

FOLLI FOLLIE HONG KONG LIMITED

Consolidated Financial Statements

For the year ended 31 December 2010

— Chung & Partners —

FOLLI FOLLIE HONG KONG LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 December 2010

The directors of Folli Follie Hong Kong Limited (the company) are pleased to present this annual report together with the audited consolidated financial statements of the company and its subsidiaries (collectively, the group) for the year ended 31 December 2010.

Principal place of business

Folli Follie Hong Kong Limited is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 18/F., The Centrium, 60 Wyndham Street, Central, Hong Kong.

Principal activities

The principal activities of the group are in retail and wholesale of trendy jewellery, watches and accessories of high quality under the internationally-known Folli Follie and Links of London brand names of its ultimate holding company. There were no significant changes in the nature of the group's principal activities during the year.

Details of the principal activities of the company's subsidiaries are set out in note 23 to the consolidated financial statements.

Financial statements

The profit of the group for the year ended 31 December 2010 and the state of the group's affairs as at that date are set out in the financial statements on pages 4 to 29.

Transfer to reserves

Profits attributable to shareholders, before dividends, of approximately US\$103 million (2009: US\$114 million) have been transferred to reserves. Other movements in reserves are set out in the consolidated statement of changes in equity.

The directors do not recommend the payment of a dividend.

Share capital

There were no movements in either the company's authorized or issued share capital during the year.

Property, plant and equipment

Details of the movements in property, plant and equipment of the group during the year are set out in note 10 to the consolidated financial statements.

Investment properties

Details of the movements in investment properties of the group during the year are set out in note 11 to the consolidated financial statements.

Directors

The directors during the financial year were:

Dimitrios Koutsolioutsos
Georgios Koutsolioutsos
Law Chiu Chuen

In accordance with articles 112 and 113 of the company's articles of association, all directors shall retire from office at the forthcoming annual general meeting and be eligible for re-election.

Directors' interests in contracts of significance

Save as disclosed in note 21, no other contracts of significance to which the company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a director of the company had a material interest, subsisted at the end of the year or at any time during the year.

REPORT OF THE DIRECTORS

For the year ended 31 December 2010

Directors' interests in shares

At no time during the year was the company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

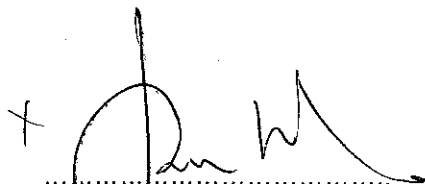
Management contract

No contracts for the management and administration of the whole or any substantial part of the business of the company were entered into or existed during the year.

Auditors

Chung & Partners Limited retire and, being eligible, offer themselves for re-appointment. A resolution for the reappointment of Chung & Partners Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, consisting of a large loop followed by a series of smaller, fluid strokes, ending in a horizontal line.

Chairman
Hong Kong, 30 March 2011

Chung & Partners

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF FOLLI FOLLIE HONG KONG LIMITED**
(Incorporated in the Hong Kong with limited liability)

Chung & Partners Limited
Certified Public Accountants
卓匯會計師事務所有限公司
www.cpl-cpa.com

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Folli Follie Hong Kong Limited (the company) and its subsidiaries (together, the group) set out on pages 4 to 29, which comprise the consolidated statement of financial position as at 31 December 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The above financial statements are prepared in accordance with IFRS.

Management's Responsibility for the Consolidated Financial Statements

The directors of the company are responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Hong Kong Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants, which conform to International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

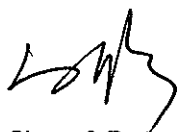
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the group as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

This report is solely for the information and use of the group auditors of ultimate controlling party and should not be used for any other purposes.



Chung & Partners Limited
Certified Public Accountants
Room 2408, 24/F, Hopewell Centre,
183 Queen's Road East, Wanchai,
Hong Kong, 30 March 2011

CHUNG, Yau Yan Sammy
Practising Certificate No. P02155

FOLLI FOLLIE HONG KONG LIMITED

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2010

	Note	2010 US\$	2009 US\$
REVENUE	4	439,346,872	420,500,264
Cost of sales		(237,205,200)	(215,013,090)
Gross profit		<u>202,141,672</u>	<u>205,487,174</u>
Other gains and losses	5	3,182,332	(3,750,794)
Selling expenses		(71,612,715)	(54,812,195)
Administrative expenses		(10,728,354)	(10,098,474)
Net finance income and cost	6	<u>551,288</u>	<u>(38,561)</u>
PROFIT BEFORE TAX	7	<u>123,534,223</u>	<u>136,787,150</u>
Income tax expense	8	<u>(20,605,241)</u>	<u>(23,116,767)</u>
PROFIT FOR THE YEAR		<u><u>102,928,982</u></u>	<u><u>113,670,383</u></u>
Attributable to:			
Equity shareholders of the company		103,035,889	114,040,447
Non-controlling interests		<u>(106,907)</u>	<u>(370,064)</u>
		<u><u>102,928,982</u></u>	<u><u>113,670,383</u></u>

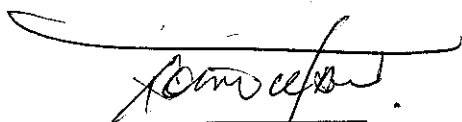
FOLLI FOLLIE HONG KONG LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2010

	Note	2010 US\$	2009 US\$ (restated)
NON-CURRENT ASSETS			
Deferred tax assets	9	480,515	365,922
Property, plant and equipment	10	8,178,085	7,946,748
Investment properties	11	13,151,282	11,185,897
Intangible assets	12	3,952,500	740,897
Long-term receivables		4,502,966	3,506,822
Non-current portion of rental deposits		2,668,581	2,260,320
		<u>32,933,929</u>	<u>26,006,606</u>
CURRENT ASSETS			
Inventories	13	139,783,951	123,225,319
Trade receivables	14	353,834,278	299,566,774
Other receivables, deposits and prepayments	15	66,977,654	43,142,246
Bank and cash balances	16	106,015,209	80,303,376
Amount due from immediate holding company		-	5,141,340
		<u>666,611,092</u>	<u>551,379,055</u>
		<u>699,545,021</u>	<u>577,385,661</u>
TOTAL ASSETS			
CAPITAL AND RESERVES			
Share capital	17	20,579,103	20,579,103
Reserves		622,170,448	518,851,215
Total shareholders' equity		642,749,551	539,430,318
Non-controlling interests		(41,252)	757,883
TOTAL EQUITY		<u>642,708,299</u>	<u>540,188,201</u>
CURRENT LIABILITIES			
Amount due to immediate holding company		1,514,596	-
Amount due to a director		-	468,356
Amounts due to fellow subsidiaries	18	22,170,858	17,633,520
Borrowings	19	20,845,763	3,159,839
Trade payables		5,023,218	4,365,099
Other payables and accruals	20	4,978,280	3,125,410
Tax payable		2,304,007	8,445,236
		<u>56,836,722</u>	<u>37,197,460</u>
		<u>699,545,021</u>	<u>577,385,661</u>
EQUITY AND LIABILITIES			

The financial statements on page 4 to 29 were approved and authorized for issue by the board of directors on 30 March 2011.


Director


Director

FOLLI FOLLIE JAPAN, LTD.

Annual Report

For the year ended 31 December 2010

— ***Chung & Partners*** —

REPORT OF THE DIRECTORS

For the year ended 31 December 2010

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2010.

Principal place of business

Folli Follie Japan, Ltd is a company incorporated and domiciled in Japan and has its registered office and principal place of business at 4/F Piramide, 6-6-9, Roppongi, Minato-ku, 106-0032 Japan.

Principal activities

The principal activities of the company are wholesale and retail distribution of trendy jewellery, watches and accessories of high quality under the internationally-known Folli Follie and Links of London brand name of its ultimate holding company.

Financial statements

The profit of the company for the year ended 31 December 2010 and the state of the company's affairs as at that date are set out in the financial statements on pages 4 to 20.

Transfer to reserves

Losses attributable to shareholders, before dividends, of JPY3,910,000 (2009: Profits of JPY4,747,000) have been transferred to reserves. Other movements in reserves are set out in the statement of changes in equity.

The directors do not recommend the payment of a dividend (2009: JPY4,000,000).

Share capital

During the year, the company has no change in either the authorized or stated share capital.

Property, plant and equipment

Details of the movements in property, plant and equipment of the company during the year are set out in note 10 to the financial statements.

Directors

The directors during the financial year were:

Dimitrios Koutsolioutsos

Georgios Koutsolioutsos

Minoru Takamatsu

Ioannis Begietis

Law Chiu Chuen

David Daniels

Andrew Marshall

Emmanouil Zachariou

(appointed on 2 June 2010)

(appointed on 2 June 2010)

(appointed on 2 June 2010)

Directors' interests in contracts of significance

Save as disclosed in note 18, no other contracts of significance to which the company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a director of the company had a material interest, subsisted at the end of the year or at any time during the year.

FOLLI FOLLIE JAPAN, LTD

REPORT OF THE DIRECTORS

For the year ended 31 December 2010

Directors' interests in shares

At no time during the year was the company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

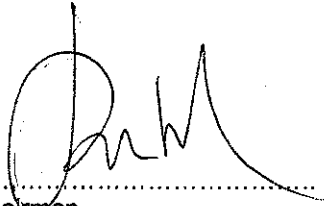
Management contract

No contracts for the management and administration of the whole or any substantial part of the business of the company were entered into or existed during the year.

Auditors

Chung & Partners Limited retire and, being eligible, offer themselves for re-appointment. A resolution for the reappointment of Chung & Partners Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



Chairman
Hong Kong, 30 March 2011

Chung & Partners

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF FOLLI FOLLIE JAPAN, LTD**
(Incorporated in Japan with limited liability)

Chung & Partners Limited
Certified Public Accountants
卓匯會計師事務所有限公司
www.cpl-cpa.com

Report on the Financial Statements

We have audited the accompanying financial statements of Folli Follie Japan, Ltd. (the company) set out on pages 4 to 20 which comprise the statement of financial position as at 31 December 2010, the statement of comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes. The above financial statements are prepared in accordance with IFRS.

Directors' responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

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

Opinion

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

This report is solely for the information and use of the group auditors of ultimate controlling party and should not be used for any other purposes.


