



**FOURLIS HOLDINGS S.A.**

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

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

## **INTERIM FINANCIAL REPORT**

**For the period**

**1/1/2011 to 31/3/2011**

**(TRANSLATED FROM THE GREEK ORIGINAL)**

( In accordance with Law 3556/2007)

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## Statements of Members of the Board of Directors

(In accordance to L. 3556/2007)

The members of the Board of Directors of FOURLIS HOLDINGS SA

1. Vassilis S. Furlis, Chairman,
2. Alexandros I. Furlis, Vice Chairman and
3. Apostolos D. Petalas, CEO

We confirm that to the best of our knowledge:

The Interim Condensed Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS SA for the period 1/1-31/3/2011 which have been prepared in accordance with International Financial Reporting Standards (IAS 34) provide a true and fair view of the Assets, Liabilities and Shareholders Equity along with the Statement of Financial Position and the Statement of Comprehensive Income of FOURLIS HOLDINGS S.A. and its subsidiaries included in the consolidation according to article 5 paragraphs 3 to 5 of L.3556/2007.

Neo Psychiko, May 23, 2011

The Chairman

The Vice Chairman

The CEO

Vassilis S. Furlis

Alexandros I. Furlis

Apostolos D. Petalas

The Interim Condensed Financial Statements included in pages 5 to 10 are in accordance with the IFRS as applied in the European Union, are those approved by the Board of Directors of "Fourlis Holdings SA" on 23/5/2011 and are signed by the following:

Chairman

Vassilios St. Fourlis  
ID No. Σ-700173

CEO

Apostolos D. Petalas  
ID No. AK-021139

Finance Manager  
Planning & Controlling

Maria I. Theodoulidou  
ID No. T-134715

Chief Accountant

Sotirios I. Mitrou  
ID No. AI -557890  
Ch.Acct.Lic. No. 30609 A Class

The Financial Report for the period 1/1 - 31/3/2011 has also been uploaded at the Group's internet site, address: <http://www.fourlis.gr>

**Interim Statement of Financial Position (Consolidated and Separate)**  
**as at March 31, 2011 and December 31, 2010**

(In thousands of euro, unless otherwise stated)

	Note	Consolidated		Separate	
		31/3/2011	31/12/2010	31/3/2011	31/12/2010
<b>Assets</b>					
<b>Non-current assets</b>					
Property plant and equipment	7	258.027	211.819	89	79
Investment Property		8.782	8.782	0	0
Intangible Assets		17.084	12.705	119	115
Investments in affiliates and associates		9.781	9.879	95.117	88.299
Investments		95	95	95	95
Long Term receivables		6.530	13.313	138	138
Deferred Taxes		3.223	3.476	13	48
<b>Total non-current assets</b>		<b>303.521</b>	<b>260.069</b>	<b>95.571</b>	<b>88.775</b>
<b>Current assets</b>					
Inventory		90.100	87.571	1	0
Income tax receivable		4.826	5.034	3.951	4.293
Trade receivables		45.574	83.740	239	753
Other receivables		24.274	37.937	430	551
Cash & cash equivalent		40.718	43.129	6.307	13.079
<b>Total current assets</b>		<b>205.492</b>	<b>257.411</b>	<b>10.928</b>	<b>18.676</b>
<b>Total Assets</b>		<b>509.014</b>	<b>517.480</b>	<b>106.498</b>	<b>107.451</b>
<b>SHAREHOLDERS EQUITY &amp; LIABILITIES</b>					
<b>Shareholders Equity</b>					
Share Capital	12	50.992	50.953	50.992	50.953
Share premium reserve		11.985	11.985	12.322	12.322
Reserves		69.825	69.915	30.341	30.366
Retained earnings		84.660	83.546	12.014	12.096
<b>Total shareholders equity (a)</b>		<b>217.463</b>	<b>216.399</b>	<b>105.669</b>	<b>105.737</b>
Non controlling interest (b)		1.273	455	0	0
<b>Total Equity (c)=(a)+(b)</b>		<b>218.736</b>	<b>216.854</b>	<b>105.669</b>	<b>105.737</b>
<b>Liabilities</b>					
<b>Non current Liabilities</b>					
Loans and borrowings	9	64.123	38.813	0	0
Employee retirement benefits		1.291	1.319	33	19
Deferred Taxes		5.660	5.729	0	0
Other non-current liabilities		10.826	10.935	121	121
<b>Total non current Liabilities</b>		<b>81.900</b>	<b>56.796</b>	<b>154</b>	<b>140</b>
<b>Current Liabilities</b>					
Loans and borrowings	9	77.036	67.011	0	0
Current portion of non-current loans and borrowings	9	52.952	53.685	0	0
Income Tax Payable		2.708	4.025	92	196
Accounts payable and other current liabilities		75.682	119.110	584	1.379
<b>Total current Liabilities</b>		<b>208.378</b>	<b>243.830</b>	<b>675</b>	<b>1.575</b>
<b>Total Liabilities (d)</b>		<b>290.278</b>	<b>300.626</b>	<b>830</b>	<b>1.714</b>
<b>Total Equity &amp; Liabilities (c) + (d)</b>		<b>509.014</b>	<b>517.480</b>	<b>106.498</b>	<b>107.451</b>

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.

**Interim Statement of Comprehensive Income (Consolidated) for the period**  
**1/1 - 31/3/2011 and 1/1 - 31/3/2010**

(In thousands of euro, unless otherwise stated)

		GROUP					
		1/1 - 31/3/2011			1/1 - 31/3/2010		
		Continuing Operations	Discontinued Operations	Total Operation	Continuing Operations	Discontinued Operations	Total Operation
Revenue	6, 18	95.823	(46)	95.778	100.324	62.539	162.863
Cost of Goods Sold	6, 18	(58.579)	(1)	(58.579)	(58.681)	(54.703)	(113.384)
<b>Gross Profit</b>		<b>37.245</b>	<b>(47)</b>	<b>37.198</b>	<b>41.643</b>	<b>7.836</b>	<b>49.479</b>
Other operating income		2.977	(4)	2.973	900	2.888	3.788
Distribution expenses		(30.215)	0	(30.216)	(28.821)	(8.115)	(36.936)
Administrative expenses		(6.921)	(7)	(6.928)	(5.108)	(1.819)	(6.927)
Other operating expenses		(300)	0	(300)	(281)	(428)	(709)
<b>Operating Profit / Loss</b>		<b>2.786</b>	<b>(58)</b>	<b>2.728</b>	<b>8.333</b>	<b>363</b>	<b>8.696</b>
Total finance cost		(2.293)	(596)	(2.889)	(1.508)	(738)	(2.246)
Total finance income		480	576	1.057	387	1.002	1.390
Expense/income from associate companies		(98)	-	(98)	(58)	-	(58)
<b>Profit / Loss before Tax</b>		<b>876</b>	<b>(78)</b>	<b>798</b>	<b>7.154</b>	<b>628</b>	<b>7.782</b>
Income tax	11	(525)	12	(513)	(1.959)	(150)	(2.109)
<b>Net Income (A)</b>		<b>351</b>	<b>(65)</b>	<b>285</b>	<b>5.196</b>	<b>478</b>	<b>5.673</b>
<b>Attributable to:</b>							
Equity holders of the parent		493	(65)	428	5.198	432	5.630
Non controlling interest		(143)	-	(143)	(2)	46	43
<b>Net Income (A)</b>		<b>351</b>	<b>(65)</b>	<b>285</b>	<b>5.196</b>	<b>478</b>	<b>5.673</b>
<b>Other comprehensive income</b>							
Foreign currency translation from foreign operations		(66)	30	(36)	(9)	76	67
Effective portion of changes in fair value of cash flow hedges		597	-	597	(699)	-	(699)
<b>Comprehensive Income after Tax (B)</b>		<b>531</b>	<b>30</b>	<b>561</b>	<b>(709)</b>	<b>76</b>	<b>(632)</b>
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>881</b>	<b>(35)</b>	<b>847</b>	<b>4.487</b>	<b>554</b>	<b>5.041</b>
<b>Attributable to:</b>							
Equity holders of the parent		1.024	(35)	989	4.490	508	4.998
Non controlling interest		(143)	-	(143)	(2)	46	43
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>881</b>	<b>(35)</b>	<b>847</b>	<b>4.487</b>	<b>554</b>	<b>5.041</b>
Basic Earnings per Share (in Euro)	13	0,0097	(0,0013)	0,0084	0,1020	0,0085	0,1105
Diluted Earnings per Share (in Euro)	13	0,0096	(0,0013)	0,0083	0,1014	0,0084	0,1098
Earnings before Interest, Taxes, Amortisation & Depreciation		5.753	(58)	5.695	10.961	559	11.520

