



# FOLLI - FOLLIE SA

Societe Anonyme Register No. 18989/06/B/89/17  
23rd Km Athens - Lamia 145 65 Ag.Stefanos  
Financial Data and Information for the period 1 JANUARY 2008 - 30 JUNE 2008  
(Published According to 6/448/11.10.2007 resolution of Greek Capital Committee)

The following data and information that result from Financial statements aim to provide a general briefing for the financial position and the results of operations of "FOLLI - FOLLIE" S.A. and the Group. Therefore, it is recommended, to any reader, before with the Company, to visit the Company's web site, where are posted the Financial Statements as well as the relevant Certified Auditors Report, whenever its required

Internet address:  
Certified Auditor Accountant:  
Auditing Company:  
Type of Auditors' Report:  
Approval Date of the Financial Statement:

[www.folli-follie.com](http://www.folli-follie.com)  
Varthalitis Georgios  
BAKER TILLY HELLAS SA  
Unqualified opinion with emphasis  
25th August 2008

## BALANCE SHEET (Amounts reported in Thousand Euros)

	THE GROUP		THE COMPANY	
	30/6/2008	31/12/2007	30/6/2008	31/12/2007
<b>ASSETS</b>				
Tangible Assets	203.969	199.152	23.243	22.962
Investments in PPE	0	0	9.500	9.500
Goodwill	360.134	347.928	0	0
Intangible Assets	111.669	112.748	683	727
Investments in associates	0	0	400.894	387.438
Deferred income tax assets	5.408	3.703	255	316
Other long term receivables	11.529	12.567	319	295
<b>Total non-current assets (a)</b>	<b>692.709</b>	<b>676.098</b>	<b>434.894</b>	<b>421.238</b>
Inventories	231.771	209.190	16.559	15.573
Trade Receivables	214.214	195.126	16.407	16.360
Other Receivables	57.742	49.382	2.306	3.461
Other financial assets at fair value through profit or loss	0	0	0	0
Cash and cash equivalents	2.573	3.342	1.450	1.629
Cash and cash equivalents	98.837	91.509	20.439	14.443
<b>Total current assets (b)</b>	<b>605.137</b>	<b>548.549</b>	<b>57.161</b>	<b>51.466</b>
<b>TOTAL ASSETS (a) + (b)</b>	<b>1.297.846</b>	<b>1.224.647</b>	<b>492.055</b>	<b>472.704</b>
<b>EQUITY &amp; LIABILITIES</b>				
Share capital	9.884	9.884	9.884	9.884
Share premium	62.532	62.532	62.532	62.532
Other reserves	25.380	25.443	16.800	16.887
Own Stock	-9.015	-7.899	-108	-108
Retained earnings	314.167	277.332	37.046	29.857
Exchange differences	-75.052	-59.102	0	0
Other capital and reserves attributable to equity holders of the Company	-88.928	-88.928	0	0
<b>Total capital and reserves attributable to equity holders of the Company (a)</b>	<b>238.968</b>	<b>219.262</b>	<b>126.154</b>	<b>119.052</b>
Minority interest (b)	117.994	134.487	0	0
<b>Total Equity (c) = (a) + (b)</b>	<b>356.962</b>	<b>353.749</b>	<b>126.154</b>	<b>119.052</b>
Long-term borrowings	548.412	547.902	334.500	334.500
Retirement benefit obligations	8.426	10.271	726	674
Deferred income tax liabilities	19.908	18.092	1.237	1.168
Provisions for other liabilities and charges	9.399	10.420	462	439
<b>Total non-current liabilities</b>	<b>586.145</b>	<b>586.685</b>	<b>336.925</b>	<b>336.781</b>
Trade payables	110.982	94.738	2.817	3.319
Short-term Borrowings	176.488	122.027	18.352	8.116
Other current liabilities	67.269	67.448	7.807	5.436
<b>Total current liabilities</b>	<b>354.739</b>	<b>284.213</b>	<b>28.976</b>	<b>16.871</b>
<b>Total Liabilities (d)</b>	<b>940.884</b>	<b>870.898</b>	<b>365.901</b>	<b>353.652</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>1.297.846</b>	<b>1.224.647</b>	<b>492.055</b>	<b>472.704</b>

