

The financial information listed below is aiming to provide a general awareness about the financial results of FG EUROPE S.A. and its Group. Consequently, it is recommended to the reader, before any investment decision or transaction performed with the Company, to visit the website of the Company where the interim financial statements prepared in accordance with International Financial Reporting Standards (IFRS) are available together with the auditors review report if required.

The Financial Statements have been approved by the Board of Directors on July 30, 2007.

Auditors : Panagiotis Pappakonstantinou (SOEL Reg. No 16651) - Panagiotis Vroustouris (SOEL Reg. No. 12921)

Audit Company: SOL, S.A. - Certified Auditors

Type of Audit Report: Unqualified audit report - Matters of emphasis

Company's website address: [http:// www.fgeurope.gr](http://www.fgeurope.gr)

**BALANCE SHEET (all amounts in Euro thousands)**

	CONSOLIDATED		COMPANY	
	30.6.2007	31.12.2006	30.6.2007	31.12.2006
<b>ASSETS</b>				
Non-current assets	13.127	4.913	9.122	6.542
Inventories	33.690	36.647	33.669	36.632
Receivables	74.876	46.494	74.418	46.220
Other current assets	6.710	15.197	1.565	6.249
<b>TOTAL ASSETS</b>	<b>128.403</b>	<b>103.251</b>	<b>118.774</b>	<b>95.643</b>
<b>LIABILITIES</b>				
Long term liabilities	13.032	16.965	12.021	15.946
Short term liabilities to Banks	38.403	34.771	37.948	34.468
Other short term liabilities	39.869	21.523	39.368	21.152
<b>Total liabilities (a)</b>	<b>91.304</b>	<b>73.259</b>	<b>89.337</b>	<b>71.566</b>
Share Capital	16.374	16.374	16.374	16.374
Other elements of shareholders' equity	12.609	7.498	13.063	7.703
<b>Total Shareholders' equity attributable to shareholders of parent company (b)</b>	<b>28.983</b>	<b>23.872</b>	<b>29.437</b>	<b>24.077</b>
Minority interest (c)	8.116	6.120	-	-
<b>Total shareholders equity (d)=(b)+(c)</b>	<b>37.099</b>	<b>29.992</b>	<b>29.437</b>	<b>24.077</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY (e)=(a)+(d)</b>	<b>128.403</b>	<b>103.251</b>	<b>118.774</b>	<b>95.643</b>

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (all amounts in Euro thousands)**

	CONSOLIDATED		COMPANY	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
Shareholders equity at beginning of the period (January 1, 2007 and 2006 respectively)	29.992	21.290	24.077	20.813
Net profit after taxes	7.070	2.157	7.369	1.756
	<b>37.062</b>	<b>23.447</b>	<b>31.446</b>	<b>22.569</b>
Share capital increase	3.091	1.445	-	1.445
Dividend distribution	(2.297)	(19)	(2.112)	-
Income recognized directly in shareholders' equity	(757)	(2)	103	(2)
Purchase of treasury shares	-	(1.390)	-	(1.390)
<b>Shareholders equity at the end of the period (June 30, 2007 and 2006 respectively)</b>	<b>37.099</b>	<b>23.481</b>	<b>29.437</b>	<b>22.622</b>