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.

**Interim Statement of Comprehensive Income (Separated)**  
**for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010**

(In thousands of euro, unless otherwise stated)

	<u>Note</u>	<u>1/1 - 31/3/2011</u>	<u>1/1 - 31/3/2010</u>
Revenue		-	-
Cost of Goods Sold		-	-
<b>Gross Profit</b>		-	-
Other operating income		396	352
Administrative expenses		(523)	(675)
Other operating expenses		0	(1)
<b>Operating Profit / Loss</b>		<b>(127)</b>	<b>(324)</b>
Total finance cost		(1)	0
Total finance income		55	124
<b>Profit / Loss before Tax</b>		<b>(73)</b>	<b>(200)</b>
Income tax	11	(12)	30
<b>Net Income (A)</b>		<b>(85)</b>	<b>(171)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(85)	(171)
Non controlling interest		-	-
<b>Net Income (A)</b>		<b>(85)</b>	<b>(171)</b>
<b>Comprehensive Income after Tax (B)</b>		-	-
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(85)</b>	<b>(171)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(85)	(171)
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(85)</b>	<b>(171)</b>
Earnings before Interest, Taxes, Amortisation & Depreciation		(117)	(314)

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.

**Interim Statement of Changes in Equity (Consolidated)**  
**for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010**

(In thousands of euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Own shares	IRS Reserve	Revaluation Reserves	Foreign currency translation from foreign operations	Retained earnings / (Accumulated losses)	Total	Non-controlling interest	Total Equity
Balance at 1.1. 2010	50.953	11.864	37.154	0	0	30.945	(1.366)	84.894	214.444	1.019	215.463
<b>Total comprehensive income for the period</b>											
Profit or loss	0	0	0	0	0	0	0	5.630	5.630	43	5.673
Foreign currency translation from foreign operations	0	0	0	0	0	0	67	0	67	0	67
Effective portion of changes in fair value of cash flow hedges	0	0	(699)	0	0	0	0	0	(699)	0	(699)
<b>Total other comprehensive income</b>	0	0	(699)	0	0	0	67	0	(632)	0	(632)
<b>Total comprehensive income for the period after taxes</b>	0	0	(699)	0	0	0	67	5.630	4.998	43	5.041
<b>Transactions with shareholders, recorded directly in equity</b>											
Reserves	0	0	0	0	0	0	0	0	0	0	0
Purchases / (sales) of own shares	0	0	0	0	0	0	0	0	0	0	0
Stock option plan	0	0	64	0	0	0	0	(2)	63	2	64
<b>Total transactions with shareholders</b>	0	0	64	0	0	0	0	(2)	63	2	64
<b>Balance at 31.3. 2010</b>	<b>50.953</b>	<b>11.864</b>	<b>36.519</b>	<b>0</b>	<b>0</b>	<b>30.945</b>	<b>(1.300)</b>	<b>90.523</b>	<b>219.505</b>	<b>1.064</b>	<b>220.569</b>
Balance at 1.1. 2011	50.953	11.985	40.348	(858)	0	31.822	(1.397)	83.546	216.399	455	216.854
<b>Total comprehensive income for the period</b>											
Profit or loss	0	0	0	0	0	0	0	428	428	(143)	285
Foreign currency translation from foreign operations	0	0	0	0	0	0	(36)	0	(36)	0	(36)
Effective portion of changes in fair value of cash flow hedges	0	0	411	0	186	0	0	0	597	0	597
<b>Total other comprehensive income</b>	0	0	411	0	186	0	(36)	0	561	0	561
<b>Total comprehensive income for the period after taxes</b>	0	0	411	0	186	0	(36)	428	989	(143)	847
<b>Transactions with shareholders, recorded directly in equity</b>											
Dividends to equity holders	0	0	0	0	0	0	0	0	0	0	0
Published Shares	39	0	(39)	0	0	0	0	0	0	868	868
Reserves	0	1	(531)	0	0	0	(95)	686	61	0	61
Purchases / (sales) of own shares	0	0	0	(14)	0	0	0	0	(14)	0	(14)
Stock option plan	0	0	28	0	0	0	0	0	28	0	28
Chg of Minority rights %	0	0	0	0	0	0	0	0	0	92	92
<b>Total transactions with shareholders</b>	<b>39</b>	<b>1</b>	<b>(543)</b>	<b>(14)</b>	<b>0</b>	<b>0</b>	<b>(95)</b>	<b>686</b>	<b>75</b>	<b>960</b>	<b>1.035</b>
<b>Balance at 31.3. 2011</b>	<b>50.992</b>	<b>11.985</b>	<b>40.217</b>	<b>(872)</b>	<b>186</b>	<b>31.822</b>	<b>(1.527)</b>	<b>84.660</b>	<b>217.463</b>	<b>1.273</b>	<b>218.736</b>

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.



