



"FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME. "

REG. NO.: 3027701000

23RD KM ATHENS – LAMIA HIGHWAY 145 65, AG. STEFANOS, ATTICA

ANNUAL FINANCIAL STATEMENTS

FOR THE PERIOD 01.01.2013 TO 31.12.2013

PURSUANT TO LAW 3556/2007

THE ATTACHED FINANCIAL STATEMENTS FOR THE PERIOD 01.01.2013-31.12.2013 WERE APPROVED BY THE COMPANY'S BOARD OF DIRECTORS ON MARCH 28TH OF 2014 AND WERE PUBLISHED BY BEING POSTED IN THE INTERNET, AT WWW.FOLLIFOLLIEGROUP.COM. They HAVE BEEN TRANSLATED FROM THE ORIGINAL STATUTORY FINANCIAL STATEMENTS THAT HAVE BEEN PREPARED IN THE GREEK LANGUAGE. IN THE EVENT THAT DIFFERENCES EXIST BETWEEN THIS TRANSLATION AND THE ORIGINAL GREEK LANGUAGE FINANCIAL STATEMENTS, THE GREEK LANGUAGE FINANCIAL STATEMENTS WILL PREVAIL OVER THIS DOCUMENT.

ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 01.01-31.12.2013

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(THE AMOUNTS IN ALL TABLES ARE EXPRESSED IN EURO)

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GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD 01.01.-31.12.2013

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A. STATEMENT OF THE BOARD OF DIRECTORS, ACCORDING TO LAW 3556/2007

Under the aforementioned status, especially being assigned for this purpose by the Board of Directors of the Societe Anonyme under the name "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME", from now on called "Folli Follie Group.", we declare and confirm that, to the best of our knowledge:

(i): the Group's Full Year 2013 Financial Report, which has been conducted in accordance with the International Accounting Standards in effect, gives a true and fair view of the assets, liabilities, equity and financial results of the Company and the Group as well as of the companies that are included in the consolidation taken as a whole, in accordance with § 3-5 of article 5 of Law 3556/2007.

(ii): the Group's Full Year 2013 report of the Board of Directors reflects in a true development, performance and position of Folli Follie Group and the companies included in consolidation as a whole, including the description of principal risks and uncertainties faced.

Agios Stefanos, March 28, 2014

The members of the Board of Directors:

1. Dimitrios Koutsolioutsos, Chairman – Executive Member of the Board of Directors
2. George Koutsolioutsos, C.E.O. – Executive Member of the Board of Directors
3. Emmanouil Zachariou, - Deputy C.E.O.-General Manager, Executive Member of the Board of Directors

B. ANNUAL BOARD OF DIRECTORS' MANAGEMENT REPORT

FOR THE PERIOD 01.01-31.12.2013

The present Board of Directors' Financial Report for the period 01.01.2013-31.12.2013 was prepared according to the provisions of §6 article 5 of L. 3556/2007 as well as the relevant executive decisions 7/448/11.10.2007 and 1/434/3-7-2007 issued by the Board of Directors of Hellenic Capital Market Commission.

The Annual 2013 Financial Report of the Company and the Group has been conducted according to International Accounting Standards adopted by the European Union as well as International Financial Reporting Standards. The report presents the assets, liabilities, equity and the financial performance of in the period considered.

The report also includes a description of the basic risks and uncertainties the group's companies may face and finally significant transactions between the issuer and its related parties are also presented. In order to provide a comprehensive briefing on the activity the company "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME" and its Group.

The present report includes along with the Company's financial statements for the Full Year 2013 other information and statements required by law in and is divided into the following sections:

I. Review for the Full Year 2013

Consolidated results (Continuing operations)

in €m

	FY 2013	FY 2012	
P&L Statement	Continuing operations	Continuing operations	cng %
Sales Revenue	887.407	809.729	9,6%
Gross profits	446.788	405.089	10,3%
Operating profits (EBIT)	166.606	108.233	53,9%
Profit before taxes, financing and investing results, depreciation and	186.596	129.079	44,6%

More detailed, revenues (continued operations) reached €887.4 million in 2013, from €809.7 million in 2012, increased by 9.6%. EBITDA reached €186.6 million from €129.1 million, increased by 44.6%.

FF GROUP operates in four core business segments:

- a) The design, processing and marketing of jewellery, watches and other similar accessories (bags, belts, pashminas, sunglasses, small leather goods, etc.)

- b) Travel Retail, including duty free and duty paid sales, conducted at airports, stations, ports, and border stations (This operation is not consolidated after the first quarter of 2013)
- c) The operation of department stores and outlets
- d) Wholesale and retail of branded clothing and footwear and
- e) Other activities.

Details of the respective operating segment

a) Jewellery - Watches - Accessories

This segment deals with the design, manufacture, processing and marketing of jewellery, watches and other similar fashion accessories like handbags, small leather goods, belts, pashminas and sunglasses.

The Commercial Group's activities include wholesale and retail products primarily under the brand Folli Follie in 27 countries. In addition, through its subsidiary company Links (London) Limited, products are available through an extensive network of outlets across Europe, Middle East, Africa and North America and wholesale at selected outlets internationally.

b) Travel Retail

The Group's travel retail operation includes duty free and duty paid sales at airport terminals, border stations and ports in Greece, sales of duty paid products at retail points that allow to purchase products even for those customers not travelling, through the subsidiary company "HELLENIC DISTRIBUTIONS S.A." and wholesale of goods of traditional products of travel goods to embassies and armed forces.

The duty-free sales are made solely by the parent company of the Group, to departing passengers from third countries, within customs controlled areas, airports, ports and border stations, according to the current legislation and customs regulations.

This operation has 97 shops in 47 locations (25 airports, 11 border stations and 11 ports). Especially at the Athens International Airport, the Company operates a total of twenty two (22) shops on the premises to departing travellers. The subsidiary "Hellenic Distributions S.A.", operates a total of 16 stores, 10 of them at the Athens International Airport.

(This operation is not consolidated after the first quarter 2013)

c) Department Stores

The Group operates through the subsidiary "Attica Department Stores S.A." three department stores, under the brand name "attica". The largest department store is located in the city centre of Athens, another attica department store is located at the mall "Golden Hall" and at the third attica is inside the mall "Mediterranean Cosmos" near Thessaloniki, the second largest city in Greece. . Further to this, the operation of two discount department stores under the brand name "Factory Outlet" at Piraeus Street and at the commercial park of Athens International Airport.

d) Retail-Wholesale

The Retail-Wholesale sector is operated by the Group's subsidiaries Elmec Romania SRL, Folli Follie Bulgaria EOOD, Logistics Express S.A., Ice Cube S.A., Collective Patras S.A., Moustakis S.A.

The Group's retail distribution network covers more than 30.000 m² in the three countries, Greece, Romania and Bulgaria.

This activity includes the following:

- i. Wholesale of clothing, shoes and accessories. The collaborations includes: sports apparel and footwear collections, general active wear and street wear, clothing, footwear and fashion accessories (fashion), children's clothing, footwear, travel goods and perfumes.
- ii. Retail sale of footwear and clothing accessories for mono-brand/ and multi-brand) retail apparel, footwear-accessories and perfumes.

e) Other activities

The sector includes diverse activities of the Group.

The Group represents the brand TechnoGym in Greece which is a leading manufacturer of sports and fitness equipment.

In addition, the Group deals with surveillance and security systems. Yacht Yards Planaco, located on the island of Aegina complements the other activities of the Group.

Sales per segment

SALES PER SEGMENT(post eliminations)				
(Continuing operations)				
in €mil.	2013	2012	% chng	% of total
Jewellery-Watches-Accessories	642,4	583,8	10,0%	72,4%
Department Stores	136,2	123,8	10,0%	15,3%
Retail/Wholesale	106,3	98,4	8,0%	12,0%
Other Activities	2,5	3,7	-32,4%	0,3%
Total	887,4	809,7	9,6%	100,0%

Revenues of the segment "Jewellery-Watches-Accessories" rose during the year 2013 by 10% to €642.4 million compared to €583.8 million in the corresponding year of 2012.

Revenues in "Department Stores" increased during 2013 by 10% with revenues reaching €136.2 million from €123.8 million in the corresponding year 2012.

Subsequently, the sector "Retail and Wholesale" reported for the year 2013 revenues of €106.3 million from €98.4 million in 2012, increased by 8%.

Revenues of "Other Activities" reached in 2013 €2.5 million from €3.7 million in the corresponding year 2012.

Financial Position of the Group and ratios

Liquidity			31.12.2013	31.12.2012
General	Current Assets		3,16	2,26
	Current liabilities			
Direct	(Current Assets-Inventories)		2,38	1,48
	Current liabilities			
Cash	(Cash + Securities)		77,67%	26,11%
	Current liabilities			
Working Capital	(Receivables + Inventories)		507.950.091,72	650.867.129,65
	(Suppliers + Other Current Liabilities)			
Activity				
Velocity of money	Net sales		0,91	1,01
	Current Assets			
Recovery	Average Receivables /	365	163,30	138,93
	Net sales			
Inventory turnover	Cost of goods		1,47	1,54
	Average stock			
days Inventory	Average stock	365	249,00	236,48
	Cost of goods			
Financial				
Indebtedness	International Equity		24,71%	54,51%
	Total Equity			
Loans to Equity	International Equity		0,33	1,20
	Total equity			
Profitability				
Gross profit	Gross profit		50,38%	50,17%
	Sales			
Return on Assets	Net Profit		22,11%	5,27%
	TOTAL ASSETS			
Return on Equity	Net Profit		29,36%	11,58%
	Total equity			

II. Significant events during 2013

After six years of recession the Greek economy shrank by 23 percent and lifted the country's unemployment rate to a record 28 percent after austerity measures were imposed to shore up public finances.

All available data indicate that in 2013 the Greek economy reached a turning point, approaching a state of stability that creates the prerequisites for an exit from the prolonged recession in the coming year. Meanwhile, positive developments are documented (a) in the banking sector, where a stabilization trend has been observed, (b) in the reduction of the increase in unemployment, and (c) in international tourism, where stronger inflow has provided a significant boost to the wider economy.

Economic indicators suggest that the recovery will be driven by corporate activity and the concomitant revival of highly pro-cyclical business investment, while the reduction of consumer spending will continue, but at a significantly slower pace. The decline in private consumption should slow, on the back of less negative developments in the fundamental drivers of consumer spending. Moreover, the support to activity from the export sector should be stronger in 2014 as the favorable momentum in tourism activity will be reinforced by the recovery of the euro area.

Recent data, such as retail sales, car sales, industrial output, construction and manufacturing activity suggest the economy has most probably bottomed out and is set to pull out from recession this year.

Finally, the stabilization of the Greek economy and the estimated marginal positive growth of GDP are expected to affect positively the labor market in 2014. The continuation of the state's privatization program as well as the restart of major infrastructure projects will also contribute to the reduction of unemployment.

12/4/2013 Amendment of corporate name-completion of spin-off

The amendment of the corporate name "DUTY FREE SHOPS SOCIETE ANONYME FOR EXPLOITATION OF DUTY FREE SHOPS AND INDUSTRIAL, MANUFACTURING, TECHNICAL AND COMMERCIAL COMPANY S.A." (with the distinctive title "FOLLI FOLLIE GROUP") into "FOLLI FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL COMPANY S.A." (with the distinctive title "FOLLI FOLLIE GROUP") was approved by G.E.MH (General Electronic Commercial Registry) with protocol number K5-1383/11-04-2013, as a result of the completion of the carve-out of the "Travel Retail" business of the above mentioned company its contribution as a 100% subsidiary of the company named "DUTY PAID SHOPS S.A.", according to notarial act number 3006/27-03-2013 of the attesting notary Eleni Thomopoulou based in Athens, the financial statement of accounts dated 30-09-2012, the report of the chartered auditors Mr. Panagiotis Vroustouris and Mr. Dimitrios Drossos and the resolutions of the General Shareholder Meetings of the above mentioned companies' dated 06-12-2012 and 19-03-2013 respectively.

The carve-out was conducted according to regulations of Laws 2190/1920 and 1297/1972 and was approved with the announcement by G.E.MH (General Electronic Commercial Registry) with protocol number 31665/11-04-2013 which also approved the amendment of the corporate name absorbing the company of the sector into "DUTY FREE SHOPS S.A."

23/4/2013 The transfer of 51% of HDFS was completed

The transfer of 51% of the company HELLENIC DUTY FREE SHOPS S.A., to Dufry AG, was successfully completed on April 22nd 2013. FF Group continues to keep a stake of 49% of the company, which will develop from a local travel retail leader into a business of international range, whereby direct synergies will significantly improve the value of FF Group's participation of the 49%.

The transaction amounted to € 200,5 million in cash, prior to this the transfer of debt of € 335 million to the subsidiary company which absorbed the travel retail business had been completed. As a result of this transaction, the bank net debt of the Folli Follie Group (excluding leases) shall become almost even.

3/9/2013 Announcement

FOLLI - FOLLIE GROUP announces that pursuant to the resolutions of 30.08.2013, the Boards of Directors of the following subsidiaries of the Group decided to launch a merger process with "Attica Department Stores SA" (hereinafter "Attica") absorbing the companies "NORTHLANDMARK S.A. OPERATIONS OF DEPARTMENT STORES AND MALLS" (hereinafter "NORTHLANDMARK") and "NORTHERN GREECE S.A. OPERATIONS OF DEPARTMENT STORES AND MALLS" (hereinafter "NGD").

The above intragroup merger will take place under the provisions of articles 68 of Law 2190/1920 in conjunction with the provisions of articles 1-5 of Law 2166/1993, as applicable, with the consolidation of the Assets and Liabilities of the merging companies.

The Boards of Directors additionally decided to appoint an independent auditor from the merging companies, Mr. Panagiotis Vroustouris, member of the auditing firm ENEL - AUDITING S.A. for the valuation of the merging companies and the opinion on the reasonableness and fairness of the exchange ratio of shares, to be suggested at a future meetings of the Board of Directors of the merging companies.

During these meetings, it is decided to start the merging process with Balance Sheet date Transformation 31.08.2013 and appointed the Chartered Accountant Mr. George Varthalitis member of the audit company BAKER TILLY HELLAS A.E., to determine the book value of the elements of assets of the merging companies.

In any case all the above and the intended corporate transformation in general, are subject to approval from the General Meetings of the merging companies and the conditions of grant, during the required permits or approvals from the competent authorities.

29/11/2013 Significant change in voting rights

FOLLI FOLLIE S.A. COMMERCIAL INDUSTRIAL AND TECHNICAL COMPANY under the trade name "FOLLI FOLLIE GROUP", announces, in accordance to Law 3556/2007 (article 14, par. 3), and having received respective information on 29.11.2013, a significant change to the voting rights as follows:

Reason for Notification: Significant change of shares and voting rights

Full name of the person subject to the notification obligation: Dinakar Singh

Reason for Notification: Significant change of shares and voting rights, due to disposal of shares

Change in number of shares and voting rights from 4.568.295 shares and 4.568.295 voting rights, after the triggering transaction fell below the 5% threshold. In total, TPG Axon Management LP's participation stands at below 5% voting rights and shares.

Additionally, Mr Dinakar Singh, under the status of controlling person-ultimate managing member of TPG Axon Management LP, its participation stands below 5% (directly and indirectly through TPG Axon Partners LP and TPG Axon International LP)

2/12/2013 Completion of sale of HDFS

Folli Follie enters as a strategic investor to Dufry AG by selling the remaining 49% stake of Hellenic Duty Free Shops.

Folli Follie Group has signed an agreement to sell the remaining 49% equity stake of Hellenic Duty Free to Dufry AG. Folli Follie will receive a total consideration of EUR 328 million through a combination of cash and shares. Through this transaction, Folli Follie will enter as a strategic investor to Dufry AG. On December 12th, 2013, Folli Follie signed an agreement with Dufry AG to sell the remaining 49% of Hellenic Duty Free (HDF). This transaction completes the sale of HDF, the leading travel retailer in Greece, much earlier than originally scheduled, evidencing its strong performance and prospects as well as Dufry's total commitment and strategic interest for this activity. Apart from the financial aspects of the transaction and the direct involvement in Dufry's global Duty Free Business, this agreement will reinforce the strategic partnership between Folli Follie and Dufry. It will enable Folli Follie to further exploit new markets where Dufry has already presence while simultaneously Dufry will benefit from the presence and the know how that Folli Follie has in markets where Dufry's presence is limited.

III. General meeting of shareholders resolutions

The most important decisions of the Group's General Meetings which took place on June 14th, 2013 are as follows: On June 14th, 2013, the Annual General Meeting of the shareholders of the Company was convened and approved, as originally announced, based on the respective invitation.

1. Approval of the annual corporate and consolidated financial statements for the fiscal year 1st January 2012 – 31st December 2012, after having heard the reports of the Board of Directors and the Chartered Auditor-Accountant.
2. Resolution on the distribution of the net profits of the fiscal year 1st January 2012 – 31st December 2012 and on the non-distribution of dividend to the shareholders.
3. Release of the members of the Board of Directors and the Chartered Auditor-Accountant from any liability to compensate for the fiscal year 2012.

4. Election of an ordinary and a deputy Chartered Auditor – Accountant for the fiscal year 2013 and definition of their remuneration due for that year.
5. Approval of all kinds of fees and compensations paid to the members of the Board of Directors in fiscal year 2012 and prior approval of all kinds of fees and compensations to be paid during fiscal year 2013.
6. Permission to the Company's Board of Directors, according to article 23a of Law 2190/1920, to grant guarantees and cash facilities and to effect share capital increases of affiliated companies in accordance to par. 5 of article 42e of Law 2190/1920.
7. Amendment of article 9 of the Company's Articles of Association under the title "Appointment and Composition of the Board of Directors" as well as article 17 of the Company's Articles of Association under the title "Invitation – Agenda of the General Meeting of the Company's Shareholders".
8. Approval of own share acquisition program.
9. Various announcements, approvals and decisions.

In the above General Meeting were present shareholders representing 77,119% of the Company's share capital, namely 51.629.933 voting rights out of a total of 66.948.210.

- Treasury shares

As of 31.12.2013 the Company does not hold treasury shares.

IV. RISKS ASSOCIATED WITH THE MACROECONOMIC ENVIRONMENT

The uncertainty that stems from the Greek financial crisis is likely to continue to adversely affect the business, the operating results and financial position of the Group

- Changes in consumer behaviour
- The Group is subject to economic and political risks and uncertainties that exist in some countries where it operates.
- Enlargement of the European Union and any strengthening of the euro against other currencies like the Japanese yen and dollar would adversely affect the business travel retail sector
- Market Risk
 - Interest Rate Risk
 - Foreign Exchange Risk
 - Prices - Inflation
- Credit Risk
- Liquidity Risk
- Inventory Risk

Description of main risks and uncertainties.

The main risks of the current financial year according to the management's judgment are the following:

Market Risk

i) Interest Rate Risk:

This risk stems from bond loans and short-term bank loans of the Group and of the leasing contracts with relating to buildings and equipment of the Group, namely the fact that these agreements are denominated at a floating rate linked to EURIBOR. Therefore, the Group is exposed to an interest rate fluctuation risk. As part of addressing this risk, the Group uses interest rate risk hedging tools (IRS).

ii) Foreign Exchange Risk: a) Risk of reduced gross profitability due to appreciation of foreign currencies: The risk is derived from the fact that the company (and the group) purchases the greatest part of its products in prices expressed in USD and sells these products to the markets in which it is active in prices expressed in local currencies. The Group's products' sales prices are finalized several months before their receipt and repayment and any possible dollar revaluation, in relation to local currencies, would increase the cost of sales, without allowing the increase of sale prices, thus depriving the Group from a part of its gross profit. Also, part of the Group's disposal expenses, and mostly royalties, is expressed in US dollars. Thus, any possible US dollar revaluation in relation to the Euro would increase the Group's operating expenses. The management of this risk is performed by the Group's cash management department, in collaboration with the pertinent commercial management, and the strategy and general planning are provided by the company's Board of Directors. Commercial managements take into consideration the foreign exchange rate change risk during the determination of their products' retail sale prices. The Group also uses foreign exchange risk setoff products, mostly forward type agreements. B) Risk from the conversion of financial statements expressed in foreign currency: The Group has investments in foreign companies, which operate in currencies other than Euro and thus their financial statements are not prepared in Euro. The Group is exposed to a risk from the conversion of the said financial statements to Euro, in order to be consolidated in the Group's financial statements.

iii) Price risk - Inflation: According to the administration, the Group runs no risk from price fluctuation, since it does not own a significant securities portfolio and the prices of the products it sells do not present particular fluctuations. Thus, the international increase of inflation pressure in combination with the disturbance of the international financial system may modify consuming habits, affecting the group's sales and profitability.

Credit Risk

This is the risk of breaching contractual obligations on part of the other party. With regard to dealing with credit risk from wholesale, the Group performs most of these sales with known department stores in the countries in which it is active and in a network of selected franchisee. Also, as a general measure, it compiles credit insurance contracts.

Liquidity risk

Despite the unprecedented financial crisis and the limitation of liquidity internationally, the Group retains high liquidity thanks to the retail nature of the largest part of its sales and provides for further reinforcement of this liquidity, with the successful creation of discount outlets to dispose older stock and the limitation of expenses.

Inventory risk

This risk is created by the retaining of old stock from certain companies of the Group and regards the inability to dispose of this stock or its disposal in prices lower than its evaluation. The management of this risk is provided via specialized disposal area-markets such as: Outlet type discount department stores, discount outlets and large hotel units, in countries in which the Group is active. The Group has evaluated its older stock at its net realizable value, evaluated based on the administration experience and the actual market data. The Management believes that this evaluation method (essentially forecasting for stock evaluation) covers fully the inventory risk.

V. External factors that may affect the results and share price

The supply and demand for products and thus the cost, sales and results of the Issuer and the Group in general, are affected by various factors external to their activity, such as political instability, financial uncertainty and the recession, which affect each company in various degrees, regardless of the sectors in which they are active.

VI. Labor and environmental issues

On December 31, 2013 the Group employed 4.703 employees, over 6.063 employees on December 31, 2012. The corresponding figures for the Company are 1.093 versus 2.169. The Group employs (a) employees with a contract of indefinite duration, (b) wage workers, and (c) hourly employees. Labour union formed in consolidated companies Attica Department Stores S.A. (About 170 members).

The Group fully respects the environmental legislation of the countries it operates. Participates in recycling programs and applies the relevant laws in terms of (a) packaging, (b) electric accumulators' etc. vehicle equipment and parts, and (c) electrical and electronic equipment. It has signed contracts with certified companies that manage recycled material. The Group's cooperation with suppliers is based on standards refusing any form of child labour, discrimination or forced labour, in order to ensure the health and safety for every employee involved in the production process, equal pay and respect for their rhythms of life. We visit our suppliers regularly in order to that everyone complies with the principles of social responsibility that inspire us.

