

PRESS RELEASE

July 30st, 2009

F.G. EUROPE S.A. Six Month Period 2009 Financial Results

- **Continuous increase in exports of air-conditioners to foreign markets**
- **Significant decrease in Bank debt and other liabilities**
- **Increased revenues from activities in the energy sector**

F.G. EUROPE's sales of durable consumer products posted a significant increase in the second quarter of 2009, compared to those in the first quarter of the same year, amounted to €43.096m against €16.607m in the first quarter of 2009. Total sales in the first six months amounted to €59.703m, representing (after the sharp decrease in sales of mobile telephony products) a percentage of 94% of the total company's sales.

The sales of air-conditioners have been significantly increased, relatively to those of the first quarter in 2009, amounted to €54.762m against €69.314m in the corresponding period of 2008, decreased by 21%. Air conditioners sales were significantly supported by the program "Αλλάζω ΚΛΙΜΑτιστικό", implemented by the Ministry of Development at the beginning of June, with a view to subsidize the replacement of the old technology using air-conditioners by new ones using DC Inverter technology. The implementation of this action boosted the sales in July, exceeding all previous records and made July the most sales-creative month until now.

Considering the decision of the company's management to maintain high level of inventories at the end of 2008, taking advantage of the prosperous for the period € / \$ exchange rate, the company became capable of meeting the growing demand in June and thereafter, counterbalancing to a great extent the decreased demand of the first five months of the year 2009.

The noted decrease in total sales of durable consumer products, combined with the important rise in finance expenses in the first half, due mainly to exchange rate differences, affected the company's earnings before taxes, which, despite the decrease of 11% in general expenses, amounted to €9.097m against €18.137m in the corresponding period in 2008, decreased by 49,84%.

<i>(amounts in € thousands)</i>	Consolidated			Company		
	<u>1/1- 30/6/2009</u>	<u>1/1- 30/6/2008</u>	<u>Δ%</u>	<u>1/1- 30/6/2009</u>	<u>1/1- 30/6/2008</u>	<u>Δ%</u>
Sales revenue	65.608	88.573	-25,93%	63.425	87.870	-27,82%
Less: Cost of sales	(45.324)	(60.307)	-24,84%	(44.428)	(60.135)	-26,12%
Gross profit	20.284	28.266	-28,24%	18.997	27.735	-31,51%
<i>Gross profit margin</i>	<i>30,92%</i>	<i>31,91%</i>	<i>-3,10%</i>	<i>29,95%</i>	<i>31,56%</i>	<i>-5,10%</i>
Less: Other expenses	(10.847)	(11.701)	-7,30%	(9.799)	(10.993)	-10,86%
EBIT	9.835	17.031	-42,25%	9.594	17.171	-44,13%
EBITDA	11.532	19.041	-39,44%	10.584	18.744	-43,53%
<i>EBITDA margin</i>	<i>17,58%</i>	<i>21,50%</i>	<i>-18,23%</i>	<i>16,69%</i>	<i>21,33%</i>	<i>-21,75%</i>
Finance income/(expense)	(531)	(348)	52,59%	(497)	966	-151,45%
Earnings Before Tax	9.304	16.683	-44,23%	9.097	18.137	-49,84%
Income tax	(2.127)	(4.351)	-51,11%	(2.369)	(4.534)	-47,75%
Net profit for the period	7.177	12.332	-41,80%	6.728	13.603	-50,54%
Attributable to:						
Shareholders of the parent company	7.123	12.744	-44,11%			
Minority interest	54	(412)	113,11%			
Basic earnings per share	0,1349	0,2414	-44,12%			

More specifically, at the parent company level:

Total Sales of the 1st semester 2009 amounted to €63.425 m. against sales in the amount of €87.870m. in the 1st semester 2008, posting a decrease of 27.82%

Sales of air-conditioners reduced to €54.762m. referring to the sales of €69.314m achieved in the corresponding semester of 2008. Despite the significant increase of air conditioners sales in June 2009, the reduced turnover of the previous months shrunk the Greek market by 35%, reaching the level of €30.822m. against €47.401m. in the first semester of 2008. Said decrease in the Greek market was partially balanced from exports increase, which amounted to €23.940m. from €21.912m in the 1st semester of 2008.

