CELTIC plc

PRELIMINARY RESULTS FOR THE YEAR ENDED 30 JUNE 2013

SUMMARY OF THE RESULTS

Operational Highlights

- Winners of the SPL.
- Winners of the Scottish Cup.
- Progression to the last 16 of the UEFA Champions League having played 6 home European matches (2012: 4).
- 30 home matches played at Celtic Park (2012: 24).
- Celtic Park selected to host the opening ceremony for the 2014 Commonwealth Games.
- New 3 year shirt sponsorship contract with Magners Irish Cider.
- 125 Anniversary celebrations.

Financial Highlights

- Group Revenue increased by 47.7% to £75.82m (2012: £51.34m).
- Operating expenses increased by 15.2% to £62.71m (2012: £54.44m).
- Investment in football personnel of £9.66m (2012: £5.24m).
- Year end net cash at bank £3.76m (2012: £2.77m net bank debt).
- Exceptional costs of £1.83m (2012: £0.54m).
- Profit before tax £9.74m (2012: £7.37m loss).

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Celtic plc

CHAIRMAN'S STATEMENT

I am delighted to report that success on the field and, in particular, our European campaign have contributed to a very successful trading period.

These annual results show that in the year to end June 2013, turnover increased by £24.48m to £75.82m, which, after operating expenses of £62.71m, produced an operating profit of £13.10m and retained profits after tax of £9.74m, compared to a loss of £7.37m in the previous year.

This is not only a highly satisfactory result, but represents a five year record profit. Consistent with such a robust financial performance, our net cash at bank position at the year end was £3.76m, an improvement of £6.53m from the same time last year.

Whilst the undoubted highlight of last season was qualifying from the group stages and playing in the last sixteen of the UEFA Champions League, it is crucial that we were able to win the Scottish Premier League title for the second time in a row and get another shot at Europe. This has led to another successful qualification for the group stages with a highly memorable win against Shakhter Karagandy on 28 August at Celtic Park.

The momentum we build by competing in Europe at this level in two successive years is considerable, both financially and in terms of our player pool development strategy.

The dynamics derived from the Board’s strategy of developing the player pool, which I have been reporting on over successive statements, were employed fully throughout the financial year. We invested £9.66m in strengthening the first team squad, compared to £5.24m last year, and following the sales of players in the period, we made a gain of £5.19m, compared to £3.54m last time. Our new arrivals at Celtic Park during the financial year included; Efe Ambrose, Tom Rogic, (on a permanent basis) Fraser Forster, Amido Balde and Virgil Van Dijk. They were joined by Steven Mouyokolo, Derk Boerrigter, Nir Biton and Teemu Pukki during the summer transfer window.

Our decision, taken earlier in the financial year, not to accept offers for key players, so that we might maximise our chances of playing success, was a good one in hindsight. The relevant player disposals were made post the financial year end, during the summer transfer window.

Our strong financial performance has allowed us to invest funds across a number of other important areas, including the Youth Academy, with coaching staff, and the Stadium, where we have embarked upon a programme of upgrades that will be apparent this season. Our continued investment in the Youth Academy continues to deliver results at all levels, but special mention must be made of our Under 20 team, who won the league and cup double. The Academy continues to supply young players to the first team pool.

Throughout the journey we have been hugely mindful of our supporters, who have performed the role of the ‘twelfth’ man superbly at each and every crucial fixture, not least of all the recent encounter with Shakhter Karagandy. In recognition, we introduced a one off £100 award for all standard season ticket applications for season 2013/14 and this has been warmly received, with season ticket numbers in excess of those for season 2012/13.

This year demonstrates, above all, the impact that football success brings to Celtic plc in its current shape. The predominant focus of the board is to sustain a robust structure that can benefit fully from the fruits of playing success, yet withstand the economic pressures of today’s football environment in Scotland. The two key elements of that structure are responsible financial management for the long term, coupled with an intelligent player pool strategy.

We believe that we are achieving this standard and, in so saying, tribute must be paid to Neil Lennon, his support team and players, the coaching staff and assistants at the Academy, Peter Lawwell, his executive team, and all of the staff and employees of Celtic who work enthusiastically for this great Club.

