GROUP OF COMPANIES

INTERIM FINANCIAL STATEMENTS

FOR THE FIRST SEMESTER OF 2006/2007

ACCORDIND TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (I.F.R.S)

JUMBO S.A.
GROUP OF COMPANIES

Interim Financial Statements
For the period from
1 July 2006 to 31 December 2006

It is confirmed that the attached Financial Statements are the ones approved by the Board of Directors of JUMBO S.A. on February 12 2007 and they have been communicated to the public by being uploaded at the Company's website www.jumbo.gr. Summarized financial information published in the press is intended to give the reader a general view but it does not provide a complete picture of the financial position and the results of the Group and the Company in compliance with International Financial Reporting Standards. It is also noted that for simplification purposes summarized financial information published in the press includes accounts which have been condensed and reclassified.

Evangelos – Apostolos Vakakis
President of the Board of Directors and Managing Director
JUMBO S.A.

AUDITOR´S REVIEW REPORT

To the Shareholders of JUMBO S.A and of its subsidiaries

We have reviewed the accompanying interim financial statements as well as the consolidated financial statements of JUMBO S.A as of and for the six-month period ended 31 December2006.These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the Greek Review Standard, which is based on the International Standard on Review Engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with the International Financial Reporting Standards that have been adopted by the European Union.

Athens, 12 February 2007

Certified Auditor Accountant
V asilis Kazas
SOEL N. 13281

Grant Thornton
Vasileos Konstantinou 44
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PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED ON 31 DECEMBER 2006 AND 2005

(All amounts are expressed in **euros** except from shares)

		THE GROUP			
	Notes	**1/7/2006-31/12/2006**	**1/10/2006-31/12/2006**	**1/7/2005-31/12/2005**	**1/10/2005-31/12/2005**
Tunrnover		**203.181.227**	**127.584.367**	**166.826.424**	**108.000.318**
Cost of sales	7	(100.957.396)	(61.597.161)	(84.802.643)	(53.540.001)
Gross profit		**102.223.831**	**65.987.206**	**82.023.781**	**54.460.317**
Other income	9	2.183.890	1.487.659	1.416.462	1.126.551
Distribution costs	8	(41.058.895)	(23.024.441)	(34.384.061)	(20.698.650)
Administrative expenses	8	(6.097.223)	(2.997.424)	(5.694.282)	(2.891.408)
Other expenses		(1.399.826)	(942.144)	(1.210.818)	(806.931)
Profit before tax, interest and investment results		**55.851.777**	**40.510.856**	**42.151.082**	**31.189.879**
Finance costs	10	(3.570.300)	(1.971.890)	(3.134.826)	(1.453.420)
Finance income	10	943.461	740.869	344.031	186.964
		(2.626.839)	**(1.231.021)**	**(2.790.795)**	**(1.266.456)**
Profit before taxes		**53.224.938**	**39.279.835**	**39.360.287**	**29.923.423**
Income tax	11	(13.555.821)	(10.307.316)	(11.305.465)	(8.846.878)
Profits after tax		**39.669.117**	**28.972.619**	**28.054.822**	**21.076.545**
Attributable to:					
Shareholders of the parent company		39.669.117	28.972.619	28.054.822	21.076.545
Minority interests				-	-
Basic earnings per share (€/share)					
Basic earnings per share	12	**0,65**	**0,48**	**0,59**	**0,44**
Diluted earnings per share	12	0,62	0,45	-	-
Activities which are not taking place any more				Do not exist	
Earnings before interest Tax investment results depreciation and amortization		60.192.807	42.692.183	46.384.253	33.377.149
Eearnings before interest, tax and investment results		55.851.777	40.510.855	42.151.082	31.189.879
Profit before tax		**53.224.938**	**39.279.834**	**39.360.287**	**29.923.423**
Profit after tax		**39.669.117**	**28.972.518**	**28.054.822**	**21.076.545**

The accompanying notes constitute an integral part of the financial statements.

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED ON 31 DECEMBER 2006 AND 2005

(All amounts are expressed in **euros** unless otherwise stated)

		THE COMPANY			
	Notes	1/7/2006-31/12/2006	1/10/2006-31/12/2006	1/7/2005-31/12/2005	1/10/2005-31/12/2005
Tunrnover		**190.507.164**	**118.896.781**	**156.681.276**	**100.509.199**
Cost of sales	7	(99.203.395)	(60.283.197)	(83.645.553)	(52.544.946)
Gross profit		**91.303.769**	**58.613.584**	**73.035.723**	**47.964.253**
Other income	9	2.178.761	1.516.858	1.415.152	1.126.698
Distribution costs	8	(39.103.041)	(21.593.003)	(32.565.809)	(19.332.559)
Administrative expenses	8	(4.771.956)	(2.330.599)	(4.455.154)	(2.126.853)
Other expenses		(1.399.826)	(942.144)	(1.210.818)	(806.931)
Profit before tax, interest and investment results		**48.207.707**	**35.364.696**	**36.219.094**	**26.824.608**
Finance costs	10	(3.277.394)	(1.842.226)	(2.747.682)	(1.275.795)
Finance income	10	661.951	510.311	228.301	123.759
		(2.615.443)	**(1.331.915)**	**(2.519.381)**	**(1.152.036)**
Profit before taxes		**45.592.264**	**34.032.781**	**33.699.713**	**25.672.572**
Income tax	11	(12.792.307)	(9.788.566)	(10.568.905)	(8.293.477)
Profits after tax		**32.799.957**	**24.244.215**	**23.130.808**	**17.379.095**
Attributable to:					
Shareholders of the parent company					
Minority interests					
Basic earnings per share (€/share)					
Basic earnings per share	12	**0,54**	**0,40**	**0,48**	**0,36**
Diluted earnings per share	12	0,51	0,38	-	-
Activities which are not taking place any more				Do not exist	
Earnings before interest Tax investment results depreciation and amortization		52.153.089	37.333.723	40.077.263	28.820.036
Eearnings before interest, tax and investment results		48.207.707	35.364.696	36.219.094	26.824.608
Profit before tax		**45.592.264**	**34.032.781**	**33.699.713**	**25.672.572**
Profit after tax		**32.799.957**	**24.244.215**	**23.130.808**	**17.379.095**

The accompanying notes constitute an integral part of the financial statements.

BALANCE SHEETS

FOR THE PERIOD ENDED ON 31 DECEMBER 2006 AND 30 JUNE 2006

(All amounts are expressed in **euros** unless otherwise stated)

		THE GROUP		THE COMPANY	
	Notes	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
Assets					
Non current					
Property, plant and equipment	13	179.685.030	158.081.897	153.647.200	133.189.376
Investment property	14	7.915.449	9.154.234	7.915.449	9.154.234
Investments in subsidiaries	15	-	-	19.979.894	11.329.814
Other long term receivables	16	2.913.189	2.872.793	2.892.656	2.852.650
		190.513.668	**170.108.924**	**184.435.199**	**156.526.074**
Current					
Inventories	17	81.532.836	100.746.670	76.789.265	95.899.555
Trade debtors and other trading receivables	18	20.441.200	19.209.907	22.296.179	20.283.868
Other receivables	19	27.123.164	29.402.761	26.396.669	32.553.766
Other current assets	20	1.501.015	1.418.362	1.501.015	1.418.362
Cash and cash equivalents	21	116.213.776	21.818.592	91.352.226	8.980.606
		246.811.991	**172.596.292**	**218.335.354**	**159.136.157**
Total assets		**437.325.659**	**342.705.216**	**402.770.553**	**315.662.231**
Equity and Liabilities					
Equity attributable to the shareholders of the parent entity	22				
Share capital	22.1	84.864.301	84.864.301	84.864.301	84.864.301
Share premium reserve	22.1	7.678.828	7.678.828	7.678.828	7.678.828
Reserve from exchange income differences		88.119	251.369	-	-
Other reserves	22.2	37.255.911	10.936.176	37.255.911	10.936.176
Retained earnings		64.510.904	64.510.904	42.329.414	49.781.830
		193.814.807	**168.241.578**	**172.128.454**	**153.261.135**
Minority interests		-	-	-	-
Total equity		**193.814.807**	**168.241.578**	**172.128.454**	**153.261.135**
Non-current liabilities					
Liabilities for compensation to personnel due for retirement	23	1.493.077	1.347.152	1.493.077	1.347.152
Long term loan liabilities	24	118.841.137	75.102.712	110.679.674	67.031.547
Other long term liabilities	25	1.254	1.254	1.254	1.254
Deferred tax liabilities		3.495.309	3.709.770	3.494.327	3.707.408
Total non-current liabilities		**123.830.777**	**80.160.888**	**115.668.332**	**72.087.361**
Current liabilities					
Provisions	26	440.648	441.164	440.648	441.164
Trade and other payables	27	42.954.043	44.161.274	42.185.546	43.602.682
Current tax liabilities	28	43.699.504	24.912.957	41.679.287	23.459.971
Long term loan liabilities payable in the subsequent year	24	1.389.168	16.919.163	819.161	15.772.772
Other current liabilities	29	31.196.712	7.868.192	29.849.125	7.037.146
Total current liabilities		**119.680.075**	**94.302.750**	**114.973.767**	**90.313.735**
Total liabilities		**243.510.852**	**174.463.638**	**230.642.099**	**162.401.096**
Total equity and liabilities		**437.325.659**	**342.705.216**	**402.770.553**	**315.662.231**

STATEMENT OF CHANGES IN EQUITY - GROUP

FOR THE PERIOD ENDED ON 31 DECEMBER 2006 AND 2005

(All amounts are expressed in **euros** except from shares)

	Notes	Share capital	Share premium reserve	Translation reserve	Statutory reserve	Tax - free reserves	Extraordinary reserves	Other reserves	Retained earnings	Total Equity
Restated balance as at 1st July 2006 according to IFRS	**11,27**	**84.864.301**	**7.678.828**	**251.369**	**5.014.763**	**5.907.183**	**0**	**14.230**	**64.510.904**	**168.241.578**
Converible bond loan recognized directly in equity								13.176		13.176
Set off of defered tax on items transferred directly in equity								-3.821		-3.821
Trasnlation differences of foreign operations				-163.250						-163.250
Net income/expense recognized in equity		***0***	***0***	**-163.250**	***0***	***0***	***0***	***9.355***		**-153.895**
Net profit for the period 01/07/2006-31/12/2006									39.669.117	39.669.117
Total recognized income for the period		***0***	***0***	***0***	***0***	***0***	***0***	***0***	**39.669.117**	**39.669.117**
dividends payable									-13.941.993	-13.941.993
statutory reserve					2.063.437				-2.063.437	0
extraordinary reserves							24.246.943		-24.246.943	0
Total adjustments		**0**	**0**	**-163.250**	**2.063.437**	**0**	**24.246.943**	***9.355***	**-583.256**	**-13.941.993**
Balance as at 1st July 2006 according to IFRS		**84.864.301**	**7.678.828**	**88.119**	**7.078.200**	**5.907.183**	**24.246.943**	**23.585**	**63.927.648**	**193.814.807**
Restated balance as at 1st July 2005 according to IFRS		**36.495.360**	**0**	**311.254**	**5.014.763**	**5.907.183**	**41.033.061**	**23.145**	**26.183.466**	**114.968.232**
Set off of defered tax on items transferred directly in equity								4.801		4.801
Exchange differences on translation foreign subsidiaries				-1.483						-1.483
Net income recognized in equity				**-1.483**				**4.801**		**3.318**
Net profit for the period 01/07/2005 – 31/12/2005									28.054.822	28.054.822
Total recognized income for the period		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**28.054.822**	**28.054.822**
dividends payable									-11.113.226	-11.113.226
Increase of share capital		3.916.212	11.098.497					-13.716		15.000.993
Total adjustments		**3.916.212**	**11.098.497**	**-1.483**	**0**	**0**	**0**	**-8.915**	**16.941.596**	**31.945.907**
Balance of equity at 31th December 2005 carried forward		**40.411.572**	**11.098.497**	**309.771**	**5.014.763**	**5.907.183**	**41.033.061**	**14.230**	**43.125.063**	**146.914.140**

STATEMENT OF CHANGES IN EQUITY - COMPANY

FOR THE PERIOD ENDED ON 31 DECEMBER 2006 AND 2005

(All amounts are expressed in **euros** except from shares)

