

F.G. EUROPE S.A.

**128, Vouliagmenis Ave.
166 74 Glyfada - Greece
P.C. Reg. No. 13413/06/B/86/111**

**INTERIM FINANCIAL STATEMENTS
COMPANY AND CONSOLIDATED FOR THE NINE-MONTHS PERIOD
ENDED SEPTEMBER 30, 2007
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING
STANDARDS (IAS 34)**

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These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on October 31, 2007 and are accessible to the public in electronic form on the company website <http://www.fgeurope.gr>.

Chairman of the Board
of Directors

Georgios Fidakis
ΑΔΤ Ν 000657

Managing Director

John Pantousis
ΑΔΤ Ξ 168490

Finance Manager

Michael Poulis
ΑΜ ΟΕΕ 020873

Accounting Supervisor

Athanasios Harbis
ΑΜ ΟΕΕ 0002386

F.G. EUROPE S.A.
Statements of Income (Consolidated)
For the Nine-Months periods ended September 30, 2007 and 2006
(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated			
		For the Nine-Months		For the Three-Months	
		Periods Ended September 30,	2006	Periods Ended September 30,	2006
		2007	2006	2007	2006
Sales.....	3	128.678	121.160	44.306	41.567
Less: Cost of sales.....	3	(97.627)	(105.541)	(32.428)	(35.994)
Gross profit		31.051	15.619	11.878	5.573
Other operating income.....	3	1.492	1.532	529	528
Distribution expenses.....	3	(11.248)	(9.688)	(3.904)	(3.462)
Administrative expenses.....	3	(2.506)	(1.916)	(892)	(686)
Other operating expenses.....	3	(43)	(21)	(1)	-
Earnings before interests and taxes		18.746	5.526	7.610	1.953
Finance costs, net.....	3	(1.642)	(1.274)	(716)	(869)
Earnings before taxes		17.104	4.252	6.894	1.084
Income tax expense.....	4	(5.005)	(1.364)	(1.866)	(354)
Net profit for the period		12.099	2.888	5.028	730
Attributable as follows:					
Parent company.....		12.263	2.734	5.127	726
Minority interest.....		(164)	154	(99)	4
Net profit (after tax) attributable to the Group		12.099	2.888	5.028	730
Earnings per share (expressed in Euros):					
Basic earnings per share.....	5	0,2323	0,0518	0,0971	0,0138

The accompanying Notes on pages 9 to 18 are an integral part of the interim Financial Statements.

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Statements of Income (Company)
For the Nine-Months periods ended September 30, 2007 and 2006
(All amounts in Euro thousands unless otherwise stated)

	Note	Company			
		For the Nine-Months		For the Three-Months	
		Periods Ended September 30,	2006	Periods Ended September 30,	2006
		2007	2006	2007	2006
Sales.....		128.113	120.339	44.114	41.441
Less: Cost of sales.....		(97.544)	(104.907)	(32.429)	(35.738)
Gross profit		30.569	15.432	11.685	5.703
Other operating income.....		1.491	1.409	544	495
Distribution expenses.....		(11.045)	(9.774)	(3.714)	(3.566)
Administrative expenses.....		(1.900)	(1.657)	(620)	(502)
Other operating expenses.....		(25)	(10)	-	-
Earnings before interests and taxes		19.090	5.400	7.895	2.130
Finance costs, net.....		(1.645)	(1.603)	(761)	(921)
Income from subsidiaries.....		228	24	-	-
Earnings before taxes		17.673	3.821	7.134	1.209
Income tax expense.....	4	(5.100)	(1.239)	(1.929)	(383)
Net profit for the period		12.573	2.582	5.205	826
 Earnings per share (expressed in Euros):					
Basic earnings per share.....	5	0,2381	0,0489	0,0986	0,0157