Chung & Partners Limited
Certified Public Accountants
Room 2408, 24/F, Hopewell Centre,
183 Queen's Road East, Wanchai,
Hong Kong
30 March 2011

CHUNG, Yau Yan Sammy
Practising Certificate No. P02155

FOLLI FOLLIE JAPAN, LTD.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

	Note	2010 JPY'000	2009 JPY'000 (restated)
REVENUE	4	3,910,227	4,820,546
Cost of sales		<u>(745,085)</u>	<u>(1,469,158)</u>
Gross profit		3,165,142	3,351,388
Other gains and losses	5	(11,359)	42,777
Selling expenses		(2,715,072)	(2,901,038)
Administrative expenses		(404,846)	(468,550)
Net finance costs	6	<u>(21,831)</u>	<u>(9,669)</u>
PROFIT BEFORE TAX	7	12,034	14,908
Income tax expense	8	<u>(15,944)</u>	<u>(10,161)</u>
(LOSS) / PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(3,910)</u></u>	<u><u>4,747</u></u>

FOLLI FOLLIE JAPAN, LTD.

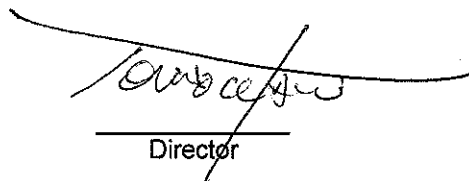
STATEMENT OF FINANCIAL POSITION

A 31 December 2010

	Note	2010 JPY'000	2009 JPY'000 (restated)
NON-CURRENT ASSETS			
Deferred tax assets	9	234,247	234,247
Property, plant and equipment	10	329,524	206,200
Deposits and non-current portion of prepayments		550,429	330,004
		<u>1,114,200</u>	<u>770,451</u>
CURRENT ASSETS			
Inventories	11	963,921	485,934
Trade receivables	12	565,692	784,273
Amount due from a fellow subsidiary	13	600,117	710,083
Other receivables and prepayments		80,468	155,690
Cash and cash equivalents		155,213	51,981
		<u>2,365,411</u>	<u>2,187,961</u>
TOTAL ASSETS		<u><u>3,479,611</u></u>	<u><u>2,958,412</u></u>
EQUITY			
Share capital	14	249,440	249,440
Reserves		1,297,071	1,300,981
		<u>1,546,511</u>	<u>1,550,421</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	16	<u>363,242</u>	<u>301,479</u>
CURRENT LIABILITIES			
Current portion of long-term borrowings	16	410,347	546,742
Amount due to parent company		228,855	2,599
Amounts due to fellow subsidiaries	15	761	3,730
Trade payables		323,901	283
Other payables and accruals		594,705	542,997
Tax payable		11,289	10,161
		<u>1,569,858</u>	<u>1,106,512</u>
TOTAL LIABILITIES		<u>1,933,100</u>	<u>1,407,991</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,479,611</u></u>	<u><u>2,958,412</u></u>

The financial statements on pages 4 to 20 were approved and authorized for issue by the board of directors on 30 March 2011.


Director


Director

FULL SCOPE AUDIT OPINION

**FOLLI FOLLIE SPAIN, S.A.
SOCIEDAD UNIPERSONAL**

DECEMBER 31, 2010

205/2011

 **auditores**

Other auditor's conclusion report

To the Shareholders of FOLLI FOLLIE SPAIN, S.A., Sociedad Unipersonal.

1. Report on the Financial Statements

We have audited the accompanying financial statements of FOLLI FOLLIE SPAIN, S.A. Sociedad Unipersonal, (the company), which comprise the balance sheet as at December 31, 2010, and the income statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes. The above financial statements are prepared in accordance with IFRS.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the local Auditing Standards, which conform to International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We confirm that we have complied with International Auditing Standards in carrying out our audit and we have complied with our letter of instructions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Qualification

- 4.1. During 2010 the Company has carried out the following operations with different entities that belong to the Group Folli Follie: purchase of fixed assets worth of 121.349 €; purchases of stock and packaging, net of credit notes, and other expenses, worth of (93,794€); income from advertising worth of 600,000€, which represents 15% of total income. Additionally, Folli Follie Spain has a long term debt with the parent company worth of 1,293,300€, and a short term debt worth of 48,000€. Furthermore, at the end of the year, the Company has credit and debit balances with related companies worth of 59,862€ and 13,271€ respectively.

Even though, during our audit procedures for the Limited Review as of June 30, 2010, the Company management informed us that they were currently developing appropriate tax documentation corresponding to related party transactions, at the year end, we continue without obtaining the enough evidence which would allow us to verify if prices involved in such transactions are equivalent to market value of transactions with independent operations, furthermore, generating a potential tax contingency due to different interpretations of local tax authorities related to these intercompany operations. The tax report is mandatory since 2009.

- 4.2. The net equity as of December 31, 2010 stands at less than half of the share capital, which means that, pursuant to article 363 of the Companies Act, the Company is in bankruptcy.

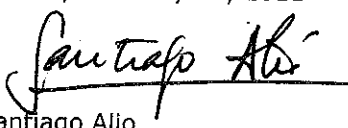
The Company has informed us that it has a financial support by the sole shareholder.

5. Opinion

In our opinion, except of the limitation to the scope described in paragraph 4.1., and except for the effects of the matters described in paragraph 4.2., the aforementioned financial statements present fairly, in all material respects, the financial position of FOLLI FOLLIE SPAIN, S.A. Sociedad Unipersonal and the Group as of December 31, 2010, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

This report is solely for the information and use of the Group auditors of Folli Follie Group and should not be used for any other purposes.

Madrid, February 24, 2011



Santiago Alio

AUDALIA AUDITORES

	31/12/10	31/12/09	
ASSETS (ALL DATA IN LOCAL CURRENCY)	REPORTING PERIOD	PRIOR YEAR	VARIANCE
A. FIXED ASSETS	1.090.364,39	878.483,71	211.880,68
I. TANGIBLE FIXED ASSETS	746.431,17	606.075,75	140.355,42
1. LAND	0,00	0,00	0,00
2. BUILDINGS & LEASEHOLD IMPROVEMENTS	37.875,43	50.469,18	-12.593,75
4. MACHINERY & TECHNICAL INSTALLATIONS	240.181,65	87.895,02	152.286,63
5. TRANSPORTATION EQUIPMENT	0,00	0,00	0,00
6. FURNITURE, FIXTURES AND EQUIPMENT	468.374,09	467.711,55	662,54
7. CONSTRUCTION IN PROGRESS	0,00	0,00	0,00
II. INTANGIBLES AND OTHER NON CURRENT ASSETS	343.933,22	272.407,96	71.525,26
1. INTANGIBLE ASSETS	0,00	0,00	0,00
a. CONCESSIONS, LICENCES, PATENTS & SIMILAR RIGHTS	0,00	0,00	0,00
b. GOODWILL	0,00	0,00	0,00
c. OTHER INTANGIBLES	0,00	0,00	0,00
2. OTHER NON CURRENT ASSETS	343.933,22	272.407,96	71.525,26
a. RENTAL DEPOSITS	192.310,13	192.310,13	0,00
b. LONG-TERM DEFERRED TAX ASSETS	139.623,09	66.097,83	71.525,26
c. OTHER ASSETS	12.000,00	12.000,00	0,00
III. FINANCIAL FIXED ASSETS	0,00	0,00	0,00
1. ADVANCES FOR CAPITAL INCREASE OF GROUP COMPANIES	0,00	0,00	0,00
2. SHAREHOLDINGS	0,00	0,00	0,00
a. FF-GROUP COMPANIES	0,00	0,00	0,00
d. NON-CONSOLIDATED COMPANIES	0,00	0,00	0,00
3. LONG-TERM LOANS RECEIVABLES	0,00	0,00	0,00
a. FF-GROUP COMPANIES	0,00	0,00	0,00
d. THIRD PARTIES	0,00	0,00	0,00
B. CURRENT ASSETS	3.379.213,32	3.617.199,36	-237.986,04
I. INVENTORIES ON HAND & IN TRANSIT	1.875.665,80	1.598.148,04	277.517,76
1. MERCHANDISE	1.800.578,95	1.521.054,50	279.524,45
2. OWN MANUFACTURED PRODUCTS	0,00	0,00	0,00
4. RAW MATERIALS	0,00	0,00	0,00
5. PACKAGING MATERIALS	75.086,85	77.093,54	-2.006,69
6. GOODS IN TRANSIT	0,00	0,00	0,00
II. RECEIVABLES	720.734,87	573.472,73	147.262,14
a. FF-GROUP COMPANIES	27.450,00	19.945,35	7.504,65
d. CUSTOMERS	693.284,87	553.527,38	139.757,49
III. OTHER CURRENT ASSETS	607.815,64	1.298.003,24	-690.187,60
1. SHORT-TERM LOANS RECEIVABLES	0,00	0,00	0,00
a. FF-GROUP COMPANIES	0,00	0,00	0,00
d. THIRD PARTIES	0,00	0,00	0,00
2. ADVANCE PAYMENTS FOR PURCHASE OF INVENTORIES	0,00	0,00	0,00
3. PREPAYMENTS AND ACCRUED INCOME	239,99	349,90	-109,91
4. OTHER RECEIVABLES	607.575,65	1.297.653,34	-690.077,69
a. FF-GROUP COMPANIES	600.000,00	1.282.211,28	-682.211,28
d. THIRD PARTIES	7.575,65	15.442,06	-7.866,41
5. SHORT-TERM DEFERRED TAX ASSETS	0,00	0,00	0,00
IV. OTHER FINANCIAL ASSETS AT FAIR VALUE THRU P&L	0,00	0,00	0,00
V. CASH AT BANKS & ON HAND	174.997,01	147.575,35	27.421,66
TOTAL ASSETS	4.469.577,71	4.495.683,07	-26.105,36

