



**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**

**1/1/2012 to 31/3/2012**

**(TRANSLATED FROM THE GREEK ORIGINAL)**

(In accordance with the Law 3556/ 2007)

## Table of Contents

Statements of Members of the Board of Directors	3
Interim Statement of Financial Position (Consolidated and Separate) as at March 31, 2012 and December, 31 2011	5
Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011	6
Interim Statement of Comprehensive Income (Separate) for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011	7
Interim Statement of Changes in Equity (Consolidated) for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011	8
Interim Statement of Changes in Equity (Separate) for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011	9
Interim Statement of Cash Flows (Consolidated and Separate) for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011	10
Notes to the Interim Condensed Financial Statements (Consolidated and Separate) as at March 31, 2012	11
Financial Data and Information for the period 1/1 – 31/3/2012	32
Wed site for the publication of the Interim Financial Report	33

## Statements of Members of the Board of Directors

(In accordance to L. 3556/2007)

The members of the Board of Directors of FOURLIS HOLDINGS S.A.

1. Vassilis S. Furlis, Chairman,
2. Dafni A. Furlis, Vice Chairman and
3. Apostolos D. Petalas, CEO

We confirm that to the best of our knowledge:

The Interim Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS S.A. for the period 1/1 - 31/3/2012 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 28, 2012

The Chairman

The Vice Chairman

The CEO

Vassilis S. Furlis

Dafni A. Furlis

Apostolos D. Petalas

The Interim Financial Statements (Consolidated and Separate) of the period 1/1 – 31/3/2012 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 S.A. on 28/5/2012 and are signed by the following:

Chairman

CEO

Vassilis St. Fourlis  
ID No. Σ - 700173

Apostolos D. Petalas  
ID No. AK - 021139

Finance Manager  
Controlling & Planning

Chief Accountant

Maria I. Theodoulidou  
ID No. T - 134715

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

**Interim Statement of Financial Position (Consolidated and Separate)**  
**as at March 31, 2012 and December 31, 2011**

(In thousands of euro, unless otherwise stated)

	Note	Consolidated		Separate	
		31/3/2012	31/12/2011	31/3/2012	31/12/2011
<b>Assets</b>					
<b>Non-current assets</b>					
Property plant and equipment	7	243.316	244.656	55	58
Investment Property		8.782	8.782	0	0
Intangible Assets		15.929	16.135	118	114
Investments in affiliates and associates		17.131	13.723	97.192	95.193
Investments		95	95	95	95
Long Term receivables		6.573	6.667	139	138
Deferred Taxes	19	7.716	7.079	131	87
<b>Total non-current assets</b>		<b>299.541</b>	<b>297.136</b>	<b>97.729</b>	<b>95.685</b>
<b>Current assets</b>					
Inventory		94.917	88.573	0	0
Income tax receivable		9.333	9.358	3.650	3.650
Trade receivables		16.636	18.569	878	815
Other receivables		21.643	21.145	401	534
Cash & cash equivalent		44.611	56.294	2.280	4.916
<b>Total current assets</b>		<b>187.139</b>	<b>193.939</b>	<b>7.210</b>	<b>9.915</b>
<b>Total Assets</b>		<b>486.681</b>	<b>491.076</b>	<b>104.939</b>	<b>105.600</b>
<b>SHAREHOLDERS EQUITY &amp; LIABILITIES</b>					
<b>Shareholders Equity</b>					
Share Capital	12	50.992	50.992	50.992	50.992
Share premium reserve		11.837	11.837	12.322	12.322
Reserves	19	33.554	33.311	29.283	29.276
Retained earnings	19	86.313	91.658	11.357	11.597
<b>Total shareholders equity (a)</b>		<b>182.697</b>	<b>187.799</b>	<b>103.955</b>	<b>104.187</b>
Non controlling interest (b)		(179)	(119)	0	0
<b>Total Equity (c)=(a)+(b)</b>		<b>182.518</b>	<b>187.680</b>	<b>103.955</b>	<b>104.187</b>
<b>Liabilities</b>					
<b>Non current Liabilities</b>					
Loans and borrowings	9	80.286	89.228	0	0
Employee retirement benefits		2.246	2.181	82	45
Deferred Taxes	19	1.226	1.632	0	0
Other non-current liabilities		6.539	6.649	121	121
<b>Total non current Liabilities</b>		<b>90.297</b>	<b>99.691</b>	<b>202</b>	<b>165</b>
<b>Current Liabilities</b>					
Loans and borrowings	9	59.705	52.805	0	0
Current portion of non-current loans and borrowings	9	63.793	57.691	0	0
Income Tax Payable		2.088	2.031	20	20
Accounts payable and other current liabilities		88.280	91.178	762	1.228
<b>Total current Liabilities</b>		<b>213.866</b>	<b>203.705</b>	<b>782</b>	<b>1.248</b>
<b>Total Liabilities (d)</b>		<b>304.163</b>	<b>303.396</b>	<b>984</b>	<b>1.413</b>
<b>Total Equity &amp; Liabilities (c) + (d)</b>		<b>486.681</b>	<b>491.076</b>	<b>104.939</b>	<b>105.600</b>

The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.

**Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 - 31/3/2012 and the period 1/1 - 31/3/2011**

(In thousands of euro, unless otherwise stated)

		Group			
		1/1 - 31/3/2012	1/1 - 31/3/2011		
			Continuing Operations	Discontinued Operations	Total Operations
Revenue	6	90.597	93.542	2.236	95.778
Cost of Goods Sold	6	(55.789)	(56.170)	(2.410)	(58.579)
<b>Gross Profit</b>		<b>34.807</b>	<b>37.373</b>	<b>(174)</b>	<b>37.199</b>
Other operating income		1.301	2.165	808	2.972
Distribution expenses		(32.445)	(30.015)	(81)	(30.096)
Administrative expenses		(5.926)	(6.620)	(308)	(6.928)
Other operating expenses		(412)	(285)	(15)	(300)
<b>Operating Profit / Loss</b>		<b>(2.674)</b>	<b>2.618</b>	<b>229</b>	<b>2.847</b>
Total finance cost		(4.172)	(2.214)	(675)	(2.889)
Total finance income		748	480	576	1.057
Expense/income from associate companies		(142)	(98)	-	(98)
<b>Profit / Loss before Tax</b>		<b>(6.240)</b>	<b>787</b>	<b>131</b>	<b>918</b>
Income tax	11	994	(164)	(372)	(537)
<b>Net Income (A)</b>		<b>(5.246)</b>	<b>622</b>	<b>(242)</b>	<b>381</b>
<b>Attributable to:</b>					
Equity holders of the parent		(5.186)	668	(145)	524
Non controlling interest		(60)	(46)	(97)	(143)
<b>Net Income (A)</b>		<b>(5.246)</b>	<b>622</b>	<b>(242)</b>	<b>381</b>
<b>Other comprehensive income</b>					
Foreign currency translation from foreign operations		21	(66)	30	(36)
Effective portion of changes in fair value of cash flow hedges		21	597	-	597
<b>Comprehensive Income after Tax (B)</b>		<b>42</b>	<b>531</b>	<b>30</b>	<b>561</b>
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(5.205)</b>	<b>1.153</b>	<b>(211)</b>	<b>942</b>
<b>Attributable to:</b>					
Equity holders of the parent		(5.144)	1.199	(114)	1.085
Non controlling interest		(60)	(46)	(97)	(143)
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(5.205)</b>	<b>1.153</b>	<b>(211)</b>	<b>942</b>
Basic (Losses)/Earnings per Share (in Euro)	13	(0,1024)	0,0131	(0,0028)	0,0103
Diluted (Losses)/Earnings per Share (in Euro)	13	(0,1018)	0,0130	(0,0028)	0,0102

\*Adjusted due to change in accounting policy (Note 19).

