



FOURLIS HOLDINGS AE

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

OFFICES: 340 KIFISSIAS AVENUE – 154 51 N. PSYCHIKO

CONDENSED FINANCIAL STATEMENTS
For the nine months period
from 1/1/2008 to 30/09/2008

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The attached Interim Financial Statements for the nine months period are those approved by the Board of Directors of "FOURLIS HOLDINGS AE" on 24/11/2008 and have been published by posting on the Internet at the web address www.fourlis.gr.

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BALANCE SHEETS (CONSOLIDATED AND PARENT COMPANY) AS
AT SEPTEMBER 30, 2008 AND DECEMBER 31, 2007

(In thousands of Euro, unless otherwise stated)

	Notes	Consolidated		Parent Company	
		30/09/2008	31/12/2007	30/09/2008	31/12/2007
Assets					
Non-current assets					
Property, plant and equipment	6	185.269	148.218	72	72
Intangible assets		5.109	4.997	32	19
Investment Property		23.818	23.818	-	-
Investments		95	95	88.267	88.254
Long Term receivables		7.281	6.894	180	176
Deferred taxes		1.320	1.128	-	-
Total non-current assets		222.892	185.150	88.551	88.521
Current assets					
Inventory	15	131.513	90.344	-	-
Income tax receivable		11.630	9.112	2.352	2.503
Trade receivables	15	118.186	155.901	257	71
Other receivables		26.938	20.744	115	180
Cash and cash equivalent		44.536	70.483	14.776	21.885
Total current assets		332.803	346.584	17.500	24.639
Non-current assets classified as available for sale		16.936	4.738	16.934	4.736
Total Assets		572.631	536.472	122.985	117.896
Shareholders Equity & Liabilities					
Shareholders Equity					
Share capital		50.953	50.953	50.953	50.953
Share premium reserve		11.864	11.864	12.208	12.208
Reserves		52.394	49.741	29.150	27.984
Retained earnings		53.707	37.999	25.172	21.419
		168.918	150.557	117.483	112.564
Minority interest		777	481	-	-
Total Equity		169.695	151.038	117.483	112.564
Liabilities					
Non-current liabilities					
Interest bearing loans and borrowings	8,15	127.764	146.161	-	-
Employee retirement benefits	9	1.715	1.458	23	11
Provisions	10	932	216	74	-
Deferred taxes		5.506	2.224	3.185	146
Other non-current liabilities		164	160	163	161
Total Non-current liabilities		136.081	150.219	3.445	318
Current liabilities					
Interest bearing loans and borrowings	8,15	44.839	37.930	-	-
Current portion of non-current interest bearing loans and borrowings	8,15	62.018	3.089	-	-
Income tax payable	10	16.458	20.251	1.752	4.693
Trade and other payables	15	143.540	173.945	305	321
Total current liabilities		266.855	235.215	2.057	5.014
Total Liabilities		402.936	385.434	5.502	5.332
Total equity and liabilities		572.631	536.472	122.985	117.896

The attached notes on pages 7 to 17 are an integral part of the Condensed Financial Statements

**INCOME STATEMENTS CONSOLIDATED AND THE COMPANY FOR THE NINE MONTHS
PERIOD ENDED SEPTEMBER 30, 2008 AND SEPTEMBER 30, 2007**

(In thousands of Euro, unless otherwise stated)