VII. Transactions with Affiliates

The Group companies' receivables and liabilities, from and to the parent company, as well as the income and expenses of each company caused by their transactions with the parent company within 2013, according to IAS 24, are the following:

	1/1- 31/12/2013		1/1- 31/12/2012	
	<i>Executives</i>	<i>Other related parties</i>	<i>Executives</i>	<i>Other related parties</i>
<u>Purchases of Goods</u>				
Folli Follie S.A.	0,00	266.006,02	0,00	0,00
Northlandmark S.A.	0,00	544.977,00	0,00	445.017,00
Attica Department stores S.A.	0,00	2.215.767,00	0,00	467.393,00
Total	0,00	3.026.750,02	0,00	912.410,00
<u>Sales of services-Other income</u>				
Folli Follie S.A.	0,00	686.180,67	0,00	0,00
Northlandmark S.A.	0,00	545,00	0,00	1.292,00
Attica Department stores S.A.	0,00	19.265,00	0,00	8.740,00
Total	0,00	705.990,67	0,00	10.032,00
<u>Get services-Other expenses</u>				
Folli Follie S.A.	0,00	13.696,31	0,00	0,00
Northlandmark S.A.	0,00	47.554,00	0,00	18.894,00
Attica Department stores S.A.	0,00	97.500,00	0,00	11.669,00
Total	0,00	158.750,31	0,00	30.563,00
<u>Sales of Goods</u>				
Folli Follie S.A.	0,00	3.305.954,62	0,00	0,00
Northlandmark S.A.	0,00	1.593,00	0,00	0,00
Attica Department stores S.A.	0,00	103.039,00	0,00	0,00
Total	0,00	3.410.586,62	0,00	0,00
<u>Transactions & remuneration of board members & managers</u>				
Folli Follie S.A.	2.999.762,63	0,00	7.054.079,86	0,00
Hellenic Distributions S.A.	73.597,77	0,00	314.448,38	0,00
Northlandmark S.A.	424.959,01	0,00	289.350,25	0,00
Attica Department stores S.A.	235.170,00	0,00	325.560,00	0,00
Total	3.733.489,41	0,00	7.983.438,49	0,00
<u>Receivables</u>				
Folli Follie S.A.	0,00	4.413.073,38	0,00	38.907,97
Northlandmark S.A.	0,00	0,00	0,00	266,00
Attica Department stores S.A.	0,00	9.024,00	0,00	6.390,00
Planaco S.A.	41.677,54	0,00	0,00	0,00
Total	41.677,54	4.422.097,38	0,00	45.563,97
<u>Payables</u>				
Folli Follie S.A.	0,00	327.563,95	0,00	0,00
Northlandmark S.A.	0,00	0,00	0,00	338.227,00
Attica Department stores S.A.	0,00	1.001.840,00	0,00	500.471,00
Total	0,00	1.329.403,95	0,00	838.698,00

	1/1- 31/12/2013	1/1- 31/12/2012		1/1- 31/12/2013	1/1- 31/12/2012
Sales of Goods			Sales of services/Other income		
FOLLI-FOLLIE H.K. - Group	828.418,36	54.645,46	FOLLI-FOLLIE H.K. - Group	19.224,49	5.302,72
FOLLI-FOLLIE JAPAN LTD	49.790,50	91.027,21	FOLLI-FOLLIE JAPAN LTD	4.181,23	362,43
FOLLI FOLLIE UK LTD	0,00	0,00	FOLLI FOLLIE UK LTD	0,00	0,00
FOLLI FOLLIE FRANCE SA	-18.740,85	-2.929,22	FOLLI FOLLIE FRANCE SA	6.054,69	6.064,84
FOLLI FOLLIE SPAIN SA	37.034,83	37.953,17	FOLLI FOLLIE SPAIN SA	7.322,95	16.625,32
MFK FASHION LTD	1.302.273,79	964.247,96	MFK FASHION LTD	22.746,81	19.491,50
PLANACO SA	4.580,55	0,00	PLANACO SA	0,00	2.400,00
LINKS OF LONDON LTD	6.992.577,48	5.947.458,05	LINKS OF LONDON LTD	30.003,18	30.963,94
HELLENIC DISTRIBUTIONS S.A.	4.329.667,92	5.274.062,62	HELLENIC DISTRIBUTIONS S.A	3.293,30	38.085,06
HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00	HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00
HELLENIC TOURIST BUREAU S.A.	0,00	0,00	HELLENIC TOURIST BUREAU S.A	0,00	0,00
ELMEC ROMANIA SRL	6.815.032,09	8.603.597,11	ELMEC ROMANIA SRL	11.502,31	10.712,77
ELMEC SPORT BULGARIA EOOD	3.730.074,55	3.545.137,58	ELMEC SPORT BULGARIA EOOD	6.317,86	1.768,10
MOUSTAKIS S.A.	808.398,52	716.286,56	MOUSTAKIS S.A.	187.047,78	5.046,50
LOGISTICS EXPRESS S.A.	232.226,88	569.440,95	LOGISTICS EXPRESS S.A.	98.083,09	30.481,07
ATTICA DEPARTMENT STORES S.A.	5.734.220,99	4.469.786,00	ATTICA DEPARTMENT STORES S.A.	15.464,30	203.594,00
NORTHLANDMARK S.A.	1.831.547,08	3.348.736,52	NORTHLANDMARK S.A.	0,00	0,00
ICS ELMEC SPORT SRL	0,00	0,00	ICS ELMEC SPORT SRL	0,00	0,00
ICE CUBE S.A.	404.735,72	570.295,09	ICE CUBE S.A.	3.961,33	3.555,35
COLLECTIVE OF PATRAS S.A.	315.680,25	309.532,50	COLLECTIVE OF PATRAS S.A.	7.328,63	3.013,35
FOLLI FOLLIE SHENZHEN	0,00	0,00	FOLLI FOLLIE SHENZHEN	0,00	0,00
NORTH GREECE DEPARTMENT STORES S.A.	525.371,54	1.293.410,90	NORTH GREECE DEPARTMENT STORES S.A.	0,00	0,00
FF HOLDINGS S.A.	9.619,77	0,00	FF HOLDINGS S.A.	24.982,73	0,00
TOTAL	33.932.509,97	35.827.688,46	TOTAL	447.514,68	377.466,95

	1/1- 31/12/2013	1/1- 31/12/2012		1/1- 31/12/2013	1/1- 31/12/2012
Purchases of Goods			Get services/Other expenses		
FOLLI-FOLLIE H.K. - Group	7.002.790,08	7.264.647,66	FOLLI-FOLLIE H.K. - Group	13.234,29	10.128,97
FOLLI-FOLLIE JAPAN LTD	0,00	0,00	FOLLI-FOLLIE JAPAN LTD	0,00	0,00
FOLLI FOLLIE UK LTD	0,00	0,00	FOLLI FOLLIE UK LTD	0,00	0,00
FOLLI FOLLIE FRANCE SA	8.896,41	0,00	FOLLI FOLLIE FRANCE SA	0,00	0,00
FOLLI FOLLIE SPAIN SA	0,00	0,00	FOLLI FOLLIE SPAIN SA	0,00	0,00
MFK FASHION LTD	0,00	0,00	MFK FASHION LTD	0,00	0,00
PLANACO SA	0,00	11.881,00	PLANACO SA	2.040,00	0,00
LINKS OF LONDON LTD	379.700,42	602.383,26	LINKS OF LONDON LTD	81.250,20	3.634.910,35
HELLENIC DISTRIBUTIONS S.A.	594.222,99	699.717,17	HELLENIC DISTRIBUTIONS S.A	0,00	37.246,65
HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00	HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00
HELLENIC TOURIST BUREAU S.A.	0,00	0,00	HELLENIC TOURIST BUREAU S.A	0,00	0,00
ELMEC ROMANIA SRL	2.060.829,03	397.079,42	ELMEC ROMANIA SRL	0,00	0,00
ELMEC SPORT BULGARIA EOOD	510.870,00	96.063,96	ELMEC SPORT BULGARIA EOOD	0,00	0,00
MOUSTAKIS S.A.	501,51	0,00	MOUSTAKIS S.A.	0,00	64,53
LOGISTICS EXPRESS S.A.	163.929,93	1.320,33	LOGISTICS EXPRESS S.A.	0,00	214,00
ATTICA DEPARTMENT STORES S.A.	198.085,86	256.636,04	ATTICA DEPARTMENT STORES S.A.	138.529,53	111.061,89
NORTHLANDMARK S.A.	0,00	56.724,55	NORTHLANDMARK S.A.	29.241,01	0,00
ICS ELMEC SPORT SRL	0,00	0,00	ICS ELMEC SPORT SRL	0,00	0,00
ICE CUBE S.A.	1.165,85	1.900,81	ICE CUBE S.A.	0,00	0,00
COLLECTIVE OF PATRAS S.A.	246.275,55	288.081,25	COLLECTIVE OF PATRAS S.A.	0,00	0,00
FOLLI FOLLIE SHENZHEN	0,00	16.245,46	FOLLI FOLLIE SHENZHEN	0,00	0,00
NORTH GREECE DEPARTMENT STORES S.A.	11.424,00	0,00	NORTH GREECE DEPARTMENT STORES S.A.	2.996,43	46.054,86
FF HOLDINGS S.A.	2.200.763,13	0,00	FF HOLDINGS S.A.	0,00	0,00
TOTAL	13.379.454,76	9.692.680,91	TOTAL	267.291,46	3.839.681,25

	1/1- 31/12/2013	1/1- 31/12/2012		1/1- 31/12/2013	1/1- 31/12/2012
Receivables			Payables		
FOLLI-FOLLIE H.K. - Group	1.335.668,49	4.206.956,97	FOLLI-FOLLIE H.K. - Group	3.307.853,31	0,00
FOLLI-FOLLIE JAPAN LTD	7.106.550,51	7.166.412,20	FOLLI-FOLLIE JAPAN LTD	0,00	0,00
FOLLI FOLLIE UK LTD	4.585,88	4.684,63	FOLLI FOLLIE UK LTD	0,00	0,00
FOLLI FOLLIE FRANCE SA	1.570.974,11	694.660,27	FOLLI FOLLIE FRANCE SA	8.896,41	0,00
FOLLI FOLLIE SPAIN SA	5.972.859,33	3.368.541,52	FOLLI FOLLIE SPAIN SA	0,00	0,00
MFK FASHION LTD	1.695.635,75	855.649,37	MFK FASHION LTD	0,00	0,00
PLANACO SA	3.883.350,00	2.334.331,09	PLANACO SA	554,21	9.660,18
LINKS OF LONDON LTD	13.217.016,40	7.633.802,42	LINKS OF LONDON LTD	10.668.650,15	10.409.153,24
HELLENIC DISTRIBUTIONS S.A.	0,00	2.053.660,91	HELLENIC DISTRIBUTIONS S.A	0,00	0,00
HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00	HDFS SKOPJE DOO (ILΓ Δ.Μ.)	0,00	0,00
HELLENIC TOURIST BUREAU S.A.	0,00	0,00	HELLENIC TOURIST BUREAU S.A	0,00	0,00
ELMEC ROMANIA SRL	7.703.669,46	10.519.425,83	ELMEC ROMANIA SRL	15.560,51	202.580,55
ELMEC SPORT BULGARIA EOOD	189.654,98	61.745,02	ELMEC SPORT BULGARIA EOOD	0,00	0,00
MOUSTAKIS S.A.	50.733,69	11.154,99	MOUSTAKIS S.A.	0,00	0,00
LOGISTICS EXPRESS S.A.	2.346.319,43	2.349.856,47	LOGISTICS EXPRESS S.A.	0,00	0,00
ATTICA DEPARTMENT STORES S.A.	10.549.656,29	5.668.447,95	ATTICA DEPARTMENT STORES S.A.	178.135,57	174.986,27
NORTHLANDMARK S.A.	0,00	4.004.540,54	NORTHLANDMARK S.A.	0,00	19.639,82
ICS ELMEC SPORT SRL	0,00	0,00	ICS ELMEC SPORT SRL	0,00	0,00
ICE CUBE S.A.	696.427,06	760.410,03	ICE CUBE S.A.	0,00	0,00
COLLECTIVE OF PATRAS S.A.	295.019,13	1.090.659,90	COLLECTIVE OF PATRAS S.A.	0,00	0,00
FOLLI FOLLIE SHENZHEN	0,00	0,00	FOLLI FOLLIE SHENZHEN	381,41	0,00
NORTH GREECE DEPARTMENT STORES S.A.	0,00	1.212.536,95	NORTH GREECE DEPARTMENT STORES S.A.	0,00	2.535,10
FF HOLDINGS S.A.	19.999,25	0,00	FF HOLDINGS S.A.	1.538.703,71	0,00
TOTAL	56.638.119,76	53.997.477,06	TOTAL	15.718.735,28	10.818.555,16

Trends, Prospects and expected development of the Group

Despite a still challenging local environment, we expect the Asian region to maintain the key growth driver for the Group. Thanks to a diversified portfolio of activities and the presence in major markets worldwide the Group has a comparative advantage. We expect for 2014 an ongoing difficult environment for our local operations, which will be more than offset by our diversified geographic expansion as well as product portfolio. Together with our strategic partners like the Fosun Group, the Koc Group and more recently the Dufry Group we are continuously exploring new partnerships, markets and synergies aiming to maximize value for our shareholders.

Seasonality has a significant impact on the Group. It has to be noted that the Group experiences seasonality in the wholesale and retail of clothing & footwear, during the first and third quarter of each year. During those periods wholesale sales are positively affected by planned purchases of large wholesale customers for the periods spring/summer, autumn/winter. For the activity jewellery, watches and accessories seasonality can be observed during the holidays (Christmas and Eastern) as well as during the summer sales season.

The prospects for the Greek economy start to show encouraging signs, as the recession is projected to reach a stabilization point in 2014 and the economy is expected to move towards positive territory. Rising unemployment, and a continuing declining purchasing power, does not leave considerable room for optimism, since the activities of the parent company are intertwined with those of the Greek economy.

Corporate Governance Statement

A) Corporate Governance Principles

The Company has adopted Principles of Corporate Governance, as defined by the current Greek legislation and international practice.

B) Corporate Governance Code

Our company hereby states the adoption of the widely accepted Corporate Governance Code of the Hellenic Federation of Enterprises (SEV) for Listed Companies. This code can be found at the SEV's website, under the following address: The Company complies with the specific practices for listed companies provided by the Greek Code of Corporate Governance (EKED): http://www.sev.org.gr/Uploads/pdf/KED_TELIK0_JAN2011.pdf

The company may proceed to amendments in the Code and the Corporate Governance Principles applied.

The term "Corporate Governance" describes the way in which companies are managed and controlled. Corporate governance is in particular a system of relations between the company's management, the Board of Directors (BoD), its shareholders and other stakeholders, constitutes the structure through which the objectives of the company are approached and set, identifies the key risks that are faced during its operation identifies the means of achieving corporate goals, organizes the system of risk management and enables the monitoring of the management's performance during the procedure of the implementation of the above. and enable monitoring of performance management in the implementation process of the above.

Effective corporate governance plays an essential role in promoting the competitiveness of enterprises, strengthening internal operating structures and growth from innovative actions, while increased transparency

has improved the transparency for the economic activity of private companies and public organizations and institutions in a wider sense with obvious benefit for shareholders and the investment community.

In October of 2013 the new Corporate Governance Code of the of the Hellenic Federation of Enterprises (SEV) for Listed Companies was released, which amended the original in the framework of the first revision of the Greek Council of Corporate Governance (ESEDA). ESEDA was founded in 2012 and is the result of the collaboration between the Athens Stock Exchange (ATHEX) and the Hellenic Federation of Enterprises (SEV), and recognized jointly the contribution of corporate governance for the continuous improvement of the competitiveness for Greek enterprises and the gain of credibility for the Greek market and works since then systematically since towards this direction.

Deviations from the Corporate Governance Code and justification

Board of Directors' role and competencies

§ The Board of Directors has not proceeded to the establishment of a separate committee supervising the procedure of candidacy submission for election in the Board of Directors and preparing suggestions to the Board of Directors with regard to the rewards of the executive members and main top executives, given that the Company's policy in relation to these rewards is not fixed and settled.

Board of Directors' size and composition

§ The Board of Directors consists of 6 executive members, 5 non-executive members and 2 independent, non-executive members. This balance has provided the Board with effective and productive operation during the last years.

§ The Board of Directors does not appoint an independent Vice Chairman among its independent members, but an executive one, since the assistance of the Board of Directors' Vice Chairman and Chairman is considered extremely important for the exercise of the Board's executive duties.

Duties and behaviour of Board of Directors' Members

§ The detailed notification of any occupational commitments of the Board of Directors' members is not required (including significant non-executive commitments in companies and non profit foundations) before their appointment in the Board of Directors.

§ The Board of Directors' approval is not required for the appointment of one of its executive members in a company which is not a subsidiary or affiliate.

Board of Directors' candidate members

§ There is no committee promoting the candidacies for the Board of Directors, since due to the company's structure and operation, this type of committee is not considered necessary at the moment.

Board of Directors' operation

§ At the beginning of each calendar year, the Board of Directors does not endorse a calendar of meetings or a 12-month action plan, since its convention and meeting are easy to arrange whenever the company needs or the law provides it, without requiring a predetermined action plan.

- § The Chairman does not have regular meetings with non-executive members, without the presence of executive members, to discuss their performance and rewards and other relative issues, since any issue is discussed with the presence of all members.
- § There are no introductory information programs ensured by the Board of Directors for new members, nor a constant occupational training for other members, since the persons suggested to be elected as Board of Directors' members have proven and ample experience and organizational – administrative skills.
- § There is no specific term for the provision of sufficient resources to the Board of Directors' committees for the fulfilment of their duties and the recruitment of external consultants, since all relative resources are approved on occasion by the company administration, based on the various corporate needs.

Board of Directors' Evaluation

- § There is no established procedure for the evaluation of the Board of Directors' and its committee's evaluation, nor is the performance of the Board of Directors' Chairman evaluated during the procedure presided by the independent Vice Chairman or another non-executive Board of Directors' member in lack of an independent Vice Chairman. This procedure is not considered necessary in light of the company's organizational structure.
- § Regular and non-executive members do not convene without the presence of executive members, in order to evaluate the performance of executive members and determine their rewards.
- § The Board of Directors does not describe in the corporate governance annual statement its evaluation procedure, as well as the evaluation procedure for its committees, since no such evaluation procedures are applied.

Internal Audit System

The internal audit system consists of all auditing arrangements and procedures constantly covering all company activities and contributing to its effective and safe operation, the efficiency and efficacy of corporate tasks, the credibility of financial information and compliance with the applicable laws and regulations.

The company has a sufficient and effective internal audit system with clearly described procedures, aiming to the effective management of its available resources, according to the Board of Directors' decisions and the management of the most significant risks.

In particular, the company's I.A.S. aims are the following:

- § Constant implementation of the corporate strategy with effective use of the available resources.
- § Acknowledgment and management of all sorts of risks assumed by the company.
- § Reassurance of the completeness and credibility of the data and information required for the accurate and timely determination of its financial condition and the compilation of trustworthy financial statements.
- § Compliance with the institutional framework governing the company's operation, including internal regulations and codes of ethics.
- § Prevention and avoidance of erroneous actions and irregularities that could endanger the company's reputation and interests as well as the reputation and interests of its shareholders and other interested parties.

Audit Committee

The Audit Committee is a Committee of the Board of Directors' and is convened in order to assist the Board in fulfilling its obligations for the monitoring and evaluation of the Internal Audit System adequacy and effectiveness, based on the findings and comments of internal and external auditors as well as the ones provided by supervisory authorities' audits.

The members of the Audit Committee are appointed by the Company's General Shareholders' Meeting. The Audit Committee consists of at least two (2) non-executive members and one independent non-executive member of the Board of Directors, who presides over its meetings and has sufficient knowledge and experience in accounting and auditing issues. The Audit Committee is convened regularly. The exact time schedule is determined by the Committee itself.

Information on the composition and operation of the Audit Committee:

According to article 37 of L. 3693/2008, all listed companies ("public interest" according to the law) must have an Audit Committee consisting of three members of the Board of Directors, at least two non-executive ones and one independent non-executive member.

The Company's Audit Committee consists of the following members of the Board of Directors:

Mantzavinos Zaharias, Non-executive member and Audit Committee Chairman

Epameinondas Dafermos, Non-executive member

Aronis Georgios, Independent non-executive member

The Audit Committee monitors and supervises the performance of the internal audit by the internal audit direction. It is convened regularly and during its meetings, it evaluates and utilizes the auditing work findings provided by the supervisory authorities and internal audit division.

The Audit Committee Chairman convenes the Committee, presides in its meetings, introduces the issues to be discussed and in general coordinates and supervises the Committee work. The Committee Chairman informs the BoD on the Committee's work in the framework of the BoD meetings.

Remunerations

§ The Board of Directors' executive members' contracts do not include any term according to which the Board of Directors may claim the refund of the entire or part of the bonus that has been allocated, due to revised financial statements of previous financial years or in general, based on erroneous financial data used for the estimation of this bonus.

§ There is no rewards committee, consisting exclusively of non-executive members, independent by their majority, dealing with the determination of the Board of Directors' executive and non-executive members' rewards. Thus, there are no provisions for the duties of the said committee, the frequency of its meetings and

other issues regarding its operation. The composition of such a committee, in light of the company's structure and operation, has not been considered necessary so far.

§ Each Board of Directors' executive member's reward is not approved by the Board of Directors further to a suggestion by the rewards committee without the presence of its executive members, given that no such rewards committee exists.

General Meeting

§ No deviation was found.

Information on the operation of the shareholders' General Meeting and its basic authorities and description of the shareholders' rights and their exercise

General Meeting of shareholders

The Board of Directors ensures that the preparation and performance of the shareholders' General Meeting facilitates the effective exercise of the shareholders' rights, who can be completely updated on all issues related with their participation in the General Meeting, including the agenda issues and their rights during the General Meeting. The Board of Directors utilizes the shareholders' General Meeting to facilitate an effective and open discourse with the company.

In combination with the provisions of Law 3884/2010, the company posts at its website, at least twenty (20) days before the General Meeting, in Greek and English, information regarding the following:

- § The date, time and place of the shareholders' General Meeting;
- § The basic participation rules and practices, including the right to introduce issues in the agenda and submit questions, as well as the deadlines within which the above rights may be exercised;
- § The voting procedures, representation terms and documents used for voting via a representative;
- § The suggested Meeting agenda, including drafts of the decisions to be discussed and voted and any other supporting documents;
- § The suggested list of candidate members for the Board of Directors and their CVs (if members are to be elected); and
- § The total number of shares and voting rights on the day the meeting is convened.

At least the company's Board of Directors' Chairman, the Vice Chairman and the Managing Director attend the shareholders' General Meeting, in order to provide information on issues of their competence, placed for discussion, and on questions or clarifications requested by the shareholders. The General Meeting Chairman has ample time for the submission of questions by shareholders.

General Meeting basic authorities

The shareholders' General Meeting is the Company's superior body and has a right to decide generally on any corporate case. Its lawful decisions also commit absent and disagreeing shareholders.

The General Meeting is the only pertinent body to decide on the following:

- § Any issue submitted to it by the Board of Directors or eligible parties, according to the provisions of the Law or the Articles of Association, to call for its convention;
- § Amendments on the Articles of Association. Such amendments are those regarding the increase or reduction of share capital, the Company's dissolution, the extension of its duration and its merger with another company;
- § The election of the Board of Directors' members and the auditors, and determination of their rewards;
- § The approval or amendment of annual financial statements prepared by the Board of Directors and the disposal of net profit;
- § The approval, by special voting performed with nominal call, of the Board of Directors' management and the release of the board of Directors and auditors of any liability further to the voting of the Annual Financial Statements and the hearing of the report on the Board of Directors' activities and the general status of the corporate cases. The company's Board of Directors' and its employees may participate in the above voting, but only with shares they hold by ownership;
- § The hearing of auditors with regard to the company's books' and accounts' audits they have performed;
- § The issuing of bond loans with rights over profits, according to article 3b of Law 2190/1920 and convertible bond loans;
- § The appointment of liquidators in case of the company's dissolution;
- § The filing of lawsuits against Board of Directors' members or the auditors, for breach of their duties as deriving from the Law and Articles of Association.

Shareholders' rights and their exercise

Each shareholder who appears as such in the records of the body which keeps the securities of the company is entitled to attend and vote at the company's General Meeting of shareholders. The exercise of these rights does not require the blocking of shares or to follow any similar procedure. Shareholders are entitled to attend the General Meeting or may be represented therein by a person they legally authorize.

The rights of the company's shareholders are originated from the share itself and are in proportion to the share capital, to which the paid value of the share is attributed to. Each share grants all rights pursuant to the Law 2190/1920 as amended and in force, and the company's articles of association.

The Chairman of the Board and the Vice President, are available to meet with shareholders with significant holdings, and discuss with them corporate governance related issues. The President also ensures that the views of shareholders are communicated to the Board.

Information on the Board of Directors' composition and operation

Board of Directors' composition

The Board of Directors, acting collectively, assumes the administration and management of corporate cases to the company's and its shareholders' benefit, ensuring the application of the corporate strategy and the fair and

equivalent treatment of all shareholders. It generally decides on all issues regarding the company, except for those that according to the Law or the Articles of Association, are vested in the competence of the shareholders' General Meeting.

The Board of Directors' members are elected by the General Meeting. The General Meeting also determines which members shall be independent, non-executive ones. The Board of Directors determines which of its members shall be executive and which non-executive.

The company's Board of Directors is the trustee of the Corporate Governance Principles of the company. The Board of Directors consists of seven (7) to fifteen (15) members. It is elected with secret voting by the General Meeting, with a three-year service extended until the regular General Meeting of its retirement year. In any case, this service cannot exceed the number of four years. Board of Directors' members may be shareholders or not, and are always re-electable.

Today the Board of Directors consists of six executive members, five non-executive members and two independent non-executive members. From the non-executive members, two fulfil its prerequisites, according to the provisions of L. 3016/2002 on Corporate Governance and are considered independent. Executive members are employed by the company or provide services to it by exercising administrative duties. The Board of Directors' non-executive members do not exercise administrative duties to the company.

Member of the Board of Directors:

NAME	SEAT
1. Koutsolioutsos Dimitrios	Chairman, Executive member
2. Koutsolioutsos Ekaterini	Vice Chairman, Executive member
3. Koutsolioutsos Georgios	Managing Director, Executive member
4. Zachariou Emmanuel	Deputy Managing Director & General Manager, executive member
5. Ioannis Tsigounakis	non-executive member
6. Aronis Georgios	Independent non-executive member
7. Dafermos Epaminondas	Independent non-executive member
8. Jiannong Qian	Non-executive member
9. Koukoutsas Ilias	Non-executive member
10. Kouloukountis Ilias	Non-executive member
11. Mantzavinos Zacharias	Non-executive member
12. Anna Marina Xirokosta	Non-executive member
13. Nioti Eirini	Executive member

Brief CVs of the BoD members:

Dimitrios Koutsolioutsos, Graduate of the Athens College, he studied Finance at the University of Milan, L. BOCCONI. He is the Chairman of the Board of Directors.

Ekaterini Koutsolioutsos, was born in Athens. She is a graduate in Sociology from the British University. She continued her university studies in Italy, where she acquired degrees in Tourism Studies and Linguistics. In Italy, she dealt with the creation and distribution of jewellery for 25 years and in 1982 she returned to Greece to founded together with her husband Dimitrios Koutsolioutsos the company FOLLI FOLLIE. Today she is Vice Chairman of the Company's and executive member of the Board of Directors.

Georgios Koutsolioutsos, is a graduate of the Italian School Athens. He studied Finance at the University of Harford in Paris and holds postgraduate degrees in business management and Marketing from the Hartford University of Connecticut in America. He started his professional experience in New York, where he worked for approximately two years in the jewellery industry. Since 1994 he is supervising and managing the company's local and international distribution. Since January 2011 he holds the position of Group CEO.

Emmanuel Zachariou, He has many years of experience in wholesale & retail of branded apparel. He has served for 18 years as Commercial Manager, BoD Vice Chairman & minority shareholder of the formerly listed company SPORTSMAN S.A. (later member of the NOTOS COM Group of Companies) and has been during 10 years the General Manager, BoD Vice Chairman and minority shareholder of the company ALOUETTE SA.

Jiannong Quian. He graduated from Shandong University of Finance and holds a master's degree in Economics from a German University. He held management positions at Metro AG in Germany as well as in China, he was Assistant General Director at the company China Resources Vanguard, Vice President of OBI AG in China, Deputy General Director of the company Wumart Stores Inc, as well as President and Managing Director of the company China Nepstar. He entered FOSUN Group in late 2009 and holds the position as General Director of the Business Investment Division and assistant to the Chairman of the Group.

Georgios Aronis, He was born in Athens in 1957. He studied Finance and has an MBA, major in Finance, by ALBA. He has been working for Alpha Bank since 2004 as head of Retail Banking and May.2006 he became Executive General Manager. He has worked for 15 years in multinational banks, most of the time for ABN AMRO in Greece and abroad. For 6 years he worked in managerial positions for National Bank of Greece and from 2002 until 2004 he was General Manager of Retail Banking. He is Chairman of Board of Directors of Alpha Insurance Agencies, Vice President of Alpha Asset Management A.E.D.A.K. and Alpha Life.

Epaminondas Dafermos, He was born in Crete in 1939. He has a degree in Mechanical Engineer from the University of Munich in Germany. Since 1965 he has been working as a top business executive for companies such as IZOLA (Direction of Production and Supplies) and AGET IRAKLIS (Managing Director). For the past 18 years he cooperated with Mr. Kiriakos Filippou in his group of companies, as Managing Director and member of his companies' BoDs. He speaks English and German, is married and has a daughter.

Ilias Koukoutsas. He studied at Athens KATEE (Accountants' Department) and ASOEE (Business Management Department). He worked for twenty years at the department stores Lambropoulos Brothers (1981-2001) and held the position of Commercial Director before before he retired. He has been a member of the Board of Directors' at SELPE (Hellenic Retail Sales Association). His cooperation with Elmec Sport Group of Companies began in 2002. Today Mr. Koukoutsas also serves as Managing Director of the subsidiary company North Landmark S.A., and General Manager of Attica Department Stores S.A.

