

"PHILIPPOS NAKAS A.E. THE MUSIC HOUSE

Companies Register No. 3769/06/B/86/68
19th kil. Leof. Lavriou - Peania

Data and information for the period 1st July 2005 to 31 March 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.

GENERAL INFORMATION ABOUT THE COMPANY					DATA OF CASH FLOW STATEMENT			
Company name : "PHILIPPOS NAKAS AE" THE MUSIC HOUSE Registered office : PEANIA Date of establishment : 8/9/1980 Company duration : 60 YEARS Main activity : TRADING OF MUSICAL INSTRUMENTS & MUSIC EDUCATION Company's Register no. : 3769/06/B/86/68 Supervisory authority : Societes Anonymes of the Ministry of Development Tax Authorities no. : 094079082 / TAX OFFICE.: FAEAE ATHENS Board of Directors : Executive Members : KONSTANTINOS PH. NAKAS GEORGE PH. NAKAS ANDREAS TH. TSITAKIS STYLIANOS D. VASILAKIS Independent non-executive members : DIMITRIOS PAPATHEODOROPoulos SPYROS BARBATOS NIKOLAOS HADJIGEORGIOU Closing date of current year : 30 June 2006 Duration of year : 12 months Type of financial statements (from which the data have been extracted) : Interim 9 month Date of approval of Financial Statements (from which the data have been extracted) : 25/5/2006 Certified Public Accountant Auditor : SOL AEOE ROUSSOS ANDREAS Auditor's report : not required Web site address : www.nakas.gr	THE GROUP THE COMPANY 1/7-31/3/2006 1/7-31/3/2005 1/7-31/3/2006 1/7-31/3/2005							
Cash flows from Operating Activities								
Net profit before taxes					2.237.626,65	3.088.387,51	2.235.021,98	3.135.068,52
Plus/less adjustments for:								
Depreciation					772.675,04	796.357,96	754.279,22	796.357,96
Provisions					-196.246,08	35.157,97	-196.246,08	35.157,97
Results (income, expenses, profit and losses) from investing activities					-292.304,38	-187.744,98	-299.521,55	-195.675,75
Interest and similar expenses					183.526,65	179.683,42	176.790,02	173.602,08
Plus/Less adjustments of working capital to net cash or related to operating activities:								
Increase of inventories					266.017,09	-576.789,71	147.202,80	521.608,36
Decrease of receivables					-852.712,18	-1.271.254,48	-1.263.134,28	-1.235.369,67
Decrease of payable account (except banks)					1.324.012,27	556.504,23	1.838.852,31	-932.570,09
(Less):								
Interest paid and similar expenses					-183.526,65	-179.683,42	-176.790,02	-173.602,08
Taxes paid					-512.492,27	-921.265,94	-512.492,27	-551.166,50
Total inflow / (outflow) from Operating activities (a)					2.746.576,14	1.519.352,56	2.703.962,13	1.573.410,80
Cash flows from Investing Activities								
Purchases of PPE and intangible assets					-562.895,28	-492.308,00	-562.895,28	-492.308,00
Proceeds from sale of PPE and intangible assets					25.067,02	66.250,80	25.067,02	66.250,80
Interest received					62.379,98	39.974,00	62.379,98	39.960,56
Total inflow / (outflow) from investing activities (b)					-475.448,28	-386.083,20	-475.448,28	-386.096,64
Χρηματοδοτικές δραστηριότητες								
Repayment of borrowings					-450.600,00	148.781,17	-450.600,00	148.781,17
Repayments of finance lease obligations					-14.556,66	-12.344,59	-14.556,66	-12.344,59
Dividends paid					-1.399.307,40	-1.238.510,83	-1.399.307,40	-1.238.510,83
Total inflow / (outflow) from financing activities (c)					-1.864.464,06	-1.102.074,25	-1.864.464,06	-1.102.074,25
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)					406.663,80	31.195,11	364.049,79	85.239,91
Cash and cash equivalents at beginning of period					551.230,11	882.736,83	493.163,89	810.823,28
Cash and cash equivalents at end of period					957.893,91	913.931,94	857.213,68	896.063,19
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD					THE GROUP		THE COMPANY	
					31/3/2006	31/3/2005	31/3/2006	31/3/2005
Net equity of period Opening Balance (01/07/2005 and 1/7/2004 respectively)					21.934.456,26	22.607.462,26	21.986.527,94	22.622.808,43
Dividends					-1.394.600,00	-2.028.600,00	-1.394.600,00	-2.028.600,00
Net income recognized directly in equity					-1.005,81	-18.075,50	-2.689,83	29.823,78
Profit / (loss) for the period after taxes					1.512.937,75	1.946.536,78	1.509.541,66	1.990.330,14
Net equity of period Closing Balance (31/03/2006 and 31/03/2005 respectively)					22.051.788,20	22.507.323,54	22.098.779,77	22.614.362,35
TABLE OF ADJUSTMENTS OF PERIOD OPENING NET EQUITY					THE GROUP		THE COMPANY	
					30.06.2005	31.03.2005	30.06.2004	30.06.2004
Total Shareholders' equity as previously shown according to the Greek Accounting Standards (a)					18.237.641,89	21.098.060,14	18.365.968,80	18.365.968,80
Effect due to the transfer of dividends and other fees in the period at the time of approval of financial statements					1.394.600,00	0,00	2.028.600,00	2.028.600,00
Effect due to measurement of PPE at fair value					3.792.369,40	3.741.130,02	3.692.005,68	3.692.005,68