During the period 1/1 - 31/3/2011 the decrease of depreciation due to change in accounting policy of the Group resulted to the decrease in Distribution Expenses of euro 120 thousand, and the increase in Deferred Taxes presented in Income Tax of euro 24 thousand.

On 31/12/2010 completed the interruption of collaboration with SAMSUNG Electronics and therefore discontinued operations are presented in separate Statement of Comprehensive Income for the period 1/1 - 31/3/2011. There are no reasons to maintain this presentation in the Statement of Comprehensive Income for the period 1/1 - 31/3/2012.

The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.

**Interim Statement of Comprehensive Income (Separated)**  
**for the period 1/1 to 31/3/2012 and the period 1/1 to 31/3/2011**

(In thousands of euro, unless otherwise stated)

	Note	COMPANY	
		1/1 - 31/3/2012	1/1 - 31/3/2011*
Revenue		782	186
Cost of Goods Sold		<b>(613)</b>	<b>(171)</b>
<b>Gross Profit</b>		<b>169</b>	<b>15</b>
Other operating income		106	210
Administrative expenses		<b>(563)</b>	<b>(352)</b>
Other operating expenses		<b>(4)</b>	<b>0</b>
<b>Operating Profit / Loss</b>		<b>(292)</b>	<b>(127)</b>
Total finance cost		<b>(2)</b>	<b>(1)</b>
Total finance income		10	55
<b>Profit / Loss before Tax</b>		<b>(285)</b>	<b>(73)</b>
Income tax	11	45	<b>(12)</b>
<b>Net Income (A)</b>		<b>(240)</b>	<b>(85)</b>
<b>Attributable to:</b>			
Equity holders of the parent		<b>(240)</b>	<b>(85)</b>
Non controlling interest		-	-
<b>Net Income (A)</b>		<b>(240)</b>	<b>(85)</b>
<b>Comprehensive Income after Tax (B)</b>		-	-
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(240)</b>	<b>(85)</b>
<b>Attributable to:</b>			
Equity holders of the parent		<b>(240)</b>	<b>(85)</b>
<b>Total Comprehensive Income after tax (A)+(B)</b>		<b>(240)</b>	<b>(85)</b>

\* The data of period 1/1 – 31/3/2011 have been reclassified to be comparable with the figures of corresponding period of 2012 (Note 19).  
The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.



**Interim Statement of Changes in Equity (Consolidated)**  
**for the period 1/1 - 31/3/2012 and the period 1/1 - 31/3/2011**

(In thousands of euro, unless otherwise stated)

	Share Capital	Share premium reserve	Reserves	Own shares	Revaluation Reserves	Foreign currency translation from foreign operations	Retained earnings / (Accumulated losses)	Total	Non-controlling interest	Total Equity
Opening balance at 1.1. 2011	50.953	11.985	37.358	(858)	34.685	(1.328)	83.604	216.399	455	216.854
Effect of policy change	0	0	0	0	(34.685)	0	6.243	(28.442)	0	(28.442)
Reformed opening balance at 1.1. 2011	50.953	11.985	37.358	(858)	0	(1.328)	89.847	187.957	455	188.412
<b>Total comprehensive income for the period</b>										
Profit or loss	0	0	0	0	0	0	524	524	(143)	381
Foreign currency translation from foreign operations	0	0	0	0	0	(36)	0	(36)	0	(36)
Actuarial gains (losses) on defined benefit pension plan	0	0	0	0	0	0	0	0	0	0
Effective portion of changes in fair value of cash flow hedges	0	0	411	0	0	0	186	597	0	597
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>411</b>	<b>0</b>	<b>0</b>	<b>(36)</b>	<b>186</b>	<b>561</b>	<b>0</b>	<b>561</b>
<b>Total comprehensive income for the period after taxes</b>	<b>0</b>	<b>0</b>	<b>411</b>	<b>0</b>	<b>0</b>	<b>(36)</b>	<b>710</b>	<b>1.085</b>	<b>(143)</b>	<b>942</b>
<b>Transactions with shareholders, recorded directly in equity</b>										
Dividends to equity holders	0	0	0	0	0	0	0	0	0	0
Published Shares	39	0	(39)	0	0	0	0	0	868	868
Reserves	0	1	(531)	0	0	(95)	686	61	0	61
Purchases / (sales) of own shares	0	0	0	(14)	0	0	0	(14)	0	(14)
Stock option plan	0	0	28	0	0	0	0	28	0	28
Chg of Minority rights %	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>(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>37.227</b>	<b>(872)</b>	<b>0</b>	<b>(1.458)</b>	<b>91.243</b>	<b>189.117</b>	<b>1.273</b>	<b>190.389</b>
Opening balance at 1.1. 2012	50.992	11.837	37.222	(1.998)	0	(1.912)	91.658	187.799	(119)	187.680
Effect of policy change	0	0	0	0	0	0	0	0	0	0
Reformed opening balance at 1.1. 2012	50.992	11.837	37.222	(1.998)	0	(1.912)	91.658	187.799	(119)	187.680
<b>Total comprehensive income for the period</b>										
Profit or loss	0	0	0	0	0	0	(5.186)	(5.186)	(60)	(5.246)
Foreign currency translation from foreign operations	0	0	0	0	0	21	0	21	0	21
Actuarial gains (losses) on defined benefit pension plan	0	0	0	0	0	0	0	0	0	0
Effective portion of changes in fair value of cash flow hedges	0	0	21	0	0	0	0	21	0	21
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>42</b>	<b>0</b>	<b>42</b>
<b>Total comprehensive income for the period after taxes</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>(5.186)</b>	<b>(5.144)</b>	<b>(60)</b>	<b>(5.204)</b>
<b>Transactions with shareholders, recorded directly in equity</b>										
Dividends to equity holders	0	0	0	0	0	0	0	0	0	0
Published Shares	0	0	0	0	0	0	0	0	0	0
SOP Reserve	0	0	7	0	0	0	0	7	0	7
Reserves	0	0	(13)	0	0	206	(158)	35	0	35
Purchases / (sales) of own shares	0	0	0	0	0	0	0	0	0	0
Chg of Minority rights %	0	0	0	0	0	0	0	0	0	0
Net Income directly booked in Net Equity	0	0	0	0	0	0	0	0	0	0
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>(6)</b>	<b>0</b>	<b>0</b>	<b>206</b>	<b>(158)</b>	<b>42</b>	<b>0</b>	<b>42</b>
<b>Balance at 31.3. 2012</b>	<b>50.992</b>	<b>11.837</b>	<b>37.237</b>	<b>(1.998)</b>	<b>0</b>	<b>(1.685)</b>	<b>86.314</b>	<b>182.697</b>	<b>(179)</b>	<b>182.518</b>

The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.



