



GROUP OF COMPANIES JUMBO S.A.



YEARLY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR OF 2005/2006
(01.07.2005-30.06.2006)

ACCORDING TO THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS
(I.F.R.S)



JUMBO S.A.
GROUP OF COMPANIES

Financial Statements
for the period from
1 July 2005 to 30 June 2006

It is confirmed that the attached Financial Statements are the ones approved by the Board of Directors of JUMBO S.A. on 18 September, 2006 and they have been communicated to the public by being uploaded at the Company's website www.jumbo.gr. Summarized financial information published in the press is intended to give the reader a general view but it does not provide a complete picture of the financial position and the results of the Group and the Company in compliance with International Financial Reporting Standards. It is also noted that for simplification purposes summarized financial information published in the press includes accounts which have been condensed and reclassified.

Evangelos – Apostolos Vakakis
President of the Board of Directors and Managing Director
JUMBO S.A.

CONTENTS

APPROVAL OF THE FINANCIAL STATEMENTS FROM THE PRESIDENT OF THE B.O.D

	Page
Board of Directors' Management Report	1
Auditor's report	8
PROFIT AND LOSS ACCOUNT	9
BALANCE SHEETS	10
STATEMENT OF CHANGES IN EQUITY - GROUP	11
STATEMENT OF CHANGES IN EQUITY - COMPANY	12
CASH FLOWS STATEMENT	13
NOTES TO THE INTERIM FINANCIAL STATEMENTS	14
AS AT 30 JUNE 2006	14
1. Description of the company.....	14
2. Basis of preparation and compilation of the financial statements.....	15
2.1 Basis of preparation for the Financial Statements.....	15
2.2 Statutory financial statements.....	16
2.3 First time adoption of International Financial Reporting Standards and Interpretations	16
2.4 New accounting standards and interpretations of IFRIC.....	17
3. Segment Reporting.....	18
4. Main accounting principles	18
4.1 Structure of the Group.....	18
4.2 Consolidation basis	19
4.3 Functional currency, presentation currency and conversion of foreign currency	19
4.4 Property plant and equipment	20
4.5 Impairment of assets.....	20
4.6 Financial instruments.....	21
4.7 Inventory	22
4.8 Trade receivables	22
4.9 Cash and cash equivalents	22
4.10 Share capital.....	22
4.11 Loans.....	22
4.12 Convertible bond loans.....	23
4.13 Income & deferred tax	23
4.14 Liabilities for benefits to personnel retiring or leaving service.....	23
4.15 Provisions and contingent liabilities / assets	24
4.16 Leases.....	25
4.17 Recognition of income and expenses	25

4.18	Distribution of dividends	26
5.	Risk management	26
5.1	Risks related to the macroeconomic environment.....	26
5.2	Risks related to company's activity	26
5.3	Risks related to company's stock price.....	28
6.	Segment Reporting.....	28
6.1	Results of business sectors as at 30 June 2006 and 2005.....	28
6.2	Allocation of Assets and Liabilities per business segment as at 30 June 2006 και 2005.....	29
6.3	Information on sales per geographical area as at 30 June 2006 and 2005	30
6.4	Analysis of assets per geographical area as at 30 June 2006 and 2005	30
7.	Cost of sales	31
8.	Administration and distribution costs.....	31
9.	Other operating income and expenses.....	32
10.	Financial income / expenses	33
11.	Income tax.....	33
12.	Earnings per share.....	34
13.	Property plant and equipment.....	35
14.	Investment property	39
15.	Investments in subsidiaries	40
16.	Other long term receivables	40
17.	Inventories.....	40
18.	Trade debtors and other trading receivables.....	41
19.	Other receivables.....	41
20.	Other current assets	42
21.	Cash and cash equivalents.....	42
22.	Capital and reserves	43
22.1	Share capital.....	43
22.2	Other reserves	44
23.	Liabilities for compensation to personnel due for retirement	45
24.	Loan liabilities	47
24.1	Long term loans.....	47
24.2	Financial leases	49
25.	Other long term liabilities	50
26.	Deferred tax liabilities.....	50
27.	Provisions	51
28.	Trade and other payables	52
29.	Current tax liabilities	52
30.	Other current liabilities.....	53
31.	Cash flows from operating expenses.....	53
32.	Analysis of adjustments for transition to and first time adoption of IFRS	54
32.1	Impact of transition adjustments to equity	54
32.2	Impact of transition adjustments to profits	55
33.	Commitments	59
34.	Contingent assets - liabilities.....	59
35.	Transactions with related parties	59
36.	Proposal for the allocation of profits for the period 2005-2006	61
37.	Events subsequent to the balance sheet date.....	61

Board of Directors' Management Report

**OF SOCIETE ANONYME
"JUMBO ANONIMI EMPORIKI ETAIREIA"
ON THE CONSOLIDATED FINANCIAL STATEMENTS
AND PARENT FINANCIAL STATEMENTS
FOR THE YEAR 01.07.2005 TO 30.06.2006**

Dear Shareholders,

According to the legislation and the statute of incorporation of the company, we submit for the closing financial exercise from 01.07.2005 to 30.06.2006, the consolidated Management Report, consolidated and parent financial statements of 30.06.2006 the notes to the financial statements of the relevant period which are prescribed by the International Financial Reporting Standards as well as the relevant auditor's report.

In the current report there is a brief overview regarding JUMBO SA and the of the Group, which aim to provide general information on the financial status and results, the overall course and changes that took place during the closing exercise the prospectives and generally the orgnaisation, activities and current structure of the Group.

A. REVIEW FOR THE CLOSING EXERCISE
FROM 01.07.2005 TO 30.06.2006

The exercise 2005/2006 which pertains a period from 01.07.2005 to 30.06.2006 was another good year for the Group JUMBO. This year, apart from the prosperity of figures in terms of turnover and profitability is characterised as an important stage in the course of establishing JUMBO as the largest specialised retail sales network of toys, infant articles, stationary etc, and similar items through a network of **38 stores in the Greek area and 3 hyper market stores in Cyprus**

Brief financial overview

The positive course of the Group and the successful strategic planning were clearly depicted to the financial results of the closing exercise.

The Group's Turnover reached € 281,3 mil presenting an impressive increase of 22,8% comparing to the previous exercise 2004/2005, during difficult times for the Greek retail market. Apart from maintaining competitive product prices, enriching the variety of commercial items and the service of customers, added to this positive performance, the new stores in Greece have contributed significantly and provided the Group with a new dynamic.

The important improvement of gross profit margins by 191 basis points (52,65% compared to 50,74%) partly is due to the strengthening of euro and partly to the ability of the Group to acquire products in very large quantities at particularly low prices.

It is important to stress the retention of expenses which formulated operating profits (EBITDA) to € 82,8 mil. Consequently the EBITDA margin was set to 29,4% from 28,05% of the previous year.

As a consequence from the above and if it is taken into account the fact of the reduction in the income tax rates in Greece (from 35% to 32%) Net Consolidated Profits after tax amounted to € 49,4 mil compared to the ones of the previous year which were € 34,13 mil, i.e. an increase by 44,85%.

Earnings per share of the parent company are € 0,70, increased by 29,63% compared to the previous year of € 0,54. The Group's earnings per share are € 0,83 as opposed to € 0,61 of the previous year, i.e. increased by 36,07%.

As at 30.06.2006 the carrying amount of the Group's Tangible Fixed Assets amounted to € 167,24 mil and represented 48,8% of the Group's Total Assets as opposed to the carrying amount of the previous year which amounted € 144,23 mil. Inventories represent a significant proportion of Total Consolidated Assets which is set at 29,4%.

At the same date long term bank liabilities of the Group (Bond Loans, Bank loans and Financial lease obligations) amounted to € 75,1 mil i.e. 21,9% of total liabilities. Consolidated equity of amount € 168,24 mil represent 49,09% of the Group's Total Liabilities. The important increase of consolidated Equity is due mainly to the Group's profitability.

The gearing ratio and the return on investment ratio were improved during the closing exercise. The gearing ratio as it is presented based on the net Borrowings to the operating profits was 1,11 as opposed to 1,68 in the previous year. The return on investment ratio which is presented based on net profits after tax to the average equity was 0,349 as opposed to 0,336 in the previous year.

Achievement of goals and of the investment program,
Expansion of operating network
During the closing exercise 01.07.2005 - 30.06.2006

Within the frame of the programmed expansion of the selling network during the closing exercise 2005/2006 the following hypermarkets commenced operations:

- ✓ In Corfu, with a surface of 7.500 sqm in a plot of land owned by the company with a surface of 5.000 sqm
- ✓ In Patrae no 2 with a surface of 4.400 sqm
- ✓ In N. Ionia with a surface of 6.950 sqm
- ✓ In Alexandroupoli with a surface of 7.500 sqm
- ✓ In 28.07.2006 the 39th store of the company started in Lamia

By the end of the current exercise the Group possesses 41 operating location of retail sales. The parent company in Greece 38 and the subsidiary 3 in Cyprus. From the operating locations of the parent company 18 are located in Attica region and 20 in the province, out of which 14 are owned by the company. In addition it possesses 2 modern storage areas self owned in Avlona of Attica and in Oinofyta Viotias.

From the 3 operating locations of the subsidiary 2 stores and 1 warehouse are owned by the company.

During the same time, the company's management being constantly in the quest of opportunities for the purchase or lease of properties in strategic areas of Attica and of the province with the aim to create new facilities for exploitation within the next two years, proceeded with the purchase of property in the Port of Piraeus, while in the meantime the company agreed the purchase of a plot of land within the Attica Basin and two similar plots in the area of Veria.

The company apart from the selling points, and giving particular attention to the organisation and operation of a suitable infrastructure with the creation of modern storage areas, so as to secure the best coordination, control and supervision of provisions, supplies and distribution of the products to the company's stores, proceeded with the purchase of similar plots of 63.000 sqm to Oinofyta, in order to expand its modern storage areas.

The efforts and the interest of the Company's management for the expansion of the network in Balkan countries have been achieved during this exercise.

- ✓ In Bulgaria on the 1st of September 2005 the subsidiary "JUMBO EC.B" was founded with registered office in Sofia and proceed with the purchase of plots of land and a building under construction for the creation of a hyper market with a surface of 15.000 sqm
- ✓ In Romania all relevant activities have started with the public authorities of Romania in order to establish the new subsidiary "JUMBO EC.R"

Net investments for the purchase of fixed assets by the company for the closing period amounted to € 25.353 thousand for the Company and € 31.064 for the Group

Realisation of other important Business Decisions

The company's management in the frame of the high growth rates and with the aim of increasing its performance, effected with a chronological order the following business and strategic decisions.

I. Conversion of the Bond Loan into shares and increase of share capital. As it is known the Board of Directors with the meeting dated 11.10.2005 decided the increase of the share capital by an amount of € 3.916.212 through the issue of 4.856.265 new registered shares with a nominal value of € 0,80 each, due to the conversion of 2.719.596 bonds of the convertible bond loan of the year 2000. Therefore the share capital of the company amounted to € 40.411.572 divided into 50.514.465 registered shares with a nominal value of 0,80 each.

II. Increase of share capital with the decision of the General Meeting of the Shareholders dated 03.05.2006. According to the decisions of the Extraordinary General Meeting of the shareholders dated 03.05.2006 which were approved by the decision of the ministry of Development K2-6817/09.05.2006 the company's share capital increased by a total amount of € 44.452.729,20 with the capitalisation of the following reserves: a) Extraordinary (€ 41.033.060,66) and b) part of the share premium reserve (3.419.668,54). The increase was effected partly by an amount of € 30.308.679 with the increase in the nominal value of the company's shares from € 0,80 to € 1,40 each and partly by an amount of € 14.144.050,20 from the issue and distribution of 10.102.893 new common registered shares with a nominal value of € 1,40 each. Total paid share capital after the increase amounts to € 84.864.301,20 divided into 60.617.358 shares with a nominal value of 1,40 each.

III. Transfer of the company's registered office and extension of the company's duration. According to the decisions of the Extraordinary General Meeting of the company's shareholders dated on 03.05.2006 which were approved by the Decision of the ministry of Development K2-6817/09.05.2006 the company's registered office was transferred from the municipality of Glyfada (original registered office) to the municipality of Moschato and specifically in Kyprou 9 & Ydras str, Postal Code 183 46 where its head offices are located. The original 30 year duration of the company was extended to 70 years.

IV. Decision for the issue of a Convertible Bond Loan. The second Repetitive Extraordinary General Meeting of shareholders of the Company dated 7/6/2006 decided the issue of bond loan convertible in common shares with right of vote, with preference rights of old shareholders of amount up to € 42.432.150,00 (henceforth the "Loan"). Furthermore, it permitted the Board of Directors of the Company to decide on the specific content of terms of the Loan, by completing according to its judgement, the basic terms that were decided by the General Meeting, with any relevant terms that seem suitable and by determining any specific issue or detail.

According to the provisions of law 3156/2003 and law 2190/1920, as it is in force, the terms of Loan were determined by the above decision of General Meeting of shareholders in combination with the decisions of the Board of Directors dated 31/7/2006 and 6/9/2006 of our Company (henceforth "Terms of Loan"). These terms are as follows: Nature of Bonds: Registered, convertible into common registered shares of the issuer. Number of Bonds convertible in common shares: 4.243.215. Nominal value of Bonds:

10 Euros. Issue price of Bonds: 10 Euros per Bond. Proportion of participation of old shareholders in the issue: 1 bond per 0,07 common registered shares. Forecasted proceeds of issue: € 42.432.150,00.

The prescribed from relevant legislation information Bulletin was approved by the Stock Exchange Commission and the proper authorisations were granted from the Athens Stock Exchange.

According to the decision of the Board of Directors dated 03.08.2006 the following were decided:
 a) Date of preference rights 08.08.2006. Beneficiaries of preference rights are the Shareholders on 07.08.2006
 b) The dates for trading in the Athens Stock Exchange of the preference rights from 17.08.2006 to 25.08.2006
 c) the dates for exercising the preference rights from 17.08.2006 to 31.08.2006.

The above mentioned Convertible Bond Loan was covered 100% and amounted to € 42.432.150,00 divided into 4.243.215 common registered bonds with a nominal value of € 10 each. The date of issue was set on 8/9/2006 and in the extraordinary meeting held by the Board of Directors on that date its full and complete payment was authorised. After the completion of typical procedures all the multiple titles of the bonds will be printed on paper and submitted to the rightful owners.

The funds incurred from the loan will be used for the financing of the company's targets. These include firstly up to an amount of € 27.432.150 the company's investment program which pertains the acquisition and construction of property and secondly up to an amount of € 15.000.000 the company's working capital needs. Additional information regarding the company's new Convertible Loan are presented in the note 37 in the company's notes to the financial statements which are in the company's website.

Dividend policy

Regarding the distribution of dividends the management of the parent company, taking into account the efficiency of the Group, its prospectives and its investment plans suggests for the closing exercise 2005/2006 the distribution of dividend equal to to € 0,23 per share as opposed to € 0,22 per share of the year 2004/2005 i.e. a total amount of € 13.941.992,34 solely for the benefit of its shareholders which show their trust and invest in a midterm horizon on the company's shares. Regarding the process of dividend distribution this will take place through a financial institution within the time frame prescribed by relevant legislation from the moment of the decision of the Annual General Meeting of the shareholders.

With regard to the subsidiary, its Board of Directors did not suggest any dividend to the share holders for the closing exercise due to its continuing development program. Moreover the subsidiary is not forced to comply to the Cypriot Law regarding the obligatory distribution of dividends since it is controlled fully by JUMBO which is not a Cypriot tax resident.

B. INFORMATION ON THE COMPANY'S AND THE GROUP'S PROSPECTIVES

The positive facts and the prospectives for the development, expansion and increase of our courses of action will mark the new year as well.

The basic purpose of the company continues to constitute the preservation and further strengthening of established powerful brand name of "JUMBO" the constant enforcement and amplification of its leading place in the retail sale of games, gift articles, bookseller's and stationer's etc relevant and similar types.

Imminent Company's priority and its stable philosophy, as in previous years, continues to constitute, the extension and improvement of selling network, the enrichment of variety of its trading products, based on the developments and the tendencies of demand in the toy market, the best service of its customers, the exceptionally competitive prices of its products, while important comparative



advantage of Group for his objectives, remains, its healthy financing structure and the increasing monetary flows, as a result of its permanently increasing profitability.

Also, strategic objective of administration of Group JUMBO is to establish its share as a stable defensive investment choice (defensive stock) and for this is given particular emphasis in the balanced growth of turnover and profitability. With the base of achievement of these objectives, the Group has proportionally shaped the strategic choices and his action and more specifically:

- ✓ The Company, which today allocates 39 shops in Greece (18 shops in Attica and 21 shops in the province), within next two years will apply the policy of creating metropolitan hyper markets in Athens and in Piraeus, (destination locations) and at the same time will extend its retail network in the province.
- ✓ By the end of 2006, the extension of new, ultramodern storage spaces of its property, will have been completed, in the wider region of Attica-Viotia, that henceforth will cover 135.000 t.m., aiming at the best management of reserves of the Group.

At the same time, as we mentioned before, in the beginning of September was completed with absolute success the issue of Convertible Bond Loan of company of €42.432.150 with rate of cover 100%. The product of Loan will allow the Company to materialise its programmed investment plans.

With regard to the international activities of the Group, development is spectacular.

In Cyprus, the subsidiary company Jumbo Trading Ltd, which has today 3 shops in Cyprus (2 in Nicosia, and 1 in Lemessos) the awardings of vacations for the operation of 4th shop in Larnaka, of 7.000 sqm have been almost completed.

In Bulgaria, subsidiary company «Jumbo EC.B», which was founded in Bulgaria's Sofia at 1.9.2005 and belongs wholly (100%) to the Company,

- ✓ Constructional work has already begun and are in progress, for the operation of the first privately owned hypermarket of 15.000 sqm in erected trade centre in Sofia of Bulgaria.
- ✓ At the same time, it proceeded with the purchase of plots in the same city, for its business activities.
- ✓ The rate of implementation of its investment plans, will depend on the successful course of integration of our neighbouring country in the eurozone

In Romania, from the beginning of August 2006, was founded the new subsidiary company of the Group, «Jumbo EC.R» with headquarters in Bucharest.