	Note	Consolidated				Parent Company			
		9MFY08	Q3FY08	9MFY07	Q3FY07	9MFY08	Q3FY08	9MFY07	Q3FY07
Revenue	5	546.393	433.771	196.531	164.630	-	-	-	-
Cost of Goods Sold	5	(378.732)	(303.229)	(132.606)	(114.226)	-	-	-	-
Gross profit		167.661	130.542	63.925	50.404	-	-	-	-
Other operating income	5,15	23.951	19.570	16.184	6.846	13.030	11.581	12.540	4.270
Distribution expenses	5,15	(105.881)	(75.651)	(38.860)	(30.836)	-	-	-	-
Administrative expenses	5	(24.228)	(17.594)	(8.637)	(5.486)	(1.238)	(1.146)	(405)	(316)
Other operating expenses	5	(5.051)	(4.870)	(1.753)	(2.259)	(20)	(559)	-	(167)
Operating profit		56.452	51.997	30.859	18.669	11.772	9.876	12.135	3.787
Financial expenses	5	(12.064)	(7.210)	(4.135)	(2.934)	(1)	(96)	(1)	(2)
Financial income	5	2.514	2.135	696	798	581	283	99	143
Income from associate companies	7	-	-	-	-	11.000	15.526	-	-
Profit before tax		46.902	46.922	27.420	16.533	23.352	25.589	12.233	3.928
Income tax expense	10	(12.506)	(13.360)	(7.454)	(4.864)	(3.163)	(2.792)	(3.133)	(1.022)
Profit for the period		34.396	33.562	19.966	11.669	20.189	22.797	9.100	2.906
Attributable to:									
Parent company		33.979	33.354	19.841	11.502	20.189	22.797	9.100	2.906
Minority interest		417	208	125	167	-	-	-	-
Net Profit for the period		34.396	33.562	19.966	11.669	20.189	22.797	9.100	2.906
Basic earnings per share (in Euro):									
Basic Earnings per Share	11	0,6669	0,6546	0,3894	0,2257	0,3962	0,4474	0,1786	0,0570

The attached notes on pages 7 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF CONSOLIDATED MOVEMENT IN EQUITY AS AT SEPTEMBER 30, 2008
AND SEPTEMBER 30, 2007**

(In thousands of Euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Revaluation reserve	Foreign exchange differences from B/S translation reserve	Retained earnings / (Accumulated losses)	Total	Minority interest	Total Equity
Balance at 1/1/2007	50.953	11.875	30.111	18.641	539	1.946	114.065	134	114.199
Profit for the period						33.354	33.354	208	33.562
Dividend distribution						(9.171)	(9.171)	(69)	(9.240)
Reserves			1.057			(1.057)	-		-
Net Income directly booked in Net Equity						98	98		98
Foreign exchange differences from B/S translation					(5)		(5)		(5)
Balance at 30/09/2007	50.953	11.875	31.168	18.641	534	25.170	138.341	273	138.614
Balance at 1/1/2008	50.953	11.864	31.172	18.641	(72)	37.999	150.557	481	151.038
Profit for the period						33.979	33.979	417	34.396
Dividend distribution						(15.286)	(15.286)	(121)	(15.407)
Reserves			2.983			(2.983)	-		-
SOP reserve			16				16		16
Foreign exchange differences from B/S translation					(346)	(2)	(348)		(348)
Balance at 30/09/2008	50.953	11.864	34.171	18.641	(418)	53.707	168.918	777	169.695

The attached notes on pages 7 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF MOVEMENT IN EQUITY (PARENT COMPANY) AS AT SEPTEMBER 30,
2008 AND SEPTEMBER 30, 2007**

(In thousands of Euro, unless otherwise stated)

Parent Company					
	Share Capital	Share premium reserve	Reserves	Retained earnings / (Accumulated losses)	Total
Balance as at 1/1/2007	50.953	12.208	27.976	10.061	101.198
Profit for the period				22.797	22.797
Dividend distribution				(9.172)	(9.172)
Reserve			8	(8)	-
Balance as at 30/09/2007	50.953	12.208	27.984	23.678	114.823
Balance as at 1/1/2008	50.953	12.208	27.984	21.419	112.564
Profit for the period				20.189	20.189
Dividend distribution				(15.286)	(15.286)
SOP Reserve			16	-	16
Reserve			1.150	(1.150)	-
Balance as at 30/09/2008	50.953	12.208	29.150	25.172	117.483

The attached notes on pages 7 to 17 are an integral part of the Condensed Financial Statements

**STATEMENTS OF CASH FLOWS (CONSOLIDATED AND PARENT COMPANY) FOR THE
NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2008 AND SEPTEMBER 30, 2007**

(In thousands of Euro, unless otherwise stated)