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Balance Sheets (Company and Consolidated) As of September 30, 2007 and December 31, 2006 (All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated		Company	
		September 30, 2007	December 31, 2006	September 30, 2006	December 31, 2006
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment.....	6	11.459	3.524	513	418
Goodwill.....	7	546	-	-	-
Intangible assets.....	6	124	47	5	8
Investments in subsidiaries.....		-	-	6.960	4.860
Investments in associates.....		34	34	34	34
Long term receivables.....		488	429	443	427
Deferred tax assets.....		560	477	353	393
Available for sale investments		515	402	480	402
Total non-current assets		13.726	4.913	8.788	6.542
Current assets					
Inventories.....		26.287	36.647	26.257	36.632
Receivables and prepayments.....		96.513	46.494	95.876	46.220
Cash and cash equivalents.....		8.751	15.197	1.253	6.249
Total current assets		131.551	98.338	123.386	89.101
Total assets		145.277	103.251	132.174	95.643
<u>SHAREHOLDERS' EQUITY</u>					
Shareholders equity attributable to the shareholders of the parent company					
Share capital.....		16.374	16.374	16.374	16.374
Share premium.....		6.666	6.687	6.726	6.726
Reserves.....		(1.391)	(1.498)	(2.345)	(2.448)
Retained earnings.....		12.457	2.309	13.886	3.425
		34.106	23.872	34.641	24.077
Minority interest.....		8.016	6.120	-	-
Total shareholders' equity		42.122	29.992	34.641	24.077
<u>LIABILITIES</u>					
Non-current liabilities					
Long term Borrowings.....	8	7.859	15.691	7.859	15.691
Retirement benefit obligations.....		315	291	225	215
Deferred government grants.....		955	983	34	40
Total non-current liabilities		9.129	16.965	8.118	15.946
Current liabilities					
Short term Borrowings.....	8	60.825	15.657	56.695	15.354
Short term portion of long term borrowings.....	8	7.873	19.114	7.873	19.114
Current tax liabilities.....		4.756	918	4.635	768
Trade and other payables.....		20.572	20.605	20.212	20.384
Total current liabilities		94.026	56.294	89.415	55.620
Total liabilities		103.155	73.259	97.533	71.566
Total equity and liabilities		145.277	103.251	132.174	95.643

The accompanying Notes on pages 9 to 18 are an integral part of the interim Financial Statements.

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Statements of Changes in Shareholders' Equity (Consolidated) For the Nine-Months Periods ended September 30, 2007 and 2006 (All amounts in Euro thousands unless otherwise stated)

Consolidated

	Share capital	Share premium	Legal reserve	Fair value reserves	Special tax reserves	Treasury shares	Retained earnings	Total	Minority interest	Total Shareholders' equity
Balance on January 1, 2006	16.279	5.376	1.015	109	2.786	(4.200)	(607)	20.758	532	21.290
Period's changes:										
Net profit for the period.....	-	-	-	-	-	-	2.734	2.734	154	2.888
Dividend distribution.....	-	-	-	-	-	-	-	-	(18)	(18)
Purchase of treasury shares	-	-	-	-	-	(1.390)	-	(1.390)	-	(1.390)
Share capital increase.....	95	1.350	-	-	-	-	-	1.445	6.001	7.446
Income recognized directly in shareholders' equity:										
Net fair value changes in a- f-s securities.....	-	-	-	(1)	-	-	-	(1)	-	(1)
Balance on September 30, 2006.....	16.374	6.726	1.015	108	2.786	(5.590)	2.127	23.546	6.669	30.215
Balance on January 1, 2007	16.374	6.687	1.195	115	2.782	(5.590)	2.309	23.872	6.120	29.992
Period's changes:										
Net profit for the period....	-	-	-	-	-	-	12.263	12.263	(164)	12.099
Dividend distribution.....	-	-	-	-	-	-	(2.112)	(2.112)	(185)	(2.297)
Distribution to reserves.....	-	-	3	-	-	-	(3)	-	-	-
Share capital increase.....	-	-	-	-	-	-	-	-	3.091	3.091
Income recognized directly in shareholders' equity:										
Expenses of issuance of shares.....	-	(20)	-	-	-	-	-	(20)	(27)	(47)
Goodwill.....	-	-	-	-	-	-	-	-	(819)	(819)
Net fair value changes in a- f-s securities.....	-	-	-	103	-	-	-	103	-	103
Balance on September 30, 2007.....	16.374	6.667	1.198	218	2.782	(5.590)	12.457	34.106	8.016	42.122

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Statements of Changes in Shareholders' Equity (Company)
For the Nine-Months Periods ended September 30, 2007 and 2006
(All amounts in Euro thousands unless otherwise stated)

	Company						Retained earnings	Total
	Share capital	Share premium	Legal reserve	Fair value reserves	Special tax reserves	Treasury shares		
Balance on January 1, 2006	16.279	5.376	1.009	109	1.856	(4.200)	384	20.813
Period's changes:								
Net profit for the period.....	-	-	-	-	-	-	2.582	2.582
Purchase of treasury shares...	-	-	-	-	-	(1.390)	-	(1.390)
Share capital increase.....	95	1.350	-	-	-	-	-	1.445
Income recognized directly in shareholders' equity:								
Net fair value changes in available-for-sale securities.	-	-	-	-	-	-	-	(2)
Balance on September 30, 2006	16.374	6.726	1.009	109	1.856	(5.590)	2.966	23.450
Balance on January 1, 2007	16.374	6.726	1.171	115	1.856	(5.590)	3.425	24.077
Period's changes:								
Net profit for the period.....	-	-	-	-	-	-	12.573	12.573
Dividend distribution.....	-	-	-	-	-	-	(2.112)	(2.112)
Income recognized directly in shareholders' equity:								
Net fair value changes in available-for-sale securities...	-	-	-	103	-	-	-	103
Balance on September 30, 2007	16.374	6.726	1.171	218	1.856	(5.590)	13.886	34.641