**Interim Statement of Changes in Equity (Separate)**  
**for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010**

(In thousands of euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Own shares	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1. 2010	50.953	12.208	30.781	0	17.205	111.146
<b>Total comprehensive income for the period</b>						
Profit or loss	0	0	0	0	(171)	(171)
Other comprehensive income	0	0	0	0	0	0
<b>Total comprehensive income for the period after taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(171)</b>	<b>(171)</b>
<b>Transactions with shareholders, recorded directly in equity</b>						
Reserves	0	0	0	0	0	0
Purchases / (sales) of own shares	0	0	0	0	0	0
SOP Reserve	0	0	65	0	0	65
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>65</b>
<b>Balance at 31.3. 2010</b>	<b>50.953</b>	<b>12.208</b>	<b>30.845</b>	<b>0</b>	<b>17.034</b>	<b>111.040</b>
Balance at 1.1. 2011	50.953	12.322	31.224	(858)	12.096	105.737
<b>Total comprehensive income for the period</b>						
Profit or loss	0	0	0	0	(85)	(85)
Other comprehensive income	0	0	0	0	0	0
<b>Total comprehensive income for the period after taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(85)</b>	<b>(85)</b>
<b>Transactions with shareholders, recorded directly in equity</b>						
Dividends to equity holders	0	0	0	0	0	0
Published Shares	39	0	(39)	0	3	3
Reserves	0	0	0	0	0	0
Purchases / (sales) of own shares	0	0	0	(14)	0	(14)
SOP Reserve	0	0	28	0	0	28
<b>Total transactions with shareholders</b>	<b>39</b>	<b>0</b>	<b>(11)</b>	<b>(14)</b>	<b>3</b>	<b>17</b>
<b>Balance at 31.3. 2011</b>	<b>50.992</b>	<b>12.322</b>	<b>31.213</b>	<b>(872)</b>	<b>12.014</b>	<b>105.669</b>

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.

**Interim Statements of Cash Flows (Consolidated and Separate)**  
**for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010**

(In thousands of euro, unless otherwise stated)

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>1/1-31/3/2011</u>	<u>1/1-31/3/2010</u>	<u>1/1-31/3/2011</u>	<u>1/1-31/3/2010</u>
<b>Operating Activities</b>				
Profit before taxes (Continuing Operations)	876	7.154	(73)	(200)
Profit before taxes (Discontinued Operations)	(78)	628	0	0
Adjustments for:				
Depreciation	2.968	2.628	10	10
Provisions	44	216	23	13
Foreign exchange differences	(144)	(69)	(48)	(3)
Results (Income, expenses, profit and loss) from investment activity	(29)	(303)	(7)	(121)
Interest Expense	2.161	1.497	1	0
<b>Plus/less adj for changes in working capital related to the operating activities:</b>				
Decrease / (increase) in inventory	(4.440)	(405)	(1)	0
Decrease / (increase) in trade and other receivables	(8.753)	(1.760)	977	(324)
(Decrease) / increase in liabilities (excluding banks)	(13.433)	(3.585)	(796)	(43)
<b>Less:</b>				
Interest paid	(2.293)	(1.508)	(1)	0
Income taxes paid	(2.098)	(6.019)	(80)	(2.416)
Operating inflow / (outflow) from discontinued operations	41.050	(26.045)	0	0
<b>Net cash generated from operations (a)</b>	<b>15.831</b>	<b>(27.572)</b>	<b>6</b>	<b>(3.086)</b>
<b>Investing Activities</b>				
Purchase of subsidiaries and related companies	98	(9)	(6.795)	0
Purchase of tangible and intangible fixed assets	(53.534)	(2.189)	(24)	(13)
Proceeds from disposal of tangible and intangible assets	32	0	0	0
Interest Received	480	387	55	124
Proceeds from the sale of subsidiaries and associates	0	0	0	0
Proceeds from dividends	0	0	0	0
Purchase of other investments	0	0	0	0
Proceeds from the sale of other investments	0	0	0	0
Investing inflow / (outflow) from discontinued operations	576	1.006	0	0
<b>Total inflow / (outflow) from investing activities (b)</b>	<b>(52.348)</b>	<b>(804)</b>	<b>(6.764)</b>	<b>111</b>
<b>Financing Activities</b>				
Payments for purchase of own shares	(14)	0	(14)	0
Inflow from share capital increase	0	745	0	0
Proceeds from issue of shares to employees exercising stock options	0	0	0	0
Outflow from share capital increase	0	0	0	0
Proceeds from issued loans	51.399	7.620	0	0
Repayment of loans	(16.550)	(8.187)	0	0
Repayment of leasing liabilities	(732)	(711)	0	0
Dividends paid	0	0	0	0
Financing inflow / (outflow) from discontinued operations	0	4.850	0	0
<b>Total inflow / (outflow) from financing activities (c)</b>	<b>34.102</b>	<b>4.318</b>	<b>(14)</b>	<b>0</b>
<b>Net Increase/(decrease) in cash and cash equivalents for the period (a)+(b)-(c)</b>	<b>(2.415)</b>	<b>(24.059)</b>	<b>(6.772)</b>	<b>(2.975)</b>
Cash and cash equivalents at the beginning of the period	43.129	94.140	13.079	21.547
Effect of exchange rate fluctuations on cash held	5	23	0	0
<b>Closing balance, cash and cash equivalents</b>	<b>40.718</b>	<b>70.104</b>	<b>6.307</b>	<b>18.572</b>

The accompanying notes on pages 11 to 28 are an integral part of the Interim Condensed Financial Statements.

**Notes to the Interim Condensed Financial Statements (Consolidated and Separate) as at March 31, 2011****1. Incorporation and activities of the Group****1.1. General Information**

FOURLIS HOLDINGS S.A. with the common use title of FOURLIS SA (hereinafter the Company) was incorporated in 1950 as A. FOURLIS AND CO., and from 1966 operated as FOURLIS BROS SA (Government Gazette, AE and EPE issue 618/13.6.1966). It was renamed to FOURLIS HOLDING S.A. by a decision of an Extraordinary Shareholders' Meeting on 10/03/2000, which was approved by decision K2-3792/25-04-2000 of the Ministry of Development. The Shareholders' Meeting also approved the conversion of the Company to a holding company and thus also approved the change in its scope.

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

The Company is listed in the Athens Stock Exchange since 1988.

The Company's term, in accordance with its Articles of Incorporation, was originally set at 30 years. In accordance with a decision of the Extraordinary Meeting of the Shareholders on 19/02/1988, the term was extended for a further 30 years i.e. to 2026.

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

1. Vassilis St. Furlis, Chairman, executive member
2. Alexandros I. Furlis, Vice Chairman, executive member
3. Apostolos D. Petalas, Managing Director, executive member
4. Dafni A. Furlis, executive member
5. Lyda St. Furlis, executive member
6. Ioannis Ev. Brebos, non executive member
7. Eftihios Th. Vassilakis, independent non executive member
8. Ioannis K. Papaioannou, independent non executive member
9. Ioannis Ath. Kostopoulos independent non executive member

The total number of employees of the Group as at the end of March 2011 and March 2010 was at 3.157 and 3.122 respectively. The total number of employees of the Company was 3 and 5 respectively.

## 1.2 Activities

The Company's activities are the investment in domestic and foreign companies of all types. The Company also provides general administration services, treasury management and information technology services.