Celtic was built on charitable foundations and we continue to recognise the importance of that ethos and the Club’s role in society. Throughout the year we provided the platform for an array of charitable initiatives. Honouring the objectives of the Club’s founders, it was fitting that, in its 125th anniversary year, the Club continued to support the Celtic Charity Fund, which did more for charitable and social causes than it has ever done before.

Finally, we have enjoyed tremendous support from our fans, sponsors, business partners and shareholders and I thank them all.

Ian P Bankier **23 September 2013**
Chairman

Celtic plc

CHIEF EXECUTIVE'S REVIEW

INTRODUCTION

After the groundwork laid down in previous years, season 2012/13 represented further progress for Celtic, benefiting from our clear strategy for development and growth both on and off the field of play.

The Club won the Scottish Premier League title by a margin of 16 points, and achieved the double with victory over Hibs in the Scottish FA Cup Final at Hampden Park. In addition to our domestic success, the team qualified for the last 16 of the UEFA Champions League following a very successful campaign in the group stages, re-establishing Celtic as a credible force in Europe.

Beating Barcelona in front of our own supporters in a packed Celtic Park ranks as one of the greatest achievements in our history. It was fitting, therefore, that that success followed a memorable service at St Mary's Church in the Calton, to celebrate the Club's 125^{th} Anniversary.

Success on the field, and in particular the European campaign, has contributed to a very successful trading period, as has the continued commitment to excellence and innovation as we continue to develop the Celtic brand in Scotland and around the world.

FOOTBALL INVESTMENT AND OPERATIONS

Investment in the playing squad was made during the 2012/13 season, with just under £10m invested in the first team. A number of players were acquired, including Efe Ambrose, Tom Rogic and Fraser Forster on a permanent basis. We enhanced the blend of youth and experience in the squad, while a number of others progressed from the youth academy.

The average age of the starting eleven was regularly in the low twenties and we believe the value of the squad has been enhanced, given our progression in Europe. Our decision not to accept offers earlier for a number of key players, to maximise our chances of success and protect future income streams, was vindicated in terms of football success.

As the Company builds on the success achieved last season, our commitment to ongoing improvement and investment in young talent is reflected by the arrival of Virgil Van Dijk, Amido Balde, Steven Mouyokolo, Derk Boerriger, Nir Biton and Teemu Pukki during the 2013 summer transfer window. We believe that the investment made will benefit performance in the coming season, as we build on the strong platform constructed in 2012/13.

The investment in our Lennoxtown training facility continues to yield benefits, helping to ensure that players are recruited, developed and sold in the most efficient and cost effective way possible. Continued investment is planned to enhance the infrastructure that exists at our Centre of Excellence, providing the best possible resources, systems and facilities and thereby offering a greater opportunity for football success. We have created a world class scouting system, which is assisting player identification and recruitment at all levels, enhanced by the introduction of more advanced player performance analysis. In addition, we have maintained our investment in the sports science and medical team to ensure the best possible medical, nutritional and performance advice.

Our Academy has also benefited from ongoing investment in quality coaches and use of the facilities and expertise available at Lennoxtown. Several members of our Development and U20 teams have stepped up to the senior squad and we plan to continue this policy, which has delivered significant success.

YOUTH ACADEMY

In a hugely successful season on the field, Celtic won the SPL Under 20 League by eight points, losing only one game in the process, and winning the Scottish FA Youth Cup in May, but more importantly a number of young players have graduated to participate in the first team pool.

The partnership between Celtic and St Ninian's High School in Kirkintilloch has now completed its 4^{th} year. This partnership has gone from strength to strength with our young players combining football and education. The first intake has now seen the emergence of academy players who have developed and played in first team matches, including Paul George, Marcus Fraser, Joe Chalmers and John Herron. In addition, Calum McGregor also made his debut in our friendly fixture against Real Madrid.

For season 2013/14, 15 players will join the Club on full time professional contracts from the U16 squad (Intermediate Academy).

Celtic plc

CHIEF EXECUTIVE'S REVIEW

FINANCIAL PERFORMANCE

The impact of uncertainties in the world economy over the last three years has been significant and trading conditions generally have been extremely difficult. However, football success can have a major impact on reversing this trend as evidenced by our financial performance.