	Consolidated		Parent Company	
	9MFY08	9MFY07	9MFY08	9MFY07
Net profit before taxes	46.902	46.922	23.352	25.589
Movements:				
Depreciation	7.476	5.607	10	21
Provisions	1.213	16.191	15	93
Foreign exchange differences	(17)	188	-	-
Results (Income, expenses, profit and loss) from investment activity	(12.956)	(11.964)	(23.778)	(26.775)
Interest expense	10.037	6.326	1	96
Plus / less adjustments for changes in working capital related to the operating activities:				
Decrease / (Increase) in inventory	(41.442)	(7.810)	-	-
Decrease / (Increase) in trade and other receivables	28.188	(30.476)	(134)	(894)
(Decrease) / Increase in liabilities	(28.723)	(2.900)	(8)	(314)
Less:				
Interest paid	(9.876)	(6.118)	(1)	(96)
Income taxes paid	(15.500)	(9.858)	(2.836)	(211)
Net cash generated from operations (a)	(14.698)	6.108	(3.379)	(2.491)
Investing Activities				
Purchase of subsidiaries and related companies	-	(4.094)	-	(633)
Proceeds from Disposal of Subsidiaries, related companies and other investments.	-	37.503	-	27.397
Purchase of tangible and intangible fixed assets	(45.144)	(24.417)	(24)	(39)
Proceeds form disposal of of tangible and intangible fixed assets	153	387	-	-
Interest received	1.012	627	580	282
Proceeds from dividends	-	426	11.000	15.526
Total inflow / (outflow) from investing activities (b)	(43.979)	10.432	11.556	42.533
Financing activities				
Proceeds from issued loans	186.251	274.963	-	31.370
Loans paid off	(135.999)	(252.567)	-	(39.490)
Payments of leasing liabilities	(1.981)	(2.100)	-	-
Dividends paid	(15.407)	(9.235)	(15.286)	(9.166)
Total inflow / (outflow) from financing activities (c)	32.864	11.061	(15.286)	(17.286)
Net increase / (reduction) in cash and cash equivalents for the period (a) + (b) + (c)	(25.813)	27.601	(7.109)	22.756
Cash and cash equivalents at the beginning of the period	70.483	25.544	21.885	128
Effect of foreign exchange differences on Cash	(134)	17	-	-
Closing balance, cash and cash equivalents	44.536	53.162	14.776	22.884

The attached notes on pages 7 to 17 are an integral part of the Condensed Financial Statements

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

1. Incorporation and activities of the Group

1.1. General Information

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

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

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

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

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

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

The total number of employees of the Group as at 30/09/2008 and 30/09/2007 was at 2.963 and 2.379 respectively. The total number of employees of the Company as at 30/09/2008 and 30/09/2007 was at 4 and 5 respectively.

1.2. Activities

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

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

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

GENCO TRADE S.R.L.	Bucharest, Romania	100,00%	Fully consolidated
GENCO BULGARIA L.T.D.	Sofia, Bulgaria	100,00%	Fully consolidated
PRIME TELECOM AE	Athens	82,91%	Fully consolidated
HOUSEMARKET AE	Athens	100,00%	Fully consolidated
FOURLIS TRADE AEBE	Athens	100,00%	Fully consolidated
INTERSPORT ATHLETICS AE	Athens	100,00%	Fully consolidated
EUROELECTRONICS A.E. *	Athens	78,53%	Fully consolidated
SERVICE ONE A.E. *	Athens	99,94%	Fully consolidated
TRADE LOGISTICS ABETE *	Athens	100,00%	Fully consolidated
H.M HOUSE MARKET (CYPRUS) LTD *	Nicosia, Cyprus	100,00%	Fully consolidated
RENTIS A.E *	Athens	100,00%	Fully consolidated
INTERSPORT ATLETICS (CYPRUS) LTD*	Nicosia, Cyprus	100,00%	Fully consolidated
HOUSEMARKET BULGARIA EAD	Sofia, Bulgaria	100,00%	Fully consolidated
SPEEDEX A.E.	Athens	49,55%	Net equity method

*Companies with an indirect holding

During the current period the consolidation also included HOUSEMARKET BULGARIA EAD, which was established on June 26, 2008 with a share capital of €5.000 th. (9.779.150 BGL) out of which €1.250 th. have already been deposited and €3.750 is due from the shareholders..

2. Basis of preparation

The attached Interim Parent Company and Consolidated Financial Statements (herein referred to as the "Financial Statements") have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and as a consequence do not include all data required for the Annual Financial Statements. They should be reviewed in combination with the published Group's Interim Financial Statements which are uploaded at the website www.fourlis.gr

The Interim Financial Statements have been prepared based on the historical cost principle, except for the valuation of various assets and liabilities, which are based at fair value, and on the going concern principle.

