



**FOURLIS HOLDINGS AE**

**REG. NO: 13110/06/B/86/01**

**OFFICES: 340 KIFISSIAS AVENUE – 154 51 N. PSYCHIKO**

**CONDENSED FINANCIAL STATEMENTS**  
**For the nine month period**  
**from 1/1/2007 until 30/09/2007**

The attached Interim Financial Statements for the nine month period, are those that were approved by the Board of Directors of “FOURLIS HOLDINGS AE” on 26/11/2007 and have been published by posting on the Internet at the web address [www.fourlis.gr](http://www.fourlis.gr).

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The attached financial statements on pages 3 to 17, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, have been approved by the Board of Directors on 26/11/2007 and are signed by:

Chairman

CEO

Chief Accountant

Vassilios St. Fourlis

Apostolos D. Petalas

Sotirios I Mitrou

**INCOME STATEMENTS CONSOLIDATED AND THE COMPANY FOR THE NINE MONTH  
PERIOD ENDED 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006**

(in thousands of Euro, unless otherwise stated)

		<b>Consolidated</b>				<b>Parent Company</b>			
	<b>Note</b>	<b>9MFY07</b>	<b>Q3FY07</b>	<b>9MFY06</b>	<b>Q3FY06</b>	<b>9MFY07</b>	<b>Q3FY07</b>	<b>9MFY06</b>	<b>Q3FY06</b>
Revenue		433.771	164.630	329.184	128.412	-	-	-	-
Cost of Goods Sold		(303.229)	(114.226)	(230.286)	(90.016)	-	-	-	-
<b>Gross profit</b>		<b>130.542</b>	<b>50.404</b>	<b>98.898</b>	<b>38.396</b>	-	-	-	-
Other operating income	10	19.570	6.846	16.813	12.380	11.581	4.270	11.177	10.776
Distribution expenses		(75.651)	(30.836)	(59.604)	(23.354)	-	-	-	-
Administrative expenses		(17.594)	(5.486)	(14.806)	(4.949)	(1.146)	(316)	(798)	(289)
Other operating expenses		(4.870)	(2.259)	(3.105)	(1.292)	(559)	(167)	(33)	-
<b>Operating profit</b>		<b>51.997</b>	<b>18.669</b>	<b>38.196</b>	<b>21.181</b>	<b>9.876</b>	<b>3.787</b>	<b>10.346</b>	<b>10.487</b>
Net financial (expenses) - income		(5.075)	(2.136)	(4.414)	(1.777)	187	141	(241)	(97)
Income from associate companies		-	-	-	-	15.526	-	8.323	-
<b>Profit before tax</b>		<b>46.922</b>	<b>16.533</b>	<b>33.782</b>	<b>19.404</b>	<b>25.589</b>	<b>3.928</b>	<b>18.428</b>	<b>10.390</b>
Income tax expense		(13.360)	(4.864)	(12.787)	(6.692)	(2.792)	(1.022)	(115)	1
<b>Profit for the period</b>		<b>33.562</b>	<b>11.669</b>	<b>20.995</b>	<b>12.712</b>	<b>22.797</b>	<b>2.906</b>	<b>18.313</b>	<b>10.391</b>
<b>Attributable to:</b>									
Parent company		33.354	11.502	21.174	12.832	22.797	2.906	18.313	10.391
Minority interest		208	167	(179)	(120)	-	-	-	-
<b>Net Profit for the period</b>		<b>33.562</b>	<b>11.669</b>	<b>20.995</b>	<b>12.712</b>	<b>22.797</b>	<b>2.906</b>	<b>18.313</b>	<b>10.391</b>
<b>Basic earnings per share (in Euro):</b>									
Basic earnings per share		0,65	0,23	0,42	0,25	0,45	0,06	0,36	0,20

The attached notes on pages 8 to 17 are an integral part of the Interim Financial Statements

**BALANCE SHEETS (CONSOLIDATED AND PARENT COMPANY) AS AT 30 SEPTEMBER 2007 AND 31 DECEMBER 2006**

(in thousands of Euro, unless otherwise stated)