- ✓ Investment plans are evolving with rapid pace in that country as well.

As it becomes perceptible from the above growth, the business plan of the parent and the subsidiary company was followed loyally, according to which the extension, upgrade and support of selling network continued to constitute a vital priority, with the creation of new shops and storage spaces.

C. OTHER INFORMATION AND FIGURES FOR THE COMPANY AND THE GROUP

Structure of the Group

Parent Company:

The Societe Anonyme with the name «JUMBO SA» and the distinctive title «JUMBO» was founded in 1986, with headquarters today in Moschato of Attica (road Cyprus 9 and Hydras), is introduced since 1997 in the Alternative Market of Athens Stock Exchange and is registered in the Registry for SA of Ministry of Development with reg. no. 7650/06/B/86/04. The company has been classified in the category of high Capitalisation of the Athens Stock Exchange.

Subsidiary companies:

1. The subsidiary company with the name «Jumbo Trading Ltd», is a Cypriot company of limited liability. It was founded in 1991. Its headquarters are in Nicosia of Cyprus (Avenue Avraam Antoniou 9, Down Lakatamia of Nicosia). It is registered in the Registration of Companies Cyprus, with number E 44824. The parent company possesses 100% of the shares and of the voting rights.

2. The subsidiary company in Bulgaria with the name «JUMBO EC.B.» was founded on the 1st of September of 2005 as an single person Limited liability company with number of Registration 96904, volume 1291 of the Court of Sofia and according to the providences and conditions of article 115 S.L. Its headquarters are in Sofia, Bulgaria (Municipality of Vitossa, avenue of Bulgaria, number 60C, 8th floor, apartment 47). The parent company possesses 100% of the shares and of the voting rights.

3. The new subsidiary company in Romania with the name «JUMBO EC.R.» was founded on the 9th of August 2006 as a limited liability company, with number J40/12864/2006 in commercial Registration, with headquarters in Bucharest (sector 4, Sos. Giurgiului, number 129, block of flats 2, Scale 1, floor 1, apartment 3). The parent company possesses 100% of the shares and of the voting rights.

Other information

The number of personnel in the end of the current exercise, was for the company 1.538 persons and for the Group reached 1.665 persons, compared to previous period, with 1.410 and 1.574 persons respectively.

The Basic Accounting Principles of the financial statements have been maintained, which were followed at 30.06.2004 (IFRS Stable Platform).

On the assets of Company there are no encumbrances. There are encumbrances pertaining to the subsidiary company «JUMBO TRADING LTD» (mortgages of a and b class), € 9.391 thousand (CYP 5.400 thousand) to secure bank loans.

There are no litigations, of which the potential negative outcome, will have an important impact on the Group's financial results.

Corporate Governance

The Company has adopted the Principles of Corporate Governance, as these are delimited by current Greek legislation and the international practices.

The Board of Directors of «JUMBO S.A.» is the agent of Principles of Corporate Governance. Today it is composed of 4 executive members, who are able to be occupied or to provide their services in the Company and 3 non executive members, who practise exclusively the duties of a member of the Board of Directors. From the non executive members, two (2) of them fulfill the conditions, according to the articles of the law 3016/2002 for the Corporate Governance, calling for independence.

The executive members of the Board of Directors are responsible for the execution of the decisions of the Board of Directors and the constant supervision of the Company's work. The non executive members of the Board of Directors, have been charged with the duty of promotion of the Company's total work.

The Audit Committee is constituted by non executive members and has as a mission the objectivity in the conduct of internal and external controls and the effective communication between controlling bodies and the Board of Directors. In its competences are included the guarantee of conformity with the rules of Corporate Governance, as well as the guarantee of equitable operation of system of Internal Control and the monitoring of work of this department.

In application of the law 3016/2002 for the Corporate Governance, Internal Audit constitutes basic and essential condition for the operation of the company. The Internal Audit department, is operating as an independent, objective and advisory service, which reports to the Board of Directors of the Company and, in particular, to the three (3) of its non executive members. In its competences are included the evaluation and improvement of the systems of risk management and Internal Audit, as well as the verification of compliance with enacted policies and processes as these are delimited in the Internal Regulation of Operation of Company, the current legislation and the lawful provisions.

«JUMBO S.A.» has established an Internal Audit department, «head» of which has been assigned Ms Terzaki Ioanna, who - as mentioned before - is supervised by the three (3) non executive members of the Board of Directors, the Company's Audit Committee.

Thereafter, we place in your judgement the Company's consolidated financial statements of 30/6/2006, with the relative consolidated Management Report, the Notes on the Financial Statements and the audit report on the Financial Statements and we request for the approval of these, the relief of the members of the Board of Directors and Auditors from every responsibility regarding the activities of the last exercise, from 01.07.2005 to 30.06.2006, as well as the discussion and relevant actions taken on the subjects of daily provisions the Annual Regular General Assembly.

Evangelos - Apostolos Vakakis
President of the Board of Directors and Managing Director
JUMBO S.A.

Auditor's report

To the Shareholders of JUMBO SA

We have audited the accompanying financial statements as well as the consolidated financial statements of **JUMBO S.A.**, as of and for the year ended **30th of June 2006**. These financial statements are the responsibility of the Company's management. 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding company), as of 30th of June 2006, and of the results of its operations and those of the Group and their cash flows and changes in shareholders' equity, for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Athens, 18th of September 2006

Kazas Vasilis
SOEL reg. no 13281

Grant Thornton 

Vasileos Konstantinou 44
116 35 Athens
SOEL reg. no 127

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 June 2006 and 2005

(All amounts are expressed in euros except from shares)

	Notes	THE GROUP		THE COMPANY	
		1/7/2005- 30/6/2006	1/7/2004- 30/6/2005	1/7/2005- 30/6/2006	1/7/2004- 30/6/2005
Turnover		281.313.141	229.070.098	266.104.996	217.968.088
Cost of sales	7	-133.206.353	-112.843.531	-131.913.862	-111.216.075
Gross profit		148.106.788	116.226.567	134.191.134	106.752.013
Other income	9	3.228.066	1.570.364	3.202.212	1.531.430
Distribution costs	8	-64.094.417	-47.237.084	-61.235.633	-44.589.079
Administrative expenses	8	-10.312.270	-11.989.410	-8.235.726	-9.973.673
Other expenses		-2.567.098	-1.853.833	-2.567.098	-1.853.833
Profit before tax, interest and investment results		74.361.069	56.716.604	65.354.889	51.866.858
Finance costs	10	-5.543.665	-6.469.247	-5.083.862	-5.722.821
Finance income	10	671.291	718.032	418.260	504.652
		-4.872.374	-5.751.215	-4.665.602	-5.218.169
Profit before taxes		69.488.695	50.965.389	60.689.287	46.648.689
Income tax	11	-20.048.031	-16.833.111	-19.145.551	-16.377.720
Profits after tax		49.440.664	34.132.278	41.543.736	30.270.969
Attributable to:					
Shareholders of the parent company		49.440.664	34.132.278		
Minority interests		-	-		
Basic earnings per share (€/share)					
Basic earnings per share		0,83	0,61	0,7	0,54
Diluted earnings per share		-	0,57	-	0,51
Earnings before interest Tax investment results depreciation and amortization		82.841.612	64.247.255	73.106.653	58.697.861
Earnings before interest, tax and investment results		74.361.069	56.716.604	65.354.889	51.866.858
Profit before tax		69.488.695	50.965.389	60.689.287	46.648.689
Profit after tax		49.440.664	34.132.278	41.543.736	30.270.969

The accompanying notes constitute an integral part of the financial statements

BALANCE SHEETS

FOR THE PERIOD ENDED 30 June 2006 and 2005

(All amounts are expressed in euros unless otherwise stated)

	Notes	THE GROUP		THE COMPANY	
		30/6/2006	30/6/2005	30/6/2006	30/6/2005
<i>Assets</i>					
Non current					
Property, plant and equipment	13	158.081.897	134.705.503	133.189.376	115.277.892
Investment property	14	9.154.234	9.525.941	9.154.234	9.525.941
Investments in subsidiaries	15	-	-	11.329.814	11.074.190
Other long term receivables	16	2.872.793	2.790.536	2.852.650	2.776.095
		<u>170.108.924</u>	<u>147.021.980</u>	<u>156.526.074</u>	<u>138.654.118</u>
Current					
Inventories	17	100.746.670	74.648.327	95.899.555	70.297.004
Trade debtors and other trading receivables	18	19.209.907	18.937.545	20.283.868	19.837.678
Other receivables	19	29.402.761	22.637.240	32.553.766	22.637.240
Other current assets	20	1.418.362	2.576.289	1.418.362	2.576.289
Cash and cash equivalents	21	21.818.592	31.454.561	8.980.606	24.462.426
		<u>172.596.292</u>	<u>150.253.962</u>	<u>159.136.157</u>	<u>139.810.637</u>
Total assets		<u>342.705.216</u>	<u>297.275.942</u>	<u>315.662.231</u>	<u>278.464.755</u>
<i>Equity and Liabilities</i>					
Equity attributable to the shareholders of the parent entity					
Share capital	22.1	84.864.301	36.495.360	84.864.301	36.495.360
Share premium reserve	22.1	7.678.828	-	7.678.828	-
Translation reserve		251.369	311.254	-	-
Other reserves	22.2	10.936.176	51.978.152	10.936.176	51.978.152
Retained earnings		64.510.904	26.183.466	49.781.830	19.351.320
		<u>168.241.578</u>	<u>114.968.232</u>	<u>153.261.135</u>	<u>107.824.832</u>
Minority interests		-	-	-	-
Total equity		<u>168.241.578</u>	<u>114.968.232</u>	<u>153.261.135</u>	<u>107.824.832</u>
Non-current liabilities					
Liabilities for compensation to personnel due for retirement	23	1.347.152	1.115.924	1.347.152	1.115.924
Long term loan liabilities	24	75.102.712	106.256.930	67.031.547	97.349.879
Other long term liabilities	25	1.254	57.210	1.254	57.210
Deferred tax liabilities	26	3.709.770	3.458.827	3.707.408	3.451.992
Total non-current liabilities		<u>80.160.888</u>	<u>110.888.891</u>	<u>72.087.361</u>	<u>101.975.005</u>
Current liabilities					
Provisions	27	441.164	224.297	441.164	224.297
Trade and other payables	28	44.161.274	39.448.458	43.602.682	39.610.225
Current tax liabilities	29	24.912.957	20.108.994	23.459.971	19.246.520
Short-term loan liabilities	24	1.128.108	1.193.371	-	-
Long term loan liabilities payable in the subsequent year	24	15.791.055	834.611	15.772.772	825.627
Other current liabilities	30	7.868.192	9.609.088	7.037.146	8.758.249
Total current liabilities		<u>94.302.750</u>	<u>71.418.819</u>	<u>90.313.735</u>	<u>68.664.918</u>
Total liabilities		<u>174.463.638</u>	<u>182.307.710</u>	<u>162.401.096</u>	<u>170.639.923</u>
Total equity and liabilities		<u>342.705.216</u>	<u>297.275.942</u>	<u>315.662.231</u>	<u>278.464.755</u>

The accompanying notes constitute an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY - GROUP
FOR THE PERIOD ENDED 30 JUNE 2006 AND 2005

(All amounts are expressed in euros except from shares)

Notes	Share capital	Share premium reserve	Translation reserve	Statutory reserve Reserve	Tax - free reserves	Extraordinary reserves	Other reserves	Retained earnings	Total Equity
Balance as at 1st July 2005 according to IFRS	36.495.360	0	311.254	5.014.763	5.907.183	41.033.061	23.145	26.381.863	115.166.629
Adjustment due to the provision for contingent liabilities in respect of unaudited tax years								(198.397)	(198.397)
Restated balance as at 1st July 2005 according to IFRS	36.495.360	0	311.254	5.014.763	5.907.183	41.033.061	23.145	26.183.466	114.968.232
Set off of deferred tax on items transferred directly in equity							4.801		4.801
Translation differences of foreign operations			(59.885)						(59.885)
Net income/expense recognized in equity	0	0	(59.885)	0	0	0	4.801	0	(55.084)
Net profit for the period 01/07/2005-30/06/2006								49.440.664	49.440.664
Total recognized income for the period	0	0	0	0	0	0	0	49.440.664	49.440.664
Dividends paid								(11.113.226)	(11.113.226)
Increase of share capital	48.368.941	7.678.828		0		(41.033.061)	(13.716)		15.000.992
Total changes	48.368.941	7.678.828	0	0	0	(41.033.061)	(13.716)	38.327.438	53.328.430
Balance of equity at 30th June 2006 carried forward	84.864.301	7.678.828	251.369	5.014.763	5.907.183	0	14.230	64.510.904	168.241.578
Balance as at 1st July 2004 according to IFRS	36.495.360	0	69.856	3.566.067	5.764.780	25.066.341	23.145	17.453.684	88.439.233
Adjustment due to the provision for contingent liabilities in respect of unaudited tax years								(89.413)	(89.413)
Restated balance as at 1st July according to IFRS	36.495.360	0	69.856	3.566.067	5.764.780	25.066.341	23.145	17.364.271	88.349.820
Exchange differences on translation foreign subsidiaries			241.398						241.398
Net profit for the period 01/07/2004 - 30/06/2005								34.132.278	34.132.278
Total recognized income for the period	0	0	241.398	0	0	0	0	34.132.278	34.373.676
Dividends paid								(7.755.264)	(7.755.264)
Statutory reserves				1.448.696				(1.448.696)	0
Extraordinary and tax-fee reserves					142.403	15.966.720		(16.109.123)	0
Total changes	0	0	241.398	1.448.696	142.403	15.966.720	0	8.819.195	26.618.412
Balance of equity at 30th June 2005 carried forward	36.495.360	0	311.254	5.014.763	5.907.183	41.033.061	23.145	26.183.466	114.968.232

STATEMENT OF CHANGES IN EQUITY - COMPANY
FOR THE PERIOD ENDED 30 JUNE 2006 AND 2005

(All amounts are expressed in euros except from shares)

Notes	Share capital	Share premium reserve	Statutory reserve Reserve	Tax - free reserves	Extraordinary reserves	Other reserves	Retained earnings	Total Equity
Balance as at 1st July 2005 according to IFRS	36.495.360	0	5.014.763	5.907.183	41.033.061	23.145	19.549.717	108.023.229
Adjustment due to the provision for contingent liabilities in respect of unaudited tax years							-198.397	-198.397
Restated balance as at 1st July 2005 according to IFRS	36.495.360	0	5.014.763	5.907.183	41.033.061	23.145	19.351.320	107.824.832
Set off of deferred tax on items transferred directly in equity						4.801		4.801
<i>Net income/expense recognized in equity</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4.801</i>	<i>0</i>	<i>4.801</i>
Net profit for the period 01/07/2005-30/06/2006							41.543.736	41.543.736
<i>Total recognized income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>41.543.736</i>	<i>41.543.736</i>
Dividends paid							-11.113.226	-11.113.226
Increase of share capital	48.368.941	7.678.828			-41.033.061	-13.716		15.000.992
<i>Total changes</i>	<i>48.368.941</i>	<i>7.678.828</i>	<i>0</i>	<i>0</i>	<i>-41.033.061</i>	<i>-13.716</i>	<i>30.430.510</i>	<i>45.431.502</i>
Balance of equity at 30th June 2006 carried forward	84.864.301,00	7.678.828,00	5.014.763,00	5.907.183,00	0,00	14.230,00	49.781.830,00	153.261.135
Balance as at 1st July 2004 according to IFRS	36.495.360	0	3.566.067	5.764.780	25.066.341	23.145	14.482.847	85.398.540
Adjustment due to the provision for contingent liabilities in respect of unaudited tax years							-89.413	-89.413
Restated balance as at 1st July according to IFRS	36.495.360	0	3.566.067	5.764.780	25.066.341	23.145	14.393.434	85.309.127
Net profit for the period 01/07/2004 - 30/06/2005							30.270.969	30.270.969
<i>Total recognized income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>30.270.969</i>	<i>30.270.969</i>
Dividends paid							-7.755.264	-7.755.264
Statutory reserves			1.448.696				-1.448.696	0
Extraordinary and tax-fee reserves				142.403	15.966.720		-16.109.123	0
<i>Total changes</i>	<i>0</i>	<i>0</i>	<i>1.448.696</i>	<i>142.403</i>	<i>15.966.720</i>	<i>0</i>	<i>4.957.886</i>	<i>22.515.705</i>
Balance of equity at 30th June 2005 carried forward	36.495.360	0	5.014.763	5.907.183	41.033.061	23.145	19.351.320	107.824.832

The accompanying notes constitute an integral part of the financial statements

CASH FLOWS STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2006 AND 2005

(All amounts are expressed in euros unless otherwise stated)

	Notes	THE GROUP		THE COMPANY	
		30/6/2006	30/6/2005	30/6/2006	30/6/2005
<u>Cash flows from operating activities</u>					
Cash flows from operating activities	31	54.380.551	66.757.207	44.998.281	61.076.443
Interest paid		(5.045.873)	(5.697.369)	(5.032.250)	(5.681.008)
Taxes paid		(15.215.910)	(8.425.744)	(14.676.683)	(7.999.628)
Net cash flows from operating activities		34.118.768	52.634.094	25.289.348	47.395.807
<u>Cash flows from investing activities</u>					
Acquisition of non current assets		(31.603.599)	(23.192.641)	(25.352.562)	(22.941.439)
Sales of tangible assets		58.137	86.321	50.866	86.321
Amounts owed by affiliated parties for share capital increase		-	-	(4.157.076)	-
Acquisition of subsidiaries		-	-	(255.624)	-
Interest and related income receivable		621.636	609.848	418.260	504.652
Net cash flows from investing activities		(30.923.826)	(22.496.472)	(29.296.136)	(22.350.466)
<u>Cash flows from financing activities</u>					
Issue of common shares		3.916.212	-	3.916.212	-
Dividends paid to shareholders		(11.109.638)	(7.743.714)	(11.109.638)	(7.743.714)
Loans received		2.640.704	2.758.152	-	2.680.150
Loans paid		(7.390.897)	(1.929.581)	(3.459.331)	(202.604)
Payments of capital of financial leasing		(841.284)	(504.773)	(822.275)	(496.318)
Net cash flows from financing activities		(12.784.903)	(7.419.916)	(11.475.032)	(5.762.486)
Increase/(decrease) in cash and cash equivalents (net)		(9.589.961)	22.717.706	(15.481.820)	19.282.855
Cash and cash equivalents in the beginning of the period		31.454.561	8.655.814	24.462.426	5.179.571
Exchange difference on cash and cash equivalents		(46.008)	81.041	-	-
Cash and cash equivalents at the end of the period		21.818.592	31.454.561	8.980.606	24.462.426
Cash in hand		6.277.567	2.234.480	2.974.134	2.205.558
Carrying amount of bank deposits and bank overdrafts		2.068.913	1.626.271	2.068.913	1.626.271
Sight and time deposits		13.472.112	27.593.810	3.937.559	20.630.597
Cash and cash equivalents		21.818.592	31.454.561	8.980.606	24.462.426

The accompanying notes constitute an integral part of the financial statements

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2006

(All amounts are expressed in euro unless otherwise stated)

1. Description of the company

JUMBO is a trading company, established according to the laws in Greece. Reference made to the "COMPANY" or "JUMBO S.A." indicates, unless otherwise stated in the text, the Group "JUMBO" and its fully consolidated subsidiary companies.