	Notes	Share capital	Share premium reserve	Statutory reserve	Tax - free reserves	Extraordinary reserves	Other reserves	Retained earnings	Total Equity
Restated balance as at 1st July 2006 according to IFRS	**11,27**	**84.864.301**	**7.678.828**	**5.014.763**	**5.907.183**	**0**	**14.230**	**49.781.830**	**153.261.135**
Converible bond loan recognized directly in equity							13.176		13.176
Set off of defered tax on items transferred directly in equity							-3.821		-3.821
Net income/expense recognized in equity		***0***	***0***	***0***	***0***	***0***	***9.355***		**9.355**
Net profit for the period 01/07/2006-31/12/2006								32.799.957	32.799.957
Total recognized income for the period		***0***	***0***	***0***	***0***	***0***	***0***	**32.799.957**	**32.799.957**
dividends payable								-13.941.993	-13.941.993
statutory reserve				2.063.437				-2.063.437	0
extraordinary reserves						24.246.943		-24.246.943	0
Total adjustments		**0**	**0**	**2.063.437**	**0**	**24.246.943**	***9.355***	**-7.452.416**	**18.867.319**
Balance as at 1st July 2006 according to IFRS		**84.864.301**	**7.678.828**	**7.078.200**	**5.907.183**	**24.246.943**	**23.585**	**42.329.414**	**172.128.454**
Restated balance as at 1st July 2005 according to IFRS		**36.495.360**	**0**	**5.014.763**	**5.907.183**	**41.033.061**	**23.145**	**19.351.320**	**107.824.832**
Set off of defered tax on items transferred directly in equity							4.801		4.801
Net income recognized in equity							**4.801**		**4.801**
Net profit for the period 01/07/2005 – 31/12/2005								23.130.808,00	23.130.808,00
Total recognized income for the period		**0**	**0**	**0**	**0**	**0**	**0**	**23.130.808,00**	**23.130.808,00**
dividends payable								-11.113.226	-11.113.226
Increase of share capital		3.916.212	11.098.497				-13.716		15.000.993
Total adjustments		**3.916.212**	**11.098.497**	**0**	**0**	**0**	**-8.915**	**12.017.582**	**27.023.376**
Balance of equity at 31th December 2005 carried forward		**40.411.572**	**11.098.497**	**0**	**5.014.763**	**41.033.061**	**14.230**	**31.368.902**	**134.848.208**

CASH FLOWS STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2006 AND 2005

(All amounts are expressed in **euros** unless otherwise stated)

		THE GROUP		THE COMPANY	
	NOTES	31/12/2006	31/12/2005	31/12/2006	31/12/2005
-					
Cash flows from operating activities	30	100.278.324	49.048.693	89.824.528	41.974.992
Interest paid		(914.554)	(3.109.020)	(653.141)	(2.721.876)
Taxes paid		(6.687.307)	4.926.001	(5.580.845)	4.307.577
Net cash flows from operating activities		**92.676.463**	**50.865.674**	**83.590.542**	**43.560.693**
Cash flows from investing activities					
Acquisition of non current assets		(25.020.270)	(10.773.009)	(23.365.648)	(9.118.788)
Sales of tangible assets		99.573	105.206	99.573	105.206
Loans to subsidiaries		-	-	(201.123)	
Amounts owed by affiliated parties for share capital increase		-	-	4.157.076	(2.165.000)
Accquisition of subsidiaries		-	-	(8.650.080)	(255.624)
Interest and related income receivable		943.461	344.031	661.951	228.301
Net cash flows from investing activities		**(23.977.235)**	**(10.323.772)**	**(27.298.250)**	**(11.205.905)**
Cash flows from financing activities					
Issue of common shares		-	3.916.212	-	3.916.212
Dividends paid to shareholders		(290)	(6.484)	(290)	(6.484)
Loans received		41.571.422	291.113	41.571.422	-
Loans paid		(15.477.748)	(5.074.059)	(15.019.075)	(1.752.986)
Payments of capital of financial leasing		(481.829)	(475.293)	(472.729)	(475.293)
Net cash flows from financing activities		**25.611.555**	**(1.348.511)**	**26.079.328**	**1.681.449**
Increase/(decrease) in cash and cash equivalents (net)		**94.310.783**	**39.193.391**	**82.371.620**	**34.036.237**
Cash and cash equivalents in the beginning of the period		21.818.592	31.454.561	8.980.606	24.462.426

Exchange difference on cash and cash equivalents	84.401	(1.483)	-	-
Cash and cash equivalents at the end of the period	**116.213.776**	**70.646.469**	**91.352.226**	**58.498.663**
Cash in hand	1.940.808	2.962.995	1.898.400	**2.916.090**
Carrying ammount of band deposits and bank overdrafts	19.490.353	22.622.002	19.490.353	17.080.356
Sight and time deposits	94.782.615	45.061.472	69.963.473	38.502.217
Cash and cash equivalents	**116.213.776**	**70.646.469**	**91.352.226**	**58.498.663**

The accompanying notes constitute an integral part of the financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 31 DECEMBER 2006 (All amounts are expressed in **euro** unless otherwise stated)

1. Description of the company

JUMBO is a trading company, established according to the laws in Greece. Reference made to the "COMPANY" or "JUMBO S.A." indicates, unless otherwise stated in the text, the Group "JUMBO" and its fully consolidated subsidiary companies.

The company's distinctive title is "JUMBO" and it has been guaranteed in its articles of incorporation as well as by the department for trademarks of the Ministry of Development as a brand name for JUMBO products and services under number 127218 with protection period after extension until 5/6/2015.

The Company was incorporated in 1986 (Government Gazette 3234/26.11.1986) and its duration was set at thirty (30) years. According to the decision of the Extraordinary General Meeting of the shareholders dated 3/5/2006 which was approved by the decision of the Ministry of Development numbered K2-6817/9.5.2006, the duration of the company was extended to seventy years (70) from the date of its registration in Register of Societes Anonyme.

Originally the company's registered office was at the Municipality of Glyfada, at 11 Angelou Metaxa street. According the same decision (mentioned above) of the Extraordinary General Meeting of shareholders which was approved by the decision of the Ministry of Development numbered K2-6817/9.5.2006 the registered office of the company was transferred to the Municipality of Moschato in Attica and specifically at 9 Kyprou street and Ydras, area code 183 46.

The company is registered in the Register of Societes Anonyme of the Ministry of Development, Department of Societes Anonyme and Credit, under No 7650/06/B/86/04.

Activity of the company is governed by the law 2190/1920.
The company's main activity is the retail sale of toys, baby items, season items, decoration items, books and stationery and is classified based on the STAKOD 03 bulletin of the National Statistics Service in Greece (E.S.Y.E.) under the sector "other retail trade of new items in specialized shops" (STAKOD category 525.9). A small part of its activities is the wholesale of toys and similar items to third parties.

Since 19/7/1997 the Company has been listed on the Stock Exchange and participates in MID 40 index. Based on the stipulations of the new Regulation of the Stock Exchange, the Company fulfills the criterion enabling it to be placed under the category "of high capitalization" and according to article 339 in it, as of 28/11/2005 (date it came to force), the Company's shares are placed under this category. Additionally the Stock Exchange applying the decision made on 24/11/2005 by its Board of Directors, regarding the adoption of a model of FTSE Dow Jones Industry Classification Benchmark (ICB), as of 2/1/2006 classified the Company under the sector of financial activity Toys, which includes only the company "JUMBO".

Within its 20 years of operation, the Company has become one of the largest companies in retail sale. On 30 September 2006, the Group has 38 stores in Greece and 3 in Cyprus.

Up today's financial results testify fully the management´s planning and provide the scope for the in parallel rhizogenesis of the retail network stores of JUMBO Group in the area of Attiki. On this context has been included the running of two metropolitan stores within the last three months of the present financial year as part of the three year investment plan that scopes at the creation of 5 metropolitan stores in Attiki area as it has been already reported, together with the immediate termination of the stores at Ekali and Phychiko. The termination of these two stores running does not influences the management's estimations regarding to the sales pace of growth during the current financial year too.

Furthermore, group's subsidiary company in Cyprus has moved on the purchase of a 46.000 sq land in Romania Bucharest.The expansion of the group in Balkans is being implemented properly. The latest, within the next October the first JUMBO store will be delivered in Bulgaria Sofia, while it has already begun the purchase of land with the purpose of a second store in the Bulgarian capital, so as with the beginning of their operation, the necessary economies of scale to be fulfilled.

At 31th of December 2006, the Group employed 3.328 individuals as staff, from these 1.664 is permanent staff and 1.664 is extra staff. The average number of staff for the six-month period of 2006, were 2.249 individuals, (1.615 as permanent and 634 as extra staff).

2. Synopsis of important accounting principles

Basic accounting principles adopted for the preparation of these financial statements, are formulated below:

2.1 Basis of preparation for the Financial Statements

The enclosed interim financial statements of the Group and the Company (henceforth Financial Statements) with date December 31 of 2006 , which cover the period from the 1st of July 2006 to the 30th of September 2006, have been compiled according to the historical cost convention, the going concern principle and they comply with International Financial Reporting Standards (IFRS) as those have been issued by the International Accounting Standards Board (IASB), as well as their interpretations issued by the Standards Interpretation Committee (I.F.R.I.C.) of IASB, and more specifically comply with IAS 34, concerning interim financial statements.

Interim summary financial statements do not contain all the information and notes required in annual financial statements of the Company and the Group of the 30th of June 2006 and must be studied in addition to the financial statements of the Company and the Group of the 30th of June of 2006.

Accounting principles and calculations according to which interim financial statements were compiled, are consistent with those used for the composition of the annual financial statements of period 2005-2006.

Composition of financial statements according to International Financial Reporting Standards (IFRS) demands the use of estimations and opinions from the Management of the Company during the application of accounting principles. Important acceptances for the application of the accounting methods of the Company are marked wherever it is judged necessary. Estimations and opinions made by the Management are constantly syrveyed and are based on experiential facts and other factors, including anticipations for future facts, which are considered predictable under normal circumstances.

2.2 Adoption of new and revisionised International Financial Reporting Standards and Interpretations

International Accounting Standards Board and International Financial Reporting Interpretations Committee have already issued a number of new accounting standards and interpretations which do not constitute a part of «IFRS Stable Platform 2005».

IFRS and IFRIC are compulsory for accounting periods commencing as of January 1, 2006. Regarding standards and interpretations which may apply to the Group, the Group's estimation, as to the impact of these new standards and interpretations for the period from the 1st of July of 2006 to the 31st of December 2006, is as follows:

- IFRS 6 «Exploration for and Evaluation of Mineral Resources (effective on or after 1 January 2006)».

IFRS 6 applies for the periods which start by 1/1/2006. Adoption of this standard did not affect and is not anticipated to affect the financial statements of the Group.

- IFRIC 4. «Determining whether an agreement includes a lease».

IFRIC 4 is applicable for annual periods commencing as of January 1, 2006. The adoption of IFRIC 4 did not change the accounting treatment of any of the Group's current contracts.

- IFRIC 5. Rights to interests arising from ecommissioning, restoration and environmental rehabilitation funds.

It is not applicable on the Group and it will not affect the Group's financial statements.
The International Accounting Standars Board and the Interpretations Committee have already issued a series of new accounting standards and interpretations which are mandatory for the accounting periods beginning from January 1st 2007.
The Group's assessment, regarding the effect of the aforementioned new standards and interpretations, is as follows:

- IFRS 7, «Financial Instruments: Disclosures».

The Group will apply IFRS 7 since 1/1/2007.

- Amendments to IAS 1 «Presentation of Financial Statements – capital disclosures».

The Group will apply IAS 1 amendments since 1/1/2007.

- IFRIC 7 «Applying the restatement approach under IAS 29 financial reporting in hyperinflationary economies».

This will not affect the Group's Financial Statements.

- IFRIC 8 «Purpose of IFRS 2».

This will not affect the Group's Financial Statements.

- IFRIC 9 «Reassessment of Embedded Derivatives».

This will not affect the Group's Financial Statements.

- IFRIC 10 «Interim Financial Reporting and Impairment».

The Group is applying IFRIC 10 since 1/11/2006.

3. Segment Reporting

A business segment is a group of assets and activities providing merchandise, products and services which entail risks and rewards different from the ones of other business segments. A geographical segment is an area where merchandise, products and services are provided and which is subject to risks and performances different from the ones of other geographical areas.

The Group's main activity is the retail sale of toys, baby items, season items, decoration items, books and stationery. A small part of its activities is the wholesale of toys. In terms of geography the Group operates through a sales network developed in Cyprus and Greece, while in 2007 the operation of the sale network in Bulgaria and in 2008 the operation of the sale network in Romania, are expected to commence. Geographical segments (multiple locations) are designated by the location of property items and operating activity.

4. Main accounting principles

4.1 Consolidation basis

Subsidiary companies are all companies managed and controlled, directly or indirectly, by another company (parent) either through the possession of the majority of shares of the company in which the investment was made, or through its dependency on the know-how provided by the Group. Namely, subsidiary companies are the ones controlled by the parent company. JUMBO S.A. obtains and exercises control through voting rights. The existence of any potential voting rights exercisable upon the preparation of the financial statements is taken into consideration to establish whether the parent company exercises control over the subsidiaries.

Subsidiary companies are fully consolidated based on the purchase method as from the date control over them is obtained and cease to be consolidated as from the date such control no longer exists.

The acquisition of a subsidiary company by the Group is consolidated through the purchase method. The cost value of a subsidiary is the fair value of the assets given, of shares issued and liabilities undertaken as at the date of the exchange, plus any costs directly associated with the transaction. Individual assets items, liabilities and contingent liabilities acquired in a business combination are calculated upon the acquisition at their fair values regardless of the participation rate.

The cost of purchase other than the fair value of the separate items acquired is recorded as goodwill. If total purchase cost is lower than the fair value of separate items acquired, the difference is recognized directly to profit and loss account.

