



SPRIDER STORES S.A.

No in the Register of S.A.: 7356/06/B/86/13

1, Syrou Street, 153 49, Anthoussa - Attica, Greece

ANNUAL FINANCIAL REPORT

For the period

(January 1st 2008 until December 31st 2008)

According to article 4 of L. 3556/2007 and the decisions of
the Hellenic Capital Market Commission's Board of Directors

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A. Statements by the Members of the Board of Directors

The members of the Board of Directors of SPRIDER STORES S.A.:

1. Athanassios Dorotheos Hatzioannou, resident of Anthoussa Attica, 1 Syrou str., President of the Board of Directors
2. Haralambos Emmanuel Xylouris, resident of Pallini Attica, 42 Armodiou str., Chief Executive Officer
3. Vasileios Panagiotis Tsiganos, resident of Melissia Attica, 37 Agias Marinas str., Independent non-Executive Member of the Board of Directors

Under the aforementioned positions, especially authorized by the Board of Directors of the Societe Anonyme with the name "**SPRIDER STORES S.A. COMMERCIAL AND INDUSTRIAL CLOTHING COMPANY – REAL ESTATE**" (hereunder "**The Company**" or "**SPRIDER STORES**") and according to article 4 par. 2 of Law 3556/2007, we declare and certify with the following statement that to our knowledge:

- a) The full year parent and group financial statements of **SPRIDER STORES** for the period from 01/01/2008 to 31/12/2008, which were prepared under the current accounting standards, depict in a truthful manner the Asset accounts, the Liabilities accounts, the Shareholders Equity accounts and the Profit and Loss accounts of the parent company, as well as the companies that are included in the consolidation as a whole.
- b) The Full Year Report of the Board of Directors portrays in a true manner the performance and the financial standing of the parent company, , as well as the companies that are included in the consolidation as a whole.

Anthoussa, March 12, 2008

The attestors

**Athanasios
Hatzioannou**

**Charalampos
Xylouris**

**Vasileios
Tsiganos**

President of the BoD

Managing Director

Member of the Bod

B. Independent Auditor's Review

To the Shareholders of **SPRIDER STORES S.A.**

Report on the Financial Statements

We have audited the accompanying Financial Statements of **SPRIDER STORES S.A.** ("the Company") as well as the consolidated Financial Statements of the Company and its subsidiaries ("the Group"), which comprise the balance sheet as at December 31, 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the abovementioned individual and consolidated Financial Statements present fairly, in all material respects, the financial position of the Company and that of the Group as of December 31, 2008, and the financial performance and the cash flows of the Company and those of the Group for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal Matters

We verified the agreement and correspondence of the content of the Board of Directors' Report with the abovementioned financial statements, in the context of the requirements of Articles 107 and 37 of Law 2190/1920.

Athens, 18 March 2009

The Certified Public
Accountants Auditor

The Certified Public
Accountants Auditor

Vassilis Kazas

Pavlos Stellakis

SOEL Reg. No 13281

SOEL Reg. No 24941



Grant Thornton

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων

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C. Full year Report of the board of directors for the period 01/01/2008 – 31/12/2008 of SPRIDER STORES S.A.**on the consolidated and company financial statements
for the period from January 1, 2008 to December 31 2008**

Dear Shareholders,

According to the provisions of Law 2190/1920, article 43a par. 3, article 107 par. 3 and article 136 and according to the provisions of Law 3556/2007 article 4 par. 2c, 6, 7 and 8 as well as according to the provisions of the Decision 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Market Commission article 2 and the articles of constitution of the Company, we submit to you the Board of Directors' Annual Report for the year from 01/01/2008 to 31/12/2008, which includes the audited financial statements of the Company and the Group, the notes on the financial statements and the independent auditor's review. The present report describes briefly information on the Company and the Group **SPRIDER STORES S.A.**, financial information which aim in briefing the shareholders and investors for the financial standing, the results, the overall developments and changes taking place within FY 2008 as well as important events that took place and their impact on the financial statements of the year. Moreover, a description of the major risks and uncertainties that the Group and the Company may face in the future takes places and the most important transactions of the issuer and its related parties are presented.

The current Report includes in summary yet substantive way all of the significant individual sections that are necessary, according to the above legislative framework and accurately presents all of the related information that are necessary based on Law, in order to deduct a substantial and thorough briefing for the activity during the referred period of the Company **SPRIDER STORES A.E.** (hereafter called as "**Company**" for reasons of brevity or "**SPRIDER STORES**"), as well as of the Group. The following companies are included in the Group:

| COMPANY NAME | REGISTER-COUNTRY | % PARTICIPATION | RELATION OF PARTICIPATION |
|----------------------------------|-------------------------|------------------------|----------------------------------|
| SPRIDER STORES S.A. | Greece | Parent Company | Parent Company |
| FASHION LOGISTICS S.A. | Greece | 24.50% | Direct |
| SPRIDER BULGARIA LTD | Bulgaria | 100.00% | Direct |
| SPRIDER DOOEL MON LTD (FYROM) | FYROM | 100.00% | Direct |
| SRPIDER STORES SRL | Romania | 100.00% | Direct |
| SPRIDER STORES (CYPRUS) LIMITED | Cyprus | 100.00% | Direct |
| SPRIDER STORES POLSKA S.p.z.o.o. | Poland | 100,00% | Direct |

The current Report accompanies the full year financial statements of the mentioned period (01/01/2008 – 31/12/2008) and is included uncut with the mentioned statements as well as the reports of the members of the BoD in the full year financial report concerning 2008. Given that the company issues consolidated financial statements as well, the present Report is integrated, and emphasis is placed on the consolidated financial statements while reference to the company financial statements is made only where it was deemed necessary or intentional for the best comprehension of the full year report. The sections of the Report and their content is as follows:

SECTION 1: FINANCIAL DEVELOPMENTS & PERFORMANCE OF FY 2008**1.1 Significant Events of FY 2008**

Fy 2008 was another year of important growth for SPRIDER STORES. The Group enhanced its basic financial figures and expanded impressively its sales network, retaining its leadership in the Greek value fashion market and strengthening further its market share. It is of weighing importance the fact that growth was achieved despite of the evident signs of the international financial crisis, especially during the second semester, which was characterized by a reduction in liquidity, demand and investments as well as intensely volatile conditions in the markets.

During 2008 the group established 35 new points of sales, increasing in that way its sales network by 50% approximately. It worhts mentioning that 2008 was the third consecutive year, within which the Group established more stores than ever before (2006: 12 points of sales, 2007: 21 points of sales, 2008: 35 points of sales).

The Group's strategic choice in order to confront the unfavourable conditions that made their appearance during the previous year was the rapid expansion of the Group's network, based on the successful SPRIDER STORES model and on the strategy of approaching the family by always offering products with the optimum price – fashion – quality ratio.

More specifically, during 2008 a total of twenty (21) stores commenced its operations in Greece, of which ten (10) stores were inaugurated in Athens and Thessalonica while eleven (11) stores were created in the Greek province, further increasing the already high geographical coverage of the Greek territory.

Moreover, the Group confirming the international orientation of its activities, launched fourteen (14) points of sales outside the Greek border, in countries of the South Eat Europe. Specifically, nine (9) stores were established in Romania, and three (3) stores were inaugurated in Bulgaria, affirming the fact that these two countries constitute the Group's area of secondary emphasis, after Greece. One (1) new point of sales commenced its operation in Cyprus.

Within 2008 the Group penetrated another geographical market, Poland, where a new subsidiary firm was founded, under the name SPRIDER STORES POLSKA S.p.z.o.o., it is headquartered in Warsaw and possesses a share capital of € 1.665 thou The group owns 100% of the above company's share capital. The newly founded subsidiadiary established and operates one (1) new point of sales in the city of Poznan.

Additionally, within the last quarter of 2008, the 100% subsidiary firm SPRIDER HELLAS DOO BEOGRAD, which was headquartered in Serbia, was liquidated. The company was inactive, thus there was not a significant influence on the Group's financial results.

The Group's total sales network is depicted in the following table:

| | 2006 | 2007 | 2008 |
|--------------|-------------|-------------|-------------|
| Greece | 43 | 57 | 78 |
| Romania | -- | 5 | 14 |
| Bulgaria | 1 | 2 | 5 |
| Cyprus | -- | 1 | 2 |
| FYROM | 1 | 1 | 1 |
| Poland | -- | -- | 1 |
| TOTAL | 45 | 66 | 101 |

Apart from the above within 2008 the group renovated 4 existing stores, in the frame of its effort to modernize and uniform its image towards the consumers.

However, the previous year did not lack of unpleasant events beginning with the inflammatory assault that was broken out by unidentified individuals in SPRIDER STORE Likovrisi Attica, at the end of June 2008. As a result of the consequent fire, the store was totally destroyed. The point of sales was insured, concerning fixed assets involved as well as merchandise placed within the store. The Group's mechanism was activated immediately and efficiently leading to the full renovation and operation of the above store by early October 2008.

During the turbulence, that took place throughout Greece, in the beginning of December 2008, the second retail store of the Group on Ermou Street was entirely burned down following a fire on the early

morning hours on Sunday, December 7, 2008. The fire was due to an arson incident caused during last weekend's riots in Athens. The aforementioned point of sales is located in the Stoa Building (54, Ermou Street), in a 135 year old neoclassical building, which was totally renovated to its initial form. The SPRIDER STORE Ermou II extends in five (5) levels, with the total selling surface amounting 3,070 square meters, and was inaugurated as early as last April. The restoration works, in that store as well, begun immediately, thus the date of the store's re – operation is expected to be within the first half of 2009.

During the turbulence another two (2) of the group's stores in Athens and in Thessalonica have also incurred light damages due to the riots, while several other group stores in Athens and in other Greek cities were forced to close down temporarily as the incidents continued.

1.2 Development, Performance & Standing of the Company

The positive course and the strategic planning of the group are printed fairly in the financial statements of FY 2008.

Consolidated turnover marked a **20.3% increase** and amounted to **€ 154.072 thou** over € 128,103 thou in 2007. The boost in sales is attributed mainly to the commencement of operations of the new points of sales. **Consolidated gross profit** formed at **€ 98.884 thou** over € 74,490 thou, **increased by 32.7%** from FY 2007. As well, **gross profit margin** stood at **64.2%** of the group's turnover over 58.1% in 2007, marking thus a 6.1 percentage points increase. The aforementioned rise is mainly accounted to the improved operating efficiency of the Group's procurement system as well as to the further devaluation of the USD against the Euro during H1 2008. However, an appreciation of the USD will affect the consolidated gross margin correspondingly.

Consolidated EBITDA grew to **€ 29.398 thou** versus € 21,752 thou in the respective period last year, recording a 35.2% increase. **Consolidated EBIT** amounted to **€ 19.815 thou** over € 16,041 thou in 2007, enhanced by **23.5%**. **Earnings before Tax (EBT)** amounted to **€ 17.763 thou** over € 34,147 thou in FY 2007. Finally, **consolidated net after tax and minorities earnings (EATAM)** amounted to **€ 13.442 thou** versus € 24,457 thou in FY 2007.

It must be noted that Group earnings for FY 2008 have been reduced with a **extraordinary non recurrent pre tax loss of € 1.607 thou**, which concern pending compensation, that the mother company claims from the Greek Public, relative to the arsons in the Likovrisi and Ermou stores. The Group has taken the appropriate action and deems that the above loss will be fully recovered. For conservancy reasons and conforming to the IFRS provisions, the Group recognized all of the loss within FY 2008. Correspondingly, it will recognize the relevant income within the year that it will be collected. Management considers that during FY 2009 the issue will be settled.

Moreover, FY 2007 Group results include extraordinary non recurrent results from the sale of EXPO ATHENS building and the sale of the tangential SPRIDER STORE in Anthousa – Attica, the sale of part of the building that the Group has developed in Bulgaria as well as from the liquidation of the subsidiary firm MEGATHLON HELLAS S.A. All the above actions have contributed to the FY 2007 consolidated results, **extraordinary non recurrent pre tax earnings of € 15,841 thou**

Consequently, for comparison purposes of the Group results, excluding all the extraordinary non recurrent results, **consolidated turnover** marked a **20.3% increase** and amounted to **€ 154.072 thou** over € 128,063 thou in 2007. **Consolidated gross profit** formed at **€ 98.884 thou** over € 74,486 thou, **increased by 32.8%** from FY 2007. As well, **gross profit margin** stood at **64.2%** of the group's turnover over 58.2% in 2007, marking thus a 6.0 percentage points increase. **Consolidated operating EBITDA** during FY 2008 increased by **19.8%** to **€ 29.398 thou** compared to € 24,539 thou in FY 2007. It is noteworthy that **total operating expenses** on a consolidated basis increased by **50.2%** and formed at **€ 77.587 thou** versus € 51,641 thou in 2007. The significant increase is attributed to the operation of thirty five (35) new stores, which represents a 53% increase in the Group's sales network. **Consolidated operating EBIT** marked a **5.2% increase** amounting **€ 19.815 thou** over € 18,828 thou within last year, affected by the 67.8% increase in consolidated depreciation expense (2008: € 9.583 thou – 2007: € 5.711 thou) due to the expansion plan that took place within FY 2008.

Operating EBT improved by **5.8%** and formed at **€ 19.370 thou** compared to € 18,304 thou in FY 2007. Finally, consolidated **operating EATAM** marked a **3.9%** increase and stood at **€ 14.670 thou** over € 14,125 thou last year.

As a consequence of the aggressive expansion plan, realized within 2008, the Group's net tangible assets increased by 36.5% and shaped at € 74.511 thou over € 54.591 thou on 31/12/2007.

The Group's inventory was significantly increased and formed at € 47.941 thou over € 24.438 thou on 31/12/2007, up by 96.2%. The boost is attributed to the Group's network expansion, thus in the increase of merchandise placed within stores as well as in the collapse of demand during December 2008 because of the turbulence that took place in Greece, which essentially lead to sales less than expected.

The Group's receivables amounted € 28.430 thou over € 19.669 thou on 31/12/2007, marking a 44.5% increase, which was due on sales increase and on the tax prepayment for FY 2007, within which the Group sold the EXPO ATHENS building and the tangent SPRIDER STORE in Anthoussa Attica and created an extraordinary non recurrent pre tax gain of € 16.065 thou, which lead to significantly higher income tax compared to the previous year.

The Group's high amount of net earnings during FY 2008, lead to an increase to owners' equity, which on 31/12/2008 formed at € 68.803 thou over € 60.534 thou on 31/12/2007, increased by 13.7%.

The Group's debt was also increased since capital expenditure within FY 2008 amounted € 36.076 thou and was mainly financed through debt. Thus, the Group's debt on 31/12/2008 stood at € 40.655 thou over € 5.001 thou on 31/12/2007.

Finally, the balance of suppliers at the end of FY 2008 rose by 26.2% to € 34.043 thou over € 26.985 thou on 31/12/2007, depicting mainly the increase in Group sales during the examined year.

Pursuant to the SPRIDER STORES business development plan, within FY 2008 the Group has successfully absorbed a **total of € 36.076 thou in investments**, which was used to develop and expand the group's retail network of stores. In more detail, these investments concerned the opening of thirty five (35) new stores in Greece and abroad, the renovation of four (4) existing points of sales, the reconstruction of the destroyed store in Likovrisi, as well as the modernization of the Group's warehousing facilities and upgrade the current ERP system.

The group's policy is to monitor its results and performance on a regular the following performance indicators:

| FINANCIAL INDICATORS | 2007 | 2008 |
|----------------------------------|--------------|--------------|
| Growth (%) | | |
| Sales | 35.6% | 20.3% |
| Gross Profit | 49.3% | 32.8% |
| EBIDTA | 23.3% | 19.8% |
| EBIT | 22.6% | 5.2% |
| EBT | 41.2% | 5.8% |
| EATAM | 69.1% | 3.9% |
| Profitability Margins (%) | | |
| Gross | 58.2% | 64.2% |
| EBIDTA | 19.2% | 19.1% |
| Net | 11.0% | 9.5% |
| Liquidity (%) | | |
| Current Ratio | 1.17 | 1.52 |
| Quick Ratio | 0.60 | 0.65 |
| Interest Coverage | 46.8 | 14.8 |
| Debt (%) | | |
| Debt / Equity | 0.80 | 1.39 |
| Banks / Equity | 0.08 | 0.59 |
| Efficiency (%) | | |
| ROE | 23.3% | 21.3% |
| ROA | 13.5% | 10.1% |

It must be noted that the calculation of the above indicators:

- On 31/12/2008 takes into consideration an **extraordinary non recurrent pre tax loss of € 1.607 thou**, which concern pending compensation that the mother company claims from the Greek Public, relative to the arsons in the Likovrisi and Ermou stores.
- On 31/12/2007, takes into consideration the consolidated operational results, which do not include the aforementioned extraordinary non recurrent pre tax gain of € 15.841 thou.

SECTION 2: Important Events

On Sunday, March 8, 2009 just after midnight SPRIDER STORE Dafni, Attica was set on fire, as a result of an arson attack by unidentified individuals. As a consequence the store was totally destroyed. SPRIDER STORE Dafni was insured, concerning fixed assets involved as well as merchandise placed within the store. SPRIDER STORES Group intends to re - operate the store as soon as possible. The

reconstruction works are expected to be concluded within the first semester of 2009. As far as it concerns the impact of this incident on the Group's earnings and financial standing, it is not expected to be significant, given that the store contributes approximately 1.9% to overall consolidated sales.

In addition, SPRIDER STORES Group commenced the execution of its business plan for 2009 by inaugurating a new store in Thermi Thessalonica, which constitutes the Group's ninth point of sales in the prefecture of Greece's co – capital and the one hundred second in total.

SECTION 3: Risks & Uncertainties

The major risks and uncertainties for FY 2009 are summed up in the following:

3.1 Foreign Exchange Risk

The Group operates internationally and therefore it is exposed to foreign exchange risk, which arises mainly from the U.S. Dollar. This risk mostly derives from future transactions, payables in foreign currency that represent approximately 60% of the Group's total purchases from its suppliers. The Group in order to adequately face potential risks arising from the exchange rate of EUR: USD employs flexible forwards, locking in that way the rate of the USD and consequently reduces its exposure to the relevant Foreign Exchange Risk.

Moreover, Foreign Exchange Risk stems as well from the Group's activities in the countries of South East Europe, like Poland, Romania, Bulgaria and FYROM. With the exception of Bulgaria, where the local currency was linked to the Deutsche Mark and with that rate is now linked to the Euro, the possibility of reacting in the fluctuation of the exchange rate of these currencies towards the Euro is rather limited, since there are not any relevant hedging products.

The Group contacts constantly its financial advisors as to determine the appropriate hedging policy to follow within the dynamic environment, in which it operates.

3.2 Credit Risk & Liquidity Risk

The Group does not face significant credit risk. The group's sales concerned retail sales, for the vast part of which cash is collected.

Liquidity risk is kept at low levels with sufficient cash and cash equivalents available and bank credit limits. Moreover, concerning the current year, and aiming at the Group's cash flow enhancement, the Board of Directors intend to propose at the Annual Ordinary Shareholders Meeting, the non distribution of dividend.

3.3 Cash flows and fair value change risk due to interest rate changes

Operating revenues and Group cash flows are substantially independent of the changes to the prices of the interest rates. The Group has not significant interest bearing items and the policy of the Group is to preserve almost its total debt to products of floating interest rate with secured returns. At the closing of the fiscal period, the total of the Group's debt was with a floating interest rate.

SECTION 4: FORECASTED COURSE & DEVELOPMENT

Management deems that the current financial crisis, which affects all productive sectors of the economy, influences respectively the retail market, within which the Group operates. Based on the successful SPRIDER STORES model in Greece as well as on the sales network that the Group operates in countries of South East Europe and having given positive signs within similar periods, the Management's strategic choice persists in continuing the Group's expansion plan within 2009 as well. Specifically, the Group targets at its network expansion with the addition of **ten (10) new points of sales**. Consequently, for the realization of the above goals and in order to confront the markets' extremely volatile conditions and the cautiousness exhibited by financial institutions, concerning financing enterprises while aiming at the Group's cash flow enhancement and financing the planned expansion for 2009 through own capital, the Board of Directors intends to propose at the Annual Ordinary Shareholders Meeting, which is expected to be held on Monday, June 15, 2008 the non distribution of dividend.

Finally, Management under the spectrum of uncertainty which has prevailed through the recent global financial crisis and the difficulty of determining the depth and duration of the current global recession announces that it will not publish guidance concerning financial results of FY 2009.

SECTION 5: Transactions with related parties

This section includes the most important transactions between the company and its affiliated parties as determined in the International Accounting Standard N° 24 and in specific this section includes:

- a) The transactions of the company and each of its affiliated parties executed during the FY 2008 and which had a material effect in the company's financial position in the said same year.
- b) Any changes in the transactions between the company and each of its affiliated parties that are described in the latest annual report, which could have material consequences on the company's financial position or its performance during FY 2008.

We note that the aforementioned reference to the transactions which follows in detail contains the following elements:

- a) The amount of the transaction for the FY 2008
- b) The balance as at the period end (31/12/2008),
- c) The nature of the relation between the affiliated party and the company as well as
- d) Any additional information on the transactions, which are essential for the understanding of the Company's financial position, only in the case where these transactions are material and have not been executed under the generally accepted rules and conditions.

In more detail, the transactions and the Company's balance with its affiliated parties - legal entities or persons - as determined by the International Accounting Standard N° 24, for the FY 2008 and as at 31/12/2008 respectively are as following:

| Amounts in € ' 000 | THE GROUP 31/12/2008 | THE COMPANY 31/12/2008 | RELATION WITH THE ISSUER |
|--------------------------------|---------------------------------|-----------------------------------|-------------------------------------|
| INCOME | | | |
| SPRIDER BULGARIA EOOD | 0 | 1.730 | SUBSIDIARY FIRM |
| SPRIDER STORES SRL (ROMANIA) | 0 | 6.274 | SUBSIDIARY FIRM |
| SPRIDER DOOEL (FYROM) | 0 | 459 | SUBSIDIARY FIRM |
| SPRIDER STORES (CYPRUS) LTD | 0 | 757 | SUBSIDIARY FIRM |
| SPRIDER STORES POLSKA Sp.z o.o | 0 | 620 | SUBSIDIARY FIRM |
| UNITED TRENDINO SHOES S.A. | 94 | 94 | RELATED PARTY AS PER IAS 24 |
| FASHION LOGISTICS S.A. | 2.297 | 2.297 | RELATED PARTY AS PER IAS 24 |
| LANADOR S.A. | 0 | 0 | RELATED PARTY AS PER IAS 24 |
| EUROCOMMERCE L 95 LTD | 28 | 28 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU S.A. | 206 | 206 | RELATED PARTY AS PER IAS 24 |
| LADY INSIDE S.A. | 1 | 1 | RELATED PARTY AS PER IAS 24 |
| SUPERIOR UNDIES S.A. | 2 | 2 | RELATED PARTY AS PER IAS 24 |
| ENERGEIAKI XANTHIS S.A. | 2 | 2 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS O.E. | 1 | 1 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS & CO E.E. | 0 | 0 | RELATED PARTY AS PER IAS 24 |
| TOTAL INCOME | 2.632 | 12.473 | |
| EXPENSES | | | |
| UNITED TRENDINO SHOES S.A. | 17 | 17 | RELATED PARTY AS PER IAS 24 |
| FASHION LOGISTICS S.A. | 5.100 | 5.100 | RELATED PARTY AS PER IAS 24 |
| LANADOR S.A. | 1.361 | 1.361 | RELATED PARTY AS PER IAS 24 |
| EUROCOMMERCE - 95 LTD | 181 | 181 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU S.A. | 2.998 | 2.998 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS & CO E.E. | 223 | 223 | RELATED PARTY AS PER IAS 24 |
| TOTAL EXPENSES | 9.880 | 9.880 | |
| RECEIVABLES | | | |
| SPRIDER BULGARIA EOOD | 0 | 2.936 | SUBSIDIARY FIRM |
| SPRIDER STORES SRL (ROMANIA) | 0 | 6.304 | SUBSIDIARY FIRM |
| SPRIDER DOOEL (FYROM) | 0 | 355 | SUBSIDIARY FIRM |
| SPRIDER STORES (CYPRUS) LTD | 0 | 646 | SUBSIDIARY FIRM |
| SPRIDER STORES POLSKA Sp.z o.o | 0 | 620 | SUBSIDIARY FIRM |
| UNITED TRENDINO SHOES S.A. | 106 | 106 | RELATED PARTY AS PER IAS 24 |
| FASHION LOGISTICS S.A. | 2.063 | 2.063 | RELATED PARTY AS PER IAS 24 |
| LANADOR S.A. | 220 | 220 | RELATED PARTY AS PER IAS 24 |
| EUROCOMMERCE L 95 LTD | 30 | 30 | RELATED PARTY AS PER IAS 24 |
| LADY INSIDE S.A. | 2 | 2 | RELATED PARTY AS PER IAS 24 |
| SUPERIOR UNDIES S.A. | 4 | 4 | RELATED PARTY AS PER IAS 24 |
| ENERGEIAKI XANTHIS S.A. | 4 | 4 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU S.A. | 241 | 241 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS & CO E.E. | 1 | 1 | RELATED PARTY AS PER IAS 24 |
| DOROTHEOS HATZIOANNOU | 48 | 48 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS O.E. | 2 | 2 | RELATED PARTY AS PER IAS 24 |
| TOTAL RECEIVABLES | 2.721 | 13.581 | |
| LIABILITIES | | | |
| FASHION LOGISTICS S.A. | 2.045 | 2.045 | RELATED PARTY AS PER IAS 24 |
| LANADOR S.A. | 1.216 | 1.216 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU S.A. | 215 | 215 | RELATED PARTY AS PER IAS 24 |
| HATZIOANNOU BROS & CO E.E. | 156 | 156 | RELATED PARTY AS PER IAS 24 |
| ALEXIOU LAW FIRM | 68 | 68 | RELATED PARTY AS PER IAS 24 |
| TOTAL LIABILITIES | 3.700 | 3.700 | |

| | | | |
|---|-------|-------|--|
| Transactions and remuneration with top management and BoD members | 3.255 | 3.027 | |
| Receivables from top management and BoD members | 75 | 75 | |
| Payables to top management and BoD members | 0 | 0 | |

From the abovementioned transactions, transactions and balances concerning subsidiary companies have been deleted from the consolidated financial results of the Group.

