	(11.441)	(108.318)	(1.308)	(109.626)
Exchanges with owners directly recognized in equity				-							
<i>Contributions from and distributions to owners</i>				-							
Dividend paid	-	-	-	-	-	-	-	-	-	(4)	(4)
Cost of increase in approved capital and issue of shares											
<i>Total contributions from and distributions to owners</i>	-	-	-	-	-	-	-	(25)	(25)	-	(25)
Total transactions with owners directly recognized in equity	-	-	-	-	-	-	-	(25)	(25)	(4)	(29)
Balance as at 31 December 2015	78.293	94.301	-	18.109	214	221	364	(231.073)	(39.571)	(5.433)	(45.004)

LOUIS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Equity attributable to Company owners						Difference from conversion of capital into Euro	Revenue reserve	Total	Non-controlling interest	Total equity
	Share capital	Premium reserve	Set off reserve	Property revaluation reserve	Staff benefits reserve	Other reserves	of capital into Euro	€'000	€'000	€'000	€'000
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance as at 1 January 2014	78.293	94.301	(2.562)	18.408	333	178	364	(118.167)	71.148	65	71.213
Total income for the year											
Loss for the year	-	-	-	-	-	-	-	(514)	(514)	(511)	(1.025)
Other total income											
Loss from cash flow set offs	-	-	(798)	-	-	-	-	-	(798)	-	(798)
Exchange difference relating to a subsidiary in a foreign currency	-	-	-	-	-	19	-	-	19	-	19
Deferred taxation from revaluation	-	-	-	(30)	-	-	-	-	(30)	-	(30)
Additional depreciation from revaluation brought forward	-	-	-	(67)	-	-	-	67	-	-	-
Revaluation	-	-	-	111	-	-	-	-	111	-	111
Impact from takeover of company under joint control	-	-	-	-	-	-	-	(992)	(992)	(3)	(995)
Adjustments in staff benefit obligations	-	-	-	-	(233)	-	-	-	(233)	-	(233)
Deferred taxation from adjustments in staff benefit obligations	-	-	-	-	62	-	-	-	62	-	62
Other total income for the year	-	-	(798)	14	(171)	19	-	(925)	(1.861)	(3)	(1.864)
Total income for the year	-	-	(798)	14	(171)	19	-	(1.439)	(2.375)	(514)	(2.889)

Exchanges with owners directly recognized in equity											
	-										
<i>Contributions from and distributions to owners</i>											
	-										
Dividend paid	-	-	-	-	-	-	-	(1)	(1)	1	-
<i>Total contributions from and distributions to owners</i>	-	-	-	-	-	-	-	(1)	(1)	1	-
<i>Changes in share held in subsidiaries</i>											
Takeover of percentage in company under joint control	-	-	-	-	-	-	-	-	-	(3.673)	(3.673)
<i>Total changes in shares held in subsidiaries</i>	-	-	-	-	-	-	-	-	-	(3.673)	(3.673)
Total transactions with owners directly recognized in equity	-	-	-	-	-	-	-	(1)	(1)	(3.672)	(3.673)
Balance as at 31 December 2014	78.293	94.301	(3.360)	18.422	162	197	364	(119.607)	68.772	(4.121)	64.651