

**Balance Sheet**  
Amounts in €

	Folli Follie Group		Folli Follie SA	
	31/3/2005	31/12/2004	31/3/2005	31/12/2004
<b>ASSETS</b>				
Property, plant and equipment	33.867.637,06	34.130.258,53	29.830.717,56	30.011.411,25
Intangible Assets	4.755.604,66	4.842.688,58	840.314,90	873.322,82
Investments in associates	41.535.561,10	40.296.399,36	157.732.962,56	157.732.962,56
Deferred Tax Assets	2.126.410,62	2.213.167,04	284.910,85	402.737,38
Other financial assets	<u>5.946.223,79</u>	<u>7.376.012,55</u>	<u>234.576,56</u>	<u>230.891,87</u>
<b>Non-current assets (a)</b>	<b>88.231.437,23</b>	<b>88.858.526,06</b>	<b>188.923.482,43</b>	<b>189.251.325,88</b>
Inventories	46.327.101,17	46.715.326,33	11.382.804,19	11.931.225,67
Trade receivables	96.764.116,29	82.543.791,12	19.453.747,40	12.872.890,96
Other receivables	7.866.583,91	7.467.595,24	5.675.178,53	5.237.817,05
Cash and cash equivalents	<u>39.672.427,87</u>	<u>33.723.558,93</u>	<u>9.875.061,38</u>	<u>14.509.511,69</u>
<b>Current assets (b)</b>	<b>190.630.229,24</b>	<b>170.450.271,62</b>	<b>46.386.791,50</b>	<b>44.551.445,37</b>
<b>TOTAL ASSETS (a+b)</b>	<b><u>278.861.666,47</u></b>	<b><u>259.308.797,68</u></b>	<b><u>235.310.273,93</u></b>	<b><u>233.802.771,25</u></b>
<b>EQUITY AND LIABILITIES</b>				
Interest bearing borrowings	121.556.584,73	120.135.587,74	119.499.958,91	119.499.958,91
Retirement benefit obligation	3.193.736,32	3.272.408,55	493.231,68	482.542,29
Other Long-Term Liabilities	<u>2.994.254,67</u>	<u>3.338.460,59</u>	<u>683.136,15</u>	<u>836.873,79</u>
<b>Non-current liabilities</b>	<b>127.744.575,72</b>	<b>126.746.456,88</b>	<b>120.676.326,74</b>	<b>120.819.374,99</b>
Trade and other payables	10.927.417,58	13.252.975,46	1.631.223,25	2.203.405,10
Current portion of interest-bearing borrowings	4.711.366,45	5.252.135,03	4.118.554,19	4.891.100,49
Other Short-term Liabilities	18.594.923,77	18.149.168,02	4.243.574,25	4.539.842,56
<b>Current liabilities</b>	<b>34.233.707,80</b>	<b>36.654.278,51</b>	<b>9.993.351,69</b>	<b>11.634.348,15</b>
<b>Liabilities (a)</b>	<b><u>161.978.283,52</u></b>	<b><u>163.400.735,39</u></b>	<b><u>130.669.678,43</u></b>	<b><u>132.453.723,14</u></b>
FF Shareholder's Equity	112.257.792,66	91.298.238,92	104.640.595,50	101.349.048,11
Minority Interest	4.625.590,29	4.609.823,37		
<b>Capital and reserves (b)</b>	<b><u>116.883.382,95</u></b>	<b><u>95.908.062,29</u></b>	<b><u>104.640.595,50</u></b>	<b><u>101.349.048,11</u></b>
<b>TOTAL EQUITY &amp; LIABILITIES (a+b)</b>	<b><u>278.861.666,47</u></b>	<b><u>259.308.797,68</u></b>	<b><u>235.310.273,93</u></b>	<b><u>233.802.771,25</u></b>