The company's distinctive title is "JUMBO" and it has been guaranteed in its articles of incorporation as well as by the department for trademarks of the Ministry of Development as a brand name for JUMBO products and services under number 127218 with protection period after extension until 5/6/2015.

The Company was incorporated in 1986 (Government Gazette 3234/26.11.1986) and its duration was set at thirty (30) years. According to the decision of the Extraordinary General Meeting of the shareholders dated 3/5/2006 which was approved by the decision of the Ministry of Development numbered K2-6817/9.5.2006, the duration of the company was extended to seventy years (70) from the date of its registration in Register of Societes Anonyme.

Originally the company's registered office was at the Municipality of Glyfada, at 11 Angelou Metaxa street. According the same decision (mentioned above) of the Extraordinary General Meeting of shareholders which was approved by the decision of the Ministry of Development numbered K2-6817/9.5.2006 the registered office of the company was transferred to the Municipality of Moschato in Attica and specifically at 9 Kyprou street and Ydras, area code 183 46.

The company is registered in the Register of Societes Anonyme of the Ministry of Development, Department of Societes Anonyme and Credit, under No 7650/06/B/86/04.

Activity of the company is governed by the law 2190/1920.

The company's main activity is the retail sale of toys, baby items, season items, decoration items, books and stationery and is classified based on the STAKOD 03 bulletin of the National Statistics Service in Greece (E.S.Y.E.) under the sector "other retail trade of new items in specialized shops" (STAKOD category 525.9). A small part of its activities is the wholesale of toys and similar items to third parties.

Since 19/7/1997 the Company has been listed on the Stock Exchange and participates in MID 40 index. Based on the stipulations of the new Regulation of the Stock Exchange, the Company fulfills the criterion enabling it to be placed under the category "of high capitalization" and according to article 339 in it, as of 28/11/2005 (date it came to force), the Company's shares are placed under this category. Additionally the Stock Exchange applying the decision made on 24/11/2005 by its Board of Directors, regarding the adoption of a model of FTSE Dow Jones Industry Classification Benchmark (ICB), as of 2/1/2006 classified the Company under the sector of financial activity Toys, which includes only the company "JUMBO".

Within its 20 years of operation, the Company has become one of the largest companies in retail sale. On 30 June 2006, the Group has 39 stores in Greece and 3 in Cyprus.

At 30th of June, the Group employed 1.665 individuals as staff, of which 1.599 is permanent staff and 66 is extra staff. The average number of staff for the twelve-month period of 2006, was 1.933 individuals, (1.618 as permanent and 315 as extra staff).

2. Basis of preparation and compilation of the financial statements

2.1 Basis of preparation for the Financial Statements

The interim financial statements of the Group and the Company (henceforth Financial Statements) have been compiled according to the historical cost convention, the going concern principle and they comply with International Financial Reporting Standards (IFRS) as those have been issued by the International Accounting Standards Board (IASB), as well as their interpretations issued by the Standards Interpretation Committee (I.F.R.I.C.) of IASB.

It is the first time that the financial statements have been compiled in accordance with IFRS adopted by the European Union, implementing the IFRS 1 “First time adoption of IFRS”, with transition date July 1, 2004 and in particular in accordance with the stipulations of IAS “Presentation of Financial Statements” and IAS 34 “Interim Financial Reporting”.

IASB has issued a series of standards referred to as “IFRS Stable Platform 2005”. The Group has applied the IFRS Stable Platform 2005 since July 1, 2005 which includes the following standards:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Cash Flow Statements
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events After the Balance Sheet Date
IAS 11	Construction Contracts
IAS 12	Income Taxes
IAS 14	Segment Reporting
IAS 16	Property, Plant and Equipment
IAS 17	Leases
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 26	Accounting and Reporting by Retirement Benefit Plans
IAS 27	Consolidated and Separate Financial Statements
IAS 28	Investments in Associates
IAS 29	Financial Reporting in Hyperinflationary Economies
IAS 30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
IAS 31	Interests in Joint Ventures
IAS 32	Financial Instruments: Disclosure and Presentation
IAS 33	Earnings per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement
IAS 40	Investment Property
IAS 41	Agriculture
IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 2	Share-based Payment
IFRS 3	Business Combinations

 IFRS 4 Insurance Contracts

 IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

2.2 Statutory financial statements

The Company keeps its accounting books and prepares its financial statements based on the Greek Commercial Law 2190/1920 “regarding societies anonyme” and applicable taxation laws. Foreign subsidiaries keep their accounting books and prepare their financial statements based on the laws and regulations in the countries where they operate.

In particular:

- The subsidiary JUMBO Trading Ltd operating in Cyprus keeps its accounting books and records and prepares its financial statements in accordance with the laws and regulations in the country where it is established (law regarding companies Ch. 113 of Cyprus) and it has chosen to prepare its financial statements based on International Financial Reporting Standards.
- The newly founded subsidiary JUMBO EC.B which operates in Bulgaria keeps its accounting books and records and prepares financial statements in accordance with the laws and regulations in the country where it is established (Company Law article No 115). JUMBO EC.B is expected to commence activities in 2007.

From July 1, 2005 onwards, the parent Company, according to the law, must prepare its statutory financial statements in compliance with International Financial Reporting Standards adopted by the European Union. However, as it has the right to, it continues to keep its accounting books in compliance with Greek taxation laws. Consequently with regard to the consolidated financial statements, the tax financial statements of the parent company are adjusted and reformed through entries off the books so that they comply with IFRS while the financial statements of the subsidiary are directly incorporated based on IFRS.

Key impacts of the accounting books made on equity as at 1/7/2004 and 30/6/2005 so that they are adjusted based on IFRS are described in note no 32 in the financial statements.

2.3 First time adoption of International Financial Reporting Standards and Interpretations

According to European law 1606/2002 and based on law 3229/2004 (as amended by law 3301/2004), Greek companies the shares of which are listed in any stock exchange (in Greece or abroad) must compile their institutional financial statements (parent and consolidated) from 1 January 2005 onwards in compliance with IFRS.

The Group applied IFRS 1 “First time adoption of IFRS” for compiling its financial statements. According to the stipulations of IFRS 1 “First time adoption of IFRS”, a company must implement the IFRSs which will be applicable on the date it prepares the first financial statements for all periods presented as well as for the transition balance sheet, in the preparation of the first financial statements in accordance with IFRS.

Consequently all revised or newly issued Standards applicable on the Group and the fiscal years (2005/2006) ended June 30, 2006 have been used for the preparation of those interim financial statements. Additionally according to IFRS 1 “First time adoption of IFRS” and the above mentioned Greek law the above companies must prepare comparative financial statements in accordance with IFRS for at least one accounting period.

However due to the fact that all Standards and Interpretations which will be applicable on 30 June 2006 are not known as at the date the interim financial statements are compiled, the Group compiled those interim financial statements based on Standards and Interpretations issued and adopted by the European Union as at the date they were compiled and the date they were applied coincided with the period the company's financial statements were issued.

International Accounting Standards Board and International Financial Reporting Interpretations Committee have already issued a number of new accounting standards and interpretations which do not constitute a part of "IFRS Stable Platform 2005". IFRS and IFRIC are compulsory for accounting periods commencing as of January 1, 2006. Regarding interpretations which may apply to the Group, the Group's estimation as to the impact of these new standards and interpretations is as follows:

- IFRS 6 "Exploration for and Evaluation of Mineral Resources (effective on or after 1 January 2006)"
IFRS 6 applies for the periods which start by 1/1/2006. Adoption of this standard did not affect the financial statements of the Group.
- IFRIC 4. "Determining whether an agreement includes a lease".
IFRIC 4 is applicable for annual periods commencing as of January 1, 2006. The Group has not decided to adopt IFRIC 4 earlier. It will adopt IFRIC 4 for the financial statements of 2006 based on the transitional stipulations of IFRIC 4. Consequently the Group will adopt IFRIC 4 based on facts and conditions prevailing on July 1, 2005. The adoption of IFRIC 4 is not expected to change the accounting treatment of any of the Group's current contracts.
- IFRIC 5. Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (effective from 1 January 2006)
It is not applicable on the Group and it will not affect the Group's financial statements.

2.4 New accounting standards and interpretations of IFRIC

The International Accounting Standards Board and the Interpretations Committee have already issued a series of new accounting standards and interpretation that are not included in the "IFRS Stable Platform 2005". The IFRS and IFRIC are mandatory for the accounting periods beginning from January 1st 2006. The Group's assessment, regarding the effect of the aforementioned new standards and interpretations, is as follows:

- IFRS 7, "Financial Instruments: Disclosures"
The Group will apply IFRS 7 since 1/1/2007.
- Amendments to IAS 1 "Presentation of Financial Statements – capital disclosures"
The Group will apply IAS 1 amendments since 1/1/2007.
- IFRIC 7 "Applying the restatement approach under IAS 29 financial reporting in hyperinflationary economies"
This will not affect the Group's Financial Statements.
- IFRIC 8 "Purpose of IFRS 2"
This will not affect the Group's Financial Statements.
- IFRIC 9 "Reassessment of Embedded Derivatives"
This will not affect the Group's Financial Statements.
- IFRIC 10 "Interim Financial Reporting and Impairment"
The Group will apply IFRIC 10 since 1/11/2006.

3. Segment Reporting

A business segment is a group of assets and activities providing merchandise, products and services which entail risks and rewards different from the ones of other business segments. A geographical segment is an area where merchandise, products and services are provided and which is subject to risks and performances different from the ones of other geographical areas.

The Group's main activity is the retail sale of toys, baby items, season items, decoration items, books and stationery. A small part of its activities is the wholesale of toys. In terms of geography the Group operates through a sales network developed in Cyprus and Greece, whilst in 2007 the operation of the sale network in Bulgaria is expected to commence. Geographical segments (multiple locations) are designated by the location of property items and operating activity.

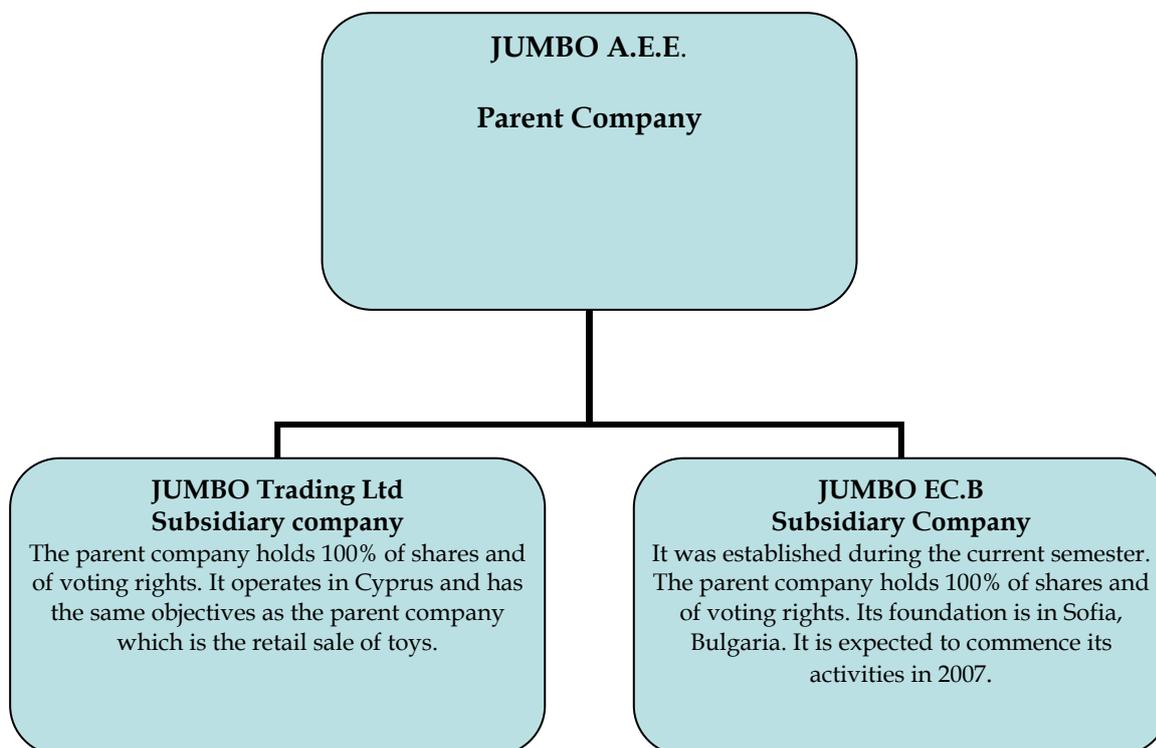
4. Main accounting principles

The preparation of financial statements in accordance with IFRS requires the use of estimates and judgments for the implementation of accounting principles. Significant assertions by the management for the implementation of accounting principles have been identified where necessary.

The key accounting principles adopted for the preparation of the financial statements are the following:

4.1 Structure of the Group

The companies included in the full consolidation of JUMBO S.A. are the following:



4.2 Consolidation basis

Subsidiary companies are all companies managed and controlled, directly or indirectly, by another company (parent) either through the possession of the majority of shares of the company in which the investment was made, or through its dependency on the know-how provided by the Group. Namely, subsidiary companies are the ones controlled by the parent company. JUMBO S.A. obtains and exercises control through voting rights. The existence of any potential voting rights exercisable upon the preparation of the financial statements is taken into consideration to establish whether the parent company exercises control over the subsidiaries.

Subsidiary companies are fully consolidated based on the purchase method as from the date control over them is obtained and cease to be consolidated as from the date such control no longer exists.

The acquisition of a subsidiary company by the Group is consolidated through the purchase method. The cost value of a subsidiary is the fair value of the assets given, of shares issued and liabilities undertaken as at the date of the exchange, plus any costs directly associated with the transaction. Individual assets items, liabilities and contingent liabilities acquired in a business combination are calculated upon the acquisition at their fair values regardless of the participation rate.

The cost of purchase other than the fair value of the separate items acquired is recorded as goodwill. If total purchase cost is lower than the fair value of separate items acquired the difference is recognized directly to profit and loss account.

In particular for business combinations effected prior to the Group's transition date to IFRS (30 June 2004) the exception in IFRS 1 was used and the purchase method was not applied retrospectively. In the context of the above exception the Company did not re-calculate the cost value of subsidiaries acquired before the date of transition to IFRS, nor the fair value of acquired assets items and liabilities as at the date of acquisition.

Consequently the negative goodwill recognized as at the transition date was based on the exception of IFRS 1 and due to the fact that, according to the previous accounting principles, it had been presented as a deduction from equity, the amount of goodwill was offset against profits carried forward of the Group. Intercompany transactions, balances and non realized profits from transactions between the companies of the Group are set off in the consolidated financial statements. Non realized losses are also set off except if the transaction shows indication of impairment of the transferred asset.

In the financial statements of the parent entity investments in subsidiary companies are evaluated at their cost value which constitutes the fair value of the price reduced by direct expenses related to the investment.

4.3 Functional currency, presentation currency and conversion of foreign currency

Items or transactions in financial statements of the Group's Companies are translated with the currency of the primary economic environment in which the Group operates (functional currency). Consolidated financial statements are presented in euro which is the functional currency and the presentation currency of the parent Company.

Transactions in foreign currency are converted to the functional currency at rates applicable as at the date of transactions. Gains and losses from foreign exchange differences which arise from settling these transactions during the period and from the conversion of monetary items denominated in foreign currency at applicable rates as at the balance sheet date, are recognised in profit or loss account. Foreign exchange differences from non monetary items measured at fair value, are considered a part of fair value and consequently they are recognized in a manner consistent with the recognition of differences in fair value.

Activities of the Group abroad in foreign currency (which are an integral part of the parent company's activities) are converted to the operating currency at the rates applicable as at the transactions' date, while assets and liabilities pertaining to activities abroad, arising during the consolidation, are converted to euro at exchange rates applicable as at the balance sheet date.

Financial statements of companies which are included in the consolidation, which are initially presented in a currency other than the presentation currency of the Group have been converted to euro. Assets and liabilities have been translated in euro at the closing rate as at the balance sheet date. Income and expenses have been converted to the presentation currency of the Group at the average exchange rate applicable in the relevant period. Any differences arising from that procedure have been debited / (credited) to a reserve of exchange differences in equity (translation reserve).

4.4 Property plant and equipment

Property plant and equipment are disclosed in financial statements at their cost or deemed cost estimated based on fair values as at transition dates less accumulated depreciation and any impairment. Cost includes all expenses directly associated with the acquisition of assets.

Subsequent expenses are recognized to increase the book value of tangible assets or as a separate fixed asset only to the extent that those expenses increase future economic benefits expected to flow from the use of the fixed asset and their cost can be reliably estimated. Repair and maintenance costs are recognized in profit or loss when they incur.