The accompanying Notes on pages 9 to 18 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Cash Flows (Company and Consolidated)
For the Nine-Months Periods ended September 30, 2007 and 2006
(All amounts in Euro thousands unless otherwise stated)

	Consolidated		Company	
	For the Nine-Months period Ended September 30,			
	2007	2006	2007	2006
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before tax (and minority interest).....	17.104	4.252	17.673	3.821
Add / (less) adjustments for:				
Depreciation and amortization.....	215	214	100	86
Provisions.....	477	560	398	903
Exchange rate differences.....	388	(574)	386	(562)
Result of investment activity.....	(358)	(642)	(581)	(637)
Interest and similar expenses.....	3.166	2.490	3.090	2.459
Government grants recognized in income.....	(28)	(22)	(8)	-
Employee benefits.....	24	22	10	40
Operating result before changes in working capital	20.988	6.300	21.068	6.110
Add / (less) adjustments for changes in working capital items:				
(Increase) / decrease in inventories.....	10.360	(6.442)	10.375	(6.539)
(Increase) / decrease in receivables and prepayments.....	(50.552)	(8.281)	(50.159)	(8.345)
Increase / (decrease) in trade and other payables.....	(283)	5.237	(308)	5.127
(Increase) in long term receivables.....	(59)	(50)	(16)	(50)
Total cash inflow / (outflow) from operating activities	(19.546)	(3.236)	(19.040)	(3.697)
Interest and similar expenses paid.....	(3.478)	(2.100)	(3.402)	(2.070)
Income taxes paid.....	(1.250)	(53)	(1.193)	-
Total net inflow / (outflow) from operating activities	(24.274)	(5.389)	(23.635)	(5.767)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Purchase) of subsidiaries and other investments.....	(1.352)	-	(2.115)	(4.626)
Proceeds from the sale of subsidiaries and other investments.....	23	125	23	125
(Purchase) of PPE and intangible assets.....	(8.242)	(266)	(204)	(165)
Proceeds from the sale of PPE and intangible assets.....	21	-	21	-
Interest income.....	358	594	353	589
Dividend income.....	-	-	228	-
Total net cash inflow / (outflow) from investing activities	(9.192)	453	(1.694)	(4.077)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Share capital increase.....	3.045	6.001	-	-
(Purchase) of treasury shares.....	-	(1.390)	-	(1.390)
Proceeds from short term borrowings.....	26.416	8.897	22.589	9.668
Dividends paid.....	(2.441)	(18)	(2.256)	-
Total net cash inflow from financing activities	27.020	13.490	20.333	8.278
Net increase / (decrease) in cash and cash equivalents	(6.446)	8.554	(4.996)	(1.566)
Cash and cash equivalents at beginning of period	15.197	3.824	6.249	3.760
Cash and cash equivalents at end of period	8.751	12.378	1.253	2.194

The accompanying Notes on pages 9 to 18 are an integral part of the interim Financial Statements.

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Notes to the interim Financial Statements (Company and Consolidated)

For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

1. Incorporation and Business of the Group

The parent Company F.G. EUROPE S.A. (hereinafter referred to as “the Company”) and its subsidiaries (hereinafter referred to as “the Group”) activate:

- The Company in the import and wholesale of all types of air conditioners, all types of white and consumer electronics electrical appliances, LCD – Plasma televisions and in the wholesale of products and services of mobile telephony.
- The subsidiaries FIDAKIS SERVICE S.A. and FIDAKIS LOGISTICS S.A. cover supplementary fields like after sales services, inventory management (logistics), etc. while HYDROELECTRICAL ACHAIAS S.A., CITY ELECTRIC S.A., AEOLIC KYLINDRIAS S.A. and R.F. ENERGY S.A. activate in the electric energy production sector from renewable sources.

The Company and the Group are domiciled in Greece in the municipality of Glyfada, with registered offices: 128, Vouliagmenis Ave., GR-16674 Glyfada, Greece. The total number of personnel occupied as of September 30, 2007 is 76 for the Company and 128 for the Group.

The Company’s shares are listed on the primary market segment of the Athens Exchange.