3. Significant accounting policies

The accounting policies and valuation methods adopted and followed are the same as those in the published Financial Statements as at 31/12/2007 except from the following which is applied for the first time:

Subsidies are considered as deferred income which is booked based on a systematic and rational basis under revenues, during the useful life of the asset (transfer to each year's revenues based on annual ratios in proportion to the depreciation rates).

4. Management's Estimates

The preparation of interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions, which may affect the amounts recorded as assets, liabilities, income and expenses during the period, as well as the disclosures for contingent assets and liabilities.

The use of available information and the application of judgment are an integral part in the determination of estimates. The actual final outcomes may vary from the above estimates. Management's estimates are constantly re-evaluated in accordance with historical data and future expectations, are judged in accordance with present conditions and do not differ from those applied during the preparation of Financial Statements of 31/12/2007.

5. Segment information

The Group's activities comprise mainly one geographical area, that of the wider European region, primarily Greece along with countries of Southeastern Europe. Therefore the main financial interest is concentrated in the business classification of the Group's activities, where the different economic environments constitute different risks and rewards.

The Group is mainly active in Greece with 77% of total operations with the remaining 23% to the other countries of Southeastern Europe (Romania, Bulgaria, and Cyprus)

The geographic breakdown of Assets and Liabilities as at September 30, 2008 and December 31, 2007 is analysed as follows:

	30/09/2008		31/12/2007	
	Greece	Other Southeastern Europe countries	Greece	Other Southeastern Europe countries
Total assets	406.611	166.020	394.695	141.777
Total liabilities	247.464	155.472	247.449	137.985

Group results by segment for the nine months period ended September, 2008 and September 30, 2007 are as below:

1/1 – 30/09	Trading of Electrical – Electronic Equipment		Furniture and Household Goods		Sportswear		Unallocated		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue	261.319	227.380	233.209	166.370	51.865	40.021	-	-	546.393	433.771
Cost of goods sold	(217.637)	(188.748)	(134.590)	(93.992)	(26.505)	(20.489)	-	-	(378.732)	(303.229)
Gross margin	43.682	38.632	98.619	72.378	25.360	19.532	-	-	167.661	130.542
Other operating income	9.545	6.626	1.356	1.373	811	442	12.239	11.129	23.951	19.570
Distribution expenses	(31.497)	(25.517)	(58.930)	(37.551)	(15.454)	(12.583)	-	-	(105.881)	(75.651)
Administrative expenses	(5.888)	(6.563)	(12.137)	(6.980)	(4.966)	(2.907)	(1.237)	(1.144)	(24.228)	(17.594)
Other operating expenses	(3.619)	(2.370)	(707)	(1.061)	(705)	(320)	(20)	(1.119)	(5.051)	(4.870)
Operating profit before financing costs	12.223	10.808	28.201	28.159	5.046	4.164	10.982	8.866	56.452	51.997
Net financing costs	(4.834)	(1.631)	(5.009)	(3.248)	(287)	(382)	580	186	(9.550)	(5.075)
Profit / loss before taxes	7.389	9.177	23.192	24.911	4.759	3.782	11.562	9.052	46.902	46.922
Depreciation	790	1.062	5.527	3.601	1.149	923	10	21	7.476	5.607

The breakdown structure of Assets and Liabilities as at September 30, 2008 and Dec 31, 2007 in the above mentioned segments is as below:

	Trading of Electrical – Electronic Equipment		Furniture and Household Goods		Sportswear		Unallocated		Consolidated	
	30.09.08	31.12.07	30.09.08	31.12.07	30.09.08	31.12.07	30.09.08	31.12.07	30.09.08	31.12.07
Total assets	197.940	224.915	297.228	246.660	40.616	32.966	36.847	31.931	572.631	536.472
Total liabilities	150.057	179.600	216.012	173.147	31.366	27.356	5.501	5.331	402.936	385.434

6. Property, plant and equipment

Property, plant and equipment additions and accumulated depreciation for the nine months period of 2008 are as follows:

	Group
Cost at 31/12/2007	186.666
Additions	44.406
Decreases - Transfers	(715)
Cost at 30/09/2008	230.357
Accumulated depreciation at 31/12/2007	38.448
Depreciation	6.931
Decreases - Transfers	(291)
Accumulated depreciation 30/09/2008	45.088
Net book value 30/09/2008	185.269

The assets of the group are free of mortgages and pre-notations.