In particular for business combinations effected prior to the Group's transition date to IFRS (30 June 2004) the exception in IFRS 1 was used and the purchase method was not applied retrospectively. In the context of the above exception the Company did not re-calculate the cost value of subsidiaries acquired before the date of transition to IFRS, nor the fair value of acquired assets items and liabilities as at the date of acquisition.

Consequently the negative goodwill recognized as at the transition date was based on the exception of IFRS 1 and due to the fact that, according to the previous accounting principles, it had been presented as a deduction from equity, the amount of goodwill was offset against profits carried forward of the Group. Intercompany transactions, balances and non realized profits from transactions between the companies of the Group are set off in the consolidated financial statements. Non realized losses are also set off except if the transaction shows indication of impairment of the transferred asset.

In the financial statements of the parent entity investments in subsidiary companies are evaluated at their cost value which constitutes the fair value of the price reduced by direct expenses related to the investment.

4.2 Structure of the Group

The companies included in the full consolidation of JUMBO S.A. are the following:

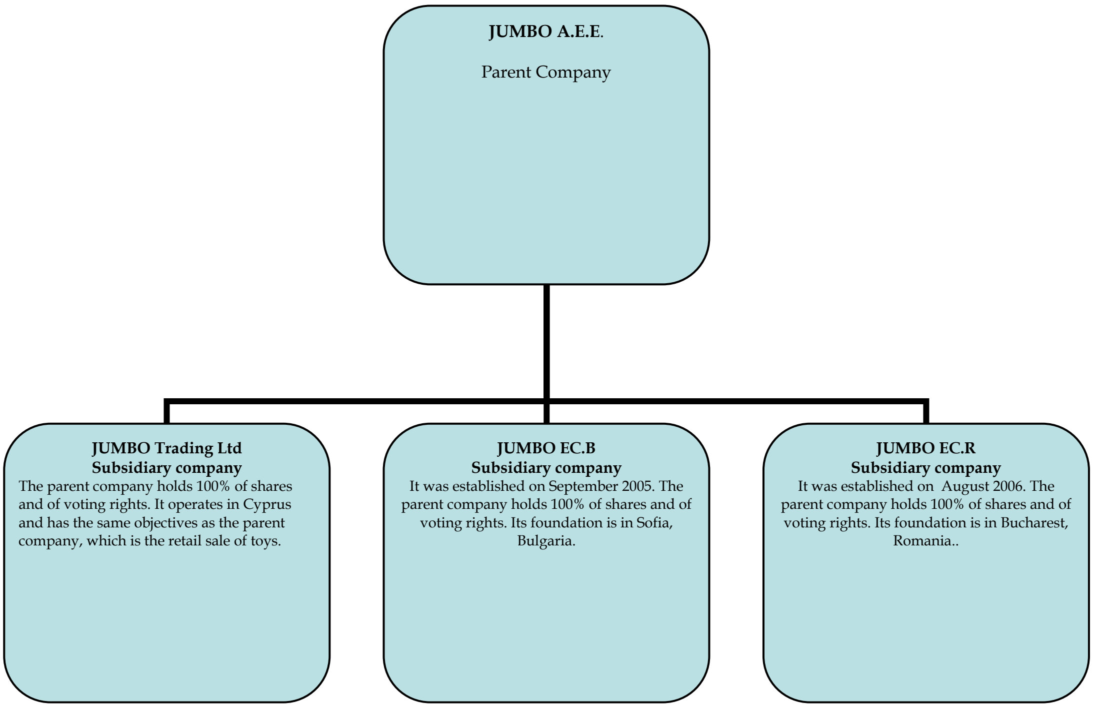
Parent Company:

Anonymous Trading Company with name «JUMBO Anonymous Trading Company» and the title «JUMBO», was founded in year 1986, with headquarters today in Moschato of Attica (9 Cyprus & Hydras street), is enlisted since year 1997 in Parallel Market of Athens Stock Exchange and is enrolled to the Register of Societe Anonyme of Ministry of Development with Registration Number 7650/06/B/86/04. The company has been classified in the category of Gross Capitalization of Athens Stock Exchange.

Subsidiary companies:

1. The subsidiary company with name «Jumbo Trading Ltd», is a Cypriot company of limited responsibility (Limited). It was founded in year 1991. Its foundation is Nicosia, Cyprus (Avraam Antoniou 9 Avenue, Kato Lakatameia of Nicosia). It is enrolled to the Register of Societe Anonyme of Cyprus, with number E 44824. It puts in, in Cyprus in the same sector with the parent company, that is the retail toys trade. Parent company owns the 100% of its shares and its voting rights.
2. The subsidiary company in Bulgaria with name «JUMBO EC.B.» was founded on the 1st of September 2005 as an One – person Company of Limited Responsibility with Registration Number 96904, book 1291 of Court of first instance of Sofia and according to the conditions of Special Law with number 115. Its foundation is in Sofia, Bulgaria (Municipality of Vitossa, 60C Bulgaria Avenue, flloor 8, apartment 47). Parent company owns 100% of its shares and its voting rights.
3. The new subsidiary company in Romania with name «JUMBO EC.R.» was founded on the 9th of August 2006 as a Company of Limited Responsibility (srl) with Registration Number J40/12864/2006 of

the Trade Register, with foundation in Bucharest (sector 4, Soc. Giurgiului, number 129, apartment building 2, ladder 1, floor 1, apartment 3). Parent company owns 100% of its shares and its voting rights.



4.3 Functional currency, presentation currency and conversion of foreign currency

Items or transactions in financial statements of the Group's Companies are translated with the currency of the primary economic environment in which the Group operates (functional currency). Consolidated financial statements are presented in euro which is the functional currency and the presentation currency of the parent Company.

Transactions in foreign currency are converted to the functional currency at rates applicable as at the date of transactions. Gains and losses from foreign exchange differences which arise from settling these transactions during the period and from the conversion of monetary items denominated in foreign currency at applicable rates as at the balance sheet date, are recognised in profit or loss account. Foreign exchange differences from non monetary items measured at fair value, are considered a part of fair the value and consequently they are recognized in a manner consistent with the recognition of differences in fair value.

Activities of the Group abroad in foreign currency (which are an integral part of the parent company's activities) are converted to the operating currency at the rates applicable as at the transactions' date, while assets and liabilities pertaining to activities abroad, arising during the consolidation, are converted to euro at exchange rates applicable as at the balance sheet date.

Financial statements of companies which are included in the consolidation, which are initially presented in a currency other than the preentation currency of the Group have been converted to euro. Assets and liabilities have been translated in euro at the closing rate as at the balance sheet date. Income and expenses have been converted to the presentation currency of the Group at the average exchange rate applicable in the relevant period. Any differences arising from that procedure have been debited / (credited) to a reserve of exchange differences in equity (translation reserve).

4.4 Property plant and equipment

Property plant and equipment are disclosed in financial statements at their cost or deemed cost estimated based on fair values as at transition dates less accumulated depreciation and any impairment. Cost includes all expenses directly associated with the acquisition of assets.

Subsequent expenses are recognized to increase the book value of tangible assets or as a separate fixed asset only to the extent that those expenses increase future economic benefits expected to flow from the use of the fixed asset and their cost can be reliably estimated. Repair and maintenance costs are recognized in profit or loss when they incur.

The depreciation of other items in tangible assets (other than land which is not depreciated) is calculated based on a straight line basis during their useful life which has been estimated as follows:

Buildings	30 – 35 years
Mechanical equipment	5 - 20 years
Vehicles	5 – 7 years
Other equipment	4 - 10 years
Computers and programs	3 – 5 years

Residual values and useful lives of tangible assets are reviewed as at every balance sheet date. When book values of tangible assets exceed their recoverable value, the difference (impairment) is directly recorded in profit and loss account as an expense.

At the sale of tangible assets, differences between the price received and their book value are recognized in profit or loss.

Rights to use tangible assets: Rights to exploit tangible assets allotted in the context of contracts for construction or exploitation of works (counterbalancing benefits) are evaluated at their cost value, fair value as at the date they were allotted less depreciation.

Software: Software licenses are evaluated at cost value less depreciation and any impairment losses.

4.5 Impairment of assets

Assets which are depreciated are tested for impairment if there is any indication that their book value will not be recovered. The recoverable amount is the higher amount between the fair value of the asset (net selling price less costs to sell) and value in use. The loss incurred due to the impairment of assets is recognized by the company if the book value of those items (or of the Cash Generating Units) is higher than its recoverable amount.

Net selling price is considered the amount from the sale of the asset in the context of a bi-lateral transaction which the parties are fully aware of and enter willingly after the deduction of any additional direct cost for sale of the asset, while value in use is the present value of estimated future cash flows expected to flow in the business from the use of the asset and from its sale at the end of its estimated useful life.

4.6 Financial instruments

A financial instrument is every contract creating a financial asset in one company and a financial liability or a security of a participating nature in another company.

Financial items measured at fair value through the profit or loss

They are financial assets fulfilling any of the requirements below:

- Financial assets held for trading purposes (including derivatives except those which are definite and effective hedging instruments those acquired or created in order to be sold or repurchased and finally those forming part of a portfolio consisting of recognized financial instruments).

- Upon the initial recognition the company designates it as an instrument measured at fair value, recognizing fair value changes changes in the profit and loss account for the year.

- In the balance sheet of the Group transactions and measurement at fair values of derivatives are disclosed in separate accounts in Assets and Liabilities called "Derivative Financial instruments". Changes in fair value of derivatives are recorded in the profit and loss account.

To the date those statements were presented, the Group did not hold such financial instruments.

Loans and receivables

They include non derivative financial assets with fixed or specified payments which are not traded in active markets. This category (loans and receivables) does not include:

- Receivables from advance payments for purchase of goods and services,
- Receivables pertaining to taxes which have been imposed by the state,
- Anything not covered in a contract so that it gives the company the right to receive cash or other financial fixed items.

Loans and receivables are included in current assets apart from those with expiration periods longer than 12 months as from the balance sheet date. The latter are included in non current assets.

Held to maturity investments

It includes non derivative financial assets with fixed or specified payments and specific expiration which the Group intends and is able to keep until their expiration. The Group did not hold any investments of this category.

Financial assets available for sale

It includes non derivative financial assets which are either placed directly under this category or they can not be placed under any of the above categories. Subsequently financial assets available for sale are measured at their fair value and relevant profits or losses are recorded in a reserve of capital and reserves until those items are sold or impaired.

Upon the sale or the impairment, gains or losses are transferred to the profit or loss account. Impairment losses recognized in profit or loss are not reversed through the profit and loss account

Purchases and sales of investments are recognized as at the date of the transaction which is also the date on which the Group commits to buying or selling the instrument. Investments are initially recognized at their fair value plus expenses directly associated with the transaction, with an exception with regard to expenses directly associated with the transaction, for items measured at their fair value with changes in profit or loss. Investments are set off when the right to cash flows from investments expires or is transferred and the Group has materially transferred all risks and rewards involved in ownership.

4.7 Inventory

As at the balance sheet date stocks are evaluated at the lower of cost and net realizable value. Net realizable value is the estimated sale price in the ordinary course of the company's operations less any relevant sale expenses. The cost of stocks does not include any financial expenses. The cost value of stocks is determined based on average annual weighted price.

4.8 Trade receivables

Most sales of the Group are in retail. Trade debtors are initially recorded at their fair value while any balances beyond ordinary credit limits are measured at unamortized cost according to the method of the effective interest rate, less any provision for impairments. If the unamortized cost or the cost of the financial instrument exceeds current value, this item is evaluated at its recoverable amount namely at the present value of future flows of the asset, which is calculated based on the actual initial interest rate. The relevant loss is transferred directly to the profit or loss for the year. Impairment losses, namely when there is objective evidence that the Group is in no position to collect all the amounts owed based on contract terms, are recognized in profit or loss.

4.9 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short term investments of high liquidation, products in money market and bank deposits. The Group considers time deposits and high liquidation investments with initial expiration shorter than three months to be cash equivalents.

4.10 Share capital

Expenses made for issuance of shares are disclosed after the subtraction of relevant income tax reducing the product of the issuance subtracted from equity. Expenses associated with the issuance of shares for the acquisition of companies are included in the cost value of the company acquired.

4.11 Loans

Loan liabilities are initially recorded at the cost reflecting their fair value reduced by the relevant expenses for contracting the loan. After the initial recognition they are measured at the unamortized cost based on the effective interest rate method. Borrowing costs are recognized as expenses in the period in which they occur.

Loans in foreign currency are measured at the closing rate at the balance sheet date, except for those loans for which the exchange rate regarding the conversion and payment has been specified upon their initiation.

4.12 Convertible bond loans

Based on IAS 32, the liability is set based on the present value of all contracted future cash flows, discounted at a market interest rate in that period for similar loans with no right for conversion. The rest part, if any, is recognized in equity representing the incorporated right for conversion of the liability in equity of the issuer.

After the allocation of the value of the bond, any profits or losses associated with the liability are recognized in the profit or loss, while the value related to equity is recognized as equity instrument.

In case of conversion the difference between the carrying amount of the loan and the share capital increase is recognized in equity and specifically in share premium account.