There were no transaction changes between the Company and the affiliated parties which could have substantial consequences to the financial position and performance of the Company for FY 2008.

All transactions described above have been completed under the regular market terms.

SECTION 6: Explanatory Report of par. 7 & 8 of article 4 of Law 3556/2007

This explanatory report of the BoD to the annual Ordinary General Assembly of the shareholders includes information relative to the issues of paragraph 4, Law 3356/2007.

1. Share Capital Structure

The company's share capital amounts € 23,636,394.00, divided in 78,787,980 common shares, with a par value of € 0.30 each.

All shares are nominal and listed in the Athens Exchange ("International Market" category).

Every common share provides the privilege of one voting right in the General Assembly of the shareholders.

Every share provides all the privileges and obligations, which are set by the Law and the company's articles of constitution. The responsibility of the shareholders is restricted in the par value of the shares they possess.

2. Restrictions in the Transfer of Shares

The transfer of SPRIDER STORES shares takes place as provided by the Law. As it is derived from the terms of the corporate bond contract that the Company issued within FY 2008:

- Hadjioannou family undertakes the obligation not to reduce its participation, direct or indirect, in SPRIDER STORES' share capital as well as voting rights to less than 30% cumulatively.
- Hadjioannou family undertakes the obligation not to amend the control that possesses over the Company.

Apart from the above, there are no restrictions set by the company's constitution.

3. Important Direct or Indirect Participations in the Company's Share Capital, as defined by P.D. 51/1992

The shareholders, who possessed more than 5% of the company's voting rights on 31/12/2007, are listed in table below:

| SHAREHOLDERS | PARTICIPATION PERCENTAGE |
|------------------------|---------------------------------|
| HATZIOANNOU SA | 39.92% |
| HATZIOANNOU ATHANASIOS | 11.47% |
| HATZIOANNOU SAVVAS | 9.58% |
| FORTIS INVESTMENTS | 8.67% |

4. Shares Giving Special Control Privileges

There are no SPRIDER STORES' shares giving special control privileges.

5. Restrictions in Voting Rights

SPRIDER STORES' constitution does not provide for any restrictions in voting rights.

6. Agreements between Company Shareholders

The company does not have any knowledge and its constitution does not provide for agreements between shareholders, which lead to restrictions in the shares' transfer or in exercising voting rights.

7. Regulations for Appointing and Replacing BoD Members and Constitution Adjustments, which Differ from the Provisions of Law 2190/1920

The regulations provided by the company's constitution for appointing and replacing BoD members and the adjustment of the constitution's articles do not differ from the provisions of Law 2190/1920.

8. Jurisdiction of the BoD or of some of its Members for the Issue of New Shares or the Purchase of SPRIDER STORES Own Stock, according to article 16 of Law 2190/1920

There is no special jurisdiction of the BoD or of some of its members for issuing new shares. The BoD is not authorized by the shareholders' General Assembly to buy own stock, according to article 16 of Law 2190/1920.

9. Important Agreements Effective, Amended or Expired in Case of Alterations in the Company's Control after a Public Offering

There are no company agreements, which are effective, amended or expired in case of alterations in SPRIDER STORES' control after a public offering.

10. Important Agreements with Bod Members or Company Personnel

There are no company agreements with its BoD members or its personnel, which provide for the payment of compensation especially in case of resignation or dismissal without defensible cause or termination of their service or employment because of a public offering.

Anthoussa Attica, March 12, 2009

The Company's Board of Directors

D. Annual Financial Statements

The attached financial statements are those approved by the Board of Directors of SPRIDER STORES S.A. on March 12, 2009 and has been posted in internet, in the address www.spriderstores.com, as well as in the ATHEX website, where it will remain in the disposal of investors for a time period of at least 5 years, since the date its edit and publication.

The attention of the reader is drawn to the fact that the Synoptic Financial Data and Information that derive by the financial statements published in the press aim at providing the public with a general information regarding the financial situation and the result of the Company, but they do not present a comprehensive view of the financial position and the results of operation and the Cash Flow of the Company and the Group, in accordance with the International Financial Reporting Standards.

Balance Sheet

| | | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|------|----------------------|----------------|-----------------|----------------|
| Amounts in th. € | note | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 6.1 | 74.511 | 54.592 | 57.985 | 44.169 |
| Intangible assets | 6.3 | 3.456 | 2.000 | 2.995 | 1.858 |
| Investments in subsidiaries | 6.4 | - | - | 13.207 | 11.247 |
| Investments in affiliated parties | 6.4 | - | - | 220 | 13 |
| Financial assets available for sale | 6.5 | 300 | - | 300 | - |
| Other long-term receivables | 6.6 | 2.491 | 1.981 | 2.277 | 1.806 |
| Deferred income tax | 6.15 | 479 | 86 | - | - |
| | | 81.237 | 58.659 | 76.983 | 59.092 |
| Current assets | | | | | |
| Inventories | 6.7 | 47.941 | 24.438 | 41.397 | 22.462 |
| Trade and other receivables | 6.8 | 13.957 | 11.988 | 24.431 | 13.374 |
| Other receivables | 6.8 | 14.474 | 7.681 | 13.843 | 8.499 |
| Short term financial assets | 6.9 | 3.077 | - | 3.077 | - |
| Cash and cash equivalents | 6.10 | 3.881 | 6.086 | 2.618 | 2.628 |
| | | 83.330 | 50.192 | 85.366 | 46.963 |
| TOTAL ASSETS | | 164.567 | 108.851 | 162.349 | 106.055 |
| EQUITY AND LIABILITIES | | | | | |
| Own Equity | 6.11 | | | | |
| Share Capital | | 23.636 | 23.636 | 23.636 | 23.636 |
| Share premium | | 241 | 241 | 241 | 241 |
| Cash flow hedging reserve | | 2.294 | - | 2.294 | - |
| Other reserves | | 3.100 | 2.050 | 3.100 | 2.050 |
| Carried forward | | 40.072 | 34.692 | 42.059 | 36.045 |
| Foreign exchange differences reserves | | (542) | (86) | - | - |
| Own equity attributable to the shareholders of the parent | | 68.802 | 60.534 | 71.331 | 61.972 |
| Minority interest | | - | 0 | - | - |
| Total equity | | 68.802 | 60.534 | 71.331 | 61.972 |
| Long-term liabilities | | | | | |
| Employee benefits due to retirement | 6.17 | 1.130 | 885 | 1.130 | 885 |
| Long-term bank liabilities | 6.16 | 35.000 | - | 35.000 | - |
| Long-term financial liabilities | 6.16 | 3.292 | 3.594 | 3.292 | 3.594 |
| Deferred tax liabilities | 6.15 | 1.674 | 971 | 1.439 | 969 |
| Other long-term liabilities | | - | 3 | - | - |
| | | 41.097 | 5.452 | 40.862 | 5.448 |
| Short-term liabilities | | | | | |
| Suppliers and other liabilities | 6.13 | 34.043 | 26.985 | 30.162 | 23.476 |
| Current tax | 6.14 | 5.932 | 8.035 | 5.932 | 7.879 |
| Other liabilities | 6.14 | 2.400 | 3.366 | 1.983 | 2.841 |
| Short-term bank liabilities | 6.16 | 2.363 | 1.407 | 2.363 | 1.407 |
| Short-term financial liabilities | 6.9 | 18 | - | 18 | - |
| Provisions and other Short-term liabilities | 6.12 | 9.910 | 3.071 | 9.697 | 3.032 |
| Total short-term liabilities | | 54.667 | 42.865 | 50.156 | 38.635 |
| Total liabilities | | 95.764 | 48.317 | 91.018 | 44.083 |
| TOTAL EQUITY AND LIABILITIES | | 164.567 | 108.851 | 162.349 | 106.055 |

Any differences to the totals are due to rounding

Notes on pages 46 to 78 represent an integral part of these annual financial statements.

Income Statement

| Amounts in th. € | note | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|------|----------------------|------------------|------------------|------------------|
| | | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Sales | 6.1 | 154.072 | 128.103 | 149.430 | 126.683 |
| Cost of sales | 6.18 | (55.188) | (53.613) | (59.098) | (55.262) |
| Gross profit | | 98.884 | 74.490 | 90.331 | 71.421 |
| Selling expenses | 6.18 | (72.620) | (52.079) | (64.047) | (45.832) |
| Administrative expenses | 6.18 | (10.252) | (6.554) | (8.357) | (5.245) |
| R&D expenses | 6.18 | (1.045) | (638) | (1.045) | (638) |
| Other income | 6.18 | 8.100 | 1.686 | 8.955 | 1.608 |
| Other expenses | 6.18 | (3.254) | (865) | (3.237) | (514) |
| Operating Profits | | 19.814 | 16.040 | 22.601 | 20.799 |
| Financial cost (net) | 6.18 | (1.982) | (623) | (1.909) | (30) |
| Loss / (Profit) from the sale and destruction of assets | 6.18 | (82) | 18.552 | (1.356) | 16.063 |
| Results from affiliated companies | 6.18 | 13 | 177 | (901) | (6.358) |
| Profit (loss) before tax | | 17.763 | 34.147 | 18.436 | 30.474 |
| Income tax | 6.19 | (4.321) | (9.690) | (4.360) | (9.471) |
| Net profit (loss) for the period | | 13.442 | 24.457 | 14.076 | 21.003 |
| Attributable to: | | | | | |
| Shareholders of the parent | | 13.442 | 24.457 | 14.076 | 21.003 |
| Minority interest | | - | - | | |
| Profit (loss) per share attributable to shareholders of the parent | | | | | |
| Basic (€) | 6.20 | 0,1706 | 0,3104 | 0,1787 | 0,2666 |
| Suggested dividend per share (€) | 6.11 | | | 0,0000 | 0,0890 |

| | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|------------------|------------------|------------------|
| | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Profit / (Losses) before interest and taxes | 19.814 | 16.040 | 22.601 | 20.800 |
| Profit / (Losses) before interest, taxes, depreciation and amortization | 29.397 | 21.751 | 30.470 | 25.980 |

Any differences to the totals are due to rounding

Notes on pages 46 to 78 represent an integral part of these annual financial statements.

Statement of changes in equity

| Amounts in th. € | Share capital | Share premium | Cash flow hedging reserve | Reserves | Retained earnings | Exchange differences | Total | Minority interest | Total Equity |
|--|---------------|---------------|---------------------------------|--------------|----------------------|-------------------------|---------------|----------------------|-----------------|
| CONSOLIDATED FIGURES | | | | | | | | | |
| Balance as of January 1, 2007 | 15.758 | 8.207 | - | 4.292 | 11.145 | (0) | 39.401 | 0 | 39.401 |
| Capitalization of reserves from the share premium account | 7.879 | (7.966) | - | - | - | - | (87) | - | (87) |
| Exchange differences from activities abroad | - | - | - | - | - | (85) | (85) | - | (85) |
| Net profit for the period | - | - | - | - | 24.457 | - | 24.457 | (0) | 24.457 |
| Reserves' transfer | - | - | - | (2.242) | 2.243 | - | 0 | - | 0 |
| Dividend | - | - | - | - | (3.152) | - | (3.152) | - | (3.152) |
| Balance as of December 31, 2007 | 23.636 | 241 | - | 2.050 | 34.692 | (86) | 60.534 | 0 | 60.534 |
| Balance as of January 1, 2008 | 23.636 | 241 | - | 2.050 | 34.692 | (86) | 60.534 | 0 | 60.534 |
| Exchange differences from activities abroad | - | - | - | - | - | (456) | (456) | - | (456) |
| Net profit for the period | - | - | - | - | 13.442 | - | 13.442 | - | 13.442 |
| Reserves' transfer | - | - | - | 1.050 | (1.050) | - | - | (0) | (0) |
| Change in the reserve for valuation of financial instruments at fair value | - | - | 3.059 | - | - | - | 3.059 | - | 3.059 |
| Taxes related to assets debited or credited in the shareholders equity | - | - | (765) | - | - | - | (765) | - | (765) |
| Dividend | - | - | - | - | (7.012) | - | (7.012) | - | (7.012) |
| Balance as of December 31, 2008 | 23.636 | 241 | 2.294 | 3.100 | 40.072 | (542) | 68.802 | - | 68.802 |

Any differences to the totals are due to rounding

Notes on pages 46 to 78 represent an integral part of these annual financial statements.

| Amounts in th. € | Share capital | Share premium | Cash flow hedging reserve | Reserves | Retained earnings | Total Equity |
|--|---------------|---------------|---------------------------|--------------|-------------------|---------------|
| COMPANY FIGURES | | | | | | |
| Balance as of January 1, 2007 | 15.758 | 8.207 | - | 4.132 | 16.112 | 44.208 |
| Capitalization of reserves from the share premium account | 7.879 | (7.966) | - | - | - | (87) |
| Net profit for the period | - | - | - | - | 21.003 | 21.003 |
| Reserves' transfer | - | - | - | (2.082) | 2.082 | - |
| Dividend | - | - | - | - | (3.152) | (3.152) |
| Balance as of December 31, 2007 | 23.636 | 241 | - | 2.050 | 36.045 | 61.972 |
| Balance as of January 1, 2008 | 23.636 | 241 | - | 2.050 | 36.045 | 61.972 |
| Net profit for the period | - | - | - | - | 14.076 | 14.076 |
| Reserves' transfer | - | - | - | 1.050 | (1.050) | - |
| Change in the reserve for valuation of financial instruments at fair value | - | - | 3.059 | - | - | 3.059 |
| Taxes related to assets debited or credited in the shareholders equity | - | - | (765) | - | - | (765) |
| Dividend | - | - | - | - | (7.012) | (7.012) |
| Balance as of December 31, 2008 | 23.636 | 241 | 2.294 | 3.100 | 42.059 | 71.331 |

Any differences to the totals are due to rounding

Notes on pages 46 to 78 represent an integral part of these annual financial statements.

Cash Flow Statement

| | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Amounts in th. € | 1/1 - 31/12/2008 | 1/1 - 31/12/2007 | 1/1 - 31/12/2008 | 1/1 - 31/12/2007 |
| Cash flows from operating activities | | | | |
| Profit before tax | 17.763 | 34.147 | 18.436 | 30.474 |
| Adjustments for : | | | | |
| Depreciation | 9.583 | 5.711 | 7.869 | 5.180 |
| Provisions | 913 | 491 | 913 | 491 |
| Foreign Exchange differences | (1.644) | (955) | (1.604) | (1.416) |
| Debit interest | 2.377 | 1.527 | 2.327 | 1.527 |
| Credit interest | (57) | (81) | (98) | (81) |
| Results (income, expenses, profit and losses) from investing activities | (13) | (177) | 901 | 6.358 |
| Loss / (Profit) from the sale and destruction of assets | 82 | (18.552) | 1.356 | (16.063) |
| Results from subsidiary company that was set to liquidation and was not consolidated | - | 2.606 | - | - |
| Decrease/(increase) in inventories | (23.504) | (3.924) | (18.935) | (2.204) |
| Inventories of subsidiary company that was set to liquidation and was not consolidated | - | 1.476 | - | - |
| Decrease/(increase) in receivables | (13.762) | (7.045) | (21.169) | (13.555) |
| (Decrease)/increase in liabilities (except for banks) | 23.397 | 8.744 | 21.073 | 5.337 |
| Less: | | | | |
| Interests paid | (1.676) | (1.527) | (1.626) | (1.527) |
| Income tax paid | (2.594) | (4.134) | (2.594) | (4.133) |
| Cash flows from operating activities | 10.868 | 18.308 | 6.851 | 10.388 |
| Cash flows from investing activities | | | | |
| Acquisition of subsidiaries, affiliated, joint ventures and other companied / available for sale | (454) | 60 | (3.317) | 60 |
| Purchase of tangible and intangible assets | (34.884) | (29.599) | (26.094) | (18.035) |
| Proceeds from sale of property, plant and equipment | 2.959 | 49.997 | 1.233 | 39.632 |
| Changes in cash of subsidiary that was set to liquidation and subsidiary that was sold | - | (86) | - | - |
| Subsidiaries and affiliated companies Financing | - | - | 1.108 | 3.409 |
| Debit interest | 57 | 81 | 98 | 81 |
| Income tax paid from gains from the liquidation of previous years assets | (9.334) | - | (8.570) | - |
| Cash flows from investing activities | (41.656) | 20.453 | (35.541) | 25.148 |
| Cash flows from financing activities | | | | |
| Share capital increase | - | (87) | - | (87) |
| Issue of loans | 65.456 | 21.500 | 65.456 | 21.500 |
| Repayments of loans | (28.956) | (32.100) | (28.956) | (32.100) |
| Repayments of financial leasing liabilities (capital installments) | (878) | (22.885) | (878) | (22.885) |
| Dividends paid | (7.001) | (3.147) | (7.001) | (3.147) |
| Cash flows from financing activities | 28.621 | (36.719) | 28.621 | (36.719) |
| Net increase (decrease) in cash and cash equivalents | (2.168) | 2.041 | (70) | (1.183) |
| Cash at the beginning of the period | 6.086 | 3.368 | 2.628 | 2.673 |
| Exchange differences impact | (36) | 676 | 60 | 1.138 |
| Cash at the end of the period | 3.881 | 6.086 | 2.618 | 2.628 |

Any differences to the totals are due to rounding

Notes on pages 46 to 78 represent an integral part of these annual financial statements.

Notes to the consolidated financial statements**1. General information**

The financial statements for the Group and the Parent Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as these have been published by the International Accounting Standards Board.

The parent Company of the Group is SPRIDER STORES S.A. The Company was established in 1978 in Athens and is headquartered in Greece, Prefecture of Attica, Community of Anthoussa, on 1, Syrou Street, location O.S.A.M., Postal Code 153 49. The Company's website is www.spriderstores.com.

SPRIDER STORES S.A. shares are listed on the Athens stock exchange since 2004.

The financial statements of December 31st 2008 have been approved for issue by the Board of Directors on March 12 2009. According to the provisions of the Hellenic Capital Market Commission after the date of the approval of the financial statements no amendments are allowed.

Please note that SPRIDER STORES is included in the consolidated financial statements of HATZIOANNOU S.A., a company also listed in the Athens Exchange. HATZIOANNOU S.A. is headquartered in Greece, holds a share of 39,92% in SPRIDER STORES (as of December 31, 2008) and consolidates it in its own financial statements under full consolidation method.

2. Nature of Operations

SPRIDER STORES Group operates mainly in the retail sale within the clothing and shoe market.

3. Basis of preparation

The consolidated and parent financial statements of SPRIDER STORES S.A. have been prepared in accordance with International Accounting Standards (IAS). The financial statements have been prepared under the historical cost principle as modified by the revaluation of particular items of assets and liabilities at their fair value, the going concern principle and are in conformity with the framework for the preparation of financial statements and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

All revised or newly issued Standards and Interpretations that have an impact on Group and are in effect on December 31st 2008 have been taken into consideration for the preparation of the financial statements of the current fiscal year in the extent they were applicable.

The preparation of the financial statements according to the international Financial Reporting Standards (IFRS) requires the use of accounting estimates. The situations which require a more sophisticated level of judgment and complexity or the situations where the assumptions and the estimations are significant for the consolidated financial statements, are included in Note [3.2.](#)

FY 2003 and 2004, the International Accounting Standards Board (IASB) has issued a series of new International Accounting Reporting Standards (IFRS) and reviewed International Accounting Standards (IAS), which in conjunction with the non-reviewed International Accounting Standards (IAS) that were published by the Committee of International Accounting Standards, the predecessor of the International Accounting Standards Board (IASB), which is referred to as "the IFRS Stable Platform 2005". The group applies IFRS Stable Platform 2005 as of January 1, 2005.

3.1. Changes in accounting principles

No new Standards and Interpretations have been adopted during the current fiscal year. The Group has recognized within the fiscal year certain f/x forward contracts as hedging instruments for cash flow cash flow hedging. The cash flow hedging accounting is analyzed in § 4 «Summary of Accounting Policies»

§ 3.1.3. briefly presents the Standards and Interpretations that SPRIDER STORES S.A. will adopt in upcoming periods.

3.1.1. Amendments on published statements

It is noted that the comparative figures in the income statement of the fiscal year 2007 have been reclassified in order to provide more complete reporting. The changes are the following

Comparative Period Results 1/1-31/12/2007:

| | PUBLISHED | | RESTATE | | DISCREPANCIES | |
|---|------------------|---------------|------------------|---------------|------------------|----------------|
| | GROUP | COMPANY | GROUP | COMPANY | GROUP | COMPANY |
| Amounts in th. € | 01/01-31/12/2007 | | 01/01-31/12/2007 | | 01/01-31/12/2007 | |
| Sales | 128.103 | 126.683 | 128.103 | 126.683 | 0 | 0 |
| Cost of sales | (53.613) | (55.262) | (53.613) | (55.262) | - | - |
| Gross profit | 74.490 | 71.421 | 74.490 | 71.421 | 0 | 0 |
| Other income | 20.253 | 17.686 | 1.686 | 1.608 | -18.567 | -16.078 |
| Selling expenses | (52.079) | (45.832) | (52.079) | (45.832) | - | - |
| Administrative expenses | (6.554) | (5.245) | (6.554) | (5.245) | - | - |
| R&D expenses | (638) | (638) | (638) | (638) | - | - |
| Other expenses | (879) | (529) | (865) | (514) | 15 | 15 |
| Profit/(losses) before interest and taxes | 34.593 | 36.863 | 16.040 | 20.800 | -18.552 | -16.063 |
| Depreciation | 5.711 | 5.180 | 5.711 | 5.180 | 0 | 0 |
| Profit/(losses) before interest, taxes, depreciation and amortization | 40.304 | 42.043 | 21.751 | 25.980 | -18.552 | -16.063 |
| Loss / (Profit) from the sale and destruction of assets | 0 | 0 | 18.552 | 16.063 | 18.552 | 16.063 |
| Financial cost (net) | (623) | (30) | (623) | (30) | - | - |
| Results from affiliated companies | 177 | (6.358) | 177 | (6.358) | 0 | - |
| Profit (loss) before tax | 34.147 | 30.475 | 34.146 | 30.475 | 0 | 0 |
| Income tax | (9.690) | (9.471) | (9.690) | (9.471) | - | - |
| Net profit (loss) from continued operations | 24.457 | 21.004 | 24.457 | 21.004 | 0 | 0 |
| | | | | | 0 | 0 |
| Earnings for earnings per shares attributable to the shareholders of the Parent | 24.457 | 21.004 | 24.457 | 21.004 | 0 | 0 |
| Basic € | 0,3104 | 0,2666 | 0,3104 | 0,2666 | 0,0000 | 0,0000 |

The above reclassifications had no effect on turnover, after tax results, minority rights and the company's shareholders equity.

More specifically, as regards the income statement, the company, in accordance with Circular 34 of the Hellenic Capital Market Commission, adjusted "Earnings before interest, taxes, depreciation and amortization" and "Profit before interest and taxes". The major change is due to the reclassification of the profit from the sale of the Expo Athens real estate, which was conducted in the previous comparative period.