In the year to 30 June 2013, turnover was £75.82m, which is significantly up on the £51.34m reported the previous year. Much of this improvement is due to increased match ticket and TV revenues in connection with our participation in the UEFA Champions League group stages, and qualification for the last 16 of that competition, with 30 home matches in the season in comparison to 24 in 2011/12.

During the period, total operating expenses before exceptional costs increased in comparison to the previous year, by £8.27m (15.2%) to £62.71m. This uplift is largely because of an increase in labour costs, mainly football salaries and bonuses.

We invested £9.66m in strengthening the first team squad during the year, which has contributed to an amortisation charge of £5.93m in comparison to £6.37m the previous year. In addition, we achieved a gain on sale of £5.19m following the sale of players in comparison to £3.54m the previous year. Exceptional costs of £1.83m compare to £0.54m last year. These relate solely to providing for onerous leases in certain loss-making retail stores in accordance with IAS 37.

Overall, the Company's retained profit for the year to 30 June 2013 was £9.74m, compared with the previous year's loss of £7.37m. Further information is contained within the Financial Review.

TICKET SALES

2012/13 was a successful season for Ticket sales with almost 40,000 season tickets sold with a value of more than £13.3million.

A successful UEFA Champions League campaign contributed to home match ticket sales of over 470,000 for a value of over £10million.

In April, the Club recognised the phenomenal support and contribution of our fans during the year with a one off £100 reward on the cost of all full priced adult Season Tickets for season 2013/2014. The Club also reintroduced the £50 kids (under 13's) Season Ticket, as well as making Season Tickets available for 13-16 year olds at £105 and 17-18 year olds for £186 for next season. This has been well received by supporters and season ticket sales for the season 2013/14 are encouraging.

CELTIC DEVELOPMENT

Celtic Development Pools remains the top football club lottery organisation in Britain and one of the most successful in the society/charity lotteries sector. Nearly 2 million lottery chances were sold during the 12 month period to June 2013. Around £700,000 was donated to Celtic Football Club's Development Division for the purposes of youth development and supporters from all over the country shared almost £900,000 in prize money.

The weekly "Celtic Pool" continues to perform better than most football club and charitable lottery products in a challenging environment. Sales and marketing initiatives are continually updated in an effort to attract new members.

The match day Paradise Windfall lottery operated at Celtic Park remains very popular. Prize money of over £3 million has been paid out to Celtic supporters at Celtic Park since the Windfall began in 1995, including £375,000 paid out last season.

MERCHANDISING

Merchandising revenue for the year reached £14.98m, 12.6% up on the previous year, mainly driven by Champions League success and 125th Anniversary products. There were two kit launches in the period, as in 2011/12. Like for like retail sales were 29% up on the previous year with the relocated Glasgow Airport store in particular performing well ahead of expectations.

Other highlights included the release of an end of season DVD, "125 Years in The Making", charting the 2012/13 season. Personalised granite paving stones were introduced this year, complementing our engraved bricks product, and they too have been a huge success. In addition, the "Young Hoops" Fan Club continued to grow with several events organised for members throughout the year.

MULTI MEDIA

Celtic TV has made good progress in the past year and is developing its route to market by offering the service on all iOS (Apple) devices such as iPads and iPhones. In addition to that, its main web portal, Celticfc.TV, and that of the Club, Celticfc.net, are under development.

The Club continues to invest in and develop its strategy for growth and improvement in interaction and revenue creation across all media and social media platforms, including You Tube, Facebook and Twitter. The Club's season ticket renewal campaign for season 2013/14 was concentrated around a social media initiative, which was very successful.

Over the year, Multi Media supported many events for the company, including the 125^{th} Anniversary event at St Mary's Church attended by 1,400 people, produced three retail DVD products and released several "Apps", with more planned for the next financial year.

PUBLIC RELATIONS

Once again, the Club experienced a high level of media interest and activity throughout the year across domestic and International football.

The Club's PR Department continued to achieve and manage a substantial level of high profile media coverage for a range of Club activities at a national level in 2012/13, including commercial, charitable and community events.