4.13 Income & deferred tax

The period's charge with income tax consists of current taxes and deferred taxes, namely taxes or tax relieves related to financial benefits arising in the period but which have already been allocated or will be allocated by the tax authorities to different periods and provisions regarding finalization of income tax liabilities after relevant tax inspections for uninspected financial years. Income tax is recognized in profit or loss account with the exception of tax pertaining to transactions directly recorded in equity which is also recognized in equity.

Current income tax includes current liabilities or receivables from the tax authorities pertaining to tax payable on taxable income of the period and any additional income tax pertaining to previous years.

Current taxes are calculated according to tax rates and tax laws applied for the accounting periods to which they pertain, based on taxable profit for the year. Changes in current tax items in assets or liabilities are recognized as a part of taxable expenses in the profit and loss account.

Deferred income tax is determined based on the liability method arising from temporary differences between the carrying amount and the tax base for items in assets and liabilities. Deferred income tax is not computed if it derives from the initial recognition of an item in assets or liabilities in transaction, outside a business combination, which when it took place did not affect the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are measured based on the tax rates expected to be applied in the period during which the asset or liability will be settled considering the tax rates (and tax laws) in force up to the balance sheet date. If it is not possible to specify the time of reversal of temporary differences, the tax rate applied is the one being in force in the year subsequent to the balance sheet date.

Deferred tax assets are recognized to the extent that there will be a future taxable profit for the use of the temporary difference creating the deferred tax receivable.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiary and affiliated undertakings, unless the reversal of temporary differences is controlled by the Group and it is unlikely that temporary differences be reversed in the foreseeable future.

Most changes in deferred tax assets or liabilities are recognized as a part of tax expenses in profit and loss account. Changes in assets or liabilities affecting equity instruments are recognized directly in the Group's equity.

4.14 Liabilities for benefits to personnel retiring or leaving service

Current benefits

Current benefits to personnel (other than benefits due to termination of employment) in cash and in kind are recognized as an expense as soon as they are accrued. Any unpaid amount is recorded as a liability and if the amount paid exceeds the amount of benefits, the company recognizes the exceeding amount as an asset (prepaid expense) only to the extent that the prepayment will result in a reduction of future payments or in a refund.

Benefits after termination of employment or retirement

Benefits after termination of employment include pensions or benefits (life insurance and medical insurance) provided by the company upon retirement as a reward for the employees' services. Consequently they include plans for defined contributions as well as plans for defined benefits. Accrued cost of defined benefit plans is recognized as an expense in the period to which it pertains.

Defined contribution plan

Based on the defined contribution plan the liability of the company (legal or constructive) is limited to the amount that has been agreed to be contributed to the fund managing contributions and providing benefits. Consequently the amount of benefits received by the employee is determined by the amount paid by the company (or the employee as well) and the paid investments of those contributions.

Contribution paid by the company in a plan of defined contributions is recognized either as a liability after the deduction of the contribution paid, or as an expense.

Defined benefit plan

The liability recognized in the balance sheet in connection with defined benefit plan is the present value of the liability for the define benefits less the fair value of assets in the fund (if any) and changes arising from any actuarial gain or loss and past service cost. The specific benefit due is calculated annually by an independent actuarial expert based on the projected unit credit method. For the prepayment the interest rate of long term bonds of the Greek Government is applicable.

Actuarial gains and losses are liabilities regarding the benefit provided by the company and an expense recognized in profit and loss. Amounts deriving from adjustments based on historical data which are above or below the margin of 10% of the accumulated liability are recorded in profit or loss in the expected average insurance period of the participants in the plan. The past service cost is recognized directly in profit or loss unless changes in the plan depend on the remaining years of services of the employees. In that case the past service cost is recognized in profit or loss based on a straight line basis during the maturing period.

Benefits for termination of employment

Benefits due to termination of employment are paid when employees leave the company before retirement. The Group records these benefits when it has a commitment or when it terminates the employment of employees according to a detailed plan for which there is no possibility of retirement, or when it offers these benefits as a motive for voluntary retirement. When these benefits are payable in periods exceeding twelve months from the date of the balance sheet, they must be discounted based on the yield of high quality corporate bonds or government bonds.

4.15 Provisions and contingent liabilities / assets

Provisions are recognized if the Group has current legal or constructive obligations as a result of past events, their liquidation is possible through outflows of resources and the exact amount of the liability can be reliably measured. Provisions are reviewed as at each balance sheet date and they are adjusted so that they reflect the present value of the expense expected to settle the liability.

Contingent liabilities are not recognized in the financial statements but they are disclosed, unless the possibility of outflows of sources which incorporate financial benefits is minimum. Contingent assets are not recognized in the financial statements but they are communicated if the inflow of financial benefits is possible.

4.16 Leases

Company of the Group as a Lessee: Leases of fixed assets during which all risks and rewards associated with the ownership of an asset are transferred to the Group, irrespective of whether the ownership title of that item is finally transferred or not, are designated as financial leases. Those leases are capitalized upon the commencement of the lease at the lower of the fair value of the fixed asset and the present value of minimum lease payments.

Every lease is allocated between the liability and financial expenses so that a fixed interest rate can be achieved for the remaining financial liability. Respective liabilities from leases, net of financial expenses are disclosed in liabilities. The part of the financial expense pertaining to financial leases is recognized in the year's results during the lease. Fixed assets acquired through a financial lease are depreciated in the shortest period between the useful life of fixed assets and the duration of their lease except for cases when the fixed asset is certain to come to the ownership by the Group after the end of the leased period. In those cases the fixed asset is depreciated based on estimates of its useful life.

Leasing agreements based on which the lessor transfers the right for use of an item in assets for an agreed period without transferring the risks and rewards of the owner of the fixed asset are classified as operating leases. Payments made for operating leases (net of any motives offered by the lessor) are recognized in results on a proportionate basis during the lease.

Company of the Group as a lessor: Fixed assets which are leased based on operating leases are included in tangible assets of the balance sheet. They are depreciated during their expected useful life on a basis consistent with similar privately-owned tangible assets. The income from rent (net of any incentives given to the lessees) is recognized on a straight line basis during the period of the lease.

4.17 Recognition of income and expenses

Income: Income includes the fair value of goods sold and services provided net of VAT, discounts and returned items. Intercompany income in the Group is fully set off. Income is recognized as follows:

- **Sales of goods:** sales of goods are recognized when the Group delivers goods to clients, goods are accepted by clients and the collection of the receivable is reasonably secured.

- **Income from interest:** income from interest is recognized based on time and the effective interest rate. When there is an impairment of receivables, their book value is reduced to the recoverable amount which is the present value of expected future cash flows discounted at the initial effective interest rate. Subsequently interest is calculated at the same interest rate on the impaired (book) value.

- **Dividends:** dividends are considered income when the right for their collection is established.

Expenses: Expenses are recognized in results on an accrued basis. Payments made for operational leases are transferred to results as expenses at the time the lease is used. Expenses from interest are recognized on an accrued basis.

4.18 Distribution of dividends

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements as at the date the distribution is approved by the General Meeting of the shareholders.

5. Risk management

5.1 Risks related to the macroeconomic environment

Political and economic factors or other physical disasters which may occur irrespective of the company's control.

Demand of products and services as well as company's sales and final economic results are effected by external factors as political instability, economic uncertainty and decline. Threat or event of war or a terrorist attack are factors that cannot be foreseen and controled by the company. Such events can effect the economic, political and social environment of the country and the company in general.

Moreover, factors such as taxes, economic and political changes that can affect Greece as a country is possible to have a negative effect on company's going concern, its financial position and results.

Interest rate risk

Significant part of sales is financed through company's customers via credit cards. Continuing increases of euro currency interest rates have as result increases on credit card interest rates respectively that are used by company's customers for their purchases. In case interest rates increase goes further beyond the level foreseen by market specialists it would make money extremely expensive. Consequently the use of credit cards for products purchases become limited and therefore the demand for company's products will be limited respectively.

Moreover, potential continuation of interest rate increase would make investment in convertible bonds less attractive as the money opportunity cost would become very high (ignoring potential earnings from the transfer of bonds into stocks).

Furthermore, continuing increases in euro interest rates will result to respective increase of debit interest regarding to the loans the company has incurred in floating interest rates agreement although, this risk is limited since the sum of almost all the loans incurred by the company are agreed in fixed interest rate. Also the incurred period for repayment is either mid or long term.

5.2 Risks related to company's activity

There is a possibility the company will not keep the high pace of economic development

During last years, the company succeeded high growth rates in terms of sales and turnover, that had as result its stock price to reflect partly those positive perspectives of future development. Company's inadequacy to meet its stockholders interests will probable turn out to share liquidation with result to share price depreciation. Reasons for this inadequacy, among others, include the change in consumer preferences and company's delayed adaptation at these changes, intensive competition, price war within the industry and to ineffective management of existing sale points.

Sales seasonality

Due to the specified nature of company's products , its sales present high level of seasonality. In particular during Christmas the company succeeds 28% approximately of its annual turnover, while sales fluctuations are observed during months such as April (Easter – 9% of annual turnover) and September (beginning of school period- 9% of annual turnover). Sales seasonality demands rationality in working capital management specifically during peak seasons. It is probable that company's inadequacy to deal effectively with seasonal needs for working capital during peak seasons may burden financial expenses and effect negatively its results and its financial position.

Company's inadequacy to deal effectively with increased demand during these specific periods will probably effect negatively its annual results. Moreover, problems can come up due to external factors such as bad weather conditions, strikes or defective and dangerous products.

Competition within industry's companies

The company is established as market leader within the retail sale of toys and infant supplies market. Company's basic competitors are of lower size in number of sale points as well as in terms of turnover figures. The current status of the market could change in the future either due to the entrance of foreign companies in the Greek market or due to potential strategic changes and retail store expanding of present competitors.

Dependence from agents-importers

The company imports its products directly from aboard as exclusive dealer for toy companies which do not maintain agencies in Greece. Moreover, the company acquires its products from 180 suppliers which operate within the Greek market.

However, the company faces the risk of losing revenues and profits in case its cooperation with some of its suppliers terminates. Nevertheless, it is estimated that the risk of not renewing the cooperation with its suppliers is inconsiderable due to the leading position of JUMBO in the Greek market. The potential of such a perspective would have a small effect to the company's size since none of the suppliers represents more than 6% of the company's total sales.

Dependence from importers

80% of company's products originate from China. Facts that could lead to cessation of chinese imports (such as embargo for Chinese imports or increased import taxes for Chinese imports or political-economic crises and personnel strikes in China) could interrupt the provision of the company's selling points. Such potentiality would have a negative effect to company's operations and its financial position.

Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments fluctuate due to changes in foreign exchange. The Group is exposed to foreign exchange risk arising from transactions in foreign currency (dollar, Cypriot pound, yen etc.). The Group's policy is not to carry out any hedging activities because for now it is not necessary to adopt specific systems for foreseeing or avoiding any future foreign exchange losses.

5.3 Risks related to company's stock price

External Conjunctural factors

Investors must be aware that company's share price could sustain high fluctuations due to external factors that cannot be controlled by the company and occur irrespective of the company's operational activity and financial position. International money and capital markets, consumers behaviour, threats of terrorist attacks, or warfares to sensitive territories for the global economy and the general feeling of geopolitical instability, are factors that can lead to company's share price depreciation.

Risk of liquidity and share price fluctuations

Company's share capital is listed to the high capitalization market of the Athens stock exchange. Athens stock exchange has lower liquidity compared to other stock markets in Europe or United States. Consequently, if bonds convert into shares, their holders may face difficulties in disposing the shares, especially in cases of large volume dealing packages. Also there is the risk the company's share price to depreciate in case of important share disposals or even from speculating such events.

Future disposals of a significant number of shares through the stock market by a significant shareholder or a group of shareholders or even the speculation that such disposals could occur would effect the share price. In the past share prices of listed companies in the Athens Stock Exchange have experienced significant fluctuations. That fact has influenced the past and might influence the future share price and liquidity of all listed companies in Athens stock exchange including the share price of the company.

6. Segment Reporting

Primary segment reporting – business segment

The Group's main activity is the retail sale of toys, infant supplies, seasonal items, decoration items, books and stationery.

