



F.G. EUROPE S.A.

**SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND
ELECTRONIC APPLIANCES**

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

SIX - MONTHS FINANCIAL REPORT

Six - months periods ended June 30, 2010

**In accordance with
article 5 of L. 3556/2007**

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**DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS
(in accordance with article 5 par. 2γ. of L. 3556/2007)**

Members of the Board of Directors, Mr. Georgios Fidakis, Chairman of the Board, Mr. Konstantinos Koutsoumbelis, Vice-President of the Board and Mr. Ioannis Pantousis, Managing Director, under their aforementioned capacity as Members of the Board, declare that to their best knowledge:

- The Interim Financial Statements Company and Consolidated for the period ended on June 30, 2010, which were prepared in accordance with the international accounting standards, present in a truthful manner the figures pertaining to assets, liabilities, shareholders equity and financial results of the Company and the F.G. EUROPE S.A. Group and companies consolidated, in accordance with provisions set forth in paragraphs 3 to 5, article 5 of Law 3556/30-4-2007.
- The Interim Board of Directors Report on the Financial Statements Company and Consolidated for the six-month period ended in June 30, 2010 presents in a truthful manner all information deemed necessary in accordance with provisions set forth in paragraph 6, article 5 of Law 3556/30-4-2007.

Glyfada, July 27, 2010

**Chairman of the
Board of Directors**

Vice President

Managing Director

Georgios Fidakis

**Konstantinos
Koutsoumbelis**

John Pantousis

F.G. EUROPE S.A.
SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC
APPLIANCES

BOARD OF DIRECTORS' REPORT ON INTERIM FINANCIAL STATEMENTS
COMPANY AND CONSOLIDATED FOR THE SIX-MONTH PERIOD ENDED
JUNE 30, 2010

This Report has been prepared in accordance with provisions set forth in par. 6, article 5, L.3556/2007 and the relevant Hellenic Capital Market Commission Rules 1/434/3-7-2007 and 7/448/11-10-2007, issued by the Board of Directors of the Hellenic Capital Market Commission.

The purpose of this report is to inform investors with regard to:

- The financial status, outcome, and course of the Company and the Group during the period in question, as well as any changes having occurred,
- Any important events which took place during the period in question, and their effect on the Financial Statements of the Company and Consolidated for the same period,
- Any significant risks that may arise for the Company and the Group during the following remaining period of the fiscal year,
- Any transactions which took place between the Company and any Group undertakings, affiliate companies or other related parties, in accordance with IAS 24.

A. First Half 2010 Account
Changes and Progress noted in the Financial Figures of the Company and the Group

The financial crisis and the negative effects on the market, slowed down the positive progress of sales of the 1st quarter and the Parents' Company financial figures in the 1st half of 2010, affecting the total sales and the results of F.G. EUROPE's Group.

F.G. EUROPE's sales of durable consumer products in the first six months amounted to € 47.470m against € 59.703m in the 1st semester 2009, posting a decrease of 20%. In air-conditioning the decrease in the Greek market by 47% didn't balance the noted increased of exports by 12%, resulting in the reduction of air-conditioning sales by 22%.

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 € 4.926m against € 9.097m in the corresponding period in 2009, decreased by 45.85%.

F.G. EUROPE's Net Profit after taxes due to the extraordinary contribution of € 1.359m based on the results as of 31/12/2009, dropped to € 2.331m in 2010 against € 6.728m as at 30/06/09, presenting a decrease of 65.35%.

More specifically, with regard to figures at parent company level:

Total Sales of the 1st semester 2010 amounted to € 47.621m against sales in the amount of € 63.425m in the 1st semester 2009, posting a decrease of 24.92%

Sales of air-conditioners reduced to € 42.959m, referring to the sales of € 54.762m achieved in the corresponding semester of 2009. Despite the significant increase of exports by 12%, amounted in the 1st semester of 2010 to € 26.772m against € 23.950m in the 1st semester of 2009, the total sales of air-conditioners decreased by 22% due to the significantly reduction of sales in the domestic market which amounted to € 16.187m in the 1st semester of 2010 against € 30.813m in previous corresponding period of 2009 (-47%).

Sales of ESKIMO white electrical home appliances due to changes in the policy applied and the existing co-operations with foreign suppliers, are significantly decreased, amounted to € 0.792m, opposed to € 1.530m in previous corresponding period of 2009.

Sales of SHARP white electrical home appliances and Consumer Electronics amounted to € 3.720m against € 3.411m in the 1st semester 2009, posting an increase of 9%.

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 96%, amounted to € 0.150m for the 1st semester of 2010, as opposed to € 3.722m during the previous corresponding period of 2009.

Gross Profit Margin increased to 30.23% at 30/6/10 from 29.95% at 30/06/09, due to the minimized participation of sales of mobile telephony products in the parent company's sales mix, which is now almost completely dominated by sales of durable consumer goods.

The 1st semester results include significantly increased financial costs. The financial result of the 1st semester amounted to € (1.057)m against € (0.497)m in previous corresponding period of 2009, posting an increase of 112.68%, mainly due to the significantly increased exchange rate differences of the period because of the deterioration of the price of the Euro against the Dollar.

Consolidated group figures, mainly affected by the parent company figures:

Revenue from Sales: As at 30/6/2010 Group's turnover, generated by activities in the energy sector, augmented by 43.29%, amounting to € 2.893m against € 2.019m the 1st semester in 2009. Group's Total revenue amounted to € 50.576m in the 1st semester of 2010, as opposed to € 65.608m in the previous corresponding period of 2009, decreased by 22.91%.

Gross Profit: Groups Gross Profit reduced to € 15.746m at the 1st semester in 2010 against the € 20.284m of the corresponding period in 2009, presenting a decrease equal to 22.37% mainly attributed to the sales' reduction of durable consumer goods.

Gross Profit Margin increased to 31.13% at 30/6/10 from 30.92% at 30/06/09, posting an increase of 0.7%, due to the minimized participation of sales of mobile telephony products in the parent company's sales mix.

EBITDA: Decrease in durable consumer goods sales made EBITDA to drop to the level of € 7.103m against the € 11.532m received in the 1st semester 2009, posting