Ilias Kouloukountis. He was born in Athens in 1943. He studied at the Athens College, the Millfield School in Somerset UK and the King's College of Durham University, UK. He started working in 1966 at the company A.G.PAPPADAKIS & CO LTD. In 1971 and in combination with his family businesses, he established OFF SHORE CONSULTANCE INC in Piraeus and OFF SHORE UK LTD in London. From 1997 until 2000 he served as manager and general administrator of the company KASSIAN MARITIME NAVIGATION AGENCY LTD. From 2000 until today he has been the President and General Manager of the company EQUITY SHIPPING CO LTD.

Zacharias Mantzavinos. He was born in 1936 in Athens and he is a Professor Emeritus at the Dentistry School of the University of Athens, with postgraduate studies in the Dentistry School of the University of Pennsylvania, USA. He has published over 100 scientific theses in Greek and international journals and has served as a Dean of

the dentistry school and President for two terms. He has also served as member of the first Administrative Committee of the University of the Aegean, as member of the Superior Scientific State Council and the American Academy of Periodontology, the Pierre Fouchard Academy, the International College of Dentists and other Greek and international companies. Since January 2011 he is a non-executive Board member of the Issuer.

Anna Marina Xirokosta Graduated from the Law University of Dimokritos Thrake and holds a Master Degree (MSc in Business for Lawyers from ALBA GRADUATE BUSINESS SCHOOL. She started as a lawyer for corporate law in 2005.

Ioannis Tsigkounakis Graduated from the Athens Law University and holds a postgraduate Masters degree (MSc on international and banking law, University of Pantheon in Paris (Sorbonne), France). His professional experience started in 1992 as an attorney specializing in shipping and matters relating to the settlement of international disputes at a law firm based in Piraeus. During 1994-2007 he was a lawyer in the law firm Vgenopoulos & Partners dealing mainly with capital markets issues while from 2007 to 2013 he was in charge of the International financial markets division of the same company.

Since 2014 he is the founder and principal shareholder of the law firm IDEALAW in Greece specializing in the entire spectrum of commercial law, corporate restructuring and international transactions.

Eirini Nioti. She was born in Athens. She has studied finance at the SAINT GEORGE COMMERCIAL COLLEGE. She has been working for FOLLI FOLLIE since 1986 and is supervisor of the Group's available cash management. She speaks English, French and Italian. Since January 2011 he is an executive Board member of the Issuer.

Relations with shareholders

Communication with shareholders

-no deviation was found

VIII. The explanatory report of the Board of Directors to the Shareholders' Regular General Meeting. (According to §7 of article 4, L.3556/2007)

A. Share Capital Structure

The Company's share capital amounts to € 20,084,463 divided into 66,948,210 common nominal shares with nominal value € 0.30 each and paid in full. Each share provides the right of one vote. All shares are listed for trade at the Athens Stock Exchange in the category of Big Capitalization.

Each share embodies all rights and obligations determined by the Law and the FF Group S.A. Articles of Association, which do not contain any provisions more limiting than those provided by the Law. The shareholders' liability is limited to the nominal value of the shares they own. The ownership of the share entails the acceptance of the Folli Follie Group's Articles of Association and the lawful decisions of the shareholders' General Meetings by its owner. The Folli Follie Group Articles of Association do not provide special rights in favour of specific shareholders or change terms for the capital and amendment of the shareholders' rights which are more limiting than the provisions of the Law. Shareholders exercise their rights in relation to the company

administration via the General Meetings. Each shareholder has a right to participate in the company's shareholders' General Meeting either in person or via a representative. Each share provides the right of one vote. Each shareholder may request 10 days before the Regular General Meeting the annual financial statements and relative reports of the company's Board of Directors and Auditors.

Shareholders representing 5% of the paid-up share capital of the Company have the right to request from the company's pertinent Court of First Instance the appointment of one or several auditors particularly for the company audit, according to articles 40 and 40e of L. 2190/1920. They may also request for a shareholders' Extraordinary General Meeting to be convened. In such a case, the Board of Directors must convene this Meeting within 30 days after the submission of the request to the Board of Directors' Chairman. In this request, the shareholders must state the issues on which the General Meeting must decide. Shareholders have a preference privilege in each future increase of the company's share capital, according to their participation in the existing share capital as determined in article 13, paragraph 5 of C.L. 2190/1920.

Each share's dividend will be paid within two months further to the date of the Regular General Meeting which approved the annual financial statements. The place and way of payment shall be notified to the shareholders via the press. Dividends are distributed from profit already taxed to the legal entity and thus the shareholder has no tax obligations on the amount of dividends they collect. Dividends that have not been claimed for five years shall be deleted in favour of the State.

Any difference between the company on the one hand and the shareholders or any third party on the other hand, are subject to the exclusive competence of the regular courts and the company is defended only before the courts pertinent at its head offices area.

B. Limitations in the transfer of company shares

The transfer of company shares takes place according to the procedures determined by the law and the Regulation of the Athens Stock Exchange and based on the company's articles of association; no limitations apply to their transfer.

C. Significant direct or indirect holdings within the meaning of Articles 9 to 11 of Law 3556/2007

On 31.12.2013, the following shareholders held more than 5% of total voting rights

Dimitrios G. Koutsolioutsos: 36.01%

Fosun International: 13.85%

Fidelity Investments: 6.6%

D. Holders of any shares with special control rights.

There are no shares of the Company to provide their holders with special voting rights.

E. Restrictions on voting rights.

There are no restrictions of voting rights to shares arising from the Company.

F. Agreements between the shareholders of the Company.

It is not known to the Company that there are agreements between the shareholders or the voting rights arising from shares.

The share is indivisible as to the exercise of rights and obligations arise. If for any reason there are more joint owners or beneficiaries of a share, these are represented against the company by a person that was appointed after a mutual agreement.

G. Rules for appointing and replacing members of the Board and to amend the Articles of Incorporation.

The Society for the appointment and replacement of Board members, as well as amending the Constitution as needed following the provisions of Law 2190/1920, as amended.

H. Jurisdiction of the Board or some of its members to issue new shares or share buybacks:

1. The company can not undertake to cover its own shares.
2. Without prejudice to the principle of equal treatment of shareholders in the same position and the provisions of Law 3340/2005, as applicable, the Company may, itself or through a person acting in his name but on behalf of, to acquire its own shares, but only after approval by the General Meeting, which establishes the terms and conditions of such acquisitions, in particular the maximum number of shares to be acquired, the duration for which the authorization, which cannot exceed twenty-four (24) months and in case of acquisition for value, the minimum and maximum value of the acquisition.

I. Significant agreements between the company that enters into force, alter or terminate upon change of the control of the Company following a public offer and the effects thereof.

Does not exist.

J. Agreements that the Company has entered with members of the Board of Directors or its staff, which provides for compensation in case of resignation or dismissal without cause or termination of office or employment as a result of the bid.

There are no agreements between the Company and its Board members or staff, that foresee compensations, notably in the case of resignation or dismissal without valid reason, or termination of duty or employment in case of a public offer. to a takeover bid.

K. Dividend policy

The Board, despite the positive results of the Group, taking into account the market crisis, and to further strengthen the financial position of the company in conjunction with planned investments will propose at the Annual General Meeting, not to distribute to the shareholders dividend for the fiscal year 2013.

L. Significant events after year end

On the balance sheet date and until the approval of the Financial Statements by the Board, there were no events significantly influencing these the financial statements.

Ag. Stefanos, March 28th, 2014

C. INDEPENDENT CERTIFIED AUDITORS' ACCOUNTANTS REPORT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME"

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME" and its subsidiaries, which comprise the parent and consolidated statement of financial position as of 31 December 2013, and the parent and consolidated statement of comprehensive income, of changes in equity and cash flows for the year that ended, as well as the summary of significant accounting policies and other explanatory information.

Management's Responsibility for the company Stand-alone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these stand-alone and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of stand-alone and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the stand-alone and consolidated financial statements are free from material misstatement.

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

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


Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME" and of its subsidiaries as at December 31,2013, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.

We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290

 **BAKER TILLY HELLAS**
Certified Public Accountants A.E.
396, Mesogion Avenue
15341 Ag.Paraskevi-Athens, Greece
SOEL Reg.No: 148

Athens, 31 March 2013
The Certified Public Accountant

Chrisa G. Tsakalogianni
SOEL Reg.: 23811

D. FINANCIAL STATEMENTS

1 Statements of Financial Position for the Group and the Company

1.1 STATEMENT OF FINANCIAL POSITION OF THE GROUP

	The Group	
	31.12.2013	31.12.2012
Assets		
Non-current assets		
	<u>Notes</u>	
Tangible fixed assets	175.305.338,39	240.100.507,06
Investment Property	76.053.155,41	72.865.151,63
Intangible assets	11.938.947,00	99.605.695,21
Goodwill	91.872.622,21	252.770.555,37
Investments in subsidiaries	14.000.000,00	0,00
Investments in Associates	479.383,27	505.733,64
Investments available for sale	153.747.536,89	616.878,56
Deferred tax claims	3.485.524,29	22.631.222,89
Other long term assets	20.376.393,82	30.794.038,80
Total non-current	547.258.901,28	719.889.783,16
Current assets		
Inventories	254.839.033,30	377.616.142,19
Trade receivables	390.415.004,20	445.537.105,50
Other current assets	127.669.284,66	146.280.364,56
Derivatives	0,00	0,00
Other financial assets at fair value through profit	20.059,78	35.470,71
Cash & cash equivalent	251.584.195,30	126.483.148,41
Total current assets	1.024.527.577,24	1.095.952.231,37
Total assets	1.571.786.478,52	1.815.842.014,53
Equity & Liabilities		
Equity of shareholders of the parent company		
Share capital	20.084.463,00	20.084.463,00
Share Premium	145.211.731,47	145.211.731,47
Other reserves	47.741.628,47	-13.423.218,00
Other equity	-130.655.674,31	-114.561.004,47
Retained earnings	1.077.755.479,47	768.222.990,18
	1.160.137.628,10	805.534.962,18
Minority interests	23.293.877,43	20.412.136,83
Total equity	1.183.431.505,53	825.947.099,01
Liabilities		
Long-term liabilities		
Long-term borrowings	35.904.529,82	428.829.361,00
Deferred tax liabilities	12.762.162,21	36.112.907,36
Employee benefit liabilities	2.534.670,23	7.416.433,38
Total long-term provisions	3.485.456,71	3.704.119,71
Other long-term liabilities	9.725.733,54	29.298.802,95
Total long-term liabilities	64.412.552,51	505.361.624,40
Short-term liabilities		
Short-term borrowings	186.638.474,70	312.247.173,08
Derivatives	0,00	0,00
Trade and other payables	120.258.929,37	152.291.571,36
Current Income tax	11.465.616,98	15.039.688,88
Current tax liabilities	5.576.882,50	4.895.329,86
Dividends payable	2.516,93	59.527,94
Total short term liabilities	323.942.420,48	484.533.291,12
Total liabilities	388.354.972,99	989.894.915,52
Total equity & liabilities	1.571.786.478,52	1.815.842.014,53

1) Significant changes in Equity and liabilities due to the spin-off of the travel retail. For comparability purposes set out in Note 34 " Financial Position December 31, 2012 " for both the Group and the Company , which does not include the travel retail .

2) Based on the new IAS 19 which apply from 01.01.2013, the total actuarial loss / gain arising should be recognized directly in a separate account in the statement of comprehensive income directly influencing equity. After applying the standard restated the comparative figures of "equity" of " deferred tax " and " provisions for employee benefits " of financial statements 31.12.2012 . After the allocation of actuarial losses / gains net of the Group and of the Company on 31.12.2012 restated by € 858 thousand.

1.2 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		The Company	
		31.12.2013	31.12.2012
Assets			
Non-current assets	<u>Notes</u>		
Tangible fixed assets		50.441.327,95	110.300.448,57
Investment Property		76.053.155,41	72.865.151,63
Intangible assets		3.635.503,69	89.322.851,05
Goodwill		39.373.861,68	200.171.794,84
Investments in subsidiaries		200.167.864,24	193.522.864,24
Investments in Associates		700.000,00	450.000,00
Investments available for sale		153.558.153,89	614.677,56
Deferred tax claims		0,00	18.513.623,29
Other long term assets		11.409.013,38	20.516.989,50
Total non-current		535.338.880,24	706.278.400,68
Current assets			
Inventories		31.213.252,87	91.545.137,04
Trade receivables		74.603.411,30	78.310.935,95
Other current assets		32.515.122,75	37.806.143,01
Derivatives		0,00	0,00
Other financial assets at fair value through profit		20.059,78	35.470,71
Cash & cash equivalent		134.500.088,67	11.729.895,39
Total current assets		272.851.935,37	219.427.582,10
Total assets		808.190.815,61	925.705.982,78
Equity & Liabilities			
Equity of shareholders of the parent company			
Share capital		20.084.463,00	20.084.463,00
Share Premium		145.211.731,47	145.211.731,47
Other reserves		43.672.225,11	-17.217.508,51
Other equity		-85.554.366,48	-85.554.366,48
Retained earnings		437.796.611,32	40.074.713,56
		561.210.664,42	102.599.033,04
Minority interests		0,00	0,00
Total equity		561.210.664,42	102.599.033,04
Liabilities			
Long-term liabilities			
Long-term borrowings		25.226.682,00	400.008.208,00
Deferred tax liabilities		11.652.186,23	34.825.381,41
Employee benefit liabilities		1.435.182,00	6.009.001,83
Total long-term provisions		2.412.095,01	2.721.000,00
Other long-term liabilities		9.641.912,28	29.210.736,37
Total long-term liabilities		50.368.057,52	472.774.327,61
Short-term liabilities			
Short-term borrowings		143.144.124,37	284.874.963,01
Derivatives		0,00	0,00
Trade and other payables		51.803.555,75	64.421.401,03
Current Income tax		0,00	4.158,80
Current tax liabilities		1.661.896,62	972.571,35
Dividends payable		2.516,93	59.527,94
Total short term liabilities		196.612.093,67	350.332.622,13
Total liabilities		246.980.151,19	823.106.949,74
Total equity & liabilities		808.190.815,61	925.705.982,78

2 Comprehensive Income for the Group

	The Group			The Group		
	01.01. - 31.12.2013	01.01. - 31.12.2013	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012
	Continuing operations	Non - Continuing operations	Total	Continuing operations	Non - Continuing operations	Total
Turnover	887.407.141,07	46.823.352,39	934.230.493,46	809.729.243,04	300.303.293,00	1.110.032.536,04
Cost of goods	-440.619.515,23	-22.927.948,95	-463.547.464,18	-404.640.678,79	-148.530.823,00	-553.171.501,79
Gross Profit	446.787.625,84	23.895.403,44	470.683.029,28	405.088.564,25	151.772.470,00	556.861.034,25
Other operating income	10.577.069,63	2.502.356,89	13.079.426,52	17.576.681,70	14.962.171,00	32.538.852,70
Administration expenses	-56.183.869,88	-2.904.756,40	-59.088.626,28	-64.286.719,40	-9.315.251,00	-73.601.970,40
Selling expenses	-224.908.271,31	-16.427.083,43	-241.335.354,74	-234.324.568,90	-79.481.075,00	-313.805.643,90
Other operating expenses	-9.666.397,75	-271.545,38	-9.937.943,13	-15.821.011,79	-389.804,00	-16.210.815,79
Operating income	166.606.156,52	6.794.375,12	173.400.531,64	108.232.945,86	77.548.511,00	185.781.456,86
Investments in Associates	-27.998,61		-27.998,61	-93.966,36	0,00	-93.966,36
Profit/Loss (before the tax)	393.672.613,68	3.939.932,47	397.612.546,15	61.336.597,09	69.557.854,47	130.894.451,56
Income tax	-50.660.830,81	551.942,78	-50.108.888,03	-35.274.296,46		-35.274.296,46
Profit/Loss (after the tax)	343.011.782,87	4.491.875,25	347.503.658,12	26.062.300,63	69.557.854,47	95.620.155,10
Depreciation & amortization	19.989.962,94	1.298.898,65	21.288.861,59	20.845.733,23	6.191.306,98	27.037.040,21
Profit before taxes depreciation & amortisation	186.596.119,46	8.093.273,77	194.689.393,23	129.078.679,09	83.739.817,98	212.818.497,07
Other comprehensive income / (expenses): Recognised in Equity						
<i>Amounts not reclassified to income statement</i>						
Revaluation of liabilities for employee benefits						
<i>Amounts may be reclassified to income statement in subsequent periods</i>						
Other comprehensive income, net of taxes	-1.629.617,17	0,00	-1.629.617,17	-10.151.609,15	0,00	-10.151.609,15
Total comprehensive income after taxes	341.382.165,70	4.491.875,25	345.874.040,95	15.910.691,48	69.557.854,47	85.468.545,95
Profit is attributable to:						
Shareholders of the parent company	340.140.050,78	4.491.875,25	344.631.926,03	24.067.865,27	69.557.854,47	93.625.719,74
Non controlling interests	2.871.732,09	0,00	2.871.732,09	1.994.435,36		1.994.435,36
Total	343.011.782,87	4.491.875,25	347.503.658,12	26.062.300,63	69.557.854,47	95.620.155,10
Total comprehensive income						
Attributable to :						
Shareholders of the parent company	338.500.425,10	4.491.875,25	342.992.300,35	13.916.256,12	69.557.854,47	83.474.110,59
Non controlling interests	2.881.740,60	0,00	2.881.740,60	1.994.435,36		1.994.435,36
Total	341.382.165,70	4.491.875,25	345.874.040,95	15.910.691,48	69.557.854,47	85.468.545,95
Earnings / Losses per share						
Basic and diluted (in euros):			5,15339			1,41825

FOR THE COMPANY

	The Company			The Company		
	01.01. - 31.12.2013	01.01. - 31.12.2013	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012
	Continuing operations	Non - Continuing operations	Total	Continuing operations	Non - Continuing operations	Total
Turnover	130.209.211,93	46.537.164,10	176.746.376,03	121.987.046,81	285.950.404,20	407.937.451,01
Cost of goods	-72.983.112,90	-23.349.805,76	-96.332.918,66	-80.498.749,42	-138.650.165,57	-219.148.914,99
Gross Profit	57.226.099,03	23.187.358,34	80.413.457,37	41.488.297,39	147.300.238,63	188.788.536,02
Other operating income	3.174.431,55	1.227.929,35	4.402.360,90	3.297.850,52	8.588.835,31	11.886.685,83
Administration expenses	-13.938.258,72	-2.667.217,00	-16.605.475,72	-18.115.763,14	-7.424.244,64	-25.540.007,78
Selling expenses	-51.249.759,39	-14.685.127,82	-65.934.887,21	-50.235.495,74	-71.907.735,41	-122.143.231,15
Other operating expenses	-785.087,60	-262.356,95	-1.047.444,55	-6.017.506,06	-424.498,00	-6.442.004,06
Operating income	-5.572.575,13	6.800.585,92	1.228.010,79	-29.582.617,03	76.132.595,89	46.549.978,86
Investments in Associates	0,00		0,00			0,00
Profit/Loss (before the tax)	455.649.487,24	3.955.846,38	459.605.333,62	-71.493.037,30	68.201.859,43	-3.291.177,87
Income tax	-27.996.632,88	551.942,78	-27.444.690,10	-8.330.035,19	0,00	-8.330.035,19
Profit/Loss (after the tax)	427.652.854,36	4.507.789,16	432.160.643,52	-79.823.072,49	68.201.859,43	-11.621.213,06
Depreciation & amortization	6.023.077,03	1.259.347,87	7.282.424,90	6.375.007,24	5.924.256,62	12.299.263,86
Profit before taxes depreciation & amortisation	450.501,90	8.059.933,79	8.510.435,69	-23.207.609,79	82.056.852,51	58.849.242,72
Other comprehensive income / (expenses): Recognised in Equity						
<i>Amounts not reclassified to income statement</i>						
Revaluation of liabilities for employee benefits						
<i>Amounts may be reclassified to income statement in subsequent periods</i>						
Other comprehensive income, net of taxes	14.403.403,01	0,00	14.403.403,01	8.286.581,60	0,00	8.286.581,60
Total comprehensive income after taxes	442.056.257,37	4.507.789,16	446.564.046,53	-71.536.490,89	68.201.859,43	-3.334.631,46
Profit is attributable to:						
Shareholders of the parent company			432.160.643,52			-11.621.213,06
Non controlling interests			0,00			
Total			432.160.643,52			-11.621.213,06
Total comprehensive income						
Attributable to :						
Shareholders of the parent company			446.564.046,53			-3.334.631,46
Non controlling interests			0,00			
Total			446.564.046,53			-3.334.631,46
Earnings / Losses per share						
Basic and diluted (in euros):			6,46224			-0,17604

3 STATEMENT OF CHANGES IN EQUITY FOR THE GROUP

The Group												
	Notes	Share Capital	Share Premium	Consolidation Differences	Fair Value Reserves	own shares	Other Reserves	Retained earnings	Currency exchange differences	Total shareholders' equity	Minority Interests	Total Equity
Balance at 1.1.2012		20.084.463,00	145.211.731,47	-87.027.854,86	0,00	-13.384.633,73	-9.542.642,86	674.731.561,69	-8.694.652,64	721.377.972,07	18.372.835,42	739.750.807,49
Earnings After taxes		0,00	0,00	0,00	0,00	0,00	0,00	93.625.719,74	0,00	93.625.719,74	1.994.435,36	95.620.155,10
Valuation of financial assets		0,00	0,00	0,00	0,00	0,00	7.898.448,03	0,00	0,00	7.898.448,03	0,00	7.898.448,03
Valuation of investments available for sale		0,00	0,00	0,00	0,00	0,00	215.178,99	0,00	0,00	215.178,99	0,00	215.178,99
Exchange Differences		0,00	0,00	0,00	0,00	0,00	0,00	0,00	-18.838.496,97	-18.838.496,97	0,00	-18.838.496,97
Actuarial loss / (gain)		0,00	0,00	0,00	0,00	0,00	857.676,17	0,00	0,00	857.676,17	0,00	857.676,17
Other income not calculated in profit for the period		0,00	0,00	0,00	0,00	0,00	397.302,04	0,00	0,00	397.302,04	0,00	397.302,04
Subsidiary's Capital increase Expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred tax in equity		0,00	0,00	0,00	0,00	0,00	175.958,76	0,00	0,00	175.958,76	0,00	175.958,76
Income tax relating to items of the total income		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total comprehensive income for the period,net of tax		0,00	0,00	0,00	0,00	0,00	9.544.563,99	93.625.719,74	-18.838.496,97	84.331.786,76	1.994.435,36	86.326.222,12
Capital increase		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Various Expenses/income in Equity		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Capital increase expenses		0,00	0,00	0,00	0,00	0,00	-129.930,60	0,00	0,00	-129.930,60	0,00	-129.930,60
Minority interest resulted from Subsidiaries' rates change		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends payable		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition of minority shareholding		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transfers		0,00	0,00	0,00	0,00	0,00	89.425,20	-134.291,25	0,00	-44.866,05	44.866,05	0,00
Liquidation of Participations		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Sale of own shares		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31st December 2012		20.084.463,00	145.211.731,47	-87.027.854,86	0,00	-13.384.633,73	-38.584,27	768.222.990,18	-27.533.149,61	805.534.962,18	20.412.136,83	825.947.099,01
Balance at 1.1.2013		20.084.463,00	145.211.731,47	-87.027.854,86	0,00	-13.384.633,73	-38.584,27	768.222.990,18	-27.533.149,61	805.534.962,18	20.412.136,83	825.947.099,01
Earnings After taxes		0,00	0,00	0,00	0,00	0,00	0,00	344.631.926,03	0,00	344.631.926,03	2.871.732,09	347.503.658,12
Valuation of financial assets		0,00	0,00	0,00	0,00	0,00	19.568.824,08	0,00	0,00	19.568.824,08	0,00	19.568.824,08
Valuation of investments available for sale		0,00	0,00	0,00	0,00	0,00	8.136,18	0,00	0,00	8.136,18	0,00	8.136,18
Exchange Differences		0,00	0,00	0,00	0,00	0,00	0,00	0,00	-16.105.320,28	-16.105.320,28	-2.554,31	-16.107.874,59
Actuarial loss / (gain)		0,00	0,00	0,00	0,00	0,00	-67.517,31	0,00	0,00	-67.517,31	18.886,32	-48.630,99
Other income not calculated in profit for the period		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Subsidiary's Capital Increase Expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred tax in equity		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax relating to items of the total income		0,00	0,00	0,00	0,00	0,00	-5.043.748,35	0,00	0,00	-5.043.748,35	-6.323,50	-5.050.071,85
Total comprehensive income for the period,net of tax		0,00	0,00	0,00	0,00	0,00	14.465.694,60	344.631.926,03	-16.105.320,28	342.992.300,35	2.881.740,60	345.874.040,95
Capital increase		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Various Expenses/income in Equity		0,00	0,00	0,00	0,00	0,00	359,40	0,00	0,00	359,40	0,00	359,40
Capital increase expenses		0,00	0,00	0,00	0,00	0,00	-437.578,67	0,00	0,00	-437.578,67	0,00	-437.578,67
Minority interest resulted from Subsidiaries' rates change		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends payable		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition of minority shareholding		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transfers		0,00	0,00	0,00	0,00	0,00	35.088.786,29	-35.099.436,74	10.650,45	0,00	0,00	0,00
Liquidation of Participations		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Sale of own shares		0,00	0,00	0,00	0,00	13.384.633,73	-1.337.048,88	0,00	0,00	12.047.584,85	0,00	12.047.584,85
Balance at 31st December 2012		20.084.463,00	145.211.731,47	-87.027.854,86	0,00	0,00	47.741.628,47	1.077.755.479,47	-43.627.819,44	1.160.137.628,11	23.293.877,43	1.183.431.505,53