The subsidiaries contained in the attached consolidated financial statements of the Group are the following:

<u>Name of Subsidiary</u>	<u>Business</u>	Share as of September 30, 2007
Direct investments:		
• FIDAKIS SERVICE S.A.	After sales service	100,00%
• FIDAKIS LOGISTICS S.A.	Logistics	100,00%
• CITY ELECTRIC S.A.	Energy production	100,00%
• HYDROELECTRICAL ACHAIAS S.A..	Energy production	55,25%
• R.F. ENERGY S.A.	Energy Holding Company	40,00%
Indirect investments: (through R.F. ENERGY. S.A.)		
• AEOLIC KYLINDRIAS S.A.	Wind energy	40,00%
• KALLISTI ENERGIAKI S.A.	Wind energy	40,00%

F.G. EUROPE’s holding share in the company R.F. ENERGY S.A. is to 40%. Due to the fact that the main shareholder and Chairman of the Board of Directors of F.G. EUROPE S.A., Mr. George Fidakis also participates with 10% in R.F. ENERGY S.A. and the existing shareholders’ agreement concerning the appointment of the majority of Board Members through F.G. EUROPE S.A., R.F. Energy is fully consolidated in the Company’s financial statements.

On December 22, 2006 an agreement for the sale of the total shares of AEOLIC 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. R.F. ENERGY S.A. paid in cash a down payment of EURO 995. 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 AEOLIC 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 R.F. ENERGY S.A. purchased 100% of the shares of “Kallisti Energiaki Paragogi Ilektrikis Energias S.A. for the amount of EURO 1.350. The purchased company engages in the establishment, construction, operation and distribution of electricity production stations with the use of renewable energy sources and primarily wind

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Notes to the interim Financial Statements (Company and Consolidated)

For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

energy, the construction of buildings and every similar technical assistance, the commerce and representation of all types of machines and materials useful for the above including all types of generators as well as the research for the production and distribution of all types of energy.

KALLISTI ENERGIAKI S.A. is holder of a production and construction license of a 15 MW wind park. The construction works for the wind park started within the year 2007 and are expected to be completed at the beginning of 2008 when the operation of the wind park will start.

The general assembly of shareholders of the company HYDROELECTRICAL ACHAIAS S.A. on January 18, 2007 decided the share capital increase by EURO 206. F.G. EUROPE S.A. participated in the increase injecting on May 7, 2007 the amount of EURO 113,82 that represents the holding stake in the company of 55,25%.

The Board of Directors of R.F. ENERGY S.A. decided on April 23, 2007 to increase the company's share capital by EURO 5.000. F.G. EUROPE S.A. paid on April 30, 2007 according to its holding stake (40%) the amount of EURO 2.000.

The extraordinary general assembly of shareholders of the company KALLISTI ENERGIAKI S.A. on July 31, 2007 decided the share capital increase by EURO 5.020. R.F. ENERGY S.A. participated in the increase injecting on August 29, 2007 the amount of EURO 5.020 that represents the holding stake in the company of 100%.

The general assembly of shareholders of the company HYDROELECTRICAL ACHAIAS S.A. on July 31, 2007 decided the share capital increase by EURO 425,02. The share capital increase is not finished.

F.G. EUROPE S.A. participates with 11,11% in the share capital of ANAKYKLOSI SYSKEVON SYMMETOCHIKI S.A. which is not included in the consolidated financial statements (Available for sale securities).

The subsidiaries on the Company financial statements are valued at cost less any impairment losses. During the period January 1, 2007 to September 30, 2007 an impairment loss of EURO 99 was reversed, included in Finance costs, net.

2. Significant Accounting Policies

These consolidated and Company financial statements (hereinafter referred to as "Financial Statements") have been prepared according to International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Interpretation from the Standing Interpretation Committee adopted by the European Union. Concretely the attached Financial Statements have been prepared according to IAS 34 "Interim Financial Reporting".

The Financial Statements have been prepared under the historical cost convention as modified for certain assets and liabilities to fair values and based on the going concern principle for the Group.

The principal accounting policies and estimations adopted in the preparation of these interim Financial Statements are those accounting policies adopted for the preparation of the annual Financial Statements for the year ended on December 31, 2006. The attached Financial Statements should be considered together with the audited Financial Statements as of December 31, 2006 which are available at the Company's website.

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and

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(All amounts in Euro thousands unless otherwise stated)

liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Using the available information and the implementation of subjective evaluation are necessary in order to conduct forecasts. Actual results may differ from estimates and deviations and may have material impact on the Financial Statements.

The operating results for the Nine-Month period ended September 30, 2007 are not indicative for the results expected for the year ending on December 31, 2007 because of the seasonality in the Company's business. This seasonality is affected by the sales of air conditioners that are the core business in terms of profitability for the Company and the Group and multiply in the second and third quarter of the year.