	Note	Consolidated		Parent Company	
		30/09/2007	31/12/2006	30/09/2007	31/12/2006
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	120.102	101.874	66	53
Intangible assets		4.586	4.325	20	15
Investment Property	7	23.560	-		
Investments	8	95	1.079	90.634	90.633
Long Term receivables		7.175	6.815	176	174
Deferred taxes	13	1.180	987		-
<b>Total non-current assets</b>		<b>156.698</b>	<b>115.080</b>	<b>90.896</b>	<b>90.875</b>
<b>Current assets</b>					
Inventory		80.916	72.997		-
Income tax receivable	13	9.380	5.610	2.502	778
Trade receivables		121.311	113.095	73	259
Other receivables		17.533	4.592	111	424
Cash and cash equivalent	9	53.162	25.544	22.884	128
<b>Total current assets</b>		<b>282.302</b>	<b>221.838</b>	<b>25.570</b>	<b>1.589</b>
<b>Non-current assets classified as available for sale</b>	10	4.144	49.552	4137	20.004
<b>Total Assets</b>		<b>443.144</b>	<b>386.470</b>	<b>120.603</b>	<b>112.468</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Interest bearing loans and borrowings	12	102.970	103.408		0
Employee retirement benefits		1.390	1.119	11	8
Provisions		209	107		0
Deferred taxes		1.977	5.171	54	2.653
Other non-current liabilities		161	160	161	158
<b>Total Non-current liabilities</b>		<b>106.707</b>	<b>109.965</b>	<b>226</b>	<b>2.819</b>
<b>Current liabilities</b>					
Interest bearing loans and borrowings	12	55.684	34.874	0	8.121
Current portion of non-current interest bearing loans and borrowings	12	2658	2.777		0
Income tax payable	13	20.382	11.049	5374	0
Trade and other payables		119.099	113.606	180	330
<b>Total current liabilities</b>		<b>197.823</b>	<b>162.306</b>	<b>5.554</b>	<b>8.451</b>
<b>Total Liabilities (a)</b>		<b>304.530</b>	<b>272.271</b>	<b>5.780</b>	<b>11.270</b>
<b>Equity</b>					
Share capital		50.953	50.953	50953	50.953
Share premium reserve		11.875	11.875	12208	12.208
Reserves		50.343	49.291	27984	27.976
Retained earnings		25.170	1.946	23678	10.061
<b>Total equity attributable to equity holders of the parent (b)</b>		<b>138.341</b>	<b>114.065</b>	<b>114.823</b>	<b>101.198</b>
Minority interest (c)		273	134		0
<b>Total Equity (d)=(b)+(c)</b>		<b>138.614</b>	<b>114.199</b>	<b>114.823</b>	<b>101.198</b>
<b>Total equity and liabilities</b>		<b>443.144</b>	<b>386.470</b>	<b>120.603</b>	<b>112.468</b>

The attached notes on pages 8 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF CONSOLIDATED MOVEMENT IN EQUITY AS AT 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006**

(in thousands of Euro, unless otherwise stated)

Consolidated									
	Share Capital	Share premium reserve	Reserves	Revaluation reserve	Foreign exchange defences from B/S translation reserve	Retained earnings / (Accumulated losses)	Total	Minority interest	Total Equity
<b>Balance as at 1/1/2006</b>	<b>50.953</b>	<b>11.931</b>	<b>29.144</b>	<b>18.641</b>	<b>181</b>	<b>(16.877)</b>	<b>93.973</b>	<b>378</b>	<b>94.351</b>
Profit for the period						21.174	21.174	(179)	20.995
Dividend distribution						(7.643)	(7.643)	(86)	(7.729)
Reserves		(56)	968			(967)	(55)	(1)	(56)
Foreign exchange defences from B/S translation					127		127		127
Revaluation reserve							-		-
<b>Balance as at 30/09/2006</b>	<b>50.953</b>	<b>11.875</b>	<b>30.112</b>	<b>18.641</b>	<b>308</b>	<b>(4.313)</b>	<b>107.576</b>	<b>112</b>	<b>107.688</b>
<b>Balance as at 1/1/2007</b>	<b>50.953</b>	<b>11.875</b>	<b>30.111</b>	<b>18.641</b>	<b>539</b>	<b>1.946</b>	<b>114.065</b>	<b>134</b>	<b>114.199</b>
Profit for the period						33.354	33.354	208	33.562
Dividend distribution						(9.171)	(9.171)	(69)	(9.240)
Reserves			1.057			(1.057)	-		-
Net Income recorded directly in net equity						98	98		98
Foreign exchange defences from B/S translation					(5)		(5)		(5)
<b>Balance as at 30/09/2007</b>	<b>50.953</b>	<b>11.875</b>	<b>31.168</b>	<b>18.641</b>	<b>534</b>	<b>25.170</b>	<b>138.341</b>	<b>273</b>	<b>138.614</b>

