



*Folli Follie*

ANNUAL  
REPORT  
2009



**FOLLI FOLLIE A.B.E.E.**



**ANNUAL FINANCIAL REPORT**

**Fiscal Year 2009**

**According to article 4 of law 3556/2007**

The attached interim financial statements for the period of 01/01/2009 – 31/12/2009 are those that were approved by the board of directors of FOLLI FOLLIE ABEE on 30/03/2010 and have been posted on the company's web site [www.follifollie.com](http://www.follifollie.com)

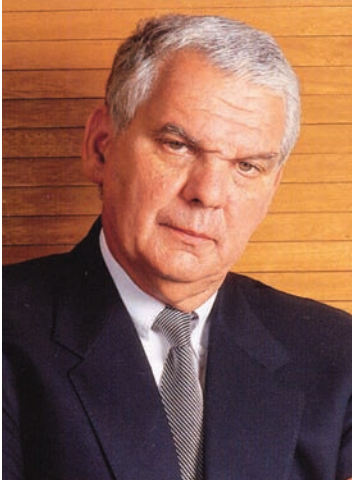


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## Chairman's Message



Dear shareholders,

The year 2009 was once again shaped by large uncertainties and challenges. We have successfully faced these difficult economic conditions and thanks to our diversified business model, we were able to defy the general trend. In comparison to the many other market participants, already the fiscal year 2008 had been a very successful year for our Group, and the achieved growth rates have not been met by decreased investments and layoffs, but through organic growth. On the contrary, we benefited from market opportunities and gained new distribution agreements, we accomplished various shop renovations, and we expanded into new markets and grew our worldwide sales network. Our two brands Folli Follie and Links of London exceeded once again our expectations and enforced their brand name around the world. Links of London in particular delivered another year of exceptional growth and was appointed official licensee of London 2012. Further to this, Links of London began in 2009 a promising expansion in Japan and China and is present in addition to its already successful activities in Hong Kong, also in Tokyo, Shanghai and Beijing. Folli Follie continued, undeterred from a challenging environment its strong growth. All regions had a very successful business year; particularly pleasing was the increase of its sales share in Asia, which proves that the brand enjoys a high acceptance in Asia. With meanwhile more than four hundred points of sales in twenty five countries, we are getting closer to our strategic goal to become a global brand.

Hellenic Duty Free Shops managed despite a decline in revenues to keep its strong level of profitability. During the business year 2009 the company Hellenic Duty Free Shops made investments of about € 5million by renovating four stores at the Athens International Airport which contributes by 31% of the companies' total turnover. Further investments were carried out at the airports of Kos, Zakynthos and Karpathos, where new shops opened. At the border stations in the north of the country renovations of existing buildings and the construction of new shops were accomplished. Elmec Sport managed to increase its revenues by almost 7% in a challenging the economic environment due to the successful activities of the group, notably the Factory Outlets, the operation of the new department store "attica" in the north of Athens, the new partnerships with UGG Australia and Juicy Couture, and the strengthening of the Nike store chains with the opening of four new outlets.

Looking at our financial performance, sales rose by 5,9% to EUR 992,5 million in the full year of 2009. Earnings Before Interest, Tax,

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Depreciation and Amortization (EBITDA) rose by 4,4% to EUR 199,4 million from EUR 191,1 million and Earnings Before Taxes reached EUR 157,8 million compared to EUR 129,6 million in the full year 2008 (+21,7%). Excluding the extraordinary tax, according to law 3808/2009, group profit after taxes would have reached € 122,5m increasing by 23,5% year on year. Instead the group recorded profit after taxes of EUR 115,2 million from EUR 99,2 million the same period last year, representing an increase of 16,1%. Net earnings after taxes and minorities rose by 27,6% to EUR 98,2 million from EUR 77,0 million the same period last year.

When I started this company together with my wife Ketty almost 30 years ago, we took a chance, and out of our strong believe in our skills, our talent for fashion and our passion to succeed we created this group.

In this sense, I would like to thank our shareholders for their loyalty and for sharing our vision for this group, our customers for their belief in our products, and our companies' personnel for their commitment towards the materialization of our strategic goals.

Yours sincerely,



Dimitrios Koutsolioutsos  
Chairman of the Board of Directors



## The Folli Follie Group An Overview:

Being a leading force in the affordable luxury world our group is today present in the specialized travel retail segment through Hellenic Duty Free Shops. With the famous and numerous awards winning British jeweller Links of London the group has a strong presence in the UK as well as in North America. Elmec Sport is one of leading domestic retail companies with a strong and promising presence in the Balkans.

This new group structure allows us to cover all phases of live of our customers: starting with clothing for babies and children, to clothing for teens and adults, over to presents for important personal events and to shopping while travelling.

The Folli Follie Group bundles a pool of know-how, talents, business opportunities and synergies that support all member companies and at the same time leaves space for each company to pursue its own expansionary strategy.

The Group employs more than 5.900 people worldwide; more than 65 percent of the Group's staff works outside Greece.





## THE COMPANIES OF THE GROUP:

**1.1 FOLLI FOLLIE** is a Greek company which designs, manufactures and distributes jewellery, watches and fashion accessories. Folli Follie creates fashion in 25 countries with almost 400 points of sale worldwide.

The launch of Folli Follie in the very demanding Greek jewellery market was followed by an unprecedented success that convinced the management to steer the brand towards additional categories of fashion accessories and led the way towards the brand's international expansion through strategic shop locations. Folli Follie's points of sale include shops in the most fashionable streets of the world's major cosmopolitan cities: London (New Bond Street), Tokyo (Ginza area), Paris (Rue Royale), Hong Kong (Central district), New York (Madison Avenue) etc.

Apart from the flagship stores in strategic locations, Folli Follie products are also sold through stand-alone shops and shop-in-shop in famous department stores, such as Isetan and Takashimaya in Japan, Lotte and Hyundai in Korea and Corte Ingles in Spain. Folli Follie has a direct control of its international distribution network by vertically integrating its operations from production to retail.

In addition, Folli Follie has a strong presence in the travel retail market with points of sale in numerous airports duty free shops around the world as well as in flight sales of 36 in major international airlines.

The Collection – Folli Follie established itself as a true pioneer in the market when it introduced, amongst its first collections, unique jewellery creations made of silver combined with murano glass and later on complete jewellery collections made of stainless steel in silver or gold colour combined with diamonds – a trend followed by many others. Depending on the materials used (sterling silver, stainless steel, bronze, precious and semi-precious stones) and in a wide price range covering all needs, the company offers an unrivaled assortment of styles for the creation of a unique style.

The fact that nowadays, ladies watches are no longer considered as simple time pieces or expensive jewels, but everyday fashion accessories, to be mixed and matched, contributed to the development and establishment of Folli Follie watches in the field of fashion.

Furthermore, following the commands of the fashion industry to suit the changing lifestyles of the modern man and his need for both a “primary” and a “secondary” watch, Folli Follie re-launched its men's collection in March 2006 creating various watch designs.

Folli Follie - Aoyama Flagship Store, Tokyo



In addition to its jewellery and watches lines, Folli Follie offers comprehensive assortments in fashion accessories such as handbags, small leather goods, belts, pashminas and sunglasses. Following the same philosophy of “affordable, fashionable luxury”, the exclusively designed pieces add breadth to the company’s identity and are now globally recognized amongst accessories brands.

All Folli Follie jewellery, watches and accessories lines complement each other, offering a “full fashion concept” and providing at the same time a contemporary, alternative and fresh experience to customers over the world.

The headquarters of the Company are located in Athens, (23 km Athens-Lamia Highway, Postal Code 145 65).

**1.2 LINKS OF LONDON** was founded in 1990 and over the last 18 years the company has grown significantly across the globe and now has over 60 stores in cities including London, New York, Tokyo, Athens, Dubai and Hong Kong. The future will see the continued expansion of the brand into new and emerging markets. In July 2006, Links of London was acquired by The Folli Follie Group. Following this acquisition, Andrew Marshall was appointed Managing Director in August 2007 and together with the support of Folli Follie Group’s infrastructure, Links of London is well-equipped for rapid international expansion and continued organic growth of its product range.

Links of London - Sloan Square Flagship Store, London



As a leading British contemporary jeweler, Links of London has been named in July 2007 UK “Jewellery Brand of the Year” for the third year running.

Started initially as a cufflinks specialist, Links very early discovered alike Folli Follie the importance of the female customer and adapted its product range towards the female customer. Today more than 70 per cent of the product range consists of designs of sterling silver and 18ct gold jewellery, since autumn 2007 the product range has been enriched by a Swiss made watch collection. Luxury lifestyle gifts are also part of the product mix. The Sweetie bracelet became a top seller and has advanced in the meantime to an iconic product. Links became the leader in the growing charm market and an expert in miniaturization.

Elizabeth Galton joined the team as the new Creative Director in March 2008 and was tasked with steering the brand through the next stage of growth and design evolution. Elizabeth's vision is to charge the brand with a renewed freshness, creating expressive directional pieces that draw inspiration from London's vibrant and dynamic landscape.

The headquarters of the Company are located in London, (86 Duke of York Square 4th Floor London SW3 4LY).

**1.3 HELLENIC DUTY FREE SHOPS** is a Greek travel retailer with a presence for more than thirty years in the local market. The company keeps exclusive duty free rights for the Greek market until the year 2048. This exclusivity includes a paid duty free license in the course of the privatization in the year 1998 of € 58,7 million. Since the year 2003 the company is fully privatized.

In the last thirty years Hellenic Duty Free Shops has transformed its business alike the industry from a "classical" liquor and tobacco provider to a retailer of prestigious luxury and lifestyle brands, offering a gourmets corner, an athletic division, a gadget store etc. Perfume and Cosmetics are the best performing product categories, representing about 41% of sales followed by luxury goods with 18% of sales. HDFS pursues a strategy of increasing the conversion ratio and spending per customer by constantly improving the product mix, implementing new concepts in the already existing store network.

Nowadays HDFS operates 90 stores at 45 locations, specifically 59 stores at 21 airports, 15 stores at 12 border crossings, 16 stores at 12 ports by totaling a commercial space of 14.700m<sup>2</sup> with approximately 4.000 employees.

Since Folli Follie gained majority control of the management, Hellenic Duty Free Shops has started a successful acquisition strategy. In 2006 HDFS acquired the British jewelry company Links of London, one year later in late autumn of 2007, it acquired the Greek company Elmec Sport a leading operator of department stores and factory outlets in the Greek market as well as distributor of a rich brand portfolio in the local market and the Balkans.

The headquarters of the Company are located in Athens, (23 km Athens-Lamia Highway, Postal Code 145 65).

Hellenic Duty Free Shops - Athens International Airport





**1.4 ELMEC SPORT** is among the biggest and most rapidly developing commercial groups in the Greek market and South East Europe. ELMEC SPORT Group is composed of 12 companies, it has developed a distribution network in three countries consisting of 145 retail shops extending over 30.000 m<sup>2</sup>, it operates two discount outlets that extend over 27.000 m<sup>2</sup> as well as two department stores under the brand name “attica”, while the company is in the process of establishing two additional department stores with a total surface area of 33.000 m<sup>2</sup>.

The main activities of Elmec Sport is separated in four big sectors of activities (segments), each one of which deals with different products and/or categories of customers. These sectors are the following:

**Department Stores and Discount Outlets:** The “Factory Outlet”, opened in 1999 was the first discount department store operated by Elmec on a surface of 13.000 sq.m. at Piraeus Street in the south of Athens.

Elmec Sport – “Attica department store” at Golden Hall Athens



In December 2006, a second discount department store at the commercial park of International Airport of Athens under the same brand name “Factory Outlet” started its operation.

Since April 2005 the company operates “attica”, the largest department store in the Greek market, it extends 25.000 square metres on eight floors in the centre of Athens. In November 2008, the second “attica” started its operation as an anchor to the newly opened mall “Golden Hall” near the Olympic Stadium of Athens, covering 13.000 square metres.

Moreover, the Group has a reconstruction program of two more buildings with a designated use as department stores; both are privately owned buildings the first one called “Minion” covering 21.000 square metres at the centre of Athens near the Omonia square and another building at the centre of Bucharest in Romania with 13.000 square metres. Both department stores are currently under renovation and are expected to start operating towards the end of 2010 and beginning of 2012

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**Wholesale of apparel footwear and accessories:** This sector deals with the wholesale of apparel footwear and accessories that the Group trades on an exclusive basis in the following markets which are Greece, Cyprus, Romania, Bulgaria.

Today, the Group distributes exclusively the products of Nike and Converse in Romania and Bulgaria, while in Greece and Cyprus the company distributes exclusively only the products of Converse. Additionally, the Elmec holds the right to produce and trade apparel with the name and trademarks of Converse in the above mentioned markets. Since November 2008 Elmec gained the exclusive distribution rights of the famous American handbags, shoes and accessories company Coach for the Greek market. Elmec operates currently five points of sale of Coach in Athens.

For the sector of casual apparel and footwear, the Group holds a considerable portfolio of distribution and representation agreements. The beginning was in 2001 when the Company acquired the rights of designing, producing, and distributing to countries of Europe and Middle East the collection of casual apparel bearing the name and trademarks of Harley-Davidson.

**Retail of apparel footwear and accessories:** This sector deals with the operation of mono-brand and multi-brand shops of apparel, footwear, accessories and underwear. This sector constitutes the second main pole (the first is the department stores) of the strategic development plan of the Group since 1999. "Flagship" of this segment is the chain of retail stores called "exclusive sports", which sell exclusively products of Nike. This chain consists currently of 69 stores, 35 in Greece, 26 in Romania and 8 in Bulgaria.

Concurrently, Elmec Sport operates 78 mono-brand and multi-brand retail stores, 47 shops in Greece, 26 in Romania, 2 in Bulgaria and 3 in Moldova, selling the casual apparel and footwear distributed by our Group.

**Other activities:** The remaining activities of the Group include a variety of products. These are the sales of motorcycles and relevant accessories, spare parts and apparel of Harley-Davidson and Buell, the sales of Polaris all-terrain vehicle, the sales of area-surveillance systems and other activities as well as the supply of gym equipment for gyms, training centres etc, in Greece and Romania of the brand "TechnoGym".

The headquarters of the Company are located in Athens, (23 km Athens-Lamia Highway, Postal Code 145 65).

## Corporate Responsibility

Folli Follie Group's corporate responsibility scheme is based upon a wider strategic approach and is defined by the philosophy of each and every distinct company. Every corporate responsibility act is defined by the management's commitments towards the employees, the shareholders, the clients, the suppliers, and the society at large. In a wider sense, these stakeholders constitute the family, in which Folli Follie grows, operating with responsibility and respect.

With the basic axes evolving around Culture and Sports, Society and Environment, the Folli Follie Group has developed a corporate responsibility programme that spreads through both a national and international level.

Being a Group that operates in many different countries Folli Follie embraces culture and arts as global means of communication that unite civilizations. Thus culture has been a major feature of the social contribution of Folli Follie. In the past Folli Follie has sponsored cultural events in Greece and abroad, events such as the renowned Greek singer, Alkistis Protopsalti's concert, in the Forbidden City of Beijing in 2008. Likewise, in 2005 the company was honoured to support the Hong Kong closing concert of the Greek performer Nana Moushouri, who is a UNESCO Good Will Ambassador.

The activities of the Folli Follie Group extend to long-lasting charity initiatives throughout Greece, covering the needs of schools, non-profit institutions and NGOs that involve children, the tenderest part of society. Indicatively, during 2008 Links of London, offered part of its "Friendship Brachelet" proceeds to the "Mazi gia to Paidi" non-profit organisation, whereas COACH organized an auction for bags specially designed by representatives of the business and art world of Greece, donating all profits to the non-profit organisation "Elpida". As for the rest of the world, Folli Follie sponsors various charitable causes dedicated to public welfare, such as the Cancer Fund in Hong Kong, where it has been the major sponsor of the "Pink Revolution" Campaign for the last years. In autumn 2009, Folli Follie designed for Greece and abroad two limited edition bracelets in collaboration with the leading non-profit organisation Save the Children, whereas part of their proceeds was donated to support its remarkable activities. It also donates to organizations dedicated to child care and the protection of children, such as the "Smile Angel" Foundation in China. In addition, Folli Follie continues to demonstrate its sensitivity to issues of social solidarity that are not direct business actions but topics, which the company feels a great responsibility to bring to the public's attention. In May 2008 Folli Follie hosted a Charity Sale in Hong Kong to support the victims of the Sichuan earthquake; the response was massive and all the proceeds of the 3-day sale were donated to the Hong Kong Red Cross China Relief Fund. One month later, in June 2008, Folli Follie Group also delivered a number of works to Artemida village, Municipality of Zacharo, Prefecture of Ilia, Greece, as a contribution of social solidarity after the destructive wildfires that affected the wider area of western Peloponnese in August 2007. Moreover, the Hellenic Duty Free Shops have offered money for the development and viability of local societies in rural areas of Greece.

With the environment and the sustainable development always in mind, the Folli Follie Group Headquarters, as well as the Factory Outlet retail stores, are housed in eco-friendly buildings, promoting programmes of recycling and battery recycling, energy saving by which abide the employees, the third-party partners and the visitors.

## Corporate governance

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The company's continuous growth and the steady increase in shareholder value are the two major objectives set by the Board of Directors, Folli Follie's strategic body.

Nominated at the Annual General Meeting held in June 14th 2007, Folli Follie has a seven-member Board of Directors, whose duty ends on 2012. Three members of the Board of Directors are independent and free of interests with respect of the Company.

### **THE BOARD OF DIRECTORS ARE:**

**Dimitris Koutsolioutsos**

President and Chief Executive Officer, Executive Member

**George Koutsolioutsos**

Vice President, Executive Member

**Ketty Koutsolioutsos**

Member, Executive Member

**Elias Culucundis**

Non Executive Independent Member

**Charalambos Papadopoulos**

Non Executive Independent Member

**Zacharias Mantzavinis**

Member, Non Executive Member

**Law Chiu Chuen**

Member, Non Executive Member



## Dates, facts and figures

1982	Folli Follie founded in Greece by Mr. Dimitris Koutsolioutsos, President, and his wife Ketty. First store opens in downtown Athens.
1992	Mr. George Koutsolioutsos, son of the founders and now Folli Follie Vice President, joins the company
1994	Launch of the Folli Follie women's watch collection
1995	Japanese market entry and shop openings in New York, Hawaii, Guam
1997	Company listing at the Athens Stock Exchange
1998	Entry in key Asian markets
	Launch of the Folli Follie accessories collection
1999	Folli Follie subsidiaries in France and UK
	Acquisition of the first stake of Hellenic Duty Free Shops (5%)
2000	Acquisition of 40% of the Japanese distribution operation
2002	Entering the Spanish and Chinese markets and the Travel Retail
2003	Increasing the stake of Hellenic Duty Free Shops ("HDFS") to 24,68%
2006	Raising the stake in HDFS to 52,28%
	Acquisition of Links of London via HDFS
	Obtainment of the Chinese retail license
	Launch of Folli Follie Baby
2007	Entering Macau and Russia
	Opening of the first Links of London store in Athens
2008	Acquisition of Elmec Sport via HDFS
	Acquisition of Folli Follie's affiliate in Japan
	Links of London entering the Japanese market
2009	Links of London entering the Chinese market

## Information on the Folli Follie share

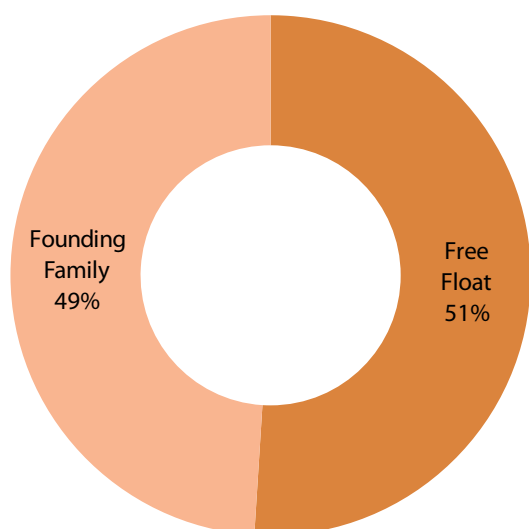
Folli Follie shares are listed in Greece. On 29th October 1997 Folli Follie shares have been traded on the Athens Stock Exchange for the first time.