The Interim Condensed Financial Statements include the Company and its subsidiaries (the Group) as presented below:

Name	Location	% Holding	Consolidation Method
HOUSEMARKET SA	Athens	100,00	Fully consolidated
FOURLIS TRADE SA	Athens	100,00	Fully consolidated
INTERSPORT ATHLETICS SA	Athens	100,00	Fully consolidated
SERVICE ONE SA *	Athens	99,94	Fully consolidated
TRADE LOGISTICS SA *	Athens	100,00	Fully consolidated
RENTIS SA *	Athens	100,00	Fully consolidated
PRIME TELECOM SA	Athens	7,92	Fully consolidated
PRIME TELECOM SA *	Athens	71,03	Fully consolidated
BITA TRITI REAL ESTATE OF EASTERN GREECE SA *	Athens	100,00	Fully consolidated
GENCO TRADE SRL	Bucharest, Romania	100,00	Fully consolidated
GENCO BULGARIA EOOD *	Sofia, Bulgaria	100,00	Fully consolidated
HOUSE MARKET BULGARIA EAD *	Sofia, Bulgaria	100,00	Fully consolidated
HM HOUSEMARKET (CYPRUS) LTD *	Nicosia, Cyprus	100,00	Fully consolidated
INTERSPORT ATHLETICS (CYPRUS) LTD*	Nicosia, Cyprus	100,00	Fully consolidated
WYLDES LIMITED LTD*	Nicosia, Cyprus	100,00	Fully consolidated
INTERSPORT ATLETİK MAGAZACILIK VE DIS TICARET ANONIM SİRKETİ*	Istanbul, Turkey	75,00	Fully consolidated

\* Companies in which FOURLIS HOLDINGS S.A. has an indirect participation

Also in Consolidated Financial Statements the below mentioned related companies are included.

Name	Location	% Holding	Consolidation Method
VYNER LTD*	Nicosia, Cyprus	50,00	Net equity method
SPEDEX SA	Athens	49,55	Net equity method

\* Companies in which FOURLIS HOLDINGS S.A. has an indirect participation

On 17 February 2011, the Group announced, the agreement for purchase of the retail stores network of INTERSPORT in Turkey. The agreement includes the acquisition of the franchise rights and the establishment of the company Intersport Athletik A.S. In the new company, Fourlis Group participates with 75% through the Greek subsidiary Intersport Athletics SA and it has the management control, while the previous owner will hold remaining 25%.

On 21/2/2011 was completed the transaction of the purchase of the premises located at present IKEA store in Ioannina. The company HOUSEMARKET SA purchased the total number of shares of the company BITA TRITI REAL ESTATE OF EASTERN GREECE SA which owns the above mentioned premises. Shareholding ratios for the rest of the subsidiaries have not changed since prior reporting period.

## **2. Basis of presentation of the Financial Statements**

The accompanying Interim Condensed Consolidated and Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards for the Interim Financial Statements (IAS 34) and as such do not include all information necessary for the Annual Financial Statements. Consequently, they have to be read in combination with the published Group accounts of 31/12/2010, uploaded on the internet address: <http://www.fourlis.gr>. The aforementioned Interim Condensed Financial Statements have been prepared based on the historical cost, except from the valuation of certain assets and liabilities (land and buildings included in Property Plant and Equipment, investment property and derivative financial instrument), which are stated at fair values, and based on the going concern principle.

The Interim Condensed Financial Statements are presented in thousand euros except otherwise mentioned and as such minor differences are due to rounding.

## **3. Basic Accounting Principles**

### **3.1. Changes in accounting policies and disclosures**

The Accounting Principles and the valuation methods used, are the ones reported under the Notes of the Annual Financial Statements of 31/12/2010 except from the following:

- The policy concerning to IFRS 3 Business Combinations.

The Group determines whether a transaction or other event is a business combination by assessing whether the assets acquired and liabilities assumed constitute a business. If the net assets acquired do not constitute a business, the Group accounts for the transaction or other event as an asset acquisition and allocates the cost of the net assets acquired between the individual identifiable assets and liabilities based on their relative fair values at the acquisition date.

On 21 February 2011, the transaction to acquire the land and the building of IKEA store in Ioannina was finally completed. HOUSEMARKET SA acquired all the shares of BITA TRITI REAL ESTATE OF EASTERN GREECE SA which owns that property as a fixed asset. This transaction was considered as an asset transaction and has an accounting treatment under IAS 16 Property, Plant and Equipment rather than under IFRS 3 Business Combinations.

- The implementation of the new standards, amendments and interpretations for the period beginning on 1/1/2011 is presented below:
  - IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments: This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity

instruments are “consideration paid” in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognised and the equity instruments issued are treated as consideration paid to extinguish that financial liability. The Company/Group does not expect that the amendment will have impact on its financial statements.

- IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended): The purpose of this amendment was to permit entities to recognise as an asset some voluntary prepayments for minimum funding contributions. Earlier application is permitted and must be applied retrospectively. The Company/Group does not expect that the amendment will have impact on its financial statements.
- IAS 32 Classification on Rights Issues (Amended): This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively. The Company/Group does not expect that this amendment will have an impact on its financial statements.
- IAS 24 Related Party Disclosures (Revised): This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. The Company/Group does not expect that this amendment will have an impact on its financial statements.
- IFRS 1 Limited Exemption from Comparative IFRS 7 Disclosures for the first time adopters: This amendment exempts first-time adopters of IFRSs from providing the additional disclosures introduced by IFRS 7 on 5.3.2009. This change has no impact on the financial statements of the Company/ Group.
- In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. This change has no impact on the financial statements of the Company/ Group:
  - IFRS 1 First time adoption of IFRS. This improvement clarifies the treatment of accounting policy changes in the year of adoption after publishing an interim financial report in accordance with IAS 34 Interim Financial Reporting, allows first-time adopters to use an event-driven fair value as deemed cost and expands the scope of ‘deemed cost’ for property, plant and equipment or intangible assets to include items used subject to rate regulated activities.
  - IFRS 3 Business Combinations. This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for

contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008). Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets. Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree's share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses.

- IFRS 7 Financial Instruments: This improvement gives clarifications of disclosures required by IFRS 7 and emphasises the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments.
- IAS 1 Presentation of Financial Statements: This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.
- IAS 27 Consolidated and Separate Financial Statements: This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 The Effect of Changes in Foreign Exchange Rates, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures apply prospectively for annual periods beginning on or after 1 July 2009 or earlier when IAS 27 is applied earlier.
- IAS 34 Interim Financial Reporting: This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements.
- IFRIC 13 Customer Loyalty Programmes: This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account.

#### **4. Financial Risk Management**

The policies for Risk and Capital management of the Group are the ones analyzed under the Notes of Annual Financial Statements of 31/12/2010.

#### **5. Management Estimates**

The preparation of the Interim Financial Statements is based on estimations and assumptions that may influence the accounting balances of Assets & Liabilities, the Notes for Receivables & Payables along with the amounts of Revenues and Expenses recorded during the current period. The use of available information and subjective judgment are an integral part of making assumptions. Future results may vary from the above estimates. Management estimates are under constant evaluation, based on historical data and the

expectations for future events which are considered as realistic under the current circumstances.

## 6. Segment Information

The Group is active on following operating segments:

- Retail Trading of Home Furniture and Households Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT stores).
- Wholesale Trading of Electrical and Electronic Equipment.