3. Segment reporting

The Group's business segments cover primarily one geographical area of Europe with Greece as country of origin and main area of business plus the countries of the European Union and furthermore the countries of South East Europe. Therefore, the only financial reporting format is focused on the different business segments of the Group where different business practices meet different business risks and opportunities.

The segment results of the business segments for the Nine-Month Periods ended September 30, 2007 and 2006 are presented below:

Nine-Months Period ended September 30, 2007	Long Living Consumer Goods	Mobile Telephony	Other	Total	Intercompany elimination	Group
Sales revenues to third parties.....	98.843	29.160	675	128.678	-	128.678
Sales revenues within the Group...	109	-	2.989	3.098	(3.098)	-
Less: Cost of sales.....	(68.342)	(29.092)	(193)	(97.627)	-	(97.627)
Cost of sales within the Group.....	(109)	-	(2.700)	(2.809)	2.809	-
Gross profit.....	<u>30.501</u>	<u>68</u>	<u>771</u>	<u>31.340</u>	<u>(289)</u>	<u>31.051</u>
Other operating income.....	1.157	333	2	1.492	-	1.492
Distribution expenses.....	(10.493)	(266)	(489)	(11.248)	-	(11.248)
Distribution expenses within the Group.....	(286)	-	-	(2.86)	286	-
Administrative expenses.....	(1.877)	(23)	(606)	(2.506)	-	(2.506)
Administrative expenses within the Group.....	-	-	(3)	(3)	3	-
Other operating expenses.....	(25)	-	(18)	(43)	-	(43)
Profit from operations.....	<u>18.977</u>	<u>112</u>	<u>(343)</u>	<u>18.746</u>	<u>≡</u>	<u>18.746</u>
Finance costs (net).....	(1.667)	22	3	(1.642)	-	(1.642)
Profits before tax.....	<u>17.310</u>	<u>134</u>	<u>(340)</u>	<u>17.104</u>	<u>≡</u>	<u>17.104</u>
Income tax expense.....	(5.066)	(34)	95	(5.005)	-	(5.005)
Net profit.....	<u>12.244</u>	<u>100</u>	<u>(245)</u>	<u>12.099</u>	<u>≡</u>	<u>12.099</u>

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Notes to the interim Financial Statements (Company and Consolidated)

For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

Nine-Months Period ended September 30, 2006	Long Living Consumer Goods	Mobile Telephony	Other	Total	Intercompany elimination	Group
Sales revenues to third parties.....	52.766	67.392	1.003	121.161	-	121.161
Sales revenues within the Group...	181	-	2.335	2.516	(2.516)	-
Less: Cost of sales.....	(37.505)	(67.221)	(816)	(105.542)	-	(105.542)
Cost of sales within the Group.....	(181)	-	(1.915)	(2.096)	2.096	-
Gross profit.....	<u>15.261</u>	<u>171</u>	<u>607</u>	<u>16.039</u>	<u>(420)</u>	<u>15.619</u>
Other operating income.....	937	473	122	1.532	-	1.532
Distribution expenses.....	(9.037)	(320)	(331)	(9.688)	-	(9.688)
Distribution expenses within the Group.....	(417)	-	-	(417)	417	-
Administrative expenses.....	(1.584)	(70)	(262)	(1.916)	-	(1.916)
Administrative expenses within the Group.....	(3)	-	-	(3)	3	-
Other operating expenses.....	(10)	-	(4)	(14)	(6)	(20)
Profit from operations.....	<u>5.147</u>	<u>254</u>	<u>132</u>	<u>5.533</u>	<u>(6)</u>	<u>5.527</u>
Finance costs (net).....	(1.583)	4	(19)	(1.598)	324	(1.274)
Profits before tax.....	<u>3.564</u>	<u>258</u>	<u>112</u>	<u>3.935</u>	<u>318</u>	<u>4.253</u>
Income tax expense.....	(1.164)	(76)	(125)	(1.365)	-	(1.365)
Net profit.....	<u>2.400</u>	<u>182</u>	<u>(12)</u>	<u>2.570</u>	<u>318</u>	<u>2.888</u>

The segment of Mobile Telephony realizes a decrease of 57% in revenues that is primarily caused by the managements decision to reduce the sales of prepaid mobile telephony cards not affecting significantly the results given the low profit margins of this business.

4. Income taxes

According to the provisions of the Greek tax legislation (Law 2992/2002, Article 9 Par. 1) and due to the completed merger as of June 11, 2003 the applicable taxation rate as of December 31, 2004 was 30%. According to Law 3296/2004, the taxation rate for the fiscal year 2005 amounts to 32%, for the fiscal year 2006 to 29% and to 25% for fiscal years 2007 onwards.