FSP	PERIOD FROM: 01/01/10		PRIOR YEAR PERIOD FROM: 01/01/10	
	PERIOD TO: 31/12/10		PRIOR YEAR PERIOD TO: 31/12/10	
INCOME STATEMENT (ALL DATA IN LOCAL CURRENCY)	YEAR-TO-DATE FIGURES			
	ACTUAL	%-SAL	PRIOR YEAR	%-PY
NET SALES TO THIRD PARTIES	4.297.045,97		3.347.246,17	28,4
INTRAGROUP SALES	0,00		0,00	0,0
TOTAL NET SALES	4.297.045,97	100,0	3.347.246,17	28,4
COST OF GOODS SOLD TO THIRD PARTIES	-1.222.459,62	28,4	-990.521,17	29,6
COST OF GOODS SOLD INTRAGROUP	0,00	0,0	0,00	0,0
TOTAL COST OF GOODS SOLD	-1.222.459,62	28,4	-990.521,17	29,6
TOTAL GROSS MARGIN	3.074.586,35	71,6	2.356.725,00	70,4
SELLING EXPENSES	-3.878.848,06	90,3	-3.313.130,61	17,1
ADMINISTRATIVE EXPENSES	-427.026,59	9,9	-386.115,03	10,6
ADVERTISING INCOME (INTRAGROUP)	600.000,00	14,0	955.000,00	-37,2
ADVERTISING EXPENSE (INTRAGROUP)	0,00	0,0	0,00	0,0
MANAGEMENT FEES INCOME (INTRAGROUP)	0,00	0,0	0,00	0,0
MANAGEMENT FEES EXPENSE (INTRAGROUP)	0,00	0,0	0,00	0,0
OTHER INCOME	28.565,80	0,7	66.544,93	-57,1
OPERATING INCOME FROM SECONDARY ACTIVITIES	28.565,80	0,7	0,00	0,0
FOREIGN EXCHANGE GAINS	0,00	0,0	66.458,73	-100,0
OTHER OPERATING INCOME	0,00	0,0	86,20	-100,0
OTHER EXPENSES	-64.882,63	1,5	1.909,56	-3.497,8
STOCK DAMAGE	-1.670,18	0,0	-1.592,98	4,8
PROVISION FOR BAD DEBTS	0,00	0,0		0,0
OTHER PROVISIONS	0,00	0,0		0,0
FOREIGN EXCHANGE LOSSES	-56.603,57	1,3	-188,37	29.949,1
OTHER NON OPERATING EXPENSES	-6.608,88	0,2	3.690,91	-279,1
RESULT BEFORE INTEREST AND TAXES (EBIT)	-667.605,13	15,5	-319.066,15	109,2
TOTAL INTEREST & FINANCIAL INCOME	337,80	0,0	93,97	259,5
INTEREST INCOME FROM BANK ACCOUNTS	337,80	0,0	50,87	564,0
GAIN ON DISPOSAL OF FIXED ASSETS	0,00	0,0	43,10	-100,0
GAIN ON DISPOSAL OF SHAREHOLDINGS	0,00	0,0	0,00	0,0
GAIN ON DISPOSAL OF MARKETABLE SECURITIES	0,00	0,0	0,00	0,0
GAIN FROM AT EQUITY CONSOLIDATED COMPANIES	0,00	0,0	0,00	0,0
INCOME FROM DERIVATIVES	0,00	0,0	0,00	0,0
INCOME FROM DIVIDENDS	0,00	0,0	0,00	0,0
OTHER FINANCIAL INCOME		0,0	0,00	0,0
TOTAL INTEREST & FINANCIAL EXPENSES	-4.284,21	0,1	-7.195,20	-40,5
INTEREST EXPENSE - BANK LOANS	-1.315,41	0,0	-1.482,71	-11,3
LOSS ON DISPOSAL OF FIXED ASSETS	-2.968,80	0,1	-5.712,49	-48,0
INTEREST EXPENSE - LEASING	0,00	0,0	0,00	0,0
LOSS ON DISPOSAL OF SHAREHOLDINGS	0,00	0,0	0,00	0,0
LOSS ON DISPOSAL OF MARKETABLE SECURITIES	0,00	0,0	0,00	0,0
LOSSES FROM DERIVATIVES	0,00	0,0	0,00	0,0
OTHER FINANCIAL EXPENSES	0,00	0,0	0,00	0,0
RESULT BEFORE TAXES	-671.551,54	15,6	-326.167,38	105,9
CURRENT TAX	0,00	0,0	0,00	0,0
DEFERRED TAX	70.538,05	1,6	-31.469,51	-324,1
NET RESULT OF THE PERIOD AFTER TAXES	-601.013,49	14,0	-357.636,89	68,1
MINORITY INTEREST	0,00	0,0	0,00	0,0
NET RESULT OF THE PERIOD	-601.013,49	14,0	-357.636,89	68,1
DEPRECIATION (EXPENSED IN THE PERIOD) - positive nb.	203.673,76	4,7	114.084,14	78,5
EBITDA	-463.931,37	10,8	-204.982,01	126,3

MESSINE / AUDIT

Expertise Comptable • Commissariat aux Comptes

“FOLLI – FOLLIE FRANCE”

**A SIMPLIFIED JOINT STOCK COMPANY
WITH A CAPITAL OF 7 200 000 €
4, avenue Bertie Albrecht
75008 Paris**

**AUDITOR'S CONCLUSION REPORT
FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2010
(IFRS)**

**GENERAL AUDITOR'S CONCLUSION REPORT
ON THE ANNUAL STATEMENTS
(IFRS)**

To the sole shareholder of **"FOLLI-FOLLIE FRANCE"**,

I. Report on the Financial Statements

We have audited the accompanying financial statements of **"FOLLI-FOLLIE FRANCE"**, and the consolidated financial statements of the Company, which comprise the balance sheet as at December 31, 2010, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The above financial statements are prepared in accordance with IFRS.

II. Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

III. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the local Auditing Standards, which conform to International Standards of Auditing.

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We confirm that we have complied with International Auditing Standards in carrying out our audit and we have complied with our letter of instructions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

IV. Opinion

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of **"FOLLI-FOLLIE FRANCE"** and the Group as of December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

This report is solely for the information and use of the Group auditors of "FOLLI-FOLLIE FRANCE" and should not be used for any other purposes.

Executed in Paris, february 21, 2011

For MESSINE AUDIT COMPANY

Laurent CANEM

Auditor

Member of the Paris Regional Association

NAME OF COMPANY :

ASSETS	PRIOR YEAR	REPORTING PERIOD	VARIANCE
	31/12/09	31/12/2010	
A. FIXED ASSETS	2 815 522	1 137 919	-1 677 603
I. TANGIBLE FIXED ASSETS	342 245	207 477	-134 769
1. LAND			0
2. BUILDINGS			0
3. LEASEHOLD IMPROVEMENTS	340 992	200 847	-140 145
4. MACHINERY & TECHNICAL INSTALLATIONS	0	0	0
5. TRANSPORTATION EQUIPMENT	0	4 820	4 820
6. FURNITURE, FIXTURES AND EQUIPMENT	1 253	1 810	557
7. CONSTRUCTION IN PROGRESS			0
II. INTANGIBLES AND OTHER ASSETS	2 473 277	930 443	-1 542 834
1. INTANGIBLE ASSETS	2 241 610	756 757	-1 484 853
a. CONCESSIONS, LICENCES, PATENTS & SIMILAR RIGHTS			0
b. GOODWILL	0		0
c. OTHER INTANGIBLES	2 241 610	756 757	-1 484 853
2. OTHER ASSETS	231 667	173 686	-57 981
a. RENTAL DEPOSITS	231 667	173 686	-57 981
b. OTHER ASSETS			0
III. FINANCIAL FIXED ASSETS	0	0	0
1. ADVANCES FOR CAPITAL INCREASE OF GROUP COMPANIES			0
2. SHAREHOLDINGS	0	0	0
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. NON-CONSOLIDATED COMPANIES			0
3. LONG-TERM LOANS RECEIVABLES	0	0	0
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. THIRD PARTIES			0
B. CURRENT ASSETS	2 598 069	2 045 447	-552 621
I. INVENTORIES ON HAND & IN TRANSIT	923 788	599 272	-324 516
1. MERCHANDISE	923 788	599 272	-324 516
2. OWN MANUFACTURED FINISHED & SEMI-FINISHED PRODUCTS			0
3. RAW MATERIALS & PACKAGING MATERIALS			0
4. GOODS IN TRANSIT			0
II. RECEIVABLES	1 665 881	988 225	-677 655
1. TRADE RECEIVABLES	1 539 334	665 000	-874 334
a. FF-GROUP COMPANIES	1 539 334	665 000	-874 334
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. CUSTOMERS	30	0	-30
2. ADVANCE PAYMENTS FOR PURCHASE OF INVENTORIES			0
3. PREPAYMENTS AND ACCRUED INCOME	79 911	84 851	-25 259
4. OTHER RECEIVABLES	46 636	268 574	221 938
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES	46 636	268 574	221 938
d. THIRD PARTIES			0
III. OTHER CURRENT ASSETS	8 400	457 950	449 550
1. SHORT-TERM LOANS RECEIVABLES	0	0	0
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. THIRD PARTIES			0
2. MARKETABLE SECURITIES			0
3. CASH AT BANKS & ON HAND	8 400	457 950	449 550
TOTAL ASSETS	5 413 591	3 183 367	-2 230 224

LIABILITIES	PRIOR YEAR	REPORTING PERIOD	VARIANCE
	31/12/09	31/12/10	
A. SHAREHOLDERS' EQUITY	2 834 668	1 592 494	-1 242 174
1. SHARE CAPITAL	7 200 000	7 200 000	0
2. RESERVES	137 204	137 204	0
3. PROFIT AND LOSS CARRIED FORWARD	-4 269 830	-4 502 536	-232 706
4. DIVIDENDS			0
5. DIRECTORS FEES			0
6. NET RESULT OF PERIOD	-232 706	-1 242 174	-1 009 468
7. CURRENCY TRANSLATION DIFFERENCES			0
8. DIFFERENCES DUE TO CONSOLIDATION			0
9. MINORITY INTERESTS			0
B. PROVISIONS	144 000	37 000	-107 000
1. FOR OBSOLETE INVENTORIES	0	0	0
2. FOR BAD DEBTS	0		0
3. FOR INCOME TAXES			0
4. FOR RETIREMENT BENEFITS			0
5. OTHER PROVISIONS	144 000	37 000	-107 000
6. DEFERRED TAX PROVISIONS			0
C. FINANCIAL LIABILITIES	972 672	1 062 865	90 193
1. SHORT-TERM LOANS PAYABLES	362 876	453 069	90 193
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. BANKS AND FINANCIAL INSTITUTIONS	362 876	453 069	90 193
e. THIRD PARTIES			0
2. OTHER SHORT-TERM FINANCIAL LIABILITIES			0
3. LONG-TERM LOANS PAYABLES	609 796	609 796	0
a. FF-GROUP COMPANIES	0	0	0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. BANKS AND FINANCIAL INSTITUTIONS	609 796	609 796	0
e. THIRD PARTIES			0
4. OTHER LONG-TERM FINANCIAL LIABILITIES			0
D. INTEREST-FREE LIABILITIES	1 462 252	491 008	-971 244
1. TRADE PAYABLES	694 120	204 611	-489 509
a. FF-GROUP COMPANIES	456 820	-245 797	-702 617
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. SUPPLIERS	237 300	450 408	213 108
2. TAX LIABILITIES (OTHER THAN INCOME TAX)	39 331	9 347	-29 984
3. ACCRUED EXPENSES AND DEFERRED INCOME			0
4. OTHER LIABILITIES	728 801	277 050	-451 752
a. FF-GROUP COMPANIES			0
b. FF-ASSOCIATED COMPANIES			0
c. FF-JOINT VENTURES			0
d. THIRD PARTIES	728 801	277 050	-451 752
TOTAL LIABILITIES	5 413 592	3 183 367	-2 230 225