Therefore the main financial interest is concentrated on the business classification of the Group's activities, where the various economic environments constitute different risks and rewards.

The Group's activities comprise mainly one geographical area, that of the wider European region, primarily in Greece along with countries of Southeastern Europe (Romania, Bulgaria, Cyprus and Turkey).

In the period 1/1 - 31/3/2011 the Group is mainly active in Greece with 82,6% (85,0% in the period 1/1 - 31/3/2010) of total revenue operations with the remaining 17,4% (15,0% the period 1/1 - 31/3/2010) the other countries of Southeastern Europe.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

There are no changes on the per Segment allocation policy of activities versus prior year.

The geographic breakdown of assets and liabilities are as follows:

	1/1-31/3/2011			1/1-31/12/2010		
	Greece	Other Southeastern Europe Countries	Total	Greece	Other Southeastern Europe Countries	Total
Total Assets	375.792	133.221	509.014	409.784	107.697	517.480
Total Liabilities	185.323	104.955	290.278	199.382	101.244	300.626

Group results by operating segment for the period 1/1 – 31/3/2011 are analysed below:



	Furniture and Household Goods	Sporting Goods	Electrical – Electronic Equipment	FOURLIS HOLDINGS	Consolidation Entries	Total Continuing Operations	Discontinued operations	Consolidation Entries	Total Discontinued operations	Total Group
	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011	1/1-31/3/2011
Revenue	66.968	19.551	9.318	0	(14)	95.823	(46)	0	(46)	95.778
Cost of Goods Sold	(39.960)	(10.866)	(7.753)	0	0	(58.579)	(1)	0	(1)	(58.579)
<b>Gross Profit</b>	<b>27.008</b>	<b>8.685</b>	<b>1.565</b>	<b>0</b>	<b>(14)</b>	<b>37.245</b>	<b>(47)</b>	<b>0</b>	<b>(47)</b>	<b>37.198</b>
Other operating income	1.513	172	1.243	396	(346)	2.977	(4)	0	(4)	2.973
Distribution expenses	(20.874)	(8.189)	(1.268)	0	116	(30.215)	0	0	0	(30.216)
Administrative expenses	(4.049)	(1.333)	(1.260)	(523)	244	(6.921)	(7)	0	(7)	(6.928)
Other operating expenses	(94)	(156)	(50)	0	0	(300)	0	0	0	(300)
<b>Operating Profit / Loss</b>	<b>3.505</b>	<b>(822)</b>	<b>230</b>	<b>(127)</b>	<b>0</b>	<b>2.786</b>	<b>(58)</b>	<b>0</b>	<b>(58)</b>	<b>2.728</b>
Financial expenses / income	(1.317)	(279)	(271)	54	0	(1.812)	(20)	0	(20)	(1.832)
Expense/income from associate companies	(98)	0	0	0	0	(98)	0	0	0	(98)
<b>Profit / Loss before Tax</b>	<b>2.091</b>	<b>(1.101)</b>	<b>(41)</b>	<b>(73)</b>	<b>0</b>	<b>876</b>	<b>(78)</b>	<b>0</b>	<b>(78)</b>	<b>798</b>
Income tax	(495)	50	(69)	(12)	0	(525)	12	0	12	(513)
<b>Profit / Loss after Tax</b>	<b>1.596</b>	<b>(1.050)</b>	<b>(110)</b>	<b>(85)</b>	<b>0</b>	<b>351</b>	<b>(65)</b>	<b>0</b>	<b>(65)</b>	<b>285</b>
Acquisition of property	48.102	1.079	0	14	0	49.195	0	0	0	49.195
Depreciation	2.116	681	160	10	0	2.968	0	0	0	2.968
Provisions	0	0	0	0	0	0	0	0	0	0

Group results by operating segment for the period 1/1 – 31/3/2010 are analysed below:

	Furniture and Household Goods	Sporting Goods	Electrical – Electronic Equipment	FOURLIS HOLDINGS	Consolidation Entries	Total Continuing Operations	Discontinued operations	Consolidation Entries	Total Discontinued operations	Total Group
	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010	1/1-31/3/2010
Revenue	72.330	19.815	8.190	0	(10)	100.324	62.540	(1)	62.539	162.863
Cost of Goods Sold	(42.077)	(10.245)	(6.359)	0	0	(58.681)	(54.703)	0	(54.703)	(113.384)
<b>Gross Profit</b>	<b>30.253</b>	<b>9.570</b>	<b>1.830</b>	<b>0</b>	<b>(10)</b>	<b>41.643</b>	<b>7.837</b>	<b>(1)</b>	<b>7.836</b>	<b>49.479</b>
Other operating income	803	166	(17)	352	(405)	900	2.888	0	2.888	3.788
Distribution expenses	(20.059)	(8.281)	(549)	0	68	(28.821)	(8.115)	0	(8.115)	(36.936)
Administrative expenses	(3.293)	(1.031)	(399)	(675)	291	(5.108)	(1.876)	58	(1.819)	(6.927)
Other operating expenses	(150)	(57)	(73)	(1)	0	(281)	(428)	0	(428)	(709)
<b>Operating Profit / Loss</b>	<b>7.554</b>	<b>366</b>	<b>793</b>	<b>(324)</b>	<b>(56)</b>	<b>8.333</b>	<b>307</b>	<b>56</b>	<b>363</b>	<b>8.696</b>
Financial expenses / income	(904)	(279)	(62)	124	0	(1.121)	265	0	265	(856)
Expense/income from associate companies	(58)	0	0	0	0	(58)	0	0	0	(58)
<b>Profit / Loss before Tax</b>	<b>6.593</b>	<b>87</b>	<b>731</b>	<b>(200)</b>	<b>(56)</b>	<b>7.154</b>	<b>571</b>	<b>56</b>	<b>628</b>	<b>7.782</b>
Income tax	(1.649)	(94)	(245)	30	0	(1.959)	(150)	0	(150)	(2.109)
<b>Profit / Loss after Tax</b>	<b>4.944</b>	<b>(7)</b>	<b>486</b>	<b>(171)</b>	<b>(56)</b>	<b>5.196</b>	<b>421</b>	<b>56</b>	<b>478</b>	<b>5.673</b>
Acquisition of property	572	1.799	50	13	(44)	2.390	44	0	44	2.434
Depreciation	1.867	678	73	10	0	2.628	196	0	196	2.824
Provisions	0	0	0	0	0	0	140	0	140	140

The discontinued operations are only related to the Wholesale Trading of Electrical and Electronic

Equipment segment as it is explained in Note 18 of the Interim Financial Statements of the period 1/1-31/3/2011.

