



FOURLIS HOLDINGS AE

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

OFFICES: 340 KIFISSIAS AVENUE – 154 51 N. PSYCHIKO

INTERIM CONDENSED FINANCIAL STATEMENTS
For the six month period
from 1/1/2007 until 30/06/2007

The attached Interim Financial Statements for the six month period, are those that were approved by the Board of Directors of "FOURLIS HOLDINGS AE" on **27/08/2007** and have been published by posting on the Internet at the web address www.fourlis.gr.

| | |
|---|----|
| INCOME STATEMENTS CONSOLIDATED AND THE COMPANY FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2007 AND 30 JUNE 2006 | 3 |
| BALANCE SHEETS (CONSOLIDATED AND PARENT COMPANY) AS AT 30 JUNE 2007 AND 30 JUNE 2006 | 4 |
| STATEMENTS OF CONSOLIDATED MOVEMENT IN EQUITY AS AT 30 JUNE 2007 AND 30 JUNE 2006 | 5 |
| STATEMENTS OF MOVEMENT IN EQUITY (PARENT COMPANY) AS AT 30 JUNE 2007 AND 30 JUNE 2006 | 6 |
| STATEMENTS OF CASH FLOWS (CONSOLIDATED AND PARENT COMPANY) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2007 AND 30 JUNE 2006 | 7 |
| NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED) | 8 |
| Report on Review of Interim Financial Information | 20 |

The attached financial statements on pages 3 to 19, 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 27/08/2007 and are signed by:

Chairman

Managing Director

General Manager

Chief Accountant

Vassilios St. Furlis

Apostolos D. Petalas

Ioannis A. Kolitsis

Sotirios I Mitrou

**INCOME STATEMENTS CONSOLIDATED AND THE COMPANY FOR THE SIX MONTHS
PERIOD ENDED 30 JUNE 2007 AND 30 JUNE 2006**

(in thousands of Euro, unless otherwise stated)

| | | Consolidated | | | | Parent Company | | | |
|--|------|---------------|---------------|---------------|---------------|----------------|--------------|--------------|--------------|
| | Note | H1FY07 | Q2FY07 | H1FY06 | Q2FY06 | H1FY07 | Q2FY07 | H1FY06 | Q2FY06 |
| Revenue | 5 | 269.141 | 143.550 | 200.772 | 108.031 | 0 | 0 | 0 | 0 |
| Cost of Goods Sold | 5 | (189.004) | (101.192) | (140.269) | (75.320) | 0 | 0 | 0 | 0 |
| Gross profit | | 80.137 | 42.358 | 60.503 | 32.711 | 0 | 0 | 0 | 0 |
| Other operating income | | 12.724 | 2.940 | 4.433 | 2.584 | 7.312 | 150 | 401 | 244 |
| Distribution expenses | | (44.815) | (23.630) | (36.250) | (19.068) | | | 0 | 0 |
| Administrative expenses | | (12.108) | (5.557) | (9.857) | (5.403) | (830) | (524) | (509) | (264) |
| Other operating expenses | | (2.611) | (1.459) | (1.813) | (1.355) | (392) | (12) | (33) | (33) |
| Operating profit | | 33.327 | 14.652 | 17.016 | 9.469 | 6.090 | (386) | (141) | (53) |
| Net financial (expenses) - income | | (2.938) | (1.083) | (2.638) | (1.621) | 45 | 140 | (143) | (61) |
| Income from associate companies | 9 | 0 | 0 | 0 | 0 | 15.526 | 757 | 8.323 | 0 |
| Profit before tax | | 30.389 | 13.569 | 14.378 | 7.848 | 21.661 | 511 | 8.039 | (114) |
| Income tax expense | 11 | (8.496) | (3.710) | (6.095) | (3.711) | (1.772) | (23) | (117) | (122) |
| Profit for the period | | 21.893 | 9.859 | 8.283 | 4.137 | 19.889 | 488 | 7.922 | (236) |
| Attributable to: | | | | | | | | | |
| Parent company | | 21.853 | 9.829 | 8.343 | 4.228 | 19.889 | 488 | 7.922 | (236) |
| Minority interest | | 40 | 30 | (60) | (91) | 0 | 0 | 0 | 0 |
| Net Profit for the period | | 21.893 | 9.859 | 8.283 | 4.137 | 19.889 | 488 | 7.922 | (236) |
| Basic earnings per share (in Euro): | | | | | | | | | |
| Basic earnings per share | 12 | 0,43 | 0,19 | 0,16 | 0,08 | 0,39 | 0,01 | 0,16 | 0,00 |