Folli Follie has only one class of share, with each share carrying the same voting rights.

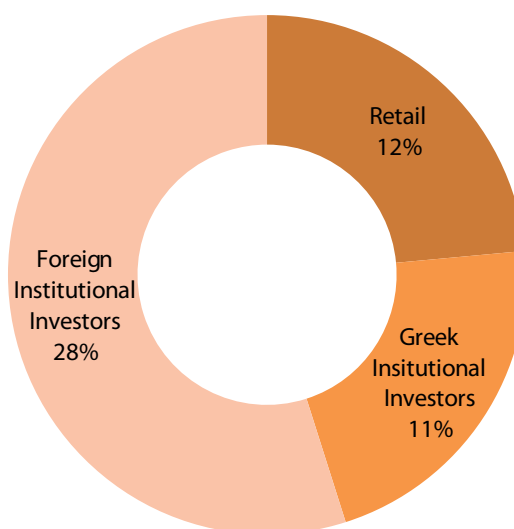
Folli Follie S.A. has a free float of 51% while the remaining 49% is owned by the founders. This has proven to be an extremely efficient balance, while on the one hand provides the Company with substantial financial means while allowing it to maintain its focus and management energy that has always been crucial to its success. As a result of this strategic move, the company has been able, in the last years, to successfully implement its international growth plans.

Folli Follie informs its shareholders regularly about its business and its strategy. It offers an Annual Report and Interim Reports on its website.

**Shareholder Structure:**



**Free Float Breakdown:**



### Index Participation

Athex Composite Share Price Index (GD)	0,71%
FTSE/Athex Mid 40 ( FTSEM)	6,71%
Athex Composite Index Total Return Index (SAGD)	0,71%
FTSE/Athex 140 ( FTSEA)	0,65%
FTSE/Athex Personal - Household Goods ( DPO)	21,84%
FTSE/ATHEX Liquid Mid Index ( FTSEL)	7,78%
FTSE/Athex International (FTSEI)	0,67%

### Securities identification codes

Athens Stock Exchange	
Type of issue	Registered Share
Symbol	FOLLI
ISIN	GRS287003016
Bloomberg	FOLLI GA
Reuters	FOLr.AT

# 1 Statements of the members of the Board of Directors according to the provisions of the article 4 of Law 3556/2007

Under the aforementioned status, especially being assigned for this purpose by the Board of Directors of the societe anonyme under the name "FOLLI FOLLIE S.A.", we declare and confirm that, to the best of our knowledge:

**(a):** the Group's Annual Financial report, which have been conducted in accordance with the international accounting standards in effect, give a true and fair view of the assets, liabilities, equity and financial results of the Company and the Group "Folli Follie S.A.", as well as of the companies that are included in the consolidation taken as a whole, in accordance with § 3-5 of article 5 of Law 3556/2007.

**(b):** the Annual Board of Directors report reflects in a true development, performance and position of Folli Follie SA and the companies included in consolidation as a whole, including the description of principal risks and uncertainties faced.

Agios Stefanos, 30. 03. 2010

## The members of the Board of Directors.:

1. **Dimitrios Koutsolioutsos**, Chairman – Executive Member of the Board of Directors
2. **George Koutsolioutsos**, Vice Chairman – Executive Member of the Board of Directors
3. **Aikaterini Koutsolioutsou**, - Executive Member of the Board of Directors

This Report of the Board of Directors has been prepared in accordance with the provisions of paragraph 6 Article 4 of the Law 3556/2007, the executive decision 7/448/11.10.2007 of the Board of Directors of the Capital Market Committee and the Article 136 the Law 2190/1920.

The Report contains the information specified by the above provisions, which at the discretion of the companies' management recommends a proper illustration of the development, performance and position of the Company, at the above mentioned period. Additional information are given where appropriate and a need for better understanding of the content in order to obtain a substantial and detailed information about the activity during that period of a public limited company under the name «FOLLI FOLLIE S.A. and the Folli Follie Group.

This report is included uncutted, with the financial statements of the Company and other required by law information and statements, in its full year financial report for the fiscal year 2008 and divided into thematic sections, as below.

## A. Annual Review

The positive performance of the Group, and the success of strategic planning, and reflected in financial results for the year 2009. Below are a table of data results, where the apparent impact of these events in the annual financial statements.

### Consolidated Results

	2009	2008
Sales	992,5	937,3
EBITDA	199,4	191,0
EBT	157,7	129,6
Earnings after taxes and minorities	98,1	77,0

*Amounts in € million*

### Sales Per Company

	2009	2008
FOLLI FOLLIE COMPANIES	370,2	324,7
HDFS	251,5	268,2
HELLENIC DISTRIBUTION	22,7	24,1
LINKS of LONDON	95,6	78,1
ELMEC GROUP	267,5	250,7
CONSOLIDATION DIFFERENCES	-15,0	-8,5

*Amounts in € million*

Consolidated Folli Follie group sales for 2009 amounted to €992,5 million, from € 937,3 million in the year 2008, showing an increase of 5,89%. Consolidated profit before tax, interest and amortization (EBITDA) amounted to € 199,4 million from € 191,0 million, registering an increase of 4,40%. Profits before tax amounted to € 157,7 million from €129,6 million, up 21,68%, while net profit after tax and minority interests of the Group stood at € 98,1 million, against € 77 million for 2008 (+27,4%), bringing earnings per share to €3,0016 versus € 2,3527.

With regard to Folli Follie S.A. stand alone figures the group would have shown the following results:

	2009	2008
Sales	370,2	324,7
EBITDA	104,9	95,4
EBT	117,9	93,2
Earnings after taxes and minorities	99,6	77,8

*Amounts in € million*

As shown in the above table the turnover increased by 14%, while net profit after tax increased by 28%.

#### **Results at parent company level**

At parent company level, sales stood at €35,8 million from €38,2 million, decreasing by 6,28%. Earnings before taxes, interest and amortization (EBITDA) amounted to €3,5 million. Earnings before taxes amounted to €15,4 million, versus €7,2 million for 2008, up 113,9%, and net profits to €13,8 million from €6,6 presenting 109,1% increase, mainly because the change in financial results. Therefore, net earnings per share amounted to €0,4239 increased by 110%.

#### **Balance Sheet Data**

- Group cash increased by € 46,4 million vs. 2008, group net debt reduced by €24.3m

-EBITDA and Gross margin could be maintained at high level with 20.1% and 49.7% vs. 20.4% and 50.6% in FY 2008.

A fuller analysis of the activity and performance of the group listed is shown by the following indicators

<b>Liquidity</b>			<b>2009</b>	<b>2008</b>
Current Ratio	=	Current Assets/Current Liabilities	1,2	2,1
Quick Ratio	=	Current Assets-Inventories/Current Liabilities	0,8	1,3
Cash Ratio	=	(Cash+Marketable Securities)/Current Liabilities	20,0%	23,10%
Working Capital	=	(Receivables+Inventories)-(Trade payables+other current liabilities)	364,92	390,32
<b>Turnover</b>				
Current Assets Turnover	=	Annual Sales/Current Assets	1,3	1,4
Average Collection Period	=	(Average Trade Receivables/Annual Sales)*365	103,5	93,8
Inventory Turnover	=	CoGS/Average Inventory	1,9	2
Inventory Period	=	Average Inventory/(Annual CoGS / 365)	187,2	179
<b>Financial</b>				
Debt Ratio	=	Total Debt/Total Assets	69%	72%
Debt to Equity Ratio	=	Total Debt/Total Equity	2,3	2,6
Interest Coverage	=	Ebit/Interest Charges	4,8	3,6
<b>Profitability</b>				
Gross Margin	=	Gross Profit/Sales	49,7%	50,60%
Return on Assets	=	Net Income/Total Assets	8,0%	7,40%
Return on Equity	=	Net Income/Total Equity	26,1%	26,38%
<b>Dividend Policy</b>				
<b>Dividend Yield</b>	=	Dividends Per Share/Share Price	0,6%	1,7%
Payout Ratio	=	Dividends Per Share/Earnings Per Share	23,6%	4,3%

## B. Important Events of 2009

- Repaid a loan of ¥ 1.700.000.000 which used to buy 60% of the subsidiary Folli Follie Japan, which took place in the first quarter of 2008 and amounted to ¥ 2.000.000.000.

-The company's management decided to proceed as liquidation of subsidiaries is held in the Czech Republic, Slovakia, Poland and Germany. The participation of the above companies in group turnover in 2008 was 0.03% while the equity group's rate stood at 0.09%. Please note that the financial statements of Folli Follie ABEE include an amount of € 2,4 million which relates to the depreciation of holdings of the above companies.

-Elmec Sport ABETE was merged with 100% subsidiaries SNE Factory Outlet Factory Outlet Airport SA, achieving (a) tax benefits, (b) smooth transfer of liquidity, and (c) savings in operational and administrative level.

-It was decided the termination of the negotiations with regard to the acquisition of the Lapin House group. Any new negotiations in the future will start from a new base.

-It was decided to merge the company "Ipirotiki AEKE" with the company "Hellenic Distribution SA", a 100% subsidiary of Duty Free Shops SA, which holds 95.6006% of Elmec Sport ABETE

-In March 2009, Elmec Sport, renewed its exclusive distribution of Nike products in the markets of Romania and Bulgaria until 31/5/2011.

- The rapid depreciation of the Romanian currency (RON) against the euro, which threatens to cut the profitability of the activities of Elmec Romania.

- During the year the group has opened 78 POS worldwide.

## Decisions of the Annual General Meeting

The most important decisions of the General Assembly of shareholders are as follows:

-License-approval was granted for the procurement in accordance with Article 23a of Law 2190/20.

-Members of the audit were set in accordance with Article 37 of Law 3693/2008. Its composition is as follows: Kouloukountis Elias Martin, chairman, Mantzavinos Zacharias Spyridon, state and Law Chiu Chuen, state.

## Own Shares

Following decisions of the Annual General Meeting of shareholders on 19.06.2008 and extraordinary General Assembly on 31.10.08 Folli Follie acquired during 2008 232.756 own shares by paying €2.834.349,74, with an average purchase price of €11,87. The total equity shares as of 31.12.09 is 238.810, whose value on the same date amounted to € 3.145.127,70 .

## D. Provisions – Outlook

In 2009, the climate of intense insecurity that conquered the financial sector in the previous year, reflected the economic and daily life of citizens by reducing transactions for consumer durables and negative growth for the Greek economy. The finding, that is to confirm our predictions for "difficult and volatile market environment that requires alertness. Similar situations of economic scarcity is has been experienced in the past, but it is unusual for enterprises with relatively recent history. Furthermore the number and nature of modern financial instruments and transactions are not making the ac-



cumulated knowledge and experience strong ally in combating it. Addressing the economic situation then step by step is one way for the group to be carefully evaluated all the data market.

Comparative advantage and an important asset for the group there, as is reflected in the results is that the economic situation the “matched” with a diversified portfolio of activities and presence in key markets worldwide. Also joining the company, the Group has brought people with important knowledge and skills that can contribute decisively to add value to the Group.

## **E. Description of principal risks and uncertainties.**

The main risks of the current financial year at the discretion of the Tribunal are:

### **1) Market Risk**

**i) Risk Rate:** The loan liabilities of the Company and the Group as well as obligations arising from leasing contracts referred to in note 4.11 and 4.12 of the financial statements, is associated with the index Euribor. Therefore the group is exposed to significant interest rate risk. As part of addressing the risk, the group uses IRS tools. It has a common bond with favorable terms.

**ii) Currency risk: a).** Risk reduction of gross profit due to revaluation of foreign currency: The risk stems from the fact that the company (and the group) buys goods at prices denominated in USD (and secondly in GBP) and sells the goods on the markets operating in prices expressed in local currency. The sales prices of the goods of the Group Settled several months prior to the receipt and repayment of any and appreciation of the dollar against local currencies increased selling costs, without being able to increase selling prices, thus depriving part of the Group’s Gross profit. In addition, part of the disposal costs of the Group, mainly royalties, is denominated in U.S. dollars. Therefore, any appreciation of the dollar against the euro would increase the operational costs of the Group. That risk management is held by the Department of Asset Management Group in cooperation with the competent Commercial Addresses, with the strategy and the overall design to be in the responsibility of the Board of Directors. Commercial links take into account the risk of changing exchange rates when setting retail prices of their goods. The Group uses additional products and hedge exchange rate risk, (forwards).

**b).** Risk from the conversion of financial statements denominated in foreign currency The Group has investments in foreign operations, whose functional currency is not euro, hence the financial statements are not prepared in euro. Because of this, the Group is exposed to the conversion of these financial statements in euro in order to prepare the consolidated financial statements of the Group.

**iii) Risk-price inflation** In the management’s opinion, the group holds no price fluctuation risk, because is not held a significant portfolio of securities and prices of products has no special variation. The worldwide inflationary increase pressures in conjunction with the disruption of the international financial system may alter patterns of consumption, affecting sales and profitability of the group.

### **Credit Risk**

Credit risk posed by the particular requirements of wholesale customers and cash positions and derivative instruments. With regard to the requirements of financial institutions, credit risk is considered low because dispersal partnerships and careful selection of Greek, mainly financial institutions with strong capital adequacy. With regard to addressing of the credit risk of the wholesale, the Group’s sales are taking place through major department stores in the countries involved, and in a network of selected franchisee. Also as an additional precaution measure, the group signs credit insurance contracts.

### **Liquidity risk**

Despite the unprecedented financial crisis and limit liquidity globally, the Group maintains high liquidity due to the retail nature of most sales, and shall further strengthen the liquidity of the successful creation of discount outlets for the disposal of old stocks and containment of costs.

### **Risk stocks**

This risk arises from the possession of old stocks of some companies and the Group is unable to dispose of stock or available to them at prices below the value valuation. The management of risk through specialized sites-outlets such as discount department type Outlet, discount outlets and major hotels in countries where the Group acts. The group has assessed the existing inventories to net realizable value, assessed on the basis of experience of management and real market data. The administration believes that this method of valuation (essentially forecasts for stock valuation), fully covers the risk of inventories.

Quantitative data on these risks are listed in Note 6.17 of economic statement

## **F. Labor and environmental issues**

On 31 December 2009 the Group employed 5,611 employees, over 5,913 workers on December 31, 2008. The respective figures for the Company is 284 to 285. The reduction of staff reflects the effort more efficient utilization of human resources in reducing operating costs. The decrease relates primarily seasonal staff.

The Group employs (a) staff on permanent contract, (b) wage workers, and (c) hourly paid workers.

The company HDFS SA established and functioning legal union employees which numbers 1,112 members (approximately 97% of employees of the Company). The Company's management is working closely and finely with the union on all issues affecting workers, especially on security issues in the workplace. Similarly, union workers up in consolidated companies Attica Department Stores Inc. (about 170 members) and Hellenic Distribution SA (134 people).

The Group is in full harmony with environmental laws in the countries where it operates. In particular, participating in recycling programs and apply the relevant legal provisions as regards (a) packaging, (b) electrical batteries, etc. materials and spare parts for vehicles, and (c) electrical and electronic equipment. It has signed agreements with recognized and licensed management companies recycled materials and make regular contributions. Also working with our suppliers based on standards that deny all forms of child labor, discrimination and forced labor, to ensure all employees involved in the production process to ensure health and safety, equal pay and respect for the rhythms of life. Regularly visit our suppliers so that all comply with the principles of social responsibility that inspire us.

## **G. Transactions with associated parties**

During 2009, the payables and liabilities of the above companies from and towards the company, as well as the revenues and expenses of any one of these companies from transactions with the Company in accordance with IAS 24 are as follows:

## The Group

	1/1- 31/12/2009		1/1- 31/12/2008	
<i>Nature Of Transaction</i>	<i>Directors</i>	<i>Other Related Parties</i>	<i>Directors</i>	<i>Other Related Parties</i>
<i>Services</i>				
Folli Follie ABEE		242.104,96		338.000,00
Duty - Free Stores				
Elmec Sport ABETE				
Hellenic Distribution				
<b>Total</b>	<b>0,00</b>	<b>242.104,96</b>	<b>0,00</b>	<b>338.000,00</b>
<i>Transactions &amp; Fees of Directors &amp; Members Of the Board</i>				
Folli Follie ABEE	615.732,82		579.128,25	
Duty - Free Stores	3.896.502,59		4.267.364,31	
Elmec Sport ABETE	1.236.617,00		176.572,66	
Hellenic Distribution	202.364,00		2.042.326,00	
<b>Total</b>	<b>5.951.216,41</b>	<b>0,00</b>	<b>7.065.391,22</b>	<b>0,00</b>
<i>Assets</i>				
Folli Follie ABEE	4.300,00			
Duty - Free Stores				
Elmec Sport ABETE			2.007,00	2.056,00
Hellenic Distribution				
<b>Total</b>	<b>4.300,00</b>	<b>0,00</b>	<b>2.007,00</b>	<b>2.056,00</b>
<i>Liabilities</i>				
Folli Follie ABEE	87.709,00		70.414,15	186.000,00
Duty - Free Stores				
Elmec Sport ABETE		37.826,00		
Hellenic Distribution		9.032,12		
<b>Total</b>	<b>87.709,00</b>	<b>46.858,12</b>	<b>70.414,15</b>	<b>186.000,00</b>

## The Company

	1/1- 31/12/2009	1/1- 31/12/2008	1/1- 31/12/2009	1/1- 31/12/2008
<b><i>Nature or Transaction</i></b>	<b>Selling Goods</b>		<b>Services/ Other Income</b>	
FOLLI-FOLLIE JAPAN LTD	60.437,18	179.928,68	3.257,32	358,70
FOLLI-FOLLIE H.K. - Group	427.760,37	1.091.151,42	4.317.612,18	8.130.012,91
FOLLI FOLLIE UK LTD	0,00	472.464,54	0,00	107.248,07
FOLLI FOLLIE FRANCE SA	-26.666,09	342.868,59	13.940,37	320.411,69
FOLLI FOLLIE CZECH	-88.344,10	-459.612,26	0,00	507,80
FOLLI FOLLIE SLOVAKIA	-42.506,76	-4.461,00	0,00	1.621,94
FOLLI FOLLIE SPAIN SA	10.050,45	652.096,17	262.925,53	65.468,34
FOLLI FOLLIE GERMANY	141,00	-75.513,81	0,00	0,00
MFK FASHION LTD	657.424,59	706.172,90	38.350,53	18.617,70
PLANACO SA	0,00	11.110,75	5.053,40	2.992,98
DFS	2.413.865,07	3.015.431,49	1.274.908,92	1.251.923,86
HELLENIC DISTRIBUTION	-727,15	137.345,08	1.431,00	0,00
LINKS OF LONDON	6.094.724,13	-130.608,44	80.414,70	197.026,02
ELMEC	326.527,67	208.344,42	465.755,19	31.862,74
ELMEC ROMANIA	128.596,88	0,00	27.431,27	0,00
ATTIKA DEPARTMENT STORES & NORTHLANDMARK	757.160,57	811.338,65		
<b>TOTAL</b>	<b>10.718.443,81</b>	<b>6.958.057,18</b>	<b>6.491.080,41</b>	<b>10.128.052,75</b>