The depreciation of other items in tangible assets (other than land which is not depreciated) is calculated based on a straight line basis during their useful life which has been estimated as follows:

Buildings	30 - 35 years
Mechanical equipment	5 - 20 years
Vehicles	5 - 7 years
Other equipment	4 - 10 years
Computers and programs	3 - 5 years

Residual values and useful lives of tangible assets are reviewed as at every balance sheet date. When book values of tangible assets exceed their recoverable value, the difference (impairment) is directly recorded in profit and loss account as an expense.

At the sale of tangible assets, differences between the price received and their book value are recognized in profit or loss.

Rights to use tangible assets: Rights to exploit tangible assets allotted in the context of contracts for construction or exploitation of works (counterbalancing benefits) are evaluated at their cost value, fair value as at the date they were allotted less depreciation.

Software: Software licenses are evaluated at cost value less depreciation and any impairment losses.

4.5 Impairment of assets

Assets which are depreciated are tested for impairment if there is any indication that their book value will not be recovered. The recoverable amount is the higher amount between the fair value of the asset (net selling price less costs to sell) and value in use. The loss incurred due to the impairment of assets is recognized by the company if the book value of those items (or of the Cash Generating Units) is higher than its recoverable amount.

Net selling price is considered the amount from the sale of the asset in the context of a bi-lateral transaction which the parties are fully aware of and enter willingly after the deduction of any additional direct cost for sale of the asset, while value in use is the present value of estimated future cash flows expected to flow in the business from the use of the asset and from its sale at the end of its estimated useful life.

4.6 Financial instruments

A financial instrument is every contract creating a financial asset in one company and a financial liability or a security of a participating nature in another company.

Financial items measured at fair value through the profit or loss

They are financial assets fulfilling any of the requirements below:

- Financial assets held for trading purposes (including derivatives except those which are definite and effective hedging instruments those acquired or created in order to be sold or repurchased and finally those forming part of a portfolio consisting of recognized financial instruments).
- Upon the initial recognition the company designates it as an instrument measured at fair value, recognizing fair value changes changes in the profit and loss account for the year.
- In the balance sheet of the Group transactions and measurement at fair values of derivatives are disclosed in separate accounts in Assets and Liabilities called “Derivative Financial instruments”. Changes in fair value of derivatives are recorded in the profit and loss account.

To the date those statements were presented the Group did not hold such financial instruments.

Loans and receivables

They include non derivative financial assets with fixed or specified payments which are not traded in active markets. This category (loans and receivables) does not include:

- Receivables from advance payments for purchase of goods and services,
- Receivables pertaining to taxes which have been imposed by the state,
- Anything not covered in a contract so that it gives the company the right to receive cash or other financial fixed items.

Loans and receivables are included in current assets apart from those with expiration periods longer than 12 months as from the balance sheet date. The latter are included in non current assets.

Held to maturity investments

It includes non derivative financial assets with fixed or specified payments and specific expiration which the Group intends and is able to keep until their expiration. The Group did not hold any investments of this category.

Financial assets available for sale

It includes non derivative financial assets which are either placed directly under this category or they can not be placed under any of the above categories. Subsequently financial assets available for sale are measured at their fair value and relevant profits or losses are recorded in a reserve of capital and reserves until those items are sold or impaired.

Upon the sale or the impairment, gains or losses are transferred to the profit or loss account. Impairment losses recognized in profit or loss are not reversed through the profit and loss account

Purchases and sales of investments are recognized as at the date of the transaction which is also the date on which the Group commits to buying or selling the instrument. Investments are initially recognized at their fair value plus expenses directly associated with the transaction, with an exception with regard to expenses directly associated with the transaction, for items measured at their fair value with changes in profit or loss. Investments are set off when the right to cash flows from investments expires or is transferred and the Group has materially transferred all risks and rewards involved in ownership.

4.7 Inventory

As at the balance sheet date stocks are evaluated at the lower of cost and net realizable value. Net realizable value is the estimated sale price in the ordinary course of the company's operations less any relevant sale expenses. The cost of stocks does not include any financial expenses. The cost value of stocks is determined based on average annual weighted price.

4.8 Trade receivables

Most sales of the Group are in retail. Trade debtors are initially recorded at their fair value while any balances beyond ordinary credit limits are measured at unamortized cost according to the method of the effective interest rate, less any provision for impairments. If the unamortized cost or the cost of the financial instrument exceeds current value, this item is evaluated at its recoverable amount namely at the present value of future flows of the asset, which is calculated based on the actual initial interest rate. The relevant loss is transferred directly to the profit or loss for the year. Impairment losses, namely when there is objective evidence that the Group is in no position to collect all the amounts owed based on contract terms, are recognized in profit or loss.

4.9 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short term investments of high liquidation, products in money market and bank deposits. The Group considers time deposits and high liquidation investments with initial expiration shorter than three months to be cash equivalents.

4.10 Share capital

Expenses made for issuance of shares are disclosed after the subtraction of relevant income tax reducing the product of the issuance subtracted from equity. Expenses associated with the issuance of shares for the acquisition of companies are included in the cost value of the company acquired.

4.11 Loans

Loan liabilities are initially recorded at the cost reflecting their fair value reduced by the relevant expenses for contracting the loan. After the initial recognition they are measured at the unamortized cost based on the effective interest rate method. Borrowing costs are recognized as expenses in the period in which they occur.

Loans in foreign currency are measured at the closing rate at the balance sheet date, except for those loans for which the exchange rate regarding the conversion and payment has been specified upon their initiation.

4.12 Convertible bond loans

Based on IAS 32, the liability is set based on the present value of all contracted future cash flows, discounted at a market interest rate in that period for similar loans with no right for conversion. The rest part, if any, is recognized in equity representing the incorporated right for conversion of the liability in equity of the issuer.

After the allocation of the value of the bond, any profits or losses associated with the liability are recognized in the profit or loss, while the value related to equity is recognized as equity instrument.

In case of conversion the difference between the carrying amount of the loan and the share capital increase is recognized in equity and specifically in share premium account.

4.13 Income & deferred tax

The period's charge with income tax consists of current taxes and deferred taxes, namely taxes or tax relieves related to financial benefits arising in the period but which have already been allocated or will be allocated by the tax authorities to different periods and provisions regarding finalization of income tax liabilities after relevant tax inspections for uninspected financial years. Income tax is recognized in profit or loss account with the exception of tax pertaining to transactions directly recorded in equity which is also recognized in equity.

Current income tax includes current liabilities or receivables from the tax authorities pertaining to tax payable on taxable income of the period and any additional income tax pertaining to previous years.

Current taxes are calculated according to tax rates and tax laws applied for the accounting periods to which they pertain, based on taxable profit for the year. Changes in current tax items in assets or liabilities are recognized as a part of taxable expenses in the profit and loss account.

Deferred income tax is determined based on the liability method arising from temporary differences between the carrying amount and the tax base for items in assets and liabilities. Deferred income tax is not computed if it derives from the initial recognition of an item in assets or liabilities in transaction, outside a business combination, which when it took place did not affect the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are measured based on the tax rates expected to be applied in the period during which the asset or liability will be settled considering the tax rates (and tax laws) in force up to the balance sheet date. If it is not possible to specify the time of reversal of temporary differences, the tax rate applied is the one being in force in the year subsequent to the balance sheet date.

Deferred tax assets are recognized to the extent that there will be a future taxable profit for the use of the temporary difference creating the deferred tax receivable.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiary and affiliated undertakings, unless the reversal of temporary differences is controlled by the Group and it is unlikely that temporary differences be reversed in the foreseeable future.

Most changes in deferred tax assets or liabilities are recognized as a part of tax expenses in profit and loss account. Changes in assets or liabilities affecting equity instruments are recognized directly in the Group's equity.

4.14 Liabilities for benefits to personnel retiring or leaving service

Current benefits

Current benefits to personnel (other than benefits due to termination of employment) in cash and in kind are recognized as an expense as soon as they are accrued. Any unpaid amount is recorded as a liability and if the amount paid exceeds the amount of benefits, the company recognizes the exceeding amount as an asset (prepaid expense) only to the extent that the prepayment will result in a reduction of future payments or in a refund.

Benefits after termination of employment or retirement

Benefits after termination of employment include pensions or benefits (life insurance and medical insurance) provided by the company upon retirement as a reward for the employees' services. Consequently they include plans for defined contributions as well as plans for defined benefits. Accrued cost of defined benefit plans is recognized as an expense in the period to which it pertains.

Defined contribution plan

Based on the defined contribution plan the liability of the company (legal or constructive) is limited to the amount that has been agreed to be contributed to the fund managing contributions and providing benefits. Consequently the amount of benefits received by the employee is determined by the amount paid by the company (or the employee as well) and the paid investments of those contributions.

Contribution paid by the company in a plan of defined contributions is recognized either as a liability after the deduction of the contribution paid, or as an expense.

Defined benefit plan

The liability recognized in the balance sheet in connection with defined benefit plan is the present value of the liability for the defined benefits less the fair value of assets in the fund (if any) and changes arising from any actuarial gain or loss and past service cost. The specific benefit due is calculated annually by an independent actuarial expert based on the projected unit credit method. For the prepayment the interest rate of long term bonds of the Greek Government is applicable.

Actuarial gains and losses are liabilities regarding the benefit provided by the company and an expense recognized in profit and loss. Amounts deriving from adjustments based on historical data which are above or below the margin of 10% of the accumulated liability are recorded in profit or loss in the expected average insurance period of the participants in the plan. The past service cost is recognized directly in profit or loss unless changes in the plan depend on the remaining years of services of the employees. In that case the past service cost is recognized in profit or loss based on a straight line basis during the maturing period.

Benefits for termination of employment

Benefits due to termination of employment are paid when employees leave the company before retirement. The Group records these benefits when it has a commitment or when it terminates the employment of employees according to a detailed plan for which there is no possibility of retirement, or when it offers these benefits as a motive for voluntary retirement. When these benefits are payable in periods exceeding twelve months from the date of the balance sheet, they must be discounted based on the yield of high quality corporate bonds or government bonds.

4.15 Provisions and contingent liabilities / assets

Provisions are recognized if the Group has current legal or constructive obligations as a result of past events, their liquidation is possible through outflows of resources and the exact amount of the liability can be reliably measured. Provisions are reviewed as at each balance sheet date and they are adjusted so that they reflect the present value of the expense expected to settle the liability.

Contingent liabilities are not recognized in the financial statements but they are disclosed, unless the possibility of outflows of sources which incorporate financial benefits is minimum. Contingent assets are not recognized in the financial statements but they are communicated if the inflow of financial benefits is possible.

4.16 Leases

Company of the Group as a Lessee: Leases of fixed assets during which all risks and rewards associated with the ownership of an asset are transferred to the Group, irrespective of whether the ownership title of that item is finally transferred or not, are designated as financial leases. Those leases are capitalized upon the commencement of the lease at the lower of the fair value of the fixed asset and the present value of minimum lease payments.

Every lease is allocated between the liability and financial expenses so that a fixed interest rate can be achieved for the remaining financial liability. Respective liabilities from leases, net of financial expenses are disclosed in liabilities. The part of the financial expense pertaining to financial leases is recognized in the year's results during the lease. Fixed assets acquired through a financial lease are depreciated in the shortest period between the useful life of fixed assets and the duration of their lease except for cases when the fixed asset is certain to come to the ownership by the Group after the end of the leased period. In those cases the fixed asset is depreciated based on estimates of its useful life.

Leasing agreements based on which the lessor transfers the right for use of an item in assets for an agreed period without transferring the risks and rewards of the owner of the fixed asset are classified as operating leases. Payments made for operating leases (net of any motives offered by the lessor) are recognized in results on a proportionate basis during the lease.

Company of the Group as a lessor: Fixed assets which are leased based on operating leases are included in tangible assets of the balance sheet. They are depreciated during their expected useful life on a basis consistent with similar privately-owned tangible assets. The income from rent (net of any incentives given to the lessees) is recognized on a straight line basis during the period of the lease.

4.17 Recognition of income and expenses

Income: income includes the fair value of goods sold and services provided net of VAT, discounts and returned items. Intercompany income in the Group are fully set off. Income is recognized as follows:

- **Sales of goods:** sales of goods are recognized when the Group delivers goods to clients, goods are accepted by clients and the collection of the receivable is reasonably secured.
- **Income from interest:** income from interest is recognized based on time and the effective interest rate. When there is an impairment of receivables, their book value is reduced to the recoverable amount which is the present value of expected future cash flows discounted at the initial effective interest rate. Subsequently interest is calculated at the same interest rate on the impaired (book) value.
- **Dividends:** dividends are considered income when the right for their collection is established.

Expenses: expenses are recognized in results on an accrued basis. Payments made for operational leases are transferred to results as expenses at the time the lease is used. Expenses from interest are recognized on an accrued basis.

4.18 Distribution of dividends

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements as at the date the distribution is approved by the General Meeting of the shareholders.

5. Risk management

5.1 Risks related to the macroeconomic environment

Political and economic factors or other physical disasters which may occur irrespective of the company's control.

Demand of products and services as well as company's sales and final economic results are effected by external factors as political instability, economic uncertainty and decline. Threat or event of war or a terrorist attack are factors that cannot be foreseen and controlled by the company. Such events can effect the economic, political and social environment of the country and the company in general.

Moreover, factors such as taxes, economic and political changes that can affect Greece as a country is possible to have a negative effect on company's going concern, its financial position and results.

Interest rate risk

Significant part of sales is financed through company's customers via credit cards. Continuing increases of euro currency interest rates have as result increases on credit card interest rates respectively that are used by company's customers for their purchases. In case interest rates increase goes further beyond the level foreseen by market specialists it would make money extremely expensive. Consequently the use of credit cards for products purchases become limited and therefore the demand for company's products will be limited respectively.

Moreover, potential continuation of interest rate increase would make investment in convertible bonds less attractive as the money opportunity cost would become very high (ignoring potential earnings from the transfer of bonds into stocks).

Furthermore, continuing increases in euro interest rates will result to respective increase of debit interest regarding to the loans the company has incurred in floating interest rates agreement although, this risk is limited since the sum of almost all the loans incurred by the company are agreed in fixed interest rate. Also the incurred period for repayment is either mid or long term.

5.2 Risks related to company's activity

There is a possibility the company will not keep the high pace of economic development

During last years, the company succeeded high growth rates in terms of sales and turnover, that had as result its stock price to reflect partly those positive perspectives of future development. Company's inadequacy to meet its stockholders interests will probable turn out to share liquidation with result to share price depreciation. Reasons for this inadequacy, among others, include the change in consumer preferences and company's delayed adaptation at these changes, intensive competition, price war within the industry and to ineffective management of existing sale points.

Sales seasonality

Due to the specified nature of company's products , its sales present high level of seasonality. In particular during Christmas the company succeeds 28% approximately of its annual turnover, while sales fluctuations are observed during months such as April (Easter - 10% of annual turnover) and September (beginning of school period- 10% of annual turnover). Sales seasonality demands rationality in working capital management specifically during peak seasons. It is probable that company's inadequacy to deal effectively with seasonal needs for working capital during peak seasons may burden financial expenses and effect negatively its results and its financial position.

Company's inadequacy to deal effectively with increased demand during these specific periods will probably effect negatively its annual results. Moreover, problems can come up due to external factors such as bad weather conditions, strikes or defective and dangerous products.

Competition within industry's companies

The company is established as market leader within the retail sale of toys and infant supplies market. Company's basic competitors are of lower size in number of sale points as well as in terms of turnover figures. The current status of the market could change in the future either due to the entrance of foreign companies in the Greek market or due to potential strategic changes and retail store expanding of present competitors.

Dependence from agents-importers

The company imports its products directly from abroad as exclusive dealer for toy companies which do not maintain agencies in Greece. Moreover, the company acquires its products from 180 suppliers which operate within the Greek market.

However, the company faces the risk of losing revenues and profits in case its cooperation with some of its suppliers terminates. Nevertheless, it is estimated that the risk of not renewing the cooperation with its suppliers is inconsiderable due to the leading position of JUMBO in the Greek market. The potential of such a perspective would have a small effect to the company's size since none of the suppliers represents more than 6% of the company's total sales.

Dependence from importers

80% of company's products originate from China. Facts that could lead to cessation of chinese imports (such as embargo for Chinese imports or increased import taxes for Chinese imports or political-economic crises and personnel strikes in China) could interrupt the provision of the company's selling points. Such potentiality would have a negative effect to company's operations and its financial position.

Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments fluctuate due to changes in foreign exchange. The Group is exposed to foreign exchange risk arising from transactions in foreign currency (dollar, Cypriot pound, yen etc.). The Group's policy is not to carry out any hedging activities because for now it is not necessary to adopt specific systems for foreseeing or avoiding any future foreign exchange losses.

5.3 Risks related to company's stock price

External Conjunctural factors

Investors must be aware that company's share price could sustain high fluctuations due to external factors that cannot be controlled by the company and occur irrespective of the company's operational activity and financial position. International money and capital markets, consumers behaviour, threats of terrorist attacks, or warfares to sensitive territories for the global economy and the general feeling of geopolitical instability, are factors that can lead to company's share price depreciation.

Risk of liquidity and share price fluctuations

Company's share capital is listed to the high capitalization market of the Athens stock exchange. Athens stock exchange has lower liquidity compared to other stock markets in Europe or United States. Consequently, if bonds convert into shares, their holders may face difficulties in disposing the shares, especially in cases of large volume dealing packages. Also there is the risk the company's share price to depreciate in case of important share disposals or even from speculating such events.

Future disposals of a significant number of shares through the stock market by a significant shareholder or a group of shareholders or even the speculation that such disposals could occur would effect the share price. In the past share prices of listed companies in the Athens Stock Exchange have experienced significant fluctuations. That fact has influenced the past and might influence the future share price and liquidity of all listed companies in Athens stock exchange including the share price of the company.

6. Segment Reporting

Primary segment reporting – business segment

The Group's main activity is the retail sale of toys, infant supplies, seasonal items, decoration items, books and stationery.