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FFR	PERIOD FROM:	01/01/10	PRIOR YEAR PERIOD FROM:	01/01/09
	PERIOD TO:	31/12/10	PRIOR YEAR PERIOD TO:	31/12/09
INCOME STATEMENT (ALL DATA IN LOCAL CURRENCY)	YEAR-TO-DATE FIGURES			
	ACTUAL	%-SAL	PRIOR YEAR	%-PY
NET SALES TO THIRD PARTIES	1 152 448,08		1 291 621,00	-10,8
INTRAGROUP SALES	665 215,29		950 000,00	-30,0
TOTAL NET SALES	✓ 1 817 663,37	100,0	2 241 621,00	-18,9
COST OF GOODS SOLD TO THIRD PARTIES	✓ 382 836,52	33,2	429 324,00	33,2
COST OF GOODS SOLD INTRAGROUP		0,0		0,0
TOTAL COST OF GOODS SOLD	382 836,52	21,1	429 324,00	19,2
TOTAL GROSS MARGIN	✓ 1 434 826,85	78,9	1 812 297,00	80,8
SELLING EXPENSES	✓ -1 576 647,28	86,7	-2 011 096,00	-21,6
ADMINISTRATIVE EXPENSES	✓ -693 634,14	38,2	-592 217,00	17,1
ADVERTISING INCOME (INTRAGROUP)		0,0		0,0
ADVERTISING EXPENSE (INTRAGROUP)		0,0		0,0
MANAGEMENT FEES INCOME (INTRAGROUP)		0,0		0,0
MANAGEMENT FEES EXPENSE (INTRAGROUP)		0,0		0,0
OTHER INCOME	✓ 5 683,50	0,3	649 448,00	-99,1
OPERATING INCOME FROM SECONDARY ACTIVITIES		0,0		0,0
FOREIGN EXCHANGE GAINS		0,0		0,0
OTHER OPERATING INCOME	✓ 5 683,50	0,3	649 448,00	-99,1
OTHER EXPENSES	✓ -343 546,72	18,9	-44 559,00	671,0
STOCK DAMAGE		0,0		0,0
PROVISION FOR BAD DEBTS		0,0		0,0
OTHER PROVISIONS	✓ -343 546,72	18,9		0,0
FOREIGN EXCHANGE LOSSES		0,0		0,0
OTHER NON OPERATING EXPENSES		0,0	-44 559,00	-100,0
RESULT BEFORE INTEREST AND TAXES (EBIT)	✓ -1 173 317,79	64,6	-186 127,00	539,4
TOTAL INTEREST & FINANCIAL INCOME	0,00	0,0	23 594,00	-100,0
INTEREST INCOME FROM BANK ACCOUNTS		0,0		0,0
GAIN ON DISPOSAL OF FIXED ASSETS		0,0		0,0
GAIN ON DISPOSAL OF SHAREHOLDINGS		0,0		0,0
GAIN ON DISPOSAL OF MARKETABLE SECURITIES		0,0		0,0
GAIN FROM AT EQUITY CONSOLIDATED COMPANIES		0,0		0,0
INCOME FROM DERIVATIVES		0,0		0,0
INCOME FROM DIVIDENDS		0,0		0,0
OTHER FINANCIAL INCOME		0,0	23 594,00	-100,0
TOTAL INTEREST & FINANCIAL EXPENSES	✓ -68 855,82	3,8	-70 173,00	-1,9
INTEREST EXPENSE - BANK LOANS		0,0		0,0
LOSS ON DISPOSAL OF FIXED ASSETS		0,0		0,0
INTEREST EXPENSE - LEASING		0,0		0,0
LOSS ON DISPOSAL OF SHAREHOLDINGS		0,0		0,0
LOSS ON DISPOSAL OF MARKETABLE SECURITIES		0,0		0,0
LOSSES FROM DERIVATIVES		0,0		0,0
OTHER FINANCIAL EXPENSES	✓ -68 855,82	3,8	-70 173,00	-1,9
RESULT BEFORE TAXES	✓ -1 242 173,61	68,3	-232 706,00	433,8
CURRENT TAX		0,0		0,0
DEFERRED TAX		0,0		0,0
NET RESULT OF THE PERIOD AFTER TAXES	-1 242 173,61	68,3	-232 706,00	433,8
MINORITY INTEREST		0,0		0,0
NET RESULT OF THE PERIOD	-1 242 173,61	68,3	-232 706,00	433,8
DEPRECIATION (EXPENSED IN THE PERIOD) - positive nb.	-135 131,56	7,4	98 883,00	-236,7
EBITDA	-1 308 449,35	72,0	-133 823,00	877,7

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010
FOR
FOLLI FOLLIE (UK) LIMITED

FOLLI FOLLIE (UK) LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2010**

The directors present their report with the financial statements of the company for the year ended 31 December 2010.

PRINCIPAL ACTIVITIES

Folli Follie (UK) Limited is in the jewellery and accessories business and receives its income from the licensing of its retail operations. It also sells its products through its wholesale operations. The company is a subsidiary of Hellenic Duty Free Shops S.A, a multinational company listed on the Athens Stock Exchange.

REVIEW OF BUSINESS

The company receives its income from the licensing of its retail operations to Links (London) Ltd, a group company. It is also involved in the wholesale of watches, gold and silver jewellery to the UK and Far East.

The retail business was transferred to Links (London) Ltd during 2008. During the year there were no wholesales reported.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2010.

FUTURE DEVELOPMENTS

The directors are of the opinion that, based on a group strategy, there is the possibility that the company will expand its business activities in the UK and Far East which might result in future profits.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 January 2010 to the date of this report.

The directors shown below were in office at 31 December 2010 but did not hold any interest in the Ordinary shares of £1 each at 1 January 2010 or 31 December 2010.

D Koutsolioutsos

J Armstrong

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payments with the suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the payments by inclusion of the relevant terms in contracts; and
- pay in accordance with company's contractual and other legal obligations.

FINANCIAL INSTRUMENTS

The company does not use derivatives.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no political or incurred any political expenditure or charitable donations (2009: £50) during the year.

EMPLOYEES

Folli Follie (UK) Limited is an equal rights employer. The company values the contribution of all its employees and keep them informed of matters affecting them.

FOLLI FOLLIE (UK) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted for use in the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

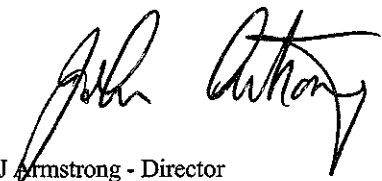
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Chris Skarparis & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


J Armstrong - Director

25 February 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
FOLLI FOLLIE (UK) LIMITED

We have audited the financial statements of Folli Follie (UK) Limited for the year ended 31 December 2010 on pages five to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted for use in the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Christakis Skarparis BSc FCA (Senior Statutory Auditor)
for and on behalf of Chris Skarparis & Co Ltd
Chartered Accountants and
Registered Auditors
2nd Floor
10(b) Aldermans Hill
Palmers Green
London
N13 4PJ

25 February 2011

FOLLI FOLLIE (UK) LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	31.12.10 £	31.12.09 £
CONTINUING OPERATIONS			
Revenue	2	896,223 ✓	1,034,924
Cost of sales		5,058	(139,883)
GROSS PROFIT		901,281	895,041
Other operating income		20,531 ✓	13,500
Distribution costs		(133)	(289)
Administrative expenses		(1,044,035)	(1,023,796)
OPERATING LOSS		(122,356)	(115,544)
Finance costs	4	(202)	-
Finance income	4	4 ✓	61
LOSS BEFORE INCOME TAX	5	(122,554) ✓	(115,483)
Income tax	6	40,479 ✓	6,151
LOSS FOR THE YEAR		(82,075) ✓	(109,332)

The notes form part of these financial statements

FOLLI FOLLIE (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010

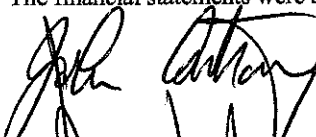
	31.12.10 £	31.12.09 £
LOSS FOR THE YEAR	(82,075)	(109,332)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(82,075)</u>	<u>(109,332)</u>

The notes form part of these financial statements

FOLLI FOLLIE (UK) LIMITED**STATEMENT OF FINANCIAL POSITION**
31 DECEMBER 2010

	Notes	31.12.10 £	31.12.09 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	469,009 ✓	563,670
Deferred tax	15	51,892	11,413
		<u>520,901</u>	<u>575,083</u>
CURRENT ASSETS			
Inventories	8	38,820 ✓	38,820
Trade and other receivables	9	3,630,170 ✓	3,642,302
Cash and cash equivalents	10	394,470 ✓	425,442
		<u>4,063,460</u>	<u>4,106,564</u>
TOTAL ASSETS		<u><u>4,584,361</u></u>	<u><u>4,681,647</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	2,062,502 ✓	2,062,502
Retained earnings	12	2,256,784 ✓	2,338,859
TOTAL EQUITY		<u><u>4,319,286</u></u> ✓	<u><u>4,401,361</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	265,075 ✓	280,286
TOTAL LIABILITIES		<u><u>265,075</u></u> ✓	<u><u>280,286</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,584,361</u></u> ✓	<u><u>4,681,647</u></u>

The financial statements were approved by the Board of Directors on 25 February 2011 and were signed on its behalf by:


John Armstrong - Director
D Koutsolioutsos - Director

The notes form part of these financial statements



Hellenic Distributions S.A.

Annual Financial Results for the FY 2010

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **"Hellenic Distribution S.A.**

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone and consolidated financial statements of **"Hellenic Distribution S.A."** and its subsidiaries, which comprise the stand alone and consolidated statement of financial position as at 31 December 2010, and the stand alone and consolidated statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company **"Hellenic Distribution S.A."** and of its subsidiaries as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.
- (b) We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.