	1/1- 31/12/2009	1/1- 31/12/2008	1/1- 31/12/2009	1/1- 31/12/2008
<b><i>Nature or Transaction</i></b>	<b>Purchase of Goods</b>		<b>Services/ Other Income</b>	
FOLLI-FOLLIE H.K. - Group	0,00	0,00	0,00	153,09
FOLLI FOLLIE GERMANY	0,00	0,00	0,00	2.195,91
PLANACO SA	299.219,87	1.007.213,66	30.156,12	115.680,34
DFS	0,00	0,00	4.563,96	8.080,44
HELLENIC DISTRIBUTION	315.154,68	387.681,60	0,00	0,00
LINKS OF LONDON	308.102,44	758.153,13	35.625,56	53.002,83
ELMEC	204.826,00	234.594,34	253.654,21	225.822,06
ATTIKA DEPARTMENT STORES & NORTHLANDMARK	0,00	0,00	15.052,29	24.859,56
<b>TOTAL</b>	<b>1.127.302,99</b>	<b>2.387.642,73</b>	<b>339.052,14</b>	<b>427.445,23</b>

	1/1- 31/12/2009	1/1- 31/12/2008	1/1- 31/12/2009	1/1- 31/12/2008
<b><i>Nature of Transaction</i></b>	<b>Assets</b>		<b>Liabilities</b>	
FOLLI-FOLLIE JAPAN LTD	19.515,81	36.775,15	0,00	0,00
FOLLI-FOLLIE H.K. - Group	425.925,09	-333.846,39	4.082.465,64	0,00
FOLLI FOLLIE UK LTD	4.304,98	4.013,91	0,00	0,00
FOLLI FOLLIE FRANCE SA	876.060,89	448.609,61	0,00	0,00
FOLLI FOLLIE POLAND	134.310,55	124.310,55	0,00	0,00
FOLLI FOLLIE CZECH	0,00	226.223,19	0,00	0,00
FOLLI FOLLIE SLOVAKIA	58.085,60	147.798,06	0,00	0,00
FOLLI FOLLIE SPAIN SA	1.540.963,73	1.404.419,56	0,00	0,00
FOLLI FOLLIE GERMANY	478.572,81	0,00	0,00	0,00
MFK FASHION LTD	923.709,91	745.839,07	0,00	0,00
PLANACO SA	0,00	13.025,95	11.120,10	1.416.546,17
DFS	1.120.891,15	499.379,54	0,00	2.481,33
HELLENIC DISTRIBUTION	0,00	98.582,78	688.766,08	452.380,18
LINKS OF LONDON	-53.360,16	24.348,67	378.333,75	580.681,56
ELMEC	534.013,30	270.467,75	119.446,76	355.853,42
ELMEC ROMANIA	453.579,40	292.883,58	0,00	0,00
ATTIKA DEPARTMENT STORES & NORTHLANDMARK	906.252,74	841.931,19	0,00	24.102,26
<b>TOTAL</b>	<b>7.422.825,80</b>	<b>4.844.762,17</b>	<b>5.280.132,33</b>	<b>2.832.044,92</b>

## H. Explanatory Report of the Board of Directors according to Law 3556/2007 par. 7 art. 4

### Structure of the Company's share capital.

The Company's share capital amounts € 9,884,062.50 dividend into 32,946,875 common registered shares of a par value €0.30 each. Each share provides the right of one vote. The Company's shares are listed in the Securities Market of the Athens Stock Exchange, under the "Large Capitalization" classification.

Each share incorporates all the rights and obligations established by the Law and Folli Follie's Articles of association, the latter not including any provisions more restrictive than those of the Law. Shareholder liability is limited to the nominal value of the shares they hold. Holders of share certificates automatically accept Folli Follie's Articles of association and the legal decisions of the General Meetings of the Shareholders. Folli Follie's Articles of association do not grant any special rights to specific shareholders, nor do they contain any terms relating to changes to the capital and to the rights of shareholders that are more restrictive than those established by Law. Shareholders exercise their rights regarding the Management of the Company by means of the General Meetings. Each

shareholder is entitled to participate in the General Meetings of the Company's shareholders either in person or by proxy. Each share gives right to one vote.

For shareholders to participate in the General Meetings they must first block all or part of their shares through their Operator in the Dematerialized Securities System (SAT) or (if their shares are in the SAT Special Account) through the Central Securities Depository S.A. The relevant certificate attesting to such blocking of shares, together with the representation documents need to be furnished to the Company at least 5 clear days prior to the date set for the General Meeting, and each shareholder must receive a receipt in order to be able to attend such meeting. Each shareholder may request the annual financial statements and the relevant reports of the Company's Board of Directors and Auditors 10 days prior to the date of the Ordinary General Meeting.

Shareholders holding 5% of the Company's paid up share capital shall be entitled to request from the Court of First Instance in the location of the Company's seat to appoint one or more auditors specifically to audit the Company under Articles 40 and 40 (e) of Law 2190/1920. They may also request that an Extraordinary General Meeting of the shareholders is convened. In that case the Board of Directors is required to convene such General Meeting within 30 days from the submission of the request with the Chairman of the Board of Directors. The requesting parties must state in the request the issues on which the General Meeting is called upon to decide.

Shareholders have option rights for each future increase of the Company's share capital in proportion to their participation in the Company's current share capital, as set forth in Article 13 (5) of Codified Law 2190/1920.

The dividend of each share is paid within 2 months from the date of the Ordinary General Meeting that approved the financial statements. The place and terms of payment are communicated to shareholders in the press. Dividends are distributed from profits already taxed; hence shareholders are not subject to taxation for the dividends they receive. Dividends that have not been claimed for five years are derecognized and are paid to the Government.

Any disputes between the Company and its shareholders or any third party shall fall under the jurisdiction of ordinary Courts, and the Company may only be brought before the courts of the area where its headquarters are.

Restrictions on the transfer of the Company's shares. The transfer of the Company's shares is affected in accordance with the law and the Athens Exchange Rulebook and there are no restrictions on their transfer pursuant from the Company's Articles of incorporation.

#### Significant direct or indirect participations

Shareholder	Shares	Percentage (%)
Dimitrios Koutsolioutsos	15.031.717	45,62
<b>As of date : 26.03.2009</b>		

Part of the above, equal to 3.035%, is exercised by Mr. George Koutsolioutsos, on behalf of his under aged children.

No other physical or legal entity holds percentage larger than 5% of the share capital.

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**Holders of any type of a share that provide special rights of audit.**

There are no shares of the Company that provide special rights of audit.

**Restrictions on voting right.**

No restrictions on the voting rights deriving from the Company's shares.

**Company's Shareholders' agreements.**

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of the Company's shares or on the voting rights conferred by its shares.

The share is undivided with regards to the exercise of rights and fulfilment of obligations that stem from it. Should there be more than one owner or beneficiaries per share, their representation towards the Company will be carried out by a single person determined by joined agreement.

**Rules of appointment and replacement of Board of Directors' members and amendment of Articles of incorporation.**

The rules provided in the Company's articles regarding the appointment and replacement of its Board of Directors members, as well as the amendment of its articles are in accordance to those provided for in codified law 2190/1920.

Specifically, according to article 16 of the Company's Articles of Association, the Board of Directors consists of three (3) to seven (7) members and is elected by the Company's General Shareholders' Assembly for a five-year term, which is extended until the first General Assembly following the end of its term, which in any case cannot exceed six years. The members of the Board of the Directors can be reelected or assigned freely.

In case of death or resignation or departure for any reason, of a Board of Directors' member, the remaining members of the Board of Directors, at three (3) members, are required to elect a temporary advisor in replacement of the former for the remaining of the relevant member's term. This election is subject to approval by the first, subsequent to the election, General Shareholders' Assembly. The non-ratification of this election does not affect the validity of the Board of Directors' decisions, which were made during the period from the aforementioned election up to the first subsequent General Assembly.

**Competency of the Board of Directors or some of its members to issue new shares or purchase owned shares.**

According to article 6 of the Company's Articles of Association, it is stipulated that the Board of Directors has the right, during the first five years since the establishment of the company, by means of a relevant decision made by a majority of at least two thirds (2/3) of its members, to increase the Company's share capital partially or in full through the issuance of new shares, for an amount that cannot exceed the initial share capital.

This authority may also be assigned to the Board of Directors by a decision from the General Assembly, which is subject to the disclosure statements of article 7b of C.L. 2190/1920. In such a case, the share capital can increase up to the amount of capital that is paid up during the date when the relevant authority was granted to the Board of Directors.



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By exception of the provisions of the two aforementioned paragraphs, if the Company's reserves exceed one fourth (1/4) of the paid up share capital, then a decision by the General Assembly is at all times required with the exceptional quorum and majority defined by one twentieth (1/20) of the total paid up share capital, according to article 25 of the Company's Articles of Association.

As regards to the share buy back according to article 13 of the Company's Articles of Association, the Company may go forward with the acquisition of own shares through the Stock Exchange according to the provisions of paragraphs 5 to 14 included, of article 16 of C.L. 2190/1920 as is in effect.

**Important agreement contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer and the results of this agreement.**

There is no such agreement.

**Agreements that the Company has contracted with the members of the Board of Directors or with its personnel, which provide for the payment of compensation in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer.**

There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of termination of their term or employment due to a public offer.

**Dimitrios Koutsolioutsos**

Chairman of the Board of Directors

## To the Shareholders of FOLLI FOLLIE S.A.

### Report on the Financial Statements

We have audited the accompanying financial statements as well as the consolidated financial statements, which comprise the separate and consolidated statement of financial position the separate and consolidated balance sheet of FOLLI FOLLIE S.A. (the "Company") as at 31 December 2009, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as 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, as adopted by the European Union (EU). 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 accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2009, 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 (EU).

### Report on Other Legal Requirements

We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying financial statements, under the legal frame of the articles 37, 43a [and 107] of c.L. 2190/1920.

**BAKER TILLY HELLAS**  
Certified Public Accountants S.A.  
396, Mesogion Avenue  
153 41 Ag.Paraskevi-Athens, Greece  
SOEL Reg.No: 148

Athens, March 30, 2010  
The Certified Public Accountant  
George I. Varthalitis  
SOEL. Reg. No:10251

## 4

## Annual Financial Statements

STATEMENT OF GROUP'S FINANCIAL POSITION				
ASSETS		THE GROUP		
Non Current assets	Note	31/12/2009	31/12/2008	1/1/2008
Tangible Assets	(8.1)	227.525.975,57	221.030.762,52	194.973.089,35
Investments in PPE	(8.1)	75.539.833,43	75.620.691,00	82.921.784,00
Goodwil	(8.2)	253.052.516,22	253.048.470,45	253.036.477,48
Intangible Assets	(8.2)	107.623.140,23	109.778.320,98	112.747.864,67
Deferred income tax assets	(8.19)	11.561.019,76	6.456.405,50	3.736.007,94
Investments available for sale	(8.4)	686.945,20	991.922,92	0,00
Other long term receivables	(8.4)	14.529.582,97	13.698.820,78	12.566.828,22
<b>Total non Current assets</b>		<b>690.519.013,38</b>	<b>680.625.394,15</b>	<b>659.982.051,66</b>
<b>Current assets</b>				
Inventories	(8.5)	266.355.588,80	245.760.983,79	209.190.323,18
Trade Receivables	(8.6)	276.672.307,49	286.358.008,54	195.125.870,28
Other Receivables	(8.6)	83.196.269,19	51.813.166,46	49.382.426,72
Financial assets at fair value through profit or loss	(8.8)	509.380,12	388.228,08	3.341.881,14
Non Current assets clasified as available for sale	(8.9)	0,00	7.024.416,00	0,00
Cash and cash equivalents	(8.7)	119.476.328,10	73.064.483,75	91.508.554,94
<b>Total Current assets</b>		<b>746.209.873,70</b>	<b>664.409.286,62</b>	<b>548.549.056,26</b>
<b>Total assets</b>		<b>1.436.728.887,08</b>	<b>1.345.034.680,77</b>	<b>1.208.531.107,92</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Share capital	(8.10)	9.884.062,50	9.884.062,50	9.884.062,50
Share premium	(8.10)	62.531.731,47	62.531.731,47	62.531.731,47
Other reserves	(8.11)	8.119.006,08	28.713.434,37	25.443.170,44
Own Stock	(8.11)	-14.602.091,47	-13.559.552,05	-7.899.441,83
Retained earnings	(8.11)	405.258.014,78	308.621.575,00	261.100.315,60
Exchange differences	(8.11)	-59.715.791,52	-46.463.425,24	-59.101.599,04
Other components of equity	(8.11)	-88.927.927,73	-88.927.927,73	-88.927.927,73
<b>Total equity attributable to owners of the Parent (a)</b>		<b>322.547.004,11</b>	<b>260.799.898,32</b>	<b>203.030.311,41</b>
<b>Non controlling interests (b)</b>	(8.11)	<b>118.549.022,44</b>	<b>115.422.340,20</b>	<b>132.792.714,93</b>
<b>Total Equity (c) = (a)+(b)</b>		<b>441.096.026,55</b>	<b>376.222.238,52</b>	<b>335.823.026,34</b>
<b>Liabilities</b>				
Long-term borrowings	(8.14)	330.431.457,62	613.874.811,39	549.126.626,02
Retirement benefit obligations	(8.12)	9.307.366,20	8.821.839,38	10.271.467,22
Deferred income tax liabilities	(8.15)	18.560.458,71	19.159.446,11	19.901.687,51
Other long Term liabilities	(8.13)	36.775.881,30	9.635.092,61	9.195.672,08
<b>Total non-current liabilities</b>		<b>395.075.163,83</b>	<b>651.491.189,49</b>	<b>588.495.452,83</b>
Trade and other Liabilities	(8.16)	148.107.211,25	174.313.869,00	148.390.131,47
Short-term Borrowings	(8.14)	421.950.057,37	116.403.857,57	122.026.853,87
Tax Liabilities	(8.16)	30.298.323,66	19.088.701,25	13.795.643,41
Dividends Payable	(8.17)	202.104,42	214.824,94	0,00
Liabilities related to non current assets clasified as available for sale	(8.18)	0,00	7.300.000,00	0,00
<b>Total current liabilities</b>		<b>600.557.696,70</b>	<b>317.321.252,76</b>	<b>284.212.628,75</b>
<b>Total liabilities</b>		<b>995.632.860,53</b>	<b>968.812.442,25</b>	<b>872.708.081,58</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>		<b>1.436.728.887,08</b>	<b>1.345.034.680,77</b>	<b>1.208.531.107,92</b>

**STATEMENT OF COMPANY'S FINANCIAL POSITION**

<b>ASSETS</b>		<b>THE COMPANY</b>		
<b>Non Current assets</b>	<b>Note</b>	<b>31/12/2009</b>	<b>31/12/2008</b>	<b>1/1/2008</b>
Tangible Assets	(8.1)	20.408.877,37	23.781.990,04	22.961.724,13
Investments in PPE	(8.1)	16.068.355,74	12.012.793,00	9.500.000,00
Goodwil	(8.2)	0,00	0,00	0,00
Intangible Assets	(8.2)	521.465,47	630.615,96	727.409,14
Investments in associates	(8.3)	418.079.679,15	419.566.288,35	387.438.470,75
Deferred income tax assets	(8.19)	6.497.594,78	229.959,65	316.090,50
Investments available for sale	(8.4)	0,00	0,00	0,00
Other long term receivables	(8.4)	417.828,62	327.809,72	294.583,75
<b>Total non Current assets</b>		<b>461.993.801,13</b>	<b>456.549.456,72</b>	<b>421.238.278,27</b>
<b>Current assets</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
Inventories	(8.5)	14.691.379,51	15.382.354,24	15.572.813,03
Trade Receivables	(8.6)	15.527.981,44	14.488.839,37	16.359.467,19
Other Receivables	(8.6)	4.811.805,77	2.862.617,71	3.461.025,08
Financial assets at fair value through profit or loss	(8.8)	509.380,12	388.228,08	1.629.392,98
Cash and cash equivalents	(8.7)	4.889.945,10	3.983.042,61	14.443.008,70
<b>Total Current assets</b>		<b>40.430.491,94</b>	<b>37.105.082,01</b>	<b>51.465.706,98</b>
<b>Total assets</b>		<b>502.424.293,07</b>	<b>493.654.538,73</b>	<b>472.703.985,25</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Share capital	(8.10)	9.884.062,50	9.884.062,50	9.884.062,50
Share premium	(8.10)	62.531.731,47	62.531.731,47	62.531.731,47
Other reserves	(8.11)	-7.885.515,09	13.144.804,26	16.887.455,40
Own Stock	(8.11)	-2.942.003,47	-2.942.003,47	-108.259,13
Retained earnings	(8.11)	43.942.778,60	32.845.171,65	29.856.696,85
<b>Total equity attributable to owners of the Parent (a)</b>		<b>105.531.054,01</b>	<b>115.463.766,41</b>	<b>119.051.687,09</b>
<b>Liabilities</b>				
Long-term borrowings	(8.14)	60.130.736,19	334.500.000,00	334.731.701,37
Retirement benefit obligations	(8.12)	719.831,00	750.070,00	674.362,00
Deferred income tax liabilities	(8.15)	1.752.430,22	1.484.130,52	1.168.104,94
Other long Term liabilities	(8.13)	31.774.606,79	506.234,89	207.031,01
<b>Total non-current liabilities</b>		<b>94.377.604,20</b>	<b>337.240.435,41</b>	<b>336.781.199,32</b>
Trade and other Liabilities	(8.16)	12.774.512,93	13.524.640,44	5.241.148,44
Short-term Borrowings	(8.14)	288.168.044,98	26.905.856,46	8.115.924,16
Tax Liabilities	(8.16)	1.567.916,53	502.748,57	2.161.438,14
Dividends Payable	(8.17)	5.160,42	17.091,44	1.352.588,10
<b>Total current liabilities</b>		<b>302.515.634,86</b>	<b>40.950.336,91</b>	<b>16.871.098,84</b>
<b>Total liabilities</b>		<b>396.893.239,06</b>	<b>378.190.772,32</b>	<b>353.652.298,16</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>		<b>502.424.293,07</b>	<b>493.654.538,73</b>	<b>472.703.985,25</b>