**Income Statement**  
Amounts in €

	Folli Follie Group		Folli Follie SA	
	31/3/2005	31/12/2004	31/3/2005	31/12/2004
Revenue	53.330.735,91	47.191.953,15	11.625.135,36	11.007.094,40
Cost of sales	<u>-21.302.874,54</u>	<u>-16.234.251,19</u>	<u>-3.814.278,72</u>	<u>-2.909.834,37</u>
<b>Gross profit</b>	<b>32.027.861,37</b>	<b>30.957.701,96</b>	<b>7.810.856,64</b>	<b>8.097.260,03</b>
Other operating income	1.395.347,35	499.640,50	1.019.710,79	338.447,81
Administrative expenses	-2.925.005,96	-3.081.564,78	-981.577,50	-727.887,52
Distribution costs	-10.842.056,73	-12.460.551,35	-2.147.176,48	-2.006.235,08
Other operating expenses	-293.291,20	-261.588,07	-22.347,22	-82.500,00
<b>Profit from operations</b>	<b>19.362.854,83</b>	<b>15.653.638,26</b>	<b>5.679.466,23</b>	<b>5.619.085,24</b>
Finance income	403.013,29	56.741,72	395.222,60	55.038,00
Finance cost	-1.170.298,54	-1.196.479,41	-1.110.943,92	-1.207.944,98
Income from associates	1.239.149,32	1.477.115,55	0,00	0,00
<b>Profit before tax</b>	<b>19.834.718,90</b>	<b>15.991.016,12</b>	<b>4.963.744,91</b>	<b>4.466.178,26</b>
Income tax expense	<u>-4.179.094,70</u>	<u>-4.801.309,57</u>	<u>-1.672.197,52</u>	<u>-1.387.808,75</u>
<b>Profit after tax</b>	<b>15.655.624,20</b>	<b>11.189.706,55</b>	<b>3.291.547,39</b>	<b>3.078.369,51</b>
FF Shareholder's Profit	15.639.857,28	10.578.449,79		
Minority interest	15.766,92	611.256,76		
Earnings per Share	0,47	0,32	0,10	0,09
Depreciation/Amortization	842.020,09	837.730,41	265.628,67	231.350,00
Earnings Before Interest, Depreciation/Amortization and Taxes	<b>20.204.874,92</b>	<b>16.491.368,67</b>	<b>5.945.094,90</b>	<b>5.850.435,24</b>
Earnings Before Interest and Taxes	<b>19.362.854,83</b>	<b>15.653.638,26</b>	<b>5.679.466,23</b>	<b>5.619.085,24</b>

**Cash Flow Statement**

Amounts in €

	Folli Follie Group		Folli Follie SA	
<b>Cash flows from operating activities</b>				
Net profit before taxation and extraordinary item	19.834.718,90	15.991.016,12	4.963.744,91	4.466.178,26
Adjustments for				
Depreciation	842.020,09	837.730,41	265.628,67	231.350,00
Provisions	353.759,68	1.162.408,00	10.689,39	37.645,60
Investment income	-1.554.997,56	-1.477.115,55	-395.226,60	0,00
Interest expense	<u>767.285,25</u>	<u>1.144.965,00</u>	<u>1.110.943,92</u>	<u>1.152.906,98</u>
	20.242.786,36	17.659.003,98	5.955.780,29	5.888.080,84
Decrease in inventories	2.374.245,05	2.405.815,00	548.421,48	888.791,08
Increase in trade and other receivables	-6.216.655,72	5.816.195,00	-7.352.685,85	-4.234.688,78
Decrease in trade payables	-2.491.295,99	-10.298.941,56	281.375,58	-3.186.284,71
Interest paid	-1.170.298,54	-1.200.003,00	-1.110.943,92	-1.207.944,98
Income taxes paid	<u>-1.592.403,29</u>	<u>-187.276,44</u>	<u>-127.262,44</u>	<u>-187.276,44</u>
<i>Net cash from operating activities</i>	<u>11.146.377,87</u>	<u>14.194.792,98</u>	<u>-1.805.314,88</u>	<u>-2.039.322,99</u>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	-310.085,70	-1.961.216,00	-51.927,06	-1.339.647,63
Proceeds from sale of equipment	6.830,16	46.127,00		0,00
Proceeds from sale of other assets	658.687,40	0,00	658.687,40	0,00
Dividends received				
Interest received	403.013,29	55.038,00	71.007,75	55.038,00
Other financial assets	<u>2.128.143,89</u>	<u>135.920,00</u>	<u>-3.684,68</u>	<u>6.471,27</u>
<i>Net cash used in investing activities</i>	<u>2.886.589,04</u>	<u>-1.724.131,00</u>	<u>674.083,41</u>	<u>-1.278.138,36</u>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of share capital				
Proceeds from Banks Loans		764.512,00		268.139,06
Decrease in current liabilities (Bank accounts)	-1.001.148,26	-1.517.599,00	-772.546,30	
Payment of finance lease liabilities	-185.416,09	-307.220,00	-30.664,26	-29.509,91
Dividends paid	<u>-2.700.008,28</u>	<u>0,00</u>	<u>-2.700.008,28</u>	<u>0,00</u>
<i>Net cash used in financing activities</i>	<u>-3.886.572,63</u>	<u>-1.060.307,00</u>	<u>-3.503.218,84</u>	<u>238.629,15</u>
Net increase in cash and cash equivalents	10.146.394,28	11.410.354,98	-4.634.450,31	-3.078.832,20
Cash and cash equivalents at beginning period	33.723.558,93	23.524.369,13	14.509.511,69	12.696.170,19
Effect of exchange rate changes	<u>-4.197.525,34</u>	<u>-7.820.097,92</u>		
Cash and cash equivalents at end of period	<u>39.672.427,87</u>	<u>27.114.626,19</u>	<u>9.875.061,38</u>	<u>9.617.337,99</u>