For the Company

The Company												
	Notes	Share Capital	Share Premium	Consolidation Differences	Fair Value Reserves	own shares	Other Reserves	Retained earnings	Currency exchange differences	Total shareholders' equity	Minority Interests	Total Equity
Balance at 1.1.2012		20.084.463,00	145.211.731,47	-85.554.366,48	0,00	-13.384.633,73	-13.277.409,67	51.996.203,74	0,00	105.075.988,33	0,00	105.075.988,33
Earnings After taxes		0,00	0,00	0,00	0,00	0,00	0,00	-11.621.213,06	0,00	-11.621.213,06	0,00	-11.621.213,06
Valuation of financial assets		0,00	0,00	0,00	0,00	0,00	7.898.448,03	0,00	0,00	7.898.448,03	0,00	7.898.448,03
Valuation of investments available for sale		0,00	0,00	0,00	0,00	0,00	215.178,99	0,00	0,00	215.178,99	0,00	215.178,99
Exchange Differences		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Actuarial loss / (gain)		0,00	0,00	0,00	0,00	0,00	857.676,17	0,00	0,00	857.676,17	0,00	857.676,17
Other income not calculated in profit for the period		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Subsidiary's Capital increase Expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred tax in equity		0,00	0,00	0,00	0,00	0,00	172.954,58	0,00	0,00	172.954,58	0,00	172.954,58
Income tax relating to items of the total income		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total comprehensive income for the period,net of tax		0,00	0,00	0,00	0,00	0,00	9.144.257,77	-11.621.213,06	0,00	-2.476.955,29	0,00	-2.476.955,29
Capital increase		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Various Expenses/Income in Equity		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Capital increase expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Minority interest resulted from Subsidiaries' rates change		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends payable		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition of minority shareholding		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transfers		0,00	0,00	0,00	0,00	0,00	300.277,12	-300.277,12	0,00	0,00	0,00	0,00
Liquidation of Participations		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Sale of own shares		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31st December 2012		20.084.463,00	145.211.731,47	-85.554.366,48	0,00	-13.384.633,73	-3.832.874,78	40.074.713,56	0,00	102.599.033,04	0,00	102.599.033,04
Balance at 1.1.2013		20.084.463,00	145.211.731,47	-85.554.366,48	0,00	-13.384.633,73	-3.832.874,78	40.074.713,56	0,00	102.599.033,04	0,00	102.599.033,04
Earnings After taxes		0,00	0,00	0,00	0,00	0,00	0,00	432.160.643,52	0,00	432.160.643,52	0,00	432.160.643,52
Valuation of financial assets		0,00	0,00	0,00	0,00	0,00	19.568.824,09	0,00	0,00	19.568.824,09	0,00	19.568.824,09
Valuation of investments available for sale		0,00	0,00	0,00	0,00	0,00	8.136,18	0,00	0,00	8.136,18	0,00	8.136,18
Exchange Differences		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Actuarial loss / (gain)		0,00	0,00	0,00	0,00	0,00	0,00	-85.662,99	0,00	-85.662,99	0,00	-85.662,99
Other income not calculated in profit for the period		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Subsidiary's Capital increase Expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred tax in equity		0,00	0,00	0,00	0,00	0,00	-5.087.894,27	0,00	0,00	-5.087.894,27	0,00	-5.087.894,27
Income tax relating to items of the total income		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total comprehensive income for the period,net of tax		0,00	0,00	0,00	0,00	0,00	14.489.066,00	432.074.980,53	0,00	446.564.046,53	0,00	446.564.046,53
Capital increase		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Various Expenses/Income in Equity		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Capital increase expenses		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Minority interest resulted from Subsidiaries' rates change		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends payable		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition of minority shareholding		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transfers		0,00	0,00	0,00	0,00	0,00	34.353.082,77	-34.353.082,77	0,00	0,00	0,00	0,00
Liquidation of Participations		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Sale of own shares		0,00	0,00	0,00	0,00	13.384.633,73	-1.337.048,88	0,00	0,00	12.047.584,85	0,00	12.047.584,85
Balance at 31st December 2012		20.084.463,00	145.211.731,47	-85.554.366,48	0,00	0,00	43.672.225,11	437.796.611,32	0,00	561.210.664,42	0,00	561.210.664,42

4 CASH FLOW STATEMENT

	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Cash Flows related to Operating Activities				
Net Profit before taxes (Continuing operations)	393.672.613,68	61.336.597,09	455.649.487,24	-71.493.037,30
<i>Net Profit before taxes (Non - Continuing operations)</i>	3.939.932,47	69.557.854,47	3.955.846,38	68.201.859,43
Adjustments				
Depreciation and Amortisation	19.989.962,94	20.845.733,22	6.030.134,20	6.375.007,24
Provisions	18.430.406,18	8.602.157,59	17.878.538,53	163.235,03
Exchange differences	8.821.801,81	108.935,76	0,00	0,00
Results (income, expenses, gains and losses) from investing activities	-466.989.487,26	6.073.419,88	-469.342.429,25	12.775.066,34
Interest and related expenses	21.365.670,87	32.286.469,77	20.136.724,15	30.374.420,08
Adjustments related to working capital or other operating activities				
	0,00	0,00	0,00	0,00
Decrease/(increase) of Inventories	65.518.243,69	-50.523.797,91	13.794.406,39	8.191.369,41
Decrease/(increase) of Receivables	2.875.415,98	-81.813.548,76	-34.048.400,22	-15.634.732,61
Increase/(decrease) of payable accounts (except Banks)	-1.219.851,19	77.442.611,05	25.455.377,02	73.089.939,17
Minus	0,00	0,00	0,00	0,00
Interest paid and similar expenses	-22.822.305,67	-29.878.588,58	-21.194.605,39	-27.966.538,89
Income Tax paid	-27.772.077,55	-23.981.320,97	-2.494.674,38	-498.540,41
<i>Cash Flows from Non - Continuing operations</i>	-5.382.585,61	3.150.109,45	-5.312.488,73	4.799.516,86
Net cash inflows/(outflows) from Operating Activities (a)	<u>6.487.807,87</u>	<u>23.648.777,59</u>	<u>6.552.069,56</u>	<u>20.175.704,92</u>
Investing Activities				
Purchases of subsidiaries, associates and other investments	-5.180.000,00	-599.700,00	-19.955.399,49	-61.708.835,40
Acquisition of minorities	0,00	0,00	0,00	0,00
Proceeds from the sale of Travel Retail activity	375.500.000,00		375.500.000,00	
Adjustments related to the sale of Travel Retail activity	-52.842.309,00		-52.842.309,81	
Purchases of tangible and intangible assets	-15.340.660,36	-19.626.494,79	-2.457.428,55	-4.170.790,99
Proceeds from sale of tangible and intangible assets	344.975,43	839.474,69	13.299,65	109.162,66
Interest received	1.728.131,90	1.764.703,17	244.830,86	128.931,19
Dividends received	0,00	0,00	0,00	0,00
Proceeds from sale of financial assets	-16.300.989,32	-13.252.003,02	-16.260.988,50	-12.895.567,81
Decrease/(increase) of other long-term receivables	1.976.833,93	-4.619.643,58	1.393.668,15	-4.261.412,73
<i>Investing Activities from Non- Continuing operations</i>	-863.848,72	-3.995.533,78	-861.453,23	-3.801.873,13
Net cash inflows/(outflows) from Investing Activities (b)	<u>289.022.133,86</u>	<u>-39.489.197,31</u>	<u>284.774.219,08</u>	<u>-86.600.386,21</u>
Financing Activities				
Capital increase	0,00	0,00	0,00	0,00
Proceeds from Loans	59.619.729,12	432.418.373,13	22.000.000,00	399.480.360,58
Proceeds from leases	0,00	940.000,00	0,00	0,00
Payment of Loans	-223.218.990,24	-420.810.836,22	-185.378.169,93	-339.169.629,30
Payments for leases	-18.800.207,56	-5.575.221,74	-17.168.499,27	-2.977.134,49
Own Stock	12.047.584,85	0,00	12.047.584,85	0,00
Expenses related to capital increase	0,00	-129.930,60	0,00	0,00
Dividends paid	-57.011,01	-20.367,54	-57.011,01	-20.367,54
<i>Financing Activities from Non - Continuing operations</i>	0,00	0,00	0,00	0,00
Net cash inflows/(outflows) from Financing Activities (c)	<u>-170.408.894,84</u>	<u>6.822.017,03</u>	<u>-168.556.095,36</u>	<u>57.313.229,25</u>
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	<u>125.101.046,89</u> 0,00	<u>-9.018.402,69</u> 0,00	<u>122.770.193,28</u> 0,00	<u>-9.111.452,04</u> 0,00
Cash and cash equivalents at beginning of the Year	126.483.148,41	135.501.551,10	11.729.895,39	20.841.347,43
Cash and cash equivalents at end of the Year	<u>251.584.195,30</u>	<u>126.483.148,41</u>	<u>134.500.088,67</u>	<u>11.729.895,39</u>

E. INFORMATION ABOUT THE GROUP

1. General Information

The company titled "FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME" under the distinctive title "FOLLI FOLLIE GROUP" is a Societe Anonyme registered in Greece, in the Registry of Societes Anonymes with number: 3027701000 and its registered seat is in Agios Stefanos, Attica. The Company is active in the fields manufacturing of jewellery, department stores, and in the field of apparel and footwear.

These financial statements include the financial statements of «FOLLI FOLLIE GROUP» and its subsidiaries, together referred to as Group covering the period from January 1, 2013 up to December 31, 2013, approved by the Board the Company on March 28, 2013.

1.1. Group structure

The consolidated financial statements include the financial statements of the parent company and of its subsidiaries. The structure of the Group, as this has been formed after the merger of the three companies, is presented in the following table:

Company Name	Head Office	Direct % Participation	Indirect % Participation	Total	Consolidation
FOLLI FOLLIE JAPAN LTD	JAPAN	100%		100%	Full
FOLLI FOLLIE FRANCE SA	FRANCE	100%		100%	Full
FOLLI FOLLIE SPAIN SA	SPAIN	100%		100%	Full
FOLLI FOLLIE UK LTD	UK	100%		100%	Full
FOLLI FOLLIE SOURCING LTD	H.K.	100%		100%	Full
FOLLI FOLLIE ASIA LTD	H.K.		100%	100%	Full
FOLLI FOLLIE TAIWAN LTD	TAIWAN		100%	100%	Full
FOLLI FOLLIE KOREA LTD	S.KOREA		100%	100%	Full
FOLLI FOLLIE SINGAPORE LTD	SINGAPORE		100%	100%	Full
FOLLI FOLLIE MACAU LTD	MACAU		100%	100%	Full
FOLLI FOLLIE MALAYSIA LTD	MALAYSIA		100%	100%	Full
FOLLI FOLLIE THAILAND LTD	THAILAND		100%	100%	Full
FOLLI FOLLIE CHINA (PILION LTD)	CHINA		100%	100%	Full
FOLLI FOLLIE SHENZHEN LTD	CHINA		100%	100%	Full
BLUEFOL GUAM LTD	GUAM		100%	100%	Full
BLUEFOL HAWAII LTD	HAWAII		100%	100%	Full
BLUEFOL HONG KONG LTD	H.K.		100%	100%	Full
FOLLI FOLLIE HOLDINGS	GREECE	100%		100%	Full
LINKS (LONDON) LIMITED	UK		100%	100%	Full
LINKS OF LONDON (INTERNATIONAL) LTD	UK		100%	100%	Full
LINKS OF LONDON COM LTD (UK)	UK		100%	100%	Full
LINKS OF LONDON INC (USA)	USA		100%	100%	Full
LINKS OF LONDON (FRANCE)	FRANCE		100%	100%	Full
ELMEC ROMANIA SRL	ROMANIA	100%		100%	Full
FOLLI FOLLIE BULGARIA EOOD	BULGARIA	100%		100%	Full
MOUSTAKIS S.A.	GREECE	100%		100%	Full
ATTIKA DEPARTMENT STORES S.A.	GREECE	46%		46%	Full
LOGISTICS EXPRESS S.A.	GREECE	100%		100%	Full
MFK FASHION LTD	CYPRUS	100%		100%	Full
PLANACO S.A.	GREECE	100%		100%	Full
ICE CUBE S.A.	GREECE	25%		25%	Full
COLLECTIVE S.A.	GREECE	80%		80%	Full

On April 2013 a signed agreement was completed to sell 51% of the travel retail, which is engaged in operating Duty-Free Shops to the Swiss Dufry AG. Specifically, pursuant to the signed agreement, the spinoff process of

the travel retail who contributed to a subsidiary of the Group. With the completion of the carve out, the Dufry AG acquired 51% of the share capital of this subsidiary that absorbed the sector and had the right to acquire the remaining 49% in four years at fair market value. In December 2013 the Swiss company Dufry AG acquired the remaining 49%. Therefore the consolidated financial statements of December 31, 2013 do not include the company "Hellenic Duty Free Shops S.A."

2. Important accounting policies of the Group

The following amendments and interpretations of IFRS issued by the International Accounting Standards Board (IASB) and their application is compulsory from 01/01/2013 or later. The most relevant Standards and Interpretations listed below:

- **Amendments to IAS 1 "Presentation of Financial Statements" - Presentation of Items of Other Comprehensive Income**

In June 2011, the IASB issued amendments to IAS 1 "Presentation of Financial Statements". These changes relate to the way of presentation components of other comprehensive income.

- **IFRS 13 "Fair Value Measurement"**

In May 2011 the IASB issued IFRS 13 "Fair Value Measurement at." IFRS 13 defines fair value, sets out in a single IFRS a framework for the determination of fair value and requires disclosures about fair value measurements. IFRS 13 applies when another IFRS require or permit valuation data at fair value. IFRS 13 does not introduce new requirements with respect to determining the fair value of an asset or liability. Moreover, it does not change the requirements of other Standards regarding the items measured at fair values and is not mentioned in the presentation of changes in fair value in the financial statements.

- **Revision of IAS 19 "Employee Benefits"**

In June 2011, the IASB issued the revised IAS 19 'Employee Benefits'. This review aims to improve the recognition and disclosure requirements with respect to defined benefit plans. Under the revised standard removes the process margin and therefore the possibility to defer the recognition of actuarial gains and losses, while requiring revaluations of net liability (asset) including actuarial gains and losses arising during the reporting period are recognized in the statement of comprehensive Income. Under the revised standard, the Company reclassified the comparative period in accordance with the prescribed transitional provisions of IAS 19 and in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

- **IFRIC 20 "Stripping Costs (Stripping Costs) in the Production Phase of a Surface Mine Terrestrial**
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In October 2011, the IASB issued IFRIC 20. The Interpretation clarifies when production mining should lead to the recognition of an asset and how it should be valued at that point both at inception and in subsequent periods.

- **Amendments to IFRS 7 "Disclosures" - Offsetting financial assets and financial liabilities"**

In December 2011, the IASB published new requirements for disclosures that enable users of financial statements to perform in a better way comparisons between published financial statements under IFRS and those published under the US GAAP.

- **Amendment to IFRS 1 "First Time Adoption of International Financial Reporting Standards" - Government Loans**

In March 2012, the IASB issued an amendment to IFRS 1 whereby the first-time adopters IFRS that have received government loans at preferential rates, have the potential of non- retroactive application of IFRS in the depiction of these loans at the transition.

- **Annual Improvements cycle 2009 - 2011**

The IASB proceeded in May 2012 in the publication " Annual Improvements to International Financial Reporting Cycle 2009-2011 ", which consists of a series of adjustments in 5 Standards and is part of the program for annual improvements in standards. The standards on which there are improvements to IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34.

- **New standards, interpretations and amendments to existing standards that are not yet in force**

The following new Standards, Revised Standards and Interpretations to the following existing standards have been published but are not yet in force, or have not been approved by the European Union. Specifically :

- **IFRS 9 "Financial Instruments" (postponement of the application)**

The IASB proceeded on 12/11/2009 version of the new standard, the revised IFRS 9 "Financial Instruments" which will gradually replace IAS 39 "Financial Instruments: Recognition and Measurement". Noted that in October 2010 the IASB issued additions with respect to financial liabilities that the entity has elected to measure at fair value. Under IFRS 9, all financial assets are measured initially at fair value plus transaction costs. The subsequent measurement of financial assets carried at amortized cost or fair value depending on the entity's business model for managing financial assets and the contractual cash flows of that asset. IFRS 9 prohibits reclassifications except in cases where the entity's business model changed, and in this case is required to reclassify the affected financial instruments. In accordance with the principles of IFRS 9 all equity investments should be valued at fair value. However, management has the option to present in other comprehensive income unrealized and realized gains and losses in the fair value of equity instruments not held for trading. In November 2013 the IASB made amendments to the standard. Added a chapter reviewing major hedge accounting and implements a new model improves the correlation of accounting with risk management and introduced improvements in disclosures regarding hedge accounting and risk management. The modification is readily available improvements with respect to disclosures relating to changes in the fair value of a debt of the same firm, as included in the standard. Finally, the IASB decided to defer the implementation of the model (annual

periods beginning on or after 01.01.2015), as the processes are completed and could not be given adequate time to prepare businesses. However companies can decide the immediate implementation.

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 " Figures Under Common Control » (Joint Arrangements), IFRS 12 "Disclosure of Interests in Other Entities ", IAS 27" Separate Financial Statements " and IAS 28" Investments in Associates and Joint Ventures ' (effective for annual periods beginning on or after 01/01/2014)**

In May 2011 the IASB issued three new standards and specifically IFRS 10, IFRS 11 and IFRS 12. IFRS 10 "Consolidated Financial Statements" states a model of integration that defines control as the basis for the integration of all types of businesses. IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC- 12 "Consolidation - Special Purpose Entities". IFRS 11 "Figures Under Common Control" sets out principles regarding financial reporting of participating in a joint arrangement (Joint Arrangement). IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities - Non -Monetary Contributions by Ventures". IFRS 12 "Disclosure of Interests in Other Entities" unites, enhances and replaces the disclosure requirements for subsidiaries, jointly controlled companies, associates and non-consolidated companies. As a result of these new standards, the IASB also adopted the amended IAS 27 titled IAS 27 "Separate Financial Statements" and revised IAS 28 titled IAS 28 "Investments in Associates and Joint Ventures". The new standards are effective for annual periods beginning on or after 01 January 2014, with earlier application permitted.

- **Transition Guide: Consolidated Financial Statements, Figures under common control, Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12) (effective for annual periods beginning on or after 01/01/2013)**

In June 2012, the IASB has made such a publication which provides guidance on the transitional provisions of IFRS 10. The amendments provide additional facilities on transition to IFRS 10, IFRS 11 and IFRS 12 by reducing the requirements for customized comparative information only previous comparative period. Further regarding disclosures for unconsolidated companies, the amendments remove the requirement to present comparative information for periods prior to the first application of IFRS 12. These amendments are effective for annual periods beginning on or after 01 January 2013, but will actually be implemented from the date of implementation of the relevant standards, from 01 January 2014. These amendments were adopted by the European Union in April 2013.

- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (effective for annual periods beginning on or after 01/01/2014)**

In October 2012, the IASB issued amendments to IFRS 10, IFRS 12 and IAS 27. The amendments apply to the category "Investment Entities ". The IASB uses the term "Investment Entities" to refer to those operating exclusively in capital investment for the returns from the goodwill of capital, investment income or both. Investment entities should evaluate the performance of their investments at fair value. This category can include private equity firms, venture capital organizations, private pension funds, sovereign wealth funds and other investment funds. Defined as an exception to the requirements of IFRS 10 on its consolidated, that investment

entities shall measure specific subsidiaries at fair value through profit and will not consolidate, giving the necessary disclosures. These amendments are effective for annual periods beginning on or after 01 January 2014 with earlier application permitted. These amendments were adopted by the European Union in November 2013.

- **Amendments to IAS 32 "Financial Instruments: Presentation" - Offsetting financial assets and financial liabilities (effective for annual periods beginning on or after 01/01/2014)**

In December 2011, the IASB issued amendments to IAS 32 "Financial Instruments: Presentation" to provide clarifications on the requirements of the standard with respect to clearing cases. The amendments are effective for annual periods beginning on or after 01 January 2014, with earlier application permitted. This amendment was adopted by the European Union in December 2012.

- **Amendment to IAS 36 "Reduction of Assets" - Disclosures for Non - Recoverable Amount of Financial Assets (effective for annual periods beginning on or after 01/01/2014)**

In May 2013, the IASB issued an amendment to the limited objective of IAS 36 "Reduction of Assets." This amendment specifies the disclosures that should be made regarding the recoverable amount of an asset that has been reducing its value, if this amount is based on fair value less costs to sell. Earlier application is permitted provided the company has already implemented IFRS 13 "Fair Value Measurement." The amendment is effective for annual periods beginning on or after 01 January 2014, with earlier application permitted. This amendment was adopted by the European Union in December 2013

- **Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" - Replacing derivatives and inhibition of hedge accounting (effective for annual periods beginning on or after 01/01/2014)**

In June 2013, the IASB issued amendments to the limited scope of IAS 39 "Financial Instruments: Recognition and Measurement". The objective of the proposed amendments is the introduction of an exemption limited purpose, with respect to inhibition of hedge accounting in accordance with the principles of IAS 39. Specifically, if certain conditions are met, proposed an exception if the counterparty of a derivative is designated as a hedging instrument, replaced by a prime contractor, as a result of changes in laws or regulations. Exception which is included in IFRS 9 "Financial Instruments". The amendments are effective for annual periods beginning on or after 01 January 2014, with earlier application permitted. This amendment was adopted by the European Union in December 2013.

- **IFRIC 21 ' Levies (Levies) (effective for annual periods beginning on or after 01/01/2014)**

In May 2013, the IASB issued IFRIC 21. The Interpretation clarifies when an entity would have to recognize the obligation to pay the levy imposed by the state, to the Financial Statements. The IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as a binding event. This interpretation indicates that the binding which creates an obligation for the payment of the levy is the action described in the relevant legislation to bring the payment of duty. This interpretation is effective for annual

periods beginning on or after 01 January 2014, with earlier application permitted. This interpretation has not been adopted by the European Union.

- **Amendment to IAS 19 "Employee Benefits" - Defined Benefit : Employee contributions (effective from 01/07/2014)**

In November 2013, the IASB issued an amendment to the limited objective of IAS 19 ' Employee Benefits '. This amendment applies to contributions by employees or third parties with respect to defined benefit plans. The purpose of this amendment is to reduce the complexity of accounting treatment of contributions that are independent of the employee's years of service, as is typically the contributions calculated as a fixed percentage of payrolls. The amendment is effective from 01 July 2014, with earlier application permitted. This amendment has not been adopted by the European Union.

- **Annual Improvements Cycles 2010 - 2012 & 2011 - 2013 (effective from 01/07/2014)**

The IASB proceeded in December 2013 in the publication "Annual Improvements to International Financial Reporting Cycles 2010-2012 & 2011-2013." The Circle 2010 - 2012, includes improvements to the standards IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38 and the Circle from 2011 to 2013 improvements relating Standards IFRS 1, IFRS 3, IFRS 13 and IAS 40. Improvements in standards are effective from 01 July 2014, with earlier application permitted. These annual improvements have not been adopted by the European Union.

- **IFRS 14 "Accruals regulated activities" (effective from 01.01.2016)**

In January 2014, the IASB issued the standard "Accruals regulated activities." The purpose of this standard is to achieve comparability of financial reporting by companies involved in status determination through a price regulation (rate-regulated activities). The adjustable determination of prices can significantly affect the value and timing of recognition of revenue of a company. You may not implement this standard for companies that already apply IFRSs. The Standard is effective from 01 January 2016, with earlier application permitted. This standard has not been adopted by the European Union

2.3 Consolidation

2.3.1. Subsidiaries

The consolidated financial statements include the financial statements of the company and of its controlled businesses (subsidiaries). Control is considered when the company is able to define the financial and operational activities of a business with the purpose of acquiring a benefit. The results, assets and liabilities of subsidiaries have been integrated in the financial statements using the complete consolidation method. The financial statements of the subsidiaries have been prepared by following the same accounting policies followed by the company. Company to company transactions, inter-company balances and inter-company incomes and expenses are deleted during consolidation. The goodwill resulting during the acquisition of businesses, if it is positive, is registered as a non-depreciable asset, subjected annually to an audit for the impairment of its value. If it is negative, it is registered as income in the results of operations for the Group. The goodwill refers to the balance between the price for acquiring and the reasonable value of the separate assets, the liabilities and probable liabilities of the acquired business.

2.3.2. Currency translations

(a) Operating currency and presentation currency

The figures of the financial statements for the Group's companies and for the company are noted in Euro; which is the currency of the financial environment within which they operate (functional currency).

(b) Transactions and balances

Any transactions in foreign currencies are converted to the functional currency, based on the exchange rates valid during the transactions' dates. Any profits and damages from currency differences, resulted from the liquidation of such transactions during the fiscal year and from the conversion of the of the currency elements expressed in a foreign currency with the current exchange rates, applicable on the date of the Balance Sheet are registered in results. Any foreign currency differences from non-currency elements evaluated at their reasonable price are considered as a section of the reasonable value; thus they are registered in the same section with the differences of reasonable value. The figures of the financial statements of the Group's companies are measured based on the currency of the financial environment for the specific country where each Group company is active. The separate financial statements of the companies participating in the consolidation, which had initially presented in a currency other than the Group's presentation currency, have been converted into €. Assets and liabilities have been translated into € at the closing exchange rate on the date of the balance sheet. Incomes and expenses have been translated to the Group's presentation currency based on the average exchange rate for each stated fiscal year. Any differences resulting from this procedure are transferred to the reserve fund for translating subsidiary balance sheets in a foreign currency, in the net position, through the remaining total earnings.

2.4 Tangible Assets

Tangible Assets consistently valued at cost less depreciation. Cost includes all costs directly attributable to the acquisition of data. Subsequent expenditure recorded an increase in the book value of tangible assets, only if it is probable that future economic benefits will flow to the group and their cost can be measured reliably. Repairs and maintenance are in the results when done. Establishments in third party property (opening of shops) depreciated in the estimated time of the lease. Land is not depreciated. Depreciation is computed using the straight line method over their useful lives, which detail is as follows:

Assets Categories	Operational Years
Buildings (privately owned)	50
Electro-Mechanical etc. installations on privately owned buildings	20-25
Installations on third parties' property	8-12
Mechanical equipment	7-9
Motor vehicles	7-9
Other equipment	7

The self-constructed tangible assets consist an addition to the acquisition cost of the tangible assets at values which comprise the direct payroll cost of personnel that participates in manufacturing, the consumed materials cost and other general costs.

Tangible assets' residual values and useful lives are subject to review at the date of the balance sheet. If the residual values, the expected useful life or the expected consumption rate of future benefits that are incorporated in an asset change, these changes are treated accounting-wise as changes in accounting valuations. During the sale of tangible assets, the differences between the component received and its accounting value are recognised as profit or losses in the results.