The breakdown structure of Assets and Liabilities for the period ended 31/3/2011 and 31/12/2010 are as below:

	Furniture and Household Goods		Sporting Goods		Electrical – Electronic Equipment		FOURLIS HOLDINGS		Consolidation Entries		Total Group	
	31/3/11	31/12/10	31/3/11	31/12/10	31/3/11	31/12/10	31/3/11	31/12/10	31/3/11	31/12/10	31/3/11	31/12/10
Total Assets	341.891	309.887	70.244	60.589	83.241	126.629	106.498	107.451	(92.862)	(87.075)	509.014	517.480
Total Liabilities	203.878	173.977	47.990	46.019	38.187	80.269	830	1.714	(607)	(1.354)	290.278	300.626

## 7. Property, plant and equipment

Property, plant and equipment for the period 1/1/2011 to 31/3/2011 are analyzed as follows:

	GROUP						
	Land	Buildings and installations	Machinery-Installations-Miscellaneous equipment	Motor vehicles	Furniture and miscellaneous equipment	Construction in progress	Total of Property plant and equipment
Acquisition cost at 31.12.2010	71.832	161.502	4.426	4.743	32.749	7.510	282.761
Accumulated depreciation at 31.12.2010	0	(50.121)	(2.233)	(2.144)	(16.443)	0	(70.942)
Net book value at 31.12.2010	71.832	111.381	2.193	2.599	16.306	7.510	211.819
1.1 - 31.3.2011							
Additions	8.408	33.807	36	10	452	6.158	48.870
Transfers acquisition cost	1	(199)	(16)	18	(62)	3	(254)
Revaluation at fair value	0	0	0	0	0	0	0
Depreciation	0	(1.472)	(109)	(110)	(992)	0	(2.682)
Depreciation Transfers	0	160	23	(17)	108	0	274
Restated Depreciation	0	0	0	0	0	0	0
Acquisition cost at 31.3.2011	80.241	195.109	4.446	4.772	33.139	13.671	331.378
Accumulated depreciation at 31.3.2011	0	(51.433)	(2.319)	(2.272)	(17.327)	0	(73.351)
Net book value at 31.3.2011	80.241	143.676	2.127	2.500	15.812	13.671	258.027

The assets of the group are free of mortgages and pre-notations. Additions in the Property, Plant and Equipment of the period refer to the purchase of the premises where the IKEA Store in Ioannina operates and the purchase of equipment for the retail segment of Furniture and Household Goods and Sporting Goods. The IKEA Store in Sofia is under construction and is expected to start operation in the second half of 2011.

In the consolidated financial statements the total amount of the premises purchased from BITA TRITI REAL ESTATE OF EASTERN GREECE SA amounts to € 41million.

## 8. Dividends

The Board of Directors of Fournalis Holdings S.A taking into consideration the financing needs of the new projects and the financial environment will propose to the Shareholders General Assembly on 10/6/2011, not to distribute any dividend.

## 9. Borrowings

Borrowings are analyzed as follows:

	GROUP		COMPANY	
	31/3/2011	31/12/2010	31/3/2011	31/12/2010
Non - current loans	100.532	75.222	0	0
Finance Leases	16.543	17.276	0	0
<b>Total</b>	<b>117.076</b>	<b>92.497</b>	<b>0</b>	<b>0</b>
Non current portion of borrowings payable within the following 12 months	52.952	53.685	0	0
Total long-term loans and borrowings	64.123	38.813	0	0
<b>Current loans and borrowings</b>	<b>77.036</b>	<b>67.011</b>	<b>0</b>	<b>0</b>
<b>Total loans and borrowings</b>	<b>194.111</b>	<b>159.508</b>	<b>0</b>	<b>0</b>

The repayment period of non-current loans varies between 2 to 5 years and the average effective interest rate of the Group for period 1/1/2011 to 31/3/2011 was 3,5% (1/1/2010 – 31/3/2010: 2,7%). The non-current loans cover mainly the Group's growth needs and are analyzed in bond and other non-current loans as follows:

		Amount	Issuing Date	Duration
FOURLIS TRADE SA	Bond	7.000	30/10/2009	3 years from the issuing date
	Bond	6.000	14/12/2009	3 years from the issuing date
		<b>13.000</b>		
PRIME TELECOM SA	Bond	3.000	4/3/2010	3 years from the issuing date
	Bond	1.500	12/1/2009	3 years from the issuing date
	Bond	1.000	28/3/2008	5 years from the issuing date
		<b>5.500</b>		
H.M. HOUSEMARKET (CYPRUS) LTD	Other	20.499	25/10/2006	4,5 years from the issuing date
		2.625	17/9/2007	5 years from the issuing date (1.750 payable forthcoming period)
		<b>23.124</b>		
TRADE LOGISTICS SA	Bond	11.160	26/11/2007	4 years from the issuing date
	Bond	10.000	4/11/2009	3 years from the issuing date
		<b>21.160</b>		
RENTIS SA	Bond	8.000	20/1/2010	3 years from the issuing date
	Bond	4.000	24/11/2009	3 years from the issuing date
		<b>12.000</b>		
HOUSEMARKET SA	Bond	25.000	21/2/2011	3 years from the issuing date
		<b>25.000</b>		
<b>Total</b>		<b>99.784</b>		

Total current loans of the group mainly relate to overdraft bank accounts which are used as working capital for the activities of the Group. The drawn amounts are used mainly to cover short term needs to suppliers. The weighted average interest rate of short term loans for period 1/1/2011 to 31/3/2011 was approximately 6,5%.

Currently subsidiaries entered into cash flow hedges (Interest Rate Swaps or IRSs), in order to mitigate the risk of a sudden increase in interest rates in the interbank market. The terms of the swap agreements are as follows:

a) a 3year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for an amount of 10 million euros of negative fair value for FOURLIS TRADE SA on 31/3/2011 of € 96 thousand, a 5year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for an amount of 15 million euros of negative fair value for TRADE LOGISTICS SA on 31/3/2011 of € 382 thousand and a 3year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for an amount of 20 million euros of negative fair value for HOUSE MARKET (CYPRUS) LTD on 31/3/2011 of € 193 thousand. b) The fair value movement of the above derivative instruments is recognized in equity and amounts to € 671 thousand for the period 1/1/2011 – 31/3/2011.

## 10. Share based payments

On 26/8/2008 the Board of Directors granted 223.843 Stock Options which are the first of three in the concession lines, of Stock Option Plan approved by the General Assembly (repeated) of June 30, 2008. The above series matures in three years with the following vesting dates:

<b><u>Vesting Date</u></b>	<b><u>No of Options</u></b>
31.12.2008	55.961
31.12.2009	55.961
31.12.2010	111.921

Fair Value per Option Right and Vesting Date is defined as below:

<b><u>Vesting Date</u></b>	<b><u>Fair Value €</u></b>
31.12.2008	0,021
31.12.2009	0,336
31.12.2010	0,690

The variables upon which the fair Value calculation has been performed are as below:

<b><u>Variable</u></b>	<b><u>Value</u></b>
Exercise Price	€ 16,48
Current Price at the Grant Date	€ 13,80
Grant Date	26/8/2008
Vesting Period (Months)	4.17, 16.17, 28.17
Volatility	16%
Dividend Yield	2%
Risk Free Rate	4,48%

On 31/12/2009 certain number of participants waved the right to exercise of 101.418 options granted by the Board of Directors on 26/8/2008.