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD					
		The Group		The Company	
		1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Sales Revenue	(8.19)	992.502.394,88	937.260.876,98	35.801.042,68	38.205.058,10
Cost of goods sold		-499.250.938,63	-462.869.628,87	-15.877.531,62	-14.121.783,71
<b>Gross profit</b>		<b>493.251.456,25</b>	<b>474.391.248,11</b>	<b>19.923.511,06</b>	<b>24.083.274,39</b>
Other Operating income	(8.19)	30.904.969,23	30.788.084,63	3.602.738,54	9.175.275,87
Administrative expenses	(8.19)	-56.501.564,05	-52.388.058,25	-5.772.659,22	-7.183.222,66
Selling and marketing costs	(8.19)	-279.901.709,88	-275.310.436,26	-14.955.598,37	-15.555.215,45
Other expenses	(8.19)	-10.240.218,60	-5.526.732,49	-506.327,72	-1.120.009,09
<b>Earnings (profit) before taxes, financing and investing results (EBIT)</b>	<b>(8.19)</b>	<b>177.512.932,95</b>	<b>171.954.105,74</b>	<b>2.291.664,29</b>	<b>9.400.103,06</b>
Finance costs - profit	(8.19)	17.227.594,49	5.224.026,99	30.308.458,61	23.828.968,80
Finance costs - expenses	(8.19)	-36.980.226,87	-47.559.207,76	-17.130.068,64	-25.938.756,44
<b>Profit/Loss before taxes (EBT)</b>		<b>157.760.300,57</b>	<b>129.618.924,97</b>	<b>15.470.054,26</b>	<b>7.290.315,42</b>
Income tax expense	(8.20)	-42.518.229,82	-30.369.226,00	-1.604.339,60	-691.765,61
<b>Profit for the period after taxes (A)</b>		<b>115.242.070,75</b>	<b>99.249.698,97</b>	<b>13.865.714,66</b>	<b>6.598.549,81</b>
Attributable to:					
Equity holders of the Company		98.177.684,58	76.953.558,48		
Minority interest		17.064.386,17	22.296.140,49		
Earnings (after taxes) per share - basic (expressed in €)	(8.21)	3,0016	2,3527	0,4239	0,2017
Amortisation - Depreciation		21.863.118,54	19.073.511,68	1.229.604,84	1.209.439,54
<b>Earnings (profit) before taxes, financing and investing results and depreciation - amortisation (EBITDA)</b>		<b>199.376.051,49</b>	<b>191.027.617,42</b>	<b>3.521.269,13</b>	<b>10.609.542,60</b>
<b>Other comprehensive income for the period , net of tax (B)</b>		<b>-34.918.084,40</b>	<b>8.810.718,32</b>	<b>-20.503.739,55</b>	<b>-4.058.038,65</b>
<b>Total comprehensive income for the period, net of tax (A) + (B)</b>		<b>80.323.986,35</b>	<b>108.060.417,29</b>	<b>-6.638.024,89</b>	<b>2.540.511,16</b>
-Owners of the parent Company		63.288.570,38	88.028.882,27		
-Non controlling interests		17.035.415,96	20.031.535,02		
<b>OTHER COMPREHENSIVE INCOME</b>					
Exchange differences on translating foreign operations		-14.495.863,51	12.283.870,40		
Revaluation of Assets		750.692,83	0,00	750.692,83	0,00
Revaluation of financial instruments		-27.282.954,87	-5.395.162,74	-27.363.695,53	-5.072.548,31
Income tax relating to components of other comprehensive income		6.110.041,14	1.922.010,66	6.109.263,14	1.014.509,66
<b>Total comprehensive income for the period</b>		<b>-34.918.084,41</b>	<b>8.810.718,32</b>	<b>-20.503.739,56</b>	<b>-4.058.038,65</b>

Statement of changes in the Group's equity (in €)

	Share Capital	Share Premium	Other Reserves	Own Shares	Retained earnings	Currency exchange differences	Other capital and reserves attributable to equity holders of the company	Total	Minority interest	Total net equity
<b>Balance at 1.1.2008</b>	9.884.062,50	62.531.731,47	25.443.170,44	-7.899.441,83	261.100.315,60	-59.101.599,04	-88.927.927,73	203.030.311,41	132.792.714,93	335.823.026,34
Movements from 1/1 to 31/12/2008										
Dividends					-3.294.687,50			-3.294.687,50	-20.483.822,99	-23.778.510,49
Minority interest due to new subsidiaries					599.379,01			599.379,01	-14.573.239,52	-13.973.860,51
Change in Goodwill accounting policy according to revised IAS 27					-24.248.723,89			-24.248.723,89		-24.248.723,89
Total comprehensive income for the period			-4.192.656,54		79.143.026,25	10.589.943,47		85.540.313,18	22.520.104,11	108.060.417,29
Share buyback				-5.660.110,22				-5.660.110,22		-5.660.110,22
Other changes / Adjustments			7.462.920,47		-4.677.734,47	2.048.230,33		4.833.416,33	-4.833.416,33	0,00
<b>Balance at 31 st of December 2008</b>	9.884.062,50	62.531.731,47	28.713.434,37	-13.559.552,05	308.621.575,00	-46.463.425,24	-88.927.927,73	260.799.898,32	115.422.340,20	376.222.238,52
Movements from 1/1 to 31/12/2009										
Dividends					-3.294.687,50			-3.294.687,50	-11.229.742,69	-14.524.430,19
Capital returning to Minorities								0,00	-600.000,00	-600.000,00
Reduction of acquisition cost of subsidiary					1.006.537,42			1.006.537,42		1.006.537,42
Minority interest due to new subsidiaries								0,00	-289.766,10	-289.766,10
Total comprehensive income for the period			-20.422.220,90		98.206.654,79	-14.495.863,51		63.288.570,38	17.035.415,96	80.323.986,34
Share buyback				-1.042.539,44				-1.042.539,44		-1.042.539,44
Other changes / Adjustments			-172.207,39	0,02	717.935,07	1.243.497,23		1.789.224,93	-1.789.224,93	0,00
<b>Balance at 31 st of December 2009</b>	9.884.062,50	62.531.731,47	8.119.006,08	-14.602.091,47	405.258.014,78	-59.715.791,52	-88.927.927,73	322.547.004,11	118.549.022,44	441.096.026,55

### Statement of changes in Company's equity (in €)

	Share Capital	Share Premium	Other Reserves	Own Shares	Retained earnings	Total
<b>Balance at 1.1.2008</b>	<b>9.884.062,50</b>	<b>62.531.731,47</b>	<b>16.887.455,40</b>	<b>-108.259,13</b>	<b>29.856.696,85</b>	<b>119.051.687,09</b>
<b>Movements from 1/1 to 31/12/2008</b>						
Dividends					-3.294.687,50	-3.294.687,50
Total comprehensive income for the period			-4.058.038,65		6.598.549,81	2.540.511,16
Share buyback				-2.833.744,34		-2.833.744,34
Other changes			315.387,51		-315.387,51	0,00
<b>Balance at 31st of December 2008</b>	<b>9.884.062,50</b>	<b>62.531.731,47</b>	<b>13.144.804,26</b>	<b>-2.942.003,47</b>	<b>32.845.171,65</b>	<b>115.463.766,41</b>
<b>Movements from 1/1 to 31/12/2009</b>						
Dividends					-3.294.687,50	-3.294.687,50
Total comprehensive income for the period			-20.503.739,56		13.865.714,66	-6.638.024,90
Share buyback						0,00
Other changes			-526.579,79		526.579,79	0,00
<b>Balance at 31st of December 2009</b>	<b>9.884.062,50</b>	<b>62.531.731,47</b>	<b>-7.885.515,09</b>	<b>-2.942.003,47</b>	<b>43.942.778,60</b>	<b>105.531.054,01</b>

## CASH FLOW STATEMENT

	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
<b>Cash Flows related to Operating Activities</b>				
<i>Net Profit before taxes</i>	157.760.300,57	129.618.924,97	15.470.054,26	7.290.315,42
<b>Adjustments in respect of non-cash transactions:</b>				
Depreciation and Amortisation	21.863.118,54	19.073.511,68	1.229.604,84	1.209.439,54
Devaluation of tangible and intangible assets	0,00	0,00	0,00	0,00
Provisions	5.750.168,21	2.883.646,01	949.428,01	2.655.186,98
Exchange differences	-3.723.505,12	4.065.375,38	0,00	0,00
Cash flows from investing activities	-15.249.183,29	-4.871.910,08	-26.571.659,64	-23.211.156,16
Debit interest and similar expenses	32.511.915,10	46.663.500,83	12.866.743,34	23.103.016,29
<b>Adjustments related to working capital or other operating activities</b>				
Decrease/(increase) of Inventories	-28.158.985,05	-31.625.034,96	414.175,05	-119.541,21
Decrease/(increase) of Receivables	-22.200.171,49	-87.384.646,78	-3.289.367,17	2.419.035,19
Increase/(decrease) of payable accounts (except Banks)	-29.310.808,95	33.956.728,96	1.632.954,40	4.063.101,68
<b>Minus</b>				
Interest paid and similar expenses	-31.475.378,63	-45.443.033,32	-11.887.768,57	-22.811.400,07
<i>Income Tax paid</i>	-32.364.075,35	-34.101.726,45	0,00	-1.726.519,15
<b>Net cash inflows/(outflows) from Operating Activities (a)</b>	<b>55.403.394,54</b>	<b>32.835.336,24</b>	<b>-9.185.835,48</b>	<b>-7.128.521,49</b>
<b>Cash Flows related to Investing Activities</b>				
Purchases of subsidiaries, associates and other investments	-220.295,00	-43.776.338,31	-7.657,12	-34.307.322,58
Purchases of tangible and intangible assets	-29.267.423,43	-47.893.310,64	-1.063.569,33	-2.147.510,26
Proceeds from sale of tangible and intangible assets	3.213.077,67	9.549.821,87	5.877,80	238.476,93
<i>Proceeds from sale of financial assets</i>	14.156.518,43	3.496.760,90	13.454.709,05	3.695.760,90
Dividends received	102.269,87	199.000,00	15.204.010,50	18.219.888,22
Interest received	613.980,72	1.529.511,46	5.584,89	137.151,29
<i>Decrease/(increase) of other long-term receivables</i>	-620.205,60	-1.849.832,20	-90.018,90	-33.225,97
<b>Net cash inflows/(outflows) from Investing Activities (b)</b>	<b>-12.022.077,34</b>	<b>-78.744.386,92</b>	<b>27.508.936,89</b>	<b>-14.196.781,47</b>
<b>Cash Flows related to Financing Activities</b>				
Capital returning to Minorities	-600.000,00	0,00	0,00	0,00
Own Stock	-1.042.539,44	-5.660.110,22	0,00	-2.833.744,34
<i>Proceeds from Loans</i>	128.990.421,91	162.737.467,49	22.100.000,00	18.361.164,79
Repayment of Loans	-107.694.094,09	-104.524.129,43	-36.186.050,06	0,00
Payments for leases	-2.129.065,36	-1.563.399,82	-35.461,36	-31.903,82
Dividends paid	-14.494.195,87	-23.524.848,53	-3.294.687,50	-4.630.179,76
<b>Net cash inflows/(outflows) from Financing Activities (c)</b>	<b>3.030.527,15</b>	<b>27.464.979,49</b>	<b>-17.416.198,92</b>	<b>10.865.336,87</b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>46.411.844,35</b>	<b>-18.444.071,19</b>	<b>906.902,49</b>	<b>-10.459.966,09</b>
Cash and cash equivalents at the beginning of the period	73.064.483,75	91.508.554,94	3.983.042,61	14.443.008,70
<b>Cash and cash equivalents at the end of the period</b>	<b>119.476.328,10</b>	<b>73.064.483,75</b>	<b>4.889.945,10</b>	<b>3.983.042,61</b>



# 5

## General Information about the Group

### 5.1 The Company

The FOLLI FOLLIE Company has the legal entity of societe anonym and is the mother company of the FOLLI FOLLIE.

The Company's seat is registered at 23rd Km ATHENS-LAMIA HIGHWAY, in Greece, where the company's headquarters are located.

The Company's shares are listed in the Securities Market of the Athens Stock Exchange, under the classification of Big Capitalization.

Each share provides the right of one vote.

### 5.2 Structure of the Group

The companies of the Group, which are included in the consolidated financial statements, are as follows:

COMPANY	REGISTERED OFFICE	% PARTICIPATION	RELATION THAT COMMANDED THE CONSOLIDATION	UN-AUDITED TAX YEARS
FOLLI FOLLIE S.A.	GREECE		-	2008
FOLLI FOLLIE HONG KONG LTD	HONG KONG	99,99%	Direct	2002-2008
FOLLI FOLLIE UK LTD	GREAT BRITAIN	99,99%	Direct	2005-2008
FOLLI FOLLIE FRANCE SA	FRANCE	100%	Direct	2006-2008
FOLLI FOLLIE SPAIN SA	SPAIN	100%	Direct	2002-2008
FOLLI FOLLIE POLAND SZOO	POLAND	100%	Direct	2001-2008
FOLLI FOLLIE SLOVAKIA SRO	SLOVAKIA	100%	Direct	2001-2008
FOLLI FOLLIE GERMANY GmbH	GERMANY	100%	Direct	2005-2008
MFK FASHION LTD	CYPRUS	100%	Direct	2002-2008
PLANACO SA	GREECE	100,00%	Direct	2007-2008
HELLENIC DUTY FREE SHOPS	GREECE	56,78%	Direct	2005-2008
FOLLI FOLLIE JAPAN LTD	JAPAN	100%	Direct	2006-2008
FOLLI FOLLIE ASIA LTD	HONG KONG	99,99%	Indirect	2002-2008
FOLLI FOLLIE TAIWAN LTD	TAIWAN	99,99%	Indirect	2006-2008
FOLLI FOLLIE KOREA LTD	S.KOREA	99,99%	Indirect	2006-2008
FOLLI FOLLIE SINGAPORE LTD	SINGAPORE	99,99%	Indirect	2004-2008
BLUEFOL GUAM LTD	GUAM	99,99%	Indirect	2002-2008
BLUEFOL HAWAII LTD	HAWAII	99,99%	Indirect	2002-2008
BLUEFOL HONG KONG LTD	HONG KONG	99,99%	Indirect	2002-2008
FOLLI FOLLIE MALAYSIA LTD	MALAYSIA	99,99%	Indirect	2004-2008
FOLLI FOLLIE THAILAND LTD	THAILAND	99,99%	Indirect	2002-2008
FOLLI FOLLIE CHINA (PILION LTD)	CHINA	85,00%	Indirect	2006-2008
HELLENIC DISTRIBUTIONS SA	GREECE	56,76%	Indirect	2006-2008
LINKS (LONDON) LIMITED	GREAT BRITAIN	56,76%	Indirect	2006-2008
LINKS OF LONDON (INTERNATIONAL) LTD	GREAT BRITAIN	56,76%	Indirect	2006-2008
LINKS OF LONDON COM LTD (UK)	GREAT BRITAIN	56,76%	Indirect	2006-2008
LINKS OF LONDON ASIA LTD (HK)	HONG KONG	56,76%	Indirect	2006-2008
LINKS OF LONDON INC (USA)	U.S.A.	56,76%	Indirect	2006-2008
LINKS OF LONDON (FRANCE)	FRANCE	56,76%	Indirect	2006-2008
HDFS SKOPJE DOO (F.Y.R.O.M.)	F.Y.R.O.M.	56,76%	Indirect	2006-2008
LAPFOL	HONK KONG	75,00%	Indirect	2008
ELMEC SPORT ABETE	GREECE	54,27%	Indirect	-
ELMEC ROMANIA SRL	ROMANIA	54,27%	Indirect	2007-2008
ELMEC SPORT BULGARIA EOOD	BULGARIA	54,27%	Indirect	2004-2008
CHRONOSPORT SA	GREECE	27,14%	Indirect	2007-2008
MOUSTAKIS SA	GREECE	54,27%	Indirect	2007-2008
LOGISTICS EXPRESS SA	GREECE	54,27%	Indirect	2007-2008
ATTIKA DEP.STORES SA	GREECE	27,12%	Indirect	2007-2008
IPIROTIKI	GREECE	54,21%	Indirect	2008
NORTH LANDMARK AE	GREECE	18,99%	Indirect	-
ICS ELMEC SPORT SRL	MOLDOVA	54,27%	Indirect	-

The Full consolidation method has been used for all subsidiaries.

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In September 2009 the subsidiary company of the Group «ELMEC SPORT SA» bought from a subsidiary Factory Outlet AEE the share that the latter holds in the subsidiary of the Factory Outlet Airport AE, thus obtaining the direct control of 100% Factory Outlet Airport AE. Then, on September 29, 2009, the boards of subsidiary group Elmec Sport ABETE and 100% subsidiaries of companies SNE Factory Outlet Factory Outlet Airport SA decided to merge the three companies through the acquisition of those two subsidiaries by the parent company of such Elmec Sport ABETE to achieve economies of scale and reduce administrative and operating expenses. The merger was ratified by No. K2 13327/29.12.2009 decision of the Minister of Economy and Competitiveness. This had no effect on the financial statements.

The Group's subsidiary Chronosport AE entered into liquidation following a decision by the relevant General Assembly. The audit recoverable part of the investment incurred an impairment loss of EUR 52,725.

On 07 December 2009, the ELMEC SPORT ABETE acquired a minority stake (0.11%) held by the Bank EFG EUROBANK-ERGASIAS the subsidiary «IPIROTIKI AEKE» for a price €89,302, thus obtaining the most direct control of 100% of the «continental AEKE. Then namely 31.12.2009 decided the merger by acquisition of a subsidiary company of the group ELMEC SPORT ABETE,» IPIROTIKI AEKE «the subsidiary» DUTY FREE SHOPS «HELLENIC DISTRIBUTIONS SA.

In a subsidiary which is minor for the group, was issued an administrative act to suspend the operation, which was suspended with a temporary injunction granted by the competent department of suspensions of the State Council, in which the case is pending.

The subsidiaries in separate financial statements are valued at the purchase price less any impairment losses.

# 6

## Basis of Preparation of Financial Statements

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### **6.1 Period covered - Approval of Financial Statements**

The following financial statements include the financial statements FOLLI FOLLIE and its subsidiaries, which together are referred to as a group covering the period from 1 January 2009 to 31 December 2009, approved by the Board the company on March 30, 2010, subject to approval by the General Assembly which are legally empowered to amend.

### **6.2 Presentation of Financial Statements**

These financial statements are presented in € (unless otherwise stated), which is the functional currency of the group, ie the currency of the primary economic environment in which it operates, the parent company and most subsidiaries. Published in summary form individual and consolidated financial statements are presented in €.

### 7.1 Financial information per segment

The functional sectors of Group are strategic units that sell different goods. They are watched and they are managed separately by the administrative council, because this goods of are completely different nature, demand in the market and mixed margin of profit. The sectors of Group are the followings:

**- Jewel, Clock, Accessory:**

This sector includes the treatment and marketing of jewels, clocks and remaining resembling accessories

**- Retail Travelling Trade:**

The sector of retail travelling trade includes the sales duty-free and taxed types retail that are realised in stations of airports, custom and harbours

**- Department Stores:**

This sector concerns the exploitation of the department stores

**- Clothing - Footware:**

It concerns the retail and wholesale sale of eponymous articles of clothing of and footware

**- Other:**

Are included the sectors where the sales in exterior customers are under the 5%.

