

**PRESS RELEASE**  
**of July 31st, 2008**

**Financial Results of the F.G. EUROPE S.A. Group for the six-month period ended June 30, 2008**

- **New significant increase in profitability noted.**
- **Increase in revenues from sales of durable consumer goods.**

During the first semester of the fiscal year 2008 (1/1/2008-30/6/2008) F.G. EUROPE S.A. posted a record-high spectacular figure in sales of durable consumer goods that reached a total of €77.02 million against €61.58 million respectively for the relevant period of 2007, an increase of 25%. This can primarily be attributed to the increase noted in sales of air-conditioners.

The aforementioned increase in sales of durable consumer goods positively affected the Company's earnings before tax, which rose to €18.14 million against €10.54 million for the relevant period of 2007, posting an increase of 72.11%.

Earnings after tax posted an increase of 84.53%, and rose to €13.60 million against €7.37 for the respective period of 2007.

Earnings before interest, tax, depreciation and amortization (EBITDA), reached €18.74 million against €11.45 million for the respective period of 2007, posting an increase of 63.70% and consequently affecting EBITDA index to 21.33% against 13.63% for the respective period of 2007.

(Amounts in € thousands)	<b>Consolidated</b>			<b>Company</b>		
	<b>1/1-30/6/2008</b>	<b>1/1-30/6/2007</b>	<b>Δ%</b>	<b>1/1-30/6/2008</b>	<b>1/1-30/6/2007</b>	<b>Δ%</b>
Sales	88,573	84,372	4.98%	87,870	83,999	4.61%
Less: Cost of sold	(60,307)	(65,199)	-7.50%	(60,135)	(65,115)	-7.65%
<b>Gross Profit</b>	<b>28,266</b>	<b>19,173</b>	<b>47.43%</b>	<b>27,735</b>	<b>18,884</b>	<b>46.87%</b>
<b>Gross Profit Margin</b>	<b>31.91%</b>	<b>22.72%</b>	<b>40.45%</b>	<b>31.56%</b>	<b>22.48%</b>	<b>40.39%</b>
General Expenses	(11,701)	(9,000)	30.00%	(10,993)	(8,636)	27.29%
<b>Operating Profit</b>	<b>17,031</b>	<b>11,135</b>	<b>52.95%</b>	<b>17,171</b>	<b>11,195</b>	<b>53.38%</b>
<b>EBITDA</b>	<b>19,041</b>	<b>11,454</b>	<b>66.24%</b>	<b>18,744</b>	<b>11,450</b>	<b>63.70%</b>
EBITDA margin	21.50%	13.58%	58.32%	21.33%	13.63%	56.49%
Financial cost, net	(348)	(926)	-62.42%	966	(884)	-209.28%
<b>Earnings before taxes</b>	<b>16,683</b>	<b>10,209</b>	<b>63.41%</b>	<b>18,137</b>	<b>10,539</b>	<b>72.10%</b>
Less: Income tax	(4,351)	(3,139)	38.61%	(4,534)	(3,170)	43.03%
<b>Net profit for the period</b>	<b>12,332</b>	<b>7,070</b>	<b>74.43%</b>	<b>13,603</b>	<b>7,369</b>	<b>84.59%</b>
<b>Attributable as follows:</b>						
Parent Company	12,744	7,135	78.61%			
Minority Interest	(412)	(65)				
<b>Earnings per share</b>	<b>0.2414</b>	<b>0.1351</b>	<b>78.68%</b>	<b>0.2576</b>	<b>0.1396</b>	<b>84.53%</b>

**More specifically, at parent company level:**

Total sales for the first semester of 2008 rose to €87.87 million against sales of €84.00 million for the relevant period of 2007, posting an increase of 4.61%.

Sales in the air-conditioners market segment for the first semester of 2008 increased by 34% and rose to €69.31 million against €51.77 million for the respective period of 2007. A significant increase was noted in air-conditioners sales for the domestic market, which rose to €47.40 million, against €31.55 million for the relevant period of 2007, posting an increase of 51%. It should be noted that this should be taken as a major fact, as it further strengthens and clearly highlights the Company's already established leading position in the market. Exports of air-conditioners in foreign markets, where the Company is currently active, reached €21.91 million, as opposed to €20.42 million for the respective period of 2007, posting an increase of 7%.