6.1 Results of business sectors as at 30 June 2006 and 2005

Results per segment for the first quarter in the current year 2005/2006 are as follows:

	1/7/2005-30/6/2006			Total
	Retail	Wholesale	Other	
Sales to third parties	278.422.701	2.890.440		281.313.141
Other operating income non allocated			3.228.066	3.228.066
Total revenue	278.422.701	2.890.440	3.228.066	284.541.207
Operating profit	72.765.377	755.412		73.520.789
Other operating expenses non allocated			840.280	840.280
Net financial results				(4.872.374)
Profit before tax	72.765.377	755.412	840.280	69.488.695
Income tax				(20.048.031)
Net profit				49.440.664

Results for every segment for the previous year 2004/2005 are as follows:

	<u>1/7/2004-30/6/2005</u>			
	Retail	Wholesale	Other	Total
Sales to third parties	223.753.885	5.316.213		229.070.098
Other operating income non allocated			1.570.364	1.570.364
Total revenue	223.753.885	5.316.213	1.570.364	230.640.462
Operating profit	55.023.614	1.307.317		56.330.931
Other operating income non allocated			385.673	385.673
Net financial results				(5.751.215)
Profit before tax	55.023.614	1.307.317	385.673	50.965.389
Income tax				(16.833.111)
Net profit				34.132.278

6.2 Allocation of Assets and Liabilities per business segment as at 30 June 2006 και 2005

The allocation of consolidated assets and liabilities to business segments for the year 01/07/2005 - 30/06/2006 and 01/07/2004 - 30/6/2005 is broken down as follows:

	<u>30/6/2006</u>			
	Retail	Wholesale	Other	Other
<i>Segment assets</i>	294.853.625	5.930.450	-	300.784.074
Non allocated Assets			41.921.142	41.921.142
Consolidated Assets	294.853.625	5.930.450	41.921.142	342.705.216
<i>Sector liabilities</i>	51.646.121	564.891	0	52.211.013
Non allocated Liabilities items			290.494.203	290.494.203
Consolidated liabilities	51.646.121	564.891	290.494.203	342.705.216

30/6/2005	<u>30/6/2005</u>			
	Retail	Wholesale	Other	Total
<i>Segment assets</i>	231.676.142	15.897.197	-	247.573.339
Non allocated Assets			49.702.603	49.702.603
Consolidated Assets	231.676.142	15.897.197	49.702.603	297.275.942
<i>Sector liabilities</i>	58.107.190	665.489		58.772.679
Non allocated Liabilities items			238.503.263	238.503.263
Consolidated liabilities	58.107.190	665.489	238.503.263	297.275.942

Secondary segment reporting– geographical segment

6.3 Information on sales per geographical area as at 30 June 2006 and 2005

Sales per geographical area as at 30 June 2006 και 2005 are as follows:

Sales to third parties

	<u>1/7/2005-30/6/2006</u>	<u>1/7/2004-30/6/2005</u>
Greece Attica	113.363.863	95.715.388
Rest of Greece	142.128.784	114.003.292
Eurozone	25.816.937	19.311.085
Third Countries	3.557	40.332
Non allocated operating income	3.228.066	1.570.365
Total	<u>284.541.207</u>	<u>230.640.462</u>

6.4 Analysis of assets per geographical area as at 30 June 2006 and 2005

The following tables present an analysis of assets items per geographical area as at 30 June 2006 and 30 June 2005:

	<u>1/7/2005-30/06/2006</u>	<u>1/7/2004-30/6/2005</u>
Balance of non current assets		
Greece Attica	45.844.200	36.415.095
Rest of Greece	99.352.060	91.164.832
Eurozone	20.755.588	19.442.053
Third Countries	4.157.076	-
Total	<u>170.108.924</u>	<u>147.021.980</u>
Other assets items		
Greece Attica	77.392.720	76.541.846
Rest of Greece	76.039.658	63.268.792
Eurozone	18.908.290	10.443.324
Third Countries	255.624	-
Total	<u>172.596.292</u>	<u>150.253.962</u>
Investments		
Greece Attica	12.399.900	9.150.395
Rest of Greece	12.952.662	13.247.677
Eurozone	2.093.962	251.201
Third Countries	4.157.078	-
Total	<u>31.603.602</u>	<u>22.649.273</u>

7. Cost of sales

The Group's income is generated from sale of merchandise (toys, stationery and baby items). Other type of income is included in "other operating income". Cost of sales of the Group is as follows:

Cost of Sales <i>(amounts in euro)</i>	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Inventory at the beginning of period	74.643.780	71.938.217	70.297.004	67.099.683
Internal purchases	68.596.277	64.068.565	67.804.145	63.339.797
Purchases from third countries	97.074.899	58.277.095	96.708.996	57.795.721
Purchases from the eurozone	10.871.208	6.704.388	10.228.815	6.823.865
Returns	(2.106.956)	(1.943.325)	(2.106.956)	(1.943.325)
Discounts on purchases	(3.871.649)	(2.963.881)	(3.871.649)	(2.963.881)
Discounts on total purchases	(9.684.387)	(7.548.391)	(9.684.387)	(7.548.391)
Consumable items	14.792	13.576	14.792	13.576
Inventory in the end of the period	(100.754.268)	(74.598.747)	(95.899.555)	(70.297.004)
Income from own use of inventory/imputed income	(1.577.343)	(1.103.966)	(1.577.343)	(1.103.966)
Total	133.206.353	112.843.531	131.913.862	111.216.075

8. Administration and distribution costs

Administration and distribution costs are as follows:

Distribution costs <i>(amounts in €)</i>	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Provision for compensation to personnel due for retirement	107.770	75.605	107.770	75.605
Payroll expenses	31.258.683	21.924.075	29.506.375	20.350.076
Third parties' expenses and fees	214.160	256.223	214.160	244.473
Services received	7.288.729	6.473.101	7.288.729	6.473.101
Rents	7.033.773	3.486.126	7.033.773	3.486.126
Taxes and duties	1.051.540	804.542	1.051.540	804.542
Other various expenses	10.287.836	7.745.242	9.181.360	6.777.498
Depreciation of tangible assets	6.851.926	6.377.658	6.851.926	6.377.658
Provisions for doubtful accounts	0	94.512	0	0
Total	64.094.417	47.237.084	61.235.633	44.589.079

Administrative expenses (amounts in €)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Provision for compensation to personnel due for retirement	71.846	50.404	71.846	50.404
Payroll expenses	4.428.311	6.448.431	4.003.547	5.908.185
Third parties' expenses and fees	1.054.778	1.772.033	1.009.765	1.715.290
Services received	1.244.468	1.028.284	912.679	778.772
Rents	540.964	436.402	101.293	89.559
Taxes and duties	67.552	54.301	27.486	24.939
Other various expenses	1.275.733	1.046.562	1.209.271	953.179
Depreciation of tangible assets	1.628.618	1.152.993	899.839	453.345
Total	10.312.270	11.989.410	8.235.726	9.973.673

It is noted that during the current period the company proceeded with the amendment of certain allocation basis regarding the payroll expenses and depreciation in relation to their allocation to distribution costs and administrative expenses. As a consequence administrative expenses were reduced and distribution costs were equivalently increased without having any effect, whatsoever, in the net results of the period.

9. Other operating income and expenses

Other operating income and expenses pertain to income or expenses from the operating activity of the Group. Their analysis is as follows:

Other operating income (amounts in €)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Income from related activities	1.198.576	1.261.662	1.172.722	1.222.728
O.A.E.D. subsidies	99.310	49.282	99.310	49.282
Other income	1.930.180	259.420	1.930.180	259.420
Total	3.228.066	1.570.364	3.202.212	1.531.430
Other operating expenses (amounts in €)				
Other provisions	100.678	15.800	100.678	15.800
Taxes on property	167.579	221.475	167.579	221.475
Other expenses	2.298.841	1.616.558	2.298.841	1.616.558
Total	2.567.098	1.853.833	2.567.098	1.853.833

Other income mostly pertain to credit exchange differences and profit from collection of insurance compensation. Other provisions represent provisions in the period for doubtful debts and pending trials. Most of other expenses pertain to losses and destruction of uninsured merchandise.

10. Financial income / expenses

The Group's financial results' analysis is as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Financing cost – net				
<i>(amounts in €)</i>				
Interest expense				
Finance cost of provision for compensation to personnel due for retirement	51.612	41.813	51.612	41.813
Bank loans long – term	5.164.546	6.109.375	4.671.895	5.390.874
Financing leases	305.268	246.234	302.988	245.179
Bank loans short – term	10.790	15.323	4	1.650
Exchange differences	(48.755)	10.508	-	-
Commissions for guarantee letters	17.101	10.467	17.101	10.467
Other finance expenses	43.103	35.527	40.262	32.838
	<u>5.543.665</u>	<u>6.469.247</u>	<u>5.083.862</u>	<u>5.722.821</u>
Interest income				
Banks - other	18.518	17.072	18.518	17.072
Time deposits	652.773	700.960	399.743	487.580
	<u>671.291</u>	<u>718.032</u>	<u>418.261</u>	<u>504.652</u>
Total	<u>(4.872.374)</u>	<u>(5.751.215)</u>	<u>(4.665.602)</u>	<u>(5.218.169)</u>

11. Income tax

According to Greek taxation laws, up to 30/6/2005 the tax rate for the Company was 35% while for profits as of 1/7/2005 tax is calculated at the rate of 32%. Consequently income tax for the period 1/7/2005-30/9/2005 was calculated at the rate of 32% on profits of the parent company and 10%, on average, on profits of the subsidiary JUMBO TRADING LTD.

It is noted that the Company has recognized as additional tax expenses for the current and the previous period with provisions which could occur in case of a tax audit of previous uninspected tax years

Provision for income taxes disclosed in the financial statements is broken down as follows:

	THE GROUP		THE COMPANY	
	1/7/2005 - 30/06/2006	1/7/2004 - 30/06/2005	1/7/2005 - 30/06/2006	1/7/2004 - 30/06/2005
Income taxes for the period	19.658.589	16.148.539	18.751.646	15.692.471
Adjustments of deferred taxes due to change in tax rate	(295.885)	-	(295.885)	-
Deferred income taxes	551.638	575.588	556.101	576.265
Provisions for contingent tax liabilities from years uninspected by the tax authorities	133.689	108.984	133.689	108.984
	<u>20.048.031</u>	<u>16.833.111</u>	<u>19.145.551</u>	<u>16.377.720</u>

The Company's and the Group's income tax is different from the theoretical amount that would result the use of the nominal tax rates. The analysis is as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Income tax	19.658.589	16.148.539	18.751.646	15.692.471
Defered tax	255.753	575.588	260.216	576.265
Provisions for contingent tax liabilities from years uninspected by the tax authorities	133.689	108.984	133.689	108.984
Total	20.048.031	16.833.111	19.145.551	16.377.720
Earnings before taxes	69.488.695	50.965.389	60.689.287	46.648.689
Nominal tax rate			32%	35%
Expected tax expense	20.516.245	16.794.911	19.420.572	16.327.041
<i>Adjustments for income that are not taxable</i>				
- Tax free income	(82.850)	(133.882)	-	(49.841)
- Other	268.973	748.699	458.697	748.699
<i>Adjustments for expenses not recognized for tax purposes</i>				
- Non taxable expenses	(654.337)	(576.618)	(733.718)	(648.179)
Effective income tax expense	20.048.031	16.833.111	19.145.551	16.377.720
<i>Analysed into:</i>				
Current tax for the year	19.658.589	16.148.539	18.751.646	15.692.471
Defered tax	255.753	575.588	260.216	576.265
Provisions for contingent tax liabilities from years uninspected by the tax authorities	133.689	108.984	133.689	108.984
	20.048.031	16.833.111	19.145.551	16.377.720

12. Earnings per share

The analysis of basic and diluted earnings per share for the Group is as follows:

Basic earnings per share (euro per share)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Earnings attributable to the shareholders of the parent company	49.440.664	34.132.278	41.543.736	30.270.968
Weighted average number of shares	59.235.954	55.722.093	59.235.954	55.722.093
Basic earnings per share (euro per share)	0,83	0,61	0,70	0,54
Diluted earnings per share (euro per share)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Earnings attributable to the shareholders of the parent company	-	34.772.463	-	30.911.153
Diluuted weighted average number of shares	-	60.617.366	-	60.617.366
Diluted earnings per share (euro per share)	-	0,57	-	0,51

Diluted earnings per share are presented for information purposes and pertains the convertible loan bond which was fully converted into shares on 11/10/2005 (note 24.1).

13. Property plant and equipment

a. Information on property plant and equipment

The Group re-estimated the useful life of fixed assets as at the date of the IFRS first time adoption based on the actual conditions under which fixed assets are used and not based on taxation criteria.

According to Greek taxation laws the Company as at 31/12/2004 adjusted the cost value of its buildings and land. For IFRS purposes that adjustment was reversed because it does not fulfill the requirements imposed by IFRS. Impact from those changes is presented in note 32 of the financial statements.

Based on IFRS 1 the Group had the right to keep previous adjustments if the latter disclosed the cost value of fixed assets which would be estimated according to IFRS. The management of the Group estimates that values as disclosed as at the transition date are not materially far from the cost value which would have been estimated as at 30/6/2004 if IFRS had been adopted.

Based on the previous accounting principles there were formation accounts (expenses for acquisition of assets, notary and other expenses) which were depreciated either in a lump sum or gradually in equal amounts within five years. Based on IFRS and the Company's estimates those items increased the cost value of tangible assets, and their depreciation was re-adjusted based on accounting estimates made on the fixed assets charged (re-adjustment of useful life of tangible assets).

b. Depreciation

Depreciation of tangible assets (other than land which is not depreciated) are calculated based on the fixed method during their useful life which is as follows:

Buildings	30 - 35 έτη
Mechanical equipment	5 - 20 έτη
Vehicles	5 - 7 έτη
Other equipment	4 - 10 έτη
Computers and software	3 - 5 έτη

Total impact from the re-adjustment of the useful life has been disclosed in the table of changes in capital and reserves and results. That impact is presented in note no 32 of the financial statements.

The analysis of the Group's and Company's tangible assets is as follows:

	THE GROUP										
	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - furniture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Plant and Equipment
Cost 30/6/2005	27.713.036	88.790.337	607.253	33.859.954	1.471.240	2.292.103	154.733.924	6.227.263	2.599.245	8.826.509	163.560.433
Accumulated depreciation	-	(11.691.238)	(377.721)	(15.319.773)	(1.087.301)	-	(28.476.033)	(314.075)	(64.828)	(378.903)	(28.854.936)
Net Cost as at 30/6/2005	27.713.036	77.099.099	229.533	18.540.181	383.939	2.292.103	126.257.891	5.913.188	2.534.417	8.447.606	134.705.496
Cost 30/6/2006	40.554.068	102.146.221	661.591	37.656.701	1.560.616	3.552.815	186.132.011	6.227.263	2.624.599	8.851.863	194.983.874
Accumulated depreciation	-	(15.243.913)	(429.345)	(19.144.382)	(1.288.510)	-	(36.106.149)	(428.170)	(367.658)	(795.827)	(36.901.977)
Net Cost as at 30/6/2006	40.554.068	86.902.308	232.246	18.512.320	272.106	3.552.815	150.025.862	5.799.093	2.256.942	8.056.035	158.081.897

	THE COMPANY										
	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - furniture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Plant and Equipment
Cost 30/6/2005	22.388.309	75.136.266	507.882	31.153.035	941.158	2.292.103	132.418.754	6.227.263	2.574.236	8.801.499	141.220.253
Accumulated depreciation	-	(10.504.201)	(287.295)	(14.082.820)	(694.145)	-	(25.568.461)	(314.075)	(59.826)	(373.900)	(25.942.361)
Net Cost as at 30/6/2005	22.388.309	64.632.066	220.587	17.070.215	247.013	2.292.103	106.850.293	5.913.188	2.514.410	8.427.599	115.277.892
Cost 30/6/2006	32.874.741	88.369.399	552.948	34.898.831	961.320	-	157.657.239	6.227.263	2.574.236	8.801.499	166.458.738
Accumulated depreciation	-	(13.646.664)	(334.574)	(17.696.890)	(810.463)	-	(32.488.591)	(428.170)	(352.600)	(780.770)	(33.269.362)
Net Cost as at 30/6/2006	32.874.741	74.722.735	218.374	17.201.941	150.857	-	125.168.648	5.799.093	2.221.635	8.020.729	133.189.377

Movement in fixed assets in the periods for the Group is as follows:

Cost	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - furniture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Plant and Equipment
Balance as at 30/6/2005	27.713.036	88.790.337	607.253	33.859.954	1.471.240	2.292.103	154.733.924	6.227.263	2.599.245	8.826.509	163.560.433
- Additions	12.854.922	13.429.669	97.484	3.844.635	90.759	10.239.039	40.556.508	0	25.419	25.419	40.581.927
- Decreases - transfers	0	(38.165)	(42.887)	(40.827)	0	(8.978.328)	(9.100.207)	0	0	0	(9.100.207)
- Exchange differences	(13.891)	(35.619)	(259)	(7.062)	(1.383)	0	(58.213)	0	(65)	(65)	(58.279)
Balance as at 30/6/2006	40.554.068	102.146.221	661.591	37.656.701	1.560.616	3.552.815	186.132.011	6.227.263	2.624.599	8.851.862	194.983.873
Depreciation											
Balance as at 30/6/2005	0	(11.691.238)	(377.721)	(15.319.773)	(1.087.301)	0	(28.476.033)	(314.075)	(64.828)	(378.903)	(28.854.936)
- Additions	0	(3.571.220)	(63.484)	(3.854.813)	(202.365)	0	(7.691.883)	(114.095)	(302.858)	(416.953)	(8.108.836)
- Decreases - transfers	0	14.800	11.617	26.643	(4)	0	53.056	0	0	0	53.056
- Exchange differences	0	3.745	243	3.562	1.160	0	8.710	0	29	29	8.739
Balance as at 30/6/2006	0	(15.243.913)	(429.345)	(19.144.382)	(1.288.510)	0	(36.106.149)	(428.170)	(367.657)	(795.827)	(36.901.976)

Movement in fixed assets in the periods for the Company is as follows:

Cost	Land - Freehold	Buildings and fixtures on buildings - Freehold	Transportation means	Machinery - furniture and other equipment	Software	Fixed assets under construction	Total	Leasehold land and buildings	Leased means of transportation	Total of leasehold fixed assets	Total Property Plant and Equipment
Balance as at 30/6/2005	22.388.309	75.136.266	507.882	31.153.035	941.158	2.292.103	132.418.754	6.227.263	2.574.236	8.801.499	141.220.253
- Additions	10.486.432	13.271.298	80.150	3.786.623	20.162	6.686.224	34.330.889	0	0	0	34.330.889
- Decreases - transfers	0	(38.165)	(35.084)	(40.827)	0	(8.978.328)	(9.092.404)	0	0	0	(9.092.404)
- Exchange differences											
Balance as at 30/6/2006	32.874.741	88.369.399	552.948	34.898.831	961.320	0	157.657.239	6.227.263	2.574.236	8.801.499	166.458.738
Depreciation											
Balance as at 30/6/2005	0	(10.504.201)	(287.295)	(14.082.820)	(694.145)	0	(25.568.461)	(314.075)	(59.826)	(373.900)	(25.942.361)
- Additions	0	(3.157.264)	(58.896)	(3.640.713)	(116.314)	0	(6.973.187)	(114.095)	(292.775)	(406.870)	(7.380.057)
- Decreases - transfers	0	14.800	11.617	26.643	(4)	0	53.056			0	53.056
- Exchange differences											
Balance as at 30/6/2006	0	(13.646.664)	(334.574)	(17.696.890)	(810.463)	0	(32.488.591)	(428.170)	(352.600)	(780.770)	(33.269.362)

c. Encumbrances on fixed assets

There are no encumbrances on the parent company's fixed assets while for the subsidiary company Jumbo Trading LTD there are the following mortgages and prenotation of mortgage:

	30/6/2006 £	30/6/2006 €
Bank of Cyprus:		
Building in Lemessos	1.500.000	2.608.696
Building in Lakatameia	<u>3.900.000</u>	<u>6.782.609</u>
Emporiki Bank:		
Building in Lakatameia	<u>5.400.000</u>	<u>9.391.305</u>

14. Investment property

As at the transition date the Group designated as investment property, investments in real estate buildings and land or part of them which could be measured separately and constituted a main part of the building or land under exploitation. The Group measures those investments at cost less any impairment losses.