## DATA FROM INCOME STATEMENT FOR THE PERIOD (Amounts reported in Thousand Euros)

	THE GROUP				THE COMPANY			
	1/1-30/06/2008	1/1-30/06/2007	1/1-30/06/2008	1/1-30/06/2007	1/4-30/06/2008	1/4-30/06/2007	1/4-30/06/2008	1/4-30/06/2007
Sales Revenue	413.256	270.734	14.902	15.360	224.001	149.136	7.399	7.608
Cost of goods sold	-198.196	-114.014	-5.245	-5.264	-105.816	-63.546	-2.436	-2.484
Gross profit	215.060	156.720	9.657	10.096	118.185	85.590	4.963	5.124
Other Operating income	16.443	8.064	2.810	856	9.570	3.898	2.307	439
Administrative expenses	-26.096	-20.078	-3.368	-3.022	-14.538	-11.070	-1.971	-1.783
Selling and marketing costs	-121.164	-76.610	-7.371	-6.494	-68.503	-42.312	-4.248	-3.578
Other expenses	-1.693	-1.551	-762	-249	-694	-746	-303	-185
Earnings (profit) before taxes, financing and investing results (EBIT)	82.550	66.545	966	1.187	44.200	35.360	748	17
Finance costs - profit	2.215	5.849	1.472	4.138	1.495	5.036	1.156	3.944
Finance costs - expenses	-20.645	-11.685	-9.684	-9.412	-9.864	-4.777	-4.212	-4.058
Share of profit of associates	0	0	18.176	18.176	0	0	18.176	18.176
Profit/Loss before taxes (EBT)	64.120	60.709	10.930	14.089	35.651	35.619	15.868	18.079
Income tax expense	-12.524	-14.794	-130	-339	-6.141	-7.978	-86	-499
Profit/Loss for the period (after taxes)	51.596	45.915	10.800	13.750	29.510	27.641	15.782	17.580
<b>Attributable to:</b>								
Equity holders of the Company	42.402	39.080	0	0	23.202	21.636	0	0
Minority interest	9.194	6.835	0	0	6.490	6.005	0	0
Earnings (after taxes) per share - basic (expressed in €)	1.2872	1.1864	0,3279	0,4173	0,6988	0,6568	0,4791	0,5337
Amortisation - Depreciation	9.482	6.211	595	555	4.757	3.555	317	291
Earnings (profit) before taxes, financing and investing results and depreciation - amortisation (EBITDA)	92.032	72.756	1.561	1.742	48.777	38.915	1.065	308

## DATA FROM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD (Amounts reported in Thousand Euros)

	THE GROUP		THE COMPANY	
	30/6/2008	30/6/2007	30/6/2008	30/6/2007
Net equity of period Open.Balance (1/1/2008 and 1/1/2007 respectively)	353.749	269.637	119.052	114.605
Minority interest (due to new subsidiaries/increase of participation)	-23.779	-3.954	-3.295	-3.954
Net income recognised directly in Equity	-403	18.176	-403	0
Minority interest (due to new subsidiaries/increase of participation)	-4.982	0	0	0
Directors Fees	0	-250	0	-250
Profit for the period, after taxes	51.596	45.915	10.800	13.750
Adjustment in foreign currency translation differences	-18.103	-5.495	0	0
Own Stock	-1.116	-1.638	0	0
Net equity of period Closing Balance	356.962	322.391	126.154	124.151

## ADDITIONAL RECORDS AND INFORMATION

1. The same Accounting Policies have been followed as for the Balance Sheet at 31.12.2007. The Group applies the IFRS from 1 January 2005. 2. There is a note worth of €12 million over a fixed asset of the Group as collateral of debt, while there are no pledges or mortgages on the fixed assets of the Company and the Group. 3. On a company of the Group there are pending judicial cases against the Greek State, for which there is a provision of €2,150,000. 4. The unaudited tax years of the parent company and its subsidiaries are mentioned at the table of Notes 12. On a company of the Group and its subsidiaries there is an accumulative provision of €907 thousand for the un-audited tax fiscal years. 5. The affiliated company Company "HDFS S.A." on 05.10.2007 acquired 51.84% of "ELMEC SPORT S.A." and after submitting a Public Offer, on 30.06.2008 held 94.90%, and thus participates directly and indirectly in ELMEC's subsidiaries as stated in note 12. Moreover the current period includes the financial results of the group of the companies of "ELMEC SPORT S.A.", which were not included in the financial results of the previous fiscal period. The effect of this consolidation in sales, profit after taxes and total equity, is less than 25%. 6. The mother company acquired on 25.01.2008 the remaining share capital (60%) of Folli Follie Japan. The effect of the total (100%) consolidation of the above company in sales, profit after taxes and total equity, is less than 25%. 7. The personnel employed in the Group, as at 30.06.2008, reaches 5,725 persons and in the mother company to 299 persons. As of 30.06.2007 the personnel employed on group level amounted to 3,191 persons and for the mother company 283 persons. 8. The expenses recorded directly in net equity are €403 thousand and are resulting from evaluations of financial instruments. 9. The total number of Own shares owned by the Company is 6,054 shares of €108,259,13. 10. Emphasis on Auditor's Report concerns the un-audited tax fiscal years. 11. The Financial statements include in total the following provisions a) for the Group: those mentioned in notes 3 and 4, €8,426 thousand of employee benefits provisions and €514 thousand for contingent liabilities towards trade associates in case of an abrupture of the co-operation b) for the Company: €726 thousand of employee benefits provisions.