**Interim Statement of Changes in Equity (Separate)**  
**for the period 1/1 - 31/3/2012 and the period 1/1 - 31/3/2011**

(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. 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)
Actuarial gains (losses) on defined benefit pension plan	0	0	0	0	0	0
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>
Balance at 1.1. 2012	50.992	12.322	31.274	(1.998)	11.597	104.187
<b>Total comprehensive income for the period</b>						
Profit or loss	0	0	0	0	(240)	(240)
Actuarial gains (losses) on defined benefit pension plan	0	0	0	0	0	0
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>(240)</b>	<b>(240)</b>
<b>Transactions with shareholders, recorded directly in equity</b>						
Dividends to equity holders	0	0	0	0	0	0
Published Shares	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
Purchases / (sales) of own shares	0	0	0	0	0	0
SOP Reserve	0	0	7	0	0	7
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>
<b>Balance at 31.3. 2012</b>	<b>50.992</b>	<b>12.322</b>	<b>31.282</b>	<b>(1.998)</b>	<b>11.357</b>	<b>103.955</b>

The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.

**Interim Statements of Cash Flows (Consolidated and Separate)**  
**for the period 1/1 - 31/3/2012 and the period 1/1 - 31/3/2011**

(In thousands of euro, unless otherwise stated)

	GROUP		COMPANY	
	1/1-31/3/2012	1/1-31/3/2011*	1/1-31/3/2012	1/1-31/3/2011
<b>Operating Activities</b>				
Profit before taxes (Continuing Operations)	(6.240)	787	(285)	(73)
Profit before taxes (Discontinued Operations)	0	131	0	0
Adjustments for:				
Depreciation	3.543	2.848	10	10
Provisions	(35)	44	39	23
Foreign exchange differences	(219)	(144)	0	(48)
Results (Income, expenses, profit and loss) from investment activity	(211)	(29)	(10)	(7)
Interest Expense	3.881	2.083	2	1
<b>Plus/less adj] for changes in working capital related to the operating activities:</b>				
Decrease / (increase) in inventory	(6.333)	(4.056)	0	(1)
Decrease / (increase) in trade and other receivables	1.861	4.091	70	977
(Decrease) / increase in liabilities (excluding banks)	(3.816)	(19.860)	(466)	(796)
<b>Less:</b>				
Interest paid	(3.590)	(1.923)	(2)	(1)
Income taxes paid	0	(1.344)	0	(80)
Operating inflow / (outflow) from discontinued operations	0	34.062	0	0
<b>Net cash generated from operations (a)</b>	<b>(11.160)</b>	<b>16.688</b>	<b>(641)</b>	<b>6</b>
<b>Investing Activities</b>				
Purchase of subsidiaries and related companies	(2.745)	98	(1.994)	(6.795)
Purchase of tangible and intangible fixed assets	(1.973)	(53.407)	(10)	(24)
Proceeds from disposal of tangible and intangible assets	2	32	0	0
Interest Received	219	190	10	55
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
Proceeds from return of capital of subsidiaries related ventures	0	0	0	0
Investing inflow / (outflow) from discontinued operations	0	(117)	0	0
<b>Total Inflow / (outflow) from Investing activities (b)</b>	<b>(4.497)</b>	<b>(53.205)</b>	<b>(1.995)</b>	<b>(6.764)</b>
<b>Financing Activities</b>				
Payments for purchase of own shares	0	(14)	0	(14)
Inflow from share capital increase	0	0	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	15.556	51.399	0	0
Repayment of loans	(10.884)	(24.258)	0	0
Repayment of leasing liabilities	(704)	(732)	0	0
Dividends paid	0	0	0	0
Financing inflow / (outflow) from discontinued operations	0	7.707	0	0
<b>Total Inflow / (outflow) from financing activities (c)</b>	<b>3.967</b>	<b>34.102</b>	<b>0</b>	<b>(14)</b>
<b>Net Increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)</b>	<b>(11.690)</b>	<b>(2.415)</b>	<b>(2.635)</b>	<b>(6.772)</b>
Cash and cash equivalents at the beginning of the period	56.294	43.129	4.916	13.079
Effect of exchange rate fluctuations on cash held	7	5	0	0
<b>Closing balance, cash and cash equivalents</b>	<b>44.611</b>	<b>40.718</b>	<b>2.280</b>	<b>6.307</b>

\*Adjusted due to change in accounting policy (Note 19).

The accompanying notes on pages 11 to 31 are an integral part of the Interim Condensed Financial Statements.

**Notes to the Interim Condensed Financial Statements (Consolidated and Separate) as at March 31, 2012**

**1. Corporate information**

**1.1 General Information**

FOURLIS HOLDINGS S.A. with the common use title of FOURLIS S.A. (hereinafter the Company) was incorporated in 1950 as A. FOURLIS AND CO., and from 1966 operated as FOURLIS BROS S.A. (Government Gazette, AE and EPE issue 618/ 13.06.1966). It was renamed to FOURLIS HOLDINGS 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, Competitiveness and Shipping. The Shareholders' Meeting also approved the conversion of the Company to a holding company and thus also approved the change in its scope.

The headquarters of the Company is located at 340 Kifissias Avenue, N. Pshychiko 3<sup>rd</sup> floor. FOURLIS HOLDINGS S.A. is registered in the Companies Registry of the Ministry of Development, Competitiveness and Shipping with registration number 13110/06/B/86/01.

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

The Company's term, in accordance with its Articles of Association, was originally set for 30 years. In accordance with a decision of the Extraordinary Meeting of the Shareholders on 19/2/1988, 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. Dafni A. Furlis, Vice Chairman, executive member.
3. Apostolos D. Petalas, CEO, executive member.
4. Ioannis P. Lioupis, 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 2012 and March 2011 was 3.493 and 3.157, respectively while the total number of employees of the Company was 50 and 3, respectively.