The major change on the Group's Assets for the period is related to : a) the completion of the Logistics-Warehouse investment (Land & Building) of total value of € 30.086 th. out of which € 12.211 th. were made during the current period. This investment is subsidised under the Law 3299/2004 with 30% From the total amount of the approved subsidy of €7.440 th. an amount of €2.232 th. has been received by September 30, 2008.

On the Financial Statements of the period have been included the following :

- a) a sum of € 265 th. has been booked under the account "Other Income" as a proportion of the subsidy upon the actual depreciation charges
- b) purchase of land of 59.333 m2 in Sofia Bulgaria with a purchase value of € 13.447 th. where the IKEA Bulgaria store will be constructed
- c) Under construction building from subsidiary company (€ 9.748 th) and
- d) New Stores from subsidiaries 9.008 th. €.

7. Dividends

The General Assembly of June 13, 2008 approved the dividend distribution of € 0,30 per share (0,31 for 2007). In the current fiscal period an amount of €11.000 th. (€15.526 th. for 2007) is booked as Dividends from subsidiary companies.

8. Borrowings

Borrowings are analyzed as below:

	Consolidated		Parent Company	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
Non-current borrowings				
Long Term Loans	164.733	122.218	-	-
Finance Leases	25.049	27.032	-	-
	189.782	149.250	-	-
<u>Less: Non-current borrowings payable within the following 12 months</u>	<u>(62.018)</u>	<u>(3.089)</u>	-	-
	127.764	146.161	-	-
Current borrowings	44.839	37.930	-	-

The payment period of non-current loans is varied between 2 and 5 years and the average effective interest rate of the Group during the nine months period of 2008 was 5.7%.

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

		Amount	Issuing Date	Duration
FOURLIS TRADE A.E.B.E.	Bond	10.000	05/12/2006	3 years from the issuing date
	Bond	13.500	19/06/2006	3 years from the issuing date
	Bond	10.000	16/12/2005	3 years from the issuing date
	Bond	5.000	13/12/2006	3 years from the issuing date
	Bond	3.000	09/11/2005	3 years from the issuing date
		41.500		
PRIME TELECOM AE	Bond	3.000	15/12/2006	3 years from the issuing date
	Bond	1.000	28/03/2008	3 years from the issuing date
		4.000		
SERVICE ONE A.E.	Bond	1.500	13/12/2006	3 years from the issuing date
		1.500		
H.M. HOUSE MARKET (CYPRUS) LTD	Other	25.629	25/10/2006	3 years from the issuing date

		7.000	17/09/2007	3 years from the issuing date
		32.629		
TRADE LOGISTICS A.E.	Bond	3.200	30/06/2008	3 years from the issuing date
	Bond	11.160	26/05/2007	3 years from the issuing date
	Bond	6.800	27/06/2008	3 years from the issuing date
	Bond	5.000	25/07/2008	2 years from the issuing date
		26.160		
RENTIS AE	Bond	16.500	12/11/2007	17 months from the issuing date
	Bond	15.000	15/11/2007	2 years from the issuing date
	Bond	8.000	18/01/2008	2 years from the issuing date
	Bond	3.200	08/04/2008	20 months from the issuing date
HOUSEMARKET BULGARIA EAD	Other	16.244	15/07/2008	1 year from issuing date
Total		164.733		

Total current loans of the group concern mainly overdraft bank accounts which they are used as working capital for the activities of the Company. The drawn amounts are used mainly to cover short term needs to suppliers. The weighted average interest rate of short term loans was approximately 5.9% for the nine months of 2008.

9. Employee Benefits

The General Assembly (repeated) of June 30, 2008 has approved the issue of, at maximum, 509.500 stock options, and authorized the Board of Directors to to arrange all the procedural issues and materialize the Program.

The Program will be implemented through 3 tranches with a maturity period of 3 years for each one. Assuming that the right has matured, each beneficiary will have 5 chances to exercise it. The Exercise price for each tranche is defined as the Jan-Feb average stock price of the grant year with a 25% discount. The prerequisite for a person to be entitled in the Program is to have a salary based employment relation with the Company or its affiliated entities.

The Stock Options Fair value calculation was based upon the widely accepted Black-Scholes method. The above method takes into consideration the following variables :
Exercise Price, Current Price at the Grant Date, Grant Date, Maturity Date(s), Stock Volatility, Dividend Yield, Risk Free Rate.