The accounting value of tangible assets is monitored for devaluation when there are relevant indications, i.e. events or changes in circumstances show that the accounting value may not be recoverable. If there is such an indication and the accounting value exceeds the estimated recovered amount, assets or cash flow generating units are devaluated at the recoverable amount. The recoverable amount of property, installations and equipment is greater than the one between their net selling price and their usage value. To calculate the usage value, the expected future cash flow is prepaid at their current value by using a pre-tax interest rate that reflects market's current valuations for the money value and the risks linked to this asset. When the tangible assets accounting values exceed their recoverable value, the difference (devaluation) is initially recognised as the decrease in the fair value created which is reported on the accounts of net equity. Every devaluation loss incurred that exceeds the created reserve for the specific asset is directly recognised as expense in the income statement.

2.5 Investments in property

Investments in property are investments related to all those properties (including land, buildings or parts of buildings) which are held through the market by the group, or to derive rents from the lease. Investment property allocated initially at cost including transaction costs. Subsequently valued at fair value.

Management determines fair value by using valuation techniques. The purpose of using a valuation technique is to determine the transaction price would result in measurement date in commercial basis, driven by normal business considerations. The technical evaluation included among others the use of recent arm's length transactions, reference to the current fair value of a substantially similar instrument and analysis of discounted cash flows.

The estimated fair value of property made by a registered real estate expert who has the skills and experience in assessing property and unrelated to the group. The reassessment / assessment relates only to land and buildings are not included in engineering or other mobile equipment of the Company. As there is no establishment of horizontal or vertical properties of the buildings, the distinction between the estimated value of the land value and building value was proportional to land area per building, based on the above said structure. The book value is recognized in the financial statements reflect the market conditions at the balance sheet date. Any gain or loss resulting from change in fair value of investment properties is recognized in the income statement as incurred.

Transfers to the category of real estate investments are made only when there is a change in use, evidenced by the end of private assets by the group or by the end of construction of a property or to use an operating lease

from a third party. Properties transportation from the category of investment in owner-occupied properties are only made when there is a change of use of these, evidenced by the entry of private assets by the group or classification as held for sale. To transfer property from the category of investment in owner-occupied property deemed cost of property for subsequent accounting is its fair value at the date of the change of use. Gains or losses resulting from the removal or disposal of investment property are recognized in profit or loss during the removal or disposal.

Real estate investments of the Group refer to two properties located at Piraeus Street and at the airport. The reasonable value of the investment properties of the Group, equal to approx. €75 mil., was set by an independent and chartered assessor at the beginning of 2010. The same value was taken into consideration for the financial statements of 31.12.2010, since there has been no change in the relative conditions in regards to the fiscal year ending on 31.12.2009.

2.6 Intangible Assets

2.6.1 Trademarks and Licenses

The acquired trademarks and licenses are initially recognized at historical cost.

The licenses have a finite useful life and are carried at cost less accumulated depreciation. Depreciation is calculated using the method of its useful life to share the costs of trademarks and licenses over the estimated useful life.

2.6.2 Other Intangible Assets

This category includes the group rental rights, which is initially recognized at cost. After initial recognition, intangible assets are measured at cost less accumulated depreciation and any impairment loss that may have occurred. It also includes purchased software used in the production or administration. The acquired licenses related to software capitalized on the basis of expenditure incurred for the acquisition and installation of the software. The costs associated with maintenance of computer software are recognized in the period in which they occur. The costs capitalized are amortized using the straight-line method over the estimated useful lives.

2.6.3 Assets Impairments

Intangible assets with indefinite useful lives are not amortized and are reviewed for impairment in value at least annually. The assets subject to amortization are reviewed for impairment when there are indications that the carrying value may not be recoverable. The recoverable amount is the higher of fair value less the necessary costs to sell and value in use of the asset. The use value is determined by discounting the future flows to the appropriate discount rate. If the recoverable amount is less than the depreciated, then the carrying value is reduced to its recoverable amount. Impairment losses are recognized as expenses in the income statement when incurred, unless the asset is adjusted so that the impairment loss decreases the corresponding revaluation reserve. When a later use the impairment loss should be reversed, the carrying value of the asset is increased to the level of the revised estimate of recoverable amount, provided that the new book value does not exceed the

residual value would have determined if it had not registered the loss impairment in prior years. The reversal of the loss is recognized in income unless the asset has been updated, so reversal of the impairment loss increases the corresponding revaluation reserve.

For the assessment of impairment losses, assets are included in the smallest possible cash-generating units.

2.7 Financial Assets

2.7.1 Initial Recognition

Financial assets in the balance sheet of the group once the group becomes part of the contractual provisions of the instrument.

The assets of the group classified in the following asset categories:

- Ø Loans and receivables, receivables from trading activities
- Ø Sight and time deposits
- Ø Financial assets at fair value through profit
- Ø Financial assets available for sale, and
- Ø Investments held to maturity.

Financial assets are separated into different categories by management according to their characteristics and the purpose for which acquired.

The category in which each financial instrument is classified, differs from the others as different rules apply with respect to valuation but also on recognition of each designated outcome either in the income statement or directly in equity. Financial assets are recognized through the application of the accounting trade date.

2.7.2 Financial Assets at fair value through results

Financial assets at fair value through profit or loss include financial assets that are held primarily for commercial purposes identified by the group as at fair value through profit or loss upon initial recognition. In addition, derivative financial data which do not qualify for hedge accounting are classified in this category.

Financial assets included in this category are valued at fair value through the results and cannot be reclassified to another category. The financial assets that have been classified in this in this category include shares listed on the Athens and Cyprus Stock Exchange and mutual fund shares.

2.7.3 Investments held until maturity

The held-to maturity investments are non-derivative financial assets with fixed or determined payments and fixed maturity. The financial assets classified as held-to maturity investments unless management is willing and able to hold to maturity.

After initial recognition, investments that fall into this category are valued at amortized cost using the effective interest rate method. The amortized cost is the amount which initially measured the financial asset or financial liability after the deduction of principal repayments, plus or minus any accumulated depreciation difference between that initial amount and the amount payable at maturity calculated by the method of real rate, after

deducting any depreciation. The calculation includes all fees and points paid or received between parties that are an integral part of the real interest rate transaction costs and any discount or promotion.

Moreover, if any objective evidence that a financial element has been declining in value, then the investment is valued at the present value of projected cash flows and any difference with the book value of the investment is recognized in profit or loss as a loss.

Fair Value

The fair value of investments are in an active market is demonstrated by reference to quoted market prices on the balance sheet date. If the market for an investment is not active management determines the fair value using valuation techniques. The purpose of using a valuation technique is to determine the transaction price would result in measurement date in an arm's length commercial basis, driven by normal business considerations. The technical evaluation included among others the use of recent arm's length transactions, reference to the current fair value of a substantially similar instrument and analysis of discounted cash flows.

2.8 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined using the weighted average cost. Net realizable value is estimated based on current selling price in the ordinary course of business and minus any selling expenses where applicable.

2.9 Loans, receivables from business and other receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that have no quoted stock price in the active market. They come into existence when the Group provides money, products or services directly to a debtor with no intention of commercial claim.

Loans and receivables are measured at amortised cost, using the effective interest method, less any devaluation provision. Every change in the value of loans and receivables is recognised in profit or loss when loans and receivables are eliminated or undergo value discount, as well as during the application of the effective interest method.

The requirements of commercial activities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Appropriate allowance for estimated irrecoverable amounts are recognized in the income statement when there is objective evidence that the asset has been impaired. The provision recognized is measured as the difference between the book value of the asset and the present value of estimated future cash flows discounted at the effective interest rate on initial recognition. For some requirements it is checked for impairment at the individual requirement (e.g. for each customer separately) where the recovery of the claim has been declared late on the date of the financial statements or in cases where objective evidence indicates the need to write them. Other assets are pooled and tested for impairment at all sources. The amount of impairment loss is the difference between the carrying amount and the estimated future cash flows. The amount of impairment loss is recorded as an expense in the results.

Receivables and loans are included in current assets, except those falling due after twelve months from the balance sheet date. These are characterized as non-current assets. The balance sheets are classified as commercial and other requirements and constitute the majority of financial assets of the Group.

2.10 Cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short term highly liquid investments such as repos and deposits maturing in less than three months.

For the preparation of cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding the outstanding balances of bank overdrafts (bank overdrafts).

2.11 Share Capital

Common shares are classified as equity. Estimated costs for the issuance of shares shown after deduction of the income tax, a reduction in the proceeds. Estimated costs associated with issuing shares to acquire companies included in the cost of the company acquired. The acquisition cost of treasury shares with a reduced income tax (if applicable) is shown as a deduction from equity in the group, until the same shares are sold or canceled. Any gain or loss from sale of treasury shares net of direct transaction costs and other income tax, if any, shown as a reserve in equity.

2.12 Financial Obligations

2.12.1 Initial Recognition

The financial liabilities in the balance sheet of the group once the group becomes part of the contractual provisions of the instrument. The group's financial liabilities include bank loans and overdraft accounts (overdraft), trade and other liabilities and financial leases.

Financial liabilities are classified in the following categories:

- Ø Financial liabilities available at fair value through profit
- Ø Financial liabilities available at depreciated cost.

2.12.2 Financial Obligations (other than loans)

Financial liabilities are recognized when the group is involved in a contractual agreement of the financial instrument and are derecognised when the group is exempted from or is cancelled or expires. Liabilities from financial leases are measured at initial value less the amount of financial capital repayments and interest is recognized as an expense item in the "Financial expenses" in the Income Statement. Trade payables are recognized initially at their nominal value and subsequently measured at amortized cost. Gains and losses are recognized in the Income Statement when the liabilities are eliminated and in applying the effective interest method. Dividends to shareholders are recognized in the account "Dividends Payable, when approved by the General Meeting of Shareholders.

Liabilities from trading activities are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.12.3 Bank loans

Every loan is initially recognized at cost, which is the fair value of the consideration received, save from their direct issuing expenses. After the initial recognition, loans are evaluated at their un-depreciated cost, based on the real interest rate method, and any difference is recognized in results during the loan period.

2.13 Accounting for Income Tax

2.13.1 Current Income Tax

Current tax asset / liability includes those obligations or claims by tax authorities relating to current or previous reporting periods and not paid up the balance sheet date. Calculated according to the tax rates and tax laws that apply on the basis of taxable profits each year. All changes to current tax assets or liabilities are recognized as expense in the income tax.

2.13.2 Deferred Income Tax

Deferred income tax is calculated on the liability method which focuses on temporary differences. This involves comparing the book value of assets and liabilities on the consolidated financial statements with their respective tax bases. Deferred tax assets are recognized to the extent that is likely to be offset against future income taxes. The group recognizes a previously unrecognized deferred tax asset to the extent that it is likely that a future taxable profit.

The deferred tax asset is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow recovery of interest or part of this deferred tax asset.

Deferred tax liabilities are recognized for all taxable temporary differences. Tax losses can be transferred to subsequent periods are recognized as deferred tax assets.

Deferred tax assets and liabilities are measured at tax rates expected to apply to the period during which settled the claim or liability, based on tax rates (and tax laws) that have been enacted or substantially prevailing at the date of Balance Sheet.

Changes in deferred tax assets or liabilities are recognized as part of the income tax on the income statement, except those resulting from specific changes in assets or liabilities that are recognized directly in shareholders equity, and result in relative change in deferred tax assets or liabilities being charged / credited to the relevant equity account.

2.14 Retirement Benefits and Short-term Employee Benefits

a) Short-term Benefits

Short-term benefits for employees (other than benefits for the termination of employment) in cash and in kind are recognized as an expense when accrued. Any unpaid amount is recorded as an obligation, if the amount

already paid exceeds the amount of benefits, the company recognizes the excess as an asset (prepaid expense) only to the extent that the prepayment will lead to lower future payments or refund.

b) Benefits payable after leaving service

The Group has both programs of fixed contributions as well as programs of fixed provisions.

DEFINED CONTRIBUTION

The staff group is mainly covered by the main State Insurance Agency on the private sector (IKA) provided pension and medical benefits. Each employee is required to contribute part of their monthly salary to the fund, while contributing a portion covered by the group. Upon retirement, the pension fund responsible for paying pension benefits to employees. Consequently the group has no legal or constructive obligation to pay future benefits under this program.

Under the defined contribution plan, the group's obligation (legal or constructive) is limited to the amount agreed to contribute to the organization (e.g. fund) that manages contributions and provides benefits. Thus the amount of benefits the employee will receive is determined by the amount paid by the group (or the employee) and paid by the investment of contributions thereof. A contribution payable by the group in a defined contribution plan is recognized as a liability after removal of the levy paid and a corresponding output.

DEFINED BENEFIT LIABILITIES – RETIREMENT BENEFIT DUE TO SERVICE EXIT

The obligation in the balance sheet for defined benefit plans is the present value of the liability for the defined benefit under the Law 2112/20 and changes resulting from any actuarial gains or losses and past service cost. Actuarial gains and losses arising from experience adjustments and changes in the proportional cases at the end of the previous year exceeded 10% of defined benefit obligation, are charged or credited to the results based on the expected average remaining working lives of employees participating in this program.

Past service cost is recognized directly in profit or loss, unless the changes in pension plans are optional for the retention of workers in service for a specified period (vesting date). In this case, the service cost is amortized on a regular basis until the date of vesting of benefits. The termination benefits paid service when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary retirement from service in return for these benefits. The group recognizes these termination benefits when demonstrably committed to either terminate the employment of workers according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of the bid to encourage voluntary redundancy. Where termination benefits attributable to service rendered beyond twelve months after the balance sheet date, discounted to present value.

The actuarial study was conducted by an independent actuary using the method of projected unit credit (projected unit credit method). Specifically, the study involved the investigation and calculation of actuarial sizes required by the standards set by International Accounting Standards (IAS 19) and is required to be registered in the balance sheet and income statement of each company.

2.15 Other Provisions

Provisions are recognized when a present obligation is likely to lead to an outflow of economic resources for the group and can be estimated reliably. The timing or the amount of output can be uncertain. A present obligation arising from the presence of a legal or constructive obligation resulting from past events. Each formed prediction is used only for expenses that were originally formed. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The provisions are valued at expected costs required to settle the present obligation, based on the best evidence available at the balance sheet date, including the risks and uncertainties related to this commitment. When the effect of time value of money is material, the amount of the provision is the present value of costs expected to be required to settle the obligation.

When using the method of discounting, the book value of a forecast increase in each period to reflect the passage of time. This increase is recognized as an expense in financial results. When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by taking into account the category of commitments, as a whole. A provision is recognized even of the possibility of an outflow component included in the category of commitments is low. If it is now likely that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.16 Contingent liabilities

Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of resource outflows incorporating economic benefits is minimal.

Contingent assets

Possible inputs of economic benefits for the group not yet meet the criteria of an asset are considered contingent assets and disclosed in the notes to financial statements.

2.17 Leasing

a) Company Group as lessee

FINANCE LEASES

The ownership of a leased asset is transferred to the lessee if transferred to him virtually all the risks and benefits associated with the leased asset is independent of the legal form of contract. At the beginning of the lease asset is recognized at fair value or if lower the present value of minimum lease payments including extra payments if any, covered by the tenant. A corresponding amount is recognized as an obligation of the lease whether some of the lease payments are payable in advance at the beginning of the lease.

The ownership of a leased asset is transferred to the lessee if transferred to him virtually all the risks and benefits associated with the leased asset is independent of the legal form of contract. At the beginning of the lease asset is recognized at fair value or if lower the present value of minimum lease payments including extra

payments if any, covered by the tenant. A corresponding amount is recognized as an obligation of the lease whether some of the lease payments are payable in advance at the beginning of the lease.

OPERATIONAL LEASES

All other leases are treated as operating leases. Payments on operating lease contracts are recognized as expense in the income of the straight-line (links to use revenue and expenses). The related costs such as maintenance and insurance are recognized as an expense when incurred.

b) Group Company as Lessor

OPERATIONAL LEASES

Leases where the Group does not transfer substantially all risks and rewards of the asset are classified as operating leases. Initial direct costs incurred by lessors in negotiating and agreeing an operating lease are added to the book value of the leased asset and recognized over the lease term as rental income.

2.18 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenues are net of value added tax, discounts and rebates. Income between group companies which are consolidated by full consolidation method, are eliminated in full.

The recognition of revenue is as follows:

a) Sales of Goods

Revenues are recognized when the significant risks and rewards of ownership of property transferred to the buyer and the collection of receivables is reasonably assured. The wholesale sales of goods are mainly on credit.

b) Services

Revenue from service contracts with a default value is recognized based on the stage of completion of the transaction at the balance sheet date. Under this method, revenue is recognized based on the proportion of services rendered to the date of financial statements in respect of all services to be performed.

When the result is referred to as service can be validly assumed the income is recognized only to the extent that the recognized costs are recoverable.

In cases where no change in the initial estimates of revenue, expenditure and the level of integration, these changes may lead to increases or decreases in estimated revenues or costs and appear to revenue in the period.

c) Dividends

The dividend income is recognized when the right to receive payment.

d) Interest Income

Interest income is recognized based on the time proportion and by using the real interest rate.

e) **Income from Rents**

Income from rent is recognized on an accrual basis in accordance with the substance of the relevant agreements.

3. Financial Information per segment

The functional sectors of Group are strategic units selling different goods. They are monitored and managed separately by the board, because these goods are of completely different nature in terms of market demand and gross margin.

The sectors of Group are the followings:

- Jewellery, Watches, Accessories:

This sector includes the treatment and marketing of jewels, watches and accessories.

- Travel Retail:

The sector Travel Retail includes duty free and duty paid sales at airport terminals, border stations and ports. (Until 10/4/2013)

- Department Stores:

This sector deals with the operation of the department stores.

- Clothing - Footwear:

This sector concerns retail and wholesale sale of branded clothing and footwear and perfumes

- Other Activities:

This sector includes sales to exterior customers below 5%.

The accounting policies for the operating sectors are the same as those used for the financial statements. The outcome of the sectors is calculated upon the profitability, on a pre tax profit and without taking into account figures such as non-recurring and foreign exchange transactions.

Results per segment for the period ended at 31.12.13

GROUP								
<i>amounts in thousands.000</i>	Jewellery - Watch - Accessories	Clothing - Footwear	Department stores	Other segment	Non - Continuing operations "Travel Retail"	Total	Eliminations	Consolidated data
31.12.2013								
Sales to external customers	664.080	121.910	136.812	2.520	51.140	976.461	-42.231	934.230
Sales intersectoral	1.323	7.328	232	2.233	13	11.128	-11.128	0
Cost of sales	-311.845	-80.825	-80.263	-4.248	-26.859	-504.039	40.492	-463.547
Cost of sales sectors	-2.249	-601	-8.107	-5	-22	-10.984	10.984	0
Gross Margin	351.308	47.812	48.674	500	24.272	472.567	-1.884	470.683
Other operating income	3.899	3.741	3.509	387	2.502	14.038	-959	13.079
Selling Cost	-142.903	-37.459	-40.728	-4.814	-16.417	-242.321	985	-241.335
Selling expenses crosscutting	-75	-16	-17	0	-11	-118	118	0
Administration cost	-44.760	-6.819	-5.053	-699	-2.905	-60.237	1.148	-59.089
Administrative expenses crosscutting	-26	0	0	0	0	-26	26	0
Other operating cost	-7.251	-1.924	-120	-371	-272	-9.938	0	-9.938
Segment operating earnings (EBIT)	160.192	5.334	6.265	-4.997	7.171	173.965	-565	173.401
Previous Reporting Period								
31.12.2012								
Sales to external customers	600.875	113.009	126.173	3.691	306.157	1.149.904	-39.872	1.110.033
Sales intersectoral	1.509	8.352	243	44	-37	10.112	-10.112	0
Cost of sales	-278.143	-83.274	-73.408	-3.394	-153.889	-592.108	38.937	-553.172
Cost of sales sectors	-47	-439	-9.382	0	-156	-10.025	10.025	0
Gross Margin	324.194	37.648	43.625	341	152.076	557.883	-1.022	556.861
Other operating income	29.618	3.146	5.894	150	15.011	53.818	-21.280	32.539
Selling Cost	-148.161	-42.372	-42.101	-2.526	-79.493	-314.653	847	-313.806
Selling expenses crosscutting	-5	-57	0	0	-26	-87	87	0
Administration cost	-52.928	-7.734	-4.103	-916	-9.341	-75.022	1.420	-73.602
Administrative expenses crosscutting	0	0	0	0	0	0	0	0
Other operating cost	-31.698	-3.074	-218	-994	-390	-36.375	20.164	-16.211
Segment operating earnings (EBIT)	121.023	-12.443	3.096	-3.946	77.837	185.565	216	185.781

ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 01.01-31.12.2013

(THE AMOUNTS IN ALL TABLES ARE EXPRESSED IN EURO)



Balance Sheet of the Group as of 31.12.13

<i>Ammounts in th.</i>	<u>Jewellery - Watch - Accessories</u>	<u>Clothing - Footwear</u>	<u>Department stores</u>	<u>Other segment</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated data</u>
31.12.2013							
Tangible and intangible assets	97.089	52.765	102.466	50.500	302.820	52.350	355.170
Inventories	190.072	20.189	46.099	1.785	258.145	-3.306	254.839
Trade and other receivables					663.815	-120.505	543.310
Cash					251.584		251.584
					1.476.364	-71.460	1.404.904
Other assets non allocated					441.351	-249.242	192.109
Total					1.917.715	-320.702	1.597.013
Trade and other payables	89.121	54.163	70.153	3.191	216.628	-96.369	120.259
Other liabilities non allocated					320.781	-27.459	293.322
Equity					1.380.306	-196.874	1.183.432
Total					1.917.715	-320.702	1.597.013

Geographical Segments

	<i>Greece</i>	<i>Rest of Europe</i>	<i>Asia</i>	<i>Total</i>
Total Sales	276.557.938,06	117.499.052,63	540.173.503,31	934.230.494,01
Assets	482.885.561,37	29.243.883,34	35.129.456,57	547.258.901,28
Capex	5.270.849,97	3.924.594,74	7.479.101,33	16.674.546,04

4. Own-used tangible assets – Investments in real property

The book value of assets, for the Group and Company respectively, as shown in the consolidated balance sheet for the periods presented were as follows:

The Group								
	Land	Buildings & Leasehold improvements	Machinery & technical installation	Transportation equipment	Furniture and fixtures	Construction in progress	Total	Investment Property
Cost								
Balance at 1.1.2012	40.856.024,27	143.299.034,00	12.880.726,30	3.659.324,78	84.967.068,63	45.381.887,11	331.044.065,09	77.283.262,55
Additions	0,00	11.668.063,94	669.294,90	1.765.524,23	8.285.373,93	776.809,79	23.165.066,79	86.531,09
Disposals	0,00	-2.254.430,11	-462.191,55	-172.413,81	-1.985.476,72	0,00	-4.874.512,19	0,00
Transfers	0,04	7.472.959,45	-339.599,64	-1.323,72	-377.214,39	-2.197.303,88	4.557.517,86	436.080,06
Exchange Differences	-188.832,48	-911.290,05	102.777,32	-27.924,96	-48.833,71	-86.771,35	-1.160.875,23	0,00
Balance at 31.12.2012	40.667.191,83	159.274.337,23	12.851.007,33	5.223.186,52	90.840.917,74	43.874.621,67	352.731.262,32	77.805.873,70
Balance at 1.1.2013	40.667.191,83	159.274.337,23	12.851.007,33	5.223.186,52	90.840.917,74	43.874.621,67	352.731.262,32	77.805.873,70
Additions		7.619.179,94	293.177,48	78.117,74	5.286.313,64	2.622.197,06	15.898.985,86	35.936,44
Disposals		-933.268,20	-77.808,06	-46.573,33	-2.465.226,58		-3.522.876,17	
Non Continuing operations- Impairments	-14.211.289,96	-49.761.405,06	-3.005.539,76	-1.561.332,60	-17.189.907,46	-401.018,60	-86.130.493,44	
Transfers	12.144.940,10	-17.388.798,21	-177.619,08	162,95	1.310.283,27	-1.007.573,75	-5.118.604,72	4.207.896,71
Exchange Differences	-565.363,31	-1.751.560,95	-133.062,10	-32.751,67	-1.085.789,84	-33.193,30	-3.601.721,17	
Balance at 31.12.2013	38.035.478,66	97.058.484,75	9.750.155,81	3.660.809,61	76.696.590,77	45.055.033,08	270.256.552,68	82.049.706,85
Accumulated amortisation								
Balance at 1.1.2012	0,00	30.474.097,23	9.292.011,40	2.773.499,96	54.941.079,31	376.002,82	97.856.690,72	3.479.157,56
Amortisation charge	0,00	10.229.706,91	1.223.376,55	237.808,72	9.202.260,09	0,00	20.893.152,27	0,00
Fair value impairment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.053.751,61
Decrease of amortisation	0,00	-1.538.439,33	-408.291,43	-65.919,02	-1.529.037,80	0,00	-3.541.687,58	0,00
Transfers	0,00	-1.268.743,48	-339.855,13	-1.321,34	-881.256,04	241.742,58	-2.249.433,41	407.812,90
Exchange Differences	0,00	-411.680,84	73.754,89	-24.399,75	-27.107,35	61.466,31	-327.966,74	0,00
Balance at 31.12.2012	0,00	37.484.940,49	9.840.996,28	2.919.668,57	61.705.938,21	679.211,71	112.630.755,26	4.940.722,07
Balance at 1.1.2013	0,00	37.484.940,49	9.840.996,28	2.919.668,57	61.705.938,21	679.211,71	112.630.755,26	4.940.722,07
Amortisation charge	0,00	8.713.475,53	849.918,72	307.018,66	8.107.004,63	0,00	17.977.417,54	0,00
Fair value impairment	0,00						0,00	1.055.829,37
Non Continuing operations- Impairments		-15.526.639,27	-1.934.868,13	-1.420.320,59	-12.540.844,85		-31.422.672,84	
Decrease of amortisation	0,00	-701.776,34	-40.368,14	-29.430,11	-2.074.085,84		-2.845.660,43	0,00
Transfers	0,00	365.319,13	161,99	354,21	268.991,53	0,00	634.826,86	0,00
Exchange Differences	0,39	-1.149.754,00	-99.866,22	-29.553,13	-742.299,97	-1.979,17	-2.023.452,10	0,00
Balance at 31.12.2013	0,39	29.185.565,54	8.615.974,50	1.747.737,61	54.724.703,71	677.232,54	94.951.214,29	5.996.551,44
Net Book amount 31.12.2012	40.667.191,83	121.789.396,74	3.010.011,05	2.303.517,95	29.134.979,53	43.195.409,96	240.100.507,06	72.865.151,63
Net Book Amount 31.12.2013	38.035.478,27	67.872.919,21	1.134.181,31	1.913.072,00	21.971.887,06	44.377.800,54	175.305.338,39	76.053.155,41