Sales of ESKIMO and SHARP white electrical home appliances amounted to €4.29 million, against €5.46 million for the relevant period of 2007, posting a decrease of 21%.

Sales of SHARP Consumer Electronics products also posted a decrease of 21% against the relevant period of 2007, amounting to €3.42 million against €4.35 million for 2007.

Within the framework of the Company's implemented policy of gradual withdrawal from the low-profit margin mobile telephony market, sales of mobile telephony products decreased by 52%, amounting to €10.85 million against €22.42 million for the relevant period of 2007.

**Consolidated group figures:**

Total sales for the Group amounted for the period ended June 30, 2008 to €88.57 million against €84.37 million for the respective period of 2007, posting an increase of 4.98%.

Gross profits are increased by 47.43% for the relevant period, amounting to €28.27 million, against €19.17 for the first semester of 2007. This significant increase in gross profit can mainly be attributed to: a) the change in the sales mix, as a result of the 25% increase in sales of durable consumer goods for the Company, which counterbalanced the decrease in sales of mobile telephony products and b) the decrease in the cost of goods sold. Gross profit margin closed at 31.91% against 22.72% for the relevant period of 2007.

Earnings before interest, tax, depreciation and amortization, as a percentage of sales, reached 21.50% against 13.58% for the relevant period of 2007, posting an increase of €7.59 million, or 66.24%.

Administrative, distribution and other expenses rose to a total of €11.70 for the period in question, against €9.00 million for the relevant period of 2007, posting an increase of €2.70 million or 30%. An increase of 27.57% noted in distribution expenses, pertaining mainly to the operations of the parent company, can mainly be attributed to: a) Increased logistics costs, due to the increase in sales of durable consumer products, b) Increased transportation costs, due to the constant increase of the price of oil, c) Increased by 40% approximately cost of promotion and advertising activities, due to the cost of the corporate communication campaign and product advertising campaign executed, which lasted for a significant period of time through various media outlets, and resulted in added expenses of a total of €2.38 million.

Net financial result was decreased by 62.36% reaching a total of €0.35 million, against €0.93 million for the relevant period of 2007. Positive (credit) exchange rate differences, as well as other financial revenues reaching a total of €2.50 million for the six-month period ended June 30, 2008 against a total of financial expenses of € 2.85 million for the relevant period of 2007 counted towards shaping of the net financial result.



Total liabilities for the Group posted an increase of 40.67%, amounting for the first semester of 2008 to € 142.58 million, against €101.36 million for the relevant period of 2007. Increase in liabilities was mainly a result of : a) the increase in short-term and long-term debt obligations, due to additional financing needed for the increase in sales of durable consumer goods (which respectively resulted in increased obligations by 31.41%), b) the increase of obligations towards vendors (due to the increase by 41.89% of stock in order to satisfy increased demand, mainly for air-conditioning products), and c) the need to finance development of R.F. ENERGY S.A. subsidiary companies, operating in the energy sector.

**Net earnings before tax posted an increase of 63.41%, amounting to €16.68 million for the first semester of 2008, as opposed to €10.21 million for the relevant period of 2007, thus forming the EBT/Sales ratio to 18.84% against 12.10% for the relevant period of 2007.**

**Net earnings after tax and minority interests amounted for the six-month period ended in June 30, 2008 to € 12.33 million, against €7.07 million for the respective period of 2007, posting an increase of 74.43%.**

Finally, Management estimates, taking also into consideration figures from up-to-date sales, that the Company will achieve sales, in absolute figures, for the remaining period of 2008, which will be approximate to those achieved for the relevant period of 2007, and thus respectively affecting positively financial results and profitability for the Group.

Financial Statements for the six-month period ended June 30, 2008 are accessible for the investment community on the Company's website (URL: <http://www.fgeurope.gr>) under the section "Investors Relations".

For further information please contact the Investors Relations Department of F.G. Europe S.A., 128, Vouliagmenis Avenue, Glyfada – 166 74, Tel. +30 210 9696500, Fax +30 210 9603802, email [ir@fgeurope.gr](mailto:ir@fgeurope.gr).