On 23/2/2009 the Board of Directors granted 204.000 Stock Options which are the second of three in the tranches. The above series matures in three years with the following vesting dates:

<b><u>Vesting Date</u></b>	<b><u>No of Options</u></b>
31/12/2009	51.000
31/12/2010	51.000
31/12/2011	102.000

Fair Value per Option Right and Vesting Date is defined as below:

<b><u>Vesting Date</u></b>	<b><u>Fair Value €</u></b>
31/12/2009	3,091
31/12/2010	3,324
31/12/2011	3,517

The variables upon which the Fair Value calculation has been performed are as below:

<b><u>Variable</u></b>	<b><u>Value</u></b>
Exercise Price	€ 3,89
Current Price at the Grant Date	€ 6,88
Grant Date	31/3/2009
Vesting Period (Months)	9-21-33
Volatility	50%
Dividend Yield	2%
Risk Free Rate	4,00%

On 24/5/2010 the Board of Directors granted 102.662 Stock Options which are the third of three in the tranches. The above series matures in three years with the following vesting dates:

<b><u>Vesting Date</u></b>	<b><u>No of Options</u></b>
31/12/2010	25.665
31/12/2011	25.665
31/12/2012	51.332

Fair Value per Option Right and Vesting Date is defined as below:

<b><u>Vesting Date</u></b>	<b><u>Fair Value €</u></b>
31/12/2010	0,7372
31/12/2011	1,4184
31/12/2012	1,8772

The variables upon which the Fair Value calculation has been performed are as below:

<b><u>Variable</u></b>	<b><u>Value</u></b>
Exercise Price	€ 6,63
Current Price at the Grant Date	€ 5,80
Grant Date	24/5/2010
Vesting Period (Months)	6-18-30
Volatility	55%
Dividend Yield	2%
Risk Free Rate	6,91%

Consequently, for the period 1/1 - 31/3/2011, an amount of € 45,0 thousand has been booked under Operating Expenses.

On 22/11/2010 the Board of Directors resolution invited the holders of the Stock Option Plan to exercise their Stock Option rights. After the invitation five Stock Option Plan holders exercised their rights of corresponding 39.402 shares, nominal value 1,00 euro, at price 3,89 euro per share.

## 11. Income Taxes

The nominal tax rates in the countries that the Group is operating vary between 10% to 20%. According to Article 14 of L.3943/31-3-2011, the nominal tax rate in Greece is set at 20% and is effective from the current year.

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

COMPANY	YEARS
FOURLIS HOLDINGS SA	2008 - 2010
FOURLIS TRADE SA	2007 - 2010
INTERSPORT ATHLETICS SA	2008 - 2010
SERVICE ONE SA	2010
PRIME TELECOM SA	2008 - 2010
GENCO TRADE SRL	2007 - 2010
GENCO BULGARIA EOOD	2008 - 2010
TRADE LOGISTICS SA	2010
HOUSEMARKET SA	2007 - 2010
HM HOUSEMARKET (CYPRUS) LTD	2006 - 2010
HOUSE MARKET BULGARIA EAD	2008 - 2010
RENTIS SA	2010
INTERSPORT ATHLETICS (CYPRUS) LTD	2006 - 2010
WYLDES LTD	2008 - 2010
BITA TRITI REAL ESTATE OF EASTERN GREECE SA	2010
INTERSPORT ATLETIK MAGAZACILIK VE DIS TICARET ANONIM SIRKETI	-
VYNER LTD	2009 - 2010
SPEEDEX SA	2007 - 2010

We note that a tax audit by authorities for fiscal years 2007 - 2008 is currently taking place for the subsidiary FOURLIS TRADE SA.

The income tax expense for the period 1/1 - 31/3/2011 and the relative period of 1/1 - 31/3/2010 is as follows:

	GROUP		COMPANY	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Income tax	168	1.367	1	(83)
One - off income tax contribution (article 2, Law 3808/2009)	0	0	0	0
Tax audit differences	83	256	15	15
<b>Deferred Taxes:</b>				
Differences of fixed assets	46	52	1	0
Provisions for employee benefits	10	29	2	38
Effect of changes on tax rates	0	0	0	0
Deferred taxes of no-current assets classified as available for sale	0	0	0	0
Impairment of assets	0	0	0	0
Finance leases	95	103	0	0
Supplier adjustment	0	0	0	0
Provisions	(107)	325	0	0
Accrued Taxes	(17)	(73)	(7)	0
Inventory Write Off Provision	235	48	0	0
Subvention Fixed Asset	0	0	0	0
<b>Total Deferred taxes</b>	<b>261</b>	<b>485</b>	<b>(5)</b>	<b>38</b>
<b>Income Tax Expense</b>	<b>513</b>	<b>2.109</b>	<b>12</b>	<b>(30)</b>

The provision for unaudited tax years for the Group amounts € 83 thousand. As at March 31, 2011 the cumulative provision for unaudited tax years amounted to € 2.121 thousand for the Group.

## 12. Share Capital

As at 31 March 2011, the share capital amounted to Euro 50.992.322 thousand, divided in 50.992.322 shares of a par value of Euro 1 (one) each. At 31 March 2010, the share capital amounted to Euro 50.952.920 thousand, divided in 50.952.920 shares of a par value of Euro 1 (one) each. The share capital increase of € 39.402 (39.402 shares of a par value of Euro 1 (one) each) occurred because of the fact that Stock Option Plan holders exercised their rights of the corresponding shares (Note 10) was verified by the Board of Directors on 16/12/2010. The Ministry of Development by virtue of announcement K2-97/14.01.2011 approved and registered the respective capital increase payment verification above capital increase. The Athens Stock Exchange Board of Directors, on their meeting on 27.01.2011, approved the new 39.402 shares trading.

## 13. Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of shares during the period. The weighted average number of shares as at 31

March 2011 was 50.895.120 and at 31 March 2010 was 50.952.920 shares.

	GROUP	
	31/3/2011	31/12/2010
Profit/(loss) after tax attributable to owners of the parent	428	5.630
Number of issued shares	50.992.322	50.952.920
SOP Impact	429.087	326.425
Purchases / (sales) of own shares	(97.202)	0
Weighted average number of shares	51.324.207	51.279.345
Basic Earnings per Share (in Euro)	0,0084	0,1105
Diluted Earnings per Share (in Euro)	0,0083	0,1098

#### 14. Share Buy-Back

The Board of Directors, by decision of 24/8/2010, proceeded to implement the decision of the General Assembly of Shareholders of 11 June 2010 on the purchase of treasury shares. In the context of these decisions, the Company during the period from 24/8/2010 to 31/3/2011 purchased 145.803 treasury shares of a total acquisition value of € 871.956,72. On 23/5/2011, Company has purchased in total 188.483 treasury shares (0,37% of Company's total shares) with a total value of € 1.094.880,65.

#### 15. Commitments and Contingencies

The Group's commitments for the period from 1/1/2011 – to 31/3/2011 are analysed as follows:

- The company has issued letters of guarantee for the associate company SPEEDEX SA for short term loans and participation in tenders amounting to € 9.567 thousand.
- The company has issued letters of guarantee for its subsidiaries abroad guaranteeing liabilities amounting to € 98.780 thousand.
- A subsidiary company has issued letters of guarantee for its subsidiary companies guaranteeing liabilities amounting to € 78.815 thousand.
- A subsidiary of the Group is committed according to operating lease agreements in Greece, to operate retail stores. The relevant letters of guarantee are € 11.200 thousand.