The attached notes on pages 8 to 19 are an integral part of the Financial Statements

**BALANCE SHEETS (CONSOLIDATED AND PARENT COMPANY) AS AT 30 JUNE 2007
AND 30 JUNE 2006**

(in thousands of Euro, unless otherwise stated)

| | Note | Consolidated | | Parent Company | |
|--|------|----------------|----------------|----------------|----------------|
| | | 30/06/2007 | 31/12/2006 | 30/06/2007 | 31/12/2006 |
| Assets | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 6 | 115.565 | 101.874 | 66 | 53 |
| Intangible assets | | 4.116 | 4.325 | 21 | 15 |
| Investments | 7 | 1.098 | 1.079 | 91.007 | 90.633 |
| Long Term receivables | | 7.132 | 6.815 | 174 | 174 |
| Deferred taxes | | 853 | 987 | | 0 |
| Total non-current assets | | 128.764 | 115.080 | 91.268 | 90.875 |
| Current assets | | | | | |
| Inventory | | 71.917 | 72.997 | 0 | 0 |
| Income tax receivable | | 8.355 | 5.610 | 1.479 | 778 |
| Trade receivables | | 110.351 | 113.095 | 74 | 259 |
| Other receivables | | 6.903 | 4.592 | 1.606 | 424 |
| Cash and cash equivalent | 9 | 48.104 | 25.544 | 27.411 | 128 |
| Total current assets | | 245.630 | 221.838 | 30.570 | 1.589 |
| Non-current assets classified as available for sale | 8 | 34.272 | 49.552 | 4.279 | 20.004 |
| Total Assets | | 408.666 | 386.470 | 126.117 | 112.468 |
| Liabilities | | | | | |
| Non-current liabilities | | | | | |
| Interest bearing loans and borrowings | 10 | 114.986 | 103.408 | 0 | 0 |
| Employee retirement benefits | | 1.330 | 1.119 | 9 | 8 |
| Provisions | | 322 | 107 | 0 | 0 |
| Deferred taxes | | 2.609 | 5.171 | 53 | 2.653 |
| Other non-current liabilities | | 159 | 160 | 159 | 158 |
| Total Non-current liabilities | | 119.406 | 109.965 | 221 | 2.819 |
| Current liabilities | | | | | |
| Interest bearing loans and borrowings | 10 | 29.636 | 34.874 | 0 | 8.121 |
| Current portion of non-current interest bearing loans and borrowings | 10 | 2.612 | 2.777 | 0 | 0 |
| Income tax payable | | 19.930 | 11.049 | 4.481 | 0 |
| Trade and other payables | | 109.585 | 113.606 | 9.499 | 330 |
| Total current liabilities | | 161.763 | 162.306 | 13.980 | 8.451 |
| Total Liabilities (a) | | 281.169 | 272.271 | 14.201 | 11.270 |
| Equity | | | | | |
| Share capital | | 50.953 | 50.953 | 50.953 | 50.953 |
| Share premium reserve | | 11.875 | 11.875 | 12.208 | 12.208 |
| Reserves | | 50.894 | 49.291 | 27.984 | 27.976 |
| Retained earnings | | 13.669 | 1.946 | 20.771 | 10.061 |
| Total equity attributable to equity holders of the parent (b) | | 127.391 | 114.065 | 111.916 | 101.198 |
| Minority interest (c) | | 106 | 134 | 0 | 0 |
| Total Equity (d)=(b)+(c) | | 127.497 | 114.199 | 111.916 | 101.198 |
| Total equity and liabilities | | 408.666 | 386.470 | 126.117 | 112.468 |