## 1.2 Activities

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

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

Name	Location	% Holding	Consolidation Method
HOUSEMARKET S.A.	Athens, Greece	100,00	Full
FOURLIS TRADE S.A.	Athens, Greece	100,00	Full
INTERSPORT ATHLETICS S.A.	Athens, Greece	100,00	Full
SERVICE ONE S.A. *	Athens, Greece	99,94	Full
TRADE LOGISTICS S.A. *	Athens, Greece	100,00	Full
RENTIS S.A. *	Athens, Greece	100,00	Full
PRIME TELECOM S.A.	Athens, Greece	7,92	Full
PRIME TELECOM S.A. *	Athens, Greece	92,08	Full
BITA TRITI REAL ESTATE OF EASTERN GREECE S.A. *	Athens, Greece	100,00	Full
GENCO TRADE SRL	Bucharest, Romania	100,00	Full
GENCO BULGARIA EOOD *	Sofia, Bulgaria	100,00	Full
HOUSE MARKET BULGARIA AD *	Sofia, Bulgaria	100,00	Full
HM HOUSEMARKET (CYPRUS) LTD *	Nicosia, Cyprus	100,00	Full
INTERSPORT ATHLETICS (CYPRUS) LTD*	Nicosia, Cyprus	100,00	Full
WYLDES LIMITED LTD*	Nicosia, Cyprus	100,00	Full
INTERSPORT ATLETIK MAGAZACILIK VE DIS TICARET ANONIM SIRKETI*	Istanbul, Turkey	75,00	Full

\* 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
SPEEDEX S.A.	Athens, Greece	49,55	Net equity

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

Shareholding ratios for subsidiaries have not changed since prior reporting period.

During the period 1/1 - 31/3/2012 the following share capital increases realised in cash:

- Increase of the share capital of the subsidiary WYLDES LTD with the amount of euros 150,00, plus the amount of euros 1.499.850,00 premium, by issuing 150 new common nominal shares with vote, with nominal price one (1,00) euro per share and at the price of euros 10.000,00 per share. HOUSEMARKET S.A. participated in the share capital increase according to the resolution of the Board of Director's of HOUSEMARKET S.A. 275/ 3.1.2012.

- Increase of the share capital of the subsidiary WYLDES LTD with the amount of euros 125,00, plus the amount of euros 1.249.875,00 premium, by issuing 125 new common nominal shares with vote, with nominal price one (1,00) euro per share and at the price of euros 10.000,00 per share. HOUSEMARKET S.A. participated in the share capital increase according to the resolution of the Board of Directors of HOUSEMARKET S.A. 276/ 7.2.2012.
- Increase of the share capital of the subsidiary INTERSPORT ATHLETICS S.A. with the amount of euros 1.994.039,00, by issuing 67.940 new common nominal shares with vote, with nominal twenty nine euros and thirty five cent (29,35) per share, according to the resolution of the Board of Directors of INTERSPORT ATHLETICS S.A. 23/ 8.2.2012. The share capital increase was totally covered by the shareholder FOURLIS HOLDINGS S.A.
- Increase of the share capital of the subsidiary GENCO BULGARIA EOOD with the amount of BGN 3.900.000,00 according to the resolution of the Board of Directors of INTERSPORT ATHLETICS S.A. 252/ 8.2.2012.
- Increase of the share capital of the subsidiary WYLDES LTD with the amount of euros 90,00, plus the amount of euros 899.910,00 premium, by issuing 90 new common nominal shares with vote, with nominal price one (1,00) euro per share and at the price of euros 10.000,00 per share. HOUSEMARKET S.A. participated in the share capital increase according to the resolution of the Board of Directors of HOUSEMARKET S.A. 279/ 20.3.2012.

## **2. Basis of preparation 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 31/12/2011, 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 (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 thousands of Euro, unless otherwise stated and any differentiations in sums 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 31/12/2011.

The rest Accounting Principles and the valuation methods used, are the ones reported under the Notes

of the Annual Financial Statements of 31/12/2011 except of the adoption of the new standards, amendments and interpretations for the period beginning on 1/1/2011 and have no effect in the Group and the Company for the reporting period:

- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)
- IAS 32 Classification on Rights Issues (Amended)
- IAS 24 Related Party Disclosures (Revised)

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2010.

- IFRS 3 Business Combinations.
- IFRS 7 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.
- 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.

The below mentioned Standards are issued but not yet effective in the current period and the Company/ Group has not early adopted. The effect of the amendments in Company/ Group Financial Statement is examined:

- ***IAS 1 Financial Statement Presentation (Amended) – Presentation of Items of Other Comprehensive Income***

The amendment is effective for annual periods beginning on or after 1 July 2012. The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment has only presentation affects and has no impact on the Group's financial position or performance. This amendment has not yet been endorsed by the EU.

- ***IAS 12 Income Taxes (Amended) – Recovery of Underlying Assets***

The amendment is effective for annual periods beginning on or after 1 January 2012. The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that



its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. This amendment has not yet been endorsed by the EU.

- ***IAS 19 Employee Benefits (Amended)***

The amendment is effective for annual periods beginning on or after 1 January 2013. The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. Early application is permitted. This amendment has not yet been endorsed by the EU.

- ***IAS 27 Separate Financial Statements (Revised)***

The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Earlier application is permitted. This amendment has not yet been endorsed by the EU.

- ***IAS 28 Investments in Associates and Joint Ventures (Revised)***

The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. Earlier application is permitted. This amendment has not yet been endorsed by the EU.

- ***IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities***

The amendment is effective for annual periods beginning on or after 1 January 2014. This amendment clarifies the meaning of "currently has a legally enforceable right to set-off" and also clarifies the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to IAS 32 are to be retrospectively applied. Earlier application is permitted. However, if an entity chooses to early adopt, it must disclose that fact and also make the disclosures required by the IFRS 7 Offsetting Financial Assets and Financial Liabilities amendments. This amendment has not yet been endorsed by the EU.

- ***IFRS 1 Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters (Amended)***

The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment introduces a new deemed cost exemption for entities that have been subject to severe hyperinflation. When an entity's date of transition to IFRS is on, or after, the functional



currency "normalisation" date, the entity may elect to measure all assets and liabilities, held before the functional currency "normalisation" date, at fair value on the date of transition to IFRS. Additionally, the IASB removed the legacy fixed dates included in IFRS 1 for derecognition and day one gain or loss transactions and replaced those dates with the date of transition to IFRS. Earlier application is permitted.

- ***IFRS 7 Financial Instruments: Disclosures (Amended) - Enhanced Derecognition Disclosure Requirements***

- The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment has only disclosure effects.

- ***IFRS 7 Financial Instruments: Disclosures (Amended) - Offsetting Financial Assets and Financial Liabilities***

The amendment is effective for annual periods beginning on or after 1 January 2013. The amendment introduces common disclosure requirements. These disclosures would provide users with information that is useful in evaluating the effect or potential effect of netting arrangements on an entity's financial position. The amendments to IFRS 7 are to be retrospectively applied. This amendment has not yet been endorsed by the EU.

- ***IFRS 9 Financial Instruments - Classification and Measurement***

The new standard is effective for annual periods beginning on or after 1 January 2015. IFRS 9 as issued reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial liabilities using the FVO. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the first half of 2012. Early application is permitted. This standard has not yet been endorsed by the EU.

- ***IFRS 10 Consolidated Financial Statements***

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and

therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard has not yet been endorsed by the EU.

- ***IFRS 11 Joint Arrangements***

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard has not yet been endorsed by the EU.

