

## **Explanatory Statement 2009**

The results of the Group for the year 2009 are characterized by significant improvement. The operating profit before interest, taxes, depreciation and hotel rents (EBIDTAR) rose to €60,3 m. compared to €40,3 m. in 2008, showing an increase of €20,0 m., or percentage increase of 50%. At the same time, the loss decreased from €31,3 m. in 2008 to €13,7 m., showing an improvement of €17,6 m.

The above significant increase was achieved despite the negative impact of the global economic crisis on the sensitive tourism market and consequently the income of Louis plc.

The total turnover of the Group fell slightly by 1,6% compared to that of 2008, due to a decrease by 11% in the hotel sector, which was partly offset by an increase of 3% in cruising operations.

The increase in the operating profit was as a result of the action taken early on by Louis plc in relation to the negative global economic environment, which contributed, amongst others, to the significant containment of costs and operating expenses.

More specifically, the operating expenses in the cruising segment decreased by €16 m. compared to those in 2008, despite the increase of €5,4 m. in revenues. As regards to the hotel sector, operating expenses decreased by €8,2 m. partly absorbing the decrease of €9,8 m. in revenues compared to those of the previous year.

Furthermore, the Group adopted a number of hedging policies to manage and reduce the risk of exchange rate fluctuations, as well as the risk of fluctuations in fuel prices, factors that may affect the results of the Group and which had a significant negative effect on the results of 2008. Specifically, the Group converted the largest part of its borrowings in dollars into euro and pound sterling, in order to better match annual cash inflows in each currency, with the respective annual cash outflows (natural hedging). Furthermore, the Group secured fixed prices for over 50% of its fuel requirements for 2010.

## **Prospects for 2010**

The gradual implementation of Louis plc's strategy of further internationalization of its operations and of finding new sources of income in the cruising segment, as well as the implementation of immediate measures to further reduce costs throughout the operations of the Group, continues with success. Therefore, based on present market conditions and forecasts, the Group is expected to turn profitable again in 2010.

## Indicative – Un audited Consolidated Results for year ended 2009

<b>Condensed interim consolidated income statement for the year ended 31 December 2009</b>	<b>Un audited 2009 €000</b>	<b>Audited 2008 €000</b>
<b>Revenue from operations</b>	<u>268.724</u>	<u>273.157</u>
<b>Operating profit before interest, taxes, depreciation and hotel rent expenses (EBITDAR)</b>	<u>60.250</u>	<u>40.305</u>
<b>Loss from operations after net finance expenses</b>	<b>(12.413)</b>	<b>(25.999)</b>
Loss on disposal of vessels, property, plant and equipment	-	(7.608)
Financial impact of refinancing	-	10.558
Unrealised loss from revaluation of derivative	(603)	(951)
Profit from the disposal of subsidiary companies C.T.D.C (Hilton)	-	952
Impairment of a vessel	(3.476)	-
Other unusual and non operating expenditure	-	(219)
Realised exchange gain	2.790	523
Unrealised exchange gain/(loss)	1.384	(8.528)
Share of profit of associate company C.T.D.C (Hilton)	<u>762</u>	<u>826</u>
<b>Loss before taxation</b>	<b>(11.556)</b>	<b>(30.446)</b>
Taxation	<u>(2.133)</u>	<u>(689)</u>
<b>Loss for the year</b>	<u><b>(13.689)</b></u>	<u><b>(31.135)</b></u>
<b>Net loss for the Parent company</b>	<b>(13.750)</b>	<b>(31.311)</b>
Non-controlling interest	<u>61</u>	<u>176</u>
<b>Loss for the year</b>	<u><b>(13.689)</b></u>	<u><b>(31.135)</b></u>
<b>Loss per share (cent)</b>	<u><b>(3,25)</b></u>	<u><b>(7,47)</b></u>