The attached notes on pages 8 to 19 are an integral part of the Financial Statements

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

(in thousands of Euro, unless otherwise stated)

| Consolidated | | | | | | | | | |
|---|---------------|-----------------------|---------------|---------------------|---|--|----------------|-------------------|----------------|
| | Share Capital | Share premium reserve | Reserves | Revaluation reserve | Foreign exchange differences from B/S translation reserve | Retained earnings / (Accumulated losses) | Total | Minority interest | Total Equity |
| Balance as at 1/1/2006 | 50.953 | 11.931 | 29.144 | 18.641 | 181 | (16.877) | 93.973 | 378 | 94.351 |
| Profit for the period | | | | | | 8.343 | 8.343 | (60) | 8.283 |
| Dividend distribution | | | | | | (7.643) | (7.643) | (86) | (7.729) |
| Reserves | | | 968 | | | (968) | 0 | 0 | 0 |
| Foreign exchange differences from B/S translation | | | | | 91 | | 91 | | 91 |
| Revaluation reserve | | | | | | | | | |
| Balance as at 30/06/2006 | 50.953 | 11.931 | 30.112 | 18.641 | 272 | (17.145) | 94.764 | 232 | 94.996 |
| Balance as at 1/1/2007 | 50.953 | 11.875 | 30.111 | 18.641 | 539 | 1.946 | 114.065 | 134 | 114.199 |
| Profit for the period | | | | | | 21.853 | 21.853 | 40 | 21.893 |
| Dividend distribution | | | | | | (9.172) | (9.172) | (68) | (9.240) |
| Reserves | | | 1.057 | | | (1.057) | 0 | | 0 |
| Net Income recorded directly in net equity | | | | | | 99 | 99 | 0 | 99 |
| Foreign exchange differences from B/S translation | | | | | 546 | | 546 | | 546 |
| Balance as at 30/06/2007 | 50.953 | 11.875 | 31.168 | 18.641 | 1.085 | 13.669 | 127.391 | 106 | 127.497 |

The attached notes on pages 8 to 19 are an integral part of the Financial Statements

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

(in thousands of Euro, unless otherwise stated)

| | Parent Company | | | | |
|-------------------------------------|------------------|-----------------------------|---------------|---|----------------|
| | Share Capital | Share premium reserve | Reserves | Retained earnings / (Accumulated losses) | Total |
| Balance as at 1/1/2006 | 50.953 | 12.208 | 27.934 | 712 | 91.807 |
| Profit for the period | | | | 7.922 | 7.922 |
| Dividend distribution | | | | (7.643) | (7.643) |
| Reserve | | | 42 | (42) | 0 |
| Balance as at 30/06/2006 | 50.953 | 12.208 | 27.976 | 949 | 92.086 |
| Balance as at 1/1/2007 | 50.953 | 12.208 | 27.976 | 10.061 | 101.198 |
| Profit for the period | | | | 19.889 | 19.889 |
| Dividend distribution | | | | (9.171) | (9.171) |
| Buy back shares | | | | | |
| Reserve | | | 8 | (8) | 0 |
| Balance as at 30/06/2007 | 50.953 | 12.208 | 27.984 | 20.771 | 111.916 |

The attached notes on pages 8 to 19 are an integral part of the Financial Statements

STATEMENTS OF CASH FLOWS (CONSOLIDATED AND PARENT COMPANY) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2007 AND 30 JUNE 2006