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

Athens, 29 March 2011
The Certified Public Accountant

George I. Varthalitis
SOEL Reg.: 10251

ANNUAL FINANCIAL STATEMENTS

1.1 BALANCE SHEET STATEMENT CONSOLIDATED

		31.12.2010	31.12.2009
Assets	Note		
Non-current assets			
Tangible fixed assets	5.6	54,691,038.94	13,103,993.98
Intangible assets	5.7	200,092.41	2,921,966.42
Goodwill	5.7	52,366,390.53	52,366,390.53
Investments in subsidiaries	5.8	1,450,000.00	0.00
Deferred tax claims	5.17	405,606.93	54,649.93
Other long term assets	5.9	1,913,310.31	2,486,521.45
Total non-current		111,026,439.12	70,933,522.32
Current assets			
Inventories	5.10	21,528,275.35	14,911,339.68
Trade receivables	5.11	19,917,961.37	21,123,288.11
Other current assets	5.12	17,897,504.68	3,505,934.89
Cash & cash equivalent	5.13	15,825,107.80	16,510,448.03
Total current assets		75,168,849.20	56,051,010.71
Total assets		186,195,288.32	126,984,533.03
Equity & Liabilities			
Equity of shareholders of the parent company			
Share capital	5.14	47,000,790.00	12,600,000.00
Share Premium		131,748.70	0.00
Other reserves	5.15	350,985.86	338,418.16
Other equity	5.15	-3,046,895.90	-3,244,974.79
Retained earnings		34,170,377.67	22,910,162.24
		78,607,006.33	32,603,605.61
		0.00	0.00
Minority interests		78,607,006.33	32,603,605.61
Total equity		78,607,006.33	32,603,605.61
Liabilities			
Long-term liabilities			
Long-term borrowings	5.16	69,526,970.04	63,096,498.13
Deferred tax liabilities		267,408.71	259,145.37
Employee benefit liabilities	5.18	272,635.00	294,495.00
Other long-term liabilities		49,708.28	
Total long-term liabilities		70,116,722.03	63,650,138.50
Short-term liabilities			
Short-term borrowings	5.16	6,022,992.14	1,809,983.87
Trade and other payables	5.19	23,238,610.89	23,272,634.12
Current Income tax	5.20	4,901,548.03	2,847,093.63
Current tax liabilities	5.20	3,308,408.90	2,801,077.30
Total short term liabilities		37,471,559.96	30,730,788.92
Total liabilities		107,588,281.99	94,380,927.42
Total equity & liabilities		186,195,288.32	126,984,533.03

HELLENIC DISTRIBUTIONS S.A.

1. INCOME STATEMENT

2.1 PROFIT & LOSS STATEMENT CONSOLIDATED

	01.01- 31.12.2010 Continuing operations	01.01- 31.12.2009 Continuing operations
Note		
Total sales	5.21 119,129,090.26	118,266,461.87
Cost of goods	5.22 -45,514,008.15	-45,408,762.83
Gross Profit	73,615,082.11	72,857,699.04
Other operating income	5.23 6,228,404.18	6,183,246.85
Administration expenses	5.24 -14,470,251.49	-13,193,291.83
Selling expenses	5.25 -43,233,478.27	-47,356,170.12
Other operating expenses	5.26 -182,112.38	-20,136.50
Operating income	21,957,644.15	18,471,347.44
Financial income	5.27 44,269.36	31,701.36
Financial expenses	5.27 -1,793,418.19	-2,573,929.93
Profit/Loss (before the tax)	20,208,495.32	15,929,118.87
Income tax	5.28 -5,586,121.74	-4,460,963.97
Profit/Loss (after the tax)	14,622,373.58	11,468,154.90
Other comprehensive income / (expenses): Recognised in Equity		
Foreign translation exchange differences	198,078.89	1,008,904.42
Other comprehensive income, net of taxes	198,078.89	1,008,904.42
Total comprehensive income after taxes	14,820,452.47	12,477,059.32
Profit is attributable to:		
Shareholders of the parent company	14,820,452.47	11,468,154.90
Non controlling interests	0.00	0.00
Total	14,820,452.47	11,468,154.90
Total comprehensive income		
Attributable to :		
Shareholders of the parent company	14,820,452.47	12,477,059.32
Non controlling interests	0.00	0.00
Total	14,820,452.47	12,477,059.32
Earnings per share		
Basic and diluted (in euros):	5.29 14.7205	27.3051

Profit before taxes depreciation & amortisation (EBIDT) 25,811,064.69 21,900,000.00

H.T.B.

HELLENIC TOURIST BUREAU S.A.

Annual Financial Statements

For the period 01.01.-31.12.2010

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "Hellenic Tourist Bureau S.A."

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone and consolidated financial statements of "Hellenic Tourist Bureau S.A.", which comprise the stand alone statement of financial position as at 31 December 2010, and the stand alone statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company "Hellenic Tourist Bureau S.A." as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.
- (b) We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.

Athens, 29 March 2011
The Certified Public Accountant



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

George I. Varthalitis
SOEL Reg.: 10251

1. BALANCE SHEET STATEMENT

(amounts in EURO)

	<u>31.12.2010</u>	<u>31.12.2009</u>
ASSETS		
Other non current assets	1,630.76	1,630.76
Other current assets	13,872.99	11,409.88
Cash	<u>468,753.98</u>	<u>485,445.19</u>
ASSETS	<u>484,257.73</u>	<u>498,485.83</u>
 <u>EQUITY AND LIABILITIES</u>		
Share capital	500,000.00	500,000.00
Retained earnings	<u>-15,742.27</u>	<u>-3,166.56</u>
EQUITY	<u>484,257.73</u>	<u>496,833.44</u>
Other short term liabilities	<u>0.00</u>	<u>1,652.39</u>
Liabilities	<u>0.00</u>	<u>1,652.39</u>
 <u>EQUITY AND LIABILITIES</u>	<u>484,257.73</u>	<u>498,485.83</u>

2. INCOME STATEMENT

(Amounts in EURO)

	<u>Note</u>	<u>01.01.- 31.12.2010</u>	<u>01.01.- 31.12.2009</u>
Total sales		0.00	0.00
Cost of goods		0.00	0.00
Gross Profit		0.00	0.00
Other operating income		0.00	18.28
Administration expenses	5.15	-14,528.95	-9,236.60
Selling expenses	5.16	-360.00	0.00
EBIT		-14,888.95	-9,218.32
Net Financial expenses	5.17	2,313.24	3,528.19
EBT		-12,575.71	-5,690.13
Taxes	5.18	0.00	0.00
EAT	5.19	-12,575.71	-5,690.13
Earnings per share	5.19	-1.26	-0.57
Depreciation		0.00	0.00
EBITDA		-14,888.95	-9,218.32

HDFS SCOPJE DOO

**Annual Financial Statements for the period
01.01.2010-31.12.2010**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "HDFS SCOPJE DOO

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone financial statements of "HDFS SCOPJE DOO" which comprise the stand alone statement of financial position as at 31 December 2010, and the stand alone statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Deleted: and its subsidiaries,

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

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company "HDFS SCOPJE DOO" as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.
- (b) We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.



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

Athens, 28 March 2011
The Certified Public Accountant

George I. Varthalitis
SOEL Reg.: 10251

HDFS SCOPJE DOO**31.12.2010****31.12.2010****Assets****Non-current assets**

Tangible fixed assets

898,798.46

898,798.46**Total non-current assets**

499.85

Other current assets

40,550.01

Cash & cash equivalent

41,049.86**Total current assets****939,848.32****Total assets****Equity & Liabilities****Equity of shareholders of the parent company**

Share capital

960,746.98

Retained earnings

-17,105.33

fx translations

-3,948.36

Total equity**939,693.29**

Trade and other payables

155.03

Total equity & liabilities**939,848.32****Income Statement**

Total sales

0.00

Cost of goods

0.00

Gross Profit**0.00**

Other operating income

211.29

Administration expenses

-3,500.22

Operating income**-3,288.93**

Net Financial income

0.00

EBT**-3,288.93****Minus**

-1.46

Taxes

-3,290.39**EAT**

0.00

Depreciation

1.46

Taxes

-3,288.93**(EBITDA)**

Profit is attributable to:

-3,288.93

Shareholders of the parent company

FYROM, 17 March 2011

MANAGER**ASSISTANCE MANAGER**

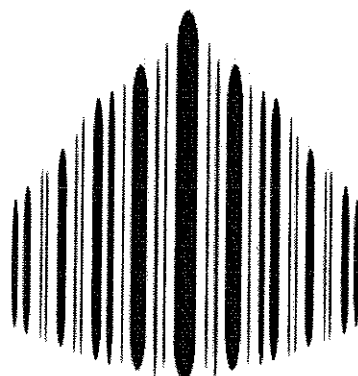
THEODOROS ZACHANOGLOY

FOTIOS MPERMPERIDIS

ACCOUNTING OFFICE

ETTEA CONSULTING

ELIZABETA KOCOVSKA-ICEVA



attica
THE DEPARTMENT STORE

ATTICA DEPARTMENT STORES S.A.

Registration Number: 56183/01/B/04/73

9 Panepistimiou Ave, 10564 Athens

Telephone No.: +30 21096 99 360, Fax: +30 210 96 48 336

ANNUAL FINANCIAL STATEMENTS

For the period from 1st January 2010 up to 31st December 2010



ATTICA DEPARTMENT STORES S.A.

Annual financial statements for the fiscal year 1/1/2010 - 31/12/2010

(The amounts in all tables are expressed in euros)

Independent Auditor's Report

To the Shareholders of "ATTICA DEPARTMENT STORES S.A."

Report on the Financial Statements

We have audited the accompanying financial statements of "ATTICA DEPARTMENT STORES S.A" ("the Company"), which comprise the balance sheet as at December 31, 2010, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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



ATTICA DEPARTMENT STORES S.A.

Annual financial statements for the fiscal year 1/1/2010 - 31/12/2010

(The amounts in all tables are expressed in euros)

Opinion

In our opinion, the abovementioned financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Athens, 9 March 2011

The Auditor

Marios Lasanianos

Soel reg. No 25101

Grant Thornton 

Vasileos Konstantinou 44

116 35 Athens

Soel reg. No 127



ATTICA DEPARTMENT STORES S.A.

Annual financial statements for the fiscal year 1/1/2010 - 31/12/2010

(The amounts in all tables are expressed in euros)

Income Statement

		31/12/2010	31/12/2009
Turnover	Note	90.827.919	102.415.691
Cost of sales	8.9	(64.917.664)	(72.023.831)
Gross profits	8.11	25.910.255	30.391.860
Other income		2.835.019	2.961.535
Administrative expenses	8.1	(2.111.235)	(2.097.325)
Sale & distribution expenses	8.12	(21.277.765)	(23.729.584)
EBITDA	8.12	5.356.274	7.526.486
Depreciation & amortisation		(1.054.674)	(1.068.260)
EBIT	8.14	4.301.600	6.458.226
Financial income		240.486	135.603
Financial expenses	8.15	-907.897	(1.194.375)
EBT	8.15	3.634.189	5.399.454
Income tax		(1.318.569)	(1.711.953)
Net earnings	8.16	2.315.620	3.687.501
Earnings per share - basic	8.17	0,4631	0,7375



ATTICA DEPARTMENT STORES S.A.