It is furthermore noted that in the Cash Flow Statement of the comparative period, the figure "Subsidiary companies financing has been transferred from the "Financing activities" to the "Investing activities" since in that way it is considered to provide a more complete reporting.

3.1.2. Accounting standards, amendments and interpretations in existing accounting standards which are not yet in effect and have not been adopted

A brief overview of new Standards, Revisions of Standards and interpretations on the current standards that have been published but are not compulsory for the presented financial statements, and which have not been adopted earlier by the group is presented below:

I.F.R.S. 3 Business combinations

Revised IFRS 3 applies to business combinations beginning on or after 1 July 2009 and applies from that date onwards. The revised IFRS changes the accounting treatment for business combinations, however it continues the mandatory application of the Purchase Method and it will have a significant impact on the business combinations that will take place on or after 1 July 2009.

I.A.S. 27 Consolidated Financial Statements and Accounting for Investment in Subsidiaries

The revised standard brings changes to the accounting treatment concerning the loss of control in a subsidiary and to the financial cost in subsidiaries. Management does not expect this to have a material impact on the Group's financial statements.

I.F.R.S. 8 Operating Segments

IFRS 8 Operating Segments, replaces IAS 14 Segment Reporting. Basic changes are summarized as follows:

1. Results of each segment depend on the operating results of each separate reporting segment. The results of the operating segments do not include, financial cost and financial income, including the results that arise from investments in the share capital of other companies, as well as the results from taxes and discontinued operations.
2. in addition, for management decision purposes that concern the allocation of funds in the operating segments as well as for the purpose of calculating segment efficiency, expenses regarding benefits to the personnel due to retirement along with the cost that occurs from the settlement of transactions based on equity instruments are not taken into consideration.

Effective for periods beginning on or after 1/1/2009.

I.A.S. 23: Borrowing Cost

Revised IAS 23 eliminates the option of immediate expense recognition of borrowing costs relating to the acquisition, construction or production of fixed assets. The characteristic of this asset is that it needs a substantial period of time to be in the condition for its intended use or sale. Such borrowing costs, however, must be capitalized by the Company as part of the cost of the asset.

The revised standard does not require the capitalization of borrowing costs relating to assets accounted at their fair values and inventories that are constructed or produced regularly in large quantities even if it takes a substantial period of time to get ready for their intended use or sale.

The revised standard applies for borrowing costs related to qualifying assets and is effective on or after January 1, 2009. Earlier application is permitted.

I.A.S. 1: Presentation of Financial Statements

The basic changes of this Standard can be summarized in the separate presentation of the changes in equity that arise from transactions with the shareholders and their respective position as shareholders (ex. dividends, share capital increases) from the rest of changes in equity (ex. transformation reserves). In addition, the improved issue of the Standard creates changes in the terminology along with the presentation of the financial statements.

New definitions as set by the Standard do not change however the rules of recognition, calculation, or disclosure of certain transactions and other events that are being set by the other Standards.

The change of IAS 1 is obligatory for periods beginning on or after January 1, 2009 while these requirements have also effect in IAS 8 «Accounting Policies, Changes in Accounting Estimates and Errors». Changes caused by the modification of IAS 1 apply retroactively (IAS

8.19 (b)). Earlier application is encouraged, as long as this is disclosed in the explanatory notes accompanying the company's financial statements.

Based on the current structure of the Group and the accounting policies that are being followed, Management does not anticipate significant impact on the financial statements of the Group from the implementation of the above mentioned Standards and Interpretations when these become applicable.

The effect from the implementation of the revised IAS 23 has not been determined yet.

As noted previously, the revised IAS 23 eliminates the option of immediate expense recognition of borrowing costs relating to the acquisition, construction or production of fixed assets. This is expected to affect the measurement of fixed assets that are internally created within the framework of the research and development procedure of the Group. The policy applied up to now regarded the direct charge of the fiscal year's results with the total of the financial expenses. The change in the recognition accounting policy of the said expenses will basically affect the time of recognition of this expense as well as its reference (financial cost instead of depreciation).

Group does not intend to apply any of the Standards or the interpretations earlier.

3.1.3. Accounting Standards, amendments and interpretations in existing accounting standards already in effect but do not apply to the Group.

The following accounting standards, amendments and revisions are effective in 2008 but do not apply to the Group

IFRIC 11: IFRS 2 – Group and Treasury Share Transactions

IFRIC 11 provides guidance regarding whether benefit agreements depending on the value of shares should be considered as cash remuneration or shareholding interest in the financial statements of the entity. This is an important distinction since it requires different accounting treatment in each occasion.

For example, cash payments are accounted at their fair value on the date of the balance sheet. On the contrary, equity options' fair value is calculated on the exercise date and accounted in the period that exercise date falls within.

Although IFRIC 11 concentrates on employee payments based on equity options, its concept can be also applied in other similar transactions with goods or services suppliers. Companies are obliged to apply this Interpretation for annual periods starting from March 1, 2007 onwards. Earlier application from that date is permitted. If an entity applies this interpretation for a period which begins earlier than March 1st, 2007 it must disclose this.

IFRIC 12: Service Concession Arrangement

IFRIC 12 provides instructions for the accounting treatment of arrangements in which (i) a state entity (the "granting entity") grants contracts to offer public services at private companies (the "grants administrators") and (ii) these services offered require the use of the infrastructure by the grants administrator (the private entity). IFRC 12 does not provide for all types of service concession arrangements. It is applicable only between public and private entities where the administrator uses the infrastructure. Hence, it does not cover concession arrangements contract between private sector entities.

The IFRIC 12 Application Guide clarifies that the above regulatory principles or the control of the service do not require that the granting entity has full control either over the invoicing or the way it may use the public infrastructure. As a result, in certain occasions subjective judgment is required to decide whether IFRIC 12 applies or not.

Service concession arrangements where IFRIC 12 does not apply should be treated in accordance with other IFRSs. In service concession arrangements where the administrator is controlling the infrastructure it is possible to lead to its recognition according to IAS 16 or be considered as leased (under IFRIC 4).

IFRIC 12 applies for annual periods commencing on or after January 1st, 2008. Earlier application is allowed. Retrospective application is mandatory on the transition however there certain exclusion from this requirement in cases where retrospective application is not possible.

IFRIC 13: Customer Loyalty Programmes

Customer loyalty programmes give incentives to the clients to buy products or services from that entity. If a customer buys products or services, then the Company offers to the client award credits "points" which the client can redeem in the future for products or services free of charge or at a reduced price. These customer loyalty programmes may be run by the Company in house or assigned to a third party. IFRIC 13 applies to every award credits loyalty programmes a Company may offer to its customers as part of a sale transaction. IFRIC 13 is mandatory for periods beginning on or after July 1st, 2008. Retrospective application is mandatory while earlier application is encouraged, provided that it will be disclosed in the notes to the financial statements.

IFRIC 14: IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

IFRIC 14 covers the interaction between the minimum funding requirements (usually forced by laws and regulations) and how to assess the value of a financial asset in a defined benefit scheme. IFRIC 14 examines limited cases of defined benefit retirement schemes that have a "surplus" or are subject to minimum funding requirements.

Among other subjects it scrutinizes the concept of "asset" as that is recognized under IAS 19. In general, the IFRIC explains an "asset" is available only when the entity has an unreserved right to recognize the benefit during or at the settlement of the defined benefits scheme. Its recognition does not depend on whether the financial benefit is available on the date of the balance sheet or the intended purpose of use for the surplus. The Interpretation also examines the accounting treatment of a liability for the minimum funding requirements from services already delivered to the Company. IFRIC 14 applies for accounting periods commencing on or after January 1st, 2008. As an exception full retrospective application is not mandatory. Application is required at the commencement of the first period when this Interpretation is in effect.

IFRIC 15: Agreements for the Construction of Real Estate

The purpose of IFRIC 15 is to provide guidance for the following 2 issues:

- Whether an agreement for the construction of real estate is within the scope of IAS 11 or IAS 18.
- When the revenue resulting from such construction agreement should be recognized

This Interpretation applies to the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors.

The agreements that fall within the scope of IFRIC 15 are the agreements for the construction of real estate. In addition to the construction of real estate, these kind of agreements may also require the delivery of additional products or services.

IFRIC 15 "Agreements for the Construction of Real Estate" is effective for annual periods beginning on or after 01/01/2009. Earlier implementation is encouraged provided that it will be disclosed in the notes to the financial statements. Changes in accounting policies should be recognized according to IAS 8.

IFRIC 16: Hedges of a Net Investment in a foreign operation

Investments in activities abroad may be held directly by the parent Company or indirectly through a subsidiary. IFRIC 16 aims at providing guidance regarding the nature of the risks hedged, the amount of the hedged item (net investment) for which there is a hedging relationship, and which balances should be reclassified from equity to the income statement as reclassification amendments, with the disposal of the foreign investment activity.

IFRIC 16 applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and wishes to qualify for hedge accounting in accordance with IAS 39. The Interpretation applies only to hedging of net investments in foreign operations and does not apply to other types of hedge accounting such as hedging of fair values or cash flows.

IFRIC 16 "Hedges of a Net Investment in a foreign operation" is applied by entities for annual periods beginning on or after 01/10/2008. Earlier application is encouraged provided that it will be disclosed in the notes to the financial statements.

IFRIC 17: Distributions of Non-cash Assets to Owners

When an entity announces the distribution of dividends and has the obligation to distribute a part of its assets to its owners, it should recognize a liability for those dividends payable.

The purpose of IFRIC 17 is to provide guidance on when a company should recognize dividends payable, how to calculate them and how it should record the difference between the book value of the net assets distributed and the book value dividend payable when the dividends payable are paid by the entity.

IFRIC 17 "Distributions of Non-cash Assets to Owners" is effective prospectively for annual periods starting on or after 01/07/2009. Earlier application of the Interpretation is allowed provided that it will be disclosed in the notes to the financial statements and at the same time applies IFRS 3 (as revised in 2008), IFRS 27(as revised in May 2008) and IFRS 5 (as revised by the present Interpretation). Retrospective application is not allowed.

IFRIC 18: Transfers of Assets from Customers

IFRIC 18 mainly applies to entities or organizations that provide services of general interest. The purpose of IFRIC 18 is to clarify the IFRS requirements regarding the agreements where an entity receives from a client part of a tangible asset (land, buildings, equipment) which the entity must use in order for the customer to be part of a network or in order for the customer to acquire continuous access to the supply of products or services (i.e. supply of water or electricity).

In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of a facility in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services (or to provide both).

The IFRIC clarifies the circumstances under which the definition of an asset is met, the recognition of the asset and the measurement of its initial cost. Furthermore it sets the method for the determination of the obligation for the provision of the said services in return for the asset as well as the method of recognition of the revenue and the accounting for cash collections from customers.

IFRIC 18 Transfers of Assets from Customers is effective for annual periods starting on or after 01/07/2009.

Group does not intend to apply any of the Standards or the Interpretations earlier.

Amendments to IFRIC 2 Benefits linked to the value of shares

IASB proceeded to the issue of an amendment of IFRIC 2 regarding the investment conditions of a pension fund and its cancellation. None of the share benefit plans is affected by the said amendments. Management deems that the IFRIC 2 amendments will have no effect on the Group's accounting policies.

IAS 32: Financial Instruments Presentation and IAS 1: Presentation of Financial Statements Amendments to puttable financial instruments

Amendments to puttable financial instruments

The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation of an investment entity to be classified as part of equity if certain criteria are met.

The amendment to IAS 1 refers to the disclosure of certain information regarding the above instruments that have been classified as part of equity.

The Group does not expect these amendments to effect its financial statements.

The amendment to IAS 32 is applied from entities for annual periods beginning on or after 01/01/2009. Earlier application of the Interpretation is encouraged as long as it is disclosed in the notes to the financial statements of the company.

IAS 39: Recognition and Measurement

Amendment to IAS 39 for financial instruments that meet the hedge accounting requirements

Amendment to IAS 39 clarifies issues in hedge accounting and more particularly the inflation and the one-sided risk of a hedged financial instrument.

Amendments to IAS 39 are applied by entities for annual periods commencing on or after 01/07/2009.

Annual Improvements in 2008

The IASB issued in 2008 the publication "Improvements to IFRS 2008" The majority of these amendments are effective for periods beginning on or after January 1, 2009. The Group does not expect that the amendments to IAS 23 Borrowing Costs will affect the Group's accounting policies. The amendment clarifies the definition of borrowing costs in relation to the effective interest rate method. This amendment comes into effect on January 1, 2009, onwards, however management's estimations indicate that the effect will not be significant.

Minor amendments have been made to several Standards but the management does not expect that there will be any material impact on the Group's financial statements.

Amendments in I.A.S. 39 and IFRIC 7 – Reclassification of Financial Assets

Amendments in I.A.S. 39 allow in some cases the reclassification of non derivative financial assets from the trade investments category to other categories, as well as the reclassification of financial assets from the category available for sale to loans and receivables. The amendments to IFRIC 7 require additional disclosures in the financial statements of organizations that apply the previously mentioned amendments in I.A.S. 39.

3.2 Important accounting judgments, estimates and assumptions

The preparation of financial statements according to International Financial Reporting Standards (IFRS) demands from management the formulation of judgements, assumptions and conditions that affect assets and liabilities at the reporting date of the financial statements. They also affect the disclosures of contingent assets and liabilities at the reporting date as well as the published revenues and expenses during the period. Actual results may differ from those estimated. Estimates and judgments are based on experience

from the past as well as other factors including expectations for future events which are considered reasonable under specific circumstances while they are reassessed continuously with the use of all available information.

Judgments

The basic judgments that Group's Management implements (apart from judgments that are being linked with estimates that are presented thereafter) and have significant impact in the figures that are recognised in the financial statements have mainly to do with:

➤ Classification of investments

Management decides on the acquisition of an investment whether this will be classified as long term investments, current investments at fair value through the income statement or held for sale. For those investments classified as held until maturity, the management examines if they comply the IAS 39 criteria and in specific to the extent that the Group has both the ability and the intention to hold on to these assets until maturity. The Group classifies these investments as held for commercial purposes in the case that these were acquired mainly for short term gains. Classification of investments at fair value through the income statement depends on how the management monitors the return on investment. When they are not classed as current investments but fair values are available and reliably measured and movements at their fair value are included in the income statement, they are classed as valued at their fair value through the income statement. All other investments are classed as held for sale..

➤ Inventory

Inventory is valued at the lower price between historic cost and net liquidation value. In order to estimate the net liquidation value, management takes into account the most reliable evidence available at the evaluation time. Its activity lies upon potential impairments, mainly due to off fashion period, which causes price change.

➤ Recoverability of accounts receivable and,

➤ Determining whether a lease can be classified as an operating or finance lease.

Estimates and assumptions

Specific amounts which are included or affect the financial statements and the relevant disclosures are assessed demanding from the management of the company to formulate assumptions regarding values or conditions which is not possible to be certain during the period of preparation of financial statements. An accounting estimate is considered important when it is important for the image of the financial condition and results of the company and it requires the most difficult, subjective or complex judgments by management and which is often the result of the need for the formulation of assumptions which are uncertain. The group evaluates such estimates on a continuous basis based on the results of past experience, on experts consultations, trends and tendencies and on other methods which are considered reasonable in the current circumstances, as well as the company's provisions with regard to their possibility to change in the future. § 4 «Accounting Principles Summary», contains those accounting principles that have been selected from already accepted alternatives.

➤ Estimates of Impairment

Every year the group controls the tangible and other assets for any impairment. In order to estimate the impairment the fair value estimation is required for every recognizable tangible or other asset. In this case, the approach followed is either the discounted cash flow method or the independent estimators evaluation as deems necessary.

In addition they are monitored on an annual basis for potential impairment other recognizable intangible assets with defined useful lives which are being depreciated by comparing their book value with the sum of the non discounted cash flows that anticipated to be created from the asset. Intangible assets with non defined useful lives are being monitored annually as well by using a method of fair value such as the discounted cash flows.

➤ **Income Tax**

Sprider Stores S.A. is liable to income tax from various tax authorities. In order to determine the provisions for income taxes, significant estimations are required. There are many transactions and calculations for which the exact determination of the tax is uncertain during the normal course of operations of the company.

Sprider Stores S.A. recognizes liabilities for expected tax audits base on estimations of the additional taxes that may be due. When the final result for the taxes from these issues, differs form the amount initially estimated in the financial statements, these differences affect the income tax and the provisions for deferred income tax of the period when these amounts are finalized.

➤ **Fair value of Derivatives and other Financial Instruments**

Sprider Stores S.A. uses derivatives to mitigate or eliminate a series of risks regarding foreign currency exchange rates. Accounting for derivatives, in order to qualify for hedge accounting, requires that at the inception of the arrangement the details of the hedging relationship must be formally documented and the hedged item and the hedging instrument (derivative financial contract) must meet the requirements for hedge accounting. Accounting relating to derivatives is complex. In the case where the accounting principles are not applied correctly the movements in the derivative's fair value affect the income statement while the net movement of the fair values affects the income statement only when a profit or loss is realized, irrespectively if the hedging was successful.

For the evaluation whether a financial contract qualifies for hedge accounting, first of all is evaluated whether or not the financial contract meets the criteria for the exclusion from the continuous monitor of effectiveness. For a financial contract that does not meet the exclusion criteria, we monitor its effectiveness at the beginning and thereafter every following quarter, determining whether is effective in offsetting either changes in fair value or cash flows, as appropriate, for the risk being hedged. This test is performed on a cumulative basis in every period. If a hedge relationship becomes ineffective, it no longer qualifies as a hedge in the future. The fair values of the derivative financial contract and the hedged item are calculated using market data originating from independent sources.

➤ **Provisions**

The bad accounts are recorded showing the amounts that may be recovered. The estimation about the amounts to be recovered are a result of analysis as well as the group's experience on the possibility of bad receivables. A soon as it comes to our attention that a specific account is under increasing risk of the usual credit risk limits (ie low credit worthiness of the client, or a dispute as to the amount due or its existence, etc), the account is then analyzed and subsequently recorded as bad collectible, assuming that the conditions suggest that this receivable will not be collected.

➤ **Contingencies**

The Group is in legal disputes and compensations during the regular course of its operations. The management believes that any settlements will not materially affect the group's financial situation as at December 31, 2008. However, the determination of probable obligations n relation to these legal disputes, is a rather complicated procedure which involves judgmental opinions regarding the probable consequences and interpretations of the laws and the regulations. Nay changes n the judgments or interpretations may cause an increase or decrease of the group's liabilities in the future.

➤ **Useful Life of Depreciable Assets**

The Company's management evaluates the useful life of depreciable assets in every period. On 31 December 2008 the Company's management believes that the useful lives of the assets are in line with their expected usefulness. Actual values though may differ due to the straight line depreciation of assets policy, especially for assets such as IT equipment and software.

➤ **Fair value of financial instruments**

The management uses evaluation methodologies of the fair value of its financial instruments whenever there are no available prices in the active markets. A detailed analysis of the assumptions used is presented in the notes regarding the financial instruments. As regards the implementation of the valuation methods, the management uses those estimations and assumptions which are most probably consistent with the available information that the participants would use in order to evaluate a financial instrument. Whenever this information is not available the management utilizes the best possible estimations for the assumptions that will be used. These estimations may differ from the actual values at the financial statements period end.

4. Accounting Principles Summary

4.1. General

The important accounting principles adopted for the preparation of these consolidated financial statements are summarized below.

Consolidated financial statements are presented in thousands of Euros. Please note that any changes in sums are due to roundings.

4.2. Consolidation and investments in associates

4.2.1. Subsidiaries

Subsidiaries are those entities, in which the group has the power to control their financial and business policies. Sprider Stores SA reckons possession and exercise of control, when it holds more than half of the voting rights.

The existence and possible affection of potential voting rights that are exercisable or convertible, is taken into account in order to determine whether Sprider Stores SA exercises control over a financial entity.

Sprider Stores SA consolidated financial statements include the parent company's financial statements as well as the financial statements of the financial entities controlled by the group in full consolidation.

Subsidiaries are fully consolidated from the date that control over them is acquired by the group and cease to be consolidated from the date that this control no longer exists.

Accounting principles of subsidiaries have been changed where necessary to ensure consistency with the principles adopted by the Group.

Minorities represent the part of profits or losses and net assets that do not belong to the Group. If the losses of a subsidiary regarding minority interest exceed the minority interest in the subsidiaries net shareholders equity, the excess amount is allocated to the shareholders of the parent company excluding the amount that the minority carries as liability and may offset these losses.

Inter-company receivables and payables accounts, income and expenses from transactions and unrealized profits and losses between Group companies are written-off

In the parent company balance sheet the participation in subsidiaries is valued at acquisition cost, unless there are indications for impairment. In this case, the devaluation appears in the Income Statement account "Results from affiliated companies".

4.2.2. Affiliated Companies

Associates are financial entities on which the Group can exert significant influence but do not fulfill the conditions to be classified as subsidiaries or shares in joint ventures. Significant influence is the authority to participate in decisions, which regard decisions upon the business and financial policies of the issuer, but not the control over these policies. Significant influence is considered to exist usually when Sprider Stores SA holds a percentage between 20% and 50% of the voting rights, through ownership of the stocks or through another kind of agreement.

Investments in associates are initially recognized at cost, while for consolidation purposes the equity method is used.

Goodwill is included in the book value (cost) of the investment and it is tested for impairment as part of the investment.

When a financial entity of the Group transacts with a affiliated company of the group, the probable intercompany gains or losses are eliminated up to the Group's participation percentage in the affiliated company.

All subsequent changes in the percentage of participation in the equity of the affiliated company are recognized in the book value of the Group's investment. Changes that occur from gains or losses that are generated from the affiliated company are recorded in the "Results from affiliated companies" account in the consolidated income statement of Sprider Stores SA for the fiscal year and subsequently affect the Group's net results.

These changes include the subsequent depreciations of tangible assets, the depreciations of intangible assets, the depreciations or possible impairments of the fair value adjustments of assets and liabilities. During the consolidation, changes that have been recognized directly to the equity of the affiliated company and are related to the result, i.e. those that occur from the accounting treatment of investments of the affiliated company that are available for sale, are recognized in the consolidated equity of the Group. All changes that are recognized directly to equity and are not related to the results, i.e. dividend distribution or other transactions with the shareholders of the affiliated company, are recorded at the book value of the participation. No effect in the net results or in equity is recognized within the framework of these transactions. Nevertheless, when the Group's proportion of losses in an affiliated company equals or exceeds the book value of the investment, including any unsecured claims, the Group does not recognize further losses, unless the investor has been charged with obligations or has proceeded to payments on behalf of the associated company.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's participation in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of loss due to an impairment of the asset transferred from the affiliated company.

If the financial statements of the associated company that are used for the implementation of the equity method of consolidation are prepared in a reference date which differs from that of the parent company, adjustments are being made to the financial statements of the associated company which reflect the effects of significant transactions or events that occurred between that date and the date of the Financial Statements of the investing company. In any case, the difference between the reference date of the associated and that of the investing company exceeds 3 months.

Accounting principles of associates have been changed where necessary to ensure consistency with the principles adopted by the Group.

4.3. Foreign Currency Conversions

Sprider Stores SA consolidated financial statements are reported in Euros (€), which is the operating currency of the parent Company.

All the financial entities of the Group set their operating currency and the items that are included in the financial statements of each financial entity. All transactions in foreign currencies, that are included in the financial statements of the consolidated financial entities, are converted to the operating currency of each entity using the rates in effect at the date of the transactions. Foreign exchange gains and losses resulting from such transactions and from the conversion at year-end exchange rates of other accounts are recognized in the income statement "Financial Income / (Expenses)" line respectively, except from the portion of gain or loss of the hedging instrument that is substantiated as an effective hedge and is recorded directly to equity through the statement of changes in shareholders' equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as assets held at fair value through profit or loss are recognized in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as assets classified as available for sale are included in the fair value reserve in equity, which regards financial assets available for sale.

In the consolidated financial statements, all individual financial statements of the subsidiaries and jointly controlled financial entities that are included in the consolidation, which initially are presented in a currency different than the Group's operating currency (none of which has the currency of a hyperinflationary economy), have been converted to Euros.

Assets and liabilities items have been converted to Euros using the exchange rate at the date of the balance sheet.

The income and expenses have been converted to the Group's reporting currency using the average rates during the aforementioned period, unless significant rate volatilities have occurred, and then income and expenses are converted using the exchange rates at the dates of the transactions.

Any differences that arise from this process, have been transferred to the equity reserve for balance sheets conversion.