The attached notes on pages 8 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF MOVEMENT IN EQUITY (PARENT COMPANY) AS AT 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006**

(in thousands of Euro, unless otherwise stated)

Parent Company					
	Share Capital	Share premium reserve	Reserves	Retained earnings / (Accumulated losses)	Total
<b>Balance as at 1/1/2006</b>	<b>50.953</b>	<b>12.208</b>	<b>27.934</b>	<b>712</b>	<b>91.807</b>
Profit for the period				18.313	<b>18.313</b>
Dividend distribution				(7.643)	<b>(7.643)</b>
Reserve			42	(42)	
<b>Balance as at 30/09/2006</b>	<b>50.953</b>	<b>12.208</b>	<b>27.976</b>	<b>11.340</b>	<b>102.477</b>
<b>Balance as at 1/1/2007</b>	<b>50.953</b>	<b>12.208</b>	<b>27.976</b>	<b>10.061</b>	<b>101.198</b>
Profit for the period				22.797	22.797
Dividend distribution				(9.172)	(9.172)
Buy back shares					
Reserve			8	(8)	0
<b>Balance as at 30/09/2007</b>	<b>50.953</b>	<b>12.208</b>	<b>27.984</b>	<b>23.678</b>	<b>124.823</b>

The attached notes on pages 8 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF CASH FLOWS (CONSOLIDATED AND PARENT COMPANY) FOR THE  
NINE MONTH PERIOD ENDED 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006**

((in thousands of Euro, unless otherwise stated))

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>9MFY07</b>	<b>9MFY07</b>	<b>9MFY07</b>	<b>9MFY07</b>
<b>Operating Activities</b>				
<b>Net profit before taxes</b>	<b>46.922</b>	<b>33.782</b>	<b>25.589</b>	<b>18.428</b>
Movements:				
Depreciation	5.607	5.191	21	25
Provisions	16.191	(1.450)	93	(10.612)
Foreign exchange differences	188	(49)	-	-
Results (Income, expenses, profit and loss) from investment activity	(11.964)	(1.285)	(26.775)	(8.323)
Interest expense	6.326	5.697	96	241
<b>Plus / less adjustments for changes in working capital related to the operating activities:</b>	<b>63.270</b>	<b>41.886</b>	<b>(976)</b>	<b>(241)</b>
Decrease / (Increase) in inventory	(7.810)	11.269		
Decrease / (Increase) in trade and other receivables	(30.476)	(4.188)	(894)	(21)
(Decrease) / Increase in liabilities	(2.900)	(36.514)	(314)	(136)
<b>Less:</b>				
Interest paid	(6.118)	(5.475)	(96)	(241)
Income taxes paid	(9.858)	(16.643)	(211)	(128)
<b>Net cash generated from operations (a)</b>	<b>6.108</b>	<b>(9.665)</b>	<b>(2.491)</b>	<b>(767)</b>
<b>Επενδυτικές δραστηριότητες</b>				
Acquisition of subsidiaries, affiliates, joint ventures and other investments	(4.094)	-	(633)	-
Purchase of tangible and intangible fixed assets	(24.417)	(7.672)	(39)	-
Proceeds from the sale of tangible and intangible fixed assets	387	608	-	-
Interest received	627	1.282	282	1
Proceeds from dividends	426	-	15.526	8.323
Proceeds from the sale of investment	37.503	-	27.397	
<b>Total inflow / (outflow) from investing activities (b)</b>	<b>10.432</b>	<b>(5.782)</b>	<b>42.533</b>	<b>8.324</b>
<b>Financing activities</b>				
Proceeds from issued loans	274.963	662.597	31.370	107.082
Loans paid off	(252.567)	(624.373)	(39.490)	(106.842)
Payments of leasing liabilities	(2.100)	(2.131)	-	-
Paid-in dividends	(9.235)	(7.673)	(9.166)	(7.638)
<b>Total inflow / (outflow) from financing activities (c)</b>	<b>11.061</b>	<b>28.420</b>	<b>(17.286)</b>	<b>(7.398)</b>
<b>Net increase / (reduction) in cash and cash equivalents for the period (a) + (b) + (c)</b>	<b>27.601</b>	<b>12.973</b>	<b>22.756</b>	<b>159</b>
Cash and cash equivalents at the beginning of the period	25.544	8.396	128	90
Effect of foreign exchange differences on Cash	17	15	-	-
<b>Closing balance, cash and cash equivalents</b>	<b>53.162</b>	<b>21.384</b>	<b>22.884</b>	<b>249</b>