- ***IFRS 12 Disclosures of Involvement with Other Entities***

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard has not yet been endorsed by the EU.

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

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. This standard should be applied prospectively and early adoption is permitted. This standard has not yet been endorsed by the EU.

- ***IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine***

The interpretation is effective for annual periods beginning on or after 1 January 2013. This interpretation only applies to stripping costs incurred in surface mining activity during the production phase of the mine ('production stripping costs'). Costs incurred in undertaking stripping activities are considered to create two possible benefits a) the production of inventory in the current period and/or b) improved access to ore to be mined in a future period (stripping activity asset). Where cost cannot be specifically allocated between the inventory produced during the period and the stripping activity asset, IFRIC 20 requires an entity to use an allocation basis that is based on a relevant production measure. Early application is permitted. IFRIC 20 has not yet been endorsed by the EU. This interpretation does not affect the Group.

The Group has adopted the following new and amended IFRS as of 1 January 2012:

- ***IFRS 7 - Disclosures - Transfers of financial assets (Amendment)***

The IASB issued an amendment to IFRS 7 that enhances disclosures for financial assets. These

disclosures relate to assets transferred (as defined under IAS 39). If the assets transferred are not derecognised entirely in the financial statements, an entity has to disclose information that enables users of financial statements to understand the relationship between those assets which are not derecognised and their associated liabilities. If those assets are derecognised entirely, but the entity retains a continuing involvement, disclosures have to be provided that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment has only disclosure effects.

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

The policies for Risk and Capital management of the Group are those disclosed in the Notes to Annual Financial Statements as of 31/12/2011.

#### **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 disclosures relating to Receivables & Payables, along with the recording of 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 and adjustments 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 the following four operating segments:

- Retail Trading of Home Furniture and Households Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT stores).
- Retail Trading of Fashion Activity (NEW LOOK stores).
- Wholesale Trading of Electrical 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 - 31/3/2012 the Group' revenues arise 70,3% from activities in Greece (82,6% in the period 1/1 - 31/3/2011) with the remaining 29,7% (17,4% the period 1/1 - 31/3/2011) arising from activities from other countries of Southeastern Europe.

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

the year.

The data for the period 1/1 – 31/3/2011 have been reclassified to be comparable with the figures of corresponding period of 2012 (Note 19).

Group results by operating segment for the period 1/1 – 31/3/2012 are analysed below:

	1/1 - 31/3/2012						
	Furniture and Household Goods	Sporting Goods	Retail Fashion Activity	Electrical Equipment	FOURLIS HOLDINGS	Consolidation Entries	Total Group
Revenue	59,068	26,084	616	4,842	782	(795)	90,597
Cost of Goods Sold	(36,671)	(14,812)	(355)	(3,951)	(613)	613	(55,789)
<b>Gross Profit</b>	<b>22,397</b>	<b>11,272</b>	<b>261</b>	<b>891</b>	<b>169</b>	<b>(182)</b>	<b>34,807</b>
Other operating income	548	137	15	643	106	(147)	1,301
Distribution expenses	(20,837)	(10,318)	(515)	(936)	0	161	(32,445)
Administrative expenses	(2,883)	(1,420)	(165)	(1,025)	(563)	129	(5,926)
Other operating expenses	(101)	(233)	0	(73)	(4)	0	(412)
<b>Operating Profit / Loss</b>	<b>(877)</b>	<b>(563)</b>	<b>(405)</b>	<b>(499)</b>	<b>(292)</b>	<b>(38)</b>	<b>(2,674)</b>
Financial expenses / income	(2,657)	(562)	(73)	(140)	8	0	(3,424)
Expense/income from associate companies	(142)	0	0	0	0	0	(142)
<b>Profit / Loss before Tax</b>	<b>(3,676)</b>	<b>(1,125)</b>	<b>(478)</b>	<b>(640)</b>	<b>(285)</b>	<b>(38)</b>	<b>(6,240)</b>
<b>Profit / Loss after Tax</b>	<b>(3,127)</b>	<b>(930)</b>	<b>(401)</b>	<b>(510)</b>	<b>(240)</b>	<b>(38)</b>	<b>(5,246)</b>
Depreciation	2,487	864	38	105	10	38	3,543

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

	1/1 - 31/3/2011									
	Furniture and Household Goods	Sporting Goods	Electrical Equipment	FOURLIS HOLDINGS	Consolidation Entries	Total Continuing Operations	Discontinued Operations	Consolidation Entries	Total Discontinued Operations	Total Group
Revenue	66,968	19,551	7,037	186	(199)	93,542	2,236	0	2,236	95,778
Cost of Goods Sold	(39,960)	(10,866)	(5,344)	(171)	171	(56,170)	(2,410)	0	(2,410)	(58,579)
<b>Gross Profit</b>	<b>27,008</b>	<b>8,685</b>	<b>1,693</b>	<b>15</b>	<b>(28)</b>	<b>37,373</b>	<b>(174)</b>	<b>0</b>	<b>(174)</b>	<b>37,199</b>
Other operating income	1,513	172	431	210	(161)	2,165	808	0	808	2,972
Distribution expenses	(20,804)	(8,189)	(1,137)	0	116	(30,015)	(81)	0	(81)	(30,096)
Administrative expenses	(4,049)	(1,333)	(959)	(352)	73	(6,620)	(308)	0	(308)	(6,928)
Other operating expenses	(94)	(156)	(35)	0	0	(285)	(15)	0	(15)	(300)
<b>Operating Profit / Loss</b>	<b>3,574</b>	<b>(822)</b>	<b>(7)</b>	<b>(127)</b>	<b>0</b>	<b>2,618</b>	<b>229</b>	<b>0</b>	<b>229</b>	<b>2,847</b>
Financial expenses / income	(1,317)	(279)	(192)	54	0	(1,734)	(99)	0	(99)	(1,832)
Expense/income from associate companies	(98)	0	0	0	0	(98)	0	0	0	(98)
<b>Profit / Loss before Tax</b>	<b>2,160</b>	<b>(1,101)</b>	<b>(200)</b>	<b>(73)</b>	<b>0</b>	<b>787</b>	<b>131</b>	<b>0</b>	<b>131</b>	<b>918</b>
<b>Profit / Loss after Tax</b>	<b>1,652</b>	<b>(1,050)</b>	<b>106</b>	<b>(85)</b>	<b>0</b>	<b>622</b>	<b>(242)</b>	<b>0</b>	<b>(242)</b>	<b>381</b>
Depreciation	2,047	681	110	10	0	2,848	0	0	0	2,848

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

The segment breakdown structure of assets and liabilities as of 31/3/2012 and 31/12/2011 are as below:

	Furniture and Household Goods		Sporting Goods		Retail Fashion Activity		Electrical Equipment		FOURLIS HOLDINGS		Consolidation Entries		Total Group	
	31/3/12	31/12/11	31/3/12	31/12/11	31/3/12	31/12/11	31/3/12	31/12/11	31/3/12	31/12/11	31/3/12	31/12/11	31/3/12	31/12/11
Total Assets	342,019	349,772	84,979	76,761	3,132	2,531	47,359	50,223	104,939	105,600	(95,746)	(93,812)	486,681	491,076
Total Liabilities	209,953	214,581	64,206	57,099	4,161	3,170	26,086	28,463	984	1,413	(1,227)	(1,330)	304,163	303,396

The geographic breakdown of assets and liabilities are as follows:

	1/1 - 31/3/2012			1/1 - 31/12/2011				
	Greece	Other Southeastern Europe Countries	Consolidation Entries	Total Group	Greece	Other Southeastern Europe Countries	Consolidation Entries	Total Group
Total Assets	309.087	184.962	(7.368)	486.681	316.796	180.180	(5.901)	491.076
Total Liabilities	170.697	140.559	(7.094)	304.163	164.148	144.647	(5.399)	303.396

Transactions between the Group companies are based in the arm's length principle.