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD**

Amounts reported in thousands Euro

	THE GROUP		THE COMPANY	
	1/1-31/3/2005	1/1-31/3/2004	1/1-31/3/2005	1/1-31/3/2004
Net equity of period				
Opening Balance (1/1/2005 and 1/1/2004 respectively)	95.908.062,29	61.358.862,48	101.349.048,11	95.548.629,50
Issue of share capital	0,00	0,00	0,00	0,00
Net amounts effected directly Equity	0,00	0,00	0,00	0,00
Profit for the period, after taxes	15.655.624,20	11.189.706,55	3.291.547,39	3.078.369,51
Adjustment in foreign currency translation differences	5.319.696,46	-2.057.317,24	0,00	0,00
Decrease in loans hedge reserve for foreign currency differences	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
Net equity of period Closing Balance (31/3/2005 and 31/3/2004 respectively)	<u>116.883.382,95</u>	<u>70.491.251,79</u>	<u>104.640.595,50</u>	<u>98.626.999,01</u>

**TABLE OF ADJUSTMENTS OF THE PERIOD OPENING NET EQUITY (1/1/2005 AND 1/1/2004 RESPECTIVELY)  
BETWEEN THE GENERAL ACCOUNTING POLICIES EFFECTIVE UNTIL THE 1st ADOPTION  
AND THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (I.F.R.S.)**

Amounts reported in thousands Euro

	THE GROUP		THE COMPANY	
	1/1-31/3/2005	1/1-31/3/2004	1/1-31/3/2005	1/1-31/3/2004
Opening Balance (1/1/2005 and 1/1/2004 respectively) according to the Greek Accounting Standards	92.120.942,19	61.885.803,23	94.906.710,84	91.772.149,06
Provision for staff retirement benefit	-321.714,06	-1.251.091,88	119.536,85	126.912,00
Recognition of deferred tax assets	872.708,98	1.613.828,64	402.737,38	932.575,37
Effect due to use of useful life for depreciation of assets				
and restatement of revalued acquisition cost to historical cost	-8.449,86	-119.692,48	97.219,06	61.664,92
Effect due to recognition of Leasing	75.330,17	5.280,31	343.115,57	225.075,95
Write-off of Intangibles and reverse of the respective depreciatio	-1.163.973,13	-2.251.783,77	-877.796,54	-2.167.231,63
Postpone of recognition of paid dividends to the time of their approval of the General Assembly	7.248.312,50	5.930.437,50	7.248.312,50	5.930.437,50
Adjustment in deferred charges	-290.755,17	-89.532,38	-275.000,00	-330.000,00
Other adjustments	-306.480,38	35.986,09	260.948,33	-16.141,23
Adjustment due to provisions taken to equity	-959.168,39	-958.711,64	-720.567,88	-674.476,44
Adjustment due to accounting of provision for tax differences	-156.168,00	-312.336,00	-156.168,00	-312.336,00
Recognition of differences due to the consolidation of subsidiary - associate companies	-1.202.522,56	-3.129.325,14	0,00	0,00
Opening Balance (1/1/2005 and 1/1/2004 respectively)				
according to the International Financial Reporting Standards	95.908.062,29	61.358.862,48	101.349.048,11	95.548.629,50