Annual financial statements for the fiscal year 1/1/2010 - 31/12/2010

(The amounts in all tables are expressed in euros)

Balance Sheet

	Note	31/12/2010	31/12/2009
ASSETS			
Non-current assets			
Tangible fixed assets	8.18	10.457.638	11.131.759
Intangible assets	8.2	116.801	132.022
Investments available for sale	8.21	60.363	40.133
		<u>10.634.802</u>	<u>11.303.914</u>
Inventory	8.11	30.737.747	35.461.774
Clients and other current debtors	8.22	13.830.584	18.108.282
Cash and equivalents	8.23	14.858.584	10.030.454
		<u>59.426.915</u>	<u>63.600.510</u>
TOTAL ASSETS		<u>70.061.717</u>	<u>74.904.424</u>
EQUITY & LIABILITIES			
Equity			
Share capital	8.24	5.800.000	5.800.000
Share premiums	8.25	896.92	746.92
Reserves	8.26	9.371.755	7.208.963
		<u>16.068.675</u>	<u>13.755.883</u>
Non-current liabilities			
Loans and financial leases	8.27	10.936	61.009
Deferred tax liabilities	8.16	260.542	261.453
Employee benefits	8.13	311.687	290.961
Provisions for additional taxes	8.16	175	125
Provisions	8.3	324.375	484.375
		<u>1.082.540</u>	<u>1.222.798</u>
Current liabilities			
Loans and financial leases	8.27	47.129	162.843
Suppliers and other current creditors	8.28	50.908.006	57.202.264
Current tax liabilities	8.29	1.955.367	2.560.636
		<u>52.910.502</u>	<u>59.925.743</u>
TOTAL EQUITY & LIABILITIES		<u>70.061.717</u>	<u>74.904.424</u>

NORTHLANDMARK

Registration Number: 65343/01/B/08/73

10 Amerikis, 10671 Athens

Telephone No.: +30 211 1802500, Fax: +30 211 1802555

ANNUAL FINANCIAL STATEMENTS

2nd Fiscal Year

**For the period from 1st January 2010 up to 31st December 2010
(2nd Fiscal Year)**

Independent Auditor's Report

To the Shareholders of "NORTHLANDMARK S.A.."

Report on the Financial Statements

We have audited the accompanying financial statements of "NORTHLANDMARK S.A" ("the Company"), which comprise the balance sheet as at December 31, 2010, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the abovementioned financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors Report is consistent with the abovementioned financial statements.

Athens, 4 March 2011

The Auditor

Marios Lasanianos

Soel reg. No 25101

Grant Thornton 

Vasileos Konstantinou 44

116 35 Athens

Soel reg. No 127

Income Statement

		1/1 - 31/12/2010	1/1 - 31/12/2009
Turnover	Σημ. 8.9	37.108.901	39.986.074
Cost of sales	8.11	(26.036.662)	(27.958.790)
Gross profits		11.072.239	12.027.284
Other income	8.1	777.388	3.248.180
Administrative expenses	8.12	-236.946	-257.799
Sale & distribution expenses	8.12	(8.224.074)	(9.895.763)
EBITDA		3.388.607	5.121.902
Depreciation & amortisation	8.14	-649.709	-761.92
EBIT		2.738.898	4.359.982
Financial income	8.15	62.602	109.607
Financial expenses	8.15	(1.018.096)	(1.058.929)
EBT		1.783.404	3.410.660
Income tax	8.16	-574.647	-919.001
Net earnings		1.208.757	2.491.659
Earnings per share - basic	8.17	0,1727	0,3560

Balance Sheet

	Note	31/12/2010	31/12/2009
ASSETS			
Non-current assets			
Tangible fixed assets	8.18	16.566.089	17.114.376
Intangible assets	8.2	46.888	50.409
Deffered Assets	8.16		45.936
Other Long term assets	8.21		1.589
		<u>16.612.977</u>	<u>17.212.310</u>
Inventory	8.11	13.751.251	15.874.933
Clients and other current debtors	8.22	8.039.742	10.524.265
Cash and equivalents	8.23	4.357.057	2.679.740
		<u>26.148.050</u>	<u>29.078.938</u>
TOTAL ASSETS		<u>42.761.027</u>	<u>46.291.248</u>
EQUITY & LIABILITIES			
Equity			
Share capital	8.24	7.000.000	7.000.000
Share premiums	8.25	210	140
Reserves	8.26	3.402.416	2.268.059
Non-current liabilities		<u>10.612.416</u>	<u>9.408.059</u>
Deferred tax liabilities	8.16	21.963	
Employee benefits	8.13	81.617	77.548
Provisions for additional taxes	8.16	100	65
		<u>203.58</u>	<u>142.548</u>
Current liabilities			
Loans and financial leases	8.27	10.770.166	13.237.590
Suppliers and other current creditors	8.28	20.568.836	21.865.201
Current tax liabilities	8.29	580.789	1.557.630
Provisions	8.3	25.24	80.22
		<u>31.945.031</u>	<u>36.740.641</u>
TOTAL EQUITY & LIABILITIES		<u>42.761.027</u>	<u>46.291.248</u>



ELMEC ROMANIA SRL

Registration Number: J40/4676/19.05.1999

Progresului Str. 130-144, Sector 5, Bucharest

ANNUAL FINANCIAL STATEMENTS

For the Period from 1st January 2010 up to 31st December 2010





S.C. SOTER S.R.L.

SOTER & PARTNERS

ACCOUNTANTS, AUDITORS, TAX ADVISORS

Mendeleev 28-30, Sector 1
BUCURESTI, ROMANIA

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C.U.I. - R3273781
Capital social
5.000lei/1998

To: ELMEC România SRL
Shareholders and Board of Directors/Administrators
Sos. Progresului, 134-140, Sector 5, Bucharest

To: BAKER TILLY HELLAS AE
DIMITRIOS LIAKOVIDIS – Audit Partner
396, Mesogeion Avenue, 15341 Athens, Greece.
Head office on +30 210 8252133

Auditor's Opinion on the reporting package as of 31 December 2010

1. We have performed a full scope audit on the reporting package of **ELMEC Romania SRL** (hereby below referred to as "The Company"), expressed in RON, as of December 31, 2010 and for the period then ended. All information included in the reporting package forms are the sole responsibility of the Company's management. These specified forms do not purport to be financial statements and are prepared in accordance with Group Rules based on International Financial Reporting Standards that have been adopted by the European Union, for the sole purpose to be use as a basis for the consolidated financial statements of ELMEC Sport Greece SA as of December 31, 2010.

2. Our responsibility is to conclude, for the purpose of inclusion in the annual consolidated financial statements of ELMEC Sport Greece SA, on the compliance of the ELMEC Romania SRL reporting package with Group Rules based on International Financial Reporting Standards that have been adopted by the European Union.

Management's Responsibility for the Financial Statements

3. Management is responsible for the preparation and fair presentation of these financial statements in accordance with Group Rules based on International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Identification of the Financial Statements:

4. The Package as at December 31, 2010 is identified as follows:

- | | |
|--|-------------------------|
| <input type="checkbox"/> Total Assets: | 132.847.265 RON |
| <input type="checkbox"/> Total Equity: | 60.050.606 RON |
| <input type="checkbox"/> Total Result of the Period: | (11.856.135) RON |

Auditor's Responsibility

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

6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

7. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We confirm that we have complied with International Auditing Standards in carrying out our audit and we have complied with our letter of instructions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

9. In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of **ELMEC Romania SRL** and the Group as of December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Emphasis matter paragraph

10. Without qualifying our audit opinion, we draw attention to the fact that based on our understanding and based on management representations obtained, the Company does not intend to sell its existing inventories at a price lower than the recorded cost. Also, given the current economic situation, the marketing campaigns and promotional actions which will take place in the next period, will not influence significantly the sale of slow-moving items under their acquisition cost. Taking into account the measures adopted by management for the maintaining the activity and based on the management representation offered in this respect, we do not consider necessary any adjustment in the value of inventories as at 31 December 2010.

11. Without qualifying our audit opinion, we draw attention to the fact that since June 30, 2010, the Group Rules changed in relation to the presentation of the foreign exchange differences related to loans, respectively by reclassifying the exchange differences arising from the revaluation of loans from other operating gains and losses into financial gains and losses. This change was also reflected in the **comparatives for December 31, 2009**.

12. This report is solely for the information and use of the Group auditors of **ELMEC SPORT S.A.** Group and should not be used for any other purposes.

Bucharest
16 March 2011

SOTER SRL



Authorisation CAFR: 068/31.05.2001

Represented by **Exp.Ctb. SCAFA Cristian**
Administrator / Senior Partner

Member No CAFR: C402/1.03.2001



ELMEC ROMANIA SRL.

Annual financial statements for the fiscal year 1/1 - 31/12/2010

(The amounts in all tables are expressed in RON)

Income Statement

Statement of comprehensive income (romania)

		1/1 - 31/12/2010	1/1 - 31/12/2009
	Notes		
Turnover (Sales)	5	148,256,401	159,674,312
Cost of sales	7	(92,048,824)	(96,619,474)
Gross profit		56,207,577	63,054,838
Other income	6	4,127,217	1,729,851
Administrative expenses	8,9,10	(8,458,323)	(10,186,639)
Sales expenses	8,9,10	(54,925,861)	(57,412,533)
Other expenses	8	(7,168,292)	(4,225,492)
EBIT		(10,217,682)	(7,039,975)
Financial income	11.1	3,086,105	944,084
Financial expenses	11.2	(5,888,147)	(4,657,628)
EBT		(13,019,724)	(10,753,519)
Income tax	12	1,163,589	1,123,203
EAT		(11,856,135)	(9,630,316)
Earnings per share - basic		(130.4607)	(105.9686)
EBITDA		(6,911,931)	(3,514,161)

Approved on March 16th, 2011 by:

Administrator, CEO

Cristian Beznoska

Financial and Operations Director

Roxana Fieresteanu



The Notes in Pages 15 to 44 form an integral part of these financial statements



ELMEC ROMANIA SRL.