The PR Department also acts as an important liaison with supporters' organisations, assisting with supporter enquiries, and deals with a range of initiatives ensuring that the Club upholds its important social dimension.

BRAND PROTECTION

As the Celtic brand continues to grow, so too does the number of rogue companies and individuals looking to divert revenue and traffic from official club channels. By protecting the brand on a worldwide basis, we continue to prevent unauthorised use by third parties. This ensures that the brand remains a valuable Club asset and helps to combat the loss of revenue and reputation.

Over the course of last season, counterfeit goods to the value of approximately £11 million were removed or disrupted, along with a number of websites and unauthorised social media profiles.

The Club continues to work closely with key partners, including NIKE, to protect the value and global profile of the Celtic brand, along with protecting the interests of our supporters.

PARTNER PROGRAMME

The Club's new shirt sponsor Magners Irish Cider, which was concluded during the year, has been well received by the supporter base following a successful launch of the partnership, which will see the development of some new and exciting fan engagement activities, leveraging the Celtic brand in International markets.

Further, the return of Phoenix Honda as Celtic's car supplier and sponsor highlights the power of the Celtic brand in delivering media value and sponsorship platforms leading to direct sales for our partners.

During the year, the Club's long standing relationship with Sports Revolution continued to grow with the launch of Stadium Live, which will see Celtic Park become one of the first fully Wi-Fi enabled stadiums in the UK. This progressive use of technology, combined with an innovative mobile application, will deliver an enriched match day experience for Celtic fans at Celtic Park.

Overall, the sponsorship landscape remains extremely tough as the ongoing economic difficulties continue to impact upon companies' advertising and marketing budgets. Despite this, the Club benefits from the ongoing support of existing partners and we thank them for that commitment. We continue to innovate and to pursue new business opportunities, both domestically and internationally, to enhance revenues.

STADIUM

During the course of the year, the Club continued to enhance the close liaison through partnership working with the Glasgow City Council Safety Advisory Group for Sports Grounds, placing spectator safety as our highest priority. Spectator safety is of paramount importance and the Club recognises and values the expert advice and support provided.

The training of colleagues responsible for public safety duties continued to be developed. The Club's Matchday Safety Officers responsible for the management of spectator safety are fully qualified and accredited in compliance with Edition 5 of the Guide to Safety at Sports Grounds. In addition, matchday safety stewards are also qualified in compliance with the 'Green Guide'. Protectevent stewards participate in an accredited training programme leading to an SVQ Level 2 in Event Stewarding.

To enhance safety and provide assistance to our travelling support, the Club has maintained its commitment to providing Celtic Travel Stewards at away fixtures both at home and abroad. The season produced a number of spectator safety issues at away stadiums as our fans travelled to Europe in support of the team. The Club will continue its efforts to influence the safety of our fans travelling in Europe with away clubs, the local authorities responsible for public safety and UEFA.

The Club continues in its support of the work of the Football Safety Officers Association Scotland and recognises the importance of spreading best practice in spectator safety management across Scottish Football.

FACILITIES

The Facilities Department have once again worked to a high standard to ensure our supporters' expectations are met. Work has continued to improve infrastructure at Celtic Park, Lennoxtown and Barrowfield. The department continues to strive towards reducing the company's Carbon Footprint.

In the face of adverse weather conditions, our ground staff managed to maintain a high calibre playing surface with commendation from UEFA officials for its admirable condition. The pitch has been well maintained by the ground staff throughout the season, having held over fifty events from Champions League matches to successful Sponsor/Charity games.

Our facilities are widely recognised across European football as top class and we will continue to invest to maintain this reputation.

CATERING AND HOSPITALITY

Celtic Hospitality performed to the highest standard, contributing significant revenues and receiving very positive customer recognition.

With our participation in the Champions League, our profile has been raised in the conference market with enquiries from a number of blue chip companies.

The Visitor Centre has continued to perform well over the season with an increase in visitors and sales compared to previous years.

We continue to attract visitors from all over the world to enjoy the Celtic story.