There are no litigation or arbitration proceedings that might have a material impact on the Group's Financial Statements.

#### 16. Related parties

Related parties of the Group include the Company, subsidiary and associated companies, the management



and the first line managers. The parent company provides advice and services in the areas of General Administrative, Treasury Management and Information Technology to its subsidiaries.

The analysis of the related party receivables and payables as at 31 March 2011 and 31 December 2010 are as follows:

	GROUP		COMPANY	
	31/3/2011	31/12/2010	31/3/2011	31/12/2010
<b>Receivables from :</b> FOURLIS TRADE SA	0	0	9	70
PRIME TELECOM SA	0	0	0	0
HOUSE MARKET SA	0	0	42	336
INTERSPORT SA	0	0	29	111
SERVICE ONE SA	0	0	1	27
TRADE LOGISTICS SA	0	0	1	17
GENCO BULGARIA (RSG)	0	0	0	9
INTERSPORT (CYPRUS) LTD	0	0	1	3
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	7	40
SPEEDEX SA	(1)	0	0	0
GENCO TRADE SRL	0	0	123	109
<b>Total</b>	<b>(1)</b>	<b>0</b>	<b>212</b>	<b>722</b>
<b>Payables to:</b> FOURLIS TRADE SA	0	0	27	36
PRIME TELECOM SA	0	0	2	0
HOUSE MARKET SA	0	0	176	235
INTERSPORT SA	0	0	57	76
SERVICE ONE SA	0	0	16	21
TRADE LOGISTICS SA	0	0	10	14
GENCO BULGARIA (RSG)	0	0	6	8
INTERSPORT (CYPRUS) LTD	0	0	2	2
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	26	35
SPEEDEX SA	61	106	1	2
GENCO TRADE SRL	0	0	0	0
<b>Total</b>	<b>61</b>	<b>106</b>	<b>323</b>	<b>429</b>

The analysis of the related party for the period 1/1-31/3/2011 and 1/1-31/3/2010 are as follows:

Income:	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Other operating income	0	0	292	351
Revenues	1	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>292</b>	<b>351</b>

Expenses:	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Administrative expenses	53	12	1	1
Distribution expenses	36	70	0	0
Other operating expenses	0	0	0	0
<b>Total</b>	<b>89</b>	<b>82</b>	<b>1</b>	<b>1</b>

During periods 1/1 – 31/3/2011 and 1/1 – 31/3/2010, fees paid to members of the Board of Directors were as follows:

	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Board of Directors	375	512	12	12
Top Management remuneration	126	133	126	133
<b>Total</b>	<b>501</b>	<b>645</b>	<b>138</b>	<b>145</b>

There are no balances due or balances from between the Group or the Company and BoD members or Managers. The transactions with related parties are in line with common general commercial rules.

## 17. Transactions with Subsidiaries

During periods 1/1 – 31/3/2011 and 1/1 – 31/3/2010 between the parent company and its subsidiaries the following transactions occurred:

	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Revenue	6.562	5.686	0	0
Cost of Sales	4.753	4.025	0	0
Other Income	555	801	292	351
Administrative expenses	1.547	1.754	2	2
Distribution expenses	710	906	0	0
Dividends	0	0	0	0

	GROUP		COMPANY	
	31/3/2011	31/12/2010	31/3/2011	31/12/2010
Trade receivables	7.909	8.181	215	728
Inventory	452	485	0	0
Creditors	9.036	8.182	323	419

## 18. Discontinued operations

On 22/2/2010 Fournalis Group and Samsung Electronics have mutually agreed to discontinue their partnership in Greece at the end of 2010. Especially for Romania and the Mobile Phones in Greece (EUROELECTRONICS SA) the partnership dissolved on 1/7/2010.

The Group's management assessed that the disposal group to be abandoned meets the criteria of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" and therefore, the Group presents the results and cash flows of the disposal group as discontinued operations at the date on which it ceases to be used (30/6/2010). The 2009 comparative information has been restated to reflect the above classification. The results of the discontinued operations for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010 are presented below.

	GROUP	
	1/1 - 31/3/2011	1/1 - 31/3/2010
Revenue	(46)	62.539
Cost of Goods Sold	(1)	(54.703)
Other operating income	(4)	2.888
Distribution expenses	0	(8.115)
Administrative expenses	(7)	(1.819)
Other operating expenses	0	(428)
Financial expenses / income	(20)	265
<b>Profit / Loss before Tax</b>	<b>(78)</b>	<b>628</b>
Income tax	12	(150)
Non controlling interest	-	(46)
<b>Profit /Loss After Tax and Minority Interest</b>	<b>(65)</b>	<b>432</b>

The cash flows of the discontinued operations for the period 1/1 - 31/3/2011 and 1/1 - 31/3/2010 are presented below.

	<u>GROUP</u>	
	Discontinued Operations	Discontinued Operations
	1/1-31/3/2011	1/1-31/3/2010
Operating inflow / (outflow) from discontinued operations	41.050	(26.045)
Investing inflow / (outflow) from discontinued operations	576	1.006
Financing inflow / (outflow) from discontinued operations	0	4.850
Effect of exchange rate fluctuations on cash held	1	18
<b>Net increase /decrease in cash and cash equivalents</b>	<b>41.628</b>	<b>(20.171)</b>

## 19. Significant changes in the consolidated financial statements

The most significant changes occurring in the Consolidated Statement of Financial Position on March 31, 2011 compared with the corresponding amounts of 31/12/2010 and in Statement of Comprehensive Income for the period 1/1 - 31/3/2011 compared with the amounts the period 1/1 – 31/3/2010 are as follows:

- The increase in "Property, Plant & Equipment" is mainly attributed to the purchase of the premises of company BITA TRITI REAL ESTATE OF EASTERN GREECE SA where the IKEA Store in Ioannina operates and to the construction of IKEA Store in Bulgaria.
- The increase in "Intangible Assets" is mainly attributed to the acquisition of franchise rights of INTERSPORT in Turkey.
- The decrease in " Trade Receivables" and " Accounts payable and other current liabilities" is mainly attributed to the discontinuation of partnership with SAMSUNG Electronics.
- The "Cash and cash equivalents" decreased due to the payment of suppliers liabilities of the segment of Sporting Goods and Trading of Furniture and Household Goods and increased by the inflows from the trade receivables of the discontinued operation and the recognition of the accrued grant related to the completion of an investment project of an indirect subsidiary.
- The increase of Loans and Borrowings in "Non-Current Liabilities" is due to the implementation of the investment program of the Group.
- The decrease of € 67.085 thousand in "Sales Revenue" is mainly due to discontinued operations (€ 62.539 thousand).
- The decrease of € 6.720 thousand in "Distribution Expenses" is mainly due to discontinued operations.

## 20. Subsequent events

There are no other subsequent events to influence the Group and Separate Interim Condensed Financial Statements.