## CASH FLOW STATEMENT-indirect method (Amounts reported in Thousand Euros)

	THE GROUP		THE COMPANY	
	1/1-30/06/2008	1/1-30/06/2007	1/1-30/06/2008	1/1-30/06/2007
<b>Cash Flows related to Operating Activities</b>				
Net Profit before taxes	64.120	60.709	10.930	14.089
Adjustments in respect of non-cash transactions:				
Depreciation and Amortisation	9.482	6.211	595	555
Devaluation of tangible and intangible assets				
Provisions	733	634	116	61
Exchange differences	-7.497	-2.452	0	0
Cash flows from investing activities	-1.716	-4.085	-19.385	-22.081
Debit interest and similar expenses	20.052	9.741	9.576	9.231
Adjustments related to working capital or other operating activities				
Decrease/(increase) of Inventories	-24.220	-25.742	-1.016	-463
Decrease/(increase) of Receivables	-33.337	-15.731	679	-4.597
Increase/(decrease) of payable accounts (except Banks)	17.102	10.226	-374	-4.828
<b>Minus:</b>				
Interest paid and similar expenses	-11.812	-5.723	-4.598	-4.002
Income Tax paid	-10.633	-5.585	-470	-95
<b>Net cash inflows/(outflows) from Operating Activities (a)</b>	<b>22.274</b>	<b>28.203</b>	<b>-3.947</b>	<b>-12.130</b>
<b>Cash Flows related to Investing Activities</b>				
Purchases of subsidiaries, associates and other investments	-21.847	0	-13.455	0
Purchases of tangible and intangible assets	-13.780	-6.096	-1.038	-381
Proceeds from sale of tangible and intangible assets	666	499	230	0
Proceeds from sale of financial assets	1.430	10	1.365	3.734
Dividends received	0	0	18.176	18.176
Interest received	785	1.944	107	233
Decrease/(increase) of other long-term receivables	-1.392	-1.766	-24	-11
<b>Net cash inflows/(outflows) from Investing Activities (b)</b>	<b>-31.354</b>	<b>-5.409</b>	<b>5.367</b>	<b>21.757</b>
<b>Cash Flows related to Financing Activities</b>				
Own Stock	-1.116	-1.638	0	0
Proceeds from Loans	38.599	472	5.098	0
Repayment of Loans	0	0	0	-2.000
Payments for leases	-91	-75	-16	-15
Dividends paid	-20.984	-18.540	-500	-1.950
<b>Net cash inflows/(outflows) from Financing Activities (c)</b>	<b>16.408</b>	<b>-19.781</b>	<b>4.582</b>	<b>-3.965</b>
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	7.328	3.013	5.996	5.656
Cash and cash equivalents at the beginning of the period	91.509	109.311	14.443	22.403
<b>Cash and cash equivalents at the end of the period</b>	<b>98.837</b>	<b>112.324</b>	<b>20.439</b>	<b>28.059</b>