SUPPORTER RELATIONS

Our Customer Relationship Management (CRM) system brings supporter and transactional data from many different business areas into one database and is now an integral part of both the Club's and our sponsors' marketing activities, allowing our supporters to be contacted with offers, news and information in a targeted and cost-effective manner.

This summer, we appointed a Supporter Liaison and Service Manager to act as a point of contact for supporters and supporter groups at the Club.

CELTIC CHARITY & FOUNDATION

Celtic Charity, the Club's charitable arm, again enjoyed an exceptionally successful year, raising hundreds of thousands of pounds for a range of worthy causes. The 1254125 fundraising campaign was launched in August 2012 and activities throughout the year included Kenyan Connection 2013, Annual Sporting Dinner, 1888 Charity Shield, Ben Nevis Huddle and two Lions Roar Again events.

The Club's commitment to its charitable roots was maintained in 2012/13. Celtic Charity is now in the process of joining forces with the Celtic Foundation (a department at the Football Club which delivers social projects in our local communities) to establish a new, stronger Scottish Charity with a wider role and greater reach. This new entity, led by a new Chief Executive, will be called Celtic FC Foundation and supporters will see further developments in 2013/14.

HUMAN RESOURCES

Last season's on-field successes highlighted the results of our commitment to nurturing talent within our First Team and Academy operations. We have endeavoured to emulate this with the management of our people off the field too, maintaining our Investors in People status. In doing so, talent development has been a key area of focus and investment over the past year and continues to be high on the agenda for 2013/14. The latter part of last year saw the introduction of Celtic's Talent Development programme, designed to assist in terms of internal succession planning. The forthcoming months will see the roll out of training programmes to address personal development plans.

The Club has demonstrated its ongoing commitment to child protection with the appointment of a dedicated Safeguarding Officer reporting to the HR function, ensuring we are continuing to work to the highest standards in this important area.

Compensation and Benefits has been an additional focal point over the past year and will continue to be over the coming months with the introduction of Pensions Auto-Enrolment. The Club is on track to ensuring all its obligations are met.

In April this year, we launched our annual Colleagues' Attitudes and Opinions Survey, which once again provided a wealth of useful feedback. We will implement a plan of action to address areas for improvement in the coming months, reflecting our ongoing commitment to employee engagement.

A number of new employees have joined us in the last 12 months, this injection of new blood bringing with it a wealth of new thinking, knowledge and experience. In addition, we have also seen the creation of some important new roles within the Club, including Supporter Liaison Officer and Social Media Officer, both of which reflect our proactive approach to communicating with our supporters.

SUMMARY AND OUTLOOK

Season 2012/13 was an extremely successful year for Celtic. Neil Lennon and his management team deserve much credit for the football success achieved. Celtic progressed to the last 16 of the UEFA Champions League and domestically the Scottish Premier League was retained in addition to winning the Scottish Cup.

The football success achieved has greatly improved trading performance, which, in addition to the gains reported from player transactions, has resulted in impressive financial results for the year to 30 June 2013, with a profit of £9.74m reported despite the difficult economic climate. Such trading has assisted with year end net cash at bank of £3.76m, which compares favourably with £2.77m net bank debt the previous year. This performance has provided an ideal platform to ensure further progress is achieved.

Trading at the beginning of the new financial year has been encouraging. Standard season ticket numbers are in excess of last year, following the introduction of the one off £100 reward for all applicants. Seasonal sales of premium and corporate tickets are at levels comparable with last year and match ticket sales to date have been encouraging. In addition, a contemporary new home kit, together with a colourful away kit, have been launched successfully in a competitive merchandise market.

Additional revenue streams continue to be sought, particularly in respect of new media and commercial markets. The creation of the new SPFL creates an excellent opportunity for Scottish football to prosper, consider new opportunities to develop and improve the European co-efficient for Scotland.

Player transfers have been an increasingly important element of our business for a number of years. Our strategy to invest in the Lennoxtown Football Academy, together with related support services, was designed to identify, recruit and develop players capable of playing in the Champions League. The strategy has been successful to date.