Goodwill and fair value adjustments arising on the acquisition of a foreign financial entity are treated as assets and liabilities of the foreign entity and where converted at the closing rate.

On consolidation, exchange differences arising from the conversion of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity, through the statement of changes in shareholders' equity.

When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognized in the income statement at the time of disposal as part of the gain or loss on sale.

4.4. Segment Reporting

A business segment is defined as a group of assets and activities that provide goods and services, that are subject to different risks and returns than other business segments. A geographical segment is defined as a geographical region in which goods and services are provided and which is subject to different risks and returns than other regions. The group is activate in mainly retail sale of apparel and footwear. Geographically the Group is activated in Greece and in the markets of Bulgaria, Romania, FYROM, Poland and Cyprus.

4.5. Recognition of revenue and expenses

Revenue is recognized when it is probable that the economic benefits will flow to the financial entity and the revenue can be reliably measured.

Revenue is measured in the fair value of the collected exchange and it is net of Value Added Tax, returns, any form of discount and intergroup sales.

The amount of revenue is considered reliably measured, when all possible burdens related to the sale have been resolved.

➤ Sales of goods

Revenue on sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually at the shipment of the goods.

➤ Provision of Services

The revenue from contracts at predetermined price is recognized based on the transaction completion stage as at the balance sheet period end. According to the method of the percent completion, the revenue is generally recognized based on the type of services offered and its performance as of today as a percent of total services that will be delivered.

When the result of the transaction from services offered cannot be reliably estimated, the revenue is recognized only to the extent that the recognized expenses may be recovered.

The amount of the sales price stemming from a services agreement where the services will be delivered at a later stage, is accounted for in a interim account and is recognized at the period where these services are being delivered. This revenue (deferred income) includes the "other liabilities" account.

In the case that the initial estimations regarding revenue change, the expenses or the completion stage are restated. These restatements may lead to increases or decreases of the estimated revenues or expenses and appear in the result of the period. When the restatements are necessary these are announced by the management.

➤ **Interest Income**

Interest income is recognized using the effective interest rate method, where effective interest rate is the interest rate that discounts accurately future cash deposits or collections for the duration of the expected lifetime of the financial instrument or, when necessary, for a shorter period, in the net book value of the financial asset or liability.

When a receivable is impaired, the Group reduces the book value to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Interest income from loans that have been impaired are recognized using original effective interest rate.

➤ **Options Income**

Income from options is recognized using the accrued income/expenses principle, depending on the meaning of the relative contract.

➤ **Dividend Income**

Dividend income is recognized when the collection right of the shareholders is finalized; Operating expenses are recognized in the income statement during the use of the service or the date it occurred. Guarantees' expenses are recognized and debited against the respective provision, once the relevant income is recognized.

➤ **Borrowing cost**

Loans are initially recorded at their current value, including bank expenses and commissions.

Company Management deems that interest rate paid regarding the contracted loans is equivalent to the fair market interest rates and consequently there is no prerequisite for any value adjustment regarding these liabilities.

Any difference between the proceeds (net of transaction costs) and the payment value is recorded in the income statement during the period of the loan.

Loans are classified as short – term, unless the Group has the right to postpone the payment of the liability for at least 12 months after the balance sheet date.

4.6. Other intangible assets and research and development activities

Intangible assets are initially valued at acquisition cost. The cost of an intangible asset acquired within a joint venture is equal to the fair value of the asset at its acquisition date. After the initial recognition, intangible assets are measured at their cost, minus their accumulated amortization and any impairment loss that can possibly occur. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software programmes are recognized as an expense in the period that they incurred.

The expected life time of intangible fixed assets is either limited or unlimited, depending on their nature.

Intangible fixed assets with limited expected life time are amortized during their life time, the amortization commences when the asset is available for use and the amortization expenses are recorded in the operating expenses line in the income statement.

The period and method of amortization is revised leastwise at the end of each fiscal year. If the expected life time, or the expected consumption rate of the future financial gains incorporated in the asset, have changed, then the period and method of amortization change respectively. Such changes are treated as changes in accounting estimations.

Intangible assets with unlimited expected life time are not amortized and an impairment test is conducted on an annual basis in order to impair their value if necessary and to determine the validity of the regarding the unlimited expected life time of these intangible assets.

If the management's evaluation is not valid, the change in the expected life time from unlimited to limited is treated as change in accounting estimations, on the basis of IAS 8 «Accounting policies, changes in the accounting estimations and mistakes».

The gains or losses from the sale of an intangible asset is determined as the difference between the sales price and the net asset value and is recognized in the period's income statement under the account "other revenue" or "other expense".

4.6.1. Acquired Software

Intangible assets include the acquired software used in the production and administration. Capitalized expenditures are amortized using the straight line method over their expected useful lives (three to five years). Additionally the acquired software is tested for impairment of its value.

4.6.2. Research and development expenses

Expenses related to research and development activities are recognized as an expense within the period. Expenses materialized during the development stage of the new, adjusted to the customer's needs, software for information technology and telecommunication systems are recognized as intangible assets, if the following conditions are met:

- The technical viability of the asset under development can be established either for internal use or for sale
- The intangible asset will create possible future financial benefits from the internal use or sale
- There are sufficient technical, financial and other resources for the completion of its development, and
- The value of the intangible asset can be reliably estimated.

The cost which is directly attributed to development includes the cost of benefits to the personnel for the development of the software together with an amount of directly attributed cost.

The cost of internally created software development is recognized as an intangible asset. Until the completion of the development project, the assets are subject to impairment tests. The amortization commences upon completion of the asset within the period of the estimated future sales period regarding the respective project, using a straight line method. All other development expenses are recognized as an expense during the period.

4.6.3. Trademarks and licenses

The acquired trademarks and licenses are initially recognized at historical cost. The licenses have a limited useful life and are depicted at cost net all accumulated amortization. The amortization is calculated using the straight line depreciation, aiming at the allocation of the trademarks and licenses costs throughout the duration of their expected useful lives. Trademarks do not have a specified useful life and are depicted at cost, net of every impairment amount that arises from the annual impairment test.

The management implements its judgment, after analyzing all available data, in the case that has to be decided whether the criteria, regarding the recognition of Sprider Stores SA development expenses, are met.

This is necessary because the financial success of the development of every product is uncertain and possibly subject to future technical problems. The judgments are based on the information available at the balance sheet date. Furthermore, all internal procedures related to research and development of new software products are constantly controlled by the management of Sprider Stores SA.

4.7. Tangible Assets

Land plots held for production or administration are recorded at their acquisition cost. Since their expected useful life cannot be determined, the respective book values are not amortized.

Buildings, mechanical equipment, and furniture is recorded at acquisition cost or at acquisition cost net of accumulated depreciation and every accumulated impairment losses. The cost includes the cost of the spare parts of the tangible assets which need replacement on a regular basis, if the recognition criteria are met. Day to day maintenance costs of the tangible assets are recorded on the income statement when they occur.

If the book value of the tangible assets has been devaluated is subject to impairment losses this is materialized as described below.

The gain or loss from the sale of the land plots will be measured as the difference between the net result of the disposal, if it exists, and the book value of the asset, and it is recorded in the income statement.

Depreciations have been calculated using a straight line method for the entire useful life of the assets.

Buildings that have been acquired through financial leases are depreciated within their entire expected useful life (determined in comparison with comparable owned assets), if it is shorter.

The tangible assets' useful lives are summarized below:

| | |
|----------------------|-------------|
| Buildings | 12-25 years |
| Mechanical equipment | 8-10 years |
| Vehicles | 7-10 years |
| Other equipment | 3-7 years |

The salvage values, useful lives and methods of depreciation are re-examined and adjusted if necessary at the end of each fiscal year.

4.8. Leasing

The group conducts transaction agreements that do not bear the legal type of a lease but through which the right to use the assets (tangible assets) is transferred to the company in exchange of a series of payments.

The estimate on whether an agreement contains the element of leasing is made at the beginning of the agreement, taking into account all available data and specific conditions. A re-examination is conducted after the commencement of the agreement, when one of the following occurs:

- a. The contract terms have changed, unless the change merely renews or extends the contract.
- b. A renewal option is exercised, or an extension is agreed, unless the renewal or extension term was originally included in the leasing period.
- c. There is a change as to the magnitude of the fulfillment depending on a specified asset.
- d. There is a significant change regarding the asset.

If the contract is re-examined, the accounting treatment for leases is applicable from the date of the change in the condition that lead to the re-examination as regards (a), (c) and (d) and from the date of the renewal or the extension as regards case (b).

In fiscal year 2008, the company has altered the payment terms of a retail store operating lease on Ermou street, due to a respective term in the initial agreement based on which the lessor had the obligation to restore the leased property in a case of partial or complete destruction. In the case where the lessor did not proceed to the complete restoration of the least property, the lessee reserve the right to leave the leased property without any other obligation and considers the lease to be terminated. Hence the agreement signed after the amendments the lease does not comprise a motive for SPRIDER STORES to hold on to the lease but rather comprises a detailed analysis and settlement of the pending items between the interested parties during the period of the lease where the property was unfit to operate. The compensation on behalf of the lessor was settled by means of reducing the lease payments up until 2010. In this case, the accounting treatment that was applied is not the aforementioned but the provisions of IAS 16, § 66c which amongst others states the following: "*Impairments or losses of items of property, plant and equipment, related claims for or payments of compensation from third parties and any subsequent purchase or construction of replacement assets are separate economic events and are accounted for separately as follows: ... (c) compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in determining profit or loss when it becomes receivable*".

Based on the above, the management presumes that the future "rebate" of the payable rentals in compliance of the compensation term on behalf of the lessor of the damages of the leased property, may be claimed at the fiscal year where this term has being signed. Moreover, the compensation amount cannot be reliably evaluated since the appropriate down payment preceded.

4.8.1. Group as the Les

The ownership of a leased asset is transferred to the lessee if all risks and benefits related to the leased asset are transferred to the lessee, regardless of the legal type of the contract. At the beginning of the lease the asset is recognized at its fair value or, if lower, at the present value of the minimum lease payments, including additional payments, if any, that are covered by the lessee.

A relevant amount is recognized as a financial lease liability regardless of the fact that some of the lease payments may be in advance at the beginning of the lease.

The posterior accounting treatment of assets that have been acquired through financial lease contracts i.e. the used depreciation method and the determination of its useful life, is identical to the one applied in comparatively acquired, except leasing contracts, assets.

The accounting treatment of the respective liability concerns its gradual decrease, on the basis of the minimum lease payments, net of financial charges, which are recognized as an expense in the financial expenses.

Financial charges are allocated throughout the leasing period, and represent a fixed periodic interest rate on the remaining financial liability. All other leases are treated as operational leases.

The payments of operational leases' contracts are recognized as an expense in the income statement using the straight method (association of fiscal year's revenue and expense). The associated expenses such as maintenance and insurance, are recognized as expenses, when they occur.

4.8.2. Group Company as the Lessor

The leases, where, the Group does not in effect transfer all risks and benefits of the asset are classified as operational leases. Initial direct costs charged to the lessor at the negotiation and the agreement of an operational lease are added to the book value of the leased asset and recognized throughout the entire period of the lease as leasing revenues.

4.9. Tangible and intangible assets impairment test

The Group's tangible and intangible assets are subject to impairment tests.

For valuation purposes regarding the impairment, some assets are grouped into the smallest identifiable group of assets, that creates cash inflows from its use (Cash Flow Creation Units). As a result, some assets are examined independently for a possible impairment, while others are examined as Cash Flow Creation Units.

Impairment losses of a CFCU are allocated pro rata to the CFCU's assets. Assets or CFCUs with an undetermined useful life and assets that are not yet available for use are examined for a possible impairment at least on an annual basis. The other assets and CFCUs are tested for impairment when there is indication that the book value may not be recoverable. The impairment value is recognized up to the amount, in which the book value of the assets or the CFCUs exceeds the recoverable value. The recoverable value of an asset or a CFCU, is the highest between the fair value and the usage value (is derived on the basis of evaluation of the discounted future cash flows of the assets or the CFCUs).

Excluding goodwill, all assets are subsequently re-evaluated in cases that the impairment loss that was originally recognized may not exist.

4.10. Financial Assets

Financial instrument of the Group, except from hedging means includes the following categories:

- Loans and receivables,
- Financial assets at fair value through profit or loss and
- Available for sale financial assets.

Financial assets are categorized by management according to their characteristics the purpose for which they have being acquired. For each category different rules apply with regards to its valuation and the recognition of expected result either in profit and loss or directly in equity. The financial assets are recognized at the date of settlement

The impairment test is conducted leastwise at the balance sheet release date, either when objective indications exist that a financial asset or a group of financial assets have been subject to a value decrease or not.

The Group determines if a purchase contract attaches a derivative instrument in the agreement. The attached derivative is split from the main contract and it is considered as a derivative only when the analysis demonstrates that the financial characteristics and the risks of the derivative do not relate to the main contract.

4.10.1. Loans ad receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market.

They occur when the Group grants cash, goods or services directly to a debtor, without the intention of commercial use. Loans and receivables are recognized at amortized cost using the effective interest rate method minus possible write downs provisions. Any change in the value of loans or receivables is recognized in the income statement when the loans or receivables are written off or their value is reduced and when they are amortized.

Some receivables are tested per single claim (for example for every customer separately) for a possible impairment in the case that the collection of the receivable has been characterized overdue at the date of the financial statements or in cases that objective evidence suggests the need for impairment.

Other receivables are grouped and tested for possible impairment in total. The groups are commonly characterized by their geographic breakdown, the counterparties' field of activity and other common characteristics of credit risk if available.

Loans and receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as noncurrent assets. In the balance sheet they are classified as trade and other receivables and constitute the largest portion of the Group's financial assets.

4.10.2. Financial assets at fair value through the income statement

Financial assets or liabilities recognized at fair value through the income statement comprise those financial instruments classed as held for commercial purposes or recorded at fair value through the income statement at initial recognition.

If a contract attaches one or more derivatives, the Group determines the overall synthetic contract as a financial asset at fair value through the income statement unless if the attached derivative does not have a significant impact in the cash flows that would otherwise be required by the contract or the split of the attached derivative (of the attached derivatives) from the contract would be prohibited. In addition, those financial derivatives instruments that do not qualify for hedge accounting are classed as held commercial purposes. Upon initial recognition, they are designated by the Company as an instrument measured at fair value, with any changes recognized in the Income Statement. Financial assets that have been initially being classified as financial assets at fair value through profit and loss cannot be reclassified.

4.10.3. Financial assets available for sale

The financial assets available for sale include non derivative financial assets, which are classified as available for sale or do not fulfill the criteria to be classified in another financial assets class. All the financial instruments in this class are being evaluated at fair value, if this can be reliably determined, and any change in the value is being accounted for in the shareholders equity net of any tax effect.

At the sale or the impairment of the financial assets available for sale, the cumulative gains or losses which have been accounted for in the shareholders equity, are being accounted for in the income statement.

In the case of an impairment, the amount of cumulative losses that is being transferred from the shareholders equity to the income statement, consist of the difference between the acquisition price (after deducting capital payments and depreciation) and its fair value minus the impairment loss that has being previously accounted for.

The impairment loss that has being accounted for in the income statement from investments in participation classified as available for sale may not be reversed through the income statement. The loss that has being accounted for in the previous years consolidated financial statements and are due to the impairment of securities are reversed through the income statement only if the increase (impairment reversal) is related to events occurred following the impairment's recognition in the income statement.

4.10.4. Fair Value

The fair values of financial assets that are quoted in active markets are defined by current closing market prices. Regarding non-tradable assets, their fair values are defined with the use of valuation techniques. The purpose of using valuation techniques is to determine the transaction value at the record date which is conducted at purely commercial terms and driven by common business factors. Valuation techniques include the analysis of recent transactions at purely commercial terms, peer group valuation, discounted cash flows and stock option valuation models.

4.11. Financial derivatives and hedge accounting

The derivative financial assets such as the futures, the interest rate swaps and forward contracts are being used for financial management of the Group's business activity and its financing.

All financial derivative assets are initially recognized at the value prevailing on the agreement date and subsequently at their fair value. Financial derivative instruments are recognized in assets when their fair value is positive and in liabilities when their fair value is negative. Their fair value is calculated from the value they have on an active market or through other valuation techniques when an active market does not exist for these financial instruments.

The method used for accounting of the profit of loss depends on whether a derivative has been determined as a hedging item and if hedging exists based on the nature of the hedged item.

Profit or losses arising from the movements during the period in the fair value of derivatives that are not recognized as hedging items, are recognized in the income statement. The Group is using hedge accounting in the case where at the commencement of the hedging transaction, and the subsequent use of financial derivatives, the Group can determine and justify the hedging relationship between the hedged item and the instrument used for hedging, relating to its risk management policy and strategy for hedging. Moreover hedge accounting is used only when it is expected that the hedging strategy will be highly effective and reliably and continuously calculated, for the periods it was intended for, as per the reconciliation of the movements in the fair value or the cash flows resulting from the hedged risk.

➤ Cash flow hedging

Through the cash flow hedge, the company aims at covering the risks stemming from the cash flow volatility and are sourced either at an asset account or a liability or a future transaction and this change will have an impact on the fiscal year's results.

As regards the derivative financial instruments characterized as hedge instruments within the scope of a cash flow hedge, several accounting treatments are required.

In order for the hedging relation to fulfill the prerequisites for an accounting hedge, it must fulfill certain strict conditions, concerning the substantiation, the likelihood of occurrence, the effectiveness of the hedging and the reliability of its computation.

During the current period the Group has recognized specific currency forward contracts as hedge instruments towards a cash flow hedge relation. These contracts have been executed in order to alleviate the foreign exchange risk stemming from sales and purchases denominated in the US dollar. The result from the accounting recognition of the financial claims and liabilities are presented, respectively, at the account "Short-term Financial Assets" and "Short-term Financial Liabilities".

The portion of the profit or loss of the hedge instrument which is substantiated as hedging result, is recognized directly to the Shareholders' Equity via the statement of changes in shareholders' equity while the result portion of the profit or loss of the hedge instrument will be recognized in the Income statement.

The amounts accrued to the shareholders' equity are transferred to the income statement of those periods that these hedge instruments are affecting the profit or loss like as the financial hedge income or the financial hedge expense is recognized or like as in a prospective sale or purchase.

If the hedging of a prospective transaction will conclude with the subsequent recognition of a financial asset or a financial liability, the related profits or losses that have been recognized directly to the shareholders' equity will be reallocated to the income statement of the same period or periods when the acquired asset or liability is impacting the results. However, should the financial entity expect that all or part of a loss directly recognized to the shareholders' equity will not be recovered in one or more future periods, will reallocate the amount not expected to be recovered to the income statement.

When a cash flow hedge instrument expires or is sold, annulled or exercised without being replaced or when a hedge instrument does not fulfill any more the conditions of an accounting hedge, every accrued profit or loss appearing in the shareholders equity at that moment, remains at the shareholders equity and is recognized when the prospective transaction is realized. If the related transaction is not expected to be realized, the amount is transferred to the income statement.

4.12. Inventories

Inventories include purchased raw materials and goods.

The acquisition cost includes all the costs incurred to bring the inventories at their current location and condition, which are directly attributable to the production process and a portion of general expenses that is related to the production process and it is absorbed on the basis of the regular capacity of the production facilities.

Financial cost is not taken into account. At the balance sheet date, inventories are valued at the lowest between the acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any estimated relevant sales expenses. The cost is calculated using the method of weighted average cost.

4.13. Income tax accounting

4.13.1. Current income tax

Current income tax claim / liability includes all the liabilities or claims from the tax authorities that relate to the current or previous reference periods and have not been paid until the balance sheet date.

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the fiscal year. All changes to the tax claims or liabilities are recognized as tax expense in the income statement.

4.13.2. Deferred Income Tax

Deferred income taxes are measured with the liability method that focuses on temporarily differences. This includes the comparison of the book value of assets and liabilities of consolidated financial statements with the respective tax bases. Deferred tax assets are

recognized to the extent that it is possible to be offset by future income taxes. Deferred tax liabilities are recognized for all temporal tax differences.

Deferred income tax is not recognized for temporary differences related to investments in subsidiaries if the reversal of the temporary differences can be controlled by the company and it is expected that the temporary differences will not be reversed in the future.

Furthermore, tax losses that can be carried forward to upcoming periods as well as tax credits in the Group are recognized as deferred tax claims.

No deferred income tax is recognized at the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets and liabilities are measured at tax rates that are expected to be enacted when the asset will be recovered or the liability settled, taking into account the tax rates enacted or materially enacted up to the date of the balance sheet.

Most changes in deferred tax assets or liabilities are recognized as part of current income tax and are charged in the income statement. Only changes in deferred assets or liabilities related with change in the amount of a claim or liability that is directly recorded in equity are debited or credited in equity.

The Group recognizes a previously not recognized deferred tax asset to the extent that it is possible that future taxable profit will allow the recovery of the deferred tax asset.

Deferred tax assets are re-examined at every balance sheet date and are reduced to the extent that it is no longer possible that a taxable income will be available to allow the use of benefit, in total or partially, of the deferred tax asset.

4.14. Cash and Cash Equivalent

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as marketable securities and time deposits maturing in three months or less. Marketable securities are financial assets recorded in their fair value through the income statement.

For the purpose of the consolidated Cash Flow Statement, cash and cash equivalents comprise of cash and cash equivalents as described previously, net of outstanding balances of bank overdrafts.

4.15. Equity

Share capital is determined using the nominal value of shares that have been issued. Common shares are classified in equity. A share capital increase through cash includes any share premium during the initial share capital issuance. Any cost related to the capital increase or any tax benefit is deducted from the product of the share capital increase.

The elements of a financial instrument that a) create a financial liability to the financial equity and b) grant the owner of the financial instrument an option to convert it to an equity title of the financial entity are recognized separately as financial liabilities, financial claims or equity titles.

If the financial entity acquires own shares, they are deducted from equity. If this shares are reoffered at a posterior date, the received amount (net of the relevant transaction costs and the respective income tax benefit) is included in the equity attributable to the shareholders.

At the time of the acquisition, sale, issuance or cancellation of the financial entity's own shares, no profit or loss is recorded in the income statement.

Employees' stock options are still credited to the additional paid capital until the respective rights are exercised.

The readjustment reserve includes profits and losses related to readjustments of certain financial elements and fixed assets. Foreign exchange conversion differences are included in the readjustment reserve. Retained earnings include current and previous period's results as disclosed in the income statement.

4.16. Employee benefits due to retirement and other short term benefits to employees

4.16.1. Benefits due to retirement

The Group has not set either a defined benefits scheme or a defined contributions scheme. A defined benefit scheme is a pension scheme that is not classified as a defined contributions scheme. Typically, defined benefit schemes are a pension schemes that define an amount of pension benefit that an employee will receive upon retirement, usually dependent on factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets, together with adjustments for unrecognized actuarial gains or losses and past service costs.

The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high yield corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from empirical adjustments and changes in actuarial assumptions in the end of the previous period in excess of the greater of 10% of the fair value of scheme assets or 10% of the defined benefit liabilities are debited or credited in the income statement on the basis of the expected average remaining working lives of the employees' included in the scheme.

Past-service costs are recognized directly in income, unless the changes to the pension scheme are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortized on a straight-line basis over the vesting period.

A defined contribution scheme is a pension scheme, in which the Group pays defined contributions to an independent administrative administered funds on a mandatory, contractual or optional basis. The Group has no legal or constructive obligations for further payment if the fund doesn't have adequate assets to pay all benefits to the employees, for the services offered in the current or previous fiscal years. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available

4.16.2. Employment termination benefits

Termination benefits are payable when employment is terminated in the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to

encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

4.17. Financial Liabilities

The Group's financial liabilities comprise of bank loans and overdraft accounts, trade and other payables and financial leases. The Group's financial liabilities (apart from the loans) are illustrated in the "Long term financial liabilities" account of the balance sheet as well as in the "Other trade payables" account.

Financial liabilities are recognized when the company becomes a party to the contractual agreements of the instrument and derecognized when the Group is discharged from the liability or the liability is cancelled or expired.

Interest expenses are recognized as an expense in the "Financial Expenses" line of the Income Statement.

Financial leases liabilities are measured at their initial cost, net of the amount of the financial payments capital.

Trade payables are recognized initially at their nominal value and are subsequently measured at their unamortized cost, net of settlement payments.

Shareholder's dividends are included in the "Other short term financial liabilities" account, when the dividend is approved by the Shareholders' General Meeting.

Profit and loss is recognized in the Income Statement when the liabilities are written off and through amortization.