The attached notes on pages 8 to 17 are an integral part of the Condensed Financial Statements



## **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED)**

### **1. Incorporation and activities of the Group**

#### **1.1. General Information**

FOURLIS HOLDINGS AE with the common use title of FOURLIS AE was incorporated in 1950 as A. FOURLIS AND CO., and from 1966 operated as FOURLIS BROS AEBE (Government Gazette, AE and EPE issue 618/13.06.1966). It was renamed to FOURLIS HOLDING AE by a decision of an Extraordinary Shareholders' Meeting on 10.03.2000, which was approved by decision K2-3792/25-04-2000 of the Ministry of Development.

Note that the Shareholders' Meeting also approved the conversion of the Company to a holding company and thus also approved the change in its scope.

The head office of the Company is located at the 340 Kifissias Avenue, N. Pshchiko. It is registered in the Company's Register of the Ministry of Development with registration number 13110/06/B/86/01.

The Company's term, in accordance with its Articles of Incorporation, was originally set at 30 years. In accordance with a decision of the Extraordinary Meeting of the Shareholders on 19.02.1988, the term was extended for a further 30 years i.e. to 2026.

The current Board of Directors of the parent company is as follows:

- Vassilios St. Furlis, Chairman, executive member
- Alexandros Il. Furlis, Vice Chairman, executive member
- Apostolos D. Petalas, Managing Director, executive member
- Dafni A. Furlis, member, executive member
- Odysseus K. Dimitriades, member, non executive member
- Ioannis Ev. Brebos, member, non executive member
- Ioannis K. Papaioannou, independent member, non executive member
- Eftihios Th. Vassilakis, independent member, non executive member
- Ioannis Ath. Kostopoulos independent member, non executive member

The total number of employees of the Group as at 30/06/2007 and 30/06/2006 was 2.032 and 1.715 respectively. The total number of employees of the Company as at 30/06/2007 and 30/06/2006 was 5 and 3 respectively.

## 1.2. Activities

The Company's activities are the investment in domestic and foreign companies of all types. Furthermore, it purchases companies and participates in other companies' increases in share capital.

FOURLIS HOLDINGS AE also provides general administration services, treasury management and information technology services.

The Group companies included in the consolidated financial statements and the percentage shareholdings are:

GENCO TRADE S.R.L.	Bucharest, Romania	100,00%	Fully consolidated
GENCO BULGARIA L.T.D.	Sofia, Bulgaria	100,00%	Fully consolidated
PRIME TELECOM AE	Athens	82,91%	Fully consolidated
HOUSEMARKET AE	Athens	100,00%	Fully consolidated
FOURLIS TRADE AEBE	Athens	100,00%	Fully consolidated
INTERSPORT ATHLETICS AE	Athens	100,00%	Fully consolidated
EUROELECTRONICS A.E. *	Athens	78,53%	Fully consolidated
SERVICE ONE A.E. *	Athens	99,00%	Fully consolidated
TRADE LOGISTICS ABETE *	Athens	100,00%	Fully consolidated
H.M HOUSE MARKET (CYPRUS) LTD *	Nicosia, Cyprus	100,00%	Fully consolidated
RENTIS A.E *	Athens	100,00%	Fully consolidated
INTERSPORT ATLETICS (CYPRUS) LTD*	Nicosia, Cyprus	100,00%	Fully consolidated
SPEEDEX A.E.	Athens	49,527%	Net equity method

\*Companies with an indirect holding

## 2. Basis of preparation

The attached Interim Parent Company and Consolidated Financial Statements (herein referred to as the "Financial Statements") have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". The Financial Statements have been prepared on the historical cost basis, except for the valuation of various assets and liabilities, which are at fair value, and on a going, concern basis.