Summary information regarding those investments is as follows:

Location of asset	Description - operation of asset	Income from rents	
		1/7/2005 - 30/6/2006	1/7/2004 - 30/6/2005
Thessaloniki port	An area (parking space for 198 vehicles) on the first floor of a building, ground floor in the same building of 6.422,17 sq. m. area	71.650	69.203
Nea Efkarpia	Retail Shop	331.244	316.318
Total		<u>402.894</u>	<u>385.521</u>

None of the subsidiary had any investment properties until 30/06/2006.

Net cost of those investments is analyzed as follows:

	Investment Property
Cost 30/6/2005	11.162.372
Accumulated depreciation	(1.636.431)
Net Cost as at 30/6/2005	<u>9.525.941</u>
Cost 30/6/2006	11.162.372
Accumulated depreciation	(2.008.138)
Net Cost as at 30/6/2006	<u>9.154.234</u>

Movements in the account for the period are as follows:

	Investment Property
Cost	
Balance as at 30/6/2005	<u>11.162.372</u>
- Additions	-
- Decreases - transfers	-
Balance as at 30/6/2006	<u>11.162.372</u>
Depreciation	
Balance as at 30/6/2005	<u>(1.636.431)</u>
- Additions	(371.707)
- Decreases - transfers	-
Balance as at 30/6/2006	<u>(2.008.138)</u>

Fair values are not materially different from the ones disclosed in the Company's books regarding those assets.

15. Investments in subsidiaries

The balance in the account of the parent company is analysed as follows:

Company	Head offices	Participation rate	Amount of participation
JUMBO TRADING LTD	Avraam Antoniou 9- 2330 Kato Lakatamia Nicosia - Cyprus	100%	11.074.190
JUMBO EC.B	Sofia, Yanko Sakuzon avenue 9A-Bulgaria	100%	255.624
			<u>11.329.814</u>

On 1.9.2005 the Company established the subsidiary company "JUMBO EC.B" in Sofia, Bulgaria, activities of which are expected to commence in 2007. During November 2005 the company increased its share capital which was covered by 100% by the parent company JUMBO S.A.

"JUMBO EC.B" has been included in the consolidated financial statements for the first time from the date of its incorporation. It is included in the consolidated financial statements of the current period through the purchase method. The values of subsidiary companies are disclosed in the financial statements of the parent company at cost value.

In the consolidated financial statements of the Group those balances have been set off.

16. Other long term receivables

The balance of the account is broken down as follows:

Other long term receivables (amounts in euro)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Guarantees	2.872.793	2.790.536	2.852.650	2.776.095
Total	<u>2.872.793</u>	<u>2.790.536</u>	<u>2.852.650</u>	<u>2.776.095</u>

The sum of «Guarantees» relates to long term guarantess paid as well as long term claims for penal clauses, which will be collected after the end of the next period.

Fair value of these claims does not differ from this which is presented in the financial statements and is subject to re-evaluation on an annual basis.

17. Inventories

Analysis of inventory is as follows:

Inventories (amounts in euro)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Merchandise	100.746.670	74.648.327	95.899.555	70.297.004
Other	-	-	-	-
Total net realizable value	<u>100.746.670</u>	<u>74.648.327</u>	<u>95.899.555</u>	<u>70.297.004</u>

18. Trade debtors and other trading receivables

The company has set a number of criteria to provide credit to clients which generally depend on the size of the client activities and an estimation of relevant financial information. As at every balance sheet date all overdue or doubtful debts are reviewed so that it is decided whether it is necessary or not to make a relevant provision for doubtful debts. Any deletion of trade debtors' balances is charged to the existing provision for doubtful debts. Credit risk arising from trade debtors and checks receivable is limited given that it is certain they will be collected and they are appropriately liquidated.

Analysis of trade debtors and other trade receivables is as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Trade debtors and other trading receivables <i>(amounts in euro)</i>				
Trade debtors	639.546	1.646.926	1.833.359	2.724.512
Notes receivable	40.793	49.267	40.793	49.267
Cheques receivable	2.767.191	2.098.438	2.565.900	1.825.384
Less: provisions for impairment	(112.938)	(109.601)	(31.500)	(14.000)
Net trade receivables	3.334.592	3.685.030	4.408.554	4.585.163
Advance payments for purchases of stocks	15.875.313	15.252.515	15.875.314	15.252.515
Total	19.209.907	18.937.545	20.283.868	19.837.678

Analysis of provisions is as follows:

	THE GROUP	THE COMPANY
Balance as at 1 July 2004	-	-
Provision made 1/7/2004-30/6/2005	109.601	14.000
Balance as at 30 June 2005	109.601	14.000
Reversal of provisions for the year	(13.913)	-
Additional provisions for the year	17.500	17.500
Exchange differences	(250)	-
Balance as at 30 June 2006	112.938	31.500

19. Other receivables

Other receivables are analysed as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Other receivables <i>(amounts in euro)</i>				
Sundry debtors	15.899.750	13.378.307	14.893.680	13.378.307
Amounts due from subsidiaries			4.157.076	
Receivables from the Greek State	12.182.823	8.698.780	12.182.823	8.698.780
Other receivables	1.320.188	560.153	1.320.187	560.153
Net receivables	29.402.761	22.637.240	32.553.766	22.637.240

As shown in the above table the total amount of other receivables includes receivables of the Group:

a) From sundry debtors pertaining mostly to receivables of the parent company from advance payments for leases for newly-built stores.

- b) Amounts due from subsidiaries, concerns amounts which, according to the decision of the Company's Management, will constitute part of the total increase of share capital of the subsidiary "JUMBO EC.B", which will be effected during the next financial exercise.
- c) from amounts owed to the parent company by the Greek State in connection with advance payment of income tax for the current year and taxes withheld.
- d) from other receivables deriving from advances to accounts for debtors (such as custom clearers), cash facilities to personnel, insurance compensation etc.

20. Other current assets

Other current assets pertain to the following:

Other current assets (amounts in euro)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Prepaid expenses	1.388.880	2.350.488	1.388.880	2.350.488
Revenue of period receivable	288	-	288	-
Discounts on purchases	29.194	225.801	29.194	225.801
Total	1.418.362	2.576.289	1.418.362	2.576.289

Other current assets mostly pertain to expenses of subsequent years such as insurance fees, packing material etc.

21. Cash and cash equivalents

Cash and cash equivalents (amounts in euro)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Cash in hand	6.277.567	2.234.480	2.974.134	2.205.558
Bank account balances	2.068.913	1.626.271	2.068.913	1.626.271
Sight and time deposits	13.472.112	27.593.810	3.937.559	20.630.597
Total	21.818.592	31.454.561	8.980.606	24.462.426

Sight deposits pertain to short term investments of high liquidity. The interest rate for time deposits was 2,33% - 2,340% while for sight deposits it was 0,15%.

22. Capital and reserves

22.1 Share capital

Share Capital (amounts in euro)	Number of shares	Nominal share value	Value of ordinary shares	Share premium	Total
Balance as at 1 st July 2004	45.619.200	0,80	36.495.360	-	36.495.360
Issue of new shares	-	-	-	-	-
Balance as at 30 th June 2005	45.619.200	0,80	36.495.360	-	36.495.360
Issue of new shares	4.895.265	0,80	3.916.212	11.098.497	15.014.709
Increase of nominal share value of € 0,60	50.514.465	0,60	30.308.679	-	30.308.679
Issue of 2 new shares for every 1 previous	10.102.893	1,40	14.144.050	-3.419.669	10.724.381
Balance as at 30 th June 2006	60.617.358	1,40	84.864.301	7.678.828	92.543.129

a) Based on the decision of the Board of Directors dated 11/10/2005, the company proceeded with the increase of its share capital by € 3.916.212, with the issue of 4.895.265 new shares of the company, with nominal value of € 0,80 each, due to the conversion of 2.719.596 convertible bonds, from the convertible bond loan dated 11.10.2000. The share capital of the company after the issue of new shares amounts to €40.411.572 divided into 50.514.465 registered shares with nominal value 0,80 each.

b) The decision from 03.05.2006, of the First Repetitive Extraordinary Statutory General Assembly of the Shareholders of the company, approved the increase of share capital, at the total of €44.452.729,20, with the capitalisation of the following reserves: a) amount of €41.033.060,66 from extraordinary reserve which includes the statutory capitalised extraordinary special reserve from not distributed dividends from the financial exercises of 2000-2001, totalling € 624.535,78 and b) part of the share premium reserve of amount of €3.419.668,54, which was the result of the conversion on 11/10/2005 of 2.719.596 convertible bonds of Convertible Bond Loan (acquired in 2000 with nominal value €4,255319 each bond and of total nominal value €11.572.748,94) in 4.895.265 shares of company, with nominal value €0,80 each and total value € 3.916.212.

The increase will take place as follows:

a) Amount of € 30.308.679,00 will be drawn from the existing extraordinary reserves, by increasing the nominal value of existing shares of the company from €0,80 in €1,40 per share and

b) The remainder of €14.144.050,20 (which includes the statutory capitalised extraordinary special reserve from not distributed dividends from the financial exercises of 2000-2001, totalling € 624.535,78) with the issue of 10.102.893 new shares of the company with nominal value of € 1,40 which will be distributed free of charge to previous shareholders at the ratio of 2 new shares to 10 old ones.

After the above increase total share capital amounts to € 84.864.301,20, divided into 60.617.358 shares with nominal value € 1,40 each.

DEVELOPMENT OF SHARE CAPITAL FROM 1/7/2005-30/6/2006							
Date of G .M.	Number of issue of Gov. Gazette	Nominal Value of Shares	Conversion of bonds	With capitalisation of reserve funds	Number of new shares	Total number of shares	Share capital after the increase of S. C.
						45.619.200	36.495.360,00
11.10.2005 (BoD)	11051/19.10.05	0,80	3.916.212,00	-	4.895.265	50.514.465	40.411.572,00
3.5.2006	2994/9.5.2006	1,40		44.452.729,20	10.102.893	60.617.358	84.864.301,20

22.2 Other reserves

The analysis of other reserves is as follows:

THE GROUP						
Other reserves (amounts in euro)	Legal reserve	Tax free reserves	Extraordinary reserves	Special reserves	Other reserves	Total
Balance as at 1 July 2004	3.566.067	5.764.780	25.066.341	14.229	8.916	34.420.333
Movement in the period	1.448.697	142.403	15.966.720	-	-	17.557.819
Balance as at 30 June 2005	5.014.764	5.907.183	41.033.061	14.229	8.916	51.978.152
Changes in the period			(41.033.061)		(8.916)	-41.041.976
Balance at 30 June 2006	5.014.764	5.907.183	-	14.229	-	10.936.176

Other reserves (amounts in euro)	Legal reserve	Tax free reserves	Extraordinary reserves	Special reserves	Other reserves	Total
Balance as at 1 July 2004	3.566.067	5.764.780	25.066.341	14.229	8.916	34.420.333
Movement in the period	1.448.696	142.403	15.966.720	-	-	17.557.819
Balance as at 30 June 2005	5.014.764	5.907.183	41.033.061	14.229	8.916	51.978.152
Changes in the period			(41.033.061)		(8.916)	-41.041.976
Balance at 30 June 2006	5.014.764	5.907.183	0	14.229	0	10.936.176

It is noted that extraordinary reserves are fully taxed and are free for capitalization (or distribution) further to a relevant decision by the Shareholders' General Meeting.

23. Liabilities for compensation to personnel due for retirement

Accounts in tables below are calculated based on financial and actuarial assumptions and they are set based on the Projected Unit Credit Method. According to that method, benefits corresponding to full years of service as at the measurement date are treated separately from expected benefits in the year subsequent to the measurement date (future service). The calculations take into account the amounts for compensation for retirement required by law 2112/20 and information regarding active employees in June of 2006.

To perform the calculations we had to make assumptions regarding information affecting the results of the measurement such as the discount interest rate and future increase of salaries and wages. Those assumptions were made in accordance with IAS 19 and further to the agreement of the company's management. That liability as at 30/06/2006 is analysed as follows:

	<u>THE GROUP</u>	<u>THE COMPANY</u>
Balance as at 1 July 2004	948.102	948.102
Additional provisions for the year	379.891	379.891
Used provisions in the year	(212.069)	(212.069)
Balance as at 30 June 2005	1.115.924	1.115.924
Additional provisions for the period	555.507	555.507
Used provisions for the period	(324.279)	(324.279)
Balance as at 30 June 2006	1.347.152	1.347.152

As at 30/06/2005 and 30/06/2006, the liability is analysed as follows:

	<u>30/6/2006</u>	<u>30/6/2005</u>
Present value of non financed liabilities	1.654.992	1.318.425
Fair value of plan assets	-	-
	1.654.991	1.318.425
Not recognized actuarial profits / (losses)	(307.840)	(202.501)
Not recognized cost of years of service	-	-
Net liability recognized in the balance sheet	1.347.152	1.115.924
Amounts recognized in the profit and loss account		
Cost of current service	238.517	178.513
Interest on liability	51.612	41.813
Recognition of actuarial loss / (gains)	4.041	-
Recognition of past service cost	3.231	-
Ordinary expense in the profit and loss account	297.401	220.326
Cost of additional benefits	258.106	159.565
Other expense / (income)	-	-
Total expense in the profit and loss account	555.507	379.891
Changes in net liability recognized in the balance sheet		
Net liability at the beginning of the year	1.115.923	948.102
Employer's contribution	-	-
Benefits paid by the employer	(324.279)	(212.069)
Total expense recognized in the profit and loss account	555.507	379.891
Net liability at year end	1.347.152	1.115.924
Change in the present value of the liability		
Present value of the liability at the beginning of the year	1.318.425	948.102
Cost of current service	238.517	178.513
Interest on the liability	51.612	41.813
Employees contribution	-	-
Benefits paid by the employer	(324.279)	(212.069)
Expenses	-	-

Additional payments or expenses / (income)	251.392	159.565
Past service cost	3.231	-
Actuarial loss / (profit)	116.093	202.501
Current value of liability at year end	<u>1.654.992</u>	<u>1.318.425</u>

Respective charges in the profit and loss account for the period 01/07/2005 - 30/06/2006:

Account for use in the period	THE GROUP		THE COMPANY	
	30/6/06	30/6/05	30/6/06	30/6/05
Cost of current employment	238.517	178.513	238.517	178.513
Interest on liability	51.612	41.813	51.612	41.813
Recognition of actuarial loss / (profit)	4.041	-	4.041	-
Ordinary expense in the profit and loss account	3.231	-	3.231	-
Cost of additional benefits	258.106	159.565	258.106	159.565
Total expense in the profit and loss account	<u>555.507</u>	<u>379.891</u>	<u>555.507</u>	<u>379.891</u>

Key actuarial assumptions used are as follows:

	<u>30/6/2006</u>	<u>30/6/2005</u>
Discount interest rate	4,5%	4,0%
Inflation	2,5%	2,5%
Increase in salaries and wages	3,5%	3,5%

Regarding subsidiary companies no relevant provision has been made charging equity and results because, considering the number of employees, their salaries and years of service, there is no material impact on the Group.

The allowances to the personnel of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	<u>30/6/2006</u>	<u>30/6/2005</u>	<u>30/6/2006</u>	<u>30/6/2005</u>
Salaries, wages and allowances social security contributions	34.962.583	27.847.213	32.848.198	25.786.943
Termination of service expenses	343.095	228.402	324.279	212.069
Other employee costs	381.317	296.891	337.445	259.248
Provision for compensation to personnel due to retirement	179.616	126.009	179.616	126.009
Total	<u>35.866.610</u>	<u>28.498.515</u>	<u>33.689.538</u>	<u>26.384.270</u>

The total of the above expenses has been allocated to distribution costs and administrative expenses in the profit and loss account.

For the year 2005/2006 the Annual General Meeting of the shareholders which took place on 7/12/2005 unanimously pre-approved gross fees of € 480.130 for five (5) members of the Board of Directors which are not under an employment service contract with the Company amount which was finally paid. Gross fees paid to members of the Board of Directors of the Company in the year 2004/2005 amounted to 377.520 euro in total and were finally approved by the Annual General Meeting of the shareholders on 7./12/2005. The above fees have been included in administrative expenses in the profit and loss account for the year 2004/2005.