(in thousands of Euro, unless otherwise stated)

| | Consolidated | | Parent Company | |
|--|---------------------|----------------|-----------------------|----------------|
| | H1FY07 | H1FY06 | H1FY07 | H1FY06 |
| Operating Activities | | | | |
| Net profit before taxes | 30.389 | 14.378 | 21.661 | 8.039 |
| Movements: | | | | |
| Depreciation | 3.663 | 3.427 | 17 | 17 |
| Provisions | 7.456 | 4.914 | 362 | 3 |
| Foreign exchange differences | 287 | (5) | 0 | 0 |
| Results (Income, expenses, profit and loss) from investment activity | (7.541) | (634) | (22.671) | (8.323) |
| Interest expense | 4.136 | 3.643 | 95 | 143 |
| Plus / less adjustments for changes in working capital related to the operating activities: | | | | |
| Decrease / (Increase) in inventory | 1.813 | 9.429 | 0 | 0 |
| Decrease / (Increase) in trade and other receivables | (2.178) | 10.105 | (897) | (18) |
| (Decrease) / Increase in liabilities | (18.330) | (36.248) | (146) | (133) |
| Less: | | | | |
| Interest paid | (3.736) | (3.430) | (95) | (143) |
| Income taxes paid | (4.424) | (12.354) | (84) | (129) |
| Net cash generated from operations | 11.535 | (6.775) | (1.758) | (544) |
| Investment activities | | | | |
| Acquisition of subsidiaries, affiliates, joint ventures and other investments | (1.079) | 0 | (633) | 0 |
| Proceeds from the sale of investment | 23.026 | 0 | 22.920 | 0 |
| Purchase of tangible and intangible fixed assets | (17.413) | (2.722) | (35) | 0 |
| Proceeds from the sale of tangible and intangible fixed assets | 370 | 620 | | 0 |
| Interest received | 340 | 626 | 140 | 1 |
| Proceeds from dividends | | 0 | 14.769 | 8.323 |
| Total inflow / (outflow) from investing activities (b) | 5.244 | (1.476) | 37.161 | 8.324 |
| Financing activities | | | | |
| Proceeds from issued loans | 187.818 | 426.403 | 24.050 | 87.407 |
| Loans paid off | (180.746) | (415.521) | (32.170) | (94.642) |
| Payments of leasing liabilities | (1.444) | (1.402) | 0 | 0 |
| Total inflow / (outflow) from financing activities © | 5.628 | 9.480 | (8.120) | (7.235) |
| Net increase / (reduction) in cash and cash equivalents for the period (a) + (b) + © | 22.407 | 1.229 | 27.283 | 545 |
| Cash and cash equivalents at the beginning of the period | 25.544 | 8.396 | 128 | 90 |
| Effect of foreign exchange differences on Cash | 153 | 12 | 0 | 0 |
| Closing balance, cash and cash equivalents | 48.104 | 9.637 | 27.411 | 635 |

The attached notes on pages 8 to 19 are an integral part of the 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 |
| INTERSPORT ATLETICS (CYPRUS) LTD* | Nicosia, Cyprus | 100,00% | Fully consolidated |
| A.T.C. ABETE | Athens | 49,467% | Net equity method |
| SPEDEX 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.

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. Geographically, the Group's operations derive 91% from Greece and 9% from the Balkans (Romania and Bulgaria).