For the Company

The Company								
	Land	Buildings & Leasehold improvements	Machinery & technical installation	Transportation equipment	Furniture and fixtures	Construction in progress	Total	Investment Property
Cost								
Balance at 1.1.2012	25.051.808,90	96.958.579,14	4.781.047,13	2.281.696,11	34.987.132,02	1.091.120,81	165.151.384,11	79.591.135,03
Additions	0,00	3.098.891,12	183.530,58	1.684.609,52	2.735.009,85	160.927,86	7.862.968,93	86.531,09
Disposals	0,00	0,00	-57.223,25	-147.317,84	-39.221,73	0,00	-243.762,82	0,00
Transfers	0,00	-541.764,57	-339.855,14	-1.323,59	-580.714,85	-169.820,81	-1.633.478,96	436.080,06
Exchange Differences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2012	25.051.808,90	99.515.705,69	4.567.499,32	3.817.664,20	37.102.205,29	1.082.227,86	171.137.111,26	80.113.746,18
Balance at 1.1.2013	25.051.808,90	99.515.705,69	4.567.499,32	3.817.664,20	37.102.205,29	1.082.227,86	171.137.111,26	80.113.746,18
Additions	0,00	1.363.571,21	30.193,68	77.179,69	1.248.871,62	249.140,74	2.968.956,94	35.936,44
Disposals	0,00	-4.700,00	0,00	-23.511,83	-505.143,57	0,00	-533.355,40	0,00
Non Continuing operations- Impairments	-14.211.289,96	-48.526.072,08	-3.001.772,33	-1.481.104,82	-15.923.731,41	-398.118,60	-83.542.089,20	
Transfers	1.403.258,75	-5.611.155,46	0,00	0,00	0,00	-31.000,00	-4.238.896,71	4.207.896,71
Exchange Differences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2013	12.243.777,69	46.737.349,36	1.595.920,67	2.390.227,24	21.922.201,93	902.250,00	85.791.726,89	84.357.579,33
Accumulated amortisation								
Balance at 1.1.2012	0,00	26.817.155,00	3.090.468,71	1.804.891,34	23.400.978,52	0,00	55.113.493,57	5.787.030,04
Amortisation charge	0,00	3.765.617,63	296.635,53	149.804,62	3.185.890,57	0,00	7.397.948,35	0,00
Fair value impairment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.053.751,61
Decrease of amortisation	0,00	0,00	-55.141,32	-41.483,51	-32.690,67	0,00	-129.315,50	0,00
Transfers	0,00	-623.572,41	-339.855,13	-1.321,34	-580.714,85	0,00	-1.545.463,73	407.812,90
Exchange Differences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2012	0,00	29.959.200,22	2.992.107,79	1.911.891,11	25.973.463,57	0,00	60.836.662,69	7.248.594,55
Balance at 1.1.2013	0,00	29.959.200,22	2.992.107,79	1.911.891,11	25.973.463,57	0,00	60.836.662,69	7.248.594,55
Amortisation charge	0,00	2.514.121,90	123.700,55	234.865,81	2.239.108,48	0,00	5.111.796,74	0,00
Fair value impairment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.055.829,37
Non Continuing operations- Impairments	0,00	-14.783.553,01	-1.947.696,49	-1.359.088,36	-11.991.464,12	0,00	-30.081.801,98	
Decrease of amortisation	0,00	-4.700,00	0,00	-6.414,94	-505.143,57	0,00	-516.258,51	0,00
Transfers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange Differences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2013	0,00	17.685.069,11	1.168.111,85	781.253,62	15.715.964,36	0,00	35.350.398,94	8.304.423,92
Net Book amount 31.12.2012	25.051.808,90	69.556.505,47	1.575.391,53	1.905.773,09	11.128.741,72	1.082.227,86	110.300.448,57	72.865.151,63
Net Book Amount 31.12.2013	12.243.777,69	29.052.280,25	427.808,82	1.608.973,62	6.206.237,57	902.250,00	50.441.327,95	76.053.155,41

5. Own-used intangible assets – Investments in real property

The Group					
	Software Programs	Rental Rights	Grant of industrial property rights	Total	Goodwill
<i>Cost</i>					
Balance at 1.1.2012	18.245.074,84	13.861.497,25	113.517.649,88	145.624.221,97	252.828.647,37
Additions	752.496,84	355.470,34	19.799,80	1.127.766,98	0,00
Disposals	-10.700,18	-485.087,36	0,00	-495.787,54	0,00
Transfers	80.069,91	-34.957,97	34.957,90	80.069,84	0,00
Exchange Differences	-152.763,99	-464.241,33	-63.962,88	-680.968,20	0,00
Balance at 31.12.2012	18.914.177,42	13.232.680,93	113.508.444,70	145.655.303,05	252.828.647,37
Balance at 1.1.2013	18.914.177,42	13.232.680,93	113.508.444,70	145.655.303,05	252.828.647,37
Additions	738.775,04		848,70	739.623,74	0,00
Disposals		-841.509,25		-841.509,25	0,00
Non Continuing operations- Impairments	-3.641.038,34	-3.420.000,00	-109.737.307,59	-116.798.345,93	-160.797.933,16
Transfers	-168.886,29	166.672,57	-72.450,17	-74.663,89	
Exchange Differences	-329.172,92	-714.987,17	-130.996,66	-1.175.156,75	0,00
Balance at 31.12.2013	15.513.854,91	8.422.857,08	3.568.538,98	27.505.250,97	92.030.714,21
<i>Accumulated amortisation</i>					
Balance at 1.1.2012	15.347.231,05	5.664.549,15	20.879.208,13	41.890.988,33	0,00
Amortisation charge	1.144.549,69	1.417.037,03	2.528.549,60	5.090.136,32	0,00
Decrease of amortisation	-4.716,90	-456.312,90	0,00	-461.029,80	0,00
Transfers	0,00	0,00	0,00	0,00	58.092,00
Exchange Differences	-179.880,20	-284.941,73	-5.665,08	-470.487,01	0,00
Balance at 31.12.2012	16.307.183,64	6.340.331,55	23.402.092,65	46.049.607,84	58.092,00
Balance at 1.1.2013	16.307.183,64	6.340.331,55	23.402.092,65	46.049.607,84	58.092,00
Amortisation charge	714.543,01	1.647.408,13	-106.336,25	2.255.614,89	0,00
Decrease of amortisation		-789.237,90		-789.237,90	0,00
Impairments	-3.184.186,82	-3.514.344,59	-25.204.623,73	-31.903.155,14	0,00
Transfers	11.809,96	-1,00	717.189,97	728.998,93	100.000,00
Exchange Differences	-285.615,19	-462.708,66	-27.200,80	-775.524,65	0,00
Balance at 31.12.2013	13.563.734,60	3.221.447,53	-1.218.878,16	15.566.303,97	158.092,00
<i>Net Book amount</i>					
31.12.2012	2.606.993,78	6.892.349,38	90.106.352,05	99.605.695,21	252.770.555,37
<i>Net Book Amount</i>					
31.12.2013	1.950.120,31	5.201.409,55	4.787.417,14	11.938.947,00	91.872.622,21

The Company					
	Software Programs	Rental Rights	Grant of industrial property rights	Total	Goodwill
<u>Cost</u>					
Balance at 1.1.2012	4.926.514,57	10.400.773,27	110.315.253,77	125.642.541,61	200.171.794,84
Additions	287.523,66	20.000,00	15.300,00	322.823,66	0,00
Disposals	0,00	0,00	0,00	0,00	0,00
Transfers	-0,01	-34.957,90	34.957,90	-0,01	0,00
Exchange Differences	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2012	5.214.038,22	10.385.815,37	110.365.511,67	125.965.365,26	200.171.794,84
Balance at 1.1.2013	5.214.038,22	10.385.815,37	110.365.511,67	125.965.365,26	200.171.794,84
Additions	236.196,27	0,00	0,00	236.196,27	0,00
Disposals	0,00	0,00	0,00	0,00	0,00
Non Continuing operations- Impairments	-3.359.829,31	-3.420.000,00	-109.734.657,20	-116.514.486,51	-160.797.933,16
Transfers	-94.222,40	166.672,57	-72.450,17	0,00	0,00
Exchange Differences	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2013	1.996.182,78	7.132.487,94	558.404,30	9.687.075,02	39.373.861,68
<u>Accumulated amortisation</u>					
Balance at 1.1.2012	4.027.021,57	5.241.897,37	23.526.031,37	32.794.950,31	0,00
Amortisation charge	558.548,64	846.485,56	2.442.529,70	3.847.563,90	0,00
Decrease of amortisation	0,00	0,00	0,00	0,00	0,00
Transfers	0,00	0,00	0,00	0,00	0,00
Exchange Differences	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2012	4.585.570,21	6.088.382,93	25.968.561,07	36.642.514,21	0,00
Balance at 1.1.2013	4.585.570,21	6.088.382,93	25.968.561,07	36.642.514,21	0,00
Amortisation charge	169.446,80	1.224.643,79	-279.292,00	1.114.798,59	0,00
Decrease of amortisation	0,00	0,00	0,00	0,00	0,00
Non Continuing operations- Impairments	-2.994.008,90	-3.514.344,59	-25.197.387,98	-31.705.741,47	0,00
Transfers	0,00	0,00	0,00	0,00	0,00
Exchange Differences	0,00	0,00	0,00	0,00	0,00
Balance at 31.12.2013	1.761.008,11	3.798.682,13	491.881,09	6.051.571,33	0,00
<u>Net Book amount</u>					
<u>31.12.2012</u>	628.468,01	4.297.432,44	84.396.950,60	89.322.851,05	200.171.794,84
<u>Net Book Amount</u>					
<u>31.12.2013</u>	235.174,67	3.333.805,81	66.523,21	3.635.503,69	39.373.861,68

An amount of €52.366 million refers to the goodwill resulting from the acquisition of LINKS (LONDON) LIMITED Company by the Group's subsidiary, and an amount of €39.374 th refers to other company acquisitions.

6. Investments in related entities

In the financial statements of the parent company, the following companies are valued at cost less impairment losses, as given in the table below. The consolidated statements incorporated all the full consolidation method.

Investments in subsidiaries	The Company	
	31.12.2013	31.12.2012
FOLLI-FOLLIE SOURCING LTD	22.627.986,94	22.627.986,94
FOLLI-FOLLIE UK LTD	3.110.450,19	3.110.450,19
FOLLI-FOLLIE FRANCE SA	7.155.791,41	7.155.791,41
FOLLI-FOLLIE JAPAN LTD	15.528.412,86	15.528.412,86
FOLLI-FOLLIE SPAIN SA	4.983.697,81	4.983.697,81
MFK FASHION LTD	367.395,18	367.395,18
PLANACO SA	7.776.221,01	7.776.221,01
FOLLI FOLLIE HOLDINGS	109.227.114,01	108.522.114,01
DUTY PAID SHOPS S.A.	0,00	7.000.000,00
HDFS SCOPJE DOO	0,00	1.060.000,00
ELMEC ROMANIA SRL	5.545.971,25	5.545.971,25
FOLLI FOLLIE BULGARIA EOOD	1.544.023,14	1.544.023,14
MOUSTAKIS S.A	943.650,44	943.650,44
LOGISTICS EXPRESS S.A.	60.000,00	60.000,00
ICE CUBE S.A.	25.000,00	25.000,00
COLLECTIVE S.A.	960.000,00	960.000,00
SHARE CAPITAL INCREASE FOR SUBSIDIARY	14.000.000,00	0,00
ATTICA DEPARTMENT STORES S.A.	6.312.150,00	6.312.150,00
Total	200.167.864,24	193.522.864,24

The change of "Investment in subsidiaries" is due to:

- The completion of the spinoff of the travel retail, which resulted in the reduction of participation by 8.060 million.
- The increase of € 705 th. participation in the subsidiary FF holding SA following a decision of an extraordinary general meeting.
- The payment of € 14 million capital increase in the subsidiary company Links of London.

The Group also owns and indirect holdings through affiliated companies whose value is given in the following table:

SUBSIDIARIES	GROUP	
	31.12.2013	31.12.2012
LINKS OF LONDON LTD	57.423.473,76	57.423.473,76
ATTICA DEPARTMENT STORES	1.450.000,00	1.500.000,00
HELLENIC DISTRIBUTIONS NORTH GREECE	0,00	60.000,00
DEPARTMENT STORES S.A.	0,00	793.650,00
TOTAL	58.873.473,76	59.777.123,76

Investments in associates regarding the company "MARINA MYTILINIS SA" with participation of 50 %.

Investments in affiliated companies in the financial statements of the parent subject to an impairment of their value once a year namely 31.12. each year, based on the value in use (value in use). In the event that the value in use of cash-generating units is less than the carrying value, an impairment loss is recognized equal to the difference.

Subsidiaries in Asia there are even indications of impairment, because their equity is much greater than the value of participation and therefore not appropriate investigation impairment.

For other subsidiaries (Europe - Greece) because of the specificity of the market conditions, especially in the last two years are subject to an impairment of their value once a year, namely 31.12. For the year 2013 revealed no facts indications for impairment of subsidiaries. In previous years in this category was finalized impairment, based on the value in use, the order of € 4.3 million respectively reducing the value of investments.

7. Investments available for sale

Analysis of balances of investments available for sale and other long-term requirements of the group and the company presented in the following tables:

The Group						
	LITO S.A.	Dufry	A.B.G.	Other	Total	
Balance 01.01.2012	307.689,19	0,00	67.986,46	26.316,92	401.992,57	
Additions	0,00	0,00	0,00	0,00	0,00	
Reductions	0,00	0,00	0,00	0,00	0,00	
Movements	0,00	0,00	0,00	0,00	0,00	
Disposals	0,00	0,00	0,00	0,00	0,00	
Valeud at 01.01.12-31.12.12	240.108,52	0,00	-32.385,45	7.162,92	214.885,99	
Balance 31.12.2012	547.797,71	0,00	35.601,01	33.479,84	616.878,56	
Additions	0,00	153.000.000,00	0,00	189.383,00	153.189.383,00	
Reductions	0,00	0,00	0,00	0,00	0,00	
Movements	0,00	0,00	-35.601,01	0,00	-35.601,01	
Disposals	0,00	0,00	0,00	0,00	0,00	
Valued at 01.01.13-31.03.13	8.376,18	0,00	0,00	-31.499,84	-23.123,66	
Balance 31.12.2013	556.173,89	153.000.000,00	0,00	191.363,00	153.747.536,89	
The Company						
	LITO S.A.	Dufry	A.B.G.	Other	Total	
Balance 01.01.2012	307.689,19	0,00	67.986,46	23.822,92	399.498,57	
Additions	0,00	0,00	0,00	0,00	0,00	
Reductions	0,00	0,00	0,00	0,00	0,00	
Movements	0,00	0,00	0,00	0,00	0,00	
Disposals	0,00	0,00	0,00	0,00	0,00	
Valeud at 01.01.12-31.12.12	240.108,52	0,00	-32.385,45	7.455,92	215.178,99	
Balance 31.12.2012	547.797,71	0,00	35.601,01	31.278,84	614.677,56	
Additions	0,00	153.000.000,00	0,00	0,00	153.000.000,00	
Reductions	0,00	0,00	0,00	0,00	0,00	
Movements	0,00	0,00	-35.601,01	0,00	-35.601,01	
Disposals	0,00	0,00	0,00	0,00	0,00	
Valued at 01.01.13-31.03.13	8.376,18	0,00	0,00	-29.298,84	-20.922,66	
Balance 31.12.2013	556.173,89	153.000.000,00	0,00	1.980,00	153.558.153,89	

The payment of €153 million for the acquisition of shares of Dufry has as follows :

From the sale of the remaining 49% of the company " HDFS S.A. " the price was 328 million, of which EUR 175 million was paid in cash and with the remaining EUR 153 million acquired 6,000,000 shares of company Dufry.

Investments available for sale the group in shares listed on the Athens Stock Exchange are valued at current prices closing session of the Stock Exchange on December 31, 2013 (Level 1) and not listed on the Athens Exchange are valued at cost and tested at each balance sheet date for impairment through other comprehensive income. The audit was conducted on 31.12.2013, a loss amounting to € 20 thousand.

8. Other long term Assets

Other long term assets	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Bills and checks receivable	25.536,00	1.404.727,32	0,00	1.404.727,32
Rental deposits	10.008.718,28	14.763.203,07	1.409.013,38	5.112.262,18
Other non current assets	10.342.139,54	14.626.108,41	10.000.000,00	14.000.000,00
Total	20.376.393,82	30.794.038,80	11.409.013,38	20.516.989,50

9. Inventories

Inventories	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Inventories	256.530.634,52	388.134.112,04	32.529.662,45	89.972.673,00
Products-raw materials	3.173.718,73	2.913.957,96	2.855.323,75	2.598.134,78
Packaging material	689.957,46	751.330,10	274.464,48	288.338,20
less provision for obsolescence	-5.555.277,41	-14.183.257,91	-4.446.197,81	-1.314.008,94
Total	254.839.033,30	377.616.142,19	31.213.252,87	91.545.137,04

Inventories are measured at the lowest value between the acquisition value and the clear liquidating value, as provided for by IAS 2.

10. Trade receivables and other current Assets

Trade receivables	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Trade receivables (customers via open balances)	379.321.042,07	426.207.175,97	64.701.618,48	60.814.379,70
Cheques/promissory notes receivables	18.953.792,51	20.272.964,45	17.031.914,42	17.953.757,09
Balance provision of bad debts 01.01.2013	-1.168.095,95	-1.871.535,57	-457.200,84	-1.481.967,86
Expense for the period	-7.087.026,05	-687.528,33	-7.041.585,82	-573.195,76
Deletions / Recovery period	395.291,62	1.616.028,98	368.665,06	1.597.962,78
Balance provision of bad debts 31.12.2013	-7.859.830,38	-943.034,92	-7.130.121,60	-457.200,84
Total	390.415.004,20	445.537.105,50	74.603.411,30	78.310.935,95

Aging	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
1 to 120 days	326.956.638,38	316.388.023,35	62.623.343,68	55.027.719,12
from 120 to 180	6.127.638,32	47.329.486,19	1.952.615,55	5.354.407,03
from 180 to 270 days	29.781.920,98	45.572.423,67	4.078.173,30	5.281.765,13
above 270 days	35.408.637,72	37.190.207,21	13.079.400,37	13.104.245,51
Total	398.274.835,40	446.480.140,42	81.733.532,90	78.768.136,79

The provision made for doubtful debts arising from the stand-alone test the ability of repayment of the balance for each customer - debtor, taking into account the age of this. For receivables that have paid for claims through legal channels, taking into account the assessment of the legal adviser. During the year the parent company, a provision amounting to 7,041 thousand and subsidiaries as conducted additional provision amounting to € 46 thousand and used provision amounting € 369 thousand for the company and amount of € 26 thousand for the Group for debt write off.

Following are the amounts of provisions and the aging of the balances of trade receivables.

	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Balance of doubtful receivables				
01.01.2013	-1.168.095,95	-1.871.535,57	-457.200,84	-1.481.967,86
Expense for the period	-7.087.026,05	-687.528,33	-7.041.585,82	-573.195,76
Deletions / Proceeds period	395.291,62	1.616.028,98	368.665,06	1.597.962,78
Total	-7.859.830,38	-943.034,92	-7.130.121,60	-457.200,84

Other current assets	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Trade receivables (customers via credit cards)	15.088.167,84	14.555.345,45	1.629.345,75	1.716.338,55
Short-term Loan Claims	4.938.683,55	171.600,11	17.689.082,80	11.848.424,96
Receivables from public sector	4.385.242,69	8.923.926,15	2.714.374,28	5.977.534,67
Advances to suppliers	73.475.701,39	68.001.443,03	7.711.373,29	4.845.736,23
Personel advances	134.666,77	155.881,55	70.978,42	68.263,25
Purchases under settlement	1.841.992,50	31.853.694,58	357.674,82	1.847.959,39
Other receivables	21.712.367,10	15.535.128,87	1.791.298,55	10.252.968,46
Prepaid expenses	5.936.682,43	6.225.945,19	428.628,31	673.785,91
Accrued income	155.780,39	857.399,63	122.366,53	575.131,59
Total	127.669.284,66	146.280.364,56	32.515.122,75	37.806.143,01

11. Cash and cash equivalents

Cash & cash equivalent	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Cash on hand	1.991.388,27	3.217.644,23	515.809,51	1.801.698,39
Cash at bank	249.592.807,03	123.265.504,18	133.984.279,16	9.928.197,00
Total	251.584.195,30	126.483.148,41	134.500.088,67	11.729.895,39

12. Other financial Assets at fair value

	The Group	The Company
	<i>Listed companies</i>	<i>Listed companies</i>
Other financial assets at fair value through profit		
Balance at 1.1.2012	66.428,13	66.428,13
Additions	0,00	0,00
Disposals	0,00	0,00
Adjustment	0,00	0,00
Impairments valuation	0,00	0,00
Exchange Differences	-30.957,42	-30.957,42
Balance at 31.12.2012	35.470,71	35.470,71
Balance at 1.1.2013	35.470,71	35.470,71
Additions	0,00	0,00
Disposals	0,00	0,00
Adjustment	0,00	0,00
Impairments valuation	0,00	0,00
Exchange Differences	-15.410,93	-15.410,93
Balance at 31.12.2013	20.059,78	20.059,78

13. Equity shareholders and parent company

Equity	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Share capital	20.084.463,00	20.084.463,00	20.084.463,00	20.084.463,00
Share premium	145.211.731,47	145.211.731,47	145.211.731,47	145.211.731,47
Own shares	0,00	-13.384.633,73	0,00	-13.384.633,73
Othee reserves	47.741.628,47	-38.584,27	43.672.225,11	-3.832.874,78
Currency translated diff	-43.627.819,45	-27.533.149,61	0,00	0,00
Differences due to Consolidation	-87.027.854,86	-87.027.854,86	-85.554.366,48	-85.554.366,48
Retained earnings	1.077.755.479,47	768.222.990,18	437.796.611,32	40.074.713,56
Total	1.160.137.628,10	805.534.962,18	561.210.664,42	102.599.033,04

14. Borrowings

Borrowings	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Borrowed funds				
Bond Loans	37.274.798,31	447.414.428,18	32.300.000,00	444.500.000,00
Bank Loans	151.694.934,55	241.600.708,92	109.121.742,37	196.265.606,22
Leases	33.573.271,66	52.061.396,98	26.949.064,00	44.117.564,79
Total	222.543.004,52	741.076.534,08	168.370.806,37	684.883.171,01
Long-term borrowings	35.904.529,82	428.829.361,00	25.226.682,00	400.008.208,00
Short-term borrowings	186.638.474,70	312.247.173,08	143.144.124,37	284.874.963,01
Total	222.543.004,52	741.076.534,08	168.370.806,37	684.883.171,01
<u>Bond Loans</u>				
More than 5 years	2.283.067,31	0,00	0,00	0,00
From 1 to 5 years	1.729.113,48	361.261.007,62	0,00	359.000.000,00
Up to 1 year	33.262.617,52	86.153.420,56	32.300.000,00	85.500.000,00
Total	37.274.798,31	447.414.428,18	32.300.000,00	444.500.000,00
<u>Bank Loans</u>				
More than 5 years	0,00	0,00	0,00	0,00
From 1 to 5 years	1.347.429,52	20.096.857,94	0,00	0,00
Up to 1 year	150.347.505,03	221.503.850,98	109.121.742,37	196.265.606,22
Total	151.694.934,55	241.600.708,92	109.121.742,37	196.265.606,22
<u>Leases</u>				
More than 5 years	17.775.235,00	27.662.930,00	17.775.235,00	27.662.930,00
From 1 to 5 years	12.769.684,51	19.808.565,44	7.451.447,00	13.345.278,00
Up to 1 year	3.028.352,15	4.589.901,54	1.722.382,00	3.109.356,79
Total	33.573.271,66	52.061.396,98	26.949.064,00	44.117.564,79

15. Retirement Benefit Liabilities-Retirement benefit due to service exit

	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
		<i>Restated</i>		<i>Restated</i>
Amounts recognized in income statement				
Current service cost	410.307	691.695	109.543	203.873
Interest on obligation	211.950	243.590	45.370	209.947
Recognition of actuarial loss / (profit)		(1.385.975)		(1.379.343)
Normal output in the income statement	622.257	(450.690)	154.913	(965.523)
Cost cuts / settlement / termination of service	465.896	491.643	231.420	193.784
Total expense in the income statement	1.088.153	40.953	386.333	(771.739)
Changes in net liability recognized in balance sheet				
Net liability at beginning of year	7.243.688	9.282.505	6.009.002	6.921.106
Benefits paid by the employer	(860.262)	(1.890.992)	(284.413)	(1.171.843)
Total expense recognized in income statement	1.057.258	24.921	386.333	259.739
Total amount recognized in Equity	(37.081)	(27.139)	26.218	0
Προσαρμογή στην υποχρέωση *	(4.868.932)	0	(4.701.958)	-
Net liability at end of year	2.534.671	7.416.434	1.435.182	6.009.002
Change in present value of obligation				
Present value of obligation at beginning of period	7.243.688	9.282.505	6.009.002	7.997.010
Current service cost	592.507	691.695	109.543	203.873
Interest on obligation	63.442	343.590	45.370	209.947
Benefits paid by the employer	(860.262)	(1.890.992)	(284.413)	(1.171.843)
Cost cuts / settlement / termination of service	401.309	57.418	231.420	-
Προσαρμογή στην υποχρέωση *	(4.868.932)		(4.701.958)	-
Additional payments or expenses / (income)	-	255.038	-	193.784
Cost of service during the period	-	(1.295.681)	-	(1.379.343)
Actuarial loss / (gain)	(37.081)	(27.139)	26.218	(44.426)
Present value of obligation at end of period	2.534.671	7.416.433	1.435.182	6.009.002
Actuarial assumptions				
Discount rate			3,83%	2,94%
Future salary increases			0,00%	0,00%
Expected remaining working lives			17,39	17,06
*Due to travel Retail				

16. Long term liabilities

Total long-term provisions	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Remaining provisions for additional taxes 01.01.2013	772.183,18	872.249,86	571.000,00	571.000,00
Formation of provision	100.000,00	0,00	0,00	0,00
Provision used in period	0,00	0,00	0,00	0,00
Provisions for additional taxes 31.12.2013	872.183,18	872.249,86	571.000,00	571.000,00
Provisions for exposure & expenses 01.01.2013	3.056.808,83	2.490.780,10	2.150.000,00	2.150.000,00
Formation of provision	6.723.204,51	341.089,75	6.743.292,64	0,00
Provision used in period	-7.166.739,81	0,00	-7.052.197,63	0,00
Provisions for exposure & expenses 31.12.2013	2.613.273,53	2.831.869,85	1.841.095,01	2.150.000,00
Total	3.485.456,71	3.704.119,71	2.412.095,01	2.721.000,00

Unaudited fiscal years:

Company Name	Unaudited Tax Years
FOLLI FOLLIE UK LTD	2006-2012
FOLLI FOLLIE FRANCE SA	2006-2012
FOLLI FOLLIE SPAIN SA	2007-2012
MFK FASHION	2006-2012
PLANACO S..A	2010
FOLLI FOLLIE JAPAN LTD	2010-2012
FOLLI FOLLIE HONG KONG LTD	2006-2012
FOLLI FOLLIE ASIA LTD	2006-2012
FOLLI FOLLIE TAIWAN LTD	2006-2012
FOLLI FOLLIE KOREA LTD	2006-2012
FOLLI FOLLIE SINGAPORE LTD	2006-2012
FOLLI FOLLIE MACAOU LTD	2008-2012
BLUEFOL GUAM LTD	2006-2012
BLUEFOL HAWAII LTD	2006-2012
BLUEFOL HONG KONG LTD	2006-2012
FOLLI FOLLIE MALAYSIA LTD	2006-2012
FOLLI FOLLIE THAILAND LTD	2006-2012
FOLLI FOLLIE CHINA (PILION LTD)	2006-2012
FOLLI FOLLIE SHENZHEN	2008-2012
HELLENIC DISTRIBUTIONS S.A.	2010
LINKS (LONDON) LIMITED	2006-2012
LINKS OF LONDON (INTERNATIONAL) LTD	2006-2012
LINKS OF LONDON COM LTD (UK)	2006-2012
LINKS OF LONDON INC (USA)	2006-2012
LINKS OF LONDON (FRANCE)	2006-2012
HDFS SKOPJE DOO	2006-2012
DUTY PAID SHOPS S.A.	2010
ELMEC ROMANIA SRL	2007-2012
FOLLI FOLLIE BULGARIA EOOD	2007-2012
MOUSTAKIS S.A.	2010
LOGISTICS EXPRESS S.A.	2010
ATTIKA DEPARTMENT STORES S.A.	2009-2010
NORTH LANDMARK S.A.	2009-2010
ICE CUBE S.A.	-
COLLECTIVE PATRAS S.A.	-

The years 2011-2012 have been audited by the statutory auditors in accordance with the provisions of Article 82 § 5 of Law 2238/1994, while the tax audit for the year 2013 for both the parent company and its subsidiaries, located in development and is not expected to incur additional tax liabilities.

