

"PHILIPPOS NAKAS A.E. THE MUSIC HOUSE"
 Company's Register No. 3769/06/B/66/68
 19th km Leof. Lavriou Peania
 Data and information for the period 1 July 2006 - 31 December 2006

The following data and information aim to provide a general briefing for the financial position and the results of operations of "PHILIPPOS NAKAS AE" THE MUSIC HOUSE. Therefore, it is recommended, to any reader, before proceeding to any kind of investment decision or other transaction with the Company, to visit the Company's web site, at the address www.nakas.gr where are posted the Interim Financial Statements prepared according to the International Financial Reporting Standards accompanied with the Auditor's Report of the Certified Auditor Accountant where it is necessary.
 Internet address: www.nakas.gr. Date of approval of financial statements by the B.o.D.: 20 February 2007 Certified Public Accountant Auditor: Andreas M. Roussos Reg. No. SOEL 12131, Auditing Company: SOL A.E., Type of auditor's report: Agreeable.

DATA OF BALANCE SHEET (amounts in €)					DATA OF CASH FLOW STATEMENT				
	THE GROUP		THE COMPANY		THE GROUP		THE COMPANY		
	31/12/2006	30/6/2006	31/12/2006	30/6/2006	1/7-31/12/2006	1/7-31/12/2005	1/7-31/12/2006	1/7-31/12/2005	
ASSETS									
Non-current assets	11,818,633.86	11,560,929.32	11,874,324.31	11,676,611.80					
Inventories	11,726,141.34	10,633,367.70	11,398,610.89	10,278,746.64	Cash flow from Operating Activities	1,055,816.57	1,190,332.44	1,037,891.34	1,175,674.37
Trade receivables	9,639,605.36	7,728,103.52	10,205,231.52	8,158,573.54	Profit before taxes	466,129.97	474,514.39	455,946.96	462,381.87
Other non-current assets	590,213.45	572,710.38	576,085.22	630,503.52	Plus/Less adjustments for:	-2,402.16	-196,246.08	-2,402.16	-196,246.08
Cash & cash equivalents	1,076,950.71	771,747.30	891,875.15	675,433.22	Depreciation				
TOTAL ASSETS	34,851,544.72	31,266,858.22	34,946,727.09	31,419,868.72	Provisions				
					Results (income, expenses, profit and losses)	-20,475.15	-20,053.75	-20,475.15	-20,053.75
LIABILITIES					from investing activities	136,441.19	132,967.06	132,354.83	127,954.72
Non-current liabilities	1,456,115.29	1,458,004.23	1,474,318.44	1,478,117.62	Plus/Less adjustments of working capital				
Short-term bank borrowings	3,350,000.00	2,350,600.00	3,350,000.00	2,350,600.00	to net cash or related to				
Other current liabilities	8,797,377.03	6,074,301.78	8,690,640.79	6,008,973.77	operating activities:				
Total liabilities (a)	13,603,492.32	9,882,906.01	13,514,959.23	9,837,691.39	Decrease / (increase) of inventories	-1,092,773.64	203,987.74	-1,119,864.25	112,811.09
Share Capital (6,340,000 shares of 0.60 € each)	3,804,000.00	3,804,000.00	3,804,000.00	3,804,000.00	Decrease / (increase) of receivables	-1,974,476.50	-837,806.20	-2,030,651.38	-836,188.28
Other data of equity holders of the Company	17,444,052.40	17,579,952.21	17,627,767.86	17,779,177.33	Decrease / increase of payable account (except banks)	2,653,992.17	1,934,314.06	2,612,583.94	1,982,963.56
Total Net Equity Holders - Company	21,248,052.40	21,383,952.21	21,431,767.86	21,582,177.33	(Less):				
Minority interest	0.00	0.00	0.00	0.00	Interest paid and similar expenses	136,441.19	121,099.83	132,354.83	116,087.49
Total Net Equity Holders - Company (b)	21,248,052.40	21,383,952.21	21,431,767.86	21,582,177.33	Taxes paid	248,730.99	215,474.82	248,730.99	215,474.82
TOTAL LIABILITIES (a) + (b)	34,851,544.72	31,266,858.22	34,946,727.09	31,419,868.72	Total inflow / (outflow) from Operating activities (a)	836,810.27	2,545,435.01	684,028.31	2,477,735.19

INCOME STATEMENT FOR THE PERIOD (amounts in €)				
	THE GROUP			
	1/7-31/12/2006	1/10-31/12/2006	1/7-31/12/2005	1/10-31/12/2005
Sales revenue	17,192,552.58	10,745,909.89	16,919,990.70	10,850,769.27
Cost of goods sold	10,774,536.70	6,867,332.21	10,802,185.73	6,974,297.29
Gross profit	6,418,015.88	3,878,577.68	6,117,204.97	3,876,471.98
Earnings before taxes, financing and investing results (EBIT)	1,171,512.91	924,631.10	1,296,998.89	1,085,716.92
Earnings before taxes, financing and investing results and depreciation-amortisation (EBITDA)	1,637,642.88	1,154,901.39	1,771,513.28	1,328,399.53
Profit before taxes (EBT)	1,055,816.57	857,826.25	1,190,332.43	1,021,850.52
Less Taxes	302,611.05	242,132.78	380,503.26	326,429.79
Profit for the year after taxes	753,205.52	615,693.47	809,829.17	695,420.73
Attributable to:				
Equity holders of the Company	753,205.52	615,693.47	807,582.36	693,721.61
Minority interest (loss)	0.00	0.00	2,246.81	1,699.12
Earnings (after taxes) per share - basic (expressed in €)	0.12	0.10	0.13	0.11