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

| 1/1 – 30/6 | Trading of Electrical – Electronic Equipment | | Furniture and Household Goods | | Sportswear | | Unallocated | | Consolidated | |
|--|---|---------------|----------------------------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Revenue | 143.359 | 98.370 | 99.799 | 81.903 | 25.983 | 20.499 | 0 | 0 | 269.141 | 200.772 |
| Cost of sales | (119.568) | (82.169) | (56.321) | (47.654) | (13.115) | (10.446) | 0 | 0 | (189.004) | (140.269) |
| Gross margin | 23.791 | 16.201 | 43.478 | 34.249 | 12.868 | 10.053 | 0 | 0 | 80.137 | 60.503 |
| Other operating income | 5.003 | 3.617 | 412 | 678 | 298 | 35 | 7.011 | 103 | 12.724 | 4.433 |
| Distribution expenses | (16.097) | (12.534) | (20.467) | (16.709) | (8.251) | (7.007) | 0 | 0 | (44.815) | (36.250) |
| Administrative expenses | (5.168) | (4.381) | (4.317) | (3.790) | (1.794) | (1.179) | (829) | (507) | (12.108) | (9.857) |
| Other operating expenses | (1.350) | (1.038) | (703) | (614) | (236) | (127) | (322) | (34) | (2.611) | (1.813) |
| Operating profit before financing costs | 6.179 | 1.865 | 18.403 | 13.814 | 2.885 | 1.775 | 5.860 | (438) | 33.327 | 17.016 |
| Net financing costs | (705) | (756) | (2.070) | (1.461) | (208) | (278) | 45 | (143) | (2.938) | (2.638) |
| Profits before taxes | 5.474 | 1.109 | 16.333 | 12.353 | 2.677 | 1.497 | 5.905 | (581) | 30.389 | 14.378 |
| Depreciation | 760 | 735 | 2.271 | 2.192 | 615 | 483 | 17 | 17 | 3.663 | 3.427 |

The movement in Assets and Liabilities as at 30 June 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 | |
|-------------------|---|----------|----------------------------------|----------|------------|----------|-------------|----------|--------------|----------|
| | 30.06.07 | 31.12.06 | 30.06.07 | 31.12.06 | 30.06.07 | 31.12.06 | 30.06.07 | 31.12.06 | 30.06.07 | 31.12.06 |
| Total assets | 183.270 | 187.843 | 160.710 | 158.000 | 26.102 | 24.163 | 38.584 | 16.464 | 408.666 | 386.470 |
| Total liabilities | 135.680 | 137.350 | 109.140 | 102.400 | 21.892 | 21.251 | 14.457 | 11.270 | 281.169 | 272.271 |

6. Property, plant and equipment

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

| | Group |
|---|-----------------|
| Cost at 31/12/2006 | 134.083 |
| Additions | 17.198 |
| Transfers cost | (349) |
| Cost at 30/6/2007 | 150.932 |
| | |
| Accumulated depreciation at 31/12/2006 | (32.209) |
| Depreciation | (3.278) |
| Decreases - Transfers | 120 |
| Accumulated depreciation 30/6/2007 | (35.367) |
| Net book value 30/6/2007 | 115.565 |

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. Investments

During the current period was recorded increase of investment in ATC ABETE 4,04% and the percentage became 49,47% from 45,43%. The purchasing price that was paid for the additional was EUR 464 thousand.

Moreover the 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.

8. 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.

3) Plot of land that belongs to a subsidiary.

9. 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

10. Borrowings

Borrowings are analyzed as follows:

| | Consolidated | | Parent Company | |
|--|----------------|----------------|----------------|--------------|
| | 30/06/2007 | 31/12/2006 | 30/06/2007 | 31/12/2006 |
| Non-current borrowings | | | | |
| Long Term Loans | 89.198 | 76.351 | 0 | 0 |
| Finance Leases | 28.400 | 29.834 | 0 | 0 |
| | 117.598 | 106.185 | 0 | 0 |
| <u>Less:</u> Non-current borrowings payable within the following 12 months | (2.612) | (2.777) | 0 | 0 |
| | 114.986 | 103.408 | 0 | 0 |
| Current borrowings | 29.636 | 34.874 | 0 | 8.121 |

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 first quarter of 2007 was 4,80%.