**CASH FLOW STATEMENT (all amounts in Euro thousands)**

	CONSOLIDATED		COMPANY	
	1.1-30.6.2007	1.1-30.6.2006	1.1-30.6.2007	1.1-30.6.2006
<b>Operating Activities</b>				
Earnings before taxes	10.209	3.168	10.539	2.611
Add / (less) adjustments for:				
Depreciation and amortization	144	127	67	56
Provisions	357	56	234	358
Government grants recognized in income	(18)	(15)	(5)	-
Exchange rate differences	(193)	(582)	(193)	(582)
Result of investment activity	(352)	(635)	(580)	(635)
Interest and similar expenses	1.695	1.618	1.664	1.594
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	2.957	(14.527)	2.963	(14.618)
Increase / (decrease) in receivables	(28.808)	(388)	(28.558)	(399)
(Decrease) / increase in liabilities (other than banks)	15.580	30.406	15.596	30.253
Less:				
Interest and similar expenses paid	(992)	(1.599)	(961)	(1.332)
Taxes paid	(589)	(54)	(585)	-
<b>Total inflow / (outflow) from operating activities (a)</b>	<b>(10)</b>	<b>17.575</b>	<b>181</b>	<b>17.306</b>
<b>Investing Activities</b>				
Acquisition of subsidiaries and other investments	(1.352)	-	(2.114)	(350)
Proceeds from sale of available for sale financial assets	23	-	23	-
Purchase of PPE and intangible assets	(7.367)	(195)	(204)	(129)
Proceeds from the sale of property and equipment	21	-	21	-
Interest income	352	635	352	635
Proceeds from Government grants	-	(21)	-	-
Proceeds from dividends	-	-	228	-
<b>Total inflow / (outflow) from investing activities (b)</b>	<b>(8.323)</b>	<b>419</b>	<b>(1.694)</b>	<b>156</b>
<b>Financing Activities</b>				
Proceeds from capital increase	3.050	-	-	-
Purchase of treasury shares	-	(1.390)	-	(1.390)
Borrowings from banks	(764)	(11.307)	(916)	(11.044)
Payments of borrowings	-	-	-	-
Dividends paid	(2.440)	(19)	(2.255)	-
<b>Total inflow / (outflow) from financing activities (c)</b>	<b>(154)</b>	<b>(12.716)</b>	<b>(3.171)</b>	<b>(12.434)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>	<b>(8.487)</b>	<b>5.278</b>	<b>(4.684)</b>	<b>5.028</b>
<b>Cash equivalents at beginning of the period</b>	<b>15.197</b>	<b>3.824</b>	<b>6.249</b>	<b>3.760</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>6.710</b>	<b>9.102</b>	<b>1.565</b>	<b>8.788</b>

**INCOME STATEMENT (all amounts in Euro thousands)**

	CONSOLIDATED				COMPANY			
	1.1-30.6.07	1.1-30.6.06	1.4-30.6.07	1.4-30.6.06	1.1-30.6.07	1.1-30.6.06	1.4-30.6.07	1.4-30.6.06
Revenues	84.372	79.593	54.707	47.002	83.999	78.897	54.459	46.727
Gross profit	19.173	10.047	14.360	7.254	18.884	9.728	14.146	6.603
Earnings before interest, depreciation, amortization and taxes	11.279	3.700	9.559	2.413	11.262	3.326	9.398	2.392
Earnings before interest and taxes	11.135	3.573	9.480	2.348	11.195	3.270	9.365	2.363
Earnings before taxes	10.209	3.168	9.059	2.375	10.539	2.611	9.305	2.143
Less: taxes	(3.139)	(1.011)	(2.291)	(749)	(3.170)	(855)	(2.294)	(707)
<b>Earnings after taxes</b>	<b>7.070</b>	<b>2.157</b>	<b>6.768</b>	<b>1.626</b>	<b>7.369</b>	<b>1.756</b>	<b>7.011</b>	<b>1.436</b>
Attributable to:								
Shareholders of parent company	7.135	2.007	6.788	1.576	-	-	-	-
Minority interest	(65)	150	(20)	50	-	-	-	-
Earnings per share - basic (in Euro)	0,1351	0,0381	0,1286	0,0299	0,1396	0,0333	0,1328	0,0272

**ADDITIONAL DATA AND INFORMATION**

- The accounting policies applied for the preparation of the Financial Statements have not been changed from those applied for the year ended December 31, 2006.
- The Group companies contained in the consolidated financial statements are :