## 7. Property, plant and equipment

Property, plant and equipment for the period 1/1 - 31/3/2012 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 before change of policy at 31.12.2011	82.519	230.272	5.415	4.878	38.197	163	361.444
Effect from change of policy 31.12.2011	(22.164)	(30.516)	0	0	0	0	(52.680)
Acquisition cost after the change of policy at 31.12.2011	60.355	199.756	5.415	4.878	38.197	163	308.764
Accumulated depreciation after the change of policy at 31.12.2011	0	(38.456)	(2.650)	(2.412)	(20.589)	0	(64.108)
Net book value after the change of policy at 31.12.2011	60.355	161.300	2.765	2.466	17.608	163	244.656
<b>1.1 - 31.3.2012</b>							
Additions	0	802	197	8	416	540	1.963
Transfers acquisition cost	(1)	(89)	(19)	(12)	(114)	(62)	(296)
Revaluation at fair value	0	0	0	0	0	0	0
Depreciation	0	(1.768)	(128)	(118)	(1.125)	0	(3.140)
Depreciation Transfers	0	29	16	12	76	0	133
Restated Depreciation	0	0	0	0	0	0	0
Acquisition cost at 31.3.2012	60.355	200.470	5.593	4.874	38.500	640	310.430
Accumulated depreciation at 31.3.2012	0	(40.195)	(2.762)	(2.519)	(21.638)	0	(67.114)
Net book value at 31.3.2012	60.355	160.274	2.831	2.355	16.861	640	243.316

Additions in the Property, Plant and Equipment for the period refer to modulation costs and the purchase of equipment for the retail segment of Furniture and Household Goods, Sporting Goods and Retail Fashion Activity.

## 8. Dividends

The Shareholders General Assembly dated 10/6/2011 voted in favour of the proposal of the Board of Directors not to distribute any dividend for the year 1/1 – 31/12/2010.

The Board of Directors of FOURLIS HOLDINGS S.A. taking into consideration the financing needs of the new projects and the financial environment will propose to the Shareholder General Assembly on 15/6/2012, not to distribute any dividend for the year 1/1 – 31/12/2011.

## 9. Borrowings

Borrowings are analyzed as follows:

	GROUP		COMPANY	
	31/3/2012	31/12/2011	31/3/2012	31/12/2011
Non - current loans	130.595	132.732	0	0
Finance Leases	13.483	14.187	0	0
<b>Total</b>	<b>144.079</b>	<b>146.919</b>	<b>0</b>	<b>0</b>
Non current portion of borrowings payable within the following 12 months	63.793	57.691	0	0
Total long-term loans and borrowings	80.286	89.228	0	0
<b>Loans and borrowings</b>	<b>59.705</b>	<b>52.805</b>	<b>0</b>	<b>0</b>
<b>Total loans and borrowings</b>	<b>203.784</b>	<b>199.724</b>	<b>0</b>	<b>0</b>

The repayment period of non - current loans varies between 2 to 7 years and the average effective interest rate of the Group for period 1/1/2012 to 31/3/2012 was 5,2% (1/1/2011 – 31/3/2011: 3,5%). The non - current loans cover mainly the Group's growth needs and consist of bond, syndicated and other non - current loans as follows:

		Amount	Issuing Date	Duration
FOURLIS TRADE S.A.	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>		
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	4.656	17/8/2011	6 years from the issuing date (600 payable forthcoming period)
	Other	875	17/9/2007	5 years from the issuing date
		<b>5.531</b>		
TRADE LOGISTICS S.A.	Bond	11.000	29/2/2012	3 years from the issuing date
	Bond	10.000	4/11/2009	3 years from the issuing date
		<b>21.000</b>		
RENTIS S.A.	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>		
HOUSE MARKET BULGARIA AD	Syndicated	54.814	22/12/2011	7 years from the issuing date
		<b>54.814</b>		
HOUSEMARKET S.A.	Bond	24.250	21/2/2011	3 years from the issuing date (3.000 payable forthcoming period)
		<b>24.250</b>		
	<b>Total</b>	<b>130.595</b>		

Total current loans of the group mainly relate to overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers. The weighted average interest rate of short term loans for the period 1/1/2012 to 31/3/2012 was approximately 6,5% (1/1 - 31/3/2011 was 6,5%).

During the current period, the Group's 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 nominal amount of 10 million euros, with a negative fair value for FOURLIS TRADE S.A. on 31/3/2012 of € 43 thousand.
- b) a 5year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 15 million euros, with a negative fair value for TRADE LOGISTICS S.A. on 31/3/2012 of € 909 thousand.
- c) a 3year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 20 million euros, with a negative fair value for HOUSEMARKET (CYPRUS) LTD on 31/3/2012 of € 102 thousand.

The fair value movement of the above derivative instruments is recognized in equity and amounts cumulative to € 873 thousand.

Non - current loans include the finance lease liability of the company HOUSEMARKET S.A. through which the Company financed the purchase of land and building on 27 December 2000 as well as the improvements made on the building and the purchase of equipment for the first IKEA store in Greece in Pylea Thessaloniki. The duration of the finance lease for the land and the building installations was effective until December 2011 and was renewed for three more years.

The current portion of long - term loans includes the amount of € 24.250 thousand which refers to a subsidiary's loan expiring within February 2014. According to written agreement on 25/5/2012 between bondholders and the company, the loan will be classified in non-current liabilities in the next reporting period.