During the summer transfer window a number of new players were acquired and Victor Wanyama, Gary Hooper and Kelvin Wilson were sold for sums well in excess of book value. Such gains from player transfers, together with the revenues that will be generated from our now secured participation in the group stages of the UEFA Champions League, greatly assists our financial position, enhances Celtic's profile and provides wonderful occasions for all fans.

The new match day bar and improved family section, opened for this season, have both been very popular. Over the coming year it is planned to demolish the London Road primary school, relocate the existing ticket office, upgrade the car parking and landscape the land at the front of Celtic Park adjacent to Kerrydale Street. We are also delighted that Celtic Park has been selected to host the opening ceremony of the Commonwealth Games in July 2014.

We continue to drive revenues and develop the Celtic brand at home and abroad, which, together with the ongoing management of costs, should maintain a sustainable financial model. The discipline of good financial management will continue. We are operating from a position of comparative financial and football strength, with exciting young players continuing to make their mark in the team and assisting the generation of value within the squad itself. The biggest challenge facing the Board is the management of salary and transfer costs whilst achieving playing success in order to yield satisfactory financial results.

The return of Champions League football to Celtic Park this season will undoubtedly provide a substantial boost and an added incentive to maintain the progress we have made.

Peter Lawwell **23 September 2013**
Chief Executive

Celtic plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	2013 Operations excluding intangible asset trading £000	2013 Intangible asset trading £000	2013 Total £000	2012 Operations excluding intangible asset trading £000	2012 Intangible asset trading £000	2012 Total £000
Continuing operations:							
Revenue	3, 4	**75,816**	**-**	**75,816**	51,341	-	51,341
Operating expenses (excluding exceptional operating expenses)	4, 5	**(62,714)**	**-**	**(62,714)**	(54,436)	-	(54,436)
Profit / (loss) from trading before asset transactions and exceptional items		**13,102**	**-**	**13,102**	(3,095)	-	(3,095)
Exceptional operating expenses	7, 16	**(1,331)**	**(501)**	**(1,832)**	(241)	(301)	(542)
Amortisation of intangible assets	5, 16	**-**	**(5,930)**	**(5,930)**	-	(6,367)	(6,367)
Profit on disposal of intangible assets		**-**	**5,195**	**5,195**	-	3,543	3,543
Loss on disposal of property, plant and equipment		**(96)**	**-**	**(96)**	(120)	-	(120)
Operating profit / (loss)	5	**11,675**	**(1,236)**	**10,439**	(3,456)	(3,125)	(6,581)
Finance costs:	11						
Bank loans and overdrafts				**(173)**			(246)
Convertible Cumulative Preference Shares				**(527)**			(544)
Profit / (loss) before tax				**9,739**			(7,371)
Income tax expense	12			**-**			-
Profit / (loss) and total comprehensive income for the year				**9,739**			(7,371)
Profit / (loss) attributable to equity holders of the parent				**9,739**			(7,371)
Total comprehensive income attributable to equity holders of the parent				**9,739**			(7,371)
Basic earnings / (loss) per Ordinary Share from continuing operations and for the year	14			**10.73p**			(8.17p)
Diluted earnings / (loss) per share from continuing operations and for the year	14			**7.56p**			(8.17p)

Celtic plc

CONSOLIDATED BALANCE SHEET

	Notes	2013 £000	2012 £000
Assets			
Non-current assets			
Property, plant and equipment	15	52,456	53,452
Intangible assets	16	9,798	7,333
		62,254	60,785
Current assets			
Inventories	18	1,734	2,160
Trade and other receivables	20	3,934	4,981
Cash and cash equivalents	21,29	14,348	8,198
		20,016	15,339
Total assets		82,270	76,124
Equity			
Issued share capital	22	24,341	24,264
Share premium	23	14,486	14,443
Other reserve	23	21,222	21,222
Capital reserve	23	2,650	2,630
Accumulated losses	23	(20,142)	(29,881)
Total equity		42,557	32,678
Non-current liabilities			
Interest-bearing liabilities/bank loans	24	10,219	10,594
Debt element of Convertible Cumulative Preference Shares		4,345	4,441
Deferred income	27	119	121
		14,683	15,156
Current liabilities			
Trade and other payables	25	14,048	15,069
Current borrowings	24,25	489	493
Provisions	25,26	1,240	-
Deferred income	27	9,253	12,728
		25,030	28,290
Total liabilities		39,713	43,446
Total equity and liabilities		82,270	76,124