Sales of ESKIMO and SHARP white electrical home appliances amounted to €2.881 m., opposed to €4.291 m in previous corresponding period of 2008, decreased by 33%.

Sales of SHARP Consumer Electronics also decreased by 40% and amounted to € 2.060 m. against € 3,418 m. in the 1st semester 2008

Within the framework of the Company's implemented policy of gradual withdrawal from mobile telephony market, Mobile telephony turnover continued to decrease by a further 66%, amounted to €3.722m. for the 1st semester of 2009, as opposed to € 10.847 m. during the previous corresponding period of 2008. The current sales represent just 6% of company's total sales, principally targeting to corporate connections and air time revenues.

Company's debt decreased by 40.77% in accordance with the debt of the specific period for the fiscal year 2008. Total debt decreased to € 91.926 m. at 30/06/2009 from the level of €155.207 at 31/12/2008, due to the reduction of short - long term bank loans and to the drop of the outstanding level of suppliers from €34.831m. to €24.125m., representing a decrease equal to 30.74%.

It is characteristic that short term bank debt was almost paid off, since it decreased to the point of €40 thousands at 30/6/2009 from € 48.396 m at 31/12/2008.

Consolidated group figures:

Group's Total revenue amounted to €65.608m in the 1st semester of 2009, as opposed to €88.573m in the previous corresponding period of 2008, decreased by 25.93%.

As at 30/6/2009 Group's turnover, generated by activities in the energy sector, augmented by 331% , amounting to €2.019 m. against €0.468 m. the 1st semester in 2008 and against €1,61m at the end of the year 2008.

Groups Gross Profit reduced to €20.284m. at the 1st semester in 2009 against the €28.266m. of the corresponding period in 2008, presenting a decrease equal to 28.24% mainly attributed to the sales' reduction of durable consumer goods.

Gross Profit Margin decreased to 30.92% at 30/6/09 from 31.91% at 30/06/08, due to price reduction policy implemented by parental company, in order to support its sales.

Decrease in durable consumer goods sales made EBITDA to drop to the level of €11.532m against the €19.041m received in the 1st semester 2008, posting a decrease of 39.44%. Operating profit margin accounted to 17.58% against 21.50% in the 1st semester 2008.

Administrative, distribution and other expenses decreased in the 1st semester of 2009 to a total of €10.847m against €11.701m in the corresponding period of 2008, posting a decrease of 7.30% due to the control of parental company's distribution expenses. Despite the said expenses decrease, said decrease in sales had a negative effect on the ratio General Expenses / Sales, as it increased to 16.53% at 30/06/2009 from the point of 13.21% at 30/06/2008.

Group's financial results of the specific period slightly increased to €0.531m, from €0.348m at 30/06/08, considering the additional financing cost from the subsidiary companies acting in the field of energy. Positive exchange rate differences also affected the financial outcome for the Group during the first half of 2009, despite the increase noted in Debit Exchange Rate Differences, which amounted to €0.177m, against €0.893m. in the previous corresponding period. Credit Exchange Rate Differences for the period amounted to €2.057m, against €1.774m in the previous corresponding period of 2008.

Group's total debt dropped to €124.489 m. as at 30/06/2009 from € 189.473 m at 31/12/2008, posting a decrease of 34.30%. Said decrease of the total debt is actually due to the said decrease of Paretal's company debt.

As at 30/6/09 Net profit before taxes amounted to €9.304 m. reduced from the level of €16.683m of the corresponding period in 2008, posting a decrease equal to 44.23% and having a negative effect on EBT/SALES ratio as it is decreased to 14.18% from 18.84% respectively.

Group's Net Profit after taxes and Minority Rights dropped to €7.123m in 2009 against €12,744m as at 30/06/08, presenting a decrease of 44.11%.

Financial Statements for the 1st semester of 2009 are available to the public on the Company's website (URL: <http://www.fgeurope.gr>) under section "Investors Relations".

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