A) The financial elements of sectors of group at the 31.12.09 and 31.12.08 are as:

amounts in €.000	Jewelry - Watch -Accessories	Travel Retail	Department stores	Clothing - Footwear	Other segment	Total	Eliminations	Consolidated data
<b>31.12.2009</b>								
Tangible and Intangible assets	72.226	75.000	53.375	44.959	50.250	295.810	367.930	663.740
Inventories	118.904	48.579	52.243	49.076	504	269.306	-2.949	266.357
Trade and other receivables	251.269	15.164	14.864	42.180	320	323.797	-47.126	276.671
Cash	73.261	12.659	13.332	18.821	1.405	119.478	0	119.478
	<b>515.660</b>	<b>151.402</b>	<b>133.814</b>	<b>155.036</b>	<b>52.479</b>	<b>1.008.391</b>	<b>317.855</b>	<b>1.326.246</b>
Other assets	483.729	306.918	17.814	68.318	2.492	879.271	-768.788	110.483
<b>Total</b>	<b>999.389</b>	<b>458.320</b>	<b>151.628</b>	<b>223.354</b>	<b>54.971</b>	<b>1.887.662</b>	<b>-450.933</b>	<b>1.436.729</b>
Long-term loans	67.598	155.000	13.561	82.102	12.170	330.431	0	330.431
Short-term loans	300.309	74.557	14.400	36.603	2.357	428.226	-6.276	421.950
Trade and other liabilities	74.140	25.842	74.978	38.178	1.759	214.897	-36.289	178.608
	<b>442.047</b>	<b>255.399</b>	<b>102.939</b>	<b>156.883</b>	<b>16.286</b>	<b>973.554</b>	<b>-42.565</b>	<b>930.989</b>
Other liabilities	28.742	20.006	6.024	5.570	1.323	61.665	2.978	64.643
Equity	528.600	182.915	42.665	60.901	37.362	852.443	-411.346	441.097
<b>Total</b>	<b>999.389</b>	<b>458.320</b>	<b>151.628</b>	<b>223.354</b>	<b>54.971</b>	<b>1.887.662</b>	<b>-450.933</b>	<b>1.436.729</b>
<b>31.12.2008</b>								
Tangible and Intangible assets	62.758	74.882	53.440	42.810	48.877	282.767	123.663	406.430
Inventories	102.166	52.752	51.702	47.033	450	254.103	-8.342	245.761
Trade and other receivables	209.372	10.724	37.366	35.391	2.633	295.486	-9.128	286.358
Cash	35.109	10.837	17.672	7.950	1.496	73.064	0	73.064
	<b>409.405</b>	<b>149.195</b>	<b>160.180</b>	<b>133.184</b>	<b>53.456</b>	<b>905.420</b>	<b>106.193</b>	<b>1.011.613</b>
Other assets	429.882	298.841	187	71.594	6.027	806.531	-473.109	333.422
<b>Total</b>	<b>839.287</b>	<b>448.036</b>	<b>160.367</b>	<b>204.778</b>	<b>59.483</b>	<b>1.711.951</b>	<b>-366.916</b>	<b>1.345.035</b>
Long-term loans	337.584	220.000	4.703	36.054	15.534	613.875	0	613.875
Short-term loans	33.573	2.483	18.514	55.206	6.628	116.404	0	116.404
Trade and other liabilities	17.632	25.539	91.978	24.363	1.315	160.827	-14.391	146.436
	<b>388.789</b>	<b>248.022</b>	<b>115.195</b>	<b>115.623</b>	<b>23.477</b>	<b>891.106</b>	<b>-14.391</b>	<b>876.715</b>
Other liabilities	49.053	13.809	5.846	5.818	8.762	83.288	8.810	92.098
Equity	401.445	186.205	39.326	83.337	27.244	737.557	-361.335	376.222
<b>Total</b>	<b>839.287</b>	<b>448.036</b>	<b>160.367</b>	<b>204.778</b>	<b>59.483</b>	<b>1.711.951</b>	<b>-366.916</b>	<b>1.345.035</b>

amounts in €.000	Jewelry						Total	Eliminations	Consolidated data
	- Watch -Accessories	Travel Retail	Department stores	Clothing - Footwear	Other segment				
<b>31.12.2009</b>									
Sales to third parties	478.710	274.147	152.789	137.341	1.421	1.044.408	-51.906	992.502	
Intersegment sales			1.951	7.173	3	9.127	-9.127	0	
Less: cost of sales	-212.079	-143.413	-97.211	-90.533	-1.077	-544.313	45.062	-499.251	
Less: intersegment cost		-209	-6.677	-1.120	-321	-8.327	8.327	0	
<b>Gross Margin</b>	<b>266.631</b>	<b>130.525</b>	<b>50.852</b>	<b>52.861</b>	<b>26</b>	<b>500.895</b>	<b>-7.644</b>	<b>493.251</b>	
Other operating income	7.106	16.779	3.821	5.127	0	32.833	-1.928	30.905	
Selling Cost	-118.748	-81.269	-37.420	-46.170	-178	-283.785	3.883	-279.902	
Intersegment selling Cost			-125	-796	-1	-922	922	0	
Administration cost	-33.941	-14.798	-2.900	-8.106	-1.222	-60.967	4.465	-56.502	
Intersegment Administration Cost						0		0	
Other operating cost	-5.528	-832	-130	-3.558	-174	-10.222	-17	-10.239	
<b>Segment operating earnings (EBIT)</b>	<b>115.520</b>	<b>50.405</b>	<b>14.098</b>	<b>-642</b>	<b>-1.549</b>	<b>177.832</b>	<b>-319</b>	<b>177.513</b>	
<b>31.12.2008</b>									
Sales to third parties	410.079	292.297	126.531	149.573	2.016	980.496	-43.235	937.261	
Intersegment sales	140		1.173	5.756	38	7.107	-7.107	0	
Less: cost of sales	-175.443	-153.288	-77.907	-92.062	-1.613	-500.313	37.443	-462.870	
Less: intersegment cost		-117	-5.530	-102		-5.749	5.749	0	
<b>Gross Margin</b>	<b>234.776</b>	<b>138.892</b>	<b>44.267</b>	<b>63.165</b>	<b>441</b>	<b>481.541</b>	<b>-7.150</b>	<b>474.391</b>	
Other operating income	38.596	15.313	5.681	4.768	4	64.362	-33.574	30.788	
Selling Cost	-112.503	-87.977	-29.987	-44.802	-83	-275.352	42	-275.310	
Intersegment selling Cost			-147	-1.211		-1.358	1.358	0	
Administration cost	-32.883	-14.149	-3.736	-9.075	-1.295	-61.138	8.750	-52.388	
Intersegment Administration Cost						0		0	
Other operating cost	-6.929	-1.138	-73	-4.252	-24	-12.416	6.889	-5.527	
<b>Segment operating earnings (EBIT)</b>	<b>121.057</b>	<b>50.941</b>	<b>16.005</b>	<b>8.593</b>	<b>-957</b>	<b>195.639</b>	<b>-23.685</b>	<b>171.954</b>	

## Geographical Segments

Amounts in thousands Euro	Greece		Europe		Japan		Other Asian markets		Consolidated items	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008	31/12/2009	31/12/2008	31/12/2009	31/12/2008	31/12/2009	31/12/2008
"Net" sales	504.621	566.239	146.510	87.302	37.118	34.685	304.100	249.035	992.349	937.261
Non Current Assets	634.931	623.596	33.419	33.102	5.716	6.522	16.453	17.424	690.519	680.644
Capital expenditure	15.503	44.055	9.136	622	1.035	1.432	3.593	1.783	29.267	47.892

## 7.2 Risk Management

### 7.2.1 Exchange Rate for Financial Reporting and Sensitivity

The exchange rates used for the translation of the financial statements of subsidiaries and branches abroad in € are the following:

	USD	GBP	JPY
31/12/2009	1,4406	0,8881	133,16
1/1-31/12/2009	1,3948	0,8907	130,35
31/12/2008	1,3917	0,9525	126,14
1/1-31/12/2008	1,4707	0,7965	152,41

On December 31, 2009 after tax profit and equity of the Group would be formed at €1.476.000 below (company € 2.000) if € was weak against USD and the GBP by 10% and they would vary by € 1.532 km (About €58000) higher if € was stronger and the USD GBP by 10%.

### 7.2.2 Liquidity Risk

Prudent liquidity risk management implies (a) maintaining sufficient cash and (b) the availability of funding through adequate's credit lines. Due to the dynamic nature of its activities, the Group maintains flexibility in funding by maintaining high levels in unused short-term bank lending agreements. The Treasury Department shall prepare statements of expected future cash flows are reviewed by management in order to better plan the management of liquidity. Loan and other liabilities of the Group and the Company's classified under the term of repayment, are shown in the table below. The amounts in the table refer to the nominal value of the liability plus interest and therefore may not agree with the amounts in the balance sheet.



<b>The Group 31/12/2009</b>		<i>less than 1 Year</i>	<i>1 to 5 Years</i>	<i>Over 5 years</i>	<i>total</i>
Floating rate Loans	3,67%	435.224	295.125	9.889	740.238
Financial Leasing liabilities		4.197	17.741	35.987	57.925
Trade Liabilities		105.951			105.951
<b>Total</b>		<b>545.372</b>	<b>312.866</b>	<b>45.876</b>	<b>904.114</b>

<b>The Group 31/12/2008</b>		<i>less than 1 Year</i>	<i>1 to 5 Years</i>	<i>Over 5 years</i>	<i>total</i>
Floating rate Loans	6,39%	120.566	631.614	10.889	763.069
Financial Leasing liabilities		2.213	8.735	12.250	23.198
Trade Liabilities		139.575			139.575
<b>Total</b>		<b>262.354</b>	<b>640.349</b>	<b>23.139</b>	<b>925.842</b>

<b>The Company 31/12/2009</b>		<i>less than 1 Year</i>	<i>1 to 5 Years</i>	<i>Over 5 years</i>	<i>total</i>
Floating rate Loans	3,50%	301.598	60.523	0	362.121
Financial Leasing liabilities		34	142	0	176
Trade Liabilities		5.272			5.272
<b>Total</b>		<b>306.904</b>	<b>60.665</b>	<b>0</b>	<b>367.569</b>

<b>The Company 31/12/2008</b>		<i>less than 1 Year</i>	<i>1 to 5 Years</i>	<i>Over 5 years</i>	<i>total</i>
Floating rate Loans	5,90%	30.504	345.505	0	376.009
Financial Leasing liabilities		42	176	0	218
Trade Liabilities		5.987			5.987
<b>Total</b>		<b>36.533</b>	<b>345.681</b>	<b>0</b>	<b>382.214</b>

### 7.2.3 Price risk and sensitivity

The group not subjected to price fluctuations, as it holds a significant portfolio of securities and prices of products marketed no special variation. The Folli Follie through the regular recycling of its reserves, recovered substantial direct material value (precious metals). This approach, assisted by the significant increase in the price of precious metals, leading to saving significant amounts of direct materials, potential markets, while helping to release of slow moving stocks.

### 7.2.4 Rate Risk and Sensitivity

The Capital Management intends to secure the continuation of the operations of the Group in order to provide profits to the shareholders and benefits to other interested parties. The tools for the capital management are the dividend policy the issuance or return of capital and sale and purchase of assets. The basic Factor that capital management uses and is calculated as net debit divided to the total capital is Leveraged Factor. The above Factor as of 31/12/2009 and 31/12/2008 respectively is:

	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Loans	752.381.515	730.278.669	348.298.781	361.405.856
Less: Cash	(119.476.328)	(73.064.484)	(4.889.945)	(3.983.043)
Net debt	632.905.187	657.214.185	343.408.836	357.422.814
Net Equity	441.096.027	376.222.239	105.531.054	115.463.766
<b>Leverage Ratio</b>	<b>58,9%</b>	<b>63,6%</b>	<b>76,5%</b>	<b>75,6%</b>

The sensitivity analysis calculated for exposure to interest rate risk of financial instruments at year-end, and assuming that the outstanding borrowings at year-end outstanding throughout the year. The company, based on administrative estimates of interest rate risk, examines the impact on the results of a rate change of 100 basis points. An increase / decrease by one percentage point would lead to cost / savings of € 8.512.000 / € 7.287.000 (2008: € 5.941.000 / € 2.092.000) to the financial results of operations.

## 8.1 Tangible assets - Investment property

The book value of assets, for the Group and Company respectively, as shown in the consolidated balance sheet for the periods presented were as follows:

### The Group

	Land	Buildings & Building Installations	Investment Property Buildings	Plant & Machinery	Vehicles	Furniture, fittings & equipment	PPE in course of construction	Total
<b>01.01.2008</b>								
Cost	34.578.772,88	117.107.085,19	82.921.784,00	10.034.080,42	3.348.161,53	61.669.327,50	40.496.688,32	350.155.899,84
Additions	2.324.270,00	24.659.111,80	224.844,00	1.568.289,29	280.098,08	13.232.482,16	2.718.837,99	45.007.933,32
New subsidiary								0,00
Disposals		-8.893.659,03	-7.245.013,48	-591.255,23	-197.451,46	-3.718.001,61	-21.836,00	-20.667.216,81
Adjustments		3.728.379,91	54.781,00					3.783.160,91
<b>Balance 31.12.2008</b>	<b>36.903.042,88</b>	<b>136.600.917,87</b>	<b>75.956.395,52</b>	<b>11.011.114,48</b>	<b>3.430.808,15</b>	<b>71.183.808,05</b>	<b>43.193.690,31</b>	<b>378.279.777,26</b>
<b>Accumulated amortisation</b>								
Balance 01.01.2008		-25.025.408,50		-5.343.555,42	-2.114.467,08	-36.331.241,04		-68.814.672,04
Amortisation charge		-3.428.717,70	-343.960,52	-2.159.917,98	-375.510,50	-8.497.214,21		-14.805.320,91
<b>New subsidiaries depreciation</b>								
Decrease of amortisation		770.434,90	8.256,00	588.033,46	92.788,05	2.909.182,07		4.368.694,48
Adjustments								
Decrease of amortisation								
<b>Balance 31.12.2008</b>	<b>0,00</b>	<b>-27.683.691,30</b>	<b>-335.704,52</b>	<b>-6.915.439,94</b>	<b>-2.397.189,53</b>	<b>-41.919.273,18</b>	<b>0,00</b>	<b>-79.251.298,47</b>
Exchange differences	-711.781,21	-1.159.949,91		-536.818,50	-4.121,90	-66.521,80	102.168,05	-2.377.025,27
<b>Net book amount 31.12.2008</b>	<b>36.191.261,67</b>	<b>107.757.276,66</b>	<b>75.620.691,00</b>	<b>3.558.856,04</b>	<b>1.029.496,72</b>	<b>29.198.013,07</b>	<b>43.295.858,36</b>	<b>296.651.453,52</b>
<b>01.01 – 31.12.2009</b>								
Additions		11.478.783,18	965.215,00	998.511,27	249.093,00	8.596.371,98	5.136.232,94	27.424.207,37
New subsidiary								0,00
Disposals	-944.164,90	-4.467.963,75	-6.385,00	-309.350,90	-373.764,48	-2.627.641,85		-8.729.270,88
Adjustments		2.550.242,27				937.248,33	-2.469.589,43	1.017.901,17
Amortisation charge		-7.399.024,70	-1.043.082,57	-1.278.055,31	-271.642,77	-7.352.396,08		-17.344.201,43
New subsidiaries depreciation								0,00
Decrease of amortisation		2.560.085,76	3.395,00	288.039,06	234.214,21	2.298.664,34		5.384.398,37
Exchange differences	-390.614,59	-726.684,58		80.476,02	-10.077,23	-80.211,74	-211.567,00	-1.338.679,12
<b>Net book amount 31.12.2009</b>	<b>34.856.482,18</b>	<b>111.752.714,84</b>	<b>75.539.833,43</b>	<b>3.338.476,18</b>	<b>857.319,45</b>	<b>30.970.048,05</b>	<b>45.750.934,87</b>	<b>303.065.809,00</b>

## The Company

	Land	Investment Property Land	Buildings & Building Installations	Investment Property Buildings	Plant & Machinery	Vehicles	Furniture, fittings & equipment	PPE in course of construction	Total
<b>01.01.2008</b>									
Cost	7.165.044,74	1.400.000,00	16.002.589,04	8.100.000,00	1.653.250,70	587.185,83	4.250.143,63	0	39.158.213,94
Additions			778.947,24		29.699,21		1.290.818,03	10.000,00	2.109.464,48
Disposals			-95.506,61		-541.555,46		-1.048.612,61		-1.685.674,68
Adjustments									0,00
Reevaluation		161.420,80		2.351.372,20					2.512.793,00
<b>Balance</b>									
<b>31.12.2008</b>	<b>7.165.044,74</b>	<b>1.561.420,80</b>	<b>16.686.029,67</b>	<b>10.451.372,20</b>	<b>1.141.394,45</b>	<b>587.185,83</b>	<b>4.492.349,05</b>	<b>10.000,00</b>	<b>42.094.796,74</b>
<b>Accumulated amortisation</b>									
Balance									
01.01.2008			-2.137.888,16		-1.340.821,29	-331.301,28	-2.886.479,08	0	-6.696.489,81
Amortisation charge			-477.211,84		-89.983,88	-40.375,06	-467.029,80	0	-1.074.600,58
Decrease of amortisation			86.987,68		541.555,46	0	842.533,55	0	1.471.076,69
<b>Balance</b>									
<b>31.12.2008</b>	<b>0,00</b>	<b>0,00</b>	<b>-2.528.112,32</b>	<b>0,00</b>	<b>-889.249,71</b>	<b>-371.676,34</b>	<b>-2.510.975,33</b>	<b>0,00</b>	<b>-6.300.013,70</b>
<b>Net book amount</b>									
<b>31.12.2008</b>	<b>7.165.044,74</b>	<b>1.561.420,80</b>	<b>14.157.917,35</b>	<b>10.451.372,20</b>	<b>252.144,74</b>	<b>215.509,49</b>	<b>1.981.373,72</b>	<b>10.000,00</b>	<b>35.794.783,04</b>
<b>01.01 – 31.12.2009</b>									
Additions			596.434,88		68.754,60	58.000,00	306.562,27	7.507,03	1.037.258,78
Disposals					-44.104,70		-8,03		-44.112,73
Adjustments	-1.051.067,21	1.051.067,21	-2.240.662,70	2.253.802,70				-13.140,00	0,00
Reevaluation		294.565,06		456.127,77					750.692,83
Amortisation charge			-531.564,20		-85.585,97	-36.333,63	-440.659,99		-1.094.143,79
Decrease of amortisation					32.738,94		16,04		32.754,98
<b>Net book amount</b>									
<b>31.12.2009</b>	<b>6.113.977,53</b>	<b>2.907.053,07</b>	<b>11.982.125,33</b>	<b>13.161.302,67</b>	<b>223.947,61</b>	<b>237.175,86</b>	<b>1.847.284,01</b>	<b>4.367,03</b>	<b>36.477.233,11</b>

## 8.2 Intangible assets

The analysis of the book value of intangible assets of the group and the company presented in the tables below:

### The Group

	Rental rights	Concessions, Licenses & Similar Rights	Amortisable expenses	Total	Special assessment
<b>01.01.2008</b>					
Cost	3.485.735,14	113.990.899,62	19.917.270,04	137.393.904,80	252.770.491,80
Additions	658.000,00	117.564,18	1.348.142,03	2.123.706,21	
New subsidiary				0,00	
Disposals	-5.000,00	-1.005,00		-6.005,00	
Amortisation charge	-311.143,60	-2.733.226,43	-1.223.820,74	-4.268.190,77	
<b>Balance 31.12.2008</b>	<b>3.827.591,54</b>	<b>111.374.232,37</b>	<b>20.041.591,33</b>	<b>135.243.415,24</b>	<b>252.770.491,80</b>
<b>Accumulated amortisation</b>					
Balance 01.01.2008	-1.031.554,79	-14.143.731,66	-6.318.524,55	-21.493.811,00	
Amortisation charge				0,00	
New subsidiaries depreciation				0,00	
Decrease of amortisation				0,00	
<b>Balance 31.12.2008</b>	<b>-1.031.554,79</b>	<b>-14.143.731,66</b>	<b>-6.318.524,55</b>	<b>-21.493.811,00</b>	<b>0,00</b>
Exchange differences		2.681.164,51	-6.652.447,77	-3.971.283,26	277.978,65
<b>Net book amount 31.12.2008</b>	<b>2.796.036,75</b>	<b>99.911.665,22</b>	<b>7.070.619,01</b>	<b>109.778.320,98</b>	<b>253.048.470,45</b>
<b>01.01 – 31.12.2009</b>					
Additions	590.000,00	4.672,00	1.248.542,06	1.843.214,06	
New subsidiary				0,00	
Disposals				0,00	
Amortisation charge	-386.701,60	-2.557.854,86	-1.573.506,09	-4.518.062,55	
Adjustments	291.921,00	159.869,51	-104.280,71	347.509,80	
Decrease of amortisation				0,00	
Exchange differences	0,00	235.781,27	-63.623,33	172.157,94	4.045,77
<b>Net book amount 31.12.2009</b>	<b>3.291.256,15</b>	<b>97.754.133,14</b>	<b>6.577.750,94</b>	<b>107.623.140,23</b>	<b>253.052.516,22</b>

## The Company

	Rental rights	Concessions, Licenses & Similar Rights	Amortisable expenses	Total	Special assessment
<b>01.01.2008</b>					
Cost	3.485.735,14	113.990.899,62	19.917.270,04	137.393.904,80	252.770.491,80
Additions	658.000,00	117.564,18	1.348.142,03	2.123.706,21	
New subsidiary				0,00	
Disposals	-5.000,00	-1.005,00		-6.005,00	
Amortisation charge	-311.143,60	-2.733.226,43	-1.223.820,74	-4.268.190,77	
<b>Balance 31.12.2008</b>	<b>3.827.591,54</b>	<b>111.374.232,37</b>	<b>20.041.591,33</b>	<b>135.243.415,24</b>	<b>252.770.491,80</b>
<b>Accumulated amortisation</b>					
Balance 01.01.2008	-1.031.554,79	-14.143.731,66	-6.318.524,55	-21.493.811,00	
Amortisation charge				0,00	
New subsidiaries depreciation				0,00	
Decrease of amortisation				0,00	
<b>Balance 31.12.2008</b>	<b>-1.031.554,79</b>	<b>-14.143.731,66</b>	<b>-6.318.524,55</b>	<b>-21.493.811,00</b>	<b>0,00</b>
Exchange differences		2.681.164,51	-6.652.447,77	-3.971.283,26	277.978,65
<b>Net book amount 31.12.2008</b>	<b>2.796.036,75</b>	<b>99.911.665,22</b>	<b>7.070.619,01</b>	<b>109.778.320,98</b>	<b>253.048.470,45</b>
<b>01.01 – 31.12.2009</b>					
Additions	590.000,00	4.672,00	1.248.542,06	1.843.214,06	
New subsidiary				0,00	
Disposals				0,00	
Amortisation charge	-386.701,60	-2.557.854,86	-1.573.506,09	-4.518.062,55	
Adjustments	291.921,00	159.869,51	-104.280,71	347.509,80	
Decrease of amortisation				0,00	
Exchange differences	0,00	235.781,27	-63.623,33	172.157,94	4.045,77
<b>Net book amount 31.12.2009</b>	<b>3.291.256,15</b>	<b>97.754.133,14</b>	<b>6.577.750,94</b>	<b>107.623.140,23</b>	<b>253.052.516,22</b>

The allocation of goodwill to cash generating units in the 31/12/2009, is as follows:

Goodwill of company by HDF5	€ 164,757 million
Goodwill from the market the company LINKS (LONDON) LIMITED	€ 52,366 million
Goodwill from purchase company ELMEC SPORT SA	€ 35,415 million
Goodwill from acquisition of other companies	€ 0,514 million
<b>TOTAL</b>	<b>€ 253,052 million</b>

The recoverable amount of cash-generating unit was calculated using the method of value in use.