When an existing financial liability is exchanged with another liability of a different form with the same lender, but substantially different terms, or the terms of an existing liability are amended significantly, like an exchange or a modification, this is treated as a payment of the original liability and recognition of a new liability. Any difference in the book values is recorded in the income statement.

4.17.1. Loans

Bank loans provide a long term and short term financing of the Group's operations. All loans are initially recognized at cost, which is the fair value of the received return, net of the issuance cost related to the loan.

After the initial recognition, the loans are measured at their amortized cost and any difference between the revenues and the payment is recorded in the income statement at the period of the loan on the basis of the effective rate. The amortized cost is measured by taking into account the issuance cost and any discount or above par amounts in the settlement.

The bond is non convertible and represents the group's liability for future coupon payments and capital payments.

4.18. Provisions, contingent liabilities and contingent assets

Provisions are recognized when a present obligation is possible to lead to an outflow of the Group's financial resources and it can be measured accurately. The materialization time or the amount of the outflow can be uncertain.

An existing obligation originates from the presence of a legal or constructive liability that has occurred from events of the past, such as product guarantees, legal disputes or burdensome contracts.

Restructuring provisions are recognized only upon the preparation and execution of a detailed formal program, or if the management has at least announced the characteristics of the

program to those affected by it. Provisions regarding future operational losses are not recognized.

When part, or the total of the expense needed for the settlement of a provision is expected to be refunded from another party, the refund will be recognized solely when it is certain for real that the refund will be collected, if the financial entity settles the liability and this is treated as a separate asset.

The amount recognized as refund does not exceed the amount of the provision. The expense regarding a provision is depicted in the income statement, net of the amount recognized for the refund.

A provision is used only for expenses that it was originally made for. Provisions are tested at every balance sheet date and adjusted in order to illustrate the best current estimation.

Provisions are evaluated at the expected cost that is required for the determination of the current commitment, on the basis of reliable evidence that is available at the balance sheet date, including all risks and uncertainties related to the current commitment.

When the effect of the time value of money is significant, the amount of the provision is the present value of the expenses that are expected to be claimed, in order to settle the liability.

The pre-tax discount interest rate reflects the current market estimates regarding the time value of money and the risks related to the liability. The interest rate does not reflect risks for which future cash flow estimates have been adjusted.

When the discount method is used, the book value of a provision increases in every period in order to reflect the lapse of time. This increase is recognized as borrowing cost in the income statement. When a number of similar commitments exists, the possibility that an outflow will be needed for settlement is determined by taking into account the category of commitments as a whole. A provision is recognized even if the possibility of an outflow for an element included in the commitments' category is small.

If an outflow of resources, that encompass financial benefits is henceforth not possible to be claimed, the provision is reversed. In such cases that an outflow of financial resources as a result of current commitments is considered not possible, or the amount of the provision cannot be estimated reliably, no liability is recognized in the consolidated balance sheet, unless considered within the framework of a merger between companies.

Those potential liabilities are recognized within the framework of allocation of the acquisition cost in the assets and liabilities during the companies' merger. Subsequently they are estimated at the higher between the amount of a comparable provision as previously described and the amount originally recognized, net of all amortizations. Possible inflows of financial benefits for the Group, that do not yet fulfill the criteria of an asset are considered as possible claims.

5. Group Structure

Sprider Stores Group Structure as of December 31st , 2008 is as follows:

| Company | Country | Type of Participation | Participation Equivalent | Consolidation Method 31.12.08 |
|--|----------|-----------------------|--------------------------|-------------------------------|
| SPRIDER STORES S.A | Greece | Parent Company | | Full Consolidation |
| FASHION LOGISTICS S.A | Greece | direct | 24.03% | Equity |
| SPRIDER BULGARIA Single Person LTD | Bulgaria | direct | 100.00% | Full Consolidation |
| SPRIDER DOOEL Single Person LTD (SCOPJE) | Skopia | direct | 100.00% | Full Consolidation |
| SPRIDER STORES S.R.L. (ROMANIA) | Romania | direct | 100.00% | Full Consolidation |
| SPRIDER STORES (CYPRUS) LIMITED | Cyprus | direct | 100.00% | Full Consolidation |
| SPRIDER STORES POLSKA | Poland | direct | 100.00% | Full Consolidation |

Within 2008 the group proceeded to the establishment of a subsidiary company in Poland under the name SPRIDER STORES POLSKA, with the purpose of retail sales of apparel and footwear.

The subsidiary company SPRIDER HELLAS DOO BEOGRAD that has been with the purpose of the operation of retail stores in Serbia, was liquidated within 2008 with no significant results in the financial statements of the company.

6. Notes to the Financial Statements

6.1. Detailed presentation of per segment information

Group headquarters are located in Greece. Group operates domestically in Greece and abroad (Bulgaria, FYROM, Romania, Cyprus and Poland). The activities in Bulgaria, FYROM and Cyprus begun their commercial activity in previous years, while the company in Poland was founded on 31/01/2008 and the commercial activity of the store begun on 28/02/2008.

After the strategic reorganization of the Group that was realized in the previous fiscal year and the decision to cease operation of subsidiary MEGATHLON HELLAS SA and proceed with its liquidation, the group is now focused in its core retail sales business.

| 01/01/08 - 31/12/2008 | Greece | Other Countries | Total |
|------------------------------|---------------|------------------------|--------------|
| Net Sales | 139.814 | 14.258 | 154.072 |
| Gross Profit | 90.925 | 7.959 | 98.884 |
| Net financial results | (1.909) | (73) | (1.982) |
| EBT | 19.030 | (1.266) | 17.763 |
| Income tax | (4.053) | 268 | (4.321) |
| EATAM | 14.977 | (998) | 13.978 |
| Depreciation | 7.869 | 1.715 | 9.583 |
| 31/12/2008 | | | |
| Tangible assets | 74.511 | 16.526 | 57.985 |
| Other assets | 80.058 | 9.998 | 90.056 |
| Total assets | 154.569 | 26.524 | 181.093 |
| Total liabilities | 91.018 | 4.746 | 95.764 |
| 1/1-31/12/2007 | Greece | Other Countries | Total |
| Net Sales | 120.772 | 7.331 | 128.103 |
| Gross Profit | 71.412 | 3.073 | 74.486 |
| Net financial results | (129) | (395) | (524) |
| EBT | 33.825 | (1.051) | 34.147 |
| Income tax | (9.630) | (60) | (9.690) |
| EATAM | 24.196 | (1.112) | 23.084 |
| Depreciation | 5.180 | 531 | 5.711 |
| 31/12/2007 | | | |
| Tangible assets | 44.169 | 10.423 | 54.591 |
| Other assets | 47.139 | 7.120 | 54.259 |
| Total assets | 91.308 | 17.542 | 108.851 |
| Total liabilities | 44.083 | 4.234 | 48.317 |

6.2. Property, plant & equipment

Land, buildings and machinery were evaluated on the IFRS transition date (01/01/2004) at acquisition cost, reduced by cumulative depreciation and probable impairment losses.

On 31/12/2007 given pledges and mortgages over fixed assets for guaranteeing debt amounted € 3,111 thou (2007 € 3,111 thou).

Group's fixed assets are analyzed as follows:

| | Land | Land acquisition through financial leasing | Buildings | Buildings acquisition through financial leasing | Machinery equipment | Means of transportation | Furniture and accessories/ fittings | Furniture and accessories/ fittings acquisition through financial leasing | Fixed assets in progress | TOTAL |
|---|-------|--|-----------|---|---------------------|-------------------------|-------------------------------------|---|--------------------------|----------|
| TANGIBLE ASSETS | | | | | | | | | | |
| Cost or Fair value | | | | | | | | | | |
| Balance as of January 1st 2007 | 4.087 | 4.851 | 33.582 | 22.998 | 182 | 133 | 9.928 | 1.513 | 243 | 77.516 |
| Additions | - | - | 30.161 | 244 | 341 | 215 | 7.833 | 133 | 3.717 | 42.644 |
| Disposals | (623) | (3.934) | (25.916) | (18.993) | - | (71) | (140) | - | - | (49.676) |
| Transfers – Eliminations | 233 | (233) | 3.638 | - | - | - | 70 | - | (3.708) | - |
| Balance as of December 31st 2007 | 3.697 | 684 | 40.909 | 4.249 | 476 | 277 | 18.269 | 1.646 | 273 | 70.481 |
| Accumulated Depreciation | | | | | | | | | | |
| Balance as of January 1st 2007 | - | - | 4.741 | 2.649 | 95 | 84 | 5.268 | 345 | - | 13.183 |
| Depreciation for the year | - | - | 2.703 | 451 | 30 | 28 | 1.998 | 292 | - | 5.502 |
| Depreciation of sold fixed assets | - | - | (240) | (2.496) | - | (23) | (60) | - | - | (2.820) |
| Transfers – Eliminations | - | - | - | - | - | - | - | - | - | - |
| Balance as of December 31st 2007 | - | - | 7.203 | 604 | 124 | 82 | 7.214 | 637 | - | 15.865 |
| Exchange Differences | - | - | - | - | - | - | (23) | - | (1) | (24) |
| Net Book Value as of December 31st 2007 | 3.697 | 684 | 33.706 | 3.644 | 352 | 195 | 11.032 | 1.009 | 272 | 54.591 |
| Cost or Fair value | | | | | | | | | | |
| Balance as of January 1st 2008 | 3.697 | 684 | 40.909 | 4.249 | 476 | 277 | 18.246 | 1.646 | 272 | 70.457 |
| Additions | 75 | - | 17.161 | - | 17 | 8 | 13.305 | - | 3.254 | 33.819 |
| Disposals | - | - | (564) | - | (0) | - | (454) | - | (1.550) | (2.568) |
| Transfers – Eliminations | - | - | 740 | (536) | (340) | - | 1.135 | (795) | (203) | - |
| Distractions | - | - | (1.583) | - | - | - | (926) | - | - | (2.509) |
| Exchange Differences | - | - | (361) | - | - | - | (116) | - | (6) | (483) |
| Balance as of December 31st 2008 | 3.772 | 684 | 56.302 | 3.712 | 152 | 285 | 31.190 | 851 | 1.767 | 98.716 |
| Accumulated Depreciation | | | | | | | | | | |
| Balance as of January 1st 2008 | - | - | 7.203 | 604 | 124 | 82 | 7.214 | 637 | - | 15.865 |
| Depreciation of the year | - | - | 4.582 | - | 13 | 34 | 4.153 | - | - | 8.782 |
| Depreciation of sold assets | - | - | (11) | - | (0) | - | (78) | - | - | (89) |
| Depreciation of destroyed assets | - | - | (122) | - | - | - | (127) | - | - | (248) |
| Transfers – Eliminations | - | - | 161 | (161) | (21) | - | 580 | (559) | - | - |
| Exchange Differences | - | - | (67) | - | (1) | - | (37) | - | - | (104) |
| Balance as of December 31st 2008 | - | - | 11.746 | 443 | 115 | 116 | 11.706 | 78 | - | 24.205 |
| Net Book Value as of December 31st 2008 | 3.772 | 684 | 44.556 | 3.269 | 37 | 168 | 19.485 | 773 | 1.767 | 74.511 |

During 2008 financial year Company's net investments in tangible & intangible assets amounted € 26.094 thou (2007: € 18.035 thou.) and are mainly referred to investments for the start of operation of new stores and the reconstruction of old ones. The respective amount for the Group amounted € 34,884 thou (2007: € 29.599 thou), referred to apart from the above the net investments of the subsidiaries abroad.

The subsidiary company SPRIDER BULGARIA EOOD, completed the sale of its property in Sofia, having € 1,274 thou. earnings. Given SPRIDER STORE Group clear activity path in the apparel and underwear retail sector, the above facilities are considered non core assets and their sale is included in the group's broader strategic planning for focusing on core business. In any case the revenue from the transaction is extraordinary and non recurring.

The Sprider Store in Likovrisi Attika, was completely destroyed following an arson attack on June 28, 2008. SPRIDER STORES Group proceeded immediately to restoring the damages and the store reopened during the fourth quarter of the year. Moreover, during the riots that occurred in Athens downtown area during the three day period 6-8/12/2008, the Group's store on Ermou street experienced an arson attack resulting to its complete destruction. This store was the Group's flagship, the second and latest store of the Group on Ermou street located in a neoclassical building 135 years old which was completely renovated to each regional shape and form. The store deploys on five stories of total surface amounted 3,070 m² and was recently inaugurated, in April 2008. In addition, another two stores in Athens and in Salonika have incurred smaller scale damages while at the same time several stores of our network both in Athens and in other places had to see operations due to the ongoing riots. The stores were insured for both merchandise and equipment (building, furniture and other equipment), within the framework of the Group's standard insurance policy. The net cost of the destructed assets amounted to € 2,267 thousand. The insurance companies have redeemed in FY 2008 the amount of € 659 thousand approximately. As regards the remainder € 1,607 thousand, the company has taken all necessary actions and expects to be fully compensated by the insurance companies and the Greek State.

For conservatism purposes and in order to comply with the provisions of IFRS, which state that the claims and compensations are included in the income statement when they are claimed, the company during the fiscal year has recognized the full extraordinary loss amount (€ 1,607 thousand) and will recognize the revenue from the compensation at the fiscal year that this will be received. The company estimates that during fiscal year 2009 this claim will be fully settled.

The Company's fixed assets are analyzed as follows:

| | Land | Land acquisition through financial leasing | Buildings | Buildings acquisition through financial leasing | Machinery equipment | Means of transportation | Furniture and accessories/fitings | Furniture and accessories/fitings acquisition through financial leasing | Fixed assets in progress | TOTAL |
|---|-------|--|-----------|---|---------------------|-------------------------|-----------------------------------|---|--------------------------|----------|
| TANGIBLE ASSETS | | | | | | | | | | |
| Cost or Fair value | | | | | | | | | | |
| Balance as of January 1st 2007 | 3.378 | 4.851 | 23.624 | 22.998 | 135 | 132 | 9.752 | 1.513 | 243 | 66.626 |
| Additions | - | - | 8.860 | 244 | 1 | 215 | 6.827 | 133 | | 16.280 |
| Disposals | | (3.934) | (369) | (18.993) | | (70) | (11) | | | (23.377) |
| Transfers – Eliminations | 233 | (233) | 40 | | | | | - | (40) | - |
| Balance as of December 31st 2007 | 3.611 | 684 | 32.155 | 4.249 | 136 | 277 | 16.568 | 1.646 | 203 | 59.529 |
| Accumulated Depreciation Balance as of January 1st 2007 | - | - | 4.545 | 2.649 | 93 | 76 | 5.220 | 345 | - | 12.929 |
| Depreciation for the year | - | - | 2.364 | 451 | 9 | 28 | 1.853 | 292 | | 4.998 |
| Depreciation of sold fixed assets | | | (45) | (2.496) | | (22) | (4) | | | (2.567) |
| Transfers – Eliminations | | | | | | | | - | | - |
| Balance as of December 31st 2007 | - | - | 6.865 | 604 | 103 | 82 | 7.069 | 637 | - | 15.360 |
| Net Book Value as of December 31st 2007 | 3.611 | 684 | 25.290 | 3.644 | 33 | 195 | 9.499 | 1.009 | 203 | 44.169 |
| Cost or Fair value | | | | | | | | | | |
| Balance as of January 1st 2008 | 3.611 | 684 | 32.155 | 4.249 | 136 | 277 | 16.568 | 1.646 | 203 | 59.529 |
| Additions | 75 | - | 12.681 | - | - | 8 | 10.730 | | 343 | 23.836 |
| Disposals | | | (269) | | (0) | | (453) | | | (722) |
| Transfers – Eliminations | | | 740 | (536) | | | 795 | (795) | (203) | - |
| Disposals | | | (1.583) | | | | (926) | | | (2.509) |
| Exchange Differences | | | | | | | | | | - |
| Balance as of December 31st 2008 | 3.686 | 684 | 43.724 | 3.712 | 135 | 285 | 26.714 | 851 | 343 | 80.134 |
| Accumulated Depreciation | | | | | | | | | | |
| Balance as of January 1st 2008 | - | - | 6.865 | 604 | 103 | 82 | 7.069 | 637 | - | 15.360 |
| Depreciation for the year | | | 3.437 | | 9 | 34 | 3.647 | | | 7.127 |
| Depreciation of sold fixed assets | | | (11) | | (0) | | (78) | | | (89) |
| Depreciation of destroyed assets | | | (122) | | | | (127) | | | (248) |
| Transfers – Eliminations | | | 161 | (161) | | | 559 | (559) | | - |
| Exchange Differences | | | | | | | | | | |
| Balance as of December 31st 2008 | - | - | 10.329 | 443 | 112 | 116 | 11.071 | 78 | - | 22.150 |
| Net Book Value as of December 31st 2008 | 3.686 | 684 | 33.394 | 3.269 | 24 | 168 | 15.643 | 773 | 343 | 57.985 |

6.3. Intangible assets

Intangible assets for the Group are analyzed as follows:

| INTANGIBLE ASSETS | Software | Other | TOTAL |
|---|----------|---------|---------|
| Amounts in th. € | | | |
| CONSOLIDATED FIGURES | | | |
| Cost or fair value | | | |
| Balance as of 1st January 2007 | 711 | 1.793 | 2.504 |
| Additions | 1.899 | - | 1.899 |
| Disposals / Impairments | | (1.770) | (1.770) |
| Transfers | 24 | (24) | - |
| Balance of 31st December 2007 | 2.633 | - | 2.633 |
| Accumulated depreciation | | | |
| Balance as of 1st January 2007 | 425 | 1.770 | 2.194 |
| Depreciation of the year | 209 | - | 209 |
| Depreciation of sold | - | (1.770) | (1.770) |
| Transfers | - | - | - |
| Balance of 31st December 2007 | 633 | - | 633 |
| Net book value as of 31st December 2007 | 2.000 | - | 2.000 |
| Cost or fair value | | | |
| Balance as of 1st January 2008 | 2.633 | - | 2.633 |
| Additions | 1.572 | 685 | 2.257 |
| Disposals / Impairments | (3) | - | (3) |
| Transfers | - | - | - |
| Exchange Differences | (1) | - | (1) |
| Balance of 31st December 2008 | 4.201 | 685 | 4.887 |
| Accumulated depreciation | | | |
| Balance as of 1st January 2008 | 633 | - | 633 |
| Depreciation of the year | 499 | 302 | 802 |
| Depreciation of sold | (0) | - | (0) |
| Exchange Differences | (4) | - | (4) |
| Balance of 31st December 2008 | 1.129 | 302 | 1.431 |
| Net book value as of 31st December 2008 | 3.073 | 383 | 3.456 |

Intangible assets for the Company are analyzed as follows:

| INTANGIBLE ASSETS | Software/Licenses | Other | Total |
|---|-------------------|---------|---------|
| Amounts in th. € | | | |
| COMPANY DATA | | | |
| Balance as of 1st January 2007 | 710 | 1.770 | 2.480 |
| Additions | 1.755 | | 1.755 |
| Disposals / Impairments | | (1.770) | (1.770) |
| Transfers | | | - |
| Balance of 31st December 2007 | 2.465 | - | 2.465 |
| Accumulated depreciation | | | |
| Balance as of 1st January 2007 | 425 | 1.770 | 2.194 |
| Depreciation of the year | 182 | | 182 |
| Depreciation of sold / impaired fixed assets | | (1.770) | (1.770) |
| Transfers | | | - |
| Balance of 31st December 2007 | 607 | - | 607 |
| Net book value as of 31st December 2007 | 1.858 | - | 1.858 |
| Balance as of 1st January 2008 | 2.465 | - | 2.465 |
| Additions | 1.195 | 685 | 1.881 |
| Disposals / Impairments | (3) | - | (3) |
| Transfers | - | - | - |
| Exchange Differences | - | - | - |
| Balance of 31st December 2008 | 3.657 | 685 | 4.343 |
| Accumulated depreciation | | | |
| Balance as of 1st January 2008 | 607 | - | 607 |
| Depreciation of the year | 439 | 302 | 742 |
| Depreciation of sold / impaired fixed assets | (0) | | (0) |
| Exchange differences | | | - |
| Balance of 31st December 2008 | 1.046 | 302 | 1.348 |
| Net book value as of 31st December 2008 | 2.612 | 383 | 2.995 |

Intangible assets are not pledged and are free of any kind of burdens.

6.4. Investments in subsidiaries and affiliates

Participations of the parent Company in subsidiaries and affiliates are analyzed as follows:

| | COMPANY FIGURES | | DIRECT PARTICIPATION | CONSOLIDATION METHOD | ACTIVITIES | COUNTRY |
|----------------------------|-----------------|---------------|----------------------|----------------------|-------------------|----------|
| Amounts in € thou. | 31/12/2008 | 31/12/2007 | | | | |
| FASHION LOGISTICS S.A. | 220 | 13 | 24,03% | NET EQUITY | Logistics | Greece |
| Subsidiaries | | | | | | |
| SPRIDER BULGARIA EOOD | 258 | 258 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | Bulgaria |
| SPRIDER DOOEL LTD | 2.286 | 2.286 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | FYROM |
| SPRIDER HELLAS DOO BEOGRAD | 0 | 1 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | Serbia |
| SPRIDER STORES S.R.L. | 7.197 | 6.000 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | Romania |
| SPRIDER STORES LIMITED | 2.700 | 2.700 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | Cyprus |
| SPRIDER STORES POLSKA | 1.665 | 0 | 100,00% | FULL CONSOLIDATION | Clothing-footwear | Poland |
| TOTAL | 14.107 | 11.247 | | | | |
| Less: Impairment | (900) | (0) | | | | |
| TOTAL | 13.207 | 11.247 | | | | |

There are no restrictions limiting the above affiliated companies from transferring capital to the company in the form of cash dividend, or loan payment or down payment. There are no other potential obligations or restrictions (i.e. capital), related to investments in affiliated companies.

The Company:

1. Established the 100% subsidiary SPRIDER STORES POLSKA with an initial capital amounting € 14 thousand. By fiscal year end the company has increase its participation in the subsidiary's share capital by the amount of € 1.651 thousand.
2. Proceeded to the increase in the share capital of its subsidiary in Romania for the amount of € 1.197 thou.
3. During the current fiscal year inactive subsidiary in Serbia has been dissolved. Of the dissolution the consolidated results have benefited by € 35 thousand.
4. MEGATHLON HELLAS SA and DAN CONSTRUCTIONS SA, were not consolidate, which have been consolidated in the previous fiscal year. During FY 2007, the former has been dissolved and the latter was sold.
5. Participated in the share capital increase of affiliate FASHION LOGISTICS S.A. by the amount € 205 thousand. Pursuant to the above share capital increase its participation amounted to 24,5% from 24,03%. The company accounted for provision for impairment of participation by the amount of € 900 thousand. The impairment did not affect the consolidated income statement

The synoptic financial results of the affiliated company Fashion Logistics SA that carried its first over 12-month financial year are as follows:

| Amounts in € thou. | TURNOVER | (LOSSES) AFTER TAX | ASSET | EQUITY | LIABILITIES |
|------------------------|----------|--------------------|-------|--------|-------------|
| FASHION LOGISTICS S.A. | 5.100 | (344) | 7.006 | (243) | 7.249 |

The portion of the result of the affiliated company stood at loss € 22 thou. The management of the company considers that the acquisition cost of the affiliated company is fully recoverable.

6.5. Available for sale Financial Assets

During the fiscal year the company had a 12% participation initially in the newly established UNITED TRENDINO SHOES SA a shoe retailer. The participation cost amounts € 300 thousand and includes the participation in the share capital and the company's premium account which runs its first extended fiscal year.

The financial assets available for sale are estimated at their fair value. The company has considered the participation cost as a fair value due to its first year of operations. At subsequent periods, any gap between the acquisition cost and the fair value will be transferred to a special reserve account according to the provisions of IAS.

6.6. Other long-term receivables

Other long-term receivables of the Group and the company concern rent warranties and electricity warranties to the Public Power Company. These receivables are to be received after the end of the rent contracts. The increase is due to the thirty five (35) [of which twenty one (21) in Greece] that commenced operations during 2008.

6.7. Inventory Analysis

Inventories for the Group and for the company are analyzed as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|---------------|-----------------|---------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Merchandise | 48.145 | 24.542 | 41.708 | 22.632 |
| Final Products | 15 | 23 | 15 | 23 |
| Raw material | 107 | 199 | - | 133 |
| Total | 48.267 | 24.764 | 41.723 | 22.788 |
| Inventory Devaluation recognized as Expense | (326) | (326) | (326) | (326) |
| Devaluation reversal | - | - | - | - |
| Total | (326) | (326) | (326) | (326) |
| Net Book Value | 47.941 | 24.438 | 41.397 | 22.462 |

The amount of inventory that was recognized as expense during the fiscal year and it is included in the consolidated cost of goods sold, amount to € 55.188 thou (2007: € 53.613 thou). At the parent company level the expense amounted € 59.098 thou (2007: € 55.262 thou).

