

"PHILIPPOS NAKAS AE" THE MUSIC HOUSE

Companies Register No. 3769/06/B/86/68

19th Kil. Leof. Lavriou - Paiania

Data and Information for the year from 1 July 2005 to 30 June 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			
		THE GROUP		THE COMPANY	
		1/7-30/06/2006	1/7-30/06/2005	1/7-30/06/2006	1/7-30/06/2005
Company Name	: "PHILIPPOS NAKAS AE" THE MUSIC HOUSE	Cash flows from Operating Activities			
Registered Office	: PAIANIA	Net Profit before taxes			
Date of Establishment	: 8/9/1980	1,513,973.34			
Company Duration	: 60 YEARS	2,378,337.55			
Main Activity	: TRADING OF MUSICAL INSTRUMENTS & MUSIC EDUCATION	1,616,098.43			
Companies Register No.	: 3769/06/B/86/68	2,424,615.35			
Supervisory Authority	: Societies Anonymes of the Ministry of Development	Plus/Less adjustments for:			
Tax Authorities No.	: 094079082 / D.O.Y. : FAEAE ATHENS	Depreciation and Amortisation			
Board of Directors		208,412.98			
Executive Members	: KONSTANTINOS PH. NAKAS	Provisions			
	: GEORGE PH. NAKAS	Results (income, expenses, profit and losses)			
	: ANDREAS TH. TSITAKIS	from investing activities			
	: STYLIANOS D. VASILAKIS	Interest and similar expenses			
	: DIMITRIS PAPANATHANASSIOPOULOS	226,321.68			
	: SPYROS BARBATOS	Plus/Less adjustments of working capital			
	: NIKOLAOS CHATZIGEORGIOY	to net cash or related to			
Closing date of current year	: 30 June 2006	operating activities:			
Duration of year	: 12 months	Increase of inventories			
Type of Financial Statements	: ANNUAL	Decrease of receivables			
(from which the data has been extracted)		Decrease of payable accounts (except Banks)			
Date of approval of Financial Statements	: 29/9/2006	(Less):			
(from which the data has been extracted)		Interest paid and similar expenses			
Auditing Company	: ASSOCIATED CERTIFIED PUBLIC ACCOUNTANTS - SOL S.A.	Income Tax paid			
Certified Public Accountant Auditor	: ANDREAS ROUSSOS	-856,993.60			
Type of Auditor's Report	: Agreeable	Net cash generated from Operating			
Web site address	: www.nakas.gr	Activities (a)			
		2,528,909.75			
		Cash Flows from Investing Activities			
		Acquisition of subsidiary			
		0.00			
		Purchases of PPE and			
		intangible assets			
		-388,946.07			
		Proceeds from sale of PPE and intangible assets			
		145,520.57			
		Interest received			
		15,213.83			
		Net cash generated from Investing			
		Activities (b)			
		-228,211.67			
		Cash Flows from Financing Activities			
		Repayment of borrowings			
		-450,000.00			
		Repayments of finance lease obligations			
		(instalments for paying off the debt)			
		-29,532.92			
		Paid rentals			
		-1,600,647.97			
		Net cash generated from Financing			
		Activities (c)			
		-2,080,180.89			
		Net increase/(decrease) in cash and			
		cash equivalents (a) + (b) + (c)			
		220,517.19			
		Cash and cash equivalents at beginning of year			
		551,230.11			
		Cash and cash equivalents at end of year			
		771,747.30			
		STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD			
		THE GROUP		THE COMPANY	
		30/6/2006	30/6/2005	30/6/2006	30/6/2005
		Net equity of period Opening Balance			
		21,934,456.26			
		Profit/(Loss) for the year after taxes			
		22,626,120.67			
		Dividends distributed			
		-1,394,600.00			
		Net income recognised directly in equity			
		-47,568.46			
		Net equity of period Closing Balance			
		21,363,952.21			
		THE GROUP		THE COMPANY	
		30.06.2005	30.06.2004	30.06.2005	30.06.2004
		Total Shareholders' equity as previously shown			
		according to the Greek Accounting Standards (a)			
		18,237,641.89			
		Effect due to the transfer of dividends and other fees in the year			
		at the time of approval of financial statements			
		1,394,600.00			
		Effect due to measurement			
		of PPE at fair value			
		3,792,369.40			
		Effect due to the write off of intangible assets,			
		which are not recognised in IFRS			
		-29,459.42			
		Effect due to write off of ATHEX listing expenses			
		-4,636.14			
		Recognition of deferred tax			
		-868,866.67			
		Recognition of retirement benefits			
		-616,627.05			
		Effect due to revaluation of depreciation			
		of intangible assets			
		499,323.24			
		Effect due to accounting for of Leasing contracts			
		22,311.18			
		Effect due to adjustment of receivables			
		-64,236.27			
		Effect due to set up of provisions			
		-254,000.00			
		Effect due to reversal of provisions			
		for exchange differences			
		9,915.16			
		Reversal of revaluation reserve L. 2065/92			
		-140,658.14			
		Other adjustments			
		0.00			
		Effect due to correct accounting for of expenses and taxes			
		-43,220.94			
		Effect to write off of intercompany profits			
		-40,827.34			
		Total adjustments (b)			
		3,696,814.35			
		Invested Capital IFRS (a + b)			
		21,934,456.24			
		PAIANIA, 29 SEPTEMBER 2006			
		THE CHAIRMAN			
		OF THE BOARD OF DIRECTORS			
		THE VICE CHAIRMAN			
		OF THE BOARD OF DIRECTORS			
		THE FINANCIAL SERVICES MANAGER			
		KONSTANTINOS PH. NAKAS			
		ID. No. Φ 018184			
		GEORGE PH. NAKAS			
		ID. No. Σ 026740			
		STYLIANOS D. VASILAKIS			
		ID. No. Α 129784			