## 3. Significant accounting policies

The accounting policies and valuation methods adopted and followed are the same as those in the published Financial Statements as at 31/12/2006.

Note that because the Interim Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", they do not contain all the information required by the year-end financial statements and should be read in conjunction with the Group's published financial statements as at 31/12/2006 which have been uploaded to the internet at the address [www.fourlis.gr](http://www.fourlis.gr).

For purposes of better information, specific accounts of the interim financial statements have been reclassified and the respective accounts of the previous financial period have been reformed accordingly for comparison reasons.

#### 4. Management's estimates

The preparation of interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions, which may affect the amounts recorded as assets, liabilities, income and expenses during the period, as well as the disclosures for contingent assets and liabilities. The use of available information and the application of judgment are an integral part in the determination of estimates. The actual final outcomes may vary from the above estimates.

Management's estimates are constantly re-evaluated in accordance with historical data and future expectations, and are judged in accordance with present conditions.

#### 5. Segment information

The Group's activities comprise mainly one geographical area, that of the wider European region, and mainly in Greece and also in countries of Southeastern Europe, therefore the main financial interest is concentrated in the business classification of the Group's activities, where the different economic environments comprise different risks and rewards. The Group is active in Greece and the Balkan countries (Romania and Bulgaria) and Cyprus.

The results of the Group by those segments for the nine months period ended 30 September 2007 and 30 September 2006 are as follows:

1/1 – 30/9	Trading of Electrical – Electronic Equipment		Furniture and Household Goods		Sportswear		Unallocated		Consolidated	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Revenue	227.380	159.158	166.370	138.010	40.021	32.016	0	0	433.771	329.184
Cost of goods sold	(188.748)	(133.989)	(93.992)	(79.814)	(20.489)	(16.483)	0	0	(303.229)	(230.286)
<b>Gross margin</b>	<b>38.632</b>	<b>25.169</b>	<b>72.378</b>	<b>58.196</b>	<b>19.532</b>	<b>15.533</b>	<b>0</b>	<b>0</b>	<b>130.542</b>	<b>98.898</b>
Other operating income	6.626	5.169	1.373	807	442	109	11.129	10.728	19.570	16.813
Distribution expenses	(25.517)	(19.519)	(37.551)	(29.042)	(12.583)	(11.043)	0	0	(75.651)	(59.604)
Administrative expenses	(6.563)	(6.529)	(6.980)	(5.848)	(2.907)	(1.633)	(1.144)	(797)	(17.594)	(14.807)
Other operating expenses	(2.370)	(1.337)	(1.061)	(1.396)	(320)	(339)	(1.119)	(33)	(4.870)	(3.105)
<b>Operating profit before financing costs</b>	<b>10.808</b>	<b>2.953</b>	<b>28.159</b>	<b>22.717</b>	<b>4.164</b>	<b>2.627</b>	<b>8.866</b>	<b>9.898</b>	<b>51.997</b>	<b>38.195</b>
Net financing costs	(1.631)	(1.325)	(3.248)	(2.425)	(382)	(424)	186	(241)	(5.075)	(4.415)
<b>Profits before taxes</b>	<b>9.177</b>	<b>1.628</b>	<b>24.911</b>	<b>20.292</b>	<b>3.782</b>	<b>2.203</b>	<b>9.052</b>	<b>9.657</b>	<b>46.922</b>	<b>33.780</b>
Depreciation	1.062	1.099	3.601	3.307	923	761	21	25	5.607	5.192

The movement in Assets and Liabilities as at 30 September 2007 and 31 December 2006 in the above mentioned segments is analysed as follows:

	Trading of Electrical – Electronic Equipment		Furniture and Household Goods		Sportswear		Unallocated		Consolidated	
	30.09.07	31.12.06	30.09.07	31.12.06	30.09.07	31.12.06	30.09.07	31.12.06	30.09.07	31.12.06
Total assets	181.425	187.843	196.350	158.000	33.116	24.163	32.253	16.464	443.144	386.470
Total liabilities	137.238	137.350	132.451	102.400	29.060	21.251	5.781	11.270	304.530	272.271

## 6. Property, plant and equipment

Property, plant and equipment additions for the nine month period of 2007 are analyzed as follows:

	Group
<b>Cost at 31/12/2006</b>	134.083
Additions	23.821
Transfers cost	(678)
<b>Cost at 30/9/2007</b>	<b>157.226</b>
<b>Accumulated depreciation at 31/12/2006</b>	(32.209)
Depreciation	(5.097)
Decreases - Transfers	182
<b>Accumulated depreciation 30/9/2007</b>	<b>(37.124)</b>
<b>Net book value 30/9/2007</b>	<b>120.102</b>

The assets of the group are free of mortgages and pre-notations. During the current period a subsidiary of the Group realized capital gain of EUR 200 thousand from the sale of an asset (building), which was recorded in other operating profit. The additions of the current period concern mainly establishment of new store and land purchasing.

## 7. Investment property

During the current period was recorded in <<Investment property>>, a subsidiary's plot of land (EUR 23.560 thousand), which was previously recorded in <<Non-current assets classified as available for sale>>. The classification in <<Investment property>> was decided because the subsidiary has the real estate investments as main activity.

## 8. Investments

1) During the second quarter of 2007 recorded 4,04% increase of the investment in the affiliate company ATC ABETE or EUR 464 thousand. During the third quarter of 2007, there were sold 90.775 shares of the affiliate company ATC ABETE, out of total 113.775 shares. The total value of the shares sold were EUR 218 thousand and the realised capital loss was EUR 156 thousand. The remaining 10% participation stake

in the share capital of the company, has a value of EUR 95 thousand and it is recorded in <<Investments>>.

2) The subsidiary company AUTOMATE A.E. was not included in the consolidated financials due to the fact that it is under consolidation procedures, according to the decision of the General Assembly Meeting. On 31/12/2006 the company had negative shareholders equity (EUR 99 thousand) (read accordingly the change in equity of the current period) and the Total Assets was EUR 76 thousand.

3) The 100% subsidiary's subsidiary company Rentis A.E. was consolidated as at 30/9/2007 which was established from the 100% subsidiary H.M HOUSEMARKET (CYPRUS) L.T.D.

## **9. Cash and cash equivalent**

Cash and cash equivalent represent cash in hand of the companies of the Group as well as bank deposits available at any time.

## **10. Non current assets available for sale**

The non current assets available for sale are analyzed as follows:

1) During the current period, the put option with a company of DIXONS Group, for the 10% investment in P. Kotsovolos AEBE was exercised. From the above mentioned sale, a capital gain of Euro 17.630 thousand was realized. Part of this capital gain in the amount of Euro 10.625 thousand, was recorded in the income statement of financial year 2006, based on the minimum guaranteed price according to the contractual obligation between the two parties. The remaining part of the capital gain in the amount of 7.005 thousand, was recorded in other operating income of the period 1/1 - 30/6/2007. It is noted that the capital gain from this sale was recorded after deducting the amount of Euro 600 thousand, according to a contractual obligation, that is now irrevocably defined. This contractual obligation concerns the tax audit of the financial years before the date of the sale of P. Kotsovolos AEBE.

The value of the investment for the remaining 10% in P. Kotsovolos AEBE, recorded in non current assets available for sale after the exercise of the put option, is Euro 4.089 thousand. The put option for the remaining 10% investment, can be exercised between the years 2008 and 2009.

2) Establishment of the company I FLEX Solutions S.A.. in which Fourlis Holdings S.A. participates with 32,15% and the total investment value is Euro 189 thousand. 24,15% of I FLEX Solutions S.A. was sold during the third quarter of 2007 and the total value derived from the sale was Euro 4.259 thousand with Euro 4.117 thousand capital gain. The remaining 8% participation or Euro 47 thousand remained in <<non current assets available for sale>> .

**From the sale part of the investment in the companies I FLEX Solutions and ATC ABETE, derived capital gain of** Euro 3.961 thousand for the Company and Euro 3.332 thousand for the Group. The difference from the consolidated result is due to the fact, that the company ATC ABETE was consolidated through net equity method and out of the recorded profit was reversed the un realized one. The derived capital gain and loss was recorded gross in <<other operating income>>.

3) During the present period, plot of land of a subsidiary, which was recorded with value Euro 29.546 thousand was sold. The selling price was Euro 31.230 thousand.