## **10. Share based payments**

On 23/2/2009 the Board of Directors granted 204.000 Stock Options which are the second of three 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 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 - 31/3/2012, an amount of € 7 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% as follows:

<b>Country</b>	<b>Income Tax Rates</b>
Greece	20%
Romania	16%

Country	Income Tax Rates
Bulgaria	10%
Cyprus	10%
Turkey	20%

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

COMPANY	YEARS
FOURLIS HOLDINGS S.A.	2010
FOURLIS TRADE S.A.	2009 - 2010
INTERSPORT ATHLETICS S.A.	2008 - 2010
SERVICE ONE S.A.	2010
PRIME TELECOM S.A.	2008 - 2010
GENCO TRADE SRL	2007 - 2011
GENCO BULGARIA EOOD	2009 - 2011
TRADE LOGISTICS S.A.	2010
HOUSEMARKET S.A.	2007 - 2010
HM HOUSEMARKET (CYPRUS) LTD	2006 - 2011
HOUSE MARKET BULGARIA AD	2008 - 2011
RENTIS S.A.	2010
INTERSPORT ATHLETICS (CYPRUS) LTD	2006 - 2011
WYLDES LTD	2009 - 2011
BITA TRITI REAL ESTATE OF EASTERN GREECE S.A.	2010
INTERSPORT ATLETIK MAGAZACILIK VE DIS TICARET ANONIM SIRKETI	-
VYNER LTD	2009 - 2011
SPEEDEX S.A.	2007 - 2010

For the period 1/1 – 31/12/2011 all companies of FOURLIS Group located in Greece, have been placed under tax audit of Certified Audit Accountants in accordance with the provisions of Article 82 par. 5 of Law 2238/ 1994.

The income tax expense for the period 1/1 - 31/3/2012 and the relative period of 1/1 – 31/3/2011 is as follows:

	GROUP		COMPANY	
	31/3/2012	31/3/2011	31/3/2012	31/3/2011
Income tax	86	168	0	1
Tax audit differences	0	83	0	15
<b>Deferred Taxes:</b>				
Differences of fixed assets	168	70	12	1
Provisions for employee benefits	63	10	(19)	2
Effect of changes on tax rates	0	0	0	0
Finance leases	35	95	0	0
Supplier adjustment	0	0	0	0
Provisions	141	(107)	0	0
Accrued Taxes	(1.487)	(17)	(37)	(7)
Inventory Write Off Provision	0	235	0	0
<b>Total Deferred taxes</b>	<b>(1.080)</b>	<b>285</b>	<b>(45)</b>	<b>(5)</b>
<b>Income Tax Expense</b>	<b>(994)</b>	<b>537</b>	<b>(45)</b>	<b>12</b>

For the current period, tax audit differences have not been recorded. The cumulative Group's provision for unaudited tax years amounted to euros 1.785 thousand and to euros 20 thousand for the Company as at 31/3/2012.

## 12. Share Capital

As at 31 March 2012 and at 31 December 2011, the share capital amounted to Euro 50.992.322 thousand, consisting of 50.992.322 shares with a par value of euro one (1) each.

## 13. Earnings/ Losses 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 2012 was 50.632.609 and at 31 March 2011 was 50.895.120 shares.

	GROUP	
	31/3/2012	31/3/2011
(Loss)/Profit after tax attributable to owners of the parent	(5.186)	524
Number of issued shares	50.992.322	50.992.322
SOP Impact	306.662	429.087
Purchases / (sales) of own shares	(359.713)	(97.202)
Weighted average number of shares	50.939.271	51.324.207
Basic (Losses)/Earnings per Share (in Euro)	(0,1024)	0,0103
Diluted (Losses)/Earnings per Share (in Euro)	(0,1018)	0,0102

## 14. Share Buy - Back

The Board of Directors, with their decision dated 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 31/12/2011 purchased 458.849 treasury shares of a total acquisition value € 1.998.436,03 and an average price € 4,3553. In

period 1/1 – 31/3/2012 no treasury shares were purchased. On 28/5/2012 Company owns 539.948 treasury shares (1,06% of total shares, total value of euro 2.081.894,76)

## **15. Commitments and Contingencies**

The Group's contingencies for the period from 1/1/2012 to 31/3/2012 are analysed as follows:

- The Company has issued letters of guarantee for the associate company's short term loans and participation in tenders amounting to € 9.365 thousand.
- The company has issued letters of guarantee for its subsidiaries guaranteeing liabilities amounting to € 107.304 thousand.
- Subsidiary companies have issued letters of guarantee for its subsidiaries guaranteeing liabilities amounting to € 55.086 thousand.
- A subsidiary company mortgaged its property to secure a subsidiary's liabilities amounting to € 25.000 thousand.
- A subsidiary company mortgage its property to secure a bond loan amounting to € 55.175 thousand.
- A subsidiary company mortgage its property to secure a bond loan amounting to € 25.200 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 Management, Finance and Information Technology to its subsidiaries.

The analysis of the related party receivables and payables as at 31 March 2012 and 31 December 2011 are as follows:

	GROUP		COMPANY	
	31/3/2012	31/12/2011	31/3/2012	31/12/2011
<b>Receivables from :</b>				
FOURLIS TRADE SA	0	0	0	27
PRIME TELECOM SA	0	0	0	0
HOUSE MARKET SA	0	0	163	272
INTERSPORT SA	0	0	256	118
SERVICE ONE SA	0	0	6	27
TRADE LOGISTICS SA (RHF)	0	0	11	13
GENCO BULGARIA (RSG)	0	0	23	9
INTERSPORT (CYPRUS) LTD	0	0	5	3
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	9	41
SPEEDEX SA	0	0	0	0
RENTIS SA	0	0	3	0
HOUSE MARKET BULGARIA EAD	0	0	51	34
BHTA TPITH	0	0	3	0
WYLDES	0	0	0	1
INTERSPORT ATLETIK	0	0	66	37
VYNER	0	0	0	0
ATC	0	0	0	0
GENCO TRADE SRL	0	0	256	206
<b>Total</b>	<b>0</b>	<b>0</b>	<b>854</b>	<b>789</b>
<b>Payables to:</b>				
FOURLIS TRADE SA	0	0	2	17
PRIME TELECOM SA	0	0	0	0
HOUSE MARKET SA	0	0	0	184
INTERSPORT SA	0	0	0	67
SERVICE ONE SA	0	0	0	21
TRADE LOGISTICS SA (RHF)	0	0	0	10
GENCO BULGARIA (RSG)	0	0	0	9
INTERSPORT (CYPRUS) LTD	0	0	0	3
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	0	32
SPEEDEX SA	0	75	1	0
RENTIS SA	0	0	0	0
HOUSE MARKET BULGARIA EAD	0	0	0	32
BHTA TPITH	0	0	0	0
WYLDES	0	0	0	0
INTERSPORT ATLETIK	0	0	0	0
VYNER	0	0	0	0
ATC	0	0	0	0
GENCO TRADE SRL	0	0	0	36
<b>Total</b>	<b>0</b>	<b>75</b>	<b>2</b>	<b>410</b>

The analysis of the related party for the period 1/1 - 31/3/2012 and 1/1 - 31/3/2011 are as follows:

	GROUP		COMPANY	
	1/1 -31/3/2012	1/1 -31/3/2011	1/1 -31/3/2012	1/1 -31/3/2011
<b>Income:</b>				
Revenues	0	1	782	0
Other operating income	0	0	105	292
<b>Total</b>	<b>0</b>	<b>1</b>	<b>887</b>	<b>292</b>

	GROUP		COMPANY	
	1/1 -31/3/2012	1/1 -31/3/2011	1/1 -31/3/2012	1/1 -31/3/2011
<b>Expenses:</b>				
Administrative expenses	21	53	2	1
Distribution expenses	33	36	0	0
Other operating expenses	0	0	0	0
<b>Total</b>	<b>54</b>	<b>89</b>	<b>2</b>	<b>1</b>

During periods 1/1 – 31/3/2012 and 1/1 – 31/3/2011, transactions and fees of the management and Directors were as follows:

	GROUP		COMPANY	
	1/1 -31/3/2012	1/1 -31/3/2011	1/1 -31/3/2012	1/1 -31/3/2011
Transactions and fees of management members	720	972	138	180

There are no balances due to or balances due from the Group or the Company with the management and Directors. The transactions with related parties are in line with common general commercial rules.