In addition to the provision for additional taxes from future audits, the Group companies have a provision for litigations. This provision amounts to 686 thousand euros, based on the fact that company has been litigation with plaintiff the Greek government, and provides a reliable estimate of the amounts to be paid if the weight becomes final.

Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation.

In addition to provisions for additional taxes from future tax audits, the companies of the Group have formed the following provisions:

Provision for litigious cases

This provision is equal to €527 th. and is based on the fact that a company of the Group is facing court action; the Greek State is the plaintiff in these cases and the above amount is a reliable evaluation of the amounts required to be paid if the final decision is against the Company.

Provision for the forfeiture of penalty clauses

This provision is equal to €227 thousand and stems from the fact that a Group's subsidiary company may be required to pay certain amounts as penalty clauses to its suppliers with whom the company has contracted a shop-in-shop commercial cooperation contract, if such cooperation is prematurely terminated, under specific conditions and terms.

These provisions are re-examined at each balance sheet date and are adjusted in order to show the present value of the expense anticipated in order to settle the obligation.

17. Other Long Term Liabilities

Other long-term liabilities	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Other liabilities	83.821,26	77.270,00	0,00	0,00
Valuation from financial hedging instruments	9.641.912,28	29.210.736,37	9.641.912,28	29.210.736,37
Special contribution tax	0,00	10.796,58	0,00	0,00
Total	9.725.733,54	29.298.802,95	9.641.912,28	29.210.736,37

The item "valuation of financial / hedging instruments" refers rate swaps (IRS) which are held as cash flow hedging instruments floating rate financial liabilities, which cover approximately 6.8% of the capital of the loans. The majority of contracts expire in 2015. The fair values of derivative financial instruments are based on market valuation (mark to market), which is verified by the credit institutions which have signed the contracts. These changes in valuation of hedging instruments are recognized as "reserves" in equity funds through other comprehensive income and are recognized in income when the hedged cash flows affect them.

18. Trade and other Liabilities

Trade and other payables	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Suppliers	74.743.050,78	96.132.739,90	36.502.786,60	47.411.989,67
Cheques / promissory notes payables	8.311.156,26	10.429.051,29	3.066.710,31	6.011.499,81
Advances from customers	9.214.283,50	7.334.391,17	7.765.019,77	5.977.418,95
Personnel payroll payable	526.277,62	1.742.621,08	232.878,74	876.768,33
Other creditors payable	1.180.878,27	6.593.315,80	1.150.541,40	79.112,38
Social security contribution	2.670.975,71	6.221.137,22	1.397.304,58	2.449.673,18
Other liabilities	11.434.821,79	12.868.962,65	338.008,37	292.267,81
Accrued expenses	12.177.485,44	10.908.769,67	1.350.305,98	1.312.249,46
Deferred revenue	0,00	60.582,58	0,00	10.421,44
Total	120.258.929,37	152.291.571,36	51.803.555,75	64.421.401,03

19. Current income tax and current tax liabilities

Current Income tax	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Income tax	11.465.363,98	15.039.688,88	0,00	4.158,80
Taxes from tax audits	0,00	0,00	0,00	0,00
Special contribution tax	253,00	0,00	0,00	0,00
Total	11.465.616,98	15.039.688,88	0,00	4.158,80

Current tax liabilities	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
V.A.T.	4.429.122,67	2.608.263,94	1.152.182,81	-455.922,51
Other taxes	1.147.759,83	2.287.065,92	509.713,81	1.428.493,86
Total	5.576.882,50	4.895.329,86	1.661.896,62	972.571,35

20. Deferred Income Tax

	The Group				The Company			
	31.12.2013		31.12.2012		31.12.2013		31.12.2012	
Deferred tax Claims-liabilities	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation
Current assets								
Tangible fixed assets	0,00	15.883.607,14	0,00	13.369.433,73	0,00	15.388.228,23	0,00	13.969.765,25
Intangible assets	995.911,60		0,00	12.754.662,38	1.675.490,33	0,00	0,00	11.556.306,80
Long Term receivables	153.299,27	0,00	234.545,11	0,00	0,00		266.848,34	
Non-current assets								
Provisions		201.707,77	1.967.099,14	0,00		544.328,78	1.418.015,05	0,00
Def. Tax recognised in Equity	2.510.830,77	0,00	7.421.836,89	0,00	2.506.897,19	0,00	7.594.791,46	0,00
Losses	2.818.985,31	0,00	2.877.654,05	0,00	0,00	0,00	0,00	0,00
Accruals	329.650,04	0,00	0,00	-141.276,45	97.983,26	0,00	0,00	65.340,92
Total	6.808.676,99	16.085.314,91	12.501.135,19	25.982.819,66	4.280.370,78	15.932.557,01	9.279.654,85	25.591.412,97
Total	3.485.524,29	12.762.162,21	22.631.222,89	36.112.907,36	0,00	11.652.186,23	18.513.623,29	34.825.381,41

Deferred taxes are calculated based on the tax rate to be charged to the profit of each company during the year are expected to settle the deferred tax asset or liability, taking into account the tax provisions in effect at the balance sheet date. Therefore, the tax rate used to calculate the deferred tax is detailed as follows: based on recent amendments in the Greek tax legislation, 26% rate was used.

21. Revenues

Turnover	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Sales of Merchandise	907.102.912,36	1.093.157.929,98	162.324.750,69	393.019.916,84
Sales of Products	18.614.352,84	8.220.214,08	6.365.456,21	6.836.182,00
Sales of other goods	951.723,07	516.852,16	946.001,92	498.523,97
Sales of services	7.561.505,20	8.137.539,82	7.110.167,21	7.582.828,20
Total	934.230.493,46	1.110.032.536,04	176.746.376,03	407.937.451,01

22. Other Income

Other operating income	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Income from Marketing	1.203.060,20	6.516.992,67	851.745,93	6.486.520,93
Income from Promoters & Merch.	1.370.118,52	7.954.296,89	144.195,23	1.950.511,98
Other income	6.272.017,76	8.290.505,21	2.547.133,03	2.189.485,51
Received grants	121.655,97	125.143,94	121.655,97	91.161,94
Rental income	112.830,60	85.829,08	83.934,22	67.086,00
Foreign exchange gains	3.230.615,97	2.208.477,69	492.188,27	504.481,05
Other operating & extraordinary income	241.994,30	7.123.288,50	10.997,99	372.087,18
Prior year income	527.133,20	234.318,72	150.510,26	225.351,24
Total	13.079.426,52	32.538.852,70	4.402.360,90	11.886.685,83

23. Administrative and Selling expenses

Administration expenses	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Total Fees & staff	26.593.989,81	32.371.074,91	6.647.274,12	10.341.720,75
Legal-professional-other fees	8.352.095,68	15.196.066,28	3.968.720,56	6.695.283,91
Credit card commissions	31.926,66	23.940,83	856,80	171,28
Postage & telecommunication	693.721,18	744.335,77	117.631,08	148.442,54
Rent expenses	3.444.929,28	4.097.193,79	359.820,30	171.857,14
Car rentals & car leases	108.767,07	213.874,21	83.511,72	195.653,20
Insurance	551.814,91	464.940,60	191.591,76	191.287,13
Repairs & Maintenance	1.469.692,03	1.161.186,29	359.633,75	402.321,64
Utilities & cleaning	590.121,30	704.098,26	41.295,92	516.612,96
Other taxes (not income tax)	1.769.427,75	1.426.268,18	876.930,94	473.761,67
Transportation expenses	1.967.156,32	1.992.142,14	439.154,45	340.531,53
Advertising & promotional expenses	6.928.165,60	4.641.728,90	232.591,61	262.736,96
Fairs & exhibition expenses	36.198,86	572.419,40	0,00	0,00
Stationery & consumables	521.269,68	612.268,54	74.128,19	82.891,47
Other expenses	1.726.569,76	1.775.509,72	1.079.436,22	767.291,20
Depreciation & amortization	3.925.375,75	7.072.474,07	2.124.344,91	4.966.319,04
Provision for retirement	369.950,64	368.982,05	8.553,39	-16.874,64
Other Provisions	7.454,00	163.466,46	0,00	0,00
Total	59.088.626,28	73.601.970,40	16.605.475,72	25.540.007,78

Selling expenses	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Total Fees & staff	83.966.508,43	115.925.719,29	27.404.373,64	51.132.758,70
Legal-professional-other fees	18.908.584,00	20.352.819,70	4.413.394,63	4.618.765,97
Credit card commissions	4.225.267,64	5.242.795,28	1.068.466,91	2.101.645,89
Postage & telecommunication	1.463.175,54	2.104.533,06	407.110,11	843.945,13
Rent expenses	60.186.854,72	84.596.137,08	12.911.453,21	35.430.946,53
Car rentals & car leases	202.780,77	374.407,17	186.547,54	314.199,79
Insurance	1.526.169,54	1.843.566,77	982.789,97	1.188.598,83
Repairs & Maintenance	3.658.735,72	4.328.588,33	979.163,53	1.296.186,72
Utilities & cleaning	7.346.329,20	8.532.725,44	2.793.947,55	3.920.751,00
Other taxes (not income tax)	1.618.510,18	2.447.187,88	593.888,25	1.191.388,29
Transportation expenses	4.382.073,61	5.885.303,53	1.499.619,22	3.099.889,59
Advertising & promotional expenses	16.783.165,31	19.612.751,42	5.002.630,14	6.338.350,84
Fairs & exhibition expenses	520.370,63	189.988,81	430.580,07	103.655,78
Stationery & consumables	1.753.809,49	2.098.041,79	104.162,99	290.329,88
Other expenses	16.705.149,01	19.988.957,24	1.857.664,21	2.929.820,22
Depreciation & amortization	17.232.765,82	19.788.939,20	5.130.870,12	7.289.714,79
Provision for retirement	817.352,14	311.142,17	168.225,12	52.283,20
Other Provisions	37.753,00	182.039,74	0,00	0,00
Total	241.335.354,74	313.805.643,90	65.934.887,21	122.143.231,15

24. Other expenses

Other operating expenses	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Penalties & fines	211.174,25	135.517,48	168.253,40	95.696,60
Duties and taxes on deficits	19.233,60	6.384,49	0,00	245,11
Impairment of assets	36.585,66	123.356,02	0,00	0,00
Stock loss & damage	831.009,34	1.541.921,74	0,00	270.623,73
Loss from claims not susceptible of collection	24.693,62	681.823,96	0,00	624.619,12
Provisions for exposure & expenses	117.698,64	7.811.352,18	1.328,31	756.783,61
Foreign exchange losses	5.282.631,37	3.862.485,16	508.929,91	958.662,48
Prior years' expenses	182.543,40	926.993,95	176.637,22	55.373,85
Other expenses	3.232.373,26	1.120.980,81	192.295,71	3.679.999,56
Total	9.937.943,13	16.210.815,79	1.047.444,55	6.442.004,06

25. Financial Income-Expenses

Financial-Investments and other income-expenses at fair value	Group		Company	
	01.01. -	01.01. -	01.01. -	01.01. -
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Gains from sale of travel retail activity	338.176.845,50	0,00	338.176.845,50	0,00
Gains from sale of investments	327.626,47	-5.172,13	227.642,28	0,00
Losses from sale of investments	-33.336,45	0,00	0,00	0,00
Gains from forex instruments	107.659,87	165.523,04	51.429,95	165.523,04
Gains from carve-out of travel retail activity	29.442.307,81	0,00	29.442.307,81	0,00
Revaluation of fair value investments	0,00	4.419,44	0,00	0,00
Gains from derivatives	352.799,76	1.013.520,97	352.799,76	1.013.520,97
Dividends from subsidiaries	0,00	0,00	0,00	0,00
Dividends from investments fair value	0,00	0,00	0,00	0,00
Dividends from other investments	0,00	34.052,04	0,00	0,00
Losses on derivatives	-23.102.570,08	-12.472.322,68	-23.102.570,08	-12.472.322,68
Devaluation of fair value inventories	-250.753.535,43	0,00	-19.732.711,08	0,00
Interest on reserves	1.608.516,68	1.816.098,66	209.664,38	290.450,67
Other interests	354.549,87	265.700,87	35.166,48	0,00
Interest expenses (Loans)	-20.490.777,94	-38.939.265,07	-18.869.743,39	-34.645.425,48
Interest expenses (Leases)	-1.418.540,64	-1.654.723,64	-1.266.980,76	-1.568.946,53
Other interests	-544.102,78	-460.399,95	0,00	155.576,88
Bank commission & taxes	-1.915.856,48	-1.420.749,79	-1.039.257,34	-1.205.035,22
Profits from sale of assets	1.694,88	30.283,18	172,94	26.940,37
Impairment losses of trade receivables and other non-current assets	-9.972.052,94	0,00	-9.154.862,97	0,00
Losses from the disposal of assets	-499.514,53	-1.103.119,89	-4.060,36	-4.412,67
Devaluation of fair value of fixed assets	-24.970.548,36	-58.092,00	-24.970.548,36	0,00
Other financial expenses	-5.452.268,98	-655.979,26	-4.599.815,64	-107.751,16
Impairment of investments	0,00	0,00	0,00	0,00
Losses from foreign exchange products	-7.403,96	-1.851.121,92	0,00	-1.602.289,14
Loss on valuation of investment at fair value	-15.410,93	-82.809,78	-15.410,93	-30.957,42
Revaluation of fair value of subsidiary	192.637.254,64	0,00	192.637.254,64	0,00
Other financial income	406.677,14	581.118,97	0,00	143.971,64
Total	224.240.013,12	-54.793.038,94	458.377.322,83	-49.841.156,73

26. Income Tax

	The Group		The Company	
	01.01. -	01.01. -	01.01. -	01.01. -
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Profit/Loss (before the tax)	397.612.546,15	130.894.451,56	459.605.333,62	-3.291.177,87
Current tax rate	26,00%	20,00%	26,00%	20,00%
Tax related	103.379.262,00	26.178.890,31	119.497.386,74	-658.235,57
Irreversible deviations from tax basis	-32.606.096,59	727.711,30	-32.612.616,59	687.393,30
Tax effect of funds not subject to tax	-40.195.999,13	5.805.851,28	-59.473.049,40	4.468.686,18
Deleted deferred taxes	-7.527,00	50.850,21		45.234,21
Effect of different deferred tax rate	-48.359,00	3.757.003,86		3.764.251,87
Effect of different subsidiaries' tax rate	19.418.179,40	-1.268.715,70		0,00
Other Taxes	89.023,35	22.705,20	32.969,35	22.705,20
Additional to prior years' taxes	80.405,00	0,00		0,00
Provisions for additional taxes	0,00	0,00	0,00	0,00
Total	50.108.888,03	35.274.296,46	27.444.690,10	8.330.035,19

27. Earnings per share

Earnings per Share	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Net profit for the period	347.503.658,12	95.620.155,10	432.160.643,52	-11.621.213,06
Attributable to :				
Shareholders of the parent company	344.631.926,03	93.625.719,74	432.160.643,52	-11.621.213,06
Non controlling interests	2.871.732,09	1.994.435,36	0,00	0,00
Weighted average number of shares	66.874.760,45	66.015.129,00	66.874.760,48	66.015.129,00
Basic earnings per share	5,1534	1,4182	6,4622	-0,1760

28. Related party transactions (according IAS 24)

Transactions between parent and subsidiary		
	01.01. -	01.01. -
	31.12.2013	31.12.2012
Sales of goods	33.932.509,97	35.827.688,46
Sales Services-other income	447.514,68	377.466,95
Purchases	13.379.454,76	9.692.680,91
Reception - other expenses	267.291,46	3.839.681,25

Parent co transactions with other related parties		
	01.01. -	01.01. -
	31.12.2013	31.12.2012
Sales of goods	3.305.954,62	0,00
Sales Services - Other Income	686.180,67	38.907,97
Purchases	266.006,02	0,00
Reception - other expenses	13.696,31	0,00

Transactions and Fees with managers		
	01.01. -	01.01. -
	31.12.2013	31.12.2012
The Company	2.999.762,63	7.054.079,86
The Group	3.733.489,41	7.983.438,49

Group's transactions with other related parties		
	01.01. -	01.01. -
	31.12.2013	31.12.2012
Sales of goods	3.410.586,62	0,00
Sales Services - Other Income	705.990,67	10.032,00
Purchases	3.026.750,02	912.410,00
Reception - other expenses	158.750,31	30.563,00

Balance as at the end of the period		
	31.12.2013	31.12.2012
The Company		
From subsidiaries		
Requirements	56.638.119,76	53.997.477,06
Obligations	15.718.735,28	10.818.555,16
From other related parties		
Requirements	4.413.073,38	38.907,97
Obligations	327.563,95	0,00
by executives		
Requirements	0,00	0,00
Obligations	0,00	0,00
The Group		
From other related parties		
Requirements	4.422.097,38	45.563,97
Obligations	1.329.403,95	838.698,00
by executives		
Requirements	41.677,54	0,00
Obligations	0,00	0,00

29. Probable obligations and unavoidable commitments

The Group companies have transferred to third parties to secure letters of contingent liabilities of the Group for those parts which are not reflected in the consolidated balance sheet.

For property of the subsidiary Elmec Romania SRL Bucharest registered mortgage to the Bank Bancpost, the Group EFG Eurobank, to secure credit lines. Also entered in favor of the Bank AlphaBank Romania mortgage on the land Elmec Romania SRL, also situated in Bucharest, to secure credit lines.

The Company has guaranteed loans to its subsidiaries have concluded, totaling € 8.6 million.

No other restrictions on ownership or transfer or other charges on assets owned by the Group. The assets acquired through financial leases remain the property of third until the expiration of the contract and repay the obligation.

30. Number of employed personnel

At 31.12.2013 the Group employed 4.703 employees versus 6.063 employees on 31.12.2012. The according figures for the Company are 1.093 versus 2.169 employees.

Total Fees & staff	The Group		The Company	
	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
Wages and salaries	92.065.349,29	122.310.984,17	26.936.058,97	48.318.198,08
Employer contributions	16.673.461,33	23.870.374,56	7.089.658,33	12.737.289,81
Released for reimbursement	870.141,57	657.873,61	389.582,22	238.972,39
Other benefits	2.041.042,13	2.417.662,53	425.151,58	791.559,09
Total	111.649.994,32	149.256.894,87	34.840.451,10	62.086.019,37

31. Management of financial risk

a) Exchange rates for the translation of the financial statements and sensitivity

The exchange rates used in order to translate the financial statements of the subsidiaries and foreign branches in € are the following:

	USD	GBP	JPY
31.12.2013	1,3791	0,8337	144,7200
1.1-31.12.2013	1,3281	0,8493	129,6627
31.12.2012	1,3194	0,8161	113,6100
1.1-31.12.2012	1,2848	0,8109	102,4919

On 31 December 2013 the net income and shareholders' equity would have been € 2.926 mm lower (ca € 1.410 mm), if the € was weak against USD and GBP by 10% and they would have been at € 2.394 thousand (for the Company € 1.154 thousand) higher, if the € was stronger of the USD and the GBP by 10%.

b) Liquidity risk

Prudent liquidity risk management requires (a) maintaining sufficient cash and (b) the availability of funding through adequate credit lines. Due to the dynamic nature of its activities, the Group maintains flexibility in funding by maintaining high unused credit limits in short-term bank loans. The Treasury Department prepares statements of expected future cash flows which are reviewed by management in order to better plan the management of liquidity.

Despite the financial crisis and the limitation of liquidity at a global level, the Group has maintained increased liquidity, thanks to the retail nature of most of its sales, and takes steps in order to further support its liquidity, by creating discount outlets, in order to dispose old stock, as well as by limiting expenses.

Loan and other liabilities of the Group and Company are classified under the term of repayment, are shown in the table below. The amounts in the table refer to the nominal value of the liability plus interest and therefore may not agree with the amounts in the balance sheet.

The Group					
Liquidity Analysis					
31.12.2013	Average Interest Rate	Up to 1 year	From 1 to 5 years	More than 5 years	Total
Floating rate loans	5,65%	190.871.902,90	3.554.560,87	2.863.537,17	197.290.000,94
Liabilities & Financial leases	3,18%	3.076.502,95	13.784.874,43	20.601.497,37	37.462.874,74
Suppliers etc. free liabilities		83.054.207,04	0,00	0,00	83.054.207,04
		277.002.612,89	17.339.435,30	23.465.034,54	317.807.082,72
31.12.2012	Average Interest Rate	Up to 1 year	From 1 to 5 years	More than 5 years	Total
Floating rate loans	5,20%	318.855.996,22	435.892.040,34	0,00	754.748.036,56
Liabilities & Financial leases	4,08%	4.683.535,53	21.829.039,11	33.306.167,72	59.818.742,37
Suppliers etc. free liabilities		106.561.791,19	0,00	0,00	106.561.791,19
		430.101.322,95	457.721.079,45	33.306.167,72	921.128.570,12
The Company					
Liquidity Analysis					
31.12.2013	Average Interest Rate	Up to 1 year	From 1 to 5 years	More than 5 years	Total
Floating rate loans	6,02%	147.381.254,59	0,00	0,00	147.381.254,59
Liabilities & Financial leases	3,13%	1.749.337,28	8.034.522,73	20.557.059,28	30.340.919,28
Suppliers etc. free liabilities		39.569.496,91	0,00	0,00	39.569.496,91
		188.700.088,78	8.034.522,73	20.557.059,28	217.291.670,79
31.12.2012	Average Interest Rate	Up to 1 year	From 1 to 5 years	More than 5 years	Total
Floating rate loans	5,44%	292.495.240,50	412.706.400,00	0,00	705.201.640,50
Liabilities & Financial leases	4,08%	3.172.787,67	14.706.496,36	33.306.167,72	51.185.451,74
Suppliers etc. free liabilities		53.423.489,48	0,00	0,00	53.423.489,48
		349.091.517,65	427.412.896,36	33.306.167,72	809.810.581,73

c) Asset Management

Asset management aims to ensure that the Group will continue its activities to provide profits to shareholders and benefits for other shareholders, while maintaining a capital structure that minimizes the cost of capital.

A key indicator used by the asset manager is the leverage ratio, calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including short and long term loans) minus cash. The total capital is calculated as equity in the balance sheet plus net debt.

The leverage ratio stood is depicted below:

Levera Ratio	The Group		The Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Borrowed funds	222.543.004,52	741.076.534,08	168.370.806,37	684.883.171,01
Less: Cash	251.584.195,30	126.483.148,41	134.500.088,67	11.729.895,39
Net debt	-29.041.190,78	614.593.385,67	33.870.717,70	673.153.275,62
Equity	1.183.431.505,53	825.947.099,01	561.210.664,42	102.599.033,04
	(2,5%)	42,7%	5,7%	86,8%

32. Post Balance Sheet Events

On the balance sheet date and until the approval of the Financial Statements by the Board, there were no events significantly affecting the financial figures.

In March 2014 the agreement with the Group «Authentic Brands Group LLC (ABG)» was finalized for undertaking the exclusive right to distribute wholesale and retail of “Juicy Couture” brand across Continental Europe, United Kingdom, Ireland and Cyprus. The Folli Follie Group intends to ensure the continuation of the significant presence of Juicy Couture retail market in Europe starting with the flagship store located on Regent Street in London. As part of this agreement, there are plans to expand the presence of Juicy Couture market in Europe.