Other members of the B.O.D. and specifically the Commissioned Adviser the Vice President and legal adviser have an employment contract and they are paid salaries which are included in the Company's administrative expenses. Total salaries in the period 1/7/2005 – 31/3/2006 for the above persons amounted to € 212.163, with minimum salary € 6.620 and maximum salary € 7.320 compared to last periods amounts which were € 190.211.

Regarding the subsidiary Jumbo Trading Ltd the members of the B.O.D. which are under employment contracts with the company received for services rendered during the period 1/7/2005-30/6/2006 € 342.782 (i.e. CYP 196.791) while in the previous period received € 409.597 (CYP 234.711) which have been included in administrative expenses under profit and loss account 2004/2005.

No loans whatsoever have been granted to members of the B.O.D. or other executives of the Group (nor their families).

24. Loan liabilities

Long term loan liabilities of the Group are analysed as follows:

Loans <i>(amounts in euro)</i>	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Long term loan liabilities				
Bond loan convertible to shares	-	14.839.802	-	14.839.802
Bond loan non convertible to shares	-	14.748.629	-	14.748.629
Syndicated loan	61.002.371	60.888.576	61.002.371	60.888.576
Other bank loans	8.058.863	8.896.571	-	-
Liabilities from financial leases	6.041.478	6.883.352	6.029.176	6.872.871
Total	75.102.712	106.256.930	67.031.547	97.349.878

24.1 Long term loans

Bond loan convertible to shares

The Company, further to the decision on 11.05.2000 of the Extraordinary General Meeting of its shareholders combined with the decision dated 11/10/2000 of the Board of Directors, had issued a convertible bond loan, not listed on the Stock Exchange, of nominal value € 11.765.106,38, with a 4-year duration, in the context of which 2.764.800 bonds of nominal value and sale price € 4,25 each were issued and given to beneficiary shareholders. The terms of the convertible loan were modified following the General Meetings of the shareholders dated 14/11/2002 and 17/12/2003 in combination with the relevant General Meetings of the Bond holders dated 31/3/2003 and 26/5/2004.

According to terms applicable as at 11.10.2005, 17 bond holders, who hold 2.719.596 bonds in total, submitted to the Representative of the bonded loan "Geniki Bank of Greece S.A." which

has legally replaced “Societe Generale” applications – statements for converting their bonds to registered shares of the Company, attaching the original copies of their bonds. Statements and titles of the bonds were presented to the members of the Board of Directors. Therefore on the anniversary of the loan on 11/10/2005 the Company converted the largest part of the loan to shares since only 107 bonds were not converted.

According to IAS 32 that specific loan is a compound financial instrument. The Company implemented retrospectively the provisions of IAS 32 and measured it according to the provisions of this relevant IAS (note 4.12) transferring the remaining balance (free of tax) from the difference between the nominal value of the loan and its present value in account “other reserves”. Upon the conversion of the loan there was a difference between the nominal increase of the share capital and the carrying amount of the loan as it was measured according to the IAS 32 and IAS 39, which was recognized as equity instrument in the share premium account.

The movement of the loan at the conversion date was as follows:

Carrying amount of the loan before conversion	15.068.735
Increase of share capital	(3.916.212)
Deferred tax recognized directly in equity	(4.801)
Expenses and offsetting of remaining other reserves	(49.225)
Final share premium account	<u>11.098.497</u>

Bond loan non convertible to shares

According to the decision of the company shareholders’ General Meeting on 17/12/2003 along with the decision of its board of directors on 9/2/2004 a common bond loan amounting to € 45.000.000 was issued. Administrator of the loan was “EFG Telesis Finance Investment Services SA” and “BNP Paribas”. The representative who is also authorized for the repayment of the bond holders was the bank “EFG Eurobank Ergasias S.A.”.

The parent company which is the issuer, issued up to 30/06/2006 the first series of bonds amounting to € 15.000.000. Based on the loan contract on 12/2/2004 as long as the Company does not issue a second series of bonds amounting to € 30.000.000 it is charged with an inactivity commission at the rate of 0,4% annually on the value of non issued bonds. The loan is measured with the effective interest rate method. On 30/06/2006 the actual quarterly interest rate was 1,282%.

Syndicated loan

On 13/2/2004 and 24/5/2004 the contracts regarding extension, amendment and re-issuance of the syndicated loan amounting to € 60.000.000 were signed with bank coordinator “BNP Paribas”. Its duration was set at five years from 13/2/2004 to 13/2/2009 payable in two installments of which the first amounting to € 20.000.000 in 48 months and the second of € 40.000.000 in 60 months.

The loan is evaluated at the actual interest rate method. On 30/06/2006 the actual annual interest rate was 6,091%.

For the syndicated loan as well as for the bond loan non convertible to shares loan apart from the basic contractual interest rate there is also a margin which is determined based on the following indices on a consolidated basis:

- Net loan liabilities / capital and reserves
- Profits before taxes, interest and depreciation / net interest payable
- Net loan liabilities / profits before taxes, interest and depreciation

The actual interest rate is calculated based on cash flows of loans according to the terms in the contracts in order that interest is allocated to the duration of the loan.

Expiration of long term loans is broken down as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
From 1 to 2 years	37.424.759	2.220.752	35.105.256	-
From 2 to 5 years	44.412.060	93.714.998	40.822.708	90.477.007
After 5 years	3.278.116	4.579.248	-	-
	<u>85.114.935</u>	<u>100.514.998</u>	<u>75.927.964</u>	<u>90.477.007</u>

24.2 Financial leases

The Group has signed a financial leasing contract for a building in Pilaia Thessaloniki which is used as a shop as well as for transportation equipment, analysis of which is presented in note 13. In detail liabilities from financial leases are analysed as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Up to 1 year	1.162.146	1.115.739	1.141.417	1.105.476
From 1 to 5 years	5.215.642	5.454.451	5.203.446	5.444.187
After 5 years	1.675.515	2.391.322	1.673.769	2.389.611
	<u>8.053.303</u>	<u>8.961.512</u>	<u>8.018.632</u>	<u>8.939.274</u>
Future debits of financial leases	<u>(1.146.363)</u>	<u>(1.243.549)</u>	<u>(1.142.276)</u>	<u>(1.240.776)</u>
Present value of liabilities of financial leases	<u>6.906.940</u>	<u>7.717.963</u>	<u>6.876.356</u>	<u>7.698.498</u>

The current value of liabilities of financial leases is:	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Up to 1 year	865.331	834.611	847.048	825.627
From 1 to 5 years	4.456.773	4.649.709	4.446.015	4.640.725
After 5 years	1.584.836	2.233.643	1.583.293	2.232.146
	<u>6.906.940</u>	<u>7.717.963</u>	<u>6.876.356</u>	<u>7.698.498</u>

24.3 Short-term loan liabilities / long term liabilities payable in the subsequent year

The Group's current loan liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Bond loan convertible to shares			-	-
Bond loan non convertible to shares	14.925.593	-	14.925.592	-
Bank loans payable in the subsequent year	1.128.108	1.141.421	-	-

Overdrafts	-	51.949	-	-
Liabilities from financial leases payable in the subsequent year	865.462	834.611	847.180	825.627
Total	16.919.163	2.027.981	15.772.772	825.627

As mentioned above the bonded loan convertible to shares was paid on its first anniversary on 11/10/2005 through conversion of bonds and increase of share capital (note 24.1).

The weighted average interests are analyzed as follows:

	30/06/2006	30/6/2005
Long term bank loans	5,642%	5,823%
Short term bank loans	5,500%	5,750%
Leasing	4,73%	4,127%

25. Other long term liabilities

Analysis is as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Other long term liabilities <i>(amounts in euro)</i>				
<i>Cheques long - term</i>				
Opening balance	56.000	100.000	56.000	100.000
Additions	56.000	312.000	56.000	312.000
Reductions	(112.000)	(356.000)	(112.000)	(356.000)
Closing balance	0	56.000	0	56.000
Guarantees obtained				
Opening balance	1.210	7.348	1.210	7.348
Additions	44	423	44	423
Reductions	-	(6.561)	-	(6.561)
Closing balance	1.254	1.210	1.254	1.210
Total	1.254	57.210	1.254	57.210

26. Deferred tax liabilities

Deferred tax liabilities as deriving from temporary tax differences are as follows:

	THE GROUP			
	30/6/2006		30/6/2005	
	Asset	Liability	Asset	Liability
Non current assets				
Tangible assets	1.288.014	5.899.360	1.515.210	5.392.623
Tangible assets from financial leases	249.846	610.968	130.865	380.450
Reserves				
Offsetting of deferred tax from bond loan conversion	36.316	547	0	4.801
Long term liabilities				
Provisions	3.289	8.852	0	
Benefits to employees	418.364	0	539.022	0
Long term loans	1.187.565	373.437	1.129.627	995.677

Offsetting	(9.410.092)	(9.410.092)	(10.058.289)	(10.058.289)
Total	(6.226.698)	(2.516.928)	(6.743.565)	(3.284.738)
Deferred tax liability		3.709.770		3.458.827

For the company the respective accounts are analyzed as follows:

	THE COMPANY			
	30/6/2006		30/6/2005	
	Asset	Liability	Asset	Liability
Non current assets				
Tangible assets	1.288.014	5.896.998	1.515.210	5.385.788
Tangible assets from financial leases	249.846	610.968	130.865	380.450
Reserves				
Offsetting of deferred tax from bond loan conversion	36.316	547	0	4.801
Long term liabilities				
Provisions	3.289	8.852	0	0
Benefits to employees	418.364	0	539.022	
Long term loans	1.187.565	373.437	1.129.626	995.676
Offsetting	(9.410.092)	(9.410.092)	(10.065.124)	(10.065.124)
Total	(6.226.698)	(2.519.290)	(6.750.401)	(3.298.409)
Deferred tax liability		3.707.408		3.451.992

27. Provisions

Provisions regarding the Group and the Company are recognized if there are current legal or constructive obligations resulting from past events, with the possibility that they can be settled through outflows of resources and the liability can be reliably estimated.

Provisions concern potential tax obligations of uncontrolled tax uses, juridicial affairs in suspense for which the Company is likely that will not be justified, also scorn of fixed assets.

Analysis is as follows:

	THE GROUP				THE COMPANY			
	Provisions for contingent tax liabilities from years uninspected by the tax authorities	Provisions for pending law cases	Provisions for impairment of assets	Balance of Group	Provisions for contingent tax liabilities from years uninspected by the tax authorities	Provisions for pending law cases	Provisions for impairment of assets	Balance of Company
Balance as at 1 July 2004	89.413	24.100	-	113.513	89.413	24.100	-	113.513
Additional provisions for the period	108.984	1.800	-	110.784	108.984	1.800	-	110.784
Used provisions for the period	-	-	-	-	-	-	-	-
Balance as at 30 June 2005	198.397	25.900	-	224.297	198.397	25.900	-	224.297
Additional provisions for the period	133.689	1.500	81.678	216.867	133.689	1.500	81.678	216.867
Used provisions for the period	-	-	-	-	-	-	-	-
Balance as at 30 June 2006	332.086	27.400	81.678	441.164	332.086	27.400	81.678	441.164

28. Trade and other payables

The balance of the account is analyzed as follows:

Suppliers and other liabilities (amounts in euro)	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Suppliers	5.084.017	7.559.109	4.799.015	7.844.903
Bills payable & promissory notes	992.336	2.644.217	992.336	2.644.217
Cheques payable	36.556.749	28.434.248	36.283.159	28.310.221
Advances from trade debtors	1.528.172	810.884	1.528.172	810.884
Total	44.161.274	39.448.458	43.602.682	39.610.225

29. Current tax liabilities

The analysis of tax liabilities is as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Current tax liabilities <i>(amounts in euro)</i>				
Expense for tax corresponding to the period	19.914.342	16.724.124	19.011.862	16.268.736
Liabilities from taxes	4.998.615	3.384.870	4.448.109	2.977.784
Total	24.912.957	20.108.994	23.459.971	19.246.520

The expense of the tax which is corresponding to the period, includes the de tax.

30. Other current liabilities

Other current liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Other short term liabilities <i>(amounts in euro)</i>				
Suppliers of fixed assets	991.944	3.502.631	991.944	3.502.631
Salaries payable to personnel	1.010.682	816.646	1.010.682	816.646
Sundry creditors	2.748.465	2.510.388	2.450.966	2.376.745
Social security funds	1.083.021	935.750	1.063.043	868.730
Interest coupons payable	38.101	58.201	38.101	58.201
Dividends payable	141.838	138.249	141.838	138.249
Accrued expenses	1.773.253	1.564.527	1.259.684	914.353
Other liabilities	80.888	82.694	80.888	82.694
Total	7.868.192	9.609.088	7.037.146	8.758.249

31. Cash flows from operating expenses

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Cash flows from operating activities				
Net profit for the period	49.440.664	34.132.278	41.543.736	30.270.969
<i>Adjustments for:</i>				
Income taxes	20.048.031	16.833.111	19.145.551	16.377.720
Depreciation of non current assets	8.480.543	7.530.651	7.751.764	6.831.003
Pension liabilities provisions (net)	179.616	126.009	179.616	126.009
Other provisions	216.867	110.784	216.867	110.784
Profit/ (loss) from sales of non current assets	10.696	46.523	10.151	46.523
Interest and related income	(671.291)	(718.032)	(418.260)	(504.652)
Interest and related expenses	5.543.665	6.469.247	5.083.862	5.722.821
Other Exchange Differences	(15.940)	-	(15.940)	-
Operating profit before change in working capital	83.232.851	64.530.571	73.497.347	58.981.177
Change in working capital				
Increase/ (decrease) in inventories	(26.098.343)	(2.660.529)	(25.602.552)	(3.197.321)
Increase/ (decrease) in trade and other receivables	(6.741.921)	(6.816.631)	(6.205.636)	(6.381.582)
Increase/ (decrease) in other current assets	902.303	(1.668.117)	1.157.927	(1.668.117)
Increase/ (decrease) in trade payables	3.218.173	13.456.390	2.283.707	13.426.763
Other	(132.512)	(84.477)	(132.512)	(84.477)
	(28.852.300)	2.226.636	(28.499.066)	2.095.266
Cash flows from operating activities	54.380.551	66.757.207	44.998.281	61.076.443

32. Analysis of adjustments for transition to and first time adoption of IFRS

The group's adjustments practically pertain to the parent company given that the subsidiary company had implemented IAS on a previous date.

32.1 Impact of transition adjustments to equity

	THE GROUP		THE COMPANY	
	01-Jul-04	30-Jun-05	01-Jul-04	30-Jun-05
Total equity as it was previously reported according to the Greek GAAP	75.391.012	99.659.317	72.350.319	92.516.601
Adjustments for the transition to IFRSs				
Effect from derecognition of formation and set up expenses in the balance sheet and transfer of the carrying amount and accumulated depreciation in retained earnings	-339.474	-105.632	-339.474	-105.632
Effect from the change in depreciation coefficients and the depreciable value of use of fixed assets	8.342.712	9.982.921	8.342.712	9.982.921
Effect from the recognition of capitalised expenses in the cost of fixed assets. Transfer of depreciation in retained earnings due to the change in depreciation coefficients.	2.837.317	3.543.120	2.837.317	3.543.120
Derecognition of revaluation of property according to Law 2065/92 at 31/12/2004	-	-2.589.708	-	-2.589.708
Derecognition of depreciation on revaluation of property according to Law 2065/92 at 31/12/2004	-	228.094	-	228.094
Effect of recognition of expenses in the cost of leased assets	15.248	15.248	15.248	15.248
Transfer of recognition of dividends payable at the time of their approval by the general meeting of the shareholders	7.755.264	11.113.226	7.755.264	11.113.226
Effect from the transfer of leasing costs as a reduction of the liability	484.123	1.314.183	484.123	1.314.183
Effect from the recognition of leasing finance charges	-	-226.287	-	-226.287
Recognition of accrued interests regarding finance leases	-4.096	-22.988	-4.096	-22.988
Recognition of depreciation of leased assets	-160.308	-373.900	-160.308	-373.900
Long term loans measurement - calculation of interest according to the effective interest rate method	-109.543	-386.456	-109.543	-386.456
Effect from measurement of convertible bonds loan facility	-2.648.855	-3.180.545	-2.648.855	-3.180.545
Reversal of depreciation of capitalised expenses related to the measurement of long term loan facility	95.120	190.773	95.120	190.773
Transfer of expenses to the loan facility	610.267	610.267	610.267	610.267
Bad debts provision	-	-14.000	-	-14.000
Translation differences of foreign operations	-	684	-	-
Deferred tax recognition	-2.875.727	-3.451.992	-2.875.727	-3.451.992
Income tax for the period	-	-	-	-
Provisions for contingent tax liabilities from years uninspected by the tax authorities	-89.413	-198.397	-89.413	-198.397
Recognition of exchanges differences	18.375	2.128	18.375	2.128
Recognition of employee retirement provisions	-948.102	-1.074.111	-948.102	-1.074.111
Finance costs for employee retirement provisions	-	-41.813	-	-41.813
Other provisions	-24.100	-25.900	-24.100	-25.900
Total adjustments	12.958.808	15.308.915	12.958.808	15.308.231
Equity according to International Financial Reporting Standards	88.349.820	114.968.232	85.309.127	107.824.832