In order to determine a net sales value of the inventory, the company considers the most reliable information at hand at the date of the evaluation. The company's corporate activity depends on trend changes (fashion), which main result to considerable impairment of its inventory.

The significant change between the amount of this fiscal year and the previous one is due to the thirty five (35) new stores [of which twenty one (21) in Greece] that commenced operations during 2008.

The Group has no pledged inventories.

The Sprider Store in Likovrisi Attika, was completely destroyed following an arson attack on June 28, 2008. Moreover, during the riots that occurred in Athens downtown area during the three day period 6-8/12/2008, the Group's store on Ermou street experienced an arson attack resulting to its complete destruction. The stores were insured for both merchandise and equipment (building, furniture and other equipment), within the framework of the Group's standard insurance policy. The total value of the damaged inventory amounted to € 1.341 thou. and the amount was completely compensated by the insurance companies.

6.8. Trade and Other Receivables

Trade receivables of the Group and the company are analyzed as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------|-----------------|---------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| CUSTOMERS & TRADE RECEIVABLES | | | | |
| Customers | 10.959 | 7.608 | 21.439 | 9.002 |
| Promissory notes receivable | 52 | 122 | 52 | 122 |
| Cheques receivable | 74 | 740 | 74 | 740 |
| Claims from credit cards | 3.596 | 3.677 | 3.590 | 3.670 |
| Claims from Factoring | 59 | 50 | 59 | 50 |
| Provisions for bad debts | (782) | (209) | (782) | (209) |
| TOTAL TRADE CLAIMS | 13.957 | 11.988 | 24.431 | 13.374 |
| OTHER CLAIMS RECEIVABLE | | | | |
| Purchase prepayments | 4.782 | 3.126 | 4.764 | 2.962 |
| Other debtors | 975 | 579 | 669 | 1.717 |
| Provisions for bad debtors | (94) | - | (94) | - |
| Advances and credit control account | - | 33 | - | 33 |
| Claims from Governmental Organizations | 5.231 | 2.599 | 4.689 | 2.442 |
| Blocked Bank Accounts | - | - | - | - |
| Securities | 1 | 1 | 1 | 1 |
| Claims from damaged stores compensation | 200 | - | 200 | - |
| Claim from liquidation of asset | - | - | - | - |
| Claims from subsidiaries and affiliates | 2.720 | 1.343 | 2.955 | 1.343 |
| Deferred expense | 239 | - | 239 | - |
| Deferred income receivable | 419 | - | 419 | - |
| TOTAL RECEIVABLE | 14.474 | 7.681 | 13.843 | 8.499 |

| | | | | |
|--|---------------|---------------|---------------|---------------|
| TOTAL CLIENTS AND OTHER RECEIVABLES | 28.431 | 18.326 | 38.274 | 21.873 |
|--|---------------|---------------|---------------|---------------|

All the above receivables are concerned as short term. The fair value of that short-term financial assets is not determined independently because the book value is considered to be equal to the fair value.

The book value of the receivables from subsidiaries, is considered to be equal to the fair values, because their collection is expected to take place within that period that the effect of the time value of money is considered insignificant. During the current fiscal year claims from the Romanian subsidiary and a Polish subsidiary amounting € 1.197 thou and € 1.651 thou respectively, were capitalized .

For all of the Group's receivables, an estimation of the indication of probable impairment has been realized. Certain of the receivables have been impaired for which we have recognized corresponding provisions. The Group's provisions detailed analysis as regards the non collectible claims is presented at § 6.12 "Provisions analysis".

The Receivables that were not impaired and are postdated, are greater than one year old and amount € 1,5 million.

6.9. Short Term Financial Assets – Liabilities

The Group participates in international level and consequently is exposed to foreign exchange rate risk deriving mainly from US Dollar. This risk is mainly originated from future commercial transactions, liabilities in foreign currency, which constitute a large portion of total liabilities to suppliers. The Group in order to confront potential risks from the fluctuation of the exchange rate Euro:US Dollar utilizes flexible forward contracts securing in that way the price of the Dollar and consequently decreasing its exposure in the relative foreign exchange rate risk.

The Nominal Value of the Flexible Forward Contracts as of 31/12/2008 amounted to \$ 45.150 th and the duration is up to 6 months, up to june 30th 2009.

The derivatives are classified as asset accounts (Short Term Financial Assets) or as liability accounts (Short Term Financial Liabilities). The total of the fair value of a derivative which is designated as a hedge instrument is classified as current asset and current liabilities due to the fact that the hedging of the prospective transactions in foreign currency is expected to be realized at various dates of the following six months up until 30/06/2009. The profits and losses from the foreign exchange forward contracts, which have been accounted for at the reserve from the fair value of the Shareholders Equity as at 31/12/2008, will be transferred to the Income Statement of the period or the period during which the transactions concerning the hedging are affecting the income statement

| (amounts in € '000) | CONSOLIDATED/COMPANY FIGURES | |
|---|------------------------------|-------------------------|
| | 31/12/2008 | 31/12/2007 |
| Financial Derivatives | | |
| Flexible Forward - Cash flow hedge | 3.077 | - |
| Financial Derivatives (claim) | 3.077 | - |
| Flexible Forward - Cash flow hedge | (18) | - |
| Financial Derivatives (liability) | (18) | - |
| Net Derivatives value | 3.059 | - |
| Less: Taxes related to assets credited in the Shareholders Equity | 765 | - |
| Amounts directed accounted for in the Shareholders Equity | 2.294 | - |
| | 01/01-31/12/2008 | 01/01-31/12/2007 |
| Amounts accounted for in the Income Statement | 2.381 | - |

The fair value of these contracts has been evaluated by using the foreign exchange rates which was expected at 31/12/2008 to be valid in the purchase of these contracts at the expiration date

6.10. Cash and Cash equivalents

Group and company cash and cash equivalents are analyzed as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|----------------------------------|----------------------|------------|-----------------|------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| CASH AND CASH EQUIVALENTS | | | | |
| Cash | 1.501 | 1.483 | 1.405 | 1.274 |
| Sight deposits | 2.380 | 4.586 | 1.213 | 1.337 |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Time deposits | - | 16 | | 16 |
| TOTAL CASH & CASH EQUIVALENTS | 3.881 | 6.086 | 2.618 | 2.628 |

From the use of the cash of the company there have been derived interests (income) of the amount of € 101 thou (2007: € 81 thou).

6.11. Shareholders Equity

Group and company shareholders equity comprise the following:

| Amounts in th. € | Group | | Company | |
|---|-------------------|-------------------|-------------------|-------------------|
| EQUITY | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Capital and Reserves distributed to the shareholders of the parent company | | | | |
| Share Capital | 23.636 | 23.636 | 23.636 | 23.636 |
| Shares premium | 241 | 241 | 241 | 241 |
| Own shares | | | | |
| Foreign Exchange differences | (542) | (86) | | |
| Cash Flow Hedging Reserve | 2.294 | - | 2.294 | - |
| Other Reserves | 3.100 | 2.050 | 3.100 | 2.050 |
| Retained earnings | 40.072 | 34.692 | 42.059 | 36.045 |
| Total | 68.802 | 60.534 | 71.331 | 61.972 |
| Minority rights | - | - | | |
| Total equity | 68.802 | 60.534 | 71.331 | 61.972 |

Out of the above, the Statutory reserve is formed by law from the profits of each fiscal period and remains in the equity capital of the company to offset probable future losses, while it has been taxed in the accounting period, in which it was formed, and consequently it is tax free.

As far as the rest of the reserves are concerned, they can be distributed to the shareholders after the income tax is paid.

The account «Cash Flow Hedging Reserve» is extensively analyzed in § 4.11 and § 6.9.

The account "Other Reserves" of the Group and the Company is analyzed as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | | | |
|--------------------------------|----------------------|------------------------|-------------------|----------------|--------------|
| | Statutory reserves | Extraordinary reserves | Tax free reserves | Other reserves | Total |
| Balance at 1/1/2007 | 1.756 | 50 | 2.322 | 164 | 4.292 |
| Changes during the fiscal year | | | (2.080) | (162) | (2.242) |
| Balance at 31/12/2007 | 1.756 | 50 | 241 | 2 | 2.050 |
| Changes during the fiscal year | 1.050 | | | | 1.050 |
| Balance at 31/12/2008 | 2.807 | 50 | 241 | 2 | 3.100 |

| Amounts in th. € | COMPANY FIGURES | | | | |
|--------------------------------|--------------------|------------------------|-------------------|----------------|--------------|
| | Statutory reserves | Extraordinary reserves | Tax free reserves | Other reserves | Total |
| Balance at 1/1/2007 | 1.756 | 50 | 2.322 | 4 | 4.132 |
| Changes during the fiscal year | | | (2.080) | (1) | (2.082) |
| Balance at 31/12/2007 | 1.756 | 50 | 241 | 2 | 2.050 |
| Changes during the fiscal year | 1.050 | | | | 1.050 |
| Balance at 31/12/2008 | 2.807 | 50 | 241 | 2 | 3.100 |

The analytical presentation of the changes in Shareholder Equity of the Group and of the company is given in the chapter, «Statement of changes in equity» of this document.

6.11.1. Share Capital

The Company's Share capital is divided into 78,787,980 common registered shares with a par value of € 0.30 each.

The share of SPRIDER is listed in the Athens Exchange in the category of big capitalization and it participates in the index «FTSE ASE Small Cap 40».

The amounts received, over and above the issued shares par value, are included in the "Share Premium Account" under the Equity net of all issuing expenses, other legal fees and relevant tax dues. All issued shares by the Company are paid in full. The company or any of its subsidiaries and affiliated companies do not own any parent company own shares.

Amid the current financial crisis and due to its impact and consumers purchasing power and hence the demand and also due to the reluctance of most banks to finance corporations and with the objective the group's liquidity enhancement and the financing of the plant development for FY 2009 through own equity, the group's management intends to propose at the Ordinary General Shareholders Meeting which is planned for Monday June 15, 2008 the non distribution of dividend. The previous fiscal year a company distribute € 0,089 dividend per share.

SPRIDER STORES SA net profits (after income tax), amounting to € 14,076, may be used for distribution as follows:

| | |
|--|---------------|
| Net earnings of the fiscal year | 14.076 |
| Less: Suggested Statutory Reserve | (704) |
| Earnings suggested for distribution to the shareholders | 13.372 |
| Retained Earnings | 13.372 |
| Suggested dividend | 0 |
| Dividend per share (in €) | 0,000 |

It should be noted that the proposed distribution is pending the approval of the Annual Ordinary General Shareholders Meeting. In specific for the approval of the non distribution of dividend, a 70% quorum is required with a unanimous decision.

6.12. Provisions

The provisions formed by the Company and the Group on 31/12/2008 and 31/12/2007 are presented in the following table:

| Amounts in th. € | CONSOLIDATED FIGURES | | |
|--|----------------------|--------------------------------------|---------------------------------|
| | Bad debts provisions | Provisions for tax audit differences | Employee Compensation Provision |
| Balance as of 1/1/2007 | 480 | 350 | 513 |
| Additions (New provisions) | 79 | 217 | 622 |
| Disposals (Used provisions) | | (306) | (250) |
| Disposals (from the no consolidation of MEGATHLON) | (350) | (44) | - |
| Balance as of 31/12/2007 | 209 | 217 | 885 |
| Balance as of 1/1/2008 | 209 | 217 | 885 |
| Additions (New provisions) | 668 | 200 | 304 |
| Disposals (Used provisions) | | | (58) |
| Balance as of 31/12/2008 | 876 | 417 | 1.130 |

| Amounts in th. € | COMPANY FIGURES | | |
|--|----------------------|--------------------------------------|---------------------------------|
| | Bad debts provisions | Provisions for tax audit differences | Employee Compensation Provision |
| Balance as of 1/1/2007 | 130 | 306 | 472 |
| Additions (New provisions) | 79 | 217 | 622 |
| Disposals (Used provisions) | | (306) | (209) |
| Disposals (from the no consolidation of MEGATHLON) | - | - | - |
| Balance as of 31/12/2007 | 209 | 217 | 885 |
| Balance as of 1/1/2008 | 209 | 217 | 885 |
| Additions (New provisions) | 668 | 200 | 304 |
| Disposals (Used provisions) | | | (58) |
| Balance as of 31/12/2008 | 876 | 417 | 1.130 |

6.13. Suppliers and other liabilities

Suppliers and other short-term liabilities for the Group and for the company are presented in the following table:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--------------------------|----------------------|---------------|-----------------|---------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Suppliers | 19.360 | 15.427 | 15.479 | 11.918 |
| Promissory notes payable | 8.523 | 6.311 | 8.523 | 6.311 |
| Cheques payable | 6.161 | 5.246 | 6.161 | 5.246 |
| TOTAL | 34.043 | 26.985 | 30.162 | 23.476 |

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|--------------|-----------------|--------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| OTHER SHORT-TERM LIABILITIES | | | | |
| Liabilities to insurance organizations | 1.889 | 1.080 | 1.873 | 1.078 |
| Miscellaneous creditors | 1.698 | 102 | 1.827 | 99 |
| Full year accrued expenses | 1.258 | 197 | 1.258 | 197 |
| Employees remuneration payable | 317 | 669 | 216 | 634 |
| Voucher beneficiaries | - | - | - | - |
| Dividends | 19 | 8 | 19 | 8 |
| Affiliated and related companies liabilities | 3.617 | | 3.417 | |
| Prepaid payments | 2 | 798 | 2 | 798 |
| Provisions for tax audit differences | 417 | 217 | 417 | 217 |
| Provisions | 19 | 217 | - | |
| Deferred income | 675 | 217 | 669 | |
| TOTAL OTHER SHORT TERM LIABILITIES | 9.910 | 3.071 | 9.697 | 3.032 |

All liabilities are characterized as short term liabilities. Fair values of trade and other liabilities are not presented separately, because, due to their short term duration, the management of the company concerns that the book value that is presented in the balance sheet is a sensible approach of their fair value.

6.14. Current and Other Tax Liabilities

The Group's and Company's current tax liabilities are as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------|-----------------|---------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| CURRENT AND OTHER TAX LIABILITIES | | | | |
| Current tax liabilities | | | | |
| Income tax | 5.682 | 7.502 | 5.682 | 7.346 |
| Taxes from tax audit differences | 250 | 533 | 250 | 533 |
| Total current tax liabilities | 5.932 | 8.035 | 5.932 | 7.879 |
| Other tax liabilities | | | | |
| Value added tax | 1.758 | 3.054 | 1.701 | 2.604 |
| Employee services Tax | 183 | 172 | 183 | 109 |
| Taxes-duties for third parties | 54 | 51 | 54 | 51 |
| Other taxes | 405 | 89 | 45 | 77 |
| Total other tax liabilities | 2.400 | 3.366 | 1.983 | 2.841 |
| TOTAL CURRENT TAX LIABILITIES | 8.333 | 11.402 | 7.915 | 10.720 |

6.15. Deferred taxation

Deferred income tax is calculated on temporary differences, using tax rates that are due in the countries where the companies of the Group operate on the recovery or settlement date. The amounts that are shown in the balance sheet will be recovered or settled after December 31, 2008. Specifically for the Group companies which are active in Greece, for the calculation of the deferred taxation, a 25% ratio for the year 2009 has been used. From 2010 until 2014 the tax rate will be decreased by one percent every year standing at the end at 20%.

Tax rates for the fiscal year 2008 for the companies operating abroad are as follows:

| COUNTRY | Tax rate |
|---------|----------|
| BULGARY | 10% |
| FYROM | 10% |
| ROMANIA | 16% |
| CYPRUS | 10% |
| POLAND | 19% |

Balances in deferred tax claims and liabilities before their settlement for the Group are the following:

| Amounts in th. € | CONSOLIDATED FIGURES | | | |
|--|-------------------------|--------------------------|-------------------------|--------------------------|
| | 31/12/2008 | | 31/12/2007 | |
| | Deferred tax receivable | Deferred tax liabilities | Deferred tax receivable | Deferred tax liabilities |
| Tangible assets | - | 1.686 | - | 1.788 |
| Intangible assets | 73 | - | 83 | - |
| Inventories | - | 4 | - | - |
| Trade and other receivables | 25 | 210 | - | 51 |
| Employee benefits due to retirement | 206 | - | 152 | - |
| Tax reversal of tax free reserves | - | 542 | - | 542 |
| Reserves from the valuation of cash flow hedging contracts | - | 765 | - | - |
| Leasing liabilities | 823 | - | 1.175 | - |
| Trade and other liabilities | 267 | 1 | - | - |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Deferred tax receivable from tax loss recovery | 452 | - | 86 | - |
| Impact from tax rate changes | (206) | (373) | - | - |
| Total | 1.641 | 2.836 | 1.496 | 2.380 |
| Depreciation | | (1.162) | | (1.410) |
| Net deferred tax receivable /(payable) | 479 | 1.674 | 86 | 971 |

Balances in deferred tax claims and liabilities before their settlement for the Company are the following:

| | COMPANY FIGURES | | | |
|--|-------------------------|--------------------------|-------------------------|--------------------------|
| | 31/12/2008 | | 31/12/2007 | |
| Amounts in th. € | Deferred tax receivable | Deferred tax liabilities | Deferred tax receivable | Deferred tax liabilities |
| Tangible assets | - | 1.679 | - | 1.786 |
| Intangible assets | 73 | - | 83 | - |
| Investments in associates | 225 | - | - | - |
| Trade and other receivables | - | 210 | - | 51 |
| Employee benefits due to retirement | 206 | - | 152 | - |
| Tax reversal of tax free reserves | - | 542 | - | 542 |
| Reserves from the valuation of cash flow hedging contracts | - | 765 | - | - |
| Leasing liabilities | 823 | - | 1.175 | - |
| Trade and other liabilities | 262 | - | - | - |
| Impact from tax rate changes | (206) | (373) | - | - |
| Total | 1.384 | 2.823 | 1.410 | 2.379 |
| Depreciation | | (1.384) | | (1.410) |
| Net deferred tax receivable /(payable) | | 1.439 | | 969 |

Changes in deferred claims and liabilities for the fiscal year 2008-2007 for the Group are the following:

| Amounts in th. € | 1/1/2008 | Accounted for in Equity | Accounted for in Income Statement | 31/12/2008 |
|--|--------------|-------------------------|-----------------------------------|----------------|
| Tangible assets | (1.788) | | 102 | (1.686) |
| Intangible assets | 83 | | (10) | 73 |
| Inventories | - | | (4) | (4) |
| Trade and other receivables | (51) | | (134) | (185) |
| Employee benefits due to retirement | 152 | | 55 | 206 |
| Tax reversal of tax free reserves | (542) | | - | (542) |
| Reserves from the valuation of cash flow hedging contracts | - | (765) | - | (765) |
| Leasing liabilities | 1.175 | | (352) | 823 |
| Trade and other liabilities | - | | 266 | 266 |
| Deferred tax claim of recoverable accounting losses | 86 | | 366 | 452 |
| Impact from tax rate changes | - | | 167 | 167 |
| | (885) | (765) | 454 | (1.195) |
| Accounted for as: | | | | |
| Deferred tax claims | 86 | | | 479 |
| Deferred tax liability | (971) | | | (1.674) |

Changes in deferred claims and liabilities for the fiscal year 2008-2007 for the Company are the following:

| Amounts in th. € | 1/1/2008 | Accounted for in Equity | Accounted for in Income Statement | 31/12/2008 |
|--|--------------|-------------------------|-----------------------------------|----------------|
| Deferred tax receivables / (liabilities): | | | | |
| Tangible assets | (1.786) | - | 107 | (1.679) |
| Intangible assets | 83 | - | (10) | 73 |
| Investments in associates | - | - | 225 | 225 |
| Trade and other receivables | (51) | - | (160) | (210) |
| Employee benefits due to retirement | 152 | - | 55 | 206 |
| Tax reversal of tax free reserves | (542) | - | - | (542) |
| Reserves from the valuation of cash flow hedging contracts | - | (765) | - | (765) |
| Leasing liabilities | 1.175 | - | (352) | 823 |
| Trade and other liabilities | - | - | 262 | 262 |
| Impact from tax rate changes | - | - | 167 | 167 |
| | (969) | (765) | 295 | (1.439) |
| Accounted for as: | | | | |
| Deferred tax claims | - | | | - |
| Deferred tax liability | (969) | | | (1.439) |

6.16. Debt –Other long term liabilities

Loan liabilities, both long-term and short-term are analyzed in the following table:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|-----------------------------|----------------------|------------|-----------------|------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Long-term borrowings | | | | |

| | | | | |
|--|---------------|--------------|---------------|--------------|
| Real estate leasing | 3.292 | 3.594 | 3.292 | 3.594 |
| Corporate Bonds | 35.000 | - | 35.000 | - |
| Total long term debt | 38.292 | 3.594 | 38.292 | 3.594 |
| Short-term borrowings | | | | |
| Part of short-term corporate bonds payable into 1 year and long-term loans payable into 1 year | - | - | - | - |
| Short – term bank borrowings | 2.034 | 500 | 2.034 | 500 |
| Real estate leasing | 330 | 907 | 330 | 907 |
| Total short-term debt | 2.363 | 1.407 | 2.363 | 1.407 |
| Total debt | 40.656 | 5.001 | 40.656 | 5.001 |

The Company with the decision of the General Shareholders Meeting held on November 22 2007, proposed and approved the issuance of a bond loan up to € 60.000 thousands. The amount finally approved amounted to € 35.000 thousands and the relevant contract was signed on July 29 2008 with the Banks, Emporiki Bank of Greece and Geniki Bank of Greece. The issuance of the first series of bonds of an amount of € 15.000 thousands has already being made., whereas until the approval of the financial statements the second series of an amount of € 20.000 thousands and 5 years duration has being issued.

The proceeds from the above mentioned bond loan are about to being used on one hand to finance current Company's investment program, which estimates that up to year 2011 SPRIDER STORES Group will operate 150 sale points in Greece. The company realizes its sales through a network of leased stores and other establishments, which for the purpose of IFRS, are considered operational leases. The rent expense of the coming years is presented in the following table:

The account "Other long-term liabilities" regards previous years guarantees received from foreign associates.

Concerning Company leasing contracts, an analysis of total payments for the following years is presented in the table below, regarding both capital payments and proportionate interest payments:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|--------------|-----------------|--------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Real estate leasing payable in a year (Capital) | 330 | 907 | 330 | 907 |
| Proportionate interest | 208 | 249 | 208 | 249 |
| Short-term Sinking payment payable in a year | 538 | 1.156 | 538 | 1.156 |
| Real estate leasing payable in two to five years (capital) | 674 | 846 | 674 | 846 |
| Proportionate interest | 718 | 759 | 718 | 759 |
| Sinking payment | 1.392 | 1.605 | 1.392 | 1.605 |
| Real estate leasing payable after five years (capital) | 2.617 | 2.748 | 2.617 | 2.748 |
| Proportionate interest | 440 | 926 | 440 | 926 |
| Sinking payment | 3.057 | 3.674 | 3.057 | 3.674 |
| Long term Sinking payment | 4.449 | 5.280 | 4.449 | 5.280 |
| TOTAL | 4.779 | 6.187 | 4.779 | 6.436 |

The maturity dates of the long term loans of both Group and the Company are:

| | Long term | |
|-------------------------------|-----------------|--------------------|
| | 1 until 5 years | Later than 5 years |
| <i>Bank Loans</i> | - | - |
| Bond Loan | 5.000 | 30.000 |
| Financial Leasing obligations | 675 | 2.617 |
| Total | 5.675 | 32.617 |

The weighted average real interest rates on the loans of the Group and of the company at the date of the balance sheet are the following:

| | 2008 | 2007 |
|-------------------|-------|-------|
| <i>Bank Loans</i> | 5,08% | 5,27% |

For guaranteeing debt there are pledges and mortgages over land and buildings of the Group of the amount of € 3,111 thou.

The Company performs its sales through a network of leased stores and other installations which for the needs of IFRS are considered operating leases.