33. Balance Sheet as of 31.12.2012 excluding the Travel Retail operations

ASSETS GROUP 31.12.2012	Published 31.12.2012	Discontinuing Travel retail 31.12.2012	Continuing 31.12.2012
Assets			
Non-current assets			
Tangible fixed assets	240.100.507,06	29.129.632,68	210.970.874,38
Investment Property	72.865.151,63		72.865.151,63
Intangible assets	99.605.695,21	85.221.841,93	14.383.853,28
Goodwill	252.770.555,37	160.797.933,16	91.972.622,21
Investments in subsidiaries	0,00		0,00
Investments in Associates	505.733,64		505.733,64
Investments available for sale	616.878,56		616.878,56
Deferred tax claims	22.631.222,89		22.631.222,89
Other long term assets	30.794.038,80	4.667.162,84	26.126.875,96
Total non-current	719.889.783,16	270.816.570,61	440.073.212,55
Current assets			
Inventories	377.616.142,19	52.622.507,12	324.993.635,07
Trade receivables	445.537.105,50	5.059.450,85	440.477.654,65
Other current assets	146.280.364,56	16.027.081,71	130.253.282,85
Derivatives			0,00
Other financial assets at fair value through profit	35.470,71		35.470,71
Cash & cash equivalent	126.483.148,41	10.000.000,00	116.483.148,41
Total current assets	1.095.952.231,37	83.709.039,68	1.012.243.191,69
Total assets	1.815.842.014,53	363.525.610,29	1.452.316.404,24
Equity & Liabilities			
Equity of shareholders of the parent company			
Total equity	805.534.962,18	-26.817.719,56	832.352.681,74
	805.534.962,18	-26.817.719,56	832.352.681,74
Minority rights	20.412.136,83	0,00	20.412.136,83
Total equity	825.947.099,01	-26.817.719,56	852.764.818,57
Liabilities			
Long-term liabilities			
Long-term borrowings	428.829.361,00	106.143.589,00	322.685.772,00
Deferred tax liabilities	36.112.907,36	9.963.282,04	26.149.625,32
Employee benefit liabilities	7.416.433,38	5.655.166,00	1.761.267,38
Total long-term provisions	3.704.119,71	2.150.000,00	1.554.119,71
Other long-term liabilities	29.298.802,95		29.298.802,95
Total long-term liabilities	505.361.624,40	123.912.037,04	381.449.587,36
Short-term liabilities			
Short-term borrowings	312.247.173,08	228.856.411,00	83.390.762,08
Derivatives			0,00
Trade and other payables	152.291.571,36	36.848.970,89	115.442.600,47
Current Income tax	15.039.688,88		15.039.688,88
Current tax liabilities	4.895.329,86	725.910,92	4.169.418,94
Dividends payable	59.527,94		59.527,94
Total short term liabilities	484.533.291,12	266.431.292,81	218.101.998,31
Total liabilities	989.894.915,52	390.343.329,85	599.551.585,67
Total equity & liabilities	1.815.842.014,53	363.525.610,29	1.452.316.404,24

ASSETS Company 31.12.2012	Published 31.12.2012	Discontinuing Travel retail 31.12.2012	Continuing 31.12.2012
Assets			
Non-current assets			
Tangible fixed assets	110.300.448,57	28.700.628,36	81.599.820,21
Investment Property	72.865.151,63	0,00	72.865.151,63
Intangible assets	89.322.851,05	85.128.249,15	4.194.601,90
Goodwill	200.171.794,84	160.797.933,16	39.373.861,68
Investments in subsidiaries	193.522.864,24	1.060.003,00	192.462.861,24
Investments in Associates	450.000,00	0,00	450.000,00
Investments available for sale	614.677,56	0,00	614.677,56
Deferred tax claims	18.513.623,29	0,00	18.513.623,29
Other long term assets	20.516.989,50	3.714.308,78	16.802.680,72
Total non-current	706.278.400,68	279.401.122,45	426.877.278,23
Current assets			
Inventories	91.545.137,04	48.103.870,28	43.441.266,76
Trade receivables	78.310.935,95	2.271.577,50	76.039.358,45
Other current assets	37.806.143,01	13.728.810,44	24.077.332,57
Derivatives	0,00		0,00
Other financial assets at fair value through profit	35.470,71		35.470,71
Cash & cash equivalent	11.729.895,39	10.000.000,00	1.729.895,39
Total current assets	219.427.582,10	74.104.258,22	145.323.323,88
Total assets	925.705.982,78	353.505.380,67	572.200.602,11
Equity & Liabilities			
Equity of shareholders of the parent company			
Total equity	102.599.033,01	-31.410.470,09	134.009.503,10
Liabilities			
Long-term liabilities			
Long-term borrowings	400.008.208,00	0,00	400.008.208,00
Deferred tax liabilities	34.825.381,41	10.020.936,15	24.804.445,26
Employee benefit liabilities	6.009.001,83	5.373.843,00	635.158,83
Total long-term provisions	2.721.000,00	2.150.000,00	571.000,00
Other long-term liabilities	29.210.736,37		29.210.736,37
Total long-term liabilities	472.774.327,61	17.544.779,15	455.229.548,46
Short-term liabilities			
Short-term borrowings	284.874.963,01	335.000.000,00	-50.125.036,99
Derivatives	0,00		0,00
Trade and other payables	64.421.401,03	31.719.793,20	32.701.607,83
Current Income tax	4.158,80		4.158,80
Current tax liabilities	972.571,35	651.278,41	321.292,94
Dividends payable	59.527,94		59.527,94
Total short term liabilities	350.332.622,13	367.371.071,61	-17.038.449,48
Total liabilities	823.106.949,74	384.915.850,76	438.191.098,98
Total equity & liabilities	925.705.982,78	353.505.380,67	572.200.602,11

Agios Stefanos, March 28th 2014

THE CHAIRMAN OF THE BOARD

Dimitrios Koutsolioutsos
ID Card No. AK-031337

THE MANAGING DIRECTOR

Georgios Koutsolioutsos
ID Card No. AB-593469

**DEPUTY CEO & GENERAL
MANAGER**

Emmanouil Zachariou
ID Card No. T005560

THE CHIEF FINANCIAL OFFICER

Fragiskos Gratsonis
AB-017181

THE CHIEF ACCOUNTANT

Georgios Alavanos
ID Card No. AI-518859
Lic. No. OEE 0008211 A' CLASS

F. INFORMATION OF ARTICLE 10 OF LAW 3401/2005

Date	Subject
10/12/2012	Significant change in voting rights
7/12/2012	Significant change in voting rights
7/12/2012	Significant change in voting rights
6/12/2012	EGM resolutions
4/12/2012	Draft amendment of the Articles of Association
29/11/2012	Folli Follie Group announces 9m 2012 results
15/11/2012	Invitation for the Extraordinary General Meeting
19/10/2012	Changes in voting rights
12/10/2012	Announcement
10/10/2012	Folli Follie Group joins forces with the Swiss Group Dufry AG
24/9/2012	Announcement
20/9/2012	Response to a letter sent by the Hellenic Capital Markets Commission
11/9/2012	Response to the letter sent by the Hellenic Capital Markets Commission
30/8/2012	Announcement for the 1st half 2012
6/6/2012	Resolutions of the Annual General Meeting of the Shareholders on the 6th of June 2012
30/5/2012	Announcement of Q1 2012 financial results
15/5/2012	Invitation to AGM
30/3/2012	Financial calendar for 2012
29/3/2012	Announcement of 2011 full year financial results
12/3/2012	Announcement date of the 12M 2011 financial results
20/2/2012	Announcement-correction
3/2/2012	Announcement
12/1/2012	Announcement of new distribution agreement

G. CONDENSED FINANCIAL STATEMENTS OF 2013



FOLLI FOLLIE GROUP

General Commercial Registry Number: 3027701000 (previous Registration No:14216/06/B/86/06)

23rd Km Athens - Lamia 145 65 Ag Stefanos
Financial Data and Information for the Year
January 1st, 2013 - December 31st, 2013

(Prepared according to Law 2190, article 135, for companies preparing annual financial statements, consolidated or not, according to IFRS)

The following data and information that result from financial statements aim to provide a general briefing for the financial position and the results of operations of FOLLI FOLLIE S.A. with trade mark "FF GROUP" and the Group. It is therefore recommended, as well as the relevant Certified Auditor's Report, whenever that is required by the law.

Company Information		Members of the Board of Directors	
Supervisory Authority:	MINISTRY OF DEVELOPMENT/General Secretariat of Commerce.	Chairman - Executive Director:	Demiris Ioannidis
Website address:	www.folli-follie.com	Vice President - Executive Member:	Kali Ioannidis
Financial Statements' approval date by the BOD:	28 March 2014	Managing Director - Executive member:	George Ioannidis
Certified Auditor:	Christoula K. Tsakalagiani	Deputy Managing Director & General Manager - Executive Member:	Emmanouel Zachariou
Auditing Company:	BAKER TILLY HELLAS A.E	Executive Member:	Elitis Nefi
Type of Auditor's Report:	Unqualified	Non-Executive Member:	Artemios Dan
		Non-Executive Member:	Elis Ioannidis
		Non-Executive Member:	Elis Ioannidis
		Non-Executive Member:	Zacharia Mariani
		Non-Executive Member:	Konstantinos Tsakalou
		Non-Executive Member:	Anna Maria Giannaki
		Independent non-Executive Member:	Epaminondas Dalmas
		Independent non-Executive Member:	George Anas

DATA FROM STATEMENT OF FINANCIAL POSITION				CASH FLOW STATEMENT			
(consolidated and non consolidated) amounts in €				(consolidated and non consolidated) amounts in €			
The Group		The Company		The Group		The Company	
01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012	01.01. - 31.12.2013	01.01. - 31.12.2012
ASSETS							
Property, Plant & Equipment	175,305,338.39	240,100,507.06	50,441,327.95	110,300,448.57			
Investment Property	76,053,155.41	72,865,151.63	76,053,155.41	72,865,151.63			
Intangible assets	103,811,569.21	352,376,250.58	43,009,365.37	289,494,645.89			
Participations	16,479,383.27	540,733.64	20,808,784.24	93,977,864.24			
Other non-current assets	177,409,652.03	54,042,140.25	164,903,163.27	20,645,290.52			
Investments	254,839,033.30	377,616,142.19	31,253,252.87	91,545,137.04			
Trade Receivables	290,415,004.30	465,521,952.50	74,623,471.30	29,393,955.95			
Other current assets	379,273,539.34	272,798,983.48	167,025,271.20	49,571,509.11			
TOTAL ASSETS	1,571,784,476.52	1,815,842,014.53	808,190,815.61	925,705,982.78			
LIABILITIES AND EQUITY							
Equity	20,094,463.00	20,094,463.00	20,094,463.00	20,094,463.00			
Other components of equity	1,140,053,165.10	785,499,419.18	541,126,201.42	82,514,570.04			
Total equity attributable to owners of the Parent (A)	1,160,137,628.10	805,593,882.18	561,220,664.42	102,599,033.04			
Non-controlling interests (B)	23,293,877.43	20,412,136.83	0.00	0.00			
Total Equity (C) = (A) + (B)	1,183,431,505.53	826,006,019.01	561,220,664.42	102,599,033.04			
Long-term borrowings	35,004,529.62	428,629,340.00	25,262,000.00	404,008,200.00			
Provisions / Other long-term liabilities	26,508,022.89	78,523,245.49	25,137,375.37	72,386,119.61			
Short-term borrowings	188,638,474.30	312,247,173.08	143,144,124.37	283,674,163.01			
Other current liabilities	137,303,945.38	172,298,180.04	133,467,969.30	65,457,659.12			
Total liabilities (D)	389,548,972.39	989,698,938.61	301,803,499.74	820,106,092.74			
TOTAL EQUITY AND LIABILITIES (E) = (C) + (D)	1,571,784,476.52	1,815,842,014.53	808,190,815.61	925,705,982.78			

Additional notes and information:

1. The main and registered office of each company included in the consolidated Financial Statements for the period 01.01.2013 - 31.12.2012, along with the respective participation percentage of the Company, direct or indirect, in which their share capital and/or the consolidation method, which was applied, for each company included in the consolidated Financial Statements for the period 01.01.2013 - 31.12.2012, as mentioned in note 1.4 of the Financial Statements. 2. The un-audited tax final years of the parent Company and its subsidiaries, are mentioned in note 2.6 of the Financial Statements. 3. The personnel employed by the Group as of 31.12.2012 amount to 4,703 and for the parent company 1,203. For the period ended 31.12.2012 the Group personnel amounted to 6,063 and for the parent company 2,084. The Financial Statements include the following provisions, in favour of the Group's consolidated Revenue (€ 8.26 m), provision for an audited tax final year of the parent Company (€ 1.15 m), provision for employees' compensation (€ 2.35 m), other provisions (€ 1.32 m), for the Company consolidated expense (€ 2.17 m), provision for an un-audited tax final year of the parent company (€ 2.27 m), and provision for employees' compensation (€ 1.43 m). 4. The figures mentioned as "Other comprehensive income, net of tax" for the company and € 4.19 m, from valuation on sale of financial assets, amount € 3.50 m concerning gains from evaluation of financial instruments, amount € 0.69 m. Expense from revaluation of employee benefits, and € 0.08 m from different taxes related to revaluation of the total comprehensive income, and for the Group, € 4.19 m. For valuation on sale of financial assets, amount € 3.50 m concerning gains from evaluation of financial instruments, and € 4.01 m expense for revaluation of employee benefits € 1.50 m, concerning expense from different taxes related to revaluation of the total comprehensive income, while € 3.08 m, has an exemption difference. 5. Due to IFRS 19 of 01.01.2013, 114 is recognized in a separate account in the income statement, the net position stated at 01.01.13. 6. The Company signed an agreement for the sale of 55% of the travel retail business to Dilly A.S. in Greece, following the signed agreement, the Company proceeded with the carve-out of the travel retail sector. In December of the same year, the company sold the remaining 45% according to the above agreement. 7. All transactions (before and after) from the beginning of the period, continue, as well as the balance of Assets and Liabilities of the Company and the Group at the end of the period, arising from transactions with related parties, as defined in 14.24 are as follows:

Cash and cash equivalents at beginning of the Year		Cash and cash equivalents at end of the Year	
The Group	16,463,148.41	13,501,561.30	11,729,895.39
The Company	20,285,196.30	126,483,148.41	134,500,088.47

DATA FROM STATEMENT OF CHANGES IN EQUITY				
(consolidated and non consolidated) amounts in €				
The Group		The Company		
01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2013	31.12.2012	
Equity Opening Balance (01.01.2013 and 01.01.2012 respectively)	854,947,099.01	739,750,807.49	102,599,033.04	105,075,983.13
Total comprehensive income net of tax	346,210,222.12	88,326,222.12	446,564,066.53	-2,436,952.39
Minority interest result from Subsidiary rates change	0.00	0.00	0.00	0.00
Dividends payable	0.00	0.00	0.00	0.00
Other Movements	-427,219.99	-129,000.00	0.00	0.00
Sub of own shares	0.00	0.00	0.00	0.00
Equity Closing Balance (31.12.2013 and 31.12.2012 respectively)	1,183,431,505.53	826,006,019.01	561,220,664.42	102,599,033.04

amounts in thousands, 000		The Group		The Company	
A) Income	4,116.58	88,372.16			
B) Expenses	3,185.50	13,326.45			
C) Result/loss	4,402.10	81,045.71			
D) Dividends and members of the Board of the Directors transactions and fees	1,229.40	10,006.30			
E) Result/loss from the Directors and the members of the BOD	2,703.49	2,099.76			
F) Result/loss to the Directors and the members of the BOD	0.00	0.00			

DATA FROM STATEMENT OF COMPREHENSIVE INCOME							
(consolidated and non consolidated) amounts in €							
The Group		The Company		The Group		The Company	
01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012
Continuing operations							
Turnover	887,807,141.07	46,803,302.39	904,280,493.46	809,729,243.04	300,303,203.00	1,110,002,536.04	556,610,042.25
Costs (incl. Depreciation)	446,787,405.84	23,405,024.44	470,602,029.28	405,058,264.25	151,772,490.00	556,610,042.25	284,847,842.25
Profit before tax, financial and investing results (EBIT)	441,019,735.23	23,398,277.95	433,678,464.18	404,670,978.79	148,530,713.00	553,392,493.79	271,762,200.00
Profit/loss (before tax)	166,699,156.52	6,794,375.12	173,403,514.64	180,232,948.86	77,548,511.00	185,781,454.86	185,781,454.86
Profit/loss (after tax (A))	125,023,367.14	5,095,281.34	128,602,643.28	135,177,206.66	58,201,854.47	139,894,451.56	139,894,451.56
Profit/loss after tax (A)	343,011,762.87	4,491,875.25	347,603,658.12	26,042,300.63	69,557,854.47	95,620,155.10	10,204,585.00
Attributable to:							
Shareholders of the parent company			344,613,926.03			93,625,719.74	
Non-controlling interests			3,990,732.09			1,994,435.36	
Total			348,604,658.12			95,620,155.10	
Other comprehensive income / expenses net of tax (B)	-1,029,617.17	0.00	-1,029,617.17	-10,151,609.15	0.00	-10,151,609.15	
Total comprehensive income net of tax (A) + (B)	341,982,145.70	4,491,875.25	346,574,040.95	15,090,691.51	69,557,854.47	85,468,545.95	
Attributable to:							
Shareholders of the parent company			342,992,300.35			83,474,163.59	
Non-controlling interests			3,581,740.60			1,994,382.36	
Total			346,574,040.95			85,468,545.95	
Basic Earnings/losses (after tax) per share/expense (in €)			5,1534			1,4182	
Profit before taxes, financing and investing results, depreciation and amortisation (EBITDA)	184,596,119.44	8,093,273.17	194,689,393.23	129,078,679.09	83,738,817.98	212,818,497.07	

The Group		The Company		The Group		The Company	
01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2013	31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012	01.01. - 31.12.2012
Continuing operations							
Turnover	130,200,211.93	46,527,164.10	176,746,376.03	121,967,046.81	285,950,404.20	407,927,451.01	407,927,451.01
Costs (incl. Depreciation)	57,226,099.03	23,707,356.34	80,413,457.37	41,488,297.39	147,300,236.63	188,788,536.02	188,788,536.02
Profit before tax, financial and investing results (EBIT)	52,974,112.90	22,819,807.76	96,332,918.66	80,478,749.42	138,650,167.57	219,138,914.99	219,138,914.99
Profit/loss (before tax)	45,549,487.24	3,955,844.38	45,549,487.24	45,549,487.24	18,201,854.43	45,549,487.24	45,549,487.24
Profit/loss after tax (A)	42,742,854.36	4,507,798.16	42,742,854.36	42,742,854.36	17,161,854.43	42,742,854.36	42,742,854.36
Attributable to:							
Shareholders of the parent company			42,742,854.36			17,161,854.43	
Non-controlling interests			0.00			0.00	
Total			42,742,854.36			17,161,854.43	
Other comprehensive income / expenses net of tax (B)	14,403,403.01	0.00	14,403,403.01	8,286,587.60	0.00	8,286,587.60	
Total comprehensive income net of tax (A) + (B)	42,626,257.37	4,507,798.16	44,146,257.37	51,034,441.96	17,161,854.43	51,034,441.96	
Attributable to:							
Shareholders of the parent company			44,146,257.37			51,034,441.96	
Non-controlling interests			0.00			0.00	
Total			44,146,257.37			51,034,441.96	
Basic Earnings/losses (after tax) per share/expense (in €)		4,6022				1,7602	
Proposed dividend €							
Profit before taxes, financing and investing results, depreciation and amortisation (EBITDA)	450,501.90	8,059,931.79	8,510,435.69	-23,207,609.79	82,058,852.51	58,849,242.72	

CHAIRMAN OF THE BOARD: DEMETRIOS KOUTSOUKIDIS (ID AK031337) | MANAGING DIRECTOR: GEORGE IOANNIDIS (ID AK 794406) | AGIOS STEFANOS, March 28th, 2014 | DEPUTY MANAGING DIRECTOR & GENERAL MANAGER: EMMANOUIL ZACHARIOU (ID 1005540) | CHIEF ACCOUNTANT: GEORGE IANNOU (ID AK11889) | P.A.A. O.E. 0002118 CLASS: AK071781



A. REPORT FOR FUNDS RAISED

"FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME."

REG. NO.: 14216/06/B/86/06

23RD KM OF ATHENS – LAMIA NAT NAL HIGHWAY 145 65, AG. STEFANOS, ATTICA

Disclosed in accordance with the decision of the Board of Directors of the ATHEX on 30/06/2011 with No. 15985 Protopresbyter that the increase in share capital in cash and abolition of the preferential right of existing shareholders, in favor of companies "FOSUN International Limited "and" Pramerica - Fosun China Opportunity Fund, LP ", which took place according to the 26/05/2011 decision of the Extraordinary General Meeting of Shareholders and under Case No. 1/590/24.06.2011 Board of the SEC approving the prospectus, net funds raised EUR 82 million (EUR 84,588,000 less issue costs of EUR 2.588 million).

Of the increase of share capital issued 6,360,000 new ordinary shares. Certification of payment of the share capital by the Board of Directors held on 14/06/2011.

The funds raised in connection with the prospectus, available until 31/12/2013, as follows:

METHOD OF DISPOSAL OF FUNDS RAISED																	
A/A	METHOD OF DISPOSAL OF FUNDS RAISED	FUNDS RAISED TO SUPPLY	JUNE 2011 - AUGUST 2011	JUNE 2011 - DECEMBER 2011	JUNE 2011 - DECEMBER 2012	JUNE 2011 - JUNE 2013	TOTAL	TOTAL DISBURSEMENTS UNTIL 31.12.11	REMAINING FOR DISTRIBUTION 31.12.11	TOTAL DISBURSEMENTS UNTIL 30.06.12	REMAINING FOR DISTRIBUTION 30.06.12	TOTAL DISBURSEMENTS UNTIL 31.12.12	REMAINING FOR DISTRIBUTION 31.12.12	TOTAL DISBURSEMENTS UNTIL 30.06.13	REMAINING FOR DISTRIBUTION 30.06.13	TOTAL DISBURSEMENTS UNTIL 31.12.13	REMAINING FOR DISTRIBUTION 31.12.13
1.	REDUCTION OF BANK LOANS EXPANSIONS OF STORE	35.000.000,00	35.000.000,00				35.000.000,00	35.000.000,00	0,00	35.000.000,00	0,00	35.000.000,00	0,00	35.000.000,00	0,00	35.000.000,00	0,00
2.	NETWORK OF THE COMPANY IN GREECE	11.000.000,00				11.000.000,00	11.000.000,00	5.316.000,00	5.684.000,00	7.791.000,00	3.209.000,00	7.791.000,00	3.209.000,00	8.504.000,00	2.496.000,00	8.644.000,00	2.356.000,00
3.	IMPROVEMENT-BUILDING RENOVATION IN ROMANIA EXPANSIONS OF STORE	3.000.000,00				3.000.000,00	3.000.000,00		3.000.000,00	0,00	3.000.000,00		3.000.000,00	0,00	3.000.000,00	0,00	3.000.000,00
4.	NETWORK IN ASIA AND EUROPE	6.000.000,00			6.000.000,00		6.000.000,00	6.000.000,00		6.000.000,00	0,00	6.000.000,00	0,00	6.000.000,00	0,00	6.000.000,00	0,00
5.	WORKING CAPITAL	27.000.000,00			27.000.000,00		27.000.000,00	27.000.000,00		27.000.000,00	0,00	27.000.000,00	0,00	27.000.000,00	0,00	27.000.000,00	0,00
6.	ISSUE EXPENSES	2.588.000,00		2.588.000,00			2.588.000,00	283.618,00	2.304.382,00	1.235.233,00	1.352.767,00	2.588.000,00	0,00	2.588.000,00	0,00	2.588.000,00	0,00
	Total	84.588.000,00	35.000.000,00	2.588.000,00	33.000.000,00	14.000.000,00	84.588.000,00	73.599.618,00	10.988.382,00	77.026.233,00	7.561.767,00	78.379.000,00	6.209.000,00	79.092.000,00	5.496.000,00	79.232.000,00	5.356.000,00

Note:

1. The above table distribution of the disbursements until 31/12/2013, amounted to EUR 79,232,000.00.
2. The remaining to be disposed of 31/12/2012 EUR 5,356,000.00 shall be deposited in short term deposits and included in the item "Cash and cash equivalents"
3. After decision of the company, there was a prolongation of the disposable funds until 30/06/2014

Ag. Stefanos, 28 March 2014

**THE CHAIRMAN OF THE
BOARD**

Dimitrios Koutsolioutsos
ID Card No. AK-031337

**THE CHIEF EXECUTIVE
OFFICER**

Georgios Koutsolioutsos
ID Card No. AB-593469

**DEPUTY CEO &
GENERAL MANAGER**

Emmanouil Zachariou
ID Card No. T005560

CHIEF FINANCIAL OFFICER

Fragiskos Gratsonis
AB-017181

A. REPORT OF RIGHTS ISSUE PROCEEDS FROM SHARE CAPITAL INCREASE IN CASH

To the Board of Directors

FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME

According to the mandate received from the Board of Directors' " **FOLLI-FOLLIE COMMERCIAL MANUFACTURING AND TECHNICAL SOCIETE ANONYME** " (the Company), performed the following agreed upon procedures in those under the regulatory framework of Stock Athens and the legal framework of the capital, on the Report on the Company raised funds, on the share capital increase through cash payment which was conducted in 2011. Management is responsible for preparing the aforementioned report. We undertook this task in accordance with International Standard on Related Services 4400, which applies to "Assignment Execution of agreed upon procedures related to financial reporting." Our responsibilities are to perform the following agreed upon procedures and report our findings.

Procedures:

1. We compared the amounts reported as disbursements in the accompanying "Report on funds raised from the capital increase in cash", with the amounts recognized in the books and records of the Company during the period they relate.
2. We examined the completeness of the report and therefore its content to those given in the Prospectus issued by the Company for this purpose, and with the relevant resolutions and statements of the Company's competent bodies.

Findings: i. The amounts shown as disbursements in the accompanying "Report on funds raised by the increase in share capital in cash," the books and records of the Company, the period they relate.

ii. The contents of the report include the minimum information provided for this purpose by the regulatory framework of the Athens Stock Exchange and the legal framework of the capital and is consistent with those mentioned in the relevant Prospectus and the relevant resolutions and statements of relevant bodies Company.

Given that the procedures do not constitute an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance other than those mentioned above. Had we performed additional procedures or had we performed an audit or review may have come to our attention and other issues, other than those mentioned in the previous paragraph.

This report is addressed solely to the Board of Directors, in compliance with the requirements of the normative framework of the Athens Stock Exchange and the legal framework of the capital. Hence this Report may not be used for other purposes is limited only to the items specified above and does not extend to the financial statements prepared by the Company for the period from 01/01/2013 until 31/12/2013 for which we issued separate audit report.

The Certified Public Accountant



Chrisa G. Tsakalogianni
SOEL Reg.: 23811
Athens 28 March 2014