On August 26, 2008 the Board of Directors granted 223.843 Options, being the first out of the 3 forseen, Options granting tranches. The aforementioned tranche matures in 3 years following the below dates :

Maturity Date	No of Options
31.12.2008	55.961
31.12.2009	55.961
31.12.2010	111.921

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

Maturity Date	Fair Value €
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 :

Variable	Value
Exercise Price	€ 16.48
Current Price at the Grant Date	€ 13.80
Grant Date	26.08.2008
Maturity Period (Months)	4.17, 16.17, 28.17
Volatility	16%
Dividend Yield	2%
Risk Free Rate	4.48%

Consequently at the 3rd quarter of 2008 an amount of € 16 th. has been booked under Operating Expenses.

In 2008 for both Holdings and Affiliates a Pension Plan Program is active aiming at establishing tenure between the Group and its employees.

10. Income taxes

The nominal Income Tax rates at the countries where the Group operates range between 10% to 25%.

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

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

	Years
FOURLIS HOLDINGS S.A	2005-2007
FOURLIS TRADE A.E.B.E.	2007
INTERSPORT ATHLETICS AE	2006-2007
EUROELECTRONICS S.A	2006-2007
SERVICE ONE A.E.	2001-2007
PRIME TELECOM AE	2000-2007
GENCO TRADE S.R.L.	2007
GENCO BULGARIA L.T.D.	-
TRADE LOGISTICS A.E.B.E	2006-2007
HOUSEMARKET A.E.	2007
H.M HOUSEMARKET (CYPRUS) LTD	-
HOUSEMARKET BULGARIA EAD	-
PENTHΣ A.E	-
INTERSPORT ATHLETICS (CYPRUS) LTD	-
SPEEDEX AE	2005-2007

During the Jan-Sep 2008, the tax audit of subsidiaries has been concluded resulting to an additional tax amount of € 1.294 th, out of which € 140 th influenced the period's operating results.

For the remaining amount a provision has been booked, which influenced the previous periods profits.

At the current period an entry of € 509 th. has been booked in order to provide for the non audited fiscal periods for both the Group and Company.

11. Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during the period / year. The weighted average number of shares as of September 30, 2008 and September 30, 2007 is 50.952.920 shares.

	Consolidated		Parent Company	
	30/9/2008	30/9/2007	30/9/2008	30/9/2007
Profits after Taxes (in million EUR)	33.979	33.354	20.189	22.797
Weighted average number of shares	50.952.920	50.952.920	50.952.920	50.952.920
Profits per share (in EUR)	0,6669	0,6546	0,3962	0,4474

12. Commitments and Contingencies

- The company has issued letters of guarantee for associated company SPEEDEX AE for short term loans and participation in tenders amounting to Euro 3.621 thousand.
- The Group has issued letters of guarantee for its subsidiaries abroad guaranteeing liabilities amounting to Euro 27.000 thousand.
- The Group has issued letters of guarantee for its subsidiaries FOURLIS TRADE AEBE, PRIME TELECOM AE, SERVICE ONE AE and TRADE LOGISTICS A.E. guaranteeing liabilities amounting Euro 10.000 thousand, Euro 1.500 thousand, Euro 2.000 thousand, and Euro 28.615 thousand respectively.
- A subsidiary has issued letters of guarantee to H.M Housemarket (CYPRUS) LIMITED and RENTIS A.E, subsidiary of H.M Housemarket (CYPRUS) LIMITED, for guaranteeing liabilities of Euro 45.772 thousand and Euro 47.500 thousand respectively.
- A subsidiary of the Group has signed an operating lease, in order to house its new stores in Greece. The letters of guarantee amount to Euro 63.500 thousand.
- The Group has issued, to a foreign supplier, a letter of guarantee for its subsidiaries related to purchases of goods (merchandise) amounting to Euro 80.000 thousand

13. Related parties transactions

The parent company provides advise and services in the areas of General Administration and Treasury Management to its subsidiaries. The analysis of the related party receivables and payables as at September 30, 2008 and December 31, 2007 is as below:

Receivable from :	Consolidated		Parent Company	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
FOURLIS TRADE AEBE	-	-	50	7
EUROELECTRONICS S.A	-	-	11	10
PRIME TELECOM AE	-	-	3	-
HOUSEMARKET AE	-	-	32	30
INTERSPORT AE	-	-	27	12