The parent company and its subsidiaries have not been audited by the tax authorities for the following fiscal years:

Company	Unaudited fiscal years
• F.G. EUROPE S.A.	2006
• FIDAKIS SERVICE S.A.	2003 to 2006
• FIDAKIS LOGISTICS S.A.	2003 to 2006
• CITY ELECTRIC S.A.	2003 to 2006
• HYDROELECTRICAL ACHAIAS S.A.	Unaudited from inception (2002)
• AEOLIC KYLINDRIAS S.A.	Unaudited from inception (2002)
• R.F. ENERGY S.A.	Unaudited from inception (2006)
• KALLISTI ENERGIAKI S.A.	Unaudited from inception (2004)

Income taxes as presented in the financial statements are analyzed as follows:

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Notes to the interim Financial Statements (Company and Consolidated)

For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

	Consolidated				Company			
	Nine-months ended September 30,		Three-months ended September 30,		Nine-months ended September 30,		Three-months ended September 30,	
	2007	2006	2007	2006	2007	2006	2007	2006
Income tax (current period).....	(4.513)	(1.274)	(1.620)	(722)	(4.500)	(1.135)	(1.629)	(722)
Deferred tax.....	68	(90)	(246)	368	(40)	(104)	(300)	337
Tax audit differences.....	(560)	-	-	-	(560)	-	-	-
Income taxes	<u>(5.005)</u>	<u>(1.364)</u>	<u>(1.866)</u>	<u>(354)</u>	<u>(5.100)</u>	<u>(1.239)</u>	<u>(1.929)</u>	<u>(383)</u>

In March of 2007 the tax audit for fiscal years 2003 and 2005 of the parent company 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 in total for the three audited fiscal years of EURO 560. The above amount is charged to the results of the current fiscal year given the fact that no provisions for such contingent liabilities are recorded.

5. Earnings per share

The basic earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares outstanding during the period excluding ordinary shares purchased by the company and held as treasury shares.

	Consolidated				Company			
	Nine-months ended September 30,		Three-months ended September 30,		Nine-months ended September 30,		Three-months ended September 30,	
	2007	2006	2007	2006	2007	2006	2007	2006
Net profit attributable to shareholders.....	12.263	2.734	5.127	726	12.573	2.582	5.205	826
Weighted average number of shares outstanding.....	52.800.154	52.751.029	52.800.154	52.751.029	52.800.154	52.751.029	52.800.154	52.751.029
Basic earnings per share (in Euro)	<u>0,2323</u>	<u>0,0518</u>	<u>0,0971</u>	<u>0,0138</u>	<u>0,2381</u>	<u>0,0489</u>	<u>0,0986</u>	<u>0,0157</u>

The Company does no longer calculate diluted earnings per share. After the maturity of the convertible bond loan on August 3, 2007 that was issued on August 3, 2004 and the redemption of the remaining 102.915 not converted bonds.

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Notes to the interim Financial Statements (Company and Consolidated)

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(All amounts in Euro thousands unless otherwise stated)

6. Property, Plant and Equipment and Intangible Assets

Property, plant and equipment and intangible assets are analyzed as follows:

Consolidated								
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total	Intangible Assets
January 1, 2006								
Value at cost.....	5	1.738	1.235	191	786	237	4.192	92
Accumulated depreciation..	-	(56)	(61)	(56)	(532)	-	(705)	(31)
Net book value.....	<u>5</u>	<u>1.682</u>	<u>1.174</u>	<u>135</u>	<u>254</u>	<u>237</u>	<u>3.487</u>	<u>61</u>
Additions	-	22	-	82	169	92	365	6
Sales / Transfers	-	-	-	(3)	-	(117)	(120)	-
Depreciation	-	(46)	(53)	(31)	(78)	-	(208)	(20)
December 31, 2006								
Value at cost.....	5	1.760	1.235	270	956	212	4.437	98
Accumulated depreciation..	-	(102)	(114)	(87)	(610)	-	(914)	(51)
Net book value.....	<u>5</u>	<u>1.658</u>	<u>1.121</u>	<u>183</u>	<u>345</u>	<u>212</u>	<u>3.524</u>	<u>47</u>
Additions.....	-	4	20	38	79	899	1.040	95
Under construction.....	-	-	-	-	-	7.106	7.106	-
Disposals / transfers.....	-	-	-	(13)	(1)	-	(14)	-
Depreciation.....	-	(35)	(42)	(20)	(98)	-	(195)	(18)
Depreciation of disposals...	-	-	-	(2)	-	-	(2)	-
September 30, 2007								
Value at cost.....	5	1.764	1.255	295	1.033	8.217	12.569	193
Accumulated depreciation..	-	(137)	(156)	(109)	(708)	-	(1.110)	(69)
Net book value.....	<u>5</u>	<u>1.627</u>	<u>1.099</u>	<u>186</u>	<u>325</u>	<u>8.217</u>	<u>11.459</u>	<u>124</u>

It is noted that fixed assets are not pledged.

