



PRESS RELEASE

Folli Follie in the Nine Months of 2010:

- **Group Revenues increase by 1%**
- **Folli Follie stand alone revenues increase by 8 %**
- **Group net income reaches € 68 million¹**

Athens, November 25th 2010. Folli Follie S.A. presents another quarter of solid financial results and succeeded in a continued challenging local macro environment to increase the Group's profitability.

George Koutsolioutsos Vice President of Folli Follie and President of Hellenic Duty Free Shops and Elmec Sport said: *"We are very satisfied with the performance of our Group given the difficult period our local economy is facing. Nevertheless we used this unusually difficult market environment in order to advance our positioning, only in the 3rd quarter we invested in 15 new POS at the same time we attracted world brands by gaining new distribution agreements. We will continue to stay alert; we will strongly focus on the restructuring of our group by concluding in the next weeks the merger of all three listed companies and pursue our strategic goals for our brands while maintaining strict cost management."*

Consolidated sales rose by 0,8% to EUR 737,6 million in the nine months of 2009 (9-M 2009: EUR 731,6 million).

Gross profit reached EUR 379,9 million vs. EUR 369,4 million in the same period last year increasing by 2,8%.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) rose by 4,7% to EUR 168,7 million from EUR 161,2 million in the nine months of 2009 and **Earnings Before Tax** reached EUR 113,1million compared to EUR 129,2 million in the nine months period of 2009 (-12,5%) driven by higher financial expenses and the one-off tax of EUR 6,2 million.

The Group recorded **profit after tax** of EUR 78,7 million from EUR 99,9 million the same period last year, representing an decrease of 21,2%. **Excluding the one-off tax** of EUR 6,2 million profit after tax would have reached EUR 85,0 million.

¹ Excluding adjustment for the one-off tax of Euro 6,2m based on 2009 profits (Law 3845/2010).

Net earnings after tax and minorities decreased by 23,8% to EUR 64,0 million from EUR 84,0 million the same period last year once again driven by higher financial expenses and the one-off tax of EUR 6,2 million.

Finally, the **earnings per share** in 9-M 2010 reached EUR 1,95 from EUR 2,57.

On an adjusted basis and by excluding the special levy of € 6,2m (paid in Q2 2010) as well as excluding income and expenses of FX instruments in 9-M 2009 and 9-M 2010, **Earnings Before Tax** would have reached EUR 120,7 million instead of reported EUR 113,1 million and net profit after tax and minorities would have reached EUR 75,8 million instead of reported EUR 63,9 million.

Folli Follie (stand alone) results highlights:

With regards to Folli Follie S.A. stand alone figures (based on DFS equity method) revenues for the period January 1st, to September 30th 2010 rose by 8,4% to EUR 293,4million (9-M 2009: EUR 270,6 million).

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) reached EUR 92,7 million from EUR 84,1 million the year before increasing by 10,3%.

Net sales by geographical region:

In an analysis of Folli Follie's total revenues for the nine months of 2010 on a stand-alone basis* and by looking at each region, Japan accounted for 11%, the rest of Asia reached 62% of total sales, Europe generated 12% of sales and Travel Retail operations reached a sales participation of 15%.

In a breakdown of sales per region Asia reached EUR 180,8 million of sales against EUR 153,1 million in 9-M 2009 (+18%), Japan posted sales of EUR 32,6 million vs. EUR 36,3 million (-10%), Europe recorded revenues of EUR 35,0 million vs. EUR 40,0 million (-12%) and the Travel retail sector recorded sales of EUR 45,0 million against EUR 41,2 million (+9%) compared to the same period last year.

Sales per product category:

According to the sales per product category, jewellery accounted for 58%, watches accounted for 35% and accessories for 7% of sales.

The Folli Follie Group controls the brands Folli Follie and Links of London which create, produce and distribute branded jewellery, watches, accessories and giftware internationally, whereas the Group represents exclusively in Greece and certain countries abroad a rich portfolio of popular and large brands such as Coach, Converse, Patrizia Pepe, Harley Davidson etc.

The Folli Follie Group has a direct control of the Folli Follie and Links of London product distribution network, while it is involved in the field of retail and wholesale with the brand portfolio it represents

* based on DFS equity method (consolidation of HDFS group by 56,8%)

and distributes. In addition the Group operates two luxury department stores under the brand name “attica” and two outlet centres in Athens through Elmec Sport. Another important pillar of the group’s structure is the travel retail operator Hellenic Duty Free Shops owning the exclusive rights for the Greek Duty Free Business with a paid license until the year 2048.

Folli Follie S.A. Group Results

in EUR mn	9-M 2010	9-M 2009	% change
Sales	737,6	731,6	+1%
EBITDA	168,7	161,2	+5%
Gross Margin	51,5%	50,5%	
EBT	113,1	129,2	-12%
Net Profit	64,0	84,0	-24%

Folli Follie stand alone (Sales breakdown per region)

	9-M 2010	9-M 2009	% change
in EUR mn			
Asia	180,8	153,1	+18%
Japan	32,6	36,3	-10%
Europe	35,0	40,0	-12%
Travel Retail	45,0	41,2	+9%

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For more information on Folli Follie S.A., please visit our website at www.follifolliegroup.com or contact us on ir@follifollie.gr

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