6.1 Results of business sectors as at 31th of December 2006 and 2005

Results per segment for the first semester in the current year 2006/2007 are as follows:

			1/7/2006-31/12/2006	
	Retail	**Wholesale**	**Other**	**Total**
Sales to third parties	200.826.442	2.354.785		203.181.227
Other operating income non allocated			2.183.890	2.183.890
Total revenue	**200.826.442**	**2.354.785**	**2.183.890**	**205.365.117**
Operating profit	54.580.668	639.984		55.220.652
Other operating income non allocated			631.125	631.125
Net financial results				(2.626.839)
Profit before tax				**53.224.938**
Income tax				(13.555.821)
Net profit				**39.669.117**

Results per segment for the first semester in previous year 2005/2006 are as follows:

	1/7/2006-31/12/2006			
	Retail	Wholesale	Other	Total
Sales to third parties	164.792.624	2.033.800		166.826.424
Other operating income non allocated			1.416.462	1.416.462
Total revenue	**164.792.624**	**2.033.800**	**1.416.462**	**168.242.886**
Operating profit	41.166.823	507.952		41.674.775
Other operating income non allocated			476.307	476.307
Net financial results				(2.790.795)
Profit before tax				**39.360.287**
Income tax				(11.305.465)
Net profit				**28.054.822**

6.2 Allocation of Assets and Liabilities per business segment as at 31 December 2006 and 30 June 2006

The allocation of consolidated assets and liabilities to business segments for the period 30/09/2006 and 31/12/2006 is broken down as follows:

	31/12/2006			
	Retail	Wholesale	Other	Total
Segment assets	296.177.040	6.151.613	0	302.328.653
Non allocated Assets			134.997.006	134.997.006
Consolidated Assets	**296.177.040**	**6.151.613**	**134.997.006**	**437.325.659**
Sector liabilities	59.821.162	1.142.079	0	60.963.241
Non allocated Liabilities items			376.362.418	376.362.418
Consolidated liabilities	**59.821.162**	**1.142.079**	**376.362.418**	**437.325.659**

	30/6/2006			30/6/2006
	Retail	Wholesale	Other	Other
Segment assets	294.853.625	5.930.450	0	300.784.074
Non allocated Assets	0	0	41.921.142	41.921.142
Consolidated Assets	**294.853.625**	**5.930.450**	**41.921.142**	**342.705.216**
Sector liabilities	51.646.121	564.891	0	52.211.013
Non allocated Liabilities items	0	0	290.494.203	290.494.203
Consolidated liabilities	**51.646.121**	**564.891**	**290.494.203**	**342.705.216**

Secondary segment reporting– geographical segment

6.3 Information on sales per geographical area as at 31 of December 2006 and 2005

Sales per geographical area as at 31 of December 2006 και 2005 are as follows:

Secondary type of presentation – geographical areas

	1/7/2006-31/12/2006	1/7/2005-31/12/2005
Greece Attica	77.538.807	69.899.219
Rest of Greece	105.531.844	80.456.438
Eurozone	20.055.731	16.467.210
Third Countries	54.846	3.557
Non allocated operating income	2.183.890	1.416.462
Total	**205.365.117**	**168.242.886**

6.4 Analysis of assets per geographical area as at 31 of December 2006 and 30 June 2006

The following tables present an analysis of assets items per geographical area as at 31 December 2006 and 30 June 2006:

	1/7/2006-31/12/2006	1/7/2005-30/6/2006
Balance of non current assets		
Greece Attica	53.376.886	45.844.200
Rest of Greece	111.078.420	99.352.060
Eurozone	26.058.363	20.755.588
Third Countries	0	4.157.076
Total	**190.513.668**	**170.108.924**
Other assets items		
Greece Attica	130.685.822	77.392.720
Rest of Greece	83.974.301	76.039.658
Eurozone	32.151.867	18.908.290
Third Countries	0	255.624
Total	**246.811.911**	**172.596.292**
Investments		
Greece Attica	9.186.991	12.399.900
Rest of Greece	14.178.655	12.952.662
Eurozone	1.654.623	2.093.962
Third Countries		4.157.078
Total	**25.020.270**	**31.603.602**

7. Cost of sales

Cost of sales of the Group and the Company is as follows:

	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Inventory at the beginning of period	100.733.220	74.649.618	95.899.555	70.297.004
Internal purchases	40.661.900	35.752.189	40.067.893	35.217.333
Purchases from third countries	42.586.503	53.448.439	42.098.279	53.082.044
Purchases from the eurozone	9.177.174	6.232.715	8.492.869	5.811.776
Returns on purchases/Budgetary – prepaid returns on purchases	1.070.483	(1.264.804)	(981.017)	(1.165.842)
Discounts on purchases/Budgetary – prepaid discounts on purchases	(2.295.950)	(1.754.041)	(2.295.950)	(1.754.041)
Discounts on total purchases/Budgetary – prepaid discounts on total purchases	(6.323.479)	(6.527.032)	(6.323.479)	(6.527.032)
Other purchases of consumables	11.308	8.727	11.308	8.727
Inventory in the end of the period	(81.545.999)	(74.881.576)	(76.789.265)	(70.462.824)
Income from own use of inventory/imputed income	(976.798)	(861.592)	(976.798)	(861.592)
Total	**100.957.396**	**84.802.643**	**99.203.395**	**83.645.553**

8. Administration and distribution costs

Administration and distribution costs are as follows:

	THE GROUP		THE COMPANY	
Distribution costs	31/12/2006	31/12/2005	31/12/2006	31/12/2005
(amounts in €)				
Provision for compensation to personnel due for retirement	69.368	72.767	69.368	72.767
Payroll expenses	20.407.469	16.848.073	19.395.747	15.834.358
Third parties expenses and fees	88.657	125.291	88.657	125.291
Services received	3.467.364	2.440.040	3.467.364	2.440.040
Repair and maintenance expenses	654.102	444.183	654.102	444.183
Rents	4.146.233	3.969.036	4.146.233	3.969.036
Taxes and duties	583.259	537.344	583.259	537.344
Advertisement	2.690.669	1.815.984	2.690.669	1.815.984
Other various expenses	5.201.989	4.678.774	4.257.859	3.874.237
Depreciation of tangible assets	3.749.783	3.452.569	3.749.783	3.452.569
Provisions for doubtful accounts	-	-	-	-
Total	**41.058.893**	**34.384.061**	**39.103.041**	**32.565.809**

	THE GROUP		THE COMPANY	
Administrative expenses	31/12/2006	31/12/2005	31/12/2006	31/12/2005
(amounts in €)				
Provision for compensation to personnel due for retirement	46.246	48.511	46.246	48.511
Payroll expenses	3.170.122	2.628.398	2.890.884	2.374.059
Third parties expenses and fees	600.926	525.904	581.842	510.423
Services received	997.748	711.878	444.978	284.956
Repair and maintenance expenses	45.548	30.767	45.548	30.767
Rents	51.869	227.630	51.869	227.630
Taxes and duties	37.435	25.487	20.357	16.431
Advertisement	19.561	21.215	19.561	21.215
Other various expenses	536.522	693.890	475.072	535.562
Depreciation of tangible assets	591.248	780.602	195.599	405.600
Total	6.097.225	**5.694.282**	**4.771.956**	**4.455.154**

9. Other operating income and expenses

Other operating income and expenses pertain to income or expenses from the operating activity of the Group. Their analysis is as follows:

	THE GROUP		THE COMPANY	
Other operating income (amounts in €)	**31/12/2006**	**31/12/2005**	**31/12/2006**	**31/12/2005**
Income from related activities	657.193	582.606	652.065	581.296
O.A.E.D. subsidies	28.199	99.310	28.199	99.310
Other income	1.498.497	734.546	1.498.497	734.546
Total	**2.183.889**	**1.416.462**	**2.178.761**	**1.415.152**

Other operating expenses (amounts in €)	**31/12/2006**	**31/12/2005**	**31/12/2006**	**31/12/2005**
Other provisions	-	19.000	-	19.000
Other expenses	1.399.826	1.191.818	1.399.826	1.191.818
Total	**1.399.826**	**1.210.818**	**1.399.826**	**1.210.818**

Income from related activities mostly pertain to income from building and technical works rents and income from third products promotion.

Other income mostly pertain profits from collection of insurance compensation.

Most of other expenses pertain to losses from destruction of merchandise which has not been insured.

10. Financial income / expenses

The Group's financial results' analysis is as follows:

	THE GROUP		THE COMPANY	
Financing cost – net (amounts in €)	**31/12/2006**	**31/12/2005**	**31/12/2006**	**31/12/2005**
Interest expense:				
Finance cost of provision for compensation to personnel due for retirement	30.311	25.806	30.311	25.806
Bank loans long – term	3.310.962	2.898.540	3.048.687	2.512.016
Financing leases	169.677	149.388	169.677	149.388
Overdrafts	-	623	-	3
Exchange differences	25.695	-	-	-
Commissions for guarantee letters	15.735	7.625	15.735	7.625
Other finance expenses	17.920	52.844	12.983	52.844
	3.570.300	**3.134.826**	**3.277.394**	**2.747.682**
Iinterest income:				
Banks - other	10.220	122.914	10.220	7.184
Time deposits	933.241	221.117	651.731	221.117
	943.461	**344.031**	**661.951**	**228.301**
Total	**2.626.839**	**2.790.795**	**2.615.443**	**2.519.381**

11. Income tax

According to Greek taxation laws, up to 30/06/2006 the tax rate for the Company was 32% while for profits as of 1/7/2006, tax must be calculated at the rate of 29%. Consequently, income tax for the period 1/7/2006-31/12/2006 was calculated at the rate of 29% on profits of the parent company and 10%, on average, on profits of the subsidiary JUMBO TRADING LTD.

Provision for income taxes disclosed in the financial statements is broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Income taxes for the period	13.692.930	11.208.553	12.928.047	10.472.678
Adjustments of deferred taxes due to change in tax rate	(342.476)	(295.885)	(342.476)	(295.885)
Deferred income taxes	124.205	327.513	125.575	326.828
Provisions for contingent tax liabilities from years uninspected by the tax authorities	81.162	65.284	81.162	65.284
	13.555.821	**11.305.465**	**12.792.307**	**10.568.905**

12. Earnings per share

The analysis of basic and diluted earnings per share for the Group is as follows:

Basic earnings per share	**THE GROUP**			
(euro per share)	**31/12/2006**	**1/10/2006 - 31/12/006**	**1/7/2005 - 31/12/2005**	**1/10/2005 - 31/12/2005**
Earnings attributable to the shareholders of the parent company	39.669.117	28.972.518	28.054.822	21.076.545
Weighted average number of shares	60.617.358	60.617.358	47.774.181	47.774.181
Basic earnings per share (euro per share)	**0,65**	**0,48**	**0,59**	**0,44**

Diluted earnings per share				
(euro per share)	**1/7/2006 - 31/12/006**	**1/10/2006 - 31/12/006**	**1/7/2005 - 31/12/2005**	**1/10/2005 - 31/12/2005**
Earnings attributable to the shareholders of the parent company	40.165.516	29.366.490	-	-
Weighted average number of shares	65.074.517	65.074.517	-	-
Diluted earnings per share (euro per share)	**0,62**	**0,45**	**-**	**-**

Basic earnings per share	**THE COMPANY**			
(euro per share)	**1/7/2006 - 31/12/006**	**1/10/2006 - 31/12/006**	**1/7/2005 - 31/12/2005**	**1/10/2005 - 31/12/2005**
Earnings attributable to the shareholders of the parent company	32.799.957	24.244.215	23.130.808	17.379.095
Weighted average number of shares	60.617.358	60.617.358	47.774.181	47.774.181
Basic earnings per share	**0,54**	**0,40**	**0,48**	**0,36**

Diluted earnings per share				
(euro per share)	**1/7/2006 - 31/12/006**	**1/10/2006 - 31/12/006**	**1/7/2005 - 31/12/2005**	**1/10/2005 - 31/12/2005**
Earnings attributable to the shareholders of the parent company	33.296.356	24.638.186	-	-
Weighted average number of shares	65.074.517	65.074.517	-	-
Diluted earnings per share (euro per share)	**0,51**	**0,38**	**-**	**-**

Diluted earnings per share are presented for information purposes and does not pertain the convertible bond loan which was issued at 8/9/2006 (note 24.1)

13. Property plant and equipment

a. Information on property plant and equipment

The Group re-estimated the useful life of fixed assets as at the date of the IFRS first time adoption based on the actual conditions under which fixed assets are used and not based on taxation criteria.

According to Greek taxation laws the Company as at 31/12/2004 adjusted the cost value of its buildings and land. For IFRS purposes that adjustment was reversed because it does not fulfill the requirements imposed by IFRS. Impact from those changes is presented in note 32 of the financial statements.

Based on IFRS 1 the Group had the right to keep previous adjustments if the latter disclosed the cost value of fixed assets which would be estimated according to IFRS. The management of the Group estimates that values as disclosed as at the transition date are not materially far from the cost value which would have been estimated as at 30/6/2004 if IFRS had been adopted.