Effect due to the write off of intangible assets, which are not recognised in IFRS					-29.459,42	-38.745,18	-66.602,44	-66.602,44
Effect due to write off of ATHEX listing expenses					-4.636,14	-44.938,14	-168.741,24	-168.741,24
Recognition of deferred tax					-868.866,67	-879.365,58	-814.602,81	-814.602,81
Recognition of retirement benefits					-616.627,05	-600.422,15	-599.562,07	-599.562,07
Effect due to revaluation of depreciation of intangible assets					499.323,24	479.195,41	413.365,60	413.365,60
Effect due to accounting for of Leasing contracts					22.311,18	18.705,40	8.072,97	8.072,97
Effect due to adjustment of receivables					-64.236,27	28.627,63	-105.363,79	-105.363,79
Effect due to set up of provisions					-254.000,00	-88.000,00	-82.000,00	-82.000,00
Effect due to reversal of provisions for exchange differences					9.915,16	4.441,34	7.636,16	7.636,16
Reversal of revaluation reserve L. 2065/92					-140.658,14	-140.658,14	0,00	0,00
Other adjustments					0,00	4.512,74	4.512,74	4.512,74
Effect due to correct accounting for of expenses and taxes					-43.220,94	-1.106.716,22	-35.000,00	-35.000,00
Effect to write off of intercompany profits					0,00	25.497,27	-40.827,34	-40.827,34
Total adjustments (b)					3.696.814,35	1.409.263,40	4.241.493,46	4.241.493,46
Invested Capital IFRS (a + b)					21.934.456,24	22.507.323,54	22.607.462,26	22.607.462,26
					THE GROUP		THE COMPANY	
					30.06.2005	31.03.2005	30.06.2004	30.06.2004
Total Shareholders' equity as previously shown according to the Greek Accounting Standards (a)					18.524.208,95	21.381.602,99	18.319.390,72	18.319.390,72
Effect due to the transfer of dividends and other fees in the period at the time of approval of financial statements					1.394.600,00	0,00	2.028.600,00	2.028.600,00
Effect due to measurement of PPE at fair value					3.792.369,40	3.741.130,02	3.692.005,68	3.692.005,68
Effect due to the write off of intangible assets, which are not recognised in IFRS					-29.459,42	-38.745,18	-66.602,44	-66.602,44
Effect due to write off of ATHEX listing expenses					-4.636,14	-44.938,14	-168.741,24	-168.741,24
Recognition of deferred tax					-890.439,95	-900.301,82	-832.620,98	-832.620,98
Recognition of retirement benefits					-611.627,05	-595.422,15	-594.562,07	-594.562,07
Effect due to revaluation of depreciation of intangible assets					499.323,24	479.195,11	413.365,60	413.365,60
Effect due to accounting for of Leasing contracts					22.311,18	18.705,40	8.072,97	8.072,97
Effect due to adjustment of receivables					-64.236,27	103.556,40	138.751,29	138.751,29
Effect due to set up of provisions					-254.000,00	-82.000,00	-82.000,00	-82.000,00
Effect due to reversal of provisions for exchange differences					1.993,07	4.441,34	7.636,16	7.636,16
Reversal of revaluation reserve L. 2065/92					-140.658,14	-140.658,14	0,00	0,00
Other adjustments					0,00	4.512,74	4.512,74	4.512,74
Effect due to correct accounting for of expenses and taxes					-43.220,94	-1.106.716,22	-35.000,00	-35.000,00
Effect to write off of intercompany profits					-210.000,00	-210.000,00	-210.000,00	-210.000,00
Total adjustments (b)					3.462.318,98	1.232.759,36	4.303.417,71	4.303.417,71
Invested Capital IFRS (a + b)					21.986.527,93	22.614.362,35	22.622.808,43	22.622.808,43
PEANIA, 24 MAY 2006								
THE CHAIRMAN					THE VICE CHAIRMAN		THE FINANCIAL SERVICES MANAGER	
OF THE BOARD OF DIRECTORS					OF THE BOARD OF DIRECTORS		OF THE BOARD OF DIRECTORS	
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)	Attika	0,00%	direct	none
1.2. NAKAS MUSIC CYPRUS LTD	Cyprus	82,80%	direct	-
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 30.6.2005. The Group companies apply the IFRS from 1 July 2005.				
4. On the assets of the enterprises included in the consolidation, there are no registered mortgages and pre-notice 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: 439 Company: 433				
7. The amounts of Sales of the Parent Company, the above subsidiary accumulated from the opening balance of the year amount to €253.920,37. The amounts of receivables of the Parent Company from the above subsidiary at the end of the period amount to € 562.895,28.				
8. The investments of the group for the period 1.7-31.03.2006 amount to € 562.895,28.				
9. The earnings per share of the parent company were calculated based on the total number of its shares.				
10. Breakdown of sales of parent company according to STAKOD 91:				
514.9 Wholesale trade of household items and musical instruments			12.534.419,16	
524.5 Retail trade of household items and musical instruments			10.087.300,34	
804.4 Musical and artistic education			1.833.373,01	
323.0 Services for repair of television and radio receptors, appliances of recording or reproduction of sound & picture & similar parts and appliances			78.240,79	
			<u>24.533.333,30</u>	