7. Goodwill

The amount of EURO 1.365 represents the difference between cost and fair value of the assets and liabilities of KALLISTI ENERGI AKI S.A. that was acquired on January 16, 2007 by 100% through R.F. ENERGY S.A. controlled by F.G. EUROPE S.A. through its 40% participation. An independent valuer has assessed the fair value of the company.

The resulting Goodwill has been capitalized and will be tested at least annually for impairment and any impairment loss will be charged irreversibly to the income statement.

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(All amounts in Euro thousands unless otherwise stated)

In detail the fair value is as follows:

Assets of KALLISTI ENERGIAKI	January 16, 2007	
	Book Value	Fair value
Property, plant and equipment and intangible assets.....	12	12
Receivables and prepayments.....	13	13
Cash and cash equivalents.....	2	2
Payables and other liabilities.....	(42)	(42)
Equity	<u>(15)</u>	<u>(15)</u>
Purchase cost		<u>1.350</u>
Goodwill		<u>1.365</u>
Attributable to shareholders of the parent company (40%).....		546
Attributable to minority interest (60%).....		819
Total		<u>1.365</u>

During the next period the fair value of the individual assets and liabilities will be re-examined and will eventually result in a different goodwill than the initially recognized, because of the impracticability to determine at this time the fair values primarily of the not recognized intangible assets (licenses).

The results of operation of this company are included in the consolidated financial statements of the Group from the acquisition date of January 16, 2007. Based on the business plans of the management the resulted goodwill will be regained. The company for the period January 1 to January 16, 2007 did not realize any income nor expense.

8. Borrowings

The company's borrowings are analyzed as follows:

	Consolidated		Company	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
<u>Long term borrowings:</u>				
Bonded loan.....	15.732	23.563	15.732	23.563
Convertible bond loan.....	-	11.242	-	11.242
	<u>15.732</u>	<u>34.805</u>	<u>15.732</u>	<u>34.805</u>
Long term debt payable within the next 12 months.....	(7.873)	(19.114)	(7.873)	(19.114)
Total long term borrowings	<u>7.859</u>	<u>15.691</u>	<u>7.859</u>	<u>15.691</u>
Short term borrowings	<u>60.825</u>	<u>15.657</u>	<u>56.695</u>	<u>15.354</u>

Based on the decision of the extraordinary General Assembly of shareholders of January 21, 2004 and the decision of the Board of Directors of June 11, 2004, approved by the decision number K2-1667/6-2-2004 of the Ministry of Development, the company issued a convertible bond listed on the Athens Stock Exchange of nominal value of EURO 16.621,2. The convertible bond was issued on August 3, 2004 with a maturity of 3 years and is divided into 166.212 bonds with a par value of EURO 0,1 each.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated) For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

Each bond was convertible into 22 common shares with voting rights. The conversion could be executed for the first time after six months and at each month afterwards until the maturity of the loan. The coupon was fix at 3,8% p.a..

In case of holding until maturity (August 3, 2007) and not converted into ordinary shares the bonds would be redeemed at 112,2% of the nominal value of the bonds (EURO 0,1122 per bond).

On May 3, 2005, three months after the initial existence of conversions the right, 48.840 bonds were converted based on the conversion ratio of 1:22 into 1.074.480 ordinary registered shares of the Company.

Accordingly, the Company's share capital was increased by EURO 323 and the remaining amount of EURO 4.557 was credited to the share premium account.

On February 3, 2006, twelve months after the initial existence of the conversion right, 14.457 bonds were converted based on the conversion ratio of 1:22 into 318.054 ordinary registered shares of the Company.

Accordingly, the Company's share capital was increased by EURO 95 and the remaining amount of EURO 1.350 was credited to the share premium account. The fair values of the loan equal the carrying values.

Besides the above conversions no other conversion took place until the maturity of the convertible bond loan on August 3, 2007. On that date the remaining 102.915 not converted bonds were redeemed at EURO 0,1122 per bond.

Furthermore, based on the decision of the Board of Directors of July 6, 2004 the company issued a straight bonded loan according to the provisions of Law 3156/2003 for the amount of EURO 33.500, for a five year term which will be repaid in nine installments of which the first of EURO 2.010 was paid 12 months after the issue date. The remaining installments of EURO 3.936 are payable every six months until the maturity of the loan. Until September 30, 2009 the first five installments are already paid.