Based on the previous accounting principles there were formation accounts (expenses for acquisition of assets, notary and other expenses) which were depreciated either in a lump sum or gradually in equal amounts within five years. Based on IFRS and the Company's estimates those items increased the cost value of tangible assets, and their depreciation was re-adjusted based on accounting estimates made on the fixed assets charged (re-adjustment of useful life of tangible assets).

b. Depreciation

Depreciation of tangible assets (other than land which is not depreciated) are calculated based on the fixed method during their useful life which is as follows:

Buildings	30 – 35 years
Mechanical equipment	5 - 20 years
Vehicles	5 – 7 years
Other equipment	4 - 10 years
Computers and software	3 – 5 years

The analysis of the Group's and Company's tangible assets is as follows:

THE GROUP

	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - funiture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Pland and Equipment
Cost 31/12/2005	33.738.676	92.561.961	651.899	36.687.873	1.547.515	2.325.837	167.513.761	6.227.263	2.624.738	8.852.001	176.365.762
Accumulated depreciation	0	(13.477.127)	(402.659)	(17.200.471)	(1.205.180)	0	(32.285.437)	(372.773)	(216.265)	(589.038)	(32.874.475)
Net Cost as at 31/12/2005	**33.738.676**	**79.084.834**	**249.240**	**19.487.402**	**342.335**	**2.325.837**	**135.228.324**	**5.854.490**	**2.408.473**	**8.262.963**	**143.491.287**
Cost 31/12/2006	47.811.595	102.145.668	649.042	39.188.094	1.594.640	19.186.240	**210.575.279**	6.227.263	2.448.853	**8.676.116**	**219.251.395**
Accumulated depreciation	0	(17.051.478)	(455.168)	(20.804.211)	(1.388.602)	0	**(39.699.460)**	(485.217)	(434.619)	**(919.836)**	**(40.619.296)**
Net Cost as at 31/12/2006	**47.811.595**	**85.094.191**	**193.873**	**18.383.882**	**206.038**	**19.186.240**	**170.875.819**	**5.742.046**	**2.014.234**	**7.756.280**	**178.632.100**

THE COMPANY

	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - funiture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Pland and Equipment
Cost 31/12/2005	26.931.822	78.834.199	552.528	33.964.149	961.320	160.837	**141.404.855**	6.227.263	2.574.236	**8.801.499**	**150.206.354**
Accumulated depreciation	0	(12.093.796)	(303.288)	(15.857.535)	(753.405)	0	**(29.008.024)**	(372.773)	(206.213)	**(578.986)**	**(29.587.010)**
Net Cost as at 31/12/2005	**26.931.822**	**66.740.403**	**249.240**	**18.106.614**	**207.915**	**160.837**	**112.396.831**	**5.854.490**	**2.368.023**	**8.222.513**	**120.619.344**
Cost 31/12/2006	40.170.400	88.381.223	541.001	36.411.011	966.044	14.110.790	**180.580.469**	6.227.263	2.398.769	**8.626.032**	**189.206.501**
Accumulated depreciation	0	(15.256.602)	(352.283)	(19.251.491)	(850.998)	0	**(35.711.374)**	(485.217)	(415.641)	**(900.858)**	**(36.612.232)**
Net Cost as at 31/12/2006	**40.170.400**	**73.124.621**	**188.718**	**17.159.520**	**115.047**	**14.110.790**	**144.869.095**	**5.742.046**	**1.983.128**	**7.725.174**	**152.594.269**

Movement in fixed assets in the periods for the Group is as follows:

THE GROUP

	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - funiture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Pland and Equipment
Cost											
Balance as at 30/6/2006	**40.554.068**	**102.146.221**	**661.591**	**37.656.701**	**1.560.616**	**3.552.815**	**186.132.011**	**6.227.263**	**2.624.599**	**8.851.862**	**194.983.873**
- Additions	7.296.455	230.159	0	1.815.980	44.022	15.690.975	**25.077.591**	0	0	**0**	**25.077.591**
- Decreases - transfers	0	(154.465)	(11.948)	(269.325)	(6.681)	(57.321)	**(499.739)**	0	(175.467)	**(175.467)**	**(675.206)**
- Exchange differences	(38.928)	(76.247)	(601)	(15.263)	(3.317)	(228)	**(134.584)**	0	(279)	**(279)**	**(134.863)**
Balance as at 31/12/2006	**47.811.595**	**102.145.668**	**649.042**	**39.188.094**	**1.594.640**	**19.186.240**	**210.575.279**	**6.227.263**	**2.448.853**	**8.676.116**	**219.251.395**
Depreciation											
Balance as at 30/6/2006	**0**	**(15.243.913)**	**(429.345)**	**(19.144.382)**	**(1.288.510)**	**0**	**(36.106.149)**	**(428.170)**	**(367.657)**	**(795.827)**	**(36.901.976)**
- Additions	0	(1.929.453)	(38.320)	(1.876.942)	(109.591)	0	**(3.954.306)**	(57.047)	(143.823)	**(200.871)**	**(4.155.177)**
- Decreases - transfers	0	112.475	11.948	208.787	6.681	0	**339.891**	0	76.767	**76.767**	**416.658**
- Exchange differences	0	9.413	548	8.325	2.818	0	**21.105**	0	94	**94**	**21.199**
Balance as at 31/12/2006	**0**	**(17.051.478)**	**(455.168)**	**(20.804.211)**	**(1.388.602)**	**0**	**(39.699.460)**	**(485.217)**	**(434.619)**	**(919.836)**	**(40.619.296)**

Movement in fixed assets in the periods for the Company is as follows:

THE COMPANY

	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - funiture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Pland and Equipment
Cost											
Balance as at 30/6/2006	**32.874.741**	**88.369.399**	**552.948**	**34.898.831**	**961.320**	**0**	**157.657.239**	**6.227.263**	**2.574.236**	**8.801.499**	**166.458.738**
- Additions	7.295.659	166.289	0	1.781.504	11.405	14.168.111	**23.422.968**	0	0	**0**	**23.422.968**
- Decreases - transfers	0	(154.465)	(11.948)	(269.325)	(6.681)	(57.321)	**(499.739)**	0	(175.467)	**(175.467)**	**(675.206)**
- Exchange differences											
Balance as at 31/12/2006	**40.170.400**	**88.381.223**	**541.001**	**36.411.011**	**966.044**	**14.110.790**	**180.580.469**	**6.227.263**	**2.398.769**	**8.626.032**	**189.206.501**
Depreciation											
Balance as at 30/6/2006	**0**	**(13.646.664)**	**(334.574)**	**(17.696.890)**	**(810.463)**	**0**	**(32.488.591)**	**(428.170)**	**(352.600)**	**(780.770)**	**(33.269.362)**
- Additions	0	(1.722.413)	(29.656)	(1.763.389)	(47.215)	0	**(3.562.673)**	(57.047)	(139.807)	**(196.855)**	**(3.759.528)**
- Decreases - transfers	0	112.475	11.948	208.787	6.681	0	**339.891**	0	76.767	**76.767**	**416.659**
- Exchange differences											
Balance as at 31/12/2006	**0**	**(15.256.602)**	**(352.283)**	**(19.251.491)**	**(850.998)**	**0**	**(35.711.374)**	**(485.217)**	**(415.641)**	**(900.858)**	**(36.612.232)**

c. Encumbrances on fixed assets

There are no encumbrances on the parent company's fixed assets while for the subsidiary company Jumbo Trading LTD there are the following mortgages and prenotation of mortgage:

	31/12/2006 £	31/12/2006 €
Bank of Cyprus:		
Building in Lemessos	1.500.000	2.594.258
Building in Lakatameia	3.900.000	6.745.071
	5.400.000	**9.339.329**

14. Investment property

As at the transition date the Group designated as investment property, investments in real estate buildings and land or part of them which could be measured separately and constituted a main part of the building or land under exploitation. The Group measures those investments at cost less any impairment losses.
Summary information regarding those investments is as follows:

Location of asset	Description – operation of asset	Income from rents	
		1/7/2006 - 31/12/2006	1/7/2005 - 31/12/2005
Thessaloniki port	An area (parking space for 198 vehicles) on the first floor of a building, ground floor in the same building of 6.422,17 sq. m. area	36.880	35.611
Nea Efkarpia	Retail Shop	148.494	135.189
Total		**185.374**	**170.800**

None of the subsidiary had any investment properties until 31/12/2006.
Net cost of those investments is analyzed as follows:

	Investment Property
Cost 31/12/2005	11.162.372
Accumulated depreciation	(1.822.471)
Net Cost as at 31/12/2005	**9.339.902**
Cost 31/12/2006	11.162.372
Accumulated depreciation	(2.193.992)
Net Cost as at 31/12/2006	**8.968.380**

Movements in the account for the period are as follows:

	Investment Property
Cost	
Balance as at 30/6/2006	**11.162.372**
- Additions	0
- Decreases - transfers	0
Balance as at 30/6/2006	**11.162.372**
Depreciation	
Balance as at 31/12/2006	**(2.008.138)**
- Additions	(185.854)
- Decreases - transfers	0
Balance as at 31/12/2006	**(2.193.992)**

Fair values are not materially different from the ones disclosed in the Company's books regarding those assets.

15. Investments in subsidiaries

The balance in the account of the parent company is analysed as follows:

Company	Head offices	Participation rate	Amount of participation
JUMBO TRADING LTD	Avraam Antoniou 9- 2330 Kato Lakatamia Nicosia - Cyprus	100%	11.074.190
JUMBO EC.B	Sofia, Yanko Sakuzon avenue 9A-Bulgaria	100%	8.905.631
JUMBO EC.R	Bucharest (sector 4, Sos. Giurgiului, number 129-Romania)	100%	73
			19.979.894

«JUMBO EC.B»
On the 1st of September 2005 the Company established the subsidiary company "JUMBO EC.B" in Sofia, Bulgaria, activities of which are expected to commence in the above future. During November 2005 and December 2006 the subsidiary company increased its share capital which was covered by 100% by the parent company JUMBO S.A.
«JUMBO EC.B» has been included in the consolidated financial statements of the Group, for the first time from the date of its incorporation. It is included in the consolidated financial statements of the current period through the purchase method.

«JUMBO EC.R»
On the 9th of August 2006 the Company established the subsidiary company «JUMBO EC.B» in Bucharest, Romania, activities of which are expected to commence in the above future.
«JUMBO EC.R» has been included in the consolidated financial statements of the Group, for the first time from the date of its incorporation. It is included in the consolidated financial statements of the current period through the purchase method.
The values of subsidiary companies are disclosed in the financial statements of the parent company at cost value.
In the consolidated financial statements of the Group those balances have been set off.

16. Other long term receivables

The balance of the account is broken down as follows:

	THE GROUP		THE COMPANY	
Other long term receivables	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Guarantees	2.913.189	2.872.793	2.892.656	2.852.650
Total	**2.913.189**	**2.872.793**	**2.892.656**	**2.852.650**

The sum of «Guarantees» relates to long term guarantees as well as long term claims for penal clauses, which will be collected or returned after the end of the next period.

Fair value of these claims does not differ from this which is presented in the financial statements and is subject to re-evaluation on an annual basis.

17. Inventories

Analysis of inventory is as follows:

	THE GROUP		THE COMPANY	
Inventories	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Merchandise	87.032.836	100.746.670	82.289.265	95.899.555
Total	**87.032.836**	**100.746.670**	**82.289.265**	**95.899.555**
Less: Provision of valuation in net realizable value	5.500.000	-	5.500.000	-
Total net realizable value	**81.532.836**	**100.746.670**	**76.789.265**	**95.899.555**

18. Trade debtors and other trading receivables

The company has set a number of criteria to provide credit to clients which generally depend on the size of the client activities and an estimation of relevant financial information. As at every balance sheet date all overdue or doubtful debts are reviewed so that it is decided whether it is necessary or not to make a relevant provision for doubtful debts. Any deletion of trade debtors' balances is charged to the existing provision for doubtful debts. Credit risk arising from trade debtors and checks receivable is limited given that it is certain they will be collected and they are appropriately liquidated.

Analysis of trade debtors and other trade receivables is as follows:

	THE GROUP		THE COMPANY	
Trade debtors and other trading receivables	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Trade debtors	2.159.776	639.546	4.396.290	1.833.359
Notes receivable	45.450	40.793	45.450	40.793
Cheques receivable	2.218.664	2.767.191	1.756.231	2.565.900
Less: provisions for impairment	(112.398)	(112.938)	(31.500)	(31.500)
Net trade receivables	**4.311.492**	**3.334.592**	**6.166.471**	**4.408.554**
Advance payments for purchases of stocks	16.129.708	15.875.313	16.129.708	15.875.314
Total	**20.441.200**	**19.209.907**	**22.296.179**	**20.283.868**

Analysis of provisions is as follows:

	THE GROUP	THE COMPANY
Balance as at 30 June 2005	**109.601**	**14.000**
Reversal of provisions for the year		
Additional provisions for the year	(13.913)	-
Exchange differences	17.500	17.500
Balance as at 30 June 2006	(250)	-
Reversal of provisions for the year	**112.938**	**31.500**
Additional provisions for the year	**-**	**-**
Exchange differences	**-**	**-**
Balance as at 30 September 2006	(540)	**-**

19. Other receivables

Other receivables are analysed as follows:

	THE GROUP		THE COMPANY	
Other receivables	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Sundry debtors	13.718.743	15.899.750	12.791.110	14.893.680
Amounts due from subsidiaries	-	-	201.138	4.157.076
Receivables from the Greek State	12.228.190	12.182.823	12.228.190	12.182.823
Other receivables	1.176.231	1.320.188	1.176.231	1.320.187
Net receivables	**27.123.164**	**29.402.761**	**26.396.669**	**32.553.766**

As shown in the above table the total amount of other receivables includes receivables of the Group:

a) From sundry debtors pertaining mostly to receivables of the parent company from advance payments for leases for newly-built stores.
b) from amounts owed to the parent company by the Greek State in connection with advance payment of income tax for the current year and taxes withheld.
c) from other receivables deriving from advances to accounts for debtors (such as custom clearers), cash facilities to personnel, insurance compensation etc.