## 17. Transactions with Subsidiaries

For the periods 1/1 – 31/3/2012 and 1/1 – 31/3/2011 the following transactions occurred between the parent company and its subsidiaries:

	GROUP		COMPANY	
	1/1-31/3/2012	1/1- 31/3/2011	1/1-31/3/2012	1/1-31/3/2011
Revenue	5.902	6.747	782	185
Cost of Sales	4.914	4.924	613	171
Other Income	828	370	105	107
Administrative expenses	903	1.376	15	2
Distribution expenses	1.061	710	0	0

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Trade receivables	11.181	10.304	854	791
Inventory	288	515	0	0
Creditors	9.900	9.024	318	422

The Group has issued letters of guarantee for its subsidiary and associated companies guaranteeing liabilities. The analysis of such letters of guarantee is disclosed in which appears in Note 15.

## 18. Business Combination

On 20 July 2011, the subsidiary INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. of the subsidiary INTERSPORT ATHLETICS AE, acquired certain assets of the company SPORTING GUNGOR MAĞAZACILIK VE DIŞ TİCARET A.Ş., which was the Master Franchisee of INTERSPORT INTERNATIONAL CORPORATION (IIC) in Turkey until then.

Since the assets that were acquired (property plant & equipment, intangible assets, inventories, contracts, personnel) compose a business unit, the transaction comes under the scope of IFRS 3 (A).

According to amended IFRS 3 Business Combinations, all business combinations that occur after the 1<sup>st</sup> of July 2009 are accounted for exclusively using the acquisition method. According to IFRS 3 (A) it is required that the acquirer company measures at fair value the identifiable assets, liabilities and

contingent liabilities of the acquiree as well as the goodwill and the intangible assets.

The total consideration transferred was € 7,3 million and the following assets were acquired:

- The exclusive franchise of the trade name INTERSPORT in Turkey (Master Franchise Agreement) of value € 4,1 million,
- assets and inventories of value € 3,2 million, leasing contracts for 10 specific stores of SPORTING GUNGOR MAĞAZACILIK VE DIŞ TİCARET A.Ş network in Turkey and the relative human resources,
- a contract with a representative in Turkey.

The temporary allocation of the consideration transferred among intangible assets that were acquired is analyzed as follows:

	Fair value at the date of acquisition according to temporary allocation of the consideration transferred	
	(in million TRY*)	(in million €)
ASSETS		
Property, Plant & Equipment	3.1	1.3
Intangible Assets	9.5	4.1
<b>Non - current Assets</b>	<b>12.6</b>	<b>5.4</b>
Inventory	4.6	1.9
<b>Current Assets</b>	<b>4.6</b>	<b>1.9</b>
<b>TOTAL ASSETS</b>	<b>17.2</b>	<b>7.3</b>
Net Assets acquired	17.2	7.3
Consideration Transferred	17.2	7.3
Goodwill	0.0	0.0

(\*)TRY/ EUR=2,3575

The allocation of the above business combination will be completed within twelve months from the date of their acquisition.

## 19. Change in accounting policy, reclassifications and discontinued operations

In 2011, the Group decided to change its accounting policy from a revaluation to a cost model for the owner - occupied properties IAS 16, according to IAS 8 paragraph 14 (b).

Based on IAS 8, the prior year comparable amounts are adjusted respectively.

The adjustments of the change in the accounting policy for the profit and deferred taxes of period 1/1 – 31/3/2011 are analysed as follows:



	GROUP
	1/1-31/3/2011
Profit after Taxes before the change in accounting policy	285
Reversal of depreciation recognized in the statement of comprehensive income	120
Reversal benefits recognized in the statement of comprehensive income	0
Income tax adjustment	(24)
<b>Profit after Taxes after the change in accounting policy</b>	<b>381</b>

The adjustments of the change in the accounting policy for Basic and Diluted earnings per share is analysed as follows:

<b>Basic (Losses)/Earnings per Share (in Euro)</b>	<b>1/1-31/3/2011</b>
Basic earnings per share before change in accounting policy	0,0084
Effect from change in accounting policy	0,0019
<b>Basic earnings per share after the change in accounting policy</b>	<b>0,0103</b>

<b>Diluted (Losses)/Earnings per Share (in Euro)</b>	<b>1/1-31/3/2011</b>
Diluted earnings per share before change in accounting policy	0,0083
Effect from change in accounting policy	0,0019
<b>Diluted earnings per share after the change in accounting policy</b>	<b>0,0102</b>

In 2012 the Company due to the centralization of support services of the Group companies in Greece, presents in the Statement of Comprehensive Income for the period 1/1 - 31/3/2012 income from services, service cost and gross profit. For comparability reasons and presentation uniformity, reclassifications have been made to the Statement of Comprehensive Income for the period 1/1 - 31/3/2011.

On 31/12/2010 was the interaption of collaboration with SAMSUNG Electronics completed and therefore discontinued operations are presented in separate Statement of Comprehensive Income for the period 1/1 - 31/3/2011. There is no reason to continue the presentation of discontinued operations in the Statement of Comprehensive Income for the period 1/1 - 31/3/2012.

## **20. Significant Changes in Consolidated Data**

The most significant changes, that appear in the Statement of Financial Position on 31/3/2012 in comparison with the corresponding data of 31/12/2011 and in the Statement of Comprehensive Income of the period 1/1 – 31/3/2012 in comparison with the period 1/1 – 31/3/2011, are the following:

- Increase in the amount of "Investments in affiliates and associates" resulted from the implementation of the investment program of an associate of the Group.
- Decrease in the amount of "Trade Receivables" resulted mainly from the reduction of revenue of

Wholesale Trading of Electrical Equipment Segment.

- The increase in the amount of "Inventory" resulted from the expansion of the network of retail trading of sporting goods segment and the reception of seasonal stock.
- The decrease of "Cash and cash equivalent" resulted from the funding needs of the operations of the Group.

## **21. Subsequent events**

There are no other significant events following the date of 31/3/2012 that may affect the financial position of the Group and the Company.



**Web site for the publication of the Interim Financial Report**

The Interim Financial Report of the Group for the period 1/1 – 31/3/2012 have been published by posting on the Internet at the web address [www.fourlis.gr](http://www.fourlis.gr).