COMPANY	SHARE AT JUNE 30, 2007	COUNTRY	UNAUDITED FISCAL YEARS	CONSOLIDATION METHOD
F.G. EUROPE S.A.	Parent	Greece	2006	Full consolidation
F.G. LOGISTICS S.A.	100% (a)	Greece	2003 to 2006	Full consolidation
FIDAKIS SERVICE S.A.	100% (a)	Greece	2003 to 2006	Full consolidation
CITY ELECTRIC S.A.	100% (a)	Greece	2003 to 2006	Full consolidation
IDROILEKTRIKI ACHAIAS S.A.	55,25% (a)	Greece	Unaudited from inception (2002)	Full consolidation
R.F. ENERGY S.A.	40% (a)	Greece	Unaudited from inception (2006)	Full consolidation
AEOLIKI KYLINDRIAS S.A.	40% (b)	Greece	Unaudited from inception (2002)	Full consolidation
KALLISTI ENERGY S.A.	40% (b)	Greece	Unaudited from inception (2004)	Full consolidation

Notes :

- Direct investment
  - Indirect investment
- During March 2007 the tax audit for fiscal years 2003 and 2005 was concluded. The maintained books and records were assessed satisfactory and correct and no irregularities or omissions were found that could influence their validity. The tax audit disallowed certain expenses and assessed additional taxes for the three audited fiscal years of EURO 560. The above amount will be charged to the results of the current fiscal year because the Company in a permanent base do not make provisions for tax contingency liabilities.
  - On December 22, 2006 an agreement for the sale of the total shares of AEOLIKI KYLINDRIAS S.A. held by F.G. EUROPE S.A. to R.F. Energy S.A. was signed for the amount of EURO 995,67 thousands. The transfer of the shares was completed on April 12, 2007. On the same day R.F. Energy S.A. purchased the remaining 1% held by third parties and therefore acquired the 100% of the share capital of AEOLIKI KYLINDRIAS S.A. F.G. EUROPE's percentage after the transfer amounts to 40,00% as indirect investment."
  - On January 16, 2007 the subsidiary company of the Group, R.F. ENERGY S.A. purchased the 100% of the share capital of KALLISTI ENERGY PRODUCTION OF ELECTRICAL POWER JOINED STOCK COMPANY S.A. for the amount of EURO 1.350 thousands.
  - On January 18, 2007 the General Assembly of shareholders of the company IDROILEKTRIKI ACHAIAS S.A. decided to increase the share capital by the amount of EURO 206 thousands. F.G. Europe S.A. participated in the increase injecting on May 7, 2007 the amount of EURO 113,82 thousands that represents the holding stake in the company of 55,25%."
  - On April 23, 2007 the Board of Directors of the company R.F. ENERGY S.A. decided to increase the share capital by the amount of EURO 5.000 thousands. F.G. Europe S.A. participated in the increase injecting on April 30, 2007 the amount of EURO 2.000 thousands that represents the holding stake in the company of 40%.
  - The basic earnings per share have been calculated based on the profit before taxes and minority interest and the weighted average number of shares.
  - The fixed assets of the Company are not pledged.
  - There are no legal or under arbitration differences or decisions of legal or arbitrary bodies that are able to have significant impact on the financial position of the Company and the Group.
  - The number of employed personnel as of June 30, 2007 was : Group 128 , Company 74 persons.  
June 30, 2006 was : Group 122 , Company 74 persons.
  - The accumulated amounts in euro thousands of revenues and purchases for the period 1.1.2007 until 30.6.2007 and the balances of receivables and liabilities of the group companies as of 30.6.2007 that arise from transactions with related parties according to IAS 24 are as follows:
- |  | GROUP   | COMPANY |
|--|---------|---------|
| a) Sales of goods and services               | -       | 54      |
| b) Purchases of goods and services           | (1.261) | (2.168) |
| c) Receivables from related parties          | 431     | 437     |
| d) Payables to related parties               | -       | 253     |
| e) Key management personnel compensations    | 694     | 694     |
| f) Receivables from key management personnel | -       | -       |
| g) Payables to key management personnel      | 14      | 14      |
- There are no subsequent events to the financial statements of June 30, 2007 concerning the Group and the Company, that should be reported according to the IAS principles.

GLYFADA, ATTIKIS JULY 30, 2007

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCE DIRECTOR

ACCOUNTING CHIEF

GEORGIOS FIDAKIS  
ID No N 000657

JOHN PANTOUSIS  
ID No N 168490

MIHALIS POULIS  
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