## 12. In the consolidated financial statements are included the following companies:

COMPANY	REGISTERED OFFICE	% PARTICIPATION	RELATION THAT COMMANDED THE CONSOLIDATION	CONSOLIDATION METHOD	UN-AUDITED TAX YEARS
FOLLI FOLLIE S.A.	GREECE		-	-	2006-2007
FOLLI FOLLIE HONG KONG LTD	HONG KONG	99,99%	Direct	Full	2000-2007
FOLLI FOLLIE UK LTD	GREAT BRITAIN	99,99%	Direct	Full	2005-2007
FOLLI FOLLIE FRANCE SA	FRANCE	100%	Direct	Full	2006-2007
FOLLI FOLLIE SPAIN SA	SPAIN	100%	Direct	Full	2002-2007
FOLLI FOLLIE CZECH SRO	CZECH REP.	100%	Direct	Full	2001-2007
FOLLI FOLLIE POLAND SZOO	POLAND	100%	Direct	Full	2001-2007
FOLLI FOLLIE SLOVAKIA SRO	SLOVAKIA	100%	Direct	Full	2001-2007
FOLLI FOLLIE GERMANY GmbH	GERMANY	100%	Direct	Full	2005-2007
MPK FASHION LTD	CYPRUS	100%	Direct	Full	2002-2007
PLANACO SA	GREECE	76,67%	Direct	Full	2003-2007
HELLENIC DUTY FREE SHOPS	GREECE	52,42%	Direct	Full	2005-2007
FOLLI FOLLIE JAPAN LTD	JAPAN	100%	Direct	Full	2006-2007
FOLLI FOLLIE ASIA LTD	HONG KONG	99,99%	Indirect	Full	2001-2007
FOLLI FOLLIE TAIWAN LTD	TAIWAN	99,99%	Indirect	Full	2006-2007
FOLLI FOLLIE KOREA LTD	S.KOREA	99,99%	Indirect	Full	2006-2007
FOLLI FOLLIE SINGAPORE LTD	SINGAPORE	99,99%	Indirect	Full	2004-2007
BLUEFOL GUAM LTD	GUAM	99,99%	Indirect	Full	2000-2007
BLUEFOL HAWAII LTD	HAWAII	99,99%	Indirect	Full	2000-2007
BLUEFOL HONG KONG LTD	HONG KONG	99,99%	Indirect	Full	2001-2007
FOLLI FOLLIE MALAYSIA LTD	MALAYSIA	99,99%	Indirect	Full	2004-2007
FOLLI FOLLIE THAILAND LTD	THAILAND	99,99%	Indirect	Full	2001-2007
FOLLI FOLLIE CHINA (PILION LTD)	CHINA	85,00%	Indirect	Full	2006-2007
HELLENIC DISTRIBUTIONS SA	GREECE	52,42%	Indirect	Full	2006-2007
LINKS (LONDON) LIMITED	GREAT BRITAIN	52,42%	Indirect	Full	2006-2007
LINKS OF LONDON (INTERNATIONAL) LTD	GREAT BRITAIN	52,42%	Indirect	Full	2006-2007
LINKS OF LONDON COM LTD (UK)	GREAT BRITAIN	52,42%	Indirect	Full	2006-2007
LINKS OF LONDON ASIA LTD (HK)	HONG KONG	52,42%	Indirect	Full	2006-2007
LINKS OF LONDON INC (USA)	U.S.A.	52,42%	Indirect	Full	2006-2007
LINKS OF LONDON (FRANCE)	FRANCE	52,42%	Indirect	Full	2006-2007
HDFS SKOPJE DOO (F.Y.R.O.M.)	F.Y.R.O.M.	52,42%	Indirect	Full	2004-2007
HELLENIC TOURIST BUREAU A.E.	GREECE	52,42%	Indirect	Full	2006-2007
LAPFOL (JOINT VENTURE)	HONG KONG	50,00%	Indirect	Proportionate	2007
ELMEC SPORT ABETE	GREECE	49,75%	Indirect	Full	2007
FACTORY OUTLET A.E.E	GREECE	49,75%	Indirect	Full	2007
FACTORY OUTLET AIRPORT A.E.E	GREECE	49,75%	Indirect	Full	2006-2007
ELMEC ROMANIA SRL	ROMANIA	49,75%	Indirect	Full	2007
ELMEC SPORT BULGARIA EOOD	BULGARIA	49,75%	Indirect	Full	2001-2007
CHRONOSPORT A.E.	GREECE	24,87%	Indirect	Full	2003-2007
MOUSTAKIS S.A.	GREECE	49,75%	Indirect	Full	2002-2007
LOGISTICS EXPRESS A.E.	GREECE	49,75%	Indirect	Full	2007
ATTIKA DEPT. STORES SA	GREECE	24,86%	Indirect	Full	