## 11. Dividends

During the present financial period there was recorded in the parent's company financials, income from approved dividends, derived from subsidiaries in the amount of Euro 15.526 thousand.

The Regular Annual General Assembly Meeting of 22/06/2007 approved total dividend distribution for the financial year 2006 EUR 0,31 per share. Note that it has been already distributed pre dividend for the financial year 2006 EUR 0,13 per share, which was recorded during financial year 2006.

## 12. Borrowings

Borrowings are analyzed as follows:

	Consolidated		Parent Company	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
<b>Non-current borrowings</b>				
Long Term Loans	77.892	76.351	0	0
Finance Leases	27.736	29.834	0	0
	105.628	106.185	0	0
Less: Non-current borrowings payable within the following 12 months	(2.658)	(2.777)	0	0
	<b>102.970</b>	<b>103.408</b>	<b>0</b>	<b>0</b>
<b>Current borrowings</b>	<b>55.684</b>	<b>34.874</b>	<b>0</b>	<b>8.121</b>

The repayment period of non-current loans is varied between 2 and 5 years and the average effective interest rate of the Group during the the nine month period of 2007 was 4,90%.

Non current loans cover mainly expansion needs of the Group and are analyzed into bond loans and other non current loans as follows:

		Amount	Issuing Date	Drawdown Date	Duration
FOURLIS TRADE A.E.B.E.	Bond	10.000	5/12/2006	8/12/2006	3 years from the issuing date
	Bond	13.500	19/6/2006	19/6/2006	3 years from the issuing date
	Bond	10.000	16/12/2005	19/12/2005	3 years from the issuing date
	Bond	5.000	13/12/2006	27/12/2006	3 years from the issuing date
	Bond	3.000	9/11/2005	24/11/2005	3 years from the issuing date
		<b>41.500</b>			
PRIME TELECOM AE	Bond	3.000	15/12/2006	15/12/2006	3 years from the issuing date
		<b>3.000</b>			
SERVICE ONE A.E.	Bond	1.500	13/12/2006	21/12/2006	3 years from the issuing date
		<b>1.500</b>			
H.M. HOUSE MARKET (CYPRUS) LTD	Other	CYP 17.171	25/10/2006	25/10/2006	3 years from the issuing date
		<b>29.392</b>			
INTERSPORT ATHLETICS A.E.	Bond	2.500	16/3/2005	18/3/2005	3 years from the issuing date
		<b>2.500</b>			

(in thousands of Euro, unless otherwise stated)

Total current loans of the group concerns mainly overdraft bank accounts which they are used as working capital for the activities of the Company. The drawn amounts are used mainly to cover short term needs to suppliers. The weighted average interest rate of short term loans was approximately 5,70% for the first nine months of 2007.

### 13. Income taxes

The income Tax rate will be 25% for the financial year 2007 and onwards, from 29% for the financial year 2006.

Greek tax legislation and the relevant regulations are subject to interpretations by the tax authorities. The tax returns are filed on an annual basis but the profits or losses declared, remain provisional up until the time when the company's tax returns, as well as the books and records are examined by the tax authorities. Tax losses, to the extent they are recognized by the tax authorities may be used to set-off profits of the following five years.

The parent company and its subsidiaries have not been audited by the tax authorities for the following years:

	Years
FOURLIS HOLDINGS S.A.	2005 & 2006
FOURLIS TRADE A.E.B.E.	2005 & 2006
HOUSEMARKET AE	2005 & 2006
INTERSPORT ATHLETICS AE	2006
EUROELECTRONICS A.E.	2006
SERVICE ONE A.E.	2001 - 2006
AUTOMATE AE	2003 - 2006
PRIME TELECOM AE	2000 - 2006
GENCO TRADE S.R.L.	1999 - 2006
GENCO BULGARIA L.T.D.	2001 - 2006
TRADE LOGISTICS A.E.B.E	2006
H.M HOUSEMARKET (CYPRUS) LTD	-
RENTIS A.E	-
INTERSPORT ATHLETICS (CYPRUS) LTD	-
SPEEDEX AE	2005-2006

The tax audit of a subsidiary for the financial years 2003, 2004 and 2005 was finalised during the current period. Tax audit differences of Euro 352 thousand derived from the above mentioned tax audit and it was recorded in income tax of the period. Tax audit for the subsidiary company HOUSEMARKET A.E. began during the third quarter of 2007 concerning the financial years 2005 and 2006 .