Annual financial statements for the fiscal year 1/1 - 31/12/2010

(The amounts in all tables are expressed in RON)

Balance Sheet

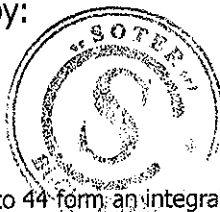
Statement of financial position (romania)

	Notes	31/12/2010	31/12/2009	31/12/2009
ASSETS				
Non-current assets				
Tangible fixed assets	13	53,321,428	53,908,882	53,908,882
Intangible assets	14	567,298	519,851	519,851
Investments in subsidiaries	16		1,650,396	1,650,396
Deferred tax assets	12.2	2,565,254	1,369,415	1,369,415
Other non-current assets	15	143,569	143,522	143,522
		<u>56,597,549</u>	<u>57,592,066</u>	<u>57,592,066</u>
Current assets				
Inventory	7	54,257,603	65,240,681	65,240,681
Trade receivables	18	9,029,764	9,978,489	9,978,489
Other current debtors	18	3,081,975	2,921,977	2,921,977
Derivative financial assets	17	423,390	428,400	428,400
Cash and equivalents	19	9,456,984	9,647,181	9,647,181
		<u>76,249,716</u>	<u>88,216,728</u>	<u>88,216,728</u>
TOTAL ASSETS		<u>132,847,265</u>	<u>145,808,794</u>	<u>145,808,794</u>
EQUITY & LIABILITIES				
Equity				
Share capital	23	9,087,900	9,087,900	9,087,900
Other reserves	24	6,309,944	6,309,944	6,309,944
Retained earnings		44,652,762	56,508,897	56,508,897
		<u>60,050,606</u>	<u>71,906,741</u>	<u>71,906,741</u>
Non-current liabilities				
Non-current debt	20		7,616,433	7,616,433
Provisions for additional taxes	12.3	50,000	50,000	50,000
		<u>50,000</u>	<u>7,666,433</u>	<u>7,666,433</u>
Current liabilities				
Current debt	20	39,367,913	26,200,331	26,200,331
Suppliers and other current credits	22	30,548,605	37,781,765	37,781,765
Current tax liabilities	21	2,830,141	2,253,524	2,253,524
		<u>72,746,659</u>	<u>66,235,620</u>	<u>66,235,620</u>
TOTAL EQUITY & LIABILITIES		<u>132,847,265</u>	<u>145,808,794</u>	<u>145,808,794</u>

Approved on March 16th, 2011 by:

Administrator, CEO

Cristian Beznoska



Financial and Operations Director

Roxana Fieresteanu



The Notes in Pages 15 to 44 form an integral part of these financial statements

ELMEC SPORT BULGARIA EOOD

REPORT AND FINANCIAL STATEMENTS
31 December 2010

Independent Auditor's Report

To the Sole Owner of ELMEC SPORT BULGARIA EOOD

Report on the Financial Statements

We have audited the accompanying financial statements of ELMEC SPORT BULGARIA EOOD (the "Company"), which comprise the statement of financial position as at 31 December 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of ELMEC SPORT BULGARIA EOOD as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal Requirements

Pursuant to the requirements of the Accountancy Law, Art.38, para 4, we report the following:

The Annual Activity Report prepared by the Management is in compliance with the Financial Statements of the Company as at 31 December 2010.

Jeni Gitsoayka, CPA
Registered auditor

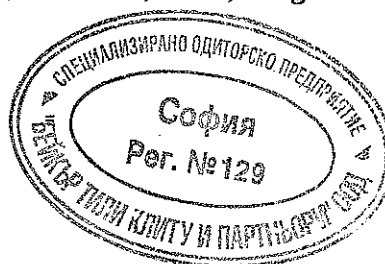


Sofia, Bulgaria
25 February 2011

Jeni Gitsoayka - Manager
Baker Tilly Klitou and Partners OOD



104 Akad. Ivan Evst. Geshov blvd.
7th Floor, Office 12, Sofia, Bulgaria



ELMEC SPORT BULGARIA EOOD

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2010

	Note	2010 BGN'000	2009 BGN'000
Revenue	5	18 872	18 326
Cost of sales		<u>(11 171)</u>	<u>(9 845)</u>
Gross profit		7 701	8 481
Selling and distribution expenses		<u>(6 413)</u>	<u>(4 960)</u>
Administration expenses		<u>(822)</u>	<u>(624)</u>
Operating profit	6	466	2 897
Net finance costs	8	<u>(142)</u>	<u>(8)</u>
Profit before tax		324	2 889
Tax	9	<u>(45)</u>	<u>(303)</u>
Net profit for the year		279	2 586
Other comprehensive income		-	-
Total comprehensive income for the year		279	2 586



The notes on pages 9 to 24 form an integral part of these financial statements.


ELMEC SPORT BULGARIA EOOD

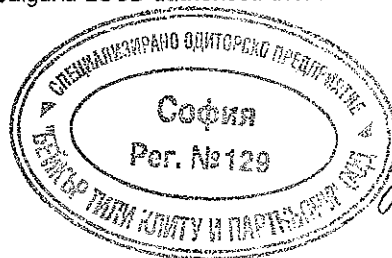
STATEMENT OF FINANCIAL POSITION

31 December 2010

	Note	2010 BGN'000	2009 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	2 779	2 188
Intangible assets	11	38	37
Guarantees	12	218	218
Deferred tax assets	19	9	10
		<u>3 044</u>	<u>2 453</u>
Current assets			
Inventories	13	10 871	9 179
Trade and other receivables	14	1 346	2 563
Current tax receivable	21	128	113
Cash at bank and in hand	15	195	753
		<u>12 540</u>	<u>12 608</u>
Total assets		<u>15 584</u>	<u>15 061</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	3 020	3 020
Retained earnings		<u>9 875</u>	<u>9 596</u>
Total equity		<u>12 895</u>	<u>12 616</u>
Non-current liabilities			
Borrowings	17	1 603	-
Deferred tax liabilities	19	34	27
		<u>1 637</u>	<u>27</u>
Current liabilities			
Trade and other payables	20	1 052	2 394
Obligations under finance leases	18	-	24
		<u>1 052</u>	<u>2 418</u>
Total liabilities		<u>2 689</u>	<u>2 445</u>
Total equity and liabilities		<u>15 584</u>	<u>15 061</u>

On 25.02.2011 the Board of Directors of Elmec Sport Bulgaria EOOD authorised these financial statements for issue.


Michael Katsibiris
Director





The notes on pages 9 to 24 form an integral part of these financial statements.

MFK FASHION INVESTMENT LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2010

MFK FASHION INVESTMENT LIMITED**BOARD OF DIRECTORS' REPORT**

The Board of Directors of MFK FASHION INVESTMENT LIMITED (the "Company") presents to the members its Annual Report together with the audited financial statements of the Company for the year ended 31 December 2010.

INCORPORATION

MFK FASHION INVESTMENT LIMITED was incorporated in Cyprus on 20 June 2002 as a private limited liability company under the Cyprus Companies Law, Cap. 113.

PRINCIPAL ACTIVITIES

The principal activity of the Company continued to be the import and sale of women's jewellery and fashion accessories under the brand name Folli Follie.

FINANCIAL RESULTS

The Company's financial results for the year ended 31 December 2010 are set out on page 6 of the financial statements. The profit for the year attributable to equity holders of the Company amounted to € 9.264 (2009: €10.093 loss).

EXAMINATION OF THE DEVELOPMENT, POSITION AND PERFORMANCE OF THE ACTIVITIES OF THE COMPANY

The current financial position as presented in the financial statements is considered satisfactory.

REVENUE

The Company's revenue for the year ended 31 December 2010 was €912.970 (2009: €974.616).

DIVIDENDS

The Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained.

MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 19 of the financial statements.

FUTURE DEVELOPMENTS

The Board of Directors does not expect major changes in the principal activities of the Company in the foreseeable future.

SHARE CAPITAL

There were no changes in the share capital of the Company during the year.

MTK FASHION INVESTMENT LIMITED**BOARD OF DIRECTORS' REPORT** *(continued)***BRANCHES**

During the year ended 31 December 2008 the Company did not operate any branches. The Company operates three retail shops, one in Nicosia, one in Limassol and one at Larnaca International Airport.

BOARD OF DIRECTORS

The members of the Company's Board of Directors as at 31 December 2010 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2010.

In accordance with the Company's Articles of Association Mr. Giannis Tsiggounakis retires by rotation at the Annual General Meeting of the Company and being eligible to offer himself for re-election.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

EVENTS AFTER THE REPORTING PERIOD

There were no material events after the reporting period date, which affect the financial statements as at 31 December 2010.

RELATED PARTY TRANSACTIONS

Disclosed in note 18 of the financial statements.

INDEPENDENT AUDITORS

The independent auditors of the Company, KPMG Limited, have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be submitted at the Annual General Meeting.

By order of the Board of Directors,

Adminico Secretarial Limited
Secretary

Nicosia, 8 March 2011

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
MFK FASHION INVESTMENT LIMITED

Report on the Financial Statements

We have audited the financial statements of MFK FASHION INVESTMENT LIMITED (the "Company") on pages 6 to 24, which comprise the statement of financial position as at 31 December 2010, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of MFK FASHION INVESTMENT LIMITED as at 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113.

Report on Other Legal and Regulatory Requirements

Pursuant to the requirements of the Cyprus Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of the information available to us, and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on pages 2 and 3 is consistent with the financial statements.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 156 of the Cyprus Companies Law, Cap.113 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Chartered Accountants

Nicosia, 8 March 2011

MFK FASHION INVESTMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOMEFor the year ended 31 December 2010

	Note	2010 €	2009 €
Revenue	4	912.970	974.616
Cost of sales		<u>(408.897)</u>	<u>(471.394)</u>
Gross profit		504.073	503.222
Other income		4.137	3.748
Selling and distribution expenses		(444.723)	(472.581)
Administrative expenses		(29.408)	(27.905)
Other expenses	5	<u>(22.549)</u>	<u>-</u>
Operating profit	6	<u>11.530</u>	<u>6.484</u>
Finance income		857	726
Finance expenses		<u>(1.459)</u>	<u>(3.179)</u>
Net finance expenses	8	<u>(602)</u>	<u>(2.453)</u>
Profit before tax		10.928	4.031
Tax	9	<u>(1.664)</u>	<u>(14.124)</u>
Profit/(loss) for the year		<u>9.264</u>	<u>(10.093)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>9.264</u></u>	<u><u>(10.093)</u></u>

The notes on pages 10 to 24 are an integral part of these financial statements.

MFK FASHION INVESTMENT LIMITED

STATEMENT OF FINANCIAL POSITIONAs at 31 December 2010

	Note	2010 €	2009 €
Assets			
Non-current assets			
Property, plant and equipment	10	165.332	244.819
Intangible assets	11	<u>290.462</u>	<u>290.462</u>
Total non-current assets		<u>455.794</u>	<u>535.281</u>
Current assets			
Inventories	12	533.453	611.975
Trade and other receivables	13	167.033	164.935
Refundable tax	17	-	159
Cash at bank and in hand		<u>268.858</u>	<u>283.555</u>
Total current assets		<u>969.344</u>	<u>1.060.624</u>
Total assets		<u>1.425.138</u>	<u>1.595.905</u>
Equity			
Share capital	14	513.000	513.000
Retained earnings		<u>167.628</u>	<u>158.364</u>
Total equity		<u>680.628</u>	<u>671.364</u>
Liabilities			
Deferred tax liabilities	15	<u>561</u>	<u>667</u>
Total non-current liabilities		<u>561</u>	<u>667</u>
Current liabilities			
Trade and other payables	16	742.424	923.874
Tax liability	17	<u>1.525</u>	<u>-</u>
Total current liabilities		<u>743.949</u>	<u>923.874</u>
Total liabilities		<u>744.510</u>	<u>924.541</u>
Total equity and liabilities		<u>1.425.138</u>	<u>1.595.905</u>

The financial statements were approved by the Board of Directors on the 8 March 2011.