GENCO BULGARIA	-	-	-	8
SERVICE ONE AE	-	-	1	-
GENCO TRADE SRL	-	-	99	-
SPEDEX AE	-	1	-	-
Total	-	1	223	67

Payable to :	Consolidated		Parent Company	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
EUROELECTRONICS S.A	-	-	-	1
PRIME TELECOM	-	-	1	-
SPEDEX AE	43	37	-	-
Total	43	37	1	1

Related parties transactions for the periods September 30, 2008 and September 30, 2007 can be analysed as below:

Income :	Consolidated		Parent Company	
	Jan-Sep 2008	Jan-Sep 2007	Jan-Sep 2008	Jan-Sep 2007
Other operating income	-	-	791	453
Revenues	3	4	-	-
Total	3	4	791	453

Expenses	Consolidated		Parent Company	
	Jan-Sep 2008	Jan-Sep 2007	Jan-Sep 2008	Jan-Sep 2007
Administrative Expenses	23	16	4	5
Operating & Distribution Expenses	131	75	-	-
Other Expenses	15	-	-	-
Total	169	91	4	5

Board of Directors Fees and Top Management remuneration for the period 01.01.-30.09.2008:

	Consolidated		Parent Company	
	30/09/2008	30/09/2007	30/09/2008	30/09/2007
Board of Directors	969	842	36	24
Top Management remuneration	554	560	554	298
Total	1.523	1.402	590	332

There are no demands from or obligations towards Fournalis Group or Fournalis Holdings S.A from BoD members and Managers.

Transactions between related parties are performed in accordance with the general commercial practices.

14. Intercompany Transactions

During the period of Jan – Sep of 2008 the following intercompany transactions (Parent company – Subsidiaries) took place:

	Consolidated		Parent Company	
	Jan-Sep 2008	Jan-Sep 2007	Jan-Sep 2008	Jan-Sep 2007
Revenue	15.267	5.249	-	-
Cost of sales	10.832	3.610	-	-
Other Income	1.935	1.450	791	453
Administrative expenses	4.414	1.184	4	3
Operating and Distribution expenses	1.754	1.899	-	-
Dividends	11.444	15.526	11.000	15.526

	Consolidated		Parent Company	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
Trade receivables	9.703	3.368	137	67
Inventory	329	127	-	-
Creditors	9.703	3.368	1	1
Reversal of Share Capital Receivable	3.750	-	-	-
Reversal of Share Capital Payable	3.750	-	-	-

15. Major Changes on the Consolidated Interim Financial Statements

The major changes reported on the Consolidated Statements Balance Sheet & Income Statement for the period ended September 30, 2008 can be summarize as below :

- Inventory increase of €41.169 th. is mainly due to the opening of the IKEA Store along with the increased Group turnover.
- The decreased receivables balance by €37.824 th. is a result of the commercial policy change mainly at the Segment of Electrical – Electronic Equipment.
- The Group's Borrowings have been increased by €47.441 th. as an outcome of the expansion plans through the opening of new stores.
- The increase in account "Assets Held for Sale" combined with the increase of "Other Income" is due to the revaluation at the guaranteed minimum price of the remaining 10% of the Group's share in DSGI SOUTH-EAST EUROPE A.E.B.E. (P. Kotsovolos A.E.B.E).
- Finally, the increased Operating and Distribution expenses by €30.229 th. reflect the new store openings from the subsidiaries.

16. Subsequent Events

Following the agreement signed on July 2008 for the sale of the acquired, in accordance with article 44, Law 1892/1990, Radio Korasidis S.A and ELEPHANT S.A shares the consequent result will be booked in the financial statements of Dec 31, 2008.

On November 2008, an announcement was made related to the Share Purchased Agreement for the remaining 10% of the Group's share in DSGI SOUTH-EAST EUROPE A.E.B.E. (P. Kotsovolos A.E.B.E) to a Dixon's Group subsidiary.

The consideration for the sale of € 28.076 th. will be paid in cash. The profit from the above sale for the fiscal year of 2008 is at € 23.390 th. out of which € 12.197 th. was booked as a provision within Q3 2008. The aforementioned provision was based upon the minimum guaranteed price of the exercise option. The remaining amount, between the consideration and the provision will be reported in Q4 2008.