## The Company

	Rental rights	Software applications	Amortisable expenses	Total
<b>01.01.2008</b>				
Cost	146.735,14	578.964,84	937.665,07	1.663.365,05
New subsidiary				
Additions		37.049,60	996,18	38.045,78
Disposals				
<b>Balance 31.12.2008</b>	<b>146.735,14</b>	<b>616.014,44</b>	<b>938.661,25</b>	<b>1.701.410,83</b>
<b>Accumulated amortisation</b>				
Balance 01.01.2008	-73.554,79	-447.731,30	-414.669,82	-935.955,91
Amortisation charge	-12.143,60	-61.354,79	-61.340,57	-134.838,96
New subsidiaries depreciation				
Decrease of amortisation				
<b>Balance 31.12.2008</b>	<b>-85.698,39</b>	<b>-509.086,09</b>	<b>-476.010,39</b>	<b>-1.070.794,87</b>
Exchange differences				
<b>Net book amount 31.12.2008</b>	<b>61.036,75</b>	<b>106.928,35</b>	<b>462.650,86</b>	<b>630.615,96</b>
<b>01.01 – 31.12.2009</b>				
Additions		26.310,55		26.310,55
Disposals				0,00
Amortisation charge	-12.143,60	-76.483,20	-46.834,24	-135.461,04
Adjustments				0,00
Decrease of amortisation				0,00
Exchange differences				0,00
<b>Net book amount 31.12.2009</b>	<b>48.893,15</b>	<b>56.755,70</b>	<b>415.816,62</b>	<b>521.465,47</b>



### 8.3 Participations to subsidiaries

In the financial statements of the parent company, the following companies are valued at cost less impairment losses, as given in the table below. The consolidated statements incorporated all the full consolidation method.

COMPANY	31/12/2009	31/12/2008
FOLLI-FOLLIE HONG KONG Ltd	22.627.986,94	22.627.986,94
FOLLI-FOLLIE UK Ltd	3.110.450,19	3.110.450,19
FOLLI-FOLLIE FRANCE SA	7.155.791,41	7.155.791,41
FOLLI FOLLIE JAPAN Ltd	15.528.409,08	16.534.950,28
FOLLI-FOLLIE SPAIN SA	5.018.267,21	5.018.267,21
MFK FASHION Ltd	367.395,18	367.395,18
PLANACO S.A.	5.276.220,41	5.276.220,41
HDF's	358.995.158,73	358.967.225,66
FOLLI-FOLLIE POLAND *	1.017.353,47	1.017.353,47
FOLLI-FOLLIE SLOVAKIA*	299.200,00	299.200,00
FOLLI-FOLLIE CZECH *	1.299.952,58	1.299.952,58
FOLLI-FOLLIE GMBH*	50.000,00	50.000,00
Impairment(*)	-2.666.506,05	-2.179.504,98
Advance payments		21.000,00
<b>Total</b>	<b>418.079.679,15</b>	<b>419.566.288,35</b>

### 8.4 Receivables and other non current assets

Analysis of balances of investments available for sale and other long-term requirements of the group and the company presented in the following tables:

Investment Available for Sale	THE GROUP			THE COMPANY		
	Listed Shares	Non listed Shares	Total	Listed Shares	Non listed Shares	Total
Balance as of 1/1/2008	411.746,00	0,00	411.746,00	0,00	0,00	0,00
Additions	35.660,00	0,00	35.660,00	0,00	0,00	0,00
Reductions	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	33.642,92	783.622,00	817.264,92	0,00	0,00	0,00
Impairments	-35.660,00	0,00	-35.660,00	0,00	0,00	0,00
Valuation	-5.500,00	-231.588,00	-237.088,00	0,00	0,00	0,00
Foreign Exchange Diffs	0,00	0,00	0,00	0,00	0,00	0,00
<b>Balance as of 31/12/2008</b>	<b>439.888,92</b>	<b>552.034,00</b>	<b>991.922,92</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
Balance as of 1/1/2009	439.888,92	552.034,00	991.922,92	0,00	0,00	0,00
Additions	10.735,00	0,00	10.735,00	0,00	0,00	0,00
Reductions	-81.659,00	-314.985,38	-396.644,38	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00
Impairemantas	0,00	0,00	0,00	0,00	0,00	0,00
Valuation	-300,00	81.231,66	80.931,66	0,00	0,00	0,00
Foreign Exchange Diffs	0,00	0,00	0,00	0,00	0,00	0,00
<b>Balance as of 31/12/2009</b>	<b>368.664,92</b>	<b>318.280,28</b>	<b>686.945,20</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

Investments available for sale on the group's shares listed on the Athens Stock Exchange are valued at current prices closing meeting of the Stock Exchange on 31 December 2009 (level 1) and shares not quoted on the Athens Stock Exchange are valued at cost and tested at each balance sheet date for impairment through the results. The audit conducted on 31.12.2009 revealed no evidence of further impairment of these

Long Term Receivables	THE GROUP		THE COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Post Dated Checks Receivables	1.314.399,00	583.460,00	78.000,00	0,00
Rental Deposits	11.655.880,27	11.901.053,73	339.828,62	327.809,72
Long Term Loans To Third Parties	12.000,00	1.214.307,05	0,00	0,00
Investments Available for Sale	686.945,20	991.922,92	0,00	0,00
Deferred Tax Assets	11.561.019,76	6.456.405,50	6.497.594,78	229.959,65
Other Receivables	1.547.303,70	0,00	0,00	0,00
	26.777.547,94	21.147.149,20	6.915.423,40	557.769,37

## 8.5 Inventories

Inventories of the group and company were as follows:

Inventories	THE GROUP		THE COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Merchandise (& Goods in transit)	268.812.925,99	244.224.629,52	11.944.703,49	12.021.788,63
Products, Row and Packing Material	4.851.258,40	5.211.835,46	3.682.479,89	4.019.569,80
Less:Provisions for Obsolesence	7.308.595,59	3.675.481,19	935.803,87	659.004,19
	266.355.588,80	245.760.983,79	14.691.379,51	15.382.354,24

Inventories were valued at cost, but excluding certain stocks of old freight periods, which were valued at net realizable value of these, so the reported result of the above valuation differences. The main increase in margin calls due to the devaluation by stocks carrying amount of approximately \$ 6,000,000, which burdened the results of the current fiscal year, a subsidiary of the group abroad.

## 8.6 Trade and other Receivables

The provisions taken for bad debts resulting from the singularly concerned the capacity for repayment of balance for each client - the debtor, taking into account the age thereof. For other clients who have paid for a claim through legal means, taking into account the assessment of legal counsel. During the period from the parent company out forecast amount € 26 thousand and subsidiaries of the Group carried out an additional provision amounting to € 189 thousand

The fair value of these claims is not substantially different from their carrying value

Receivables From Customers	THE GROUP		THE COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Trade Receivables (Customers)	256.502.018,45	271.112.882,72	14.060.679,84	12.274.397,21
Post Dated Checks Receivables	21.217.826,36	16.111.083,90	1.518.846,92	2.239.859,06
Less:Provisions for Bad Debts	-1.047.537,32	-865.958,08	-51.545,32	-25.416,90
	276.672.307,49	286.358.008,54	15.527.981,44	14.488.839,37

Trade Receivables Ageing -The Group		
i) Over due but not impaired		
	2009	2008
120-180 days	52.432.758,33	54.410.518,78
180-270 days	27.272.979,71	28.153.736,28
270+ days	27.736.043,02	26.048.108,61
i) impaired		
	2009	2008
120-180 days	0,00	0,00
180-270 days	10.000,00	0,00
270+ days	1.169.739,00	1.007.871,00

Trade Receivables Ageing -The company		
i) Over due but not impaired		
	2009	2008
120-180 days	2.055.246,30	2.220.866,02
180-270 days	3.524.919,62	3.551.429,42
270+ days	5.901.646,96	3.841.481,18
i) impaired		
	2009	2008
120-180 days	0,00	0,00
180-270 days	10.000,00	0,00
270+ days	173.747,00	173.747,00

Other Current Assets	THE GROUP		THE COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Short Term Loans Receivables	0,00	0,00	1.286.517,41	0,00
Trade Receivables (Credit Card)	22.891.204,65	20.660.211,56	796.149,65	951.715,76
Receivables From Public Sector	9.608.885,56	12.592.414,66	1.547.580,06	14.957,18
Advances to Suppliers	7.047.159,09	1.365.296,70	653.411,77	588.811,97
Personnel Advances	385.817,41	444.681,04	150.405,00	0,00
Other Receivables	34.723.415,10	5.048.310,14	0,00	314.221,81
Other Debtors	3.806.432,45	7.498.004,23	261.679,48	493.252,78
Purchases Under Settlement	792.909,99	580.023,72	31.325,99	0,00
Accrued Income	5.154,04	88.120,02	-1.327,29	0,00
Prepayments	3.813.705,89	3.220.104,39	86.063,70	499.658,21
Derivatives	121.585,00	316.000,00	0,00	0,00
	<b>83.196.269,18</b>	<b>51.813.166,46</b>	<b>4.811.805,77</b>	<b>2.862.617,71</b>

The growth of the account «other assets» due primarily to advance up to the first quarter of 2009 in production facilities to the commitment performance and competitive prices of large annual orders (estimated cost \$ 200 million) and provide preferential discounts on purchases stock and equipment outlets foreign subsidiaries in South East Asia worth \$ 50 million or € 37.6 million

The fair value of these claims is not substantially different from their carrying value.

## 8.7 Cash and Cash Equivalents

The cash and cash equivalents comprise the following:

Cash at Bank and on Hand	THE GROUP		THE COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Cash on Hand	6.079.810,19	4.042.189,40	352.135,86	657.741,52
Bank Accounts	113.396.517,91	69.022.294,35	4.537.809,24	3.325.301,09
	<b>119.476.328,10</b>	<b>73.064.483,75</b>	<b>4.889.945,10</b>	<b>3.983.042,61</b>

## 8.8 Financial assets fair value through Results

The change in available for sale assets at fair value through profit and loss is as follows:

Fair value investments	THE GROUP			THE COMPANY		
	Listed Shares	Mutual Funds and other securities	Total	Listed Shares	Mutual Funds and other securities	Total
Balance as of 1/1/2008	479.269,41	1.150.123,57	1.629.392,98	479.269,41	1.150.123,57	1.629.392,98
Additions	0,00	0,00	0,00	0,00	0,00	0,00
Reductions	0,00	-1.150.123,57	-1.150.123,57	0,00	-1.150.123,57	-1.150.123,57
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00
Impairmentantes	0,00	0,00	0,00	0,00	0,00	0,00
Valuation	-91.041,33	0,00	-91.041,33	-91.041,33	0,00	-91.041,33
Foreing Exchange Diffis	0,00	0,00	0,00	0,00	0,00	0,00
<b>Balance as of 31/12/2008</b>	<b>388.228,08</b>	<b>0,00</b>	<b>388.228,08</b>	<b>388.228,08</b>	<b>0,00</b>	<b>388.228,08</b>
Balance as of 1/1/2009	388.228,08	0,00	388.228,08	388.228,08	0,00	388.228,08
Additions	0,00	0,00	0,00	0,00	0,00	0,00
Reductions	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00
Impairmentantes	0,00	0,00	0,00	0,00	0,00	0,00
Valuation	121.152,04	0,00	121.152,04	121.152,04	0,00	121.152,04
Foreing Exchange Diffis	0,00	0,00	0,00	0,00	0,00	0,00
<b>Balance as of 31/12/2009</b>	<b>509.380,12</b>	<b>0,00</b>	<b>509.380,12</b>	<b>509.380,12</b>	<b>0,00</b>	<b>509.380,12</b>

All assets of this category are measured at fair value.

## 8.9 Non-current assets held for sale

The Group has classified property subsidiary as "non-current assets intended for sale" in accordance with IFRS 5. In January 2009 the subsidiary of the property is sold at a price of € 7.300 thousand from the sale showed the group profit amounts € 302 thousand.

## 8.10 Share Capital

	Number of shares	Ordinary shares	Authorised capital	Share premium	Total	Own shares (qty )
<b>31st December 2007</b>	32.946.875,00	32.946.875,00	9.884.062,50	62.531.731,47	72.415.793,97	6.054,00
<b>31st December 2008</b>	32.946.875,00	32.946.875,00	9.884.062,50	62.531.731,47	72.415.793,97	238.810,00
<b>31st December 2009</b>	32.946.875,00	32.946.875,00	9.884.062,50	62.531.731,47	72.415.793,97	238.811,00

The total authorized number of ordinary shares is 32.946.875 million shares with a par value of € 0,30 per share. All issued shares are fully paid. All shares, other than themselves, enjoy the same rights to receive dividends and represent one vote in the General Meeting of shareholders. For many of these shares, the acquisition has been decided before the August 8, 2007 (entry into force of Law 3604/2007) to be sold within one year from the date of purchase, or be distributed to the staff of the company, otherwise canceled. So for the same shares were acquired prior to the implementation of Law 3604/2007, the company will take the action specified by the existing scheme.

### 8.11 Retained earnings and other reserves

The movement of profits and reserves shown in the table below:

	The Group		The Company	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Profit carried forward	405.258.014,78	308.621.575,00	43.942.778,60	32.845.171,65
Reserves	8.119.006,08	28.713.434,37	-7.885.515,09	13.144.804,26
Own Shares	-14.602.091,47	-13.559.552,05	-2.942.003,47	-2.942.003,47
Consolidation differences according to previous Accounting Standards	-88.927.927,73	-88.927.927,73		
Consolidated exchange differences	-59.715.791,52	-46.463.425,24		
Third party rights	118.549.022,44	115.422.340,20		
	<b>368.680.232,58</b>	<b>303.806.444,55</b>	<b>33.115.260,04</b>	<b>43.047.972,44</b>

## 8.12 Retirement benefit obligations due to termination of service

The obligation of the group and the amounts recorded in the income statement are as follows:

	The Group		The Company	
	1/1/09- 31/12/09	1/1/08- 31/12/08	1/1/09- 31/12/09	1/1/08- 31/12/08
Present value of non funded obligations	11.594.919	10.933.691	816.482	764.537
Unrecognized actuarial gains / (losses)	328.107	837.815	-69.980	17.794
Unrecognized past service cost	-2.615.660	-2.949.667	-26.671	-32.261
<b>Net liability recognized in balance sheet</b>	<b>9.307.366</b>	<b>8.821.839</b>	<b>719.831</b>	<b>750.070</b>
<b>Amounts recognized in the income statement</b>				
Cost of current employment	913.382	772.822	62.507	77.038
Interest in liability	561.132	437.176	38.976	36.806
Recognition of actuarial loss / (gain)	-120.277	-305.169	0	4.146
Recognition of past service cost	301.040	299.387	5.096	5.423
<b>Normal output in the income statement</b>	<b>1.655.277</b>	<b>1.204.216</b>	<b>106.579</b>	<b>123.413</b>
Cost of reductions / settlements / termination of service	85.293	183.039	85.293	183.039
<b>Total expense in the income</b>	<b>1.740.570</b>	<b>1.387.255</b>	<b>191.872</b>	<b>306.452</b>
<b>Changes in net liability recognized in balance sheet</b>				
Net liability at beginning of year	8.821.839	8.148.243	750.070	674.362
Benefits paid by the employer	-2.149.173	-1.519.572	-222.111	-230.744
Total expense recognized in the income statement	2.634.699	2.193.168	191.872	306.452
<b>Net liability at year end</b>	<b>9.307.365</b>	<b>8.821.839</b>	<b>719.831</b>	<b>750.070</b>
Adjustment	0	0	0	0
<b>Net liability at year end</b>	<b>9.307.365</b>	<b>8.821.839</b>	<b>719.831</b>	<b>750.070</b>
<b>Change of obligation's present value</b>				
Present value of obligation at beginning of period	10.933.691	9.376.244	764.537	860.585
Cost of current employment	913.382	772.822	62.507	77.038
Interest costs	561.132	437.176	38.976	36.806
Benefits paid by the employer	-2.149.173	-1.531.483	-222.111	-230.744
Additional payments / costs / (income)	899.307	1.005.881	85.122	172.436
Cost of service during the period	90.147	2.107.024	0	0
Actuarial loss / (gain)	346.433	-1.233.973	87.451	-151.584
<b>Present value of obligation at the end of period</b>	<b>11.594.919</b>	<b>10.933.691</b>	<b>816.482</b>	<b>764.537</b>
<b>Actuarial assumptions</b>				
Discount rate	2-5%-5,17%	2,25%-5,7%	5,17%	5,70%
Future salary increases	2,5%-4%	2,5%-4%	2,50%	2,50%



### 8.13 Other Long-term Liabilities – Other Long-term Provisions

The movement of funds out in the following tables:

Other Long Term Liabilities	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Retirement Benefits	9.307.366,20	8.821.839,38	719.831,00	750.070,00
Rental Deposits/Guarantees	365.098,26	609.291,23	365.098,26	246.437,34
Long-term Leasing Liabilities	52.367.938,33	19.866.303,81	130.736,19	0,00
Long-term Deferred Tax Liability	18.560.458,71	19.159.446,11	1.752.430,22	1.484.130,52
Tax Provisions	1.442.142,00	1.662.802,00	112.500,00	60.000,00
Other Provisions	2.978.550,29	1.899.974,52	0,00	0,00
Bank and Financial Institutions	278.063.519,29	594.008.507,58	60.000.000,00	334.500.000,00
Derivatives Revaluation	31.990.090,74	5.463.024,86	31.297.008,53	199.797,55
	<b>395.075.163,82</b>	<b>651.491.189,49</b>	<b>94.377.604,20</b>	<b>337.240.435,41</b>

The line "Derivatives Revaluation" contains interest rate swaps (IRS) which are held as hedging instruments cash floating rate financial liabilities, which cover approximately 65% of the capital debt obligations. All contracts expire after 2013. The fair values of derivative financial products based on market valuation (mark to market), as confirmed by credit institutions which have signed the relevant agreements. These changes in the valuation of hedging instruments are recognized as "reserves" in equity funds, through the statement of other comprehensive income and transferred to the income when the cash flows being hedged affects them.