INCOME STATEMENT FOR THE YEAR

	THE GROUP		THE COMPANY	
	1/7-30/06/2006	1/7-30/06/2005	1/7-30/06/2006	1/7-30/06/2005
Sales Revenue	31,353,155.96	31,276,080.82	30,936,388.90	30,879,514.82
Cost of goods sold	20,198,110.34	19,847,966.40	20,022,389.65	19,702,949.85
Gross profit	11,155,045.62	11,428,114.42	10,913,999.25	11,176,564.97
Earnings before taxes, financing and investing results (EBIT)	1,734,508.29	2,587,732.19	1,766,862.12	2,626,517.75
Earnings before taxes, financing and investing results and depreciation-amortisation (EBITDA)	2,484,233.57	3,328,645.40	2,572,193.55	3,403,442.98
Profit before taxes (EBT)	1,513,973.34	2,378,337.55	1,616,098.43	2,424,615.35
Less Taxes	622,308.93	1,028,740.72	625,849.03	1,032,295.84
Profit for the year after taxes	891,664.41	1,349,596.83	990,249.40	1,392,319.51
Equity holders of the Company	906,794.34	1,355,110.69	990,249.40	1,392,319.51
Minority interest (loss)	15,129.93	5,513.86	0.00	0.00
Earnings (after taxes) per share - basic (expressed in €)	0.14	0.21	0.16	0.22
Proposed dividends per share	0.14	0.19	0.14	0.19

ADDITIONAL RECORDS AND INFORMATION

- 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	One (1)
1.2. NAKAS MUSIC CYPRUS LTD	Cyprus	100,00%	direct	-
- The company has been audited by the tax authorities until 30.6.2005.
- 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.
- On the assets of the enterprises included in the consolidation, there are no registered mortgages and pre-notice of mortgages.
- 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.
- The number of personnel employed at the end of the current year: Group: 430 Companies: 425.
- The amounts of Sales of the Parent Company, the above subsidiary accumulated from the opening balance of the year come up to the amount of € 310,556.93. The amounts of receivables of the Parent Company from the above subsidiary at the end of the year amount to € 550,409.08.
- The investments of the group for the year 1.7.2005-30.6.2006 amounted to € 555,576.78
- The earnings per share of the parent company were calculated based on the total number of its shares.
- Breakdown of sales of parent company according to STAKOD 91:

514.9 Wholesale trade of household items and musical instruments	16,123,107.56
524.5 Retail trade of household items and musical instruments	12,431,069.72
804.4 Musical and artistic education	2,278,719.95
323.0 Services for repair of television and radio receptors, appliances of recording or reproduction of sound & picture & similar parts and appliances	103,491.67
	30,936,388.90