## 14. Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of during the period / year. The weighted average number of shares as at 30 September 2007 and 30 September 2006 is 50.952.920 shares.

	Consolidated		Parent Company	
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
Profits after Taxes (in million EUR)	33.354	21.174	22.797	18.313
Weighted average number of shares	50.952.920	50.952.920	50.952.920	50.952.920
Profits per share (in EUR)	0,65	0,42	0,45	0,36

## 15. Commitments and Contingencies

- The company has issued letters of guarantee for its associated companies SPEEDEX AE and ATC AE for short term loans and participation in tenders amounting to Euro 3.621 thousand and 2.800 thousand respectively.
- The Group has issued letters of guarantee for its subsidiaries abroad guaranteeing liabilities amounting to Euro 11.500 thousand and CYP 15.000 thousand Euro 27.600 thousand and CYP 20.000 thousand.
- The Group has issued letters of guarantee for its subsidiaries FOURLIS TRADE AEBE PRIME TELECOM AE, SERVICE ONE AE and TRADE LOGISTICS A. E. guaranteeing liabilities amounting Euro 10.000 thousand., Euro 1.500 thousand., Euro 2.000 thousand., and Euro 11.160 thousand respectively.
- There is a contractual obligation until 2009 to sell the residual percentage in P. KOTSOVOLOS AEBE following its classification as available for sale.
- A subsidiary of the Group is investing in warehouse buildings. The total investment is Euro 25.000 thousand approximately. During the current period was recorded the 1/5<sup>th</sup> of the total investment.
- During the financial year 2008, a subsidiary of the Group will realize capital expenditures participating in the construction of a store, amounting approximately Euro 10.000 thousand, according to contractual obligation.



## 15. Related parties transactions

The parent company provides advice and services in the areas of General Administrative and Treasury Management to its subsidiaries. The analysis of the related party receivables and payables as at 30 September 2007 and 31 December 2006 is as follows:

Receivables from :	Consolidated		Parent Company	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
FOURLIS TRADE AEBE	0	0	7	7
EUROELECTRONICS AE	0	0	5	5
HOUSEMARKET AE	0	0	30	30
INTERSPORT AE	0	0	18	6
GENCO BULGARIA	0	0	9	9
SPEDEX AE	4	195	0	189
<b>Total</b>	<b>4</b>	<b>195</b>	<b>69</b>	<b>246</b>

Payables to :	Consolidated		Parent Company	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
SPEDEX AE	26	37	0	1
PRIME TELECOM	0	0	0	1
<b>Total</b>	<b>26</b>	<b>37</b>	<b>0</b>	<b>2</b>

Related party transactions as at 30 September 2007 and 30 September 2006 are as follows:

Income :	Consolidated		Parent Company	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Other operating income	0	1	453	449
Revenues	4	0	0	0
<b>Total</b>	<b>4</b>	<b>1</b>	<b>453</b>	<b>449</b>

Expenses	Consolidated		Parent Company	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Administrative expenses	16	16	5	2
Operating and Distribution expenses	75	46	0	0
<b>Total</b>	<b>91</b>	<b>62</b>	<b>5</b>	<b>2</b>

During the nine month period of 2007 fees paid to members of the Board of Directors for their services to the company were as follows:

	Consolidated		Parent Company	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Fees to the Board of Directors	842	697	24	14
Top management remuneration	560	663	298	357
<b>Total</b>	<b>1.402</b>	<b>1.360</b>	<b>322</b>	<b>371</b>

Related parties transactions follow general commercial rules. During the nine month period of 2007, the following related parties transactions between the parent company and the subsidiaries were realised:

	Consolidated		Parent Company	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Revenue	5.249	4.269	0	0
Cost of sales	3.610	2.734	0	0
Other Income	1.450	1.284	453	449
Administrative expenses	1.184	1.028	3	1
Operating and Distribution expenses	1.899	1.704	0	0
Paid in Dividends	15.526	8.637	15.526	8.323

	Consolidated		Parent Company	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Trade receivables	1.786	1.446	68	60
Inventory	133	155	0	0
Trade Paybles	1.786	1.474	0	1

## 17. Subsequent events

Do not exist subsequent events