The observed increase in leases from the conclusion of the Commercial Leasing and the EFG Leasing (50% each) for the lending subsidiary of EUR 40 million for 15 years using the method of sale and leaseback of property (sale and lease back). In the year 2009 have provided the company 35 million from the move and used mostly to repay short term loans. The remaining 5 million disbursed in February 2010 and also used to repay short term loans.

During the current fiscal use of a tax audit of subsidiaries of the group HDFS SA, of which there were differences of tax audit of € 532.734. For this amount the Group companies have used forecast amount € 457.439, while the remaining amount of € 75.295 to bear the results of the closing year of the group. In parallel, the Group carried out an additional provision for the period amount € 237.500 (parent € 52.500). The company HDFS SA ongoing tax audit for the fiscal years 2005 - 2007 the result of which has not been finalized.

Unaudited Fiscal Years	
	The Group
As of 31/12/2008	1.662.802,00
Additions	237.500,00
Provisions used	-458.160,00
income from unused provisions	
<b>As of 31/12/2009</b>	<b>1.442.142,00</b>

In addition to provisions for additional taxes from future tax audits, the Group companies have formed the following provisions:

#### Provision for lawsuits

This provision amounts to 2,150,000 euros, based on the fact that the group company has pending court cases with plaintiff the Greek government, is a reliable estimate of the amounts to be paid if the final weight.

#### Provision for forfeiture penalties

This forecast is 564,595 euro stems from the fact that a subsidiary company of the group may be asked to pay a certain amount as a penalty to suppliers with whom it has a commercial cooperation agreement type shops-in-a-shop, where early termination of the cooperation and under certain circumstances and conditions.

Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of output is expected to take to settle the obligation.

In the current year out additional provision for other risks and expenses of foreign companies in the group of € 264 thousand euros.

## 8.14 Loans and Liabilities Maturity

Loans: Analysis	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Bond Loans	604.693.348,97	414.849.394,07	326.500.000,00	334.500.000,00
Bank Loans	91.403.925,23	293.722.151,92	21.668.044,98	26.905.856,46
Leasing	56.284.240,80	21.707.122,97	164.336,19	0,00
	<b>752.381.514,99</b>	<b>730.278.668,96</b>	<b>348.332.381,17</b>	<b>361.405.856,46</b>
Long-Term Loans	278.063.519,29	594.008.507,58	60.000.000,00	334.500.000,00
Short-Term Loans	418.033.754,90	114.563.038,41	288.168.044,98	26.905.856,46
	<b>696.097.274,19</b>	<b>708.571.545,99</b>	<b>348.168.044,98</b>	<b>361.405.856,46</b>

Loans	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Over 5 Years	9.888.890,00	10.888.897,00	0,00	0,00
1 to 5 Years	268.174.629,29	583.119.610,58	60.000.000,00	334.500.000,00
Up to 1 year	418.033.754,90	114.563.038,41	288.168.044,98	26.905.856,46
	<b>696.097.274,19</b>	<b>708.571.545,99</b>	<b>348.168.044,98</b>	<b>361.405.856,46</b>

Leasing	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Over 5 Years	35.987.184,00	12.549.405,95	0,00	0,00
1 to 5 Years	16.380.754,33	7.316.897,86	130.736,19	0,00
Up to 1 year	3.916.302,47	1.840.819,16	33.600,00	0,00
	<b>56.284.240,80</b>	<b>21.707.122,97</b>	<b>164.336,19</b>	<b>0,00</b>

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The subsidiary of the HDFFS has to transform long-term loan of € 100 million bond issue. For this loan amount of bonds issued 20 million € 5 each. The end of the first bond is 31/07/2010, the second confession is closing 31/07/2011. The next two bonds have to end 31/07/2012. The next 16 bonds 4 bonds expire 31/07/2013 and the last 12 ending 31/12/2013.

The bond of the subsidiary «Elmec Sport SA" amount € 52 million comes a) from pre-existing bonds amount to € 23,5 million in bonds which were issued nine par value of EUR 3.4 million. The end of the first bond will be on 14/9/2011 and the last on 14.9.2015. b) a common bond loan of 15 million ending 25.02.2013 has been issued for 6 bonds of which the first 2 bonds amounting to € 1,5 million and the subsequent amount of 4 million or € 3 end of the first bond is 25/08/2010 and the last 25/02/2013. The loan was used entirely to pay off short-term borrowing of the Company and c) the subsidiary Factory Outlet Airport AE, which at 31/12/2009 merged with its parent company Elmec Sport ABETE, amount of € 13,5 million which comes from converting short-term credit line amount of € 9 million and an existing bond amount of € 4,5 million for this loan bonds issued nine par value amount of EUR 1,500,000. The end of the first bond will be on 10.10.2011 and the last on 10/10/2015.

For bond issue worth € 291,5 million, the company is in the final stage of discussions to convert this into a long-term.

Finally, the Group's obligations under finance leases relating to long-term leasing contracts signed by the parent and its subsidiaries for the acquisition. The Group paid the rent under these contracts are calculated on a floating interest rate linked to EURIBOR. For securing bank loans amounting to € 331.500.000 pledged 20,998,000 shares of subsidiary company of the group. In addition to securing a bank loan subsidiary of approximately € 5.117.600, has given corporate guarantee of the parent.

## 8.15 Deferred Income Tax

The Deferred tax claims and obligations are as follow:

	The Group				The Company			
	31/12/2009		31/12/2008		31/12/2009		31/12/2008	
	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation	Deferred Tax Claim	Deferred Tax Obligation
Fixed Assets								
Tangible Fixed Assets	703.991,32	4.614.057,41	385.370,00	3.356.522,62		1.626.448,02		1.453.147,71
Intangible Fixed Assets	-214.118,29	12.890.957,72	-248.453,17	13.457.151,84		61.349,40		-75.853,17
Leases		1.235.345,06		1.447.212,54		64.632,81		30.982,81
Valuations at Fair Value	105.035,07							
Current Assets								
Receivables	671.403,76	1.034.395,98	447.000,00	898.559,11	201.000,76			
Long Term Liabilities								
Def. Tax recognised in Equity	6.259.401,71		116.995,86		6.259.401,71			
Tax losses	4.496.046,82		2.495.901,88					
Other Provisions	1.047.301,00		1.837.839,77					159.261,16
Post Employment Benefits	1.356.006,49		1.421.751,16		37.192,32			146.551,66
Accruals	-134.128,76	1.515.621,90						
Adjustments	-2.729.919,36	-2.729.919,36			0,00	0,00		
<b>Total</b>	<b>11.561.019,76</b>	<b>18.560.458,71</b>	<b>6.456.405,50</b>	<b>19.159.446,11</b>	<b>6.497.594,79</b>	<b>1.752.430,23</b>	<b>229.959,65</b>	<b>1.484.130,52</b>

## 8.16 Trade payables and other liabilities – Tax Liabilities

The change of line in the list below:

Tax Liabilities	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Income Taxes	14.472.874,96	13.306.831,07	358.514,60	-295.083,79
Taxes Resulting From Tax Audits	266.778,00	168.482,18	0,00	34.727,18
Tax - Special Levy - Fines	6.428.355,88	0,00	0,00	0,00
V.A.T./Sales Tax	3.343.221,76	2.090.836,92	70.572,50	322.757,41
Other Tax Liabilities (Other Than Income Tax)	5.787.093,06	3.522.551,09	1.138.829,43	440.347,77
	<b>30.298.323,66</b>	<b>19.088.701,26</b>	<b>1.567.916,53</b>	<b>502.748,57</b>

Trade and Other Liabilities	The Group		The Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Suppliers	91.805.053,78	124.628.585,00	4.354.093,16	5.254.440,61
Cheques / Promissory Notes Payable	14.145.956,30	14.946.417,32	917.633,36	732.333,32
Customer Advances	8.236.846,08	6.860.596,58	157.461,70	732.815,84
Short - Term Bank Loans	418.033.754,90	114.563.038,41	288.168.044,98	26.905.856,46
Short - Term Leasing Liabilities	3.916.302,47	1.840.819,16	33.600,00	0,00
Short - Term Loans From Third Parties	0,00	0,00	0,00	2.169.198,52
Taxes Payable	30.298.323,66	19.088.701,25	1.567.916,53	502.748,57
Personnel Payrol Payable	1.604.713,34	1.848.162,73	48.971,22	5.185,11
Accrued Expenses	5.224.216,73	2.626.637,95	2.237.002,00	3.933.313,00
Deferred Income	545.057,14	164.291,56	0,00	0,00
Dividends Payable	202.104,42	214.824,94	5.160,42	17.091,44
Others Creditors Payable	13.155.370,81	11.663.982,55	4.354.491,86	0,00
Social Security Contribution	4.314.115,81	4.215.943,46	445.966,75	460.645,62
BoD or Shareholders Liabilities	0,00	0,00	0,00	0,00
Other Liabilities	9.075.881,27	7.359.251,85	225.292,80	236.708,42
Short - Term Deferred Tax	0,00	0,00	0,00	0,00
	<b>600.557.696,71</b>	<b>310.021.252,76</b>	<b>302.515.634,78</b>	<b>40.950.336,91</b>

## 8.17 Dividends Payable

The Annual General Meeting of shareholders of the Company dated 25 June 2009 decided to distribute dividends to the shareholders € 3.294.687,5 amount equivalent to € 0,10073 per share. The dividend after deduction of attributable tax base N.3697/2008, began July 27, 2009.

Under current law, the Company shall distribute to its shareholders at least 35% of profits after tax and after booking for legal reserve, unless otherwise decided by the General Assembly if it represented at least 70% of the equity. The Board, taking into account the present market and to further strengthen the financial position of the Company in conjunction with planned investments in new large investment program will bring to the approval of the Annual General Meeting, a proposal not to distribute dividend for use 2009 to shareholders of the company.

### 8.18 Non-current assets held for sale

In the year 2008 (1 / 1 - 31/12/2008), a company of the group signed a deed for property with a total area of 488 sq.m., situated at the junction of routes 54 and Kapnikareas Hermes in Athens. Therefore, the Group classified the property as a "non-current assets intended for sale" in accordance with IFRS 5, discontinued making depreciation in property, and valued at the lower of (a) the depreciated value thereof, and (b) that the fair value less costs of transfer. A fair value received matches the pre-contract sale price, ie 7.3 million. The final contract of sale of the property was signed in January 2009, at a price equal to the pre-agreed.

### 8.19 Operating Results (expenses-revenues)

Sales	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Merchandise Sales	968.251.219,54	916.082.463,61	25.039.734,79	30.448.434,72
Product and Other Goods Sales	7.075.506,92	4.087.791,85	6.087.786,47	3.392.649,88
Services Sales	17.175.668,42	17.090.621,52	4.673.521,42	4.363.973,50
	<b>992.502.394,88</b>	<b>937.260.876,98</b>	<b>35.801.042,68</b>	<b>38.205.058,10</b>

Other Income	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Income From Secondary Activities	6.931.555,48	3.314.516,10	636.411,72	4.142.706,67
Income From Marketing/promotion HDF Group	14.188.598,39	13.970.000,00	0,00	0,00
Rental Income	1.544.199,64	2.145.816,53	1.238.724,84	1.262.555,28
Received Grants	272.482,36	162.736,94	8.153,37	23.356,46
Previous Year Revenue	92.308,91	0,00	92.308,91	1.011.787,21
Income from Non Used Provisions	0,00	0,00	0,00	0,00
Foreing excainge Gain	4.333.060,98	6.599.963,81	1.614.694,43	1.699.726,58
Other Operating Income	3.542.763,47	4.595.051,24	12.445,27	1.035.143,67
	<b>30.904.969,23</b>	<b>30.788.084,62</b>	<b>3.602.738,54</b>	<b>9.175.275,87</b>

The funds "Other income" and "promotion and advertising revenue, derived mainly from subsidiaries of conglomerates HDFS and Elmec sport and related revenues associated with promotions, sales growth, etc. on the basis of bilateral agreement of the Company Elmec sport with the main supplier, Nike European Operations Netherlands BV Also, the companies "Attica Department Stores SA" and "North Landmark AE derived income consisting of services and expenses charged by these subsidiary companies operating outlets (corners) within the stores as an indication: configuration point of sale costs, telephone charges, personal sales charges, expenses joint advertising activities, etc.

Administration Expenses	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Wages/Salaries/Expenses	26.077.555,11	19.832.850,62	2.591.650,48	2.923.651,49
Legal/Professional/ Other Fees	6.841.449,95	6.259.511,97	846.197,64	996.164,24
Rent Expenses	4.474.072,97	3.097.871,36	47.562,52	48.693,69
Postage and Telecommunications	1.082.713,41	707.247,41	52.020,56	46.372,74
Insurance (Other than Staff)	461.539,82	434.819,75	85.551,10	95.850,79
Repairs and Maintainance	1.255.370,29	461.015,15	113.370,31	119.974,93
Utilities and Cleaning	580.551,00	1.021.838,72	0,00	282.104,20
Other Taxes (not income)	1.259.585,68	1.202.649,19	108.162,30	168.962,35
Transportation Expenses	718.300,95	563.199,41	45.350,28	68.622,83
Fair and Exhibitions Expenses	264.028,15	39.615,95	1.350,00	39.615,95
Advertizing and Promotion Expenses	3.958.382,66	1.038.588,22	352.934,28	465.736,59
Stationary and Consumables	602.664,70	575.757,35	79.240,35	115.176,56
Other Expenses	2.345.630,23	12.198.388,35	1.124.694,13	1.310.778,72
Depreciation & Amortization	6.464.850,97	4.642.648,89	227.541,70	464.818,58
Provisions	114.868,18	312.055,91	97.033,57	36.699,00
	<b>56.501.564,05</b>	<b>52.388.058,25</b>	<b>5.772.659,22</b>	<b>7.183.222,66</b>

Selling Expenses	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Wages/Salaries/Expenses	112.394.644,58	96.877.358,55	6.268.900,38	5.983.676,46
Legal/Professional/ Other Fees	21.986.806,17	19.503.137,84	787.347,94	822.121,93
Rent Expenses	75.940.001,81	65.309.329,52	2.227.306,58	1.954.598,90
Postage and Telecommunications	1.622.097,14	1.559.134,54	114.828,53	106.301,96
Insurance (Other than Staff)	1.647.601,55	1.443.466,49	340.310,88	427.080,49
Repairs and Maintainance	3.047.798,01	2.944.070,34	231.161,71	275.713,57
Utilities and Cleaning	7.713.025,05	3.475.279,96	29.113,86	130.095,11
Other Taxes (not income)	1.530.319,48	1.453.245,91	112.065,48	206.990,46
Transportation Expenses	5.264.047,14	5.389.280,24	151.320,41	310.389,22
Fair and Exhibitions Expenses	237.201,36	298.837,16	110.699,16	229.730,94
Advertizing and Promotion Expenses	14.484.322,52	17.682.859,58	1.626.303,63	1.924.598,54
Stationary and Consumables	2.369.166,18	3.056.735,71	117.266,56	260.756,00
Other Expenses	15.322.002,45	40.105.499,85	2.223.169,06	2.163.502,30
Credit Card Fees	2.221.914,69	1.763.264,02	81.014,72	102.799,91
Depreciation & Amortization	13.688.224,96	13.727.652,63	487.184,83	590.208,37
Provisions	432.536,78	721.283,93	47.604,64	66.651,29
	<b>279.901.709,88</b>	<b>275.310.436,27</b>	<b>14.955.598,37</b>	<b>15.555.215,45</b>

Other Expenses	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Penalties and Fines	349.327,46	201.537,41	1.842,54	2.802,43
Stock Losses and Damage	330.662,34	795.213,96	0,00	0,00
Provision for bad Debts	358.096,26	140.541,82	26.128,36	50.000,00
Provision for Risk Exposure and Expenses	80.220,00	358.214,37	0,00	310.000,00
Foreing excainge Losses	3.887.249,92	3.182.980,05	424.878,07	735.564,00
Previous Year Expenses	162.544,41	445.263,64	51.567,77	21.642,66
Other Expenses	5.072.118,22	402.981,25	1.910,98	0,00
	<b>10.240.218,60</b>	<b>5.526.732,50</b>	<b>506.327,72</b>	<b>1.120.009,09</b>

The increase in other expenses is mainly due to stock devaluation Forecasters amount \$ 6.000.000 (€ 4.300.000 around).



Financial Income	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Interest Income	571.960,19	1.593.660,26	5.584,89	137.151,29
Gains From Disposal of Assets	877.394,43	0,00	8,02	0,00
Assets Revaluation	0,00	0,00	0,00	2.512.793,00
Fair Value Revaluation	120.423,14	4.350,00	120.423,14	0,00
Dividends from Subsidiaries	0,00	0,00	15.192.440,63	18.219.789,72
Forex Instruments	12.886.207,53	140.362,09	12.886.207,53	0,00
Derivatives income	2.193.319,53	3.051.579,80	2.092.224,53	2.922.927,80
Other Investments' Divident	111.259,85	95.868,10	11.569,87	0,00
Interest from Customers	42.020,53	0,00	0,00	0,00
Other Financial Income	425.009,29	338.206,74	0,00	36.257,74
	<b>17.227.594,49</b>	<b>5.224.026,99</b>	<b>30.308.458,61</b>	<b>23.828.968,80</b>

Profits from foreign exchange products on the forward foreign exchange contracts (currency forwards) short-term.