20. Other current assets

Other current assets pertain to the following:

	THE GROUP		THE COMPANY	
Other current assets	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Prepaid expenses	1.264.166	1.388.880	1.264.166	1.388.880
Revenue of period receivable	156.656	288	156.656	288
Discounts on purchases under arrangement	80.193	29.194	80.193	29.194
Returns on purchases		-		-
Other provisions		-		-
Total	**1.501.015**	**1.418.362**	**1.501.015**	**1.418.362**

Other current assets mostly pertain to expenses of subsequent years such as insurance fees, packing material etc, as well as provisions of discounts on total purchases under arrangement and returns on purchases.

21. Cash and cash equivalents

Cash and cash equivalents *(amounts in euro)*	THE GROUP 31/12/2006	THE GROUP 30/6/2006	THE COMPANY 31/12/2006	THE COMPANY 30/6/2006
Cash in hand	1.940.808	6.277.567	1.898.400	2.974.134
Bank account balances	19.490.353	2.068.913	19.490.353	2.068.913
Sight and time deposits	94.782.615	13.472.112	69.963.473	3.937.559
Total	**116.213.776**	**21.818.592**	**91.352.226**	**8.980.606**

Sight deposits pertain to short term investments of high liquidity. The interest rate for time deposits was 2,75% – 3,60% while for sight deposits it was 0,15%.

22. Capital and reserves

22.1 Share capital

Share Capital *(amounts in euro)*	Number of shares	Nominal share value	Value of ordinary shares	Share premium	Total
Balance as at 30th June 2005	**45.619.200**	**0,80**	**36.495.360**	**-**	**36.495.360**
Issue of new shares	4.895.265	0,80	3.916.212	11.098.497	15.014.709
Increase of nominal share value of € 0,60	50.514.465	0,60	30.308.679	-	30.308.679
Issue of 2 new shares for every 1 previous	10.102.893	1,40	14.144.050	-3.419.669	10.724.381
Balance as at 30th June 2006	**60.617.358**	**1,40**	**84.864.301**	**7.678.828**	**92.543.129**
Changes during the period	-		-		-
Balance as at 30th September 2006	**60.617.358**	**1,40**	**84.864.301**	**7.678.828**	**92.543.129**

a) Based on the decision of the Board of Directors dated 11/10/2005, the company proceeded with the increase of its share capital by € 3.916.212, with the issue of 4.895.265 new shares of the company, with nominal value of € 0,80 each, due to the conversion of 2.719.596 convertible bonds, from the convertible bond loan dated 11.10.2000. The share capital of the company after the issue of new shares amounts to €40.411.572 divided into 50.514.465 registered shares with nominal value 0,80 each.

b) The decision from 03.05.2006, of the First Repetitive Extraordinary Statutory General Assembly of the Shareholders of the company, approved the increase of share capital, at the total of €44.452.729,20, with the capitalisation of the following reserves: a) amount of €41.033.060,66 from extraordinary reserve which includes the statutory capitalised extraordinary special reserve from not distributed dividends from the financial exercises of 2000-2001, totalling € 624.535,78 and b) part of the share premium reserve of amount of €3.419.668,54, which was the result of the conversion on 11/10/2005 of 2.719.596 convertible bonds of

Convertible Bond Loan (acquired in 2000 with nominal value €4,255319 each bond and of total nominal value €11.572.748,94) in 4.895.265 shares of company, with nominal value €0,80 each and total value € 3.916.212. The increase will take place as follows: a) Amount of € 30.308.679,00 will be drawn from the existing extraordinary reserves, by increasing the nominal value of existing shares of the company from €0,80 in €1,40 per share and b) The remainder of €14.144.050,20 (which includes the statutory capitalised extraordinary special reserve from not distributed dividends from the financial use of 2000-2001, totalling € 624.535,78) with the issue of 10.102.893 new shares of the company with nominal value of € 1,40 which will be distributed free of charge to previous shareholders at the ratio of 2 new shares to 10 old ones. After the above increase total share capital amounts to € 84.864.301,20, divided into 60.617.358 shares with nominal value € 1,40 each.

DEVELOPMENT OF SHARE CAPITAL FROM 1/7/2005-30/6/2006							
Date of G .M.	**Number of issue of Gov. Gazette**	**Nominal Value of Shares**	**Conversion of bonds**	**With capitalisation of reserve funds**	**Number of new shares**	**Total number of shares**	**Share capital after the increase of S. C.**
						45.619.200	36.495.360,00
11.10.2005 (BoD)	11051/19.10.05	0,80	3.916.212,00	-	4.895.265	50.514.465	40.411.572,00
3.5.2006	2994/9.5.2006	1,40	-	44.452.729,20	10.102.893	60.617.358	84.864.301,20

22.2 Other reserves

The analysis of other reserves is as follows:

THE GROUP

Other reserves (amounts in euro)	Legal reserve	Tax free reserves	Extraordinary reserves	Special reserves	Other reserves	Total
Balance as at 30th June 2005	**5.014.763**	**5.907.183**	**41.033.061**	**14.230**	**8.916**	**51.978.152**
Movement in the period	-	-	(41.033.061)	-	(8.916)	(41.041.976)
Balance as at 30th June 2006	**5.014.763**	**5.907.183**	**0**	**14.230**	**0**	**10.936.176**
Changes in the period	2.063.437	-	24.246.943	-	9.355	26.319.735
Balance as at 31th December 2006	**7.078.200**	**5.907.183**	**24.246.943**	**14.230**	**9.355**	**37.255.911**

THE COMPANY

Other reserves (amounts in euro)	Legal reserve	Tax free reserves	Extraordinary reserves	Special reserves	Other reserves	Total
Balance as at 30th June 2005	**5.014.763**	**5.907.183**	**41.033.061**	**14.230**	**8.916**	**51.978.152**
Movement in the period	-	-	(41.033.061)	-	(8.916)	(41.041.976)
Balance as at 30th June 2006	**5.014.763**	**5.907.183**	**0**	**14.230**	**0**	**10.936.176**
Changes in the period	2.063.437	-	24.246.943	-	9.355	26.319.735
Balance as at 31th December 2006	**7.078.200**	**5.907.183**	**24.246.943**	**14.230**	**9.355**	**37.255.911**

23. Liabilities for compensation to personnel due for retirement

Accounts in tables below are calculated based on financial and actuarial assumptions and they are set based on the Projected Unit Credit Method. According to that method, benefits corresponding to full years of service as at the measurement date are treated separately from expected benefits in the year subsequent to the measurement date (future service). The calculations take into account the amounts for compensation for retirement required by law 2112/20 and information regarding active employees in December of 2006.

To perform the calculations we had to make assumptions regarding information affecting the results of the measurement such as the discount interest rate and future increase of salaries and wages. Those assumptions were made in accordance with IAS 19 and further to the agreement of the company's management.

That liability as at 31/12/2006 is analysed as follows:

	THE GROUP	THE COMPANY
Balance as at 30 June 2005	**1.115.924**	**1.115.924**
Additional provisions for the year	555.507	555.507
Used provisions in the year	(324.279)	(324.279)
Balance as at 30 June 2006	**1.347.152**	**1.347.152**
Additional provisions for the period	145.925	145.925
Used provisions for the period	-	-
Balance as at 31 December 2006	**1.493.077**	**1.493.077**

Respective charges in the profit and loss account for the period 01/07/2006 - 31/12/2006:

	THE GROUP		THE COMPANY	
Account for use in the period	**31.12.06**	**31/12/2005**	**31/12/06**	**31/12/2005**
Cost of current employment	**115.614**	**119.258**	**115.614**	**119.258**
Interest on liability	30.311	25.806	30.311	25.806
Recognition of actuarial loss / (profit)	-	2.020	-	2.020
Ordinary expense in the profit and loss account	**145.925**	**147.084**	**145.925**	**147.084**
Cost of additional benefits	-	-	-	-
Total expense in the profit and loss account	**145.925**	**147.084**	**145.925**	**147.084**

Regarding subsidiary companies, no relevant provision has been made charging equity and results because, considering the number of employees, their salaries and years of service, there is no material impact on the Group.

24. Loan liabilities

Long term loan liabilities of the Group are analysed as follows:

	THE GROUP		THE COMPANY	
Loans	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
(amounts in euro)				
Long term loan liabilities				
Bond loan convertible to shares	42.253.146	-	42.253.146	-
Bond loan non convertible to shares	-	-	-	-
Syndicated loan	62.915.924	61.002.371	62.915.924	61.002.371
Other bank loans	8.140.154	8.058.863	-	-
Liabilities from financial leases	5.531.913	6.041.478	5.510.604	6.029.176
Total	**118.841.137**	**75.102.712**	**110.679.674**	**67.031.547**

24.1 Long term loans

Bond loan convertible to shares

The second Repetitive Extraordinary General Meeting of shareholders of the Company dated 7/6/2006 decided the issue of bond loan convertible in common shares with right of vote, with preference rights of old shareholders of amount up to € 42.432.150,00 (henceforth the «Loan»). Furhtermore, it permitted the Board of Directors of the Company to decide on the specific content of terms of the Loan, by completing according to its judgement, the basic terms that were decided by the General Meeting, with any relevant terms that seem suitable and by determining any specific issue or detail.

The specific minutes from this Annual General Meeting was registered to the Register of the Societe Anonyme of the Ministry of Development on 15/6/2006 and protocol number K2-8738.
According to the provisions of law 3156/2003 and law 2190/1920, as it is in force, the terms of Loan were determined by the above decision of General Assembly of shareholders in combination with the decisions of the Board of Directors dated 31/7/2006 and 6/9/2006 of our Company (henceforth «Terms of Loan»).

These terms are as follows: Nature of Bonds: registered, convertible into common registered shares of the issuer. Number of Bonds convertible in common shares: 4.243.215. Nominal value of Bonds: 10 Euros. Issue price of Bonds: 10 Euros per Bond. Proportion of participation of old shareholders in the issue: 1 bond per 0,07 common registered shares. Forecasted proceeds of issue: € 42.432.150,00. In case the Loan is not covered completely by the old shareholders or other third party investors, the issue will rise up to the amount of paid proceeds. Duration: 7 years. Interest-rate: 0,1% annually. Output in the expiry: 39,62%. Price of settlement of Bonds: 13,962 EUROS.

After the decision of the Board of Directors dated 31/7/2006 the following were settled: Price of Conversion: 9,52 EUROS. Conversion ratio: 1,050420168 common nominal votingshares, with nominal value 1,40 Euros each, per 1 convertible bond.

According to the decision of the Board of Directors dated 03.08.2006 the following were decided: a) Date of preference right 08.08.2006. Beneficiaries of preference rights are the Shareholders on 07.08.2006 b) The dates for trading in the Athens Stock Exchange of the preference rights from 17.08.2006 to 25.08.2006 c) the dates for exercising the preference rights from 17.08.2006 to 31.08.2006. From the date 08.08.2006 the starting price of the company's share in the A.S.E. was formulated according to the regulation of the Athens Stock Exchange.

The issue of the Convertible Bond Loan of the company, was originally covered, for the period from 17.08.2006 to 31.08.2006, by the beneficiaries (by exercising the preference rights) by 83,74% which corresponds to 3.553.333 bonds, with the deposit of € 35.533.330 in the specifc bank account for the purpose of the issue of the company. Furhtermore according to the decision of the Board of Directors from 689.882 undisposed bonds, 6 old requesting shareholders received 6.595 bonds depositing € 65.950. The rest 683.287 undisposed bonds were delivered to bank «EFG Eurobank Ergasias S.A.», which overtook the obligation to cover these bonds by depositing the amount of € 6.832.870 on 08.09.2006.
The above mentioned Convertible Bond Loan was covered by 100% amounting to € 42.432.150, divided into 4.243.215 common nominal bonds, of nominal value € 10,00 each bond.

According to the decision of the Board of Directors dated 6/9/2006, the date of commencement of the loan was settled on 8/9/2006 and the schedule of the loan was approved.

The extraordinary meeting of the Board of Directors dated on 8/9/2006 approved the payment of the total amount of € 42.432.150 of the Convertible Bond Loan. In case that the whole of 4.243.215 bonds of the Loan are converted in shares, 4.457.159 new common nominal shares of the company will be issued, of nominal value € 1,40 each, that will be added in the existing 60.617.358 shares of the company. The total share capital of the company after the increase will amount to € 91.104.323,26 and will be divided in 65.074.517 common nominal shares of nominal value € 1,40 each. The new 4.457.159 shares, will constitute 6,85% of the new total share capital of the company after the increase because of the conversion of all of the bonds into shares.
After the completion of the typical procedures, the multiple papered titles of their bonds, were printed and delivered by the beneficiary shareholders.
According to the IAS 32, that specific loan is a compound financial instrument. The Company implemented retrospectively the provisions of IAS 32 and measured it according to the provisions of this relevant IAS (note 4.12), by transferring the remaining balance (detaxated), from the shed between nominal value of the loan and current value to the allocation «Other reserves».

Bond loan non convertible to shares

According to the decision of the Company Shareholders' General Meeting on 17/12/2003 along with the decision of its Board of Directors on 9/2/2004, a common bond loan amounting to € 45.000.000 was issued. Administrator of the loan was «EFG Telesis Finance Investment Services SA» and «BNP Paribas». The representative who is also authorized for the repayment of the bond holders was the bank «EFG Eurobank Ergasias S.A.».