An analysis of the rents which will be paid out in the following years is presented in the following table:

| | CONSOLIDATED FIGURES | COMPANY FIGURES |
|--|----------------------|-----------------|
|--|----------------------|-----------------|

| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
|--|----------------|----------------|----------------|----------------|
| Operating rental charges payable into 1 year | 21.285 | 14.926 | 16.869 | 11.828 |
| Subtotal 1: Short-term operating rental charges | 21.285 | 14.926 | 16.869 | 11.828 |
| Operating rental charges payable into 2 to 5 years | 99.836 | 63.385 | 71.702 | 50.536 |
| Subtotal 2 | 99.836 | 63.385 | 71.702 | 50.536 |
| Operating rental charges payable after 5 years | 142.517 | 100.012 | 121.992 | 89.217 |
| Subtotal 3 | 142.517 | 100.012 | 121.992 | 89.217 |
| Subtotal 4 (=2+3): Long term operating leasing | 242.353 | 163.397 | 193.694 | 139.753 |
| TOTAL (=1+4) | 263.638 | 178.323 | 210.563 | 151.581 |

The significant change from the previous fiscal year is due to the opening of thirty five (35) new stores by the company.

6.17. Staff Retirement Indemnities

Compensation to personnel due to retirement: In accordance with the Greek labour legislation employees are entitled to compensation in the event of dismissal or retirement, the amount of which varies based on the employee's salary, the duration of his service and the way of termination of his employment agreement (dismissed or retired). Employees who resign or are dismissed with cause are not entitled to compensation. The amount payable in case of retirement is equal to 40% of the amount which would be payable upon dismissal without cause. In Greece, according to local practice, these programs are not financed.

The company debits the results for working benefits in each period with corresponding increase of the retirement obligation. Benefit payments to personnel who has retired each period are debited against this obligation. Changes in net obligation in the attached balance-sheet of the Group and the Company for the financial year 2008 and 2007 are presented in note "6.12, Provisions analysis".

The number of personnel working within the company at the end of current financial year was 1,571 persons and for the group 1,916 persons, while in the previous financial year the number amounted in 1,337 and 1,553 persons respectively.

The Company entrusted to esteemed independent analysts-actuaries, to perform a valuation for the obligations of the Company that stem from its obligation to pay out compensations due to retirement. The basic factors of the actuarial study at 31 December 2008 are as follows:

| | |
|------------------|-------------|
| Interest rate | 5,00% |
| Salary increases | 4,00% |
| Inflation | 2,50% |
| Service board | EVK 2000 |
| TurnOver | 1,00% |
| Retirement | M 65 & W 60 |
| Evaluation date | 1/1/2009 |
| Salary Balance | YES |
| Salaries | 14/12 |

| Staff retirement Benefits | CONSOLIDATED FIGURES / COMPANY FIGURES | |
|----------------------------------|--|------------|
| Amounts in th. € | 31/12/2008 | 31/12/2007 |
| Balance Sheet Liabilities: | | |
| Retirement Benefits | 1.130 | 885 |
| Post retirement medical benefits | | |
| Total | 1.130 | 885 |

Amounts written down in the consolidated & parent company profit and loss accounts statement are presented below:

| | 31/12/2008 | 31/12/2007 |
|--|------------|------------|
| Charge to the income statement: | | |
| Pension benefits (provisions and payments) | 246 | 412 |
| Net actuarial (profit) / losses for the period | (0) | |
| Total | 246 | 412 |

6.18. Profit and Loss statement

- **Cost of Goods Sold**

FY 2008 consolidated cost of goods sold stood at € 55,188 thou (2007: € 53,613 thou), while company's cost of goods sold stood at € 59,098 thou (2007: € 55,262 thou).

Gross Profit Margin is as follows:

| | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---------------------|----------------------|----------------|-----------------|----------------|
| | 1/1-31/12/2008 | 1/1-31/12/2007 | 1/1-31/12/2008 | 1/1-31/12/2007 |
| Gross Profit Margin | 64,18% | 58,15% | 60,45% | 56,38% |

• **Operating Expenses**

Selling Expenses for the group and the company are analyses as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------------|---------------------|---------------------|
| | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 |
| Employee compensation and expenses | 23.479 | 17.402 | 21.817 | 16.438 |
| Provisions of the stuff retirement indemnities | 259 | 540 | 259 | 540 |
| Third parties fees and expenses | 8.507 | 2.956 | 6.619 | 2.586 |
| Charges for third-party services | 21.463 | 13.362 | 18.443 | 11.791 |
| Taxes and duties | 931 | 688 | 891 | 680 |
| Other expenses | 10.122 | 12.018 | 9.596 | 9.238 |
| Depreciation | 7.859 | 5.113 | 6.422 | 4.560 |
| TOTAL SELLING EXPENSES | 72.620 | 52.079 | 64.047 | 45.832 |

Administrative Expenses for the group and the company are analyses as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------------|---------------------|---------------------|
| | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 |
| Employee compensation and expenses | 3.822 | 2.681 | 3.431 | 2.425 |
| Provisions of the stuff retirement indemnities | 41 | 72 | 41 | 72 |
| Third parties fees and expenses | 2.039 | 1.806 | 1.420 | 1.004 |
| Charges for third-party services | 1.659 | 261 | 1.184 | 221 |
| Taxes and duties | 256 | 188 | 191 | 163 |
| Other expenses | 1.034 | 1.070 | 965 | 850 |
| Depreciation | 1.401 | 487 | 1.124 | 510 |
| TOTAL ADMINISTRATION EXPENSES | 10.252 | 6.554 | 8.357 | 5.245 |

R&D Expenses for the group and the company are analyses as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------------|---------------------|---------------------|
| | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 |
| Employee compensation and expenses | 400 | 298 | 400 | 298 |
| Provisions of the stuff retirement indemnities | 5 | 10 | 5 | 10 |
| Third parties fees and expenses | 165 | 60 | 165 | 60 |
| Charges for third-party services | 89 | 53 | 89 | 53 |
| Taxes and duties | 4 | 1 | 4 | 1 |
| Other expenses | 58 | 106 | 58 | 106 |
| Depreciation | 323 | 111 | 323 | 111 |
| TOTAL R&D EXPENSES | 1.045 | 638 | 1.045 | 638 |

Other income and expenses for the group and the company are analyses as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|------------------|------------------|------------------|
| | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| OTHER INCOME | | | | |
| Rent income | 611 | 1.253 | 611 | 1.253 |
| Advertising income | - | - | - | - |
| Received expenses | 1.700 | - | 1.700 | - |
| Income from benefits | - | 130 | - | 130 |
| Other income | 166 | 89 | 84 | 10 |
| Income from commission of merchandise selling | 921 | - | 921 | - |
| Income from the recognition of compensation from damaged stores | 1.705 | - | 1.705 | - |
| Income from the destruction of insured assets | 866 | - | 866 | - |
| Income from the destruction of insured inventory | 1.341 | - | 1.341 | - |
| Income from foreign exchange differences | 346 | - | 1.283 | - |
| Personnel subsidies | 330 | - | 330 | - |
| Previous years income | 58 | 5 | 58 | 5 |
| Income from used provisions | 58 | 209 | 58 | 209 |
| Total | 8.100 | 1.686 | 8.955 | 1.608 |
| Other Expenses | | | | |
| Other expenses | 56 | 710 | 56 | 359 |
| Provision for bad receivables | 684 | 79 | 668 | 79 |
| Extraordinary losses | 171 | - | 171 | - |
| Losses from abolition of unfitting inventories | 136 | - | 136 | - |
| Losses from abolition of insured assets | 866 | - | 866 | - |
| Losses from abolition of insured inventory | 1.341 | - | 1.341 | - |
| Previous years expenses | - | 76 | - | 76 |
| Total | 3.254 | 865 | 3.237 | 514 |

Net financial cost for the group and the company are analyses as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|-------------------------------|----------------------|----------------|-----------------|----------------|
| | 1.1-31.12.2008 | 1.1-31.12.2007 | 1.1-31.12.2008 | 1.1-31.12.2007 |
| Long-term loan interest | - | (212) | - | (212) |
| Bond Loan interest | (669) | - | (669) | - |
| Short-term loan interest | (843) | (314) | (823) | (221) |
| Other bank expenses | (583) | (435) | (552) | (394) |
| Exchange Differences (income) | 321 | 955 | 321 | 1.416 |
| Financial revenues | 75 | 83 | 98 | 81 |
| Lease contract interest | (284) | (700) | (284) | (700) |
| Total | (1.982) | (623) | (1.909) | (30) |

The **Profit / (loss) from the liquidation – destruction** of the Group's and the Company's fixed assets is analyzed as following:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|------------------|------------------|------------------|
| | 01/01-31/12/2008 | 01/01-31/12/2007 | 01/01-31/12/2008 | 01/01-31/12/2007 |
| Profit from the liquidation of fixed assets | 1.580 | 18.567 | 306 | 16.078 |
| Loss from the liquidation of fixed assets | (55) | (15) | (55) | (15) |
| Loss from the destruction of fixed assets | (1.607) | - | (1.607) | - |
| Total | (82) | 18.552 | (1.356) | 16.063 |

Results from affiliates are analyzed as follows:

| AFFILIATED PARTIES RESULTS | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------------|---------------------|---------------------|
| | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 | 1/1/2008-31/12/2008 | 1/1/2007-31/12/2007 |
| Results from the liquidation of MEGATHLON | - | 347 | - | (6.358) |
| Results from the sale of DAN CONSTRUCTIONS | - | 28 | - | - |
| Results from the valuation of an affiliated company | (22) | (198) | - | - |
| Impairment of participation in subsidiaries | - | - | (901) | - |
| Results from the dissolution of a foreign subsidiary | 35 | - | - | - |
| Total Affiliated parties results | 13 | 177 | (901) | (6.358) |

6.19. Income tax reconciliation

The income tax that corresponds to the profits of the Group and of the Company, differs from the tax amount that should be charged if we apply the weighted tax rate standing in the profits of the consolidated companies. The association between the expected tax expense, based on the real tax rate of the Group, and tax expenses the finally recognized of the profit and loss account, is as follows:

| | CONSOLIDATED FIGURES | COMPANY FIGURES |
|--|----------------------|-----------------|
|--|----------------------|-----------------|

| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
|---|--------------|--------------|--------------|--------------|
| Current income tax | 4.553 | 7.563 | 4.433 | 7.250 |
| Additional income tax | 22 | 38 | 22 | 38 |
| Deferred Tax | (287) | 1.332 | (128) | 1.425 |
| Deferred tax change due to change of the tax rate | (167) | - | (167) | - |
| Tax from audit taxes and contingent taxes | 200 | 757 | 200 | 757 |
| TOTAL INCOME TAX | 4.321 | 9.690 | 4.360 | 9.471 |

| | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|----------------------|---------------|-----------------|---------------|
| | 2008 | 2007 | 2008 | 2007 |
| Profits before tax | 17.763 | 34.147 | 18.436 | 30.474 |
| Tax rate | 25% | 25% | 25% | 25% |
| Expected tax expense under the legislated tax rate | 4.441 | 8.537 | 4.609 | 7.619 |
| Adjustments for tax rate differences | | | | |
| Impact from other countries different tax rates | 129 | (109) | | |
| Adjustment for tax free revenue | | | | |
| - other tax free revenue | (559) | (69) | (465) | (69) |
| Change of tax rate | (167) | - | (167) | - |
| Adjustment for non deductible expenses | | | | |
| -other non deductible expenses | 188 | 351 | 161 | 1.126 |
| Other taxes | 22 | 38 | 22 | 38 |
| Deferred tax claim for taxable loss non recognized | 67 | 185 | - | - |
| Provision of tax from unaudited fiscal years tax audit | 200 | 757 | 200 | 757 |
| Real tax burden | 4.321 | 9.690 | 4.360 | 9.471 |

The weighted average applied tax rate of the company is 24% (2007:31%). The tax rate for the fiscal year 2008 and 2009 stands at 25%. From 2010 until 2014 tax rate will be decreased annually by 1 percentage point resulting at 20%. Moreover, within the year provisions for contingent taxes were made, prior years taxes were applied, while there is no differed tax liability on the results of subsidiaries.

6.20. Earnings per share

Basic earnings per share is calculated dividing profits or loss of the common registered shareholders of the parent company with weighted average number of shares outstanding during the accounting period.

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|-----------------|-----------------|-----------------|
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Profits attributable to the Parent Company's shareholders | 13.442 | 24.457 | 14.076 | 21.003 |
| Weighted average number of shares | 78.788 | 78.788 | 78.788 | 78.788 |
| Basic earnings per share (in €) | 0,1706 € | 0,3104 € | 0,1787 € | 0,2666 € |

6.21. Third parties related transactions

Within the framework of the operating activity, the inventory and the services are being supplied by several of the Company's partners. These transactions involve Companies in which there is participation and also involves Companies that the members of the Board of SPRIDER STORES SA are participating. The transactions with these Companies are being held on a strictly trade basis. SPRIDER STORES Group has not participated in any transaction of unusual nature or content which may be material for the Group, or any of the companies or the persons that are closely related with the Group, and has no intention to participate in any such transactions in the future either.

None of these transactions contains special terms and conditions and no guarantee has been offered or taken.

| Sales of goods and services | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|-----------------------------|----------------------|------------------|------------------|------------------|
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | 9.616 | 5.918 |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 282 | 360 | 282 | 360 |
| Total | 282 | 360 | 9.897 | 6.278 |
| Purchases of goods | | | | |
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |

| Sales of goods and services | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | 2.472 |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 4.512 | 2.619 | 4.512 | 2.619 |
| Total | 4.512 | 2.619 | 4.512 | 5.092 |
| <u>Sales of Assets</u> | | | | |
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | 217 | - |
| Other affiliated parties | 111 | 3 | 111 | 3 |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | 111 | 3 | 328 | 3 |
| <u>Purchases of assets</u> | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | 75 | - | 75 | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | 75 | - | 75 | - |
| <u>Sales of Services</u> | | | | |
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Subsidiaries | - | 51 | 8 | 51 |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 2.239 | 337 | 2.239 | 337 |
| Total | 2.239 | 389 | 2.248 | 388 |
| <u>Purchases of services</u> | | | | |
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 5.292 | 1.068 | 5.292 | 1.220 |
| Total | 5.292 | 1.068 | 5.292 | 1.220 |
| <u>Loan to affiliated parties</u> | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | 0,00 | 0,00 | 0,00 | 0,00 |
| <u>Loan from affiliated parties</u> | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | - | - | - | - |
| <u>Guaranties to affiliated parties</u> | | | | |
| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | 3.702 | 3.202 | 3.702 | 3.202 |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | 44.380 | 3.202 | 44.380 | 3.202 |
| <u>Guaranties from affiliated parties</u> | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |

| Sales of goods and services | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | - | - | - | - |
| Balances at the end of the year of the accounts of sales / purchases of goods | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | - | - | - | - |
| Balances at the end of the year of the accounts of sales / purchases of assets | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | - | - | - | - |
| Balances at the end of the year of the accounts of guaranties | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | - | - | - | - |
| Total | - | - | - | - |
| Receivables | | | | |
| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | 10.660 | 2.727 |
| Affiliated parties | 1.878 | 207 | 1.878 | 207 |
| Key management | - | 135 | - | 135 |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 842 | 446 | 1.042 | 445 |
| Total | 2.720 | 787 | 13.581 | 3.513 |
| Liabilities | | | | |
| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Parent company | - | - | - | - |
| Subsidiaries | - | - | - | - |
| Affiliated parties | - | - | - | - |
| Key management | - | - | - | - |
| Joint Ventures | - | - | - | - |
| Other affiliated parties | 3.700 | 660 | 3.700 | 637 |
| Total | 3.700 | 660 | 3.700 | 637 |

The settlement of the balances is performed with cash. For the period that ended on December 31 2008, the company has not formed any provision for bad debt related with the amounts corresponding to relating companies.

From the abovementioned transactions, transactions and balances concerning subsidiary companies have been deleted from the consolidated financial results of the Group.

| Amounts in th. € | 01.01-31.12.2008 | 01.01-31.12.2007 | 01.01-31.12.2008 | 01.01-31.12.2007 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Provisions to the Management and Company Officers as per IAS 24 | | | | |
| Fees and remunerations for BoD Members and Top Executives | 3.255 | 1.703 | 3.027 | 1.703 |
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Obligations to BoD Members and Top Executives | - | 67 | - | 67 |
| Receivables - prepayments to BoD members and Top Executives | 75 | - | 75 | - |

Key management remuneration consists of annual salaries plus bonus linked to specific target achievement regarding the Group's EBITDA.

6.22. Benefits to the personnel

Benefits to the personnel of the Group and the Company are as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|-------------------|-------------------|-------------------|
| | 1/1- 31/12/2008 | 1/1- 31/12/2007 | 1/1- 31/12/2008 | 1/1- 31/12/2007 |
| Salaries , wages, bonus | 21.460 | 15.952 | 19.832 | 14.952 |
| Social Security Organization (IKA) expenses | 5.580 | 4.079 | 5.183 | 3.859 |
| Employees compensation payable | 406 | 140 | 394 | 140 |
| Provisions for retirement benefits | 255 | 209 | 239 | 209 |
| Total | 27.701 | 20.381 | 25.648 | 19.161 |
| | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Number of employees | 1.916 | 1.553 | 1.571 | 1.337 |

6.23. Contingent demands-liabilities

There are no disputes in Courts or in Arbitration that can substantially affect the operation and the financial results of the Group. More specifically, the company has appealed several times before the administrative courts for several fines by state organizations against the company. The trial date for all these appeals has not been determined. The ruling of most of these cases is uncertain and hence cannot safely estimate the result. The total amount of the appeals is € 91 thousand.

In addition, any claims and other litigation cases by third parties against the company amount € 112 thousand and are not expected to have a positive ruling for the claimants and hence no provision has been accounted for.

Beyond the above, the company has filed a total of ten lawsuits before the administrative courts against OTA (Municipal Authorities) amounting € 249 thousand, with which the company has signed state contracts and the above amount is due. It is estimated that the lawsuits will have a favorable ruling for the company.

The Sprider Store in Likovrisi Attika, was completely destroyed following an arson attack on June 28, 2008. SPRIDER STORES Group proceeded immediately to restoring the damages and the store reopened during the fourth quarter of the year. For the restoration of the above damages the company received insurance compensation while for the remainder loss of merchandise, equipment and other expenses, the company has filed for compensation by the Greek State for the amount of € 1,5 million from losses from terrorist attack. The attack was classified as "terrorist attack" pursuant to article 187^a of the Criminal Law. In the course of the next few days the company is expected to get a favorable ruling and the prompt payment of the compensation. It is noted that the company reserves its legal rights to demand additional compensation by the Greek State, through lawsuits and the administrative court for the recovery of forgone earnings.

Moreover, during the riots that occurred in Athens downtown area during the three day period 6-8/12/2008, the Group's store on Ermou street experienced an arson attack resulting to its complete destruction. The stores were insured for both merchandise and equipment (building, furniture and other equipment), within the framework of the Group's standard insurance policy.

The net cost of the destructed assets amounted to € 2.267 thousand while the total value of the destructed inventory amounted € 1.341 thousand. The insurance companies have redeemed in FY 2008 the amount of € 2.000 thousand approximately. As regards the remainder € 1,607 thousand, the company has taking all necessary actions and expects to be full compensated by the insurance companies and the Greek State.

For conservatism purposes and in order to comply with the provisions of IFRS, which state that the claims and compensations are included in the income statement when they are claimed, the company during the fiscal year has recognized the full extraordinary loss amount (€ 1,607 thousand) and will recognize the revenue from the compensation at the fiscal year that this will be received. The company estimates that during fiscal year 2009 this claim will be fully settled.

The unaudited fiscal years of the company's of Group are as follows:

| COMPANY NAME | UNAUDITED TAX YEARS |
|--|---------------------|
| SPRIDER STORES S.A. | 2007-2008 |
| FASHION LOGISTICS S.A. | 2/8/2006-2008 |
| SPRIDER BULGARIA MON Single Person LTD | 2000-2008 |
| SPRIDER DOOEL Single Person LTD (SCOPJE) | 2005-2008 |
| SPRIDER STORES S.R.L (ROMANIA) | 2006-2008 |
| SPRIDER STORES (CYPRUS) LIMITED | 2006-2008 |
| SPRIDER STORES POLSKA | 2008 |

For the unaudited tax years concerning companies of the Group, the possibility of imposition of additional taxes and accessions exists at the year that these companies will be examined and the

additional taxes and accessions will be finalized by the appropriate tax authorities. For this unaudited years, the Company and the Group made sufficient provisions for potential taxes. Further details are included in § 6.12 «Provisions Analysis».

6.24. Operating lease – the Group as lessor

The Group leases several of its own office and warehouse space based on a non revocable operating lease. All leases include a term, have different terms, escalation terms, renewal terms.

Also the Group leases several of its own building facilities and equipment based on a revocable operating lease. The Group has the right to terminate these agreements with a six-month notice. The lease expense amount accounted for in the income statement during the current fiscal year is analyzed in note 25. The minimum future lease payments based on the non revocable operating lease as at December 31, 2008 is analyzed as follows:

| | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|-----------------------------|-------------------|------------------------|-------------------|
| Amounts in th. € | 31/12/2008 | 31/12/2007 | 31/12/2008 | 31/12/2007 |
| Operating leasing received in 1 year | 661 | 611 | 661 | 611 |
| Subtotal 1: Short term operating leasing | 661 | 611 | 661 | 611 |
| Operating leasing that will be received in 2 to 5 years | 3.385 | 3.187 | 3.385 | 3.187 |
| Subtotal 2 | 3.385 | 3.187 | 3.385 | 3.187 |
| Operating leasing that will be received after 5 years | 3.033 | 2.882 | 3.033 | 2.882 |
| Subtotal 3 | 3.033 | 2.882 | 3.033 | 2.882 |
| Subtotal 4 (=2+3): Long term operating leasing | 6.418 | 6.069 | 6.418 | 6.069 |
| TOTAL (=1+4) | 7.080 | 6.680 | 7.080 | 6.680 |

6.25. Guaranties

The Group and the Company have contingent liabilities and receivables in relation with banks, other guaranties and other issues arising from ordinary activities as follows:

| Amounts in th. € | 31/12/2008 | 31/12/2007 |
|--|-------------------|-------------------|
| Pre-mortgages of land and buildings pledged against loans | 3.111 | 3.111 |
| Granted warranties to third parties (subsidiaries) | 3.702 | 3.202 |
| Other Letters of guaranty for safeguarding liabilities | 5.939 | 4.589 |
| Letters of guaranty (to municipalities) for proper cooperation | 3.574 | 1.308 |
| Guaranteed credit | 31.165 | 6.913 |
| TOTAL | 47.490 | 19.123 |

7. Risk Management Policy & Objectives

The company is exposed to various financial risks such as market risk (variation in foreign exchange rates, interest rates, market prices etc.), credit risk and liquidity risk. The group's risk management policy aims at limiting the negative impact on the company's financial results which results from the inability to predict financial markets and the variation in cost and revenue variables. The group aims to use derivatives to hedge its exposure to specific risk categories in the recent future.

The group's financial instruments include mainly bank deposits, banks overdrafts, trade debtors and creditors, loans to its subsidiaries and related companies, dividends payable and leasing obligations.

For fiscal year 2008, the Group applies a risk management program. The group's risk management policy aims at limiting the negative impact on the company's financial results which results from the inability to predict financial markets and the variation in cost and revenue variables. The group aims to use derivatives to hedge its exposure to specific risk categories in the recent future.

The risk management policy is executed by the Treasury department of the Group. The procedure followed is the following:

- Evaluation of risks related to the company's activities
- Methodology planning and selection of suitable derivative products for risk reduction
- Execute risk management in accordance to the procedure approved by management.

7.1. Foreign currency risk

The company is active internationally and is exposed to variations in foreign currency exchange rate which arise mainly from US- Dollars. This kind of risk arises mainly from transactions in foreign currency as well as from net investments in companies abroad. The group's Treasury, in order to manage this type of risk, engages in flexible forwards with financial institutions on the Company's behalf.

At the Company level, these financial instruments are classified as cash flow hedging instruments against specific liabilities or future commercial transactions.

The group holds investments in companies abroad, and its net assets are exposed to foreign currency risk, mainly with the Romanian RON and the Polish Zloty (PLN). The foreign exchange risk of this kind is attributed to the aforementioned currencies rates against the Euro

The financial assets and liabilities in foreign currency translated into euros using the exchange rate at the balance sheet date as follows:

| Amounts in th. € | 2008 | | | 2007 | |
|----------------------------|----------------|----------------|-----|----------------|----------------|
| Nominal amounts | US\$ | RON | PLN | US\$ | RON |
| Financial Assets | 78 | 4.589 | | - | 1.239 |
| Financial Liabilities | (8.629) | (9.386) | | (6.026) | (2.239) |
| Short term exposure | (8.551) | (4.797) | | (6.026) | (1.000) |
| Financial Assets | - | - | | - | - |
| Financial Liabilities | - | - | | - | - |
| Long term exposure | - | - | | - | - |

The following tables illustrate the sensitivity of the result for the year and the equity in regards to the financial assets and liabilities and the US Dollar / Euro exchange rate and RON / Euro exchange rate and Euro / PLN exchange rate.