Approved by the Board on 23 September 2013

Celtic plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Share capital £000	Share premium £000	Other reserve £000	Capital reserve £000	Retained earnings £000	Total £000
Equity shareholders' funds as at 1 July 2011	**24,264**	**14,399**	**21,222**	**2,628**	**(22,510)**	**40,003**
Share capital issued	-	44	-	-	-	44
Transfer to capital reserve	-	-	-	2	-	2
Loss and total comprehensive income for the year	-	-	-	-	(7,371)	(7,371)
Equity shareholders' funds as at 30 June 2012	**24,264**	**14,443**	**21,222**	**2,630**	**(29,881)**	**32,678**
Share capital issued	1	43	-	-	-	44
Transfer to capital reserve	(20)	-	-	20	-	-
Reduction in debt element of convertible cumulative preference shares	96	-	-	-	-	96
Profit and total comprehensive income for the year	-	-	-	-	9,739	9,739
Equity shareholders' funds as at 30 June 2013	**24,341**	**14,486**	**21,222**	**2,650**	**(20,142)**	**42,557**

Celtic plc

CONSOLIDATED CASH FLOW STATEMENT

	Note	**2013** **£000**	2012 £000
Cash flows from operating activities			
Profit /(Loss) for the year		**9,739**	(7,371)
Depreciation	15	**1,823**	1,817
Amortisation of intangible assets	16	**5,930**	6,367
Impairment of property, plant and equipment	15	**37**	-
Impairment of intangible assets	16	**501**	301
Profit on disposal of intangible assets	16	**(5,195)**	(3,543)
Loss on disposal of property, plant and equipment		**96**	120
Finance costs	11	**700**	790
		13,631	(1,519)
Decrease / (increase) in inventories		**426**	90
Decrease / (increase) in receivables		**(510)**	415
Decrease / (increase) in payables and deferred income		**(3,012)**	2,552
Cash generated from operations		**10,535**	1,538
Interest paid		**(173)**	(246)
Net cash flow from operating activities - A		**10,362**	1,292
Cash flows from investing activities			
Purchase of property, plant and equipment		**(1,352)**	(879)
Purchase of intangible assets		**(9,503)**	(7,737)
Proceeds from sale of intangible assets		**7,521**	5,586
Net cash used in investing activities - B		**(3,334)**	(3,030)
Cash flows from financing activities			
Repayment of debt		**(379)**	(384)
Dividends paid		**(499)**	(498)
Net cash used in financing activities - C		**(878)**	(882)
Net increase/(decrease) in cash equivalents A+B+C		**6,150**	(2,620)
Cash and cash equivalents at 1 July 2012		**8,198**	10,818
Cash and cash equivalents at 30 June 2013	21	**14,348**	8,198

Celtic plc

NOTES TO THE ACCOUNTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These Financial Statements have been prepared in accordance with IFRS as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The accounting policies have been consistently applied to both years presented.

2. REVENUE AND OPERATING EXPENSES

	2013	2012
REVENUE	**£000**	£000
The Group's revenue comprised:		
Football and Stadium Operations	**32,687**	28,941
Merchandising	**14,976**	13,342
Multimedia and Other Commercial Activities	**28,153**	9,058
	75,816	51,341

	2013	2012
OPERATING EXPENSES	**£000**	£000
The Group's operating expenses comprised:		
Football and Stadium Operations (excluding exceptional items and asset transactions)	**51,385**	43,079
Exceptional items excluding impairment of intangible assets	**1,331**	241
Impairment of intangible assets	**501**	301
Amortisation of intangible assets	**5,930**	6,367
Profit on disposal of intangible assets	**(5,195)**	(3,543)
Loss on disposal of property, plant and equipment	**96**	120
Total Football and Stadium Operations	**54,048**	46,565
Merchandising	**9,008**	9,177
Multimedia and Other Commercial Activities	**2,321**	2,180
	65,377	57,922