.....
Director

.....
Director

The notes on pages 10 to 24 are an integral part of these financial statements.

MPK FASHION INVESTMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2010

	Note	Share capital €	Retained earnings €	Total €
Balance at 1 January 2009		<u>513.000</u>	<u>168.457</u>	<u>681.457</u>
Total comprehensive income for the year		<u>-</u>	<u>(10.093)</u>	<u>(10.093)</u>
Balance at 1 January 2010		513.000	158.364	671.364
Total comprehensive income for the year		<u>-</u>	<u>9.264</u>	<u>9.264</u>
Balance at 31 December 2010		<u><u>513.000</u></u>	<u><u>167.628</u></u>	<u><u>680.628</u></u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders (individuals and companies) at the end of the period of two years from the end of the year of assessment to which the profits refer are Cyprus tax residents. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the company for the account of the shareholders.

The notes on pages 10 to 24 are an integral part of these financial statements.

PLANACO S.A.

**Annual Financial Statements
For the year 2010**

March, 2011

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "Planaco S.A."

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone financial statements of "Planaco S.A." and its subsidiaries, which comprise the stand alone statement of financial position as at 31 December 2010, and the stand alone statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company "Planaco S.A." as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Issue attention

Without qualifying our opinion, we draw your attention to the fact that branch of the company, issued an administrative act to suspend the operation, which was suspended by an injunction granted by the department suspensions of the State Council, which is pending the case

Report on Other Legal and Regulatory Requirements

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



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

Athens, 26 March 2011
The Certified Public Accountant

Hrysoula Chakalogianni
SOEL Reg.: 23811

1. BALANCE SHEET

Assets

Non-current assets

	31/12/2010	31/12/2009
Tangible fixed assets	7.969.148,86	8.011.690,85
Intangible assets	2.705.822,58	2.746.200,00
Other long term assets	<u>1.341,02</u>	<u>0,00</u>
Total non-current	10.676.312,46	10.757.890,85

Current assets

Inventories	234.703,21	265.537,76
Trade receivables	389.526,56	303.306,48
Other current assets	555.192,53	222.716,82
Cash & cash equivalent	<u>159.663,46</u>	<u>67.353,44</u>
Total current assets	1.339.085,76	858.914,50
Total assets	<u>12.015.398,22</u>	<u>11.616.805,35</u>

Equity & Liabilities

Equity of shareholders of the parent company

Share capital	6.021.717,00	3.521.716,80
Other reserves	51.084,96	50.157,91
Retained earnings	<u>275.029,04</u>	<u>1.416.245,44</u>
Total equity	6.347.831,00	4.988.120,15

Long-term liabilities

Long-term borrowings	3.435.908,62	3.705.882,33
Deferred tax liabilities	37.500,00	35.500,00
Other long-term liabilities	<u>1.098.843,29</u>	<u>1.098.843,29</u>
Total long-term liabilities	4.572.251,91	4.840.225,62

Trade and other payables

Trade and other payables	351.399,29	323.682,97
Short-term borrowings	700.952,53	1.427.335,15
Current tax liabilities	<u>42.963,49</u>	<u>37.441,46</u>

Total short term liabilities

Total short term liabilities	1.095.315,31	1.788.459,58
Total liabilities	5.667.567,22	6.628.685,20
Total equity & liabilities	<u>12.015.398,22</u>	<u>11.616.805,35</u>

2. INCOME STATEMENT

	1/1- 31/12/2010	1/1- 31/12/2009
Total sales	1.300.037,34	1.270.758,10
Cost of goods	-1.535.732,28	-1.327.664,38
Gross Profit	-235.694,94	-56.906,28
Other operating income	17.162,47	0,00
Administration expenses	-590.211,04	-590.160,38
Other expenses	-116.449,02	-174.109,89
EBIT	-925.192,53	-821.176,55
Finacial Income	236,33	0,00
Finacial Expenses	-183.099,04	-227.133,54
EBT	-1.108.055,24	-1.048.310,09
Taxes	-33.161,16	0,00
EAT	-1.141.216,40	-1.048.310,09
Earnings per share	-0,0972	-0,0893
Depreciation	211.536,41	166.216,37
EBITDA	-713.656,12	-654.960,18



LOGISTICS EXPRESS S.A.

Registration Number: 60554/04/B/06/86

49 Ifestou St, Koropi

Tel.: +30 2109699395, Fax: +30 2106620860

ANNUAL FINANCIAL STATEMENTS

For the period from Jan 1st, 2010 to December 31st, 2010



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **"Logistics Express S.A."**

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone financial statements of **"Logistics Express S.A."**, which comprise the stand alone and consolidated statement of financial position as at 31 December 2010, and the stand alone statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

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

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



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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company **"Logistics Express S.A."** as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Subject Emphasis

Without qualifying our opinion, we draw your attention to the fact that the total equity of the company has become negative and therefore the conditions for application of Article 48 of Codified Law 2190/1920

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.
- (b) We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.



BAKER TILLY HELLAS

Certified Public Accountants A.E.

396, Mesogion Avenue

15341Ag.Paraskevi-Athens, Greece

SOEL Reg.No: 148

Athens, 30 March 2011

The Certified Public Accountant

Dimitris Iakovidis

SOEL Reg.: 13251



LOGISTICS EXPRESS S.A.

Annual Financial Statements for the year 1/1/2010 - 31/12/2010

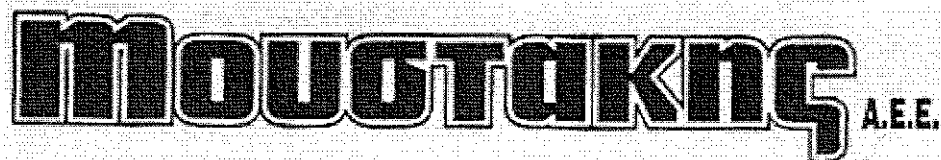
(amounts in euro)

Income Statement

	Note	1/1 - 31/12/2010	1/1 - 31/12/2009
Turnover (Sales)	6	1,534,700	154,785
Cost of sales	8	(919,748)	(140,211)
Gross profit		614,952	14,574
Other income	7	3,214	0
Administrative expenses	9	(18,130)	(43,079)
Sales expenses	9	(424,728)	(178,624)
Other expenses		0	(360)
EBIT		175,307	(207,489)
Financial income	11	1,077	255
Financial expenses	11	(9,691)	(919)
EBT		166,693	(208,153)
Income tax	12	1,883	174,742
EAT		168,576	(33,411)
Earnings per share - basic		2.8096	(0.5569)
EBITDA		183,153	(204,694)

**BALANCE SHEET**

	Note	31/12/2010	31/12/2009
ASSETS			
Non-current assets			
Tangible fixed assets	14	975	1,322
Intangible assets	15	80,014	87,514
Deferred tax assets	12	176,641	174,758
Other non-current assets	16	67,208	67,208
Σύνολο μη κυκλοφορούντων		324,838	330,802
Current assets			
Inventory	8	219,664	238,189
Trade receivables	17		17,115
Other current debtors	17	110,693	75,763
Cash and equivalents	18	110,525	92,811
		440,883	423,878
TOTAL ASSETS		765,721	754,680
EQUITY & LIABILITIES			
Equity			
Share capital	19	60,000	60,000
Retained earnings		(421,837)	(590,413)
		(530,413)	(530,413)
Liabilities			
Long term liabilities			
Other liabilities		0	5,000
		161	5,161
Short term liabilities			
Trade and other payables	21	1,117,714	1,279,932
Current tax liabilities	20	9,683	
Total liabilities		1,127,396	1,279,932
Total equity & liabilities		765,721	754,680



MOUSTAKIS SA

Registration Number: 9868/22/B/86/9

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ANNUAL FINANCIAL STATEMENTS

For the period from 1st January 2010 up to 31st December 2010

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **"Moustakis S.A."**

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone financial statements of **"Moustakis S.A."**, which comprise the stand alone and consolidated statement of financial position as at 31 December 2010, and the stand alone statement of comprehensive income, of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

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

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

as well as evaluating the overall presentation of the stand-alone and consolidated financial statements.

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

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company "v" as at December 31, 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Director's Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified law 2190/1920.
- (b) We confirm that the information given in the Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.



BAKER TILLY HELLAS

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

Athens, 26 March 2011
The Certified Public Accountant

Chrysoula Tsakalogianni
ID 13251

INCOME STATEMENT

	Note	1/1 - 31/12/2010	1/1 - 31/12/2009
Turnover (Sales)	6	1,365,569	1,481,851
Cost of sales	7	(888,621)	(1,134,822)
Gross profit		476,948	347,029
Other income		76,000	0
Administrative expenses	8	(37,121)	(40,644)
Sales expenses	8	(304,564)	(303,976)
Other expenses		(26)	(1,997)
EBIT		211,237	412
Share of profit/(loss) of associates		0	0
Financial income	10	193	162
Financial expenses	10	(30)	(423)
EBT		211,400	151
Income tax	11	(78,026)	(5,895)
EAT		133,374	(5,744)
Earnings per share - basic	12	15.0705	(0.6490)
EBITDA		286,313	74,338

BALANCE SHEET

	Note	31/12/2010	31/12/2009
ASSETS			
Non-current assets			
Tangible fixed assets	13	208,741	272,121
Intangible assets	14	77,488	64,183
Investments available for sale	22	2,494	2,494
Deferred tax assets		21,040	14,152
Other non-current assets		16,562	15,702
		<u>326,325</u>	<u>368,652</u>
Current assets			
Inventory	7	655,751	638,985
Other current debtors	16	169,490	55,792
Cash and equivalents	17	113,449	37,529
		<u>938,710</u>	<u>732,326</u>
TOTAL ASSETS		<u>1,265,035</u>	<u>1,100,978</u>
EQUITY & LIABILITIES			
Equity			
Share capital		129,830	129,830
Other reserves		227,597	227,597
Retained earnings		(54,203)	(187,577)
		<u>303,224</u>	<u>169,850</u>
		303,224	169,850
Long term liabilities			
Other liabilities		15,000	15,000
		<u>15,000</u>	<u>15,000</u>
Short term liabilities			
Trade and other payables	21	830,146	882,173
Current tax liabilities	20	61,748	21,114
Other tax liabilities		54,917	12,841
		<u>946,811</u>	<u>916,128</u>
Total equity & liabilities		<u>1,265,035</u>	<u>1,100,978</u>