We assume a change occurring on December 31, 2008 in the EUR / US dollar exchange by 0.20% (2007: 6.53%), in the EUR / Ron exchange rate by 15.62% (2007: 10.42%) and in the EUR/PLN exchange rate by 24.5%. These percentages have been determined on the average market volatility in exchange rates in 12 months of 2008 and 2 ½ months in 2009. The sensitivity analysis is based on the group's foreign currency financial instruments held at each balance sheet date and also takes into account foreign currency (\$) forward contracts which are used to hedge.

If the € appreciates against the above currencies with the aforementioned percentages, then the FY results and the shareholders' equity for the year would have the following impact:

| Amounts in th. € | 2008 | | | 2007 | |
|-------------------------|------|-----|------|------|-----|
| | US\$ | RON | PLN | US\$ | RON |
| Net result for the year | 17 | 648 | (75) | 402 | 93 |
| Equity | 13 | 544 | (61) | 402 | 93 |

If the € depreciates against the above currencies with the aforementioned percentages, then the FY results and the shareholders' equity for the year would have the following impact:

| Amounts in th. € | 2008 | | | 2007 | |
|-------------------------|------|-------|-----|-------|-------|
| | US\$ | RON | PLN | US\$ | RON |
| Net result for the year | (17) | (888) | 123 | (464) | (114) |
| Equity | (13) | (746) | 100 | (464) | (114) |

The group's foreign exchange rates exposure varies within the year depending on the volume of the transactions in foreign exchange. However the above analysis is considered to be representative of the company's currency risk exposure.

7.2. Interest Rate Sensitivity

At 31 December 2008 the company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates. (Euribor). As in the previous year all other financial assets and liabilities have fixed rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonable change in interest rates of +0.5% or -0.5% (2007 : +/- 0.6%). These changes are considered to be reasonably possible based on observation of the current market conditions.

| Amounts in th. € | 2008 | | 2007 | |
|-------------------------|-------|-------|-------|-------|
| | +0,5% | -0,5% | +0,5% | -0,5% |
| Net result for the year | (177) | 177 | (116) | 116 |
| Shareholders' Equity | (132) | 132 | (87) | 87 |

7.3. Credit Risk Analysis

The company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the balance sheet date as summarized below:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|-------------------------------------|----------------------|---------------|-----------------|---------------|
| | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 |
| Financial items | | | | |
| Financial Assets available for sale | 300 | - | 300 | - |
| Derivative financial assets | 3.077 | - | 3.077 | - |
| Cash & cash equivalent | 3.881 | 6.086 | 2.618 | 2.628 |
| Customers and other receivables | 28.430 | 19.669 | 38.274 | 21.873 |
| Total | 35.689 | 25.755 | 44.269 | 24.501 |

The company continuously monitors its receivables identified either individually or by group and incorporates this information into its credit risk controls. Depending on availability and fair cost, independent third party reports and analyses concerning our clients are being used. The group's policy is to cooperate only with reliable clients. The vast majority of the sales concerns retail sales.

The management considers that all the above financial assets that are not impaired in reporting dates under review are of good credit quality, including those that are past due.

None of the financial assets are secured with mortgage or any credit enhancement.

In respect of trade and other receivables the company is not exposed to any significant credit risk exposure. The credit risk for liquid funds and other short term financial assets is considered negligible.

7.4. Liquidity Risk Analysis

The Group manages its liquidity by carefully monitoring scheduled debt servicing payments for long – term financial liabilities as well as cash – outflows due in day - to - day business. Liquidity needs are monitored in various time bands, on a day – to - day and week – to – week basis, as well as on the basis of rolling 30 – day projection. Long – term liquidity need for the following 6 months and the following year are identified monthly.

The company maintains cash to meet its liquidity requirements for up to 30 – day periods.

The maturities of the Group's liabilities as at 31 December 2008 and 2007 are analyzed as follows:

| Amounts in th. € | 31/12/2008 | | | |
|------------------------------|-----------------|---------------|--------------|----------------------|
| | Short term | | Long term | |
| | Within 6 months | 6 - 12 months | 1- 5 years | Greater than 5 years |
| Bank Loans | 2.034 | - | - | - |
| Bond | - | - | 5.000 | 30.000 |
| Finance lease obligations | 218 | 111 | 675 | 2.617 |
| Trade payables | 15.790 | 18.253 | - | - |
| Other short term liabilities | 15.018 | 3.225 | - | - |
| Total | 33.060 | 21.589 | 5.675 | 32.617 |

| Amounts in th. € | 31/12/2007 | | | |
|------------------------------|-----------------|---------------|------------|----------------------|
| | Short term | | Long term | |
| | Within 6 months | 6 - 12 months | 1 -5 years | Greater than 5 years |
| Bank loans | 500 | - | - | - |
| Finance lease obligations | 544 | 363 | 846 | 2.748 |
| Trade payables | 23.926 | 3.058 | - | - |
| Other short term liabilities | 3.071 | - | - | - |
| Total | 28.042 | 3.421 | 846 | 2.748 |

The corresponding maturities of the Parent Company's liabilities as at 31 December 2008 and 2007 are analyzed as follows:

| Amounts in th. € | 31/12/2008 | | | |
|------------------------------|-----------------|---------------|--------------|----------------------|
| | Short term | | Long term | |
| | Within 6 months | 6 - 12 months | 1 -5 years | Greater than 5 years |
| Bank Loans | 2.034 | - | - | - |
| Bond | - | - | 5.000 | 30.000 |
| Finance lease obligations | 218 | 111 | 675 | 2.617 |
| Trade payables | 14.659 | 15.503 | - | - |
| Other short term liabilities | 15.037 | 2.575 | - | - |
| Total | 31.948 | 18.189 | 5.675 | 32.617 |

| Amounts in th. € | 31/12/2007 | | | |
|------------------------------|-----------------|---------------|------------|----------------------|
| | Short term | | Long term | |
| | Within 6 months | 6 - 12 months | 1 -5 years | Greater than 5 years |
| Bank loans | 500 | - | - | - |
| Finance lease obligations | 544 | 363 | 846 | 2.748 |
| Trade payables | 20.768 | 2.708 | - | - |
| Other short term liabilities | 3.032 | - | - | - |
| Total | 24.844 | 3.070 | 846 | 2.748 |

The above contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the balance sheet date.

8. Analysis of Financial Assets and Liabilities per class

The Financial Assets as well as the financial obligations at the balance sheet date may be classified as follows:

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|-------------------------------------|----------------------|---------------|-----------------|---------------|
| | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 |
| Non current assets | | | | |
| Financial assets available for sale | 300 | | 300 | |
| Total | 300 | - | 300 | - |
| Current assets | | | | |
| Trade and other receivables | | | | |
| Customers and other receivables | 31.508 | 19.669 | 41.351 | 21.873 |
| Cash and cash equivalent | 3.881 | 6.086 | 2.618 | 2.628 |
| Total | 35.389 | 25.755 | 43.969 | 24.501 |

| Amounts in th. € | CONSOLIDATED FIGURES | | COMPANY FIGURES | |
|---|----------------------|--------------|-----------------|--------------|
| | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 |
| Long term liabilities | | | | |
| Loans | | | | |
| Financial obligations at fair value accounted for in the income statement | | | | |
| Financial obligations at net cost | 38.292 | 3.594 | 38.292 | 3.594 |
| Total | 38.292 | 3.594 | 38.292 | 3.594 |
| Short term liabilities | | | | |
| Loans | | | | |

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Financial obligations at net cost | 2.363 | 1.407 | 2.363 | 1.407 |
| Financial obligations for commercial use (appearing through the income statement) | | | | |
| Trade liabilities | | | | |
| Financial obligations at net cost | 52.286 | 41.458 | 47.775 | 37.228 |
| Total | 54.649 | 42.865 | 50.138 | 38.635 |

9. Objectives & policies for managing capital

The company's objectives when managing capital are:

- to safeguard the ability to continue as a going concern and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk

by pricing its products according to the risk levels.

The Group manages its capital on the bases of the amount of equity plus subordinated debt instruments, less cash and cash equivalents as these are stated in the Balance Sheet. Equity for fiscal years 2008 and 2007 is analysed as follows:

| Amounts in th. € | 31/12/2008 | 31/12/2007 |
|---------------------------------------|-------------------|-------------------|
| Total Equity | 68.802 | 60.534 |
| Add subordinated debt instruments | | |
| Less cash & cash equivalents | (3.881) | (6.086) |
| Adjusted capital | 64.921 | 54.448 |
| Total Equity | 68.802 | 60.534 |
| Add Loans | 40.656 | 5.001 |
| Total capital | 109.458 | 65.535 |
| Debt-to-adjusted capital ratio | 6/10 | 8/10 |

The company's aim, regarding capital management is to reduce the ratio debt – to – equity below that of 2008 rate.

The Group determines the amount of capital in relation to the overall capital structure ie. Equity and financial obligations. The Group manages the capital structure and does all adjustments at the time when the financial situation and the risk characteristics of the existing assets are changing. Aiming at sustaining the adjusted capital structure, the group may adjust the amount of dividends payable, may return capital to the shareholders, may issue new share capital or may sell assets in order to decrease debt.

The company has honored all its contractual obligations, including the preservation of the rational capital structure.

10. Post Balance Sheet Events

SPRIDER STORE Dafni, Attica was set on fire on Sunday, March 8, 2009 just after midnight, as a result of an arson attack by unidentified individuals.

As a consequence the store was totally destroyed. The case has been undertaken by the Greek justice. SPRIDER STORE Dafni was insured, concerning fixed assets involved as well as merchandise placed within the store. SPRIDER STORES Group intends to re – operate the store as soon as possible. The reconstruction works will begin soon and are expected to be concluded within the next two months.

As far as it concerns the impact of this incident on the Group's earnings and financial standing, it is not expected to be significant, given that the store contributes approximately 1.9% to overall consolidated sales.

Anthousa, March 12, 2009

Athanasios
Dorotheos
Hatzioannou

Charalampos
Emmanuel
Xylouris

Antonios
Thrasyvoulos
Theoharis

Ifigenia
Nikolaos
Hatzidaki

President of the BoD

Managing Director

Chief Financial
Officer

Group Accounting
Director

ID No AA 926225

A.Δ.T. AE 091067

ID No P 003570

ID No AE 008242

First Class License
No 5378

First Class License No
19341

E. Data and Information

| SPRIDER STORES | | SPRIDER STORES A.E. | | | |
|--|--|--|--|--|--|
| COMMERCIAL AND INDUSTRIAL CLOTHING COMPANY - REAL ESTATE | | Number in the Register of Societies Anonymes: 735/4/06/8/86/13 | | | |
| 1 Syrou Str., 153 49 Anthoussa Attikis | | Summary Financial Data and information for the year from January 1, 2008 until December 31, 2008 | | | |
| (published based on Law 2190/1920, article 135 for enterprises issuing full year financial statements, consolidated or not, according to the IFRS) | | The following data and information, resulting from the Financial Statements, aim at providing general information on the financial standing and the financial results of SPRIDER STORES S.A. - COMMERCIAL AND INDUSTRIAL COMPANY OF CLOTHING - REAL ESTATE. We, therefore recommend the reader, before proceeding to any kind of investment or other transaction with the company, to consult the company website where all periodical financial statements under IFRS as well as the auditor's report when required, are presented. | | | |
| GENERAL INFORMATION FOR THE COMPANY | | | | | |
| Company's authority: | | Ministry of Development, Department of S.A. & Credit Institutions | | | |
| Company's website: | | Athanasios Hatzibonanos, President, Service Hatzibonanos, Vice-President, Chrysanthos Kyriakis, Managing Director, Konstantinos Apostolakis, Member, Vasilios Tsigkanas, Member | | | |
| Date of approval of the financial statements: | | March 10, 2009 | | | |
| Certified Auditor: | | Vasilis Kostas (AM SOEL 1326) | | | |
| Audit firm: | | Perissos Statistiki (AM SOEL 26441) | | | |
| Type of auditor's audit report: | | Qualified Opinion | | | |
| BALANCE SHEET (FY consolidated and company) (Amounts in € '000) | | | | | |
| THE GROUP | | HATZIDON, HOU S.A. | | | |
| 31/12/2008 | | 31/12/2007 | | | |
| Assets | | Assets | | | |
| Overhead fixed assets | | 74,511 54,591 57,895 44,168 | | | |
| Intangible assets | | 14,405 2,020 2,885 1,858 | | | |
| Inventory | | 2,970 2,027 15,703 13,095 | | | |
| Trade receivables | | 47,941 24,438 41,387 22,462 | | | |
| Other current assets | | 13,957 11,280 14,451 13,274 | | | |
| Fixed assets divided for sale | | 21,452 13,767 19,508 11,127 | | | |
| TOTAL ASSETS | | 322 0 322 0 | | | |
| CAPITAL & LIABILITIES | | TOTAL ASSETS | | | |
| Share capital | | 164,566 106,861 162,249 106,861 | | | |
| Other shareholders' equity | | 23,636 23,636 23,636 23,636 | | | |
| Total shareholders' equity (a) | | 45,195 45,195 45,195 45,195 | | | |
| Minority rights (c) | | 87,786 68,317 87,786 68,317 | | | |
| Long term debt | | 68,832 68,832 71,331 67,872 | | | |
| Provisions / Other long term liabilities | | 33,252 33,252 33,252 33,252 | | | |
| Short term debt | | 1,898 2,020 1,898 2,020 | | | |
| Other short term liabilities | | 2,393 1,407 2,393 1,407 | | | |
| Total Liabilities (d) | | 52,394 41,458 47,793 27,228 | | | |
| TOTAL CAPITAL & LIABILITIES (e) = (b) + (d) | | 87,786 68,317 87,786 68,317 | | | |
| INCOME STATEMENT (FY consolidated and company) (Amounts in € '000) | | | | | |
| THE GROUP | | HATZIDON, HOU S.A. | | | |
| 31/12/2008 | | 31/12/2007 | | | |
| Total sales | | 94,894 74,490 92,321 71,421 | | | |
| Gross Profit / Loss | | 18,816 18,841 22,620 20,000 | | | |
| EBIT | | 17,760 34,147 18,436 30,474 | | | |
| Total Profit / Loss before tax | | 13,442 24,467 14,078 21,003 | | | |
| Total profit / loss after tax | | 13,442 24,467 14,078 21,003 | | | |
| Attributable to: | | 13,442 24,467 14,078 21,003 | | | |
| Shareholders of the mother company | | 0 0 0 0 | | | |
| Minorities | | 0 0 0 0 | | | |
| Earnings after tax per share - basic (in €) | | 0,1705 € 0,3104 € 0,1787 € 0,2896 € | | | |
| Suggested dividend per share (in €) | | 0,0000 € 0,0000 € | | | |
| EBITDA | | 29,398 21,752 30,459 25,950 | | | |
| ADDITIONAL DATA AND INFORMATION | | | | | |
| 1. The companies that form the Group, the percentage that the Group possesses in their share capital, as well as the consolidation method in the consolidated financial statements of FY 2008, are presented in note 5 of the annual financial report. The consolidated financial statements of FY 2008 also include the 100% subsidiary firm SPRIDER STORES POL-SG S.p.A., which was founded on January 31, 2008, in headquarters in Warsaw Poland (its share capital amounts € 1,000 thousand and was not included in the consolidated financial statements of FY 2007. Moreover, it is noted that for the year 01/01/2008 - 31/12/2008 MEGATHON HELLAS S.A. and DAN CONSTRUCTIONS S.A. were not consolidated, as they were during FY 2007. MEGATHON HELLAS was liquidated while DAN CONSTRUCTIONS was sold. | | | | | |
| 2. Within the last quarter of 2008, the 100% subsidiary firm SPRIDER HELLAS DOO BEOGRAD, which was headquartered in Serbia, was liquidated. The company was inactive, thus there was no significant influence on the Group's financial results. More information is provided in the annual financial report. No events have taken place which could result in a change of a subsidiary. | | | | | |
| 3. The Board of Directors will prepare in the Annual Ordinary Shareholder Meeting the distribution of dividend. This proposal needs the approval of at least 70% of the paid share capital. | | | | | |
| 4. Group earnings for FY 2008 have been reduced with a extraordinary non-recurrent pre-tax loss of € 1,827 thousand, which concerns pending compensation, that the mother company claims from the Greek Public, relative to the assets in the Unifast and Emou stores. The Group has taken the appropriate action and claims that the above loss will be fully recovered. For conservatism reasons and confirming within the IFRS provisions, the Group recognized all of the loss within FY 2008. Correspondingly, it will recognize the relevant income within the year that it will be collected. Management considers that during FY 2009 the loss will be benefited. | | | | | |
| 5. The consolidated financial statements of SPRIDER STORES S.A. are incorporated in the consolidated financial statements of HATZIDON, HOU S.A., which is a subsidiary registered in Greece and on December 31, 2008 owned 99.92% of SPRIDER STORES S.A. share capital. SPRIDER STORES S.A. is being consolidated in HATZIDON, HOU S.A. financial statements under the method of total consolidation. | | | | | |
| 6. In the above financial statements, the Group adopted the basic accounting principles, which were employed for issuing the financial statements of FY 2007. There are not any adjustments in the accounting principles and forecasts compared to the previous year. | | | | | |
| 7. The Group's assets have been burdened with mortgages in order to secure loans, which on 31/12/2008 amounted € 8,111 thousand. In addition, given guarantees for subsidiary firms totaled € 44,380 thousand. | | | | | |
| 8. There are no outstanding litigation or any court or arbitration decisions, which could have a significant impact on the financial standing or operation of the Group. No relevant provisions have been formed. | | | | | |
| 9. The number of people employed at the end of the current year was 1,371 employees for the Company and 1,916 employees for the Group while for the previous year the relevant numbers were 1,337 and 1,980 employees respectively. | | | | | |
| 10. At the end of FY 2008 neither the company or affiliate or subsidiary firms do not possess shares of the mother company. | | | | | |
| 11. Investments in intangible and long-term assets for the FY 2008 in consolidated level amounted to € 5,626 thousand, while investments of the parent company amounted to € 2,017 thousand. | | | | | |
| 12. Investments in intangible and long-term assets for the FY 2008 in consolidated level amounted to € 5,626 thousand, while investments of the parent company amounted to € 2,017 thousand. | | | | | |
| 13. These earnings per share were calculated according to the earnings after tax and minorities on the weighted average number of shares of the parent company. | | | | | |
| 14. The company and the Group have formed a cumulative provision amounting € 417 thousand for the unused years. Moreover, the company and the Group have formed a provision for personal compensation due to retirement amounting € 1,020 thousand, and a provision for bad debts for € 876 thousand. | | | | | |
| 15. Any differences in the same is due to rounding. | | | | | |
| 16. All amounts are presented in thousands, but in the IFRS notes. | | | | | |
| 17. Adjustments in the same accounts of the comparative year have been made in order to provide more efficient information. The relevant references in notes 3.1.1 of the annual financial report. | | | | | |
| 18. EBIT and EBITDA of FY 2007 were adjusted. The liability published amounts for the year 01/01/2007 - 31/12/2007 were € 34,082 thousand and € 40,020 thousand for the Group and € 36,850 thousand and € 46,400 thousand for the Company respectively. More details in note 3.1.1 of the annual financial report. | | | | | |
| 19. Net income € 2,288 thousand placed directly in company and group equity concern the revaluation of cash for hedging products, employed by the company and the Group. More information in note 6.9 of the annual financial report. | | | | | |
| 20. The company within FY 2008 issued a common corporate bond. More information in note 6.16 of the annual financial report. | | | | | |
| 21. On Sunday, March 8, 2009 SPRIDER STORE Delta, Athina was set on fire, as a result of an arson attack by unidentified individuals. As a consequence the store was totally destroyed. SPRIDER STORE Delta was insured, concerning fixed assets involved as well as merchandise placed within the store. | | | | | |
| 22. All transactions with affiliated parties as per IAS 24, on December 31, 2008 are presented in the following table: | | | | | |
| THE GROUP | | THE COMPANY | | | |
| Income | | Income | | | |
| 2,692 12,473 | | 2,692 12,473 | | | |
| Expenses | | 9,880 9,880 | | | |
| Receivables | | 2,721 3,041 | | | |
| Liabilities | | 3,700 3,700 | | | |
| Guarantees for subsidiary firms | | 44,380 44,380 | | | |
| Transactions and remuneration with top management and BoD members | | 3,025 3,027 | | | |
| Receivables / Payments from / to top management and BoD members | | 75 75 | | | |
| Payments to top management and BoD members | | 0 0 | | | |
| From the above transactions, the transactions and balances with subsidiaries have been deleted from the consolidated financial statements of the Group. | | | | | |
| President of the BoD | | Managing Director | | | |
| Athanasios Hatzibonanos | | Athanasios Hatzibonanos | | | |
| ID No P 002570 - First Class License No 5376 | | ID No P 002570 - First Class License No 5376 | | | |
| XChrisanthos Kyriakis | | XKonstantinos Apostolakis | | | |
| ID No P 002570 - First Class License No 5376 | | ID No P 002570 - First Class License No 5376 | | | |
| XVasilios Tsigkanas | | XVasilios Tsigkanas | | | |
| ID No P 002570 - First Class License No 5376 | | ID No P 002570 - First Class License No 5376 | | | |

F. Information of Article 10 of Law 3401/2005

| CATEGORY 1: CORPORATE ACTIONS | DATE | ΤΟΠΟΣ ΚΑΤΑΧΩΡΗΣΗΣ |
|--|------------|-------------------|
| Sale of remnant shares | 13/10/2008 | www.athex.gr |
| Sale of remnant shares | 14/10/2008 | www.athex.gr |
| CATEGORY 2: PRESS RELEASES | | |
| Announcement for other important corporate incidents | 18/12/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 11/12/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 10/12/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 10/12/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 9/12/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 24/11/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 20/11/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 19/11/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 19/11/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 14/11/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 31/10/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 23/10/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 15/10/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 9/10/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 6/10/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 26/9/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 18/9/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 15/9/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 11/9/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 4/9/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 28/8/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 28/8/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 25/8/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 25/8/2008 | www.athex.gr |
| Issue of corporate bond | 21/8/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 30/6/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 27/6/2008 | www.athex.gr |
| Notification for changes in the composition of BoD or top management | 25/6/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 18/6/2008 | www.athex.gr |
| Decisions of the Annual Ordinary General Shareholders Meeting | 18/6/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 18/6/2008 | www.athex.gr |
| Decisions of the Annual Ordinary General Shareholders Meeting | 18/6/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 12/6/2008 | www.athex.gr |
| Notification for changes in the composition of BoD or top management | 9/6/2008 | www.athex.gr |
| Announcement concerning the release of FY 2007 annual report | 30/5/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 28/5/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 23/5/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 22/5/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 22/5/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 20/5/2008 | www.athex.gr |
| Notification for changes in the composition of BoD or top management | 15/5/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 18/4/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 18/4/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 11/4/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 3/4/2008 | www.athex.gr |
| Announcement concerning the sale of remnant shares | 20/3/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 13/3/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 13/3/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 28/2/2008 | www.athex.gr |
| Financial calendar | 26/2/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 26/2/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 25/2/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 25/2/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 25/2/2008 | www.athex.gr |
| Announcement concerning the annotation of interim / full year financial statements | 25/2/2008 | www.athex.gr |
| Announcement for other important corporate incidents | 22/2/2008 | www.athex.gr |
| CATEGORY 3: INVITATIONS | | |
| Invitation in Annual Ordinary General Assembly | 26/5/2008 | www.athex.gr |
| CATEGORY 4: DIVIDENDS | | |
| Announcement for the Ex-Dividend date & payment date for FY 2007 | 18/6/2008 | www.athex.gr |
| Announcement for the Ex-Dividend date & payment date for FY 2007 | 18/6/2008 | www.athex.gr |
| CATEGORY 5: NOTIFICATION OF TRANSACTIONS OF LAW 3340 | | |
| Notification of transactions of related parties | 12/11/2008 | www.athex.gr |
| Notification of transactions of related parties | 6/11/2008 | www.athex.gr |
| Notification of transactions of related parties | 5/11/2008 | www.athex.gr |
| Notification of transactions of related parties | 30/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 30/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 30/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 30/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 30/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 24/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 24/10/2008 | www.athex.gr |
| Notification of transactions of related parties | 23/10/2008 | www.athex.gr |

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G. Availability of Financial Statements

The company's annual financial report for the year ended on December 31, 2008 is available in internet on the corporate website www.spriderstores.com as well as on the Athens Exchange website, www.athex.gr.