32.2 Impact of transition adjustments to profits

	THE GROUP	THE COMPANY
	30-Jun-05	30-Jun-05
Results as it was previously reported according to the Greek GAAP	48.941.724	44.575.272
Adjustments for the transition to IFRSs		
Effect from derecognition of formation and set up expenses in the balance sheet and transfer of the carrying amount and accumulated depreciation in results	233.842	233.842
Effect from the change in depreciation coefficients and the depreciable value of use of fixed assets	1.640.209	1.640.209
Effect from the recognition of capitalised expenses in the cost of fixed assets. Transfer of depreciation in results due to the change in depreciation coefficients.	705.802	705.802
Derecognition of revaluation of property according to Law 2065/92 at 31/12/2004	-	-
Derecognition of depreciation on revaluation of property according to Law 2065/92 at 31/12/2004	35.092	35.092
Reversal of amortization of formation expenses which were capitalized in previous years	-	-
Capitalisation of expenses increasing the cost of tangible assets	-	-
Recognition of dividends payable on approval by the General Meeting	-	-
Recognition of financial leases as assets and liabilities	-	-
Effect from the transfer of leasing costs as a reduction of the liability	830.060	830.060
Effect from the recognition of leasing finance charges	-226.287	-226.287
Recognition of accrued interests regarding finance leases	-18.891	-18.891
Recognition of depreciation of leased assets	-213.592	-213.592
Long term loans measurement - calculation of interest according to the effective interest rate method	-276.912	-276.912
Effect from measurement of convertible bonds loan facility	-531.690	-531.690
Reversal of depreciation of capitalised expenses related to the measurement of long term loan facility	95.653	95.653
Transfer of expenses incurred for the loan to the product of the loan	-	-
Bad debts provision	-14.000	-14.000
Translation differences of foreign operations	-43.818	-
Deferred tax recognition	-576.265	-576.265
Income tax for the period	-16.153.793	-15.692.471
Provisions for contingent tax liabilities from years uninspected by the tax authorities	-108.984	-108.984
Recognition of exchanges differences	-16.247	-16.247
Recognition of employee retirement provisions	-126.009	-126.009
Finance costs for employee retirement provisions	-41.813	-41.813
Other provisions	-1.800	-1.800
Total adjustments	-14.809.443	-14.304.303
Results according to International Financial Reporting Standards	34.132.281	30.270.969

Impact from adjustments in property plant and equipment

The group re-estimated the useful life of its tangible assets upon the transition to IFRS. This re-estimation resulted in a cumulative profit which increased the retained earnings by an amount of € 8.342.712 and € 9.982.921, as at 30/06/2004 and at 30/6/2005 respectively and is analysed as follows:

	30/6/2005	Impact to results	30/6/2004
Re-adjustment of depreciation for furniture and fixtures due to re-estimation of useful life	3.480.973	1.016.200	2.464.773
Re-adjustment of depreciation of machinery due to re-estimation of useful life	1.959.405	461.954	1.497.451
Re-adjustment of depreciation of buildings due to re-estimation of useful life	4.542.543	162.055	4.380.488
	9.982.921	1.640.209	8.342.712

According to the same standard the company recognized as cost to the property plant and equipment formation expenses which, according to the previous accounting principles, were not considered as cost of tangible assets. Their accumulated depreciation was readjusted according to the useful life of buildings. Other formation expenses which did not fulfill the recognition criteria were transferred to profit and loss carried forward as at the transition date. Analysis as at 30/06/2005 is as follows:

	Cost value	Accumulated depreciation	Balance
Transfer of formation expenses to results	1.949.313	1.609.839	339.474
Transfer of accumulated amortization of formation expenses accounts due to their recording in intangible assets			3.113.889
Calculation of value adjustments based on useful life			(276.572)
Balance of impact of equity for 30/6/2005			2.837.317
Impact of depreciation to the result until 30/6/2005			705.803
Balance of impact of equity for 30/6/2005			3.543.120

Finally at the year ended as at 30/6/2005 the parent company reversed the revaluation of its buildings and land made in accordance with law 2065/92 because it is not recognized in the financial statements according to IFRS. Total amount reversed as at 30/6/2005 amounts to € 2.589.708 while depreciation of the readjustment amounts to € 228.094.

Impact from the evaluation of the bond loan convertible to shares

The group could not apply the exception provided by IFRS 1 in connection with compound financial instruments as at the transition date given that the balance of the loan at that date had not been paid off or converted. So the Group applied the standard retrospectively and separated the balance of the long term liability from the part pertaining to equity. As at the transition date the terms of the loan in force as at that date were used, while the measurement of the loan incorporated all cash flows which were provided for by the relevant contracts from the beginning to the end of the loan. The negative impact on the company's equity amounts to €3.180.545 and is analyzed as follows:

Recognition of accumulated financial cost according to IFRS	2.990.237
Proportion of net equity – transfer to the reserves of the group	(13.717)
Reversal of recognized accumulated financial cost of the company according to previous accounting principles	(327.665)
Balance of impact of equity for 30/6/2004	2.648.855

Επίδραση τόκων στο αποτέλεσμα έως την 30/6/2005	531.690
Balance of impact of equity for 30/6/2005	3.180.545

Impact from recognition of cost of compensation to personnel due for retirement

The group recognized total cost for compensation to personnel due for retirement for the first time, based on actuarial assumptions of IAS 19. The accumulated cost charged to net equity as at 30/6/2004 amounts to € 948.102. Generally, the movement of the account until 30/06/2005 is as follows:

Balance as at 30/6/2004	948.102
Impact to results 30/6/2005	126.009
Balance as at 30/6/2005	1.074.111

Impact from recognition of financial leases

In accordance with IFRS the group separated operating and financial leases and recognized the latter in the financial statements in compliance with IAS 17. The recognition of financial leases resulted in the recognition of non current assets in the balance sheet and the recognition of a financial liability in liabilities due to the separation of financial cost and the capital of the lease. Further to the above, the impact on the company's net equity as at 30/6/2004 and 30/6/2005 was the following:

Description	Balance
Benefit from transfer of capital to equity as at 30/6/2004	484.123
Reversal of lease payments charged to profit and loss and transfer due to payment of capital	830.060
Total impact on equity from the recognition and payment of installments of capital as at 30/6/2005	1.314.183

The accumulated impact of depreciation of non current assets charged to net equity of the company as at 30/6/2004 and 30/6/2005 amounted to € 160.308 and € 373.900 respectively.

Impact of deferred taxation

According to IAS 12, deferred income tax is defined by the method of liability which arise from the temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred income tax is not accounted if it arises from initial acknowledgment of assets or liabilities in transactions, out of business consolidation, which when happened, did not affect neither accounting nor tax profit or loss.

Deferred tax assets and liabilities are measured on the basis of tax rates which are expected to be implemented in a period during which assets or liabilities will be settled, taking into account tax rates (and tax laws) which are in force at the balance sheet dates. In case of inability in determining the time reversal of temporary differences, the company should apply the tax rate which is valid at the subsequent year from the date of balance sheet.

Overall the impact on equity from temporary differences which arose as at 30/06/2005 amount to € 3.451.992 while the impact to profit and loss during period 01/07/2004 - 30/06/2005 amount to € 576.265.

Impact of loan measurement

According to IAS 39, loan liabilities are recognised primarily at cost, which reflects their fair value less relevant formation expenses. At 30/06/2005 expenses which were included to the product of the loan, were € 610.267 and they are analysed below:

Organisers fee with amendment of the contract of syndicated loan 26/02/2004	600.000
Administration fees 16/02/2004-19/12/2004	<u>10.267</u>
Total 30/06/2004	<u>610.267</u>

According to previous standards, these amounts had been included in formation expenses in the balance sheet and were depreciated equally within five years. For IFRS conversion purposes, depreciation of these amounts should be reversed. The amount of depreciation which is not recognised for IFRS purposes, is € 190.773 at 30/06/2005, thus improving the net equity of the company.

After initial recognition, loans are measured to the amortised cost, according to the effective interest rate method. Financial costs are recognized as expense in the period during which they are realised.

In total, the impact on equity according to the amortised cost is € 386.456, while the impact to profit and loss for the period 01/07/2004 - 30/06/2005 is € 276.912.

Loans in foreign currency are measured the closing rate at the date of balance sheet, with the exception of loans for which there is specific rate of conversion and payment.

Impact of transfers of lease rentals to financial cost

According to IAS 17, leases of fixed assets where all the risks and rewards in close relation with the ownership of assets are transferred to the Group, irrespective of the final transfer or not of the title of property on the asset, constitute financial leases. These leases are capitalised at the inception of the lease in the lowest price between the fair value of the asset and the present value of minimum lease payments.

Each rent is divided between the obligation and the finance expenses so as to achieve a constant interest-rate in the remaining financial obligation. The corresponding obligations from rentals, net of finance expenses, are portrayed in liabilities. The part of finance expense that concerns financial leases is recognized in the profit or loss during the period of the lease. For the 30/6/2005 the financial leases are analyzed as follows:

LEASING MERCEDES	883
LEASING ROVER	4.740
LEASING PYLAIA	<u>220.664</u>
Total sum	226.287

Impact of the recognition of current tax income

According to IAS 12, the income tax is recognized in the profit and loss account for the year, except for tax that relates to transactions that were recognised directly in equity, and therefore the tax itself is also recognized in equity.

Current income taxes include short term liabilities and/or assets towards Public Authorities that relate to the payable taxes on the taxable income for the period and by any additional income taxes that relate to previous years.

Current taxes are measures according to tax rates and to tax laws that are applied during the exercises with which they are related, based on the taxable profit for the year. The income tax for the period 1/7/2004-30/6/2005, which amounts to € 16.153.793, was calculated with a rate of 35% on profits of the parent company and 10% on average on the profits of subsidiary company JUMBO TRADING LTD.

33. Commitments

Commitments mostly pertain to operating leases of transportation equipment which expire on different dates. Minimum future lease payments based on non cancelable lease contracts are analysed as follows:

	THE GROUP		THE COMPANY	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
Up to 1 year	6.763.570	7.165.285	6.644.787	7.091.946
From 1 to 5 years	32.437.792	30.823.241	32.259.357	30.689.535
After 5 years	67.928.003	76.226.779	67.908.177	76.122.786
	<u>107.129.365</u>	<u>114.215.305</u>	<u>106.812.321</u>	<u>113.904.267</u>

34. Contingent assets - liabilities

The tax returns of the parent company for the years ended as at 30/06/2004, 30/06/2005 and 30/06/2006 have not been inspected by the tax authorities. Consequently it is possible that additional taxes be imposed after final inspections from the tax authorities. The outcome of the tax inspection can not be predicted at this point and therefore no relevant provision has been made in the financial statements. However the Company has conducted a provision for contingent tax liabilities which could occur from relevant tax inspection.

The subsidiary company JUMBO TRADING LTD which operates in Cyprus, has been inspected by the tax authorities until 31/12/2004. The subsidiary company JUMBO TRADING LTD prepares its financial statements in compliance with IFRS and consequently it charges its results with relevant provisions for uninspected tax years, whenever necessary. It is noted that the due to the fact that the Cypriot tax authorities operate in a different fashion, consequently tax calculations are conducted differently enabling companies to conduct more precisely tax provisions. The subsidiary company established in Bulgaria in the first semester of the current year has not commenced its activities yet and therefore there is no case of uninspected tax year.

35. Transactions with related parties

The Company participates at the rate of 100% in the share capital of the companies JUMBO TRADING LTD and JUMBO EC.B LTD. In the years presented only the Cypriot company JUMBO TRADING LTD has operating activities, while the second one which is registered in Sofia, Bulgaria, has not performed any trading activities yet. The following transactions were carried out with the affiliated undertakings:

Sales/ (purchases) of merchandise

	<u>30/6/2006</u>	<u>30/6/2005</u>
Sales of JUMBO SA to JUMBO TRADING LTD	10.608.792	8.209.075
Purchases by JUMBO SA from JUMBO TRADING LTD	462.511	654.640
	<u>11.071.303</u>	<u>8.863.715</u>

Net balance arising from transactions with the subsidiary companies

	<u>30/6/2006</u>	<u>30/6/2005</u>
Amounts owed to JUMBO SA from JUMBO TRADING LTD	1.546.677	2.391.189
Amounts owed by JUMBO SA to JUMBO TRADING LTD	21.105	61.673
	<u>1.567.782</u>	<u>2.452.862</u>
Amounts owed to JUMBO SA by JUMBO EC.D LTD	4.157.076	-
Amounts owed by JUMBO SA to JUMBO EC.D LTD	-	-
	<u>4.157.076</u>	<u>-</u>

The above transactions and balances have been set off from the consolidated financial statements of the Group. Additionally the terms of the transactions with the above related parties are equal to the ones applicable for transactions on a purely trading basis (upon substantiation of terms). Further to the above disclosed transactions and balances as well as any other which is included to other notes which are imposed by other IASs, there are no other transactions with other related parties.

For the year 2005/2006 the Annual General Meeting of the shareholders which took place on 7/12/2005 unanimously pre-approved gross fees of € 480.130 for five (5) members of the Board of Directors which are not under an employment service contract with the Company amount which was finally paid. Gross fees paid to members of the Board of Directors of the Company in the year 2004/2005 amounted to 377.520 euro in total and were finally approved by the Annual General Meeting of the shareholders on 7./12/2005. The above fees have been included in administrative expenses in the profit and loss account for the year 2004/2005.

Other members of the B.O.D. and specifically the Commissioned Adviser the Vice President and legal adviser have an employment contract and they are paid salaries which are included in the Company's administrative expenses. Total salaries in the period 1/7/2005 – 31/3/2006 for the above persons amounted to € 212.163, with minimum salary € 6.620 and maximum salary € 7.320 compared to last periods amounts which were € 190.211.

Regarding the subsidiary Jumbo Trading Ltd the members of the B.O.D. which are under employment contracts with the company received for services rendered during the period

1/7/2005-30/6/2006 € 342.782 (i.e. CYP 196.791) while in the previous period received € 409.597 (CYP 234.711) which have been included in administrative expenses under profit and loss account 2004/2005

36. Proposal for the allocation of profits for the period 2005-2006

The proposal of the Board of Directors to the Annual General Meeting of the shareholders regarding the allocation of profits is the distribution of dividends out of the profits of the year 2005/2006 of amount € 13.941.992 which corresponds to € 0,23 per share (60.617.358 shares) as opposed to dividend of € 0,22 per share (50.514.465 shares) for the year 2004/2005. Regarding the process of payment of dividends it will be effected through a financial institution within the time limits prescribed by the law starting from the relevant decision of the Annual General Meeting of the shareholders.

37. Events subsequent to the balance sheet date

a) The second Repetitive Extraordinary General Meeting of shareholders of the Company dated 7/6/2006 decided the issue of bond loan convertible in common shares with right of vote, with preference rights of old shareholders of amount up to € 42.432.150,00 (henceforth the "Loan"). Furthermore, it permitted the Board of Directors of the Company to decide on the specific content of terms of the Loan, by completing according to its judgement, the basic terms that were decided by the General Meeting, with any relevant terms that seem suitable and by determining any specific issue or detail.

The specific minutes from this Annual General Meeting was registered to the Register of the Societe Anonyme of the Ministry of Development on 15/6/2006 and protocol number K2-8738. According to the provisions of law 3156/2003 and law 2190/1920, as it is in force, the terms of Loan were determined by the above decision of General Assembly of shareholders in combination with the decisions of the Board of Directors dated 31/7/2006 and 6/9/2006 of our Company (henceforth "Terms of Loan").

These terms are as follows: Nature of Bonds: registered, convertible into common registered shares of the issuer. Number of Bonds convertible in common shares: 4.243.215. Nominal value of Bonds: 10 Euros. Issue price of Bonds: 10 Euros per Bond. Proportion of participation of old shareholders in the issue: 1 bond per 0,07 common registered shares. Forecasted proceeds of issue: € 42.432.150,00. In case the Loan is not covered completely by the old shareholders or other third party investors, the issue will rise up to the amount of paid proceeds. Duration: 7 years. Interest-rate: 0,1% annually. Output in the expiry: 39,62%. Price of settlement of Bonds: 13,962 EUROS.

After the decision of the Board of Directors dated 31/7/2006 the following were settled: Price of Conversion: 9,52 EUROS. Conversion ratio: 1,050420168 common nominal votingshares, with nominal value 1,40 Euros each, per 1 convertible bond.

According to the decision of the Board of Directors dated 03.08.2006 the following were decided: a) Date of preference right 08.08.2006. Beneficiaries of preference rights are the Shareholders on 07.08.2006 b) The dates for trading in the Athens Stock Exchange of the preference rights from 17.08.2006 to 25.08.2006 c) the dates for exercising the preference rights from 17.08.2006 to 31.08.2006. From the date 08.08.2006 the starting price of the company's

share in the A.S.E. will be formulated according to the regulation of the Athens Stock Exchange.

The issue of the Convertible Bond Loan of the company, was originally covered by the beneficiaries (by exercising the preference rights) by 83,74% which correspond to 3.553.333 bonds, with the deposit of € 35.533.330 in the specific bank account for the purpose of the issue of the company. Furthermore according to the decision of the Board of Directors from 689.882 undisposed bonds, 6 old requesting shareholders received 6.595 bonds depositing € 65.950. The rest 683.287 undisposed bonds were delivered to bank "EFG Eurobank Ergasias A.E." which overtook the obligation to cover these bonds by depositing the amount of € 6.832.870 on 08.09.2006. The above mentioned Convertible Bond Loan was covered by 100% amounting to € 42.432.150 divided into 4.243.215 common nominal bonds, of nominal value € 10,00 each bond

According to the decision of the Board of Directors dated 6/9/2006 the date of commencement of the loan was settled on 8/9/2006 and the schedule of the loan was approved.

The extraordinary meeting of the Board of Directors dated on 8/9/2006 approved the payment of the total amount of € 42.432.150 of the Convertible Bond Loan. In case that the whole of 4.243.215 bonds of the Loan are converted in shares, 4.457.159 new common nominal shares of the company will be issued, of nominal value € 1,40 each, that will be added in the existing 60.617.358 shares of the company. The total share capital of the company after the increase will amount to € 91.104.323,26 and will be divided in 65.074.517 common nominal shares of nominal value € 1,40 each. The new 4.457.159 shares, will constitute 6,85% of the new total share capital of the company after the increase because of the conversion of all of the bonds into shares.

b) On 9 August 2006 a new subsidiary was established in Romania under the name of "JUMBO EC.R" as a limited company (srl) with order number in the commercial registry J40/12864/2006 and its registered office in Bucarest. The parent company possesses 100% of the shares and the voting rights

c) On 10/7/2006 the company purchased a plot of land of 3.070,49 sqm in the area of Oinofita

d) The Board of Directors of the company on 13/7/2006 decided the interruption of the activities of the store and warehouse in Glyfada.