3. EXCEPTIONAL OPERATING EXPENSES

The exceptional operating expenses of £1.83m (2012: £0.54m) can be analysed as follows:

Exceptional operating expenses comprised	2013 £000	2012 £000
Impairment of property, plant and equipment	**37**	-
Impairment of intangible assets (Note 2d)	**501**	301
Compromise payments on contract termination	**54**	192
Onerous contract costs	**-**	49
Onerous lease provision (Note 26)	**1,240**	-
	1,832	542

4. DIVIDENDS

A 6% (before tax credit deduction) non-equity dividend of £0.53m (2012: £0.54m) was paid on 2 September 2013 to those holders of Convertible Cumulative Preference Shares on the share register at 29 July 2013. On 31 August 2007 the entitlement to a dividend on the Convertible Preferred Ordinary Shares ceased. A number of shareholders elected to participate in the Company's scrip dividend reinvestment scheme for the financial year to 30 June 2013. Those shareholders have received new Ordinary Shares in lieu of cash. The implementation of the presentational aspects of IAS32 ("Financial Instruments: disclosure") in the preparation of the annual results, requires that the Group's Preference Shares and Convertible Preferred Ordinary Shares, as compound financial instruments, are classified as a combination of debt and equity and the attributable non-equity dividends are classified as finance costs. No dividends were payable or proposed to be payable on the Company's Ordinary Shares.

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5. TAXATION

No provision for corporation tax or deferred tax is required in respect of the year ended 30 June 2013. Estimated tax losses available for set-off against future trading profits amount to approximately £23m (2012: £33m) and, in addition, the available capital allowances pool is approximately £12.82m (2012: £13.99m). These estimates are subject to the agreement of the current and prior years' corporation tax computations with H M Revenue and Customs.

6. EARNINGS PER SHARE

	2013	2012
	£000	£000
Reconciliation of earnings / (loss) to basic earnings / (loss):		
Net earnings / (loss) attributable to equity holders of the parent	**9,739**	(7,371)
Basic earnings / (loss)	**9,739**	(7,371)
Reconciliation of basic earnings / (loss) to diluted earnings / (loss):		
Basic earnings / (loss)	**9,739**	(7,371)
Non-equity share dividend	**527**	-
Diluted earnings / (loss)	**10,266**	(7,371)
	No.'000	No.'000
Reconciliation of basic weighted average number of ordinary shares to diluted weighted average number of ordinary shares:		
Basic weighted average number of ordinary shares	**90,730**	90,247
Dilutive effect of convertible shares	**45,098**	-
Diluted weighted average number of ordinary shares	**135,828**	90,247

The prior year figures have been restated to remove the ant-dilutive effect of convertible shares. The impact has been to restate the non-equity share dividend as £nil, previously stated at £0.54m and to restate the dilutive effect of convertible shares as £nil, previously £46.12m. This has had the overall impact of increasing the diluted loss per share from 5.01p to 8.71p.

Earnings per share has been calculated by dividing the profit for the period of £9.74m (2012: Loss £7.37m) by the weighted average number of Ordinary Shares of 90.7m (2012: 90.2m) in issue during the year. Diluted earnings per share as at 30 June 2013 has been calculated by dividing the profit for the period by the weighted average number of Ordinary Shares, Preference Shares and Convertible Preferred Ordinary Shares in issue, assuming conversion at the balance sheet date, and the full exercise of outstanding share purchase options, if dilutive, in accordance with IAS33 Earnings Per Share. As at June 2013 and June 2012 no account was taken of potential share purchase options, as these potential Ordinary Shares were not considered to be dilutive under the definitions of the applicable accounting standards.

7. ANNUAL REPORT & ACCOUNTS

Copies of the Annual Report & Accounts together with the Notice and Notes of the 2013 AGM will be issued to all shareholders in due course.

The financial information set out above was approved by the directors on 23 September 2013 and does not constitute the Company's statutory accounts for the years ended 30 June 2013 or 30 June 2012. The auditors' opinion on the 2013 statutory accounts is unmodified and does not include a statement under Sections 498 (2) or (3) of the Companies Act 2006. The statutory accounts for 2012 have been filed and those for 2013 will be delivered to the Registrar of Companies in due course.