9. *Related party transactions*

The Company purchases and provides products and services from and to related parties. The related parties are companies with common shareholding structure and / or management. Moreover, the members of the Board of Directors and the Directors are also considered related parties.

To the related parties in the sense of IAS 24 has been added CYBERONICA S.A. that is controlled from December 22, 2006 from G. Fidakis, Chairman of the Board of Directors and main shareholder of F.G. EUROPE S.A. and members of his family.

Sales of company's products to related parties concern primarily sales of merchandise. The sale prices are at cost plus gross profit. The receipt of services from related parties primarily covers (logistics etc.) as well as after sales service.

The tables below present the receivables and obligations that arose from transactions with related parties as defined by IAS 24:

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated) For the Nine-Months Period ended September 30, 2007 (All amounts in Euro thousands unless otherwise stated)

	Company	
	September 30, 2007	December 31, 2006
Receivables from:		
FIDAKIS LGISTICS S.A.....	302	298
FIDAKIS SERVICE S.A.....	107	5
CITY ELECTRIC S.A.....	-	1
HYDROELECTRICAL ACHAIAS S.A.....	19	-
R.F. Energy.....	1	1
Total	<u>429</u>	<u>305</u>

	Company	
	September 30, 2007	December 31, 2006
Obligations to:		
FIDAKIS LGISTICS S.A.....	72	250
FIDAKIS SERVICE S.A.....	70	114
Total	<u>142</u>	<u>364</u>

	Consolidated		Company	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
Receivables from:				
CYBERONICA S.A.....	431	389	68	75
Total	<u>431</u>	<u>389</u>	<u>68</u>	<u>75</u>

The transactions with the related parties for the period ended September 30, 2007 and 2006 are analyzed as follows:

	Company	
	Nine-months period ended September 30,	
	2007	2006
Sales of goods and services:		
Inventories.....	92	175
Other.....	4	6
Total	<u>96</u>	<u>181</u>

	Company	
	Nine-months period ended September 30,	
	2007	2006
Purchases of goods and services:		
Warranties.....	(647)	(288)
Inventories.....	-	(181)
Logistics.....	(2.338)	(2.023)
Total	<u>(2.985)</u>	<u>(2.492)</u>

	Consolidated		Company	
	Nine-months period ended September 30,		Nine-months period ended September 30,	
	2007	2006	2007	2006
Purchases of goods and services:				
Cyberonica S.A.....	(1.909)	-	(390)	-
Total	<u>(1.909)</u>	≡	<u>(390)</u>	≡

The balances, compensation and the transactions of the members of the Board of Directors and the Directors analyzed as follows:

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For the Nine-Months Period ended September 30, 2007

(All amounts in Euro thousands unless otherwise stated)

	Consolidated		Company	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
Obligations to:				
Members of the Board and Directors.....	25	-	25	-
Total	<u>25</u>	=	<u>25</u>	=

	Consolidated		Company	
	Nine-months period ended September 30, 2007	2006	Nine-months period ended September 30, 2007	2006
Compensation:				
Personnel expenses.....	(1.093)	(631)	(1.093)	(949)
Provision for staff leaving indemnity.....	(16)	(11)	(16)	(11)
Total	<u>(1.109)</u>	<u>(642)</u>	<u>(1.109)</u>	<u>(960)</u>

No receivables or obligations exist between the group companies and the members of the Board of Directors and the Directors.

10. Capital Commitments

The group has no uncompleted purchasing commitments with its suppliers as of September 30, 2007. The future aggregate minimum lease payments arising from building lease agreements until 2016 are estimated to amount to EURO 22.120 approximately, while the amount charged to the income statement for the nine-months period ended September 30, 2007 for lease payments amounted to EURO 1.909.

Furthermore, the future aggregate minimum lease payments arising from car lease agreements until year 2011 are estimated to amount to EURO 256 approximately, while the amount charged to the income statement for the nine-months period ended September 30, 2007 for lease payments amounted to EURO 48.

11. Contingencies

The group has contingent liabilities in relation to banks, other guarantees and other issues that arise from the ordinary course of the business. No material impact is expected to arise from contingent liabilities.

12. Dividends

The ordinary General Assembly of Shareholders of April 26, 2007 approved a dividend payments for fiscal year 2006 of 4,00 Eurocents per share compared to 0,00 Eurocents for fiscal year 2005. The dividend payment started on May 8, 2007.

13. Post Balance Sheet Events

There are no subsequent events after September 30, 2007, material litigations and pending cases against third parties or of third parties against the company able to have an impact on the financial position of the Company or the Group as of the above date and for the period ending on this date.