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

| | | <u>Amount</u> | <u>Issuing Date</u> | <u>Drawdown Date</u> | <u>Duration</u> |
|---------------------------------------|-------|---------------------------|---------------------|----------------------|-------------------------------|
| 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 |
| | | 41.500 | | | |
| PRIME TELECOM AE | Bond | 3.000 | 15/12/2006 | 15/12/2006 | 3 years from the issuing date |
| | | 3.000 | | | |
| SERVICE ONE A.E. | Bond | 1.500 | 13/12/2006 | 21/12/2006 | 3 years from the issuing date |
| | | 1.500 | | | |
| HOUSE MARKET A.E. | Bond | 15.000 | 28/4/2006 | 28/4/2006 | 3 years from the issuing date |
| | | 15.000 | | | |
| H.M. HOUSE MARKET (CYPRUS) LTD | Other | 25.698 (CYP 15.000) | 25/10/2006 | 25/10/2006 | 3 years from the issuing date |
| | | 25.698 | | | |
| INTERSPORT ATHLETICS A.E. | Bond | 2.500 | 19/6/2006 | 18/3/2005 | 3 years from the issuing date |
| | | 2.500 | | | |

(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 six months of 2007.

11. 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 AE ΣΥΜΜΕΤΟΧΩΝ | 2005 και 2006 |
| FOURLIS TRADE A.E.B.E. | 2005 και 2006 |
| HOUSEMARKET AE | 2005 και 2006 |
| INTERSPORT ATHLETICS AE | 2006 |
| EUROELECTRONICS A.E. | 2006 |
| SERVICE ONE A.E. | 2001 έως και 2006 |
| AUTOMATE AE | 2003 έως και 2006 |
| PRIME TELECOM AE | 2000 έως και 2006 |
| GENCO TRADE S.R.L. | 1999 έως και 2006 |
| GENCO BULGARIA L.T.D. | 1999 έως και 2006 |
| TRADE LOGISTICS A.E.B.E | 2006 |
| H.M HOUSEMARKET (CYPRUS) LTD | - |
| INTERSPORT ATHLETICS (CYPRUS) LTD | - |
| A.T.C. ABETE | 2003 έως και 2006 |
| 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.

12. 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 June 2007 and 30 June 2006 is 50.952.920 shares.

| | Consolidated | | Parent Company | |
|--------------------------------------|--------------|------------|----------------|------------|
| | 30/06/2007 | 30/06/2006 | 30/06/2007 | 30/06/2006 |
| Profits after Taxes (in million EUR) | 21.853 | 8.343 | 19.889 | 7.922 |
| Weighted average number of shares | 50.952.920 | 50.952.920 | 50.952.920 | 50.952.920 |
| Profits per share (in EUR) | 0,43 | 0,16 | 0,39 | 0,16 |

13. 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.
- 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 500 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 will construct within 2007 a logistic center of approximately Euro 25.000 thousand total investment. During the current period it has been realised the 1/6 of the total investment cost.
- According to contractual obligation of operating leasing (for the land portion), the Group will construct a building in Cyprus in which will operate the IKEA Cyprus store. The total capital expenditure for the financial year 2007 will be approximately Euro 23.000 thousand. During the current period it has been realised the 1/2 of the total investment cost.
- During the current financial year, 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.

14. 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 June 2007 and 31 December 2006 is as follows:

| Receivables from : | Consolidated | | Parent Company | |
|--------------------|--------------|------------|----------------|------------|
| | 30/6/2007 | 31/12/2006 | 30/6/2007 | 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 | 9 | 6 |
| GENCO BULGARIA | 0 | 0 | 8 | 9 |
| ATC AE | 30 | 27 | 0 | 0 |
| SPEEDEX AE | 0 | 194 | 0 | 189 |
| AUTOMATE A.E | 4 | 0 | 4 | 4 |
| Total | 34 | 221 | 63 | 250 |

| Payables to : | Consolidated | | Parent Company | |
|---------------|--------------|------------|----------------|------------|
| | 30/6/2007 | 31/12/2006 | 30/6/2007 | 31/12/2006 |
| ATC AE | 18 | 327 | 0 | 4 |
| SPEEDEX AE | 29 | 37 | 0 | 1 |
| PRIME TELECOM | 0 | 0 | 1 | 1 |
| Total | 47 | 364 | 1 | 6 |