	THE GROUP		THE COMPANY	
	1/7-31/12/2006	1/7-31/12/2005	1/7-31/12/2006	1/7-31/12/2005
Cash Flows from Financing Activities				
Income from issued / withdrawn loans	999,400.00	0.00	999,400.00	0.00
Repayment of borrowings	0.00	-1,350,000.00	0.00	-1,350,000.00
Repayments of finance lease obligations (instalments for paying off the debt)	-9,501.46	-14,556.66	-9,501.46	-14,556.66
Dividends paid	-874,232.52	-384,572.39	-874,232.52	-384,572.39
Net cash generated from Financing Activities (c)	115,666.02	-1,749,129.05	115,666.02	-1,749,129.05
Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c)	305,203.41	449,071.23	216,441.93	390,866.73
Cash and cash equivalents at beginning of year	771,747.30	551,230.11	675,433.22	493,163.89
Cash and cash equivalents at end of year	1,076,950.71	1,000,301.34	891,875.15	874,030.62

STATEMENT FOR CHANGES IN EQUITY FOR THE PERIOD				
	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Net equity of period Opening Balance (01/07/2006 and 1/7/2005 respectively)	21,383,952.21	21,934,456.26	21,582,177.33	21,986,527.94
Dividends paid	-887,600.00	-1,394,600.00	-887,600.00	-1,394,600.00
Net income recognized directly in equity	0.00	0.00	0.00	0.00
Exchange differences	-1,503.34	0.00	0.00	0.00
Profit/(Loss) for the year after taxes	753,205.53	809,829.17	737,190.53	795,476.16
Net equity of period Closing Balance (31/12/2006 and 31/12/2005 respectively)	21,248,054.40	21,349,685.43	21,431,767.86	21,387,404.10

	THE GROUP		THE COMPANY		
	31/12/2006	31/12/2005	31/12/2006	31/12/2005	
Net equity of period Opening Balance	21,383,952.21	21,934,456.26	21,582,177.33	21,986,527.94	a) Sales of goods and services b) Purchases of goods and services c) Receivables d) Payables e) Transactions and remuneration of managerial executives and members of the board. f) Receivables from managerial executives and members of the board. g) Liabilities towards managerial executives and members of the board.
Dividends paid	-887,600.00	-1,394,600.00	-887,600.00	-1,394,600.00	
Net income recognized directly in equity	0.00	0.00	0.00	0.00	
Exchange differences	-1,503.34	0.00	0.00	0.00	
Profit/(Loss) for the year after taxes	753,205.53	809,829.17	737,190.53	795,476.16	
Net equity of period Closing Balance (31/12/2006 and 31/12/2005 respectively)	21,248,054.40	21,349,685.43	21,431,767.86	21,387,404.10	

PEANIA, 28 FEBRUARY 2007

THE PRESIDENT OF THE B.o.D.	THE VICE-PRESIDENT OF THE B.o.D.	THE FINANCIAL MANAGER
KONSTANTINOS PH. NAKAS	GEORGE PH. NAKAS	STYLIANOS D. VASILAKIS

- ADDITIONAL RECORDS AND INFORMATION**
1. In the consolidated items is included the parent company and the following subsidiary company, which was consolidated with the full consolidation method.
- | | Registered Office | % Participation | Type of Consolidation | Un audited Tax years |
|--------------------------------------------------|-------------------|-----------------|-----------------------|----------------------|
| 1.1. PHILIPPOS NAKAS AE THE MUSIC HOUSE (parent) | Attica | 0.00% | direct | one |
| 1.2. NAKAS MUSIC CYPRUS LTD | Cyprus | 100.00% | direct | Un audited |
2. The company has been audited by the tax authorities until 30.6.2005.
3. The basic Accounting Policies have been followed as for the Balance Sheet at 30.6.2006. The Group companies apply the IFRS since 1 July 2005.
4. On the assets of the enterprises included in the consolidation, there are no registered mortgages and pre-notices of mortgages.
5. Against the Company there are no disputed or under arbitration cases of national or administrative courts that may have a material effect on its financial position.
6. The number of personnel employed at the end of the current period: Group: 434 Company: 429
7. Cumulative income from sales and purchases from the beginning of the period and the balances of the receivables and liabilities at the end of the current period that have resulted from transactions with related parties as per IAS 24 are:
- | | (amounts in €) | |
|-------------------------------------------------------------------------------------|----------------|------------|
| | Group | Company |
| a) Sales of goods and services | 0.00 | 234,121.18 |
| b) Purchases of goods and services | 0.00 | 718,845.36 |
| c) Receivables | 0.00 | 398,410.55 |
| d) Payables | 0.00 | 0.00 |
| e) Transactions and remuneration of managerial executives and members of the board. | 0.00 | 0.00 |
| f) Receivables from managerial executives and members of the board. | 0.00 | 0.00 |
| g) Liabilities towards managerial executives and members of the board. | 0.00 | 0.00 |
8. The investments of the Group for the period 01.07.2006-31.12.2006 are € 680,032.94
9. The earnings per share of the parent company were calculated based on the total number of its shares.