**ADDITIONAL RECORDS AND INFORMATION**

- The same Accounting Policies have been followed as for the Balance Sheet at 31.12.2004. The Group applies the IFRS from 1 January 2005.
- There are no real liens on the Fixed Assets.
- There are no disputed or under arbitration cases of national or administrative courts that may have a material effect on the financial position of the Company.
- The personnel employed in the Group, as at 31.3.2005, amounted to 854 and in the A.E. to 256 persons.
- The amounts of Purchases and Sales of the Company, to and from the related parties as these are defined in IAS 24, accumulated from the opening balance of the period come up to the amount of € 1.028.444,89 and € 3.263.164,69 respectively. The receivables and payables balances of the above Companies, as at 31.3.2005, amount to € 11.283.000,82 and € 741.148,46 respectively.
- In the respective Quarter 1 2004 (31.3.2004) in the items of the Income Statement for the period, the Statement of Changes in Shareholders' Equity and the Cash Flow Statement, was not comprised the company Follie Germany GmbH. It is noted that the FF GmbH was established in December 2004 and the change that was brought about from the beginning of this consolidation during the last Quarter of 2004 was negligible.
- In the consolidated financial statements are included the following companies:

COMPANY	REGISTERED OFFICE	% PARTICIPATION PARENT	RELATION THAT COMMANDED THE CONSOLIDATION	CONSOLIDATION METHOD	UN-AUDITED
					TAX YEARS
FOLLI FOLLIE A.E.	ATHENS	-	-	-	2004
FOLLI FOLLIE HONG KONG LTD	HONG KONG	99,99%	Direct	Full	1999-2004
FOLLI FOLLIE UK LTD	LONDON	99,99%	Direct	Full	2002-2004
FOLLI FOLLIE FRANCE SA	PARIS	99,94%	Direct	Full	2003-2004
FOLLI FOLLIE SPAIN SA	MADRID	100%	Direct	Full	2002-2004
FOLLI FOLLIE CZECH SRO	PRAGUE	100%	Direct	Full	2001-2004
FOLLI FOLLIE POLAND SZOO	WARSAW	100%	Direct	Full	2001-2004
FOLLI FOLLIE SLOVAKIA SRO	BRATISLAVA	100%	Direct	Full	2001-2004
FOLLI FOLLIE GERMANY GmbH	TRAUNSTAIN	100%	Direct	Full	2004
FOLLI FOLLIE JAPAN LTD	TOKYO	40%	Direct	Full	2001-2004
FOLLI FOLLIE ASIA LTD	HONG KONG	99,99%	Indirect	Full	2001-2004
FOLLI FOLLIE TAIWAN LTD	TAIPEI	99,99%	Indirect	Full	2003-2004
FOLLI FOLLIE (KOREA) LTD	SEOUL	99,99%	Indirect	Full	2003-2004
BLUEFOL SINGAPORE LTD	SINGAPORE	99,99%	Indirect	Full	2003-2004
BLUEFOL GUAM LTD	GUAM	99,99%	Indirect	Full	1998-2004
BLUEFOL HAWAII LTD	HAWAII	99,99%	Indirect	Full	2000-2004
BLUEFOL HONG KONG LTD	HONG KONG	99,99%	Indirect	Full	2001-2004
FOLLI FOLLIE MALAYSIA LTD	KUALA LUMPUR	99,99%	Indirect	Full	2001-2004
BLUEFOL THAILAND LTD	BANGKOK	99,99%	Indirect	Full	2001-2004
DUTY FREE STORES	ATHENS	24,68%	Direct	Net Equity	
MFK FASHION	LIMASSOL	40,00%	Direct	Net Equity	