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

| Income : | Consolidated | | Parent Company | |
|------------------------|---------------------|------------------|-----------------------|------------------|
| | 30/6/2007 | 30/6/2006 | 30/6/2007 | 30/6/2006 |
| Other operating income | 1 | 2 | 301 | 298 |
| Revenues | 5 | 1 | 0 | 0 |
| Total | 6 | 3 | 301 | 298 |

| Expenses | Consolidated | | Parent Company | |
|-------------------------------------|---------------------|------------------|-----------------------|------------------|
| | 30/6/2007 | 30/6/2006 | 30/6/2007 | 30/6/2006 |
| Administrative expenses | 97 | 88 | 2 | 19 |
| Operating and Distribution expenses | 97 | 110 | 0 | 0 |
| Total | 194 | 198 | 2 | 19 |

During the six 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 | |
|--------------------------------|---------------------|------------------|-----------------------|------------------|
| | 30/6/2007 | 30/6/2006 | 30/6/2007 | 30/6/2006 |
| Fees to the Board of Directors | 865 | 789 | 14 | 10 |
| Top management remuneration | 427 | 371 | 197 | 161 |
| Total | 1.292 | 1.160 | 211 | 171 |

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

| | Consolidated | | Parent Company | |
|-------------------------------------|---------------------|------------------|-----------------------|------------------|
| | 30/6/2007 | 30/6/2006 | 30/6/2007 | 30/6/2006 |
| Revenue | 2.456 | 3.391 | 0 | 0 |
| Cost of sales | 1.323 | 2.381 | 0 | 0 |
| Other Income | 989 | 843 | 301 | 298 |
| Administrative expenses | 808 | 635 | 1 | 1 |
| Operating and Distribution expenses | 1.164 | 117 | 0 | 0 |
| Other Expenses | 70 | 0 | 0 | 0 |
| Paid in Dividends | 15.526 | 8.637 | 15.526 | 8.323 |

| | Consolidated | | Parent Company | |
|-------------------|--------------|------------|----------------|------------|
| | 30/06/2007 | 31/12/2006 | 30/06/2007 | 31/12/2006 |
| Trade receivables | 1.523 | 1.446 | 59 | 60 |
| Inventory | 35 | 155 | 0 | 0 |
| Trade Paybles | 1.524 | 1.474 | 1 | 1 |

15. Subsequent events

On July 3rd 2007 signed an agreement for the sale of 22% of a plot of land that belongs to a subsidiary and it is recorded as non current asset available for sale.

On August 22nd 2007 signed an agreement for the sale of 24,15% of I FLEX Solutions S.A. and it is recorded as non current asset available for sale.

Report on Review of Interim Financial Information

(Translated from the original in Greek)

To the Shareholders of
FOURLIS HOLDINGS S.A.

Introduction

We have reviewed the accompanying Stand Alone and Consolidated Balance Sheet of FOURLIS HOLDINGS S.A. (the "Company") as at 30 June 2007, the related Stand Alone and Consolidated Statements of Income, Changes in Equity and Cash Flows for the six-month period then ended and a summary of explanatory notes (the "Interim Financial Information"). Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with International Financial Reporting Standards adopted by the European Union applicable to Interim Financial Information (IAS 34). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as specified by Greek Auditing Standards. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information as at 30 June 2007 is not prepared, in all material respects, in accordance with International Financial Reporting Standards adopted by the European Union applicable to Interim Financial Information (IAS 34).

Matter of emphasis

Without qualifying our review report, we draw attention to note 11 to the attached Interim Financial Information that explains that the tax obligations of the Group have not yet been audited by the tax authorities for certain years and accordingly its tax obligations for those years are not considered final. The outcome of a tax audit can not presently be determined.

Athens, 28 August 2007
SOL A.E. Certified Auditors

KPMG Kyriacou Certified Auditors A.E.

Vasileos D. Papageorgakopoulos
Certified Auditor Accountant
AM SOEL 11681

Nick Vouniseas
Certified Auditor Accountant
AM SOEL 18701

FOURLIS
GROUP OF COMPANIES

Interim condensed financial statements – for the six months period ended 30 June 2007