Financial Expenses	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Interest Expenses (Loans)	27.604.106,09	41.587.065,17	12.585.243,34	22.811.400,07
Interest Expenses (Leases)	266.238,13	1.316.358,79	9.762,08	18.434,88
Loses From Disposal of Assets	777.097,58	0,00	5.487,96	0,00
Assets Revaluation	0,00	0,00	487.000,00	2.179.504,98
Sale of Participations and other Investments	1.467,00	382.013,98	0,00	382.013,98
Forex Instruments	0,00	363.378,49	0,00	363.378,49
Fair Value Revaluation	0,00	990.566,49	0,00	91.041,33
Derivatives Revaluation	4.036.155,01	59.273,13	3.731.311,01	59.273,13
Bank Commission and Fees	3.172.298,37	1.838.617,80	306.238,10	33.709,58
Other Financial Expense	1.122.864,69	0,00	5.026,15	0,00
	<b>36.980.226,87</b>	<b>47.559.207,76</b>	<b>17.130.068,64</b>	<b>25.938.756,44</b>

## 8.20 Income Tax Expense

Tax analysis	The Group		The company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Accounting profit before tax	157.760.300,58	129.618.924,97	15.470.054,26	7.290.315,42
Tax calculated at the applicable tax rates	36.421.215,24	29.948.142,28	3.867.513,57	1.822.578,86
Tax effect of the expenses not deductible for tax purposes	-791.659,57	-2.778.630,15	-2.507.242,15	-2.462.294,35
Tax effect of allowances and income not subject to tax	-353.388,46	1.826.687,25	-589.770,46	1.374.329,41
Effect of changing tax rates	-209.938,94	-817.081,75	-66.922,94	-336.115,38
Prior year Loss	0,00	233.881,00	0,00	0,00
Prior year Tax	-359.857,94	568.529,60	0,00	194.882,00
Other additional Taxes - Provision	524.253,59	1.387.697,77	41.511,75	98.385,08
Special levy on profits of enterprises L.3808/2009	7.287.605,71	0,00	859.249,83	0,00
<b>Tax as per statement</b>	<b>42.518.229,63</b>	<b>30.369.226,00</b>	<b>1.604.339,60</b>	<b>691.765,61</b>

## 8.21 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held as treasury shares.

Basic earnings per share		
	31/12/2009	31/12/2008
Net profit for the period (Group)	115.242.070,75	99.249.698,97
Attributable to:		
Equity holders of the Company	98.177.684,58	76.953.558,48
Minority interest	17.064.386,17	22.296.140,49
Weighted average number of ordinary shares issued	32.708.065,00	32.708.065,00
	<b>3,0016</b>	<b>2,3527</b>

**9.1 Related- Party Transactions (according to IAS 24)**

<b>Transactions between Parent and subsidiary</b>		
	<b>31.12.2009</b>	<b>31.12.2008</b>
Sales of goods	10.718.443,81	6.958.057,18
Sales Services	4.642.361,33	3.952.268,80
Rent-Other	1.848.719,08	6.175.783,95
Purchases of goods	1.127.302,99	2.387.642,73
Services Bought-Other	339.052,14	429.641,14

<b>Salaries &amp; Transactions with directors</b>		
	<b>31.12.2009</b>	<b>31.12.2008</b>
Parent Company	615.732,82	579.128,25
Group	6.259.597,76	6.486.262,97

<b>Transactions between Parent and other related parties</b>		
	<b>31.12.2009</b>	<b>31.12.2008</b>
Sales of goods	0,00	0,00
Sales Services-Rent-Other	0,00	0,00
Purchases of goods	0,00	0,00
Services Bought-Other	242.104,96	338.000,00

<b>Transactions between Group and other related parties</b>		
	<b>31.12.2009</b>	<b>31.12.2008</b>
Sales of goods	0,00	0,00
Sales Services-Rent-Other	0,00	0,00
Purchases of goods	266.472,00	0,00
Services Bought-Other	349.696,96	340.007,00

End of Period Balances		
	31.12.2009	31.12.2008
<b>Parent</b>		
<b>From subsidiaries</b>		
Receivables	7.422.825,80	4.844.762,17
Payables	5.280.132,33	2.832.044,92
<b>From Other Related Parties</b>		
Receivables	0,00	0,00
Payables	0,00	186.000,00
<b>From Directores</b>		
Receivables	4.300,00	0,00
Payables	87.709,00	70.414,15
<b>Group</b>		
<b>From Other Related Parties</b>		
Receivables	0,00	2.095,00
Payables	46.858,12	186.000,00
<b>From Directores</b>		
Receivables	4.300,00	2.007,00
Payables	87.709,00	70.414,15

## 9.2 Contingent liabilities and commitments

The Group's companies have transferred bonds amounting to €19.883.459 to third parties, compared € 19.119.258 on 31.12.2008, to ensure the Group's contingent liabilities to the parties, which are not reflected in the consolidated balance sheet.

A prenotation of an asset of the subsidiary Folli Follie Hong Kong has been registered in order to secure a bank loan of \$ 12.5 million.

The property of the subsidiary Elmec Romania SRL in Bucharest has been registered as prenotation to Bank Bancpost, a member of the Group EFG Eurobank, to provide lending facilities until the amount of € 1,5 million. The current debt of the company Elmec Romania SRL to the Bank Bancpost is zero. Also, in February 2009 Elmec Romania SRL made a prenotation of a property located in Bucharest in favor of the Bank AlphaBank Romania to ensure lending facilities until the amount of € 5 million. The current debt of this company to the Bank Alpha Bank is € 2,8 million.

A company of the group has guaranteed for loan arrangements of its subsidiaries totaling € 18,5 million. None other than those liens, restrictions on ownership or transfer or other charges on fixed assets owned by the Group. Fixed assets data obtained with leases remain the property by third until the end of the contract and repayment of the respective obligation.

### 9.2.1 Lawsuits

In the company of the Group are pending court cases against the Greek government, which has made provision amounting to € 2.150.000.

### 9.3 Number of employed personnel

The total number of employed personnel at the end of 2009 for the Group was 5,611 and for the Company 284. At the end of 2008 the personnel was 5.913 and 285 respectively. The difference appears in the speech to staff temporary staff.

Employee Benefits	The Group		The Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Salaries And wages	112.583.084,68	92.294.669,56	7.692.102,04	7.841.915,26
Employer contributions	23.267.014,51	20.497.392,08	1.867.840,91	1.887.779,49
Other provision of compensation	4.672.994,24	4.289.115,07	159.833,03	290.783,57
	<b>140.523.093,43</b>	<b>117.081.176,71</b>	<b>9.719.775,98</b>	<b>10.020.478,32</b>

### 9.4 Post Balance Sheet events

It has launched a tax audit in the company absorbed Factory Outlet Airport for the period from January 1, 2009 through the merger with Elmec Sport on September 30, 2009. However, the completion of the audit is not expected additional taxes to exceed the projected amount carried out by the Group.

There are other events that occurred after December 31, 2009 which could have a significant influence on the financial position and results of the Group as at 31 December 2009.

# 10

## Reclassification of Funds

The company proceeded to the reclassification of funds statement of financial position from previous years for fine-tuning information.

The reclassifications for the Group and the company analyzed the tables below:

### The Group

	01/01/2008 ( initially published )	Reclassifications	01/01/08 ( Reclassified data )
<b>ASSETS</b>			
<b>Non Current assets</b>			
Tangible Assets	194.973.089,35	0	194.973.089,35
Investments in PPE	82.921.784,00	0	82.921.784,00
Goodwil	253.036.477,48	0	253.036.477,48
Intangible Assets	112.747.864,67	0	112.747.864,67
Deferred income tax assets	3.736.007,94	0	3.736.007,94
Other long term receivables	12.566.828,22	0	12.566.828,22
<b>Total non Current assets</b>	<b>659.982.051,66</b>	<b>0</b>	<b>659.982.051,66</b>
Inventories	209.190.323,18	0	209.190.323,18
Trade Receivables	195.125.870,28	0	195.125.870,28
Other Receivables	49.382.426,72	0	49.382.426,72
Financial assets at fair value through profit or loss	3.341.881,14	0	3.341.881,14
Non Current assets classified as available for sale		0	0,00
Cash and cash equivalents	91.508.554,94	0	91.508.554,94
<b>Total Current assets</b>	<b>548.549.056,26</b>	<b>0,00</b>	<b>548.549.056,26</b>
<b>Total assets</b>	<b>1.208.531.107,92</b>	<b>0,00</b>	<b>1.208.531.107,92</b>
<b>EQUITY &amp; LIABILITIES</b>			
Share capital	9.884.062,50		9.884.062,50
Share premium	62.531.731,47		62.531.731,47
Other reserves	25.443.170,44		25.443.170,44
Own Stock	-7.899.441,83		-7.899.441,83
Retained earnings	261.100.315,60		261.100.315,60
Exchange differences	-59.101.599,04		-59.101.599,04
Other components of equity	-88.927.927,73		-88.927.927,73
<b>Total equity attributable to owners of the Parent (a)</b>	<b>203.030.311,41</b>		<b>203.030.311,41</b>
Non controlling interests (b)	132.792.714,93		132.792.714,93
<b>Total Equity (c) = (a)+(b)</b>	<b>335.823.026,34</b>		<b>335.823.026,34</b>
<b>Liabilities</b>			
Long-term borrowings	547.902.213,79	1.224.412,23	549.126.626,02
Retirement benefit obligations	10.271.467,22		10.271.467,22
Deferred income tax liabilities	19.901.687,51		19.901.687,51
Other long Term Provisions	10.420.084,81	-10.420.084,81	0,00
Other long Term liabilities		9.195.672,58	9.195.672,58
<b>Total non-current liabilities</b>	<b>588.495.453,33</b>	<b>0,00</b>	<b>588.495.453,33</b>
Trade and other Liabilities	94.738.124,89	53.652.006,08	148.390.130,97
Short-term Borrowings	122.026.853,87		122.026.853,87
Tax Liabilities	67.447.649,49	-67.447.649,49	0,00
Dividends Payable		13.795.643,41	13.795.643,41
Liabilities related to non current assets classified as available for sale			0,00
<b>Total current liabilities</b>	<b>284.212.628,25</b>	<b>0,00</b>	<b>284.212.628,25</b>
<b>Total liabilities</b>	<b>872.708.081,58</b>	<b>0,00</b>	<b>872.708.081,58</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>1.208.531.107,92</b>	<b>0,00</b>	<b>1.208.531.107,92</b>

	31/12/2008 ( initially published )	Reclassifications	31/12/08 ( Reclassified data )
<b>ASSETS</b>			
<b>Non Current assets</b>			
Tangible Assets	221.030.762,52	0	221.030.762,52
Investments in PPE	75.620.691,00	0	75.620.691,00
Goodwil	253.048.470,45	0	253.048.470,45
Intangible Assets	109.778.320,98	0	109.778.320,98
Deferred income tax assets	6.456.405,50	0	6.456.405,50
Investments available for sale		991.922,92	991.922,92
Other long term receivables	14.690.743,70	-991.922,92	13.698.820,78
<b>Total non Current assets</b>	<b>680.625.394,15</b>	<b>0</b>	<b>680.625.394,15</b>
Inventories	245.760.983,79	0	245.760.983,79
Trade Receivables	286.358.008,54	0	286.358.008,54
Other Receivables	51.813.166,46	0	51.813.166,46
Financial assets at fair value through profit or loss	388.228,08	0	388.228,08
Non Current assets clasified as available for sale	7.024.416,00	0	7.024.416,00
Cash and cash equivalents	73.064.483,75	0	73.064.483,75
<b>Total Current assets</b>	<b>664.409.286,62</b>	<b>0,00</b>	<b>664.409.286,62</b>
<b>Total assets</b>	<b>1.345.034.680,77</b>	<b>0,00</b>	<b>1.345.034.680,77</b>
<b>EQUITY &amp; LIABILITIES</b>			
Share capital	9.884.062,50		9.884.062,50
Share premium	62.531.731,47		62.531.731,47
Share premium	28.713.434,37		28.713.434,37
Other reserves	-13.559.552,05		-13.559.552,05
Own Stock	308.621.575,00		308.621.575,00
Exchange differences	-46.463.425,24		-46.463.425,24
Other components of equity	-88.927.927,73		-88.927.927,73
<b>Total equity attributable to owners of the Parent (a)</b>	<b>260.799.898,32</b>		<b>260.799.898,32</b>
<b>Non controlling interests (b)</b>	<b>115.422.340,20</b>		<b>115.422.340,20</b>
<b>Total Equity (c) = (a)+(b)</b>	<b>376.222.238,52</b>		<b>376.222.238,52</b>
Long-term borrowings	613.874.811,39		613.874.811,39
Retirement benefit obligations	8.821.839,38		8.821.839,38
Deferred income tax liabilities	19.159.446,11		19.159.446,11
Other Provisions -long Term liabilities	9.635.092,61	-9.635.092,61	0,00
Other long Term Provisions	0,00	4.327.177,00	4.327.177,00
Other long Term liabilities		5.307.915,61	5.307.915,61
<b>Total non-current liabilities</b>	<b>651.491.189,49</b>	<b>0,00</b>	<b>651.491.189,49</b>
Trade and other Liabilities	146.435.598,53	27.878.270,47	174.313.869,00
Short-term Borrowings	116.403.857,57		116.403.857,57
Other short term liabilities	47.181.796,66	-47.181.796,66	0,00
Tax Liabilities		19.088.701,25	19.088.701,25
Dividends Payable		214.824,94	214.824,94
Liabilities related to non current assets clasified as available for sale	7.300.000,00		7.300.000,00
<b>Total current liabilities</b>	<b>317.321.252,76</b>	<b>0,00</b>	<b>317.321.252,76</b>
<b>Total liabilities</b>	<b>968.812.442,25</b>	<b>0,00</b>	<b>968.812.442,25</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>1.345.034.680,77</b>	<b>0,00</b>	<b>1.345.034.680,77</b>

## The Company

	01/01/2008 ( initially published )	Reclassifications	01/01/08 ( Reclassified data)
<b>ASSETS</b>			
<b>Non Current assets</b>			
Tangible Assets	22.961.724,13	0	22.961.724,13
Investments in PPE	9.500.000,00	0	9.500.000,00
Intangible Assets	727.409,14	0	727.409,14
Investments in subsidiaries	387.438.470,75		387.438.470,75
Deferred income tax assets	316.090,50	0	316.090,50
Investments available for sale			0,00
Other long term receivables	294.583,75		294.583,75
<b>Total non Current assets</b>	<b>421.238.278,27</b>	<b>0</b>	<b>421.238.278,27</b>
Inventories	15.572.813,03	0	15.572.813,03
Trade Receivables	16.359.467,19	0	16.359.467,19
Other Receivables	3.461.025,08	0	3.461.025,08
Financial assets at fair value through profit or loss	1.629.392,98	0	1.629.392,98
Non Current assets clasified as available for sale		0	0,00
Cash and cash equivalents	14.443.008,70	0	14.443.008,70
<b>Total Current assets</b>	<b>51.465.706,98</b>	<b>0,00</b>	<b>51.465.706,98</b>
<b>Total assets</b>	<b>472.703.985,25</b>	<b>0,00</b>	<b>472.703.985,25</b>
<b>EQUITY &amp; LIABILITIES</b>			
Share capital	9.884.062,50		9.884.062,50
Share premium	62.531.731,47		62.531.731,47
Other reserves	16.887.455,40		16.887.455,40
Own Stock	-108.259,13		-108.259,13
Retained earnings	29.856.696,85		29.856.696,85
<b>Total Equity</b>	<b>119.051.687,09</b>		<b>119.051.687,09</b>
Long-term borrowings	334.500.000,00	231.701,37	334.731.701,37
Retirement benefit obligations	674.362,00		674.362,00
Deferred income tax liabilities	1.168.104,94		1.168.104,94
Other Provisions -long Term liabilities	438.732,38	-438.732,38	0,00
Other long Term Provisions			0,00
Other long Term liabilities		207.031,01	207.031,01
<b>Total non-current liabilities</b>	<b>336.781.199,32</b>	<b>0,00</b>	<b>336.781.199,32</b>
Trade and other Liabilities	3.319.127,90	1.922.020,54	5.241.148,44
Short-term Borrowings	8.115.924,16		8.115.924,16
Other short term liabilities	5.436.046,78	-5.436.046,78	0,00
Tax Liabilities		2.161.438,14	2.161.438,14
Dividends Payable		1.352.588,10	1.352.588,10
Liabilities related to non current assets clasified as available for sale			0,00
<b>Total current liabilities</b>	<b>16.871.098,84</b>	<b>0,00</b>	<b>16.871.098,84</b>
<b>Total liabilities</b>	<b>353.652.298,16</b>	<b>0,00</b>	<b>353.652.298,16</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>472.703.985,25</b>	<b>0,00</b>	<b>472.703.985,25</b>



	31/12/2008 ( initially published )	Reclassifications	31/12/08 ( Reclassified data )
<b>ASSETS</b>			
<b>Non Current assets</b>			
Tangible Assets	23.781.990,04	0	23.781.990,04
Investments in PPE	12.012.793,00	0	12.012.793,00
Intangible Assets	630.615,96	0	630.615,96
Investments in subsidiaries	419.566.288,35		419.566.288,35
Deferred income tax assets	229.959,65	0	229.959,65
Investments available for sale			0,00
Other long term receivables	327.809,72		327.809,72
<b>Total non Current assets</b>	<b>456.549.456,72</b>	<b>0</b>	<b>456.549.456,72</b>
Inventories	15.382.354,24	0	15.382.354,24
Trade Receivables	14.488.839,37	0	14.488.839,37
Other Receivables	2.862.617,71	0	2.862.617,71
Financial assets at fair value through profit or loss	388.228,08	0	388.228,08
Non Current assets clasified as available for sale		0	0,00
Cash and cash equivalents	3.983.042,61	0	3.983.042,61
<b>Total Current assets</b>	<b>37.105.082,01</b>	<b>0,00</b>	<b>37.105.082,01</b>
<b>Total assets</b>	<b>493.654.538,73</b>	<b>0,00</b>	<b>493.654.538,73</b>
<b>EQUITY &amp; LIABILITIES</b>			
Share capital	9.884.062,50		9.884.062,50
Share premium	62.531.731,47		62.531.731,47
Other reserves	13.144.804,26		13.144.804,26
Own Stock	-2.942.003,47		-2.942.003,47
Retained earnings	32.845.171,65		32.845.171,65
<b>Total Equity</b>	<b>115.463.766,41</b>		<b>115.463.766,41</b>
Long-term borrowings	334.500.000,00		334.500.000,00
Retirement benefit obligations	750.070,00		750.070,00
Deferred income tax liabilities	1.484.130,52		1.484.130,52
Other Provisions -long Term liabilities	506.234,89	-506.234,89	0,00
Other long Term Provisions		60.000,00	60.000,00
Other long Term liabilities		446.234,89	446.234,89
<b>Total non-current liabilities</b>	<b>337.240.435,41</b>	<b>0,00</b>	<b>337.240.435,41</b>
Trade and other Liabilities	6.719.589,77	6.805.050,57	13.524.640,34
Short-term Borrowings	26.905.856,46		26.905.856,46
Other short term liabilities	7.324.890,68	-7.324.890,68	0,00
Tax Liabilities		502.748,67	502.748,67
Dividents Payable		17.091,44	17.091,44
Liabilities related to non current assets clasified as available for sale			0,00
<b>Total current liabilities</b>	<b>40.950.336,91</b>	<b>0,00</b>	<b>40.950.336,91</b>
<b>Total liabilities</b>	<b>378.190.772,32</b>	<b>0,00</b>	<b>378.190.772,32</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>493.654.538,73</b>	<b>0,00</b>	<b>493.654.538,73</b>

### 10.1 Information according to article 10 of Law 3401/2005

The corporate announcements that have been published in the Athens Exchange Daily Bulletin and the website of Athens Exchange are also available on the FolliFollie website. During 2009, the company released the following press releases and announcements in order to inform investors:

<b>Thursday, 26 November 2009</b>	Folli Follie in the Nine Months of 2009
<b>Wednesday, 7 October 2009</b>	Announcement
<b>Friday, 28 August 2009</b>	Financial reports for the first half 2009 - CORRECTION
<b>Thursday, 27 August 2009</b>	Financial reports for the first half 2009
<b>Friday, 17 July 2009</b>	Distribution of Dividend-Correction
<b>Wednesday, 1 July 2009</b>	Distribution of Dividend
<b>Thursday, 25 June 2009</b>	Announcement
<b>Thursday, 25 June 2009</b>	General Meeting Decisions
<b>Friday, 19 June 2009</b>	Announcement
<b>Monday, 1 June 2009</b>	Invitation to the Annual Ordinary General Meeting
<b>Monday, 30 March 2009</b>	Folli Follie in the Full Year of 2008
<b>Tuesday, 24 March 2009</b>	Investors' Calendar 2009
<b>Wednesday, 18 February 2009</b>	Announcement of regulated information according to the Law 3556/2007
<b>Monday, 2 February 2009</b>	Announcement
<b>Monday, 2 February 2009</b>	Announcement
<b>Thursday, 29 January 2009</b>	Announcement