The parent company which is the issuer, issued up to 31/03/2006 the first series of bonds amounting to € 15.000.000. Based on the loan contract on 12/2/2004 as long as the Company did not issue a second series of bonds amounting to € 30.000.000 and was charged with an inactivity commission at the rate of 0,4% annually on the value of non issued bonds. This loan has been paid on 07/12/2006 totally.

Syndicated loan

On 13/2/2004 and on 24/5/2004 the contracts regarding extension, amendment and re-issuance of the syndicated loan amounting to € 60.000.000 were signed with bank coordinator «BNP Paribas». Its duration was set at five years from 13/2/2004 to 13/2/2009 payable in two installments of which the first amounting to € 20.000.000 in 48 months and the second of € 40.000.000 in 60 months.

The loan is evaluated at the actual interest rate method. On 31/12/2006 the actual annual interest rate is 6,091%.

For the syndicated loan apart from the basic contractual interest rate there is also a margin which is determined based on the following indices on a consolidated basis:

- Net loan liabilities / capital and reserves
- Profits before taxes, interest and depreciation /net interest payable
- Net loan liabilities / profits before taxes, interest and depreciation

The actual interest rate is calculated based on cash flows of loans according to the terms in the contracts in order that interest is allocated to the duration of the loan.

24.2 Financial leases

The Group has signed a financial leasing contract for a building in Pilaia Thessaloniki which is used as a shop as well as for transportation equipment, analysis of which is presented in note 13.
In detail, liabilities from financial leases are analysed as follows:

	THE GROUP		THE COMPANY	
	31/12/2006	30/6/2006	31/12/2006	30/6/2006
Up to 1 year	1.146.776	1.162.146	1.136.501	1.141.417
From 1 to 5 years	5.107.595	5.215.642	5.095.466	5.203.446
After 5 years	1.247.242	1.675.515	1.245.504	1.673.769
	7.501.603	**8.053.303**	**7.477.471**	**8.018.632**
Future debits of financial leases	**(1.150.539)**	**(1.146.363)**	**(1.147.706)**	**(1.142.276)**
Present value of liabilities of financial leases	**6.351.074**	**6.906.940**	**6.329.765**	**6.876.356**

The current value of liabilities of financial leases is:	THE GROUP		THE COMPANY	
	31/12/2006	**30/6/2006**	**31/12/2006**	**30/6/2006**
Up to 1 year	828.235	865.331	819.161	847.048
From 1 to 5 years	4.338.479	4.456.773	4.327.780	4.446.015
After 5 years	1.184.360	1.584.836	1.182.825	1.583.293
	6.351.074	**6.906.940**	**6.329.765**	**6.876.356**

24.3 Short-term loan liabilities / long term liabilities payable in the subsequent year

The Group's current loan liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2006	30/6/2006	31/12/2006	30/6/2006
Bond loan non convertible to shares	-	14.925.593	-	14.925.592
Bank loans payable in the subsequent year	560.933	1.128.108	-	-
Liabilities from financial leases payable in the subsequent year	828.235	865.462	819.161	847.180
Total	**1.389.168**	**16.919.163**	**819.161**	**15.772.772**

25. Other long term liabilities

The Group's Guarantees obtained are analyzed as follows:

(amounts in euro)	THE GROUP		THE COMPANY	
Other long term liabilities	31/12/2006	30/6/2006	31/12/2006	30/6/2006
Guarantees obtained				
Opening balance		1.210		1.210
Additions		44		44
Reductions		-		-
Balance on 30th June 2006		**1.254**		**1.254**
Opening balance	1.254		1.254	
Additions	-		-	
Reductions	-		-	
Balance on 31th December 2006	**1.254**		**1.254**	

26. Provisions

Provisions regarding the Group and the Company are recognized if there are current legal or constructive obligations resulting from past events, with the possibility that they can be settled through outflows of resources and the liability can be reliably estimated.
Provisions concern potential tax obligations of uncontrolled tax uses, juridicial affairs in suspense for which the Company is likely that will not be justified, also scorn of fixed assets. Analysis is as follows:

	THE GROUP				THE COMPANY			
	Provisions for contingent tax liabilities from years uninspected by the tax authorities	**Provisions for pending law cases**	**Provisions for impairment of assets**	**Balance of Group**	**Provisions for contingent tax liabilities from years uninspected by the tax authorities**	**Provisions for pending law cases**	**Provisions for impairment of assets**	**Balance of Company**
Balance as at 1 July 2005	**198.397**	**25.900**	**-**	**224.297**	**198.397**	**25.900**	**-**	**224.297**
Additional provisions for the period	133.689	1.500	81.678	**216.867**	133.689	1.500	81.678	**216.867**
Used provisions for the period	-	-	-	**-**	-	-	-	**-**
Balance as at 30 June 2006	**332.086**	**27.400**	**81.678**	**441.164**	**332.086**	**27.400**	**81.678**	**441.164**
Additional provisions for the period	81.162	-	-	**81.162**	81.162	-	-	**81.162**
Used provisions for the period	-	-	(81.678)	**(81.678)**	-	-	(81.678)	**(81.678)**
Balance as at 31 December 2006	**413.248**	**27.400**	**0**	**440.648**	**413.248**	**27.400**	**0**	**440.648**

27. Trade and other payables

The balance of the account is analyzed as follows:

	THE GROUP		THE COMPANY	
Suppliers and other liabilities (amounts in euro)	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
Suppliers	9.210.741	5.084.017	8.806.306	4.799.015
Bills payable & promissory notes	3.232.875	992.336	3.232.875	992.336
Cheques payable	29.512.500	36.556.749	29.148.438	36.283.159
Advances from trade debtors	997.927	1.528.172	997.927	1.528.172
Total	**42.954.043**	**44.161.274**	**42.185.546**	**43.602.682**

28. Current tax liabilities

The analysis of tax liabilities is as follows:

	THE GROUP		THE COMPANY	
Current tax liabilities (amounts in euro)	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
Expense for tax corresponding to the period	13.474.659	19.914.342	12.711.145	19.011.862
Liabilities from taxes	30.224.845	4.998.615	28.968.142	4.448.109
Total	**43.699.504**	**24.912.957**	**41.679.287**	**23.459.971**

The expense of the tax which is corresponding to the period, includes the deffered tax.

29. Other current liabilities

Other current liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
Other short term liabilities ***(amounts in euro)***	**31/12/2006**	**30/6/2006**	**31/12/2006**	**30/6/2006**
Suppliers of fixed assets	3.162.349	991.944	3.162.349	991.944
Salaries payable to personnel	3.670.215	1.010.682	3.670.215	1.010.682
Sundry creditors	6.130.375	2.748.465	4.840.209	2.450.966
Social security funds	3.145.999	1.083.021	3.088.578	1.063.043
Interest coupons payable	36.929	38.101	36.929	38.101
Dividends payable	14.083.539	141.838	14.083.539	141.838
Accrued expenses	19.804	1.773.253	19.804	1.259.684
Other liabilities	947.501	80.888	947.501	80.888
Total	**31.196.712**	**7.868.192**	**29.849.125**	**7.037.146**

30. Cash flows from operating activities

	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2006	31/12/2006	31/12/2005
<u>**Cash flows from operating activities**</u>				
Net profit for the period	**39.669.117**	**28.054.822**	**32.799.957**	**23.130.808**
Adjustments for:				
Income taxes	13.555.821	11.305.465	12.792.307	10.568.905
Depreciation of non current assets	4.341.031	4.233.059	3.945.382	3.858.169
Pension liability provisions (net)	145.925	121.278	145.925	121.278
Other provisions	79.433	66.784	79.433	66.784
(Profit)/loss from sales of non current assets	22.221	-	22.221	-
Interest and related income	(943.461)	(344.031)	(661.951)	(228.301)
Interest and related expenses	3.570.300	3.134.826	3.277.394	2.747.682
Other Exchange Differences	(73.569)	-	(73.569)	-
Operating profit before change in working capital	**60.366.817**	**46.572.203**	**52.327.098**	**40.265.325**
Change in working capital				
(Increase)/decrease in inventories	19.006.746	(231.939)	19.110.290	(165.820)
(Increase)/decrease in trade and other receivables	1.037.813	1.523.526	188.834	285.162
(Increase)/decrease in other current assets	(82.653)	1.278.915	(82.653)	1.278.915
Increase/(decrease) in trade payables	19.990.110	2.213.455	18.320.965	448.123
Other	(40.509)	(2.307.467)	(40.006)	(136.713)
	39.911.507	**2.476.490**	**37.497.430**	**1.709.667**
Cash flows from operating activities	**100.278.324**	**49.048.693**	**89.824.528**	**41.974.992**

31. Contingent assets - liabilities

The Company has been inspected by the tax authorities until 30/06/2003.
The years for which the mother company has not been tax audited by the authorities are : 30/06/2004, 30/06/2005 and 30/06/2006 have not been inspected by the tax authorities, while regular tax returns inspection is in progress for the years ended at 30/06/2004 and 30/6/2005.
Since the outcome of the tax inspection can not be predicted at this point, it has been conducted a provision for contingent tax liabilities which could occur from the relevant tax inspection (note 26).

The subsidiary company JUMBO TRADING LTD which operates in Cyprus, has been inspected by the tax authorities until 31/12/2004. The subsidiary company JUMBO TRADING LTD prepares its financial statements in compliance with IFRS and consequently it charges its results with relevant provisions for unispected tax years, whenever necessary. It is noted that due to the fact that the Cypriot tax authorities operate in a different fashion, consequently tax calculations are conducted differently, enabling companies to conduct more precisely tax provisions.
The subsidiary companies established in Bulgaria and in Romania during current period, have not commenced their activity yet and therefore there is no case of uninspected tax years.

32. Transactions with related parties

The Company participates at the rate of 100% in the share capital of the companies JUMBO TRADING LTD, JUMBO EC.B LTD and JUMBO EC.R LTD .
In the current period, only the Cypriot company JUMBO TRADING LTD has operating activities, while the other two which, have not performed any trading activities yet.
The following transactions were carried out with the affiliated undertakings:

Sales/ (purchases) of merchandise	**31/12/2006**	**31/12/2005**
Sales of JUMBO SA to JUMBO TRADING LTD	7.381.668	6.322.061
Purchases by JUMBO SA from JUMBO TRADING LTD	187.568	361.036
	7.569.235	**6.683.097**

Net balance arising from transactions with the subsidiary companies	**31/12/2006**	**30/6/2006**
Amounts owed to JUMBO SA from JUMBO TRADING LTD	3.487.648	1.546.677
Amounts owed by JUMBO SA to JUMBO TRADING LTD	187.568	21.105
	3.675.216	**1.567.782**
Amounts owed to JUMBO SA by JUMBO EC.B LTD	15	4.157.076
Amounts owed by JUMBO SA to JUMBO EC.B LTD	-	-
	15	**4.157.076**
Amounts owed to JUMBO SA by JUMBO EC.R LTD	201.123	-
Amounts owed by JUMBO SA to JUMBO EC.R LTD	-	-
	201.123	**-**

The above transactions and balances have been set off from the consolidated financial statements of the Group. Additionally, the terms of the transactions with the above related parties are equal to the ones applicable for transactions on a purely trading basis (upon substantiation of terms). Further to the above disclosed transactions and balances as well as any other which is included to other notes which are imposed by other IASs, there are no other transactions with other related parties.

For the year 2006/2007 gross fees have been preauthorised for the five (5) members of the Board of Directors, who are not related in any employment commitment contract with the company, after the consensus of the annual general shareholders meeting that took place in 6/12/2006 gross fees amount of €565.543.

The gross fees paid for the period 1/7/2006-31/12/2006 as a whole came up to the amount of 295.087 €. The above fees payments are included in the Company´s administrative expenses in the profit and loss account.

Other members of the Board of Directors and specifically the commissioned Advisor, the Vice President and the legal advisor of the company have an employment contract and they are paid salaries which are included in the Company's administrative expenses. Total salaries for the above persons plus the respected employer salary taxes obligations for the period 01/07/2006 – 31/12/2006 came up to the amount of € 199.504, with minimum salary € 8.000 and maximum salary € 9.000, compared to the amounts of previous period, which were € 146,307

Regarding the subsidiary Jumbo Trading Ltd the members of the Board of Directors who are employed contracts with the company, received for services rendered during the period 01/07/2006 - 31/12/2006, the amount of € 183.119 (i.e. CYP 105.587), while in the previous period they had received € 133.698 (CYP 76.653). These fees are included in administrative expenses, in the profit and loss account.

33. Lawsuits and legal litigations

Since the company's establishment up today, no one termination activity procedure took place.
There are no lawsuits or legal litigations that might have significant effect on the financial position or profitability of the Group

34. Number of employees

At 31st of December 2006, the Group employed 3.328 individuals as staff, of which 1.664 is permanent staff and 1.664 is extra staff. The average number of staff for the six-month period of 2006, was 2.249 individuals, (1.615 as permanent and 634 as extra staff).

35. Events subsequent to the balance sheet date

At JUMBO S.A. parent company tax regular inspection is in progress for the years ended 30/06/2004 and 30/6/2005.
As it has been reported, the company proceeded to the closure of the Ekali and Psychiko stores. The stop of the operation of these two stores has no effect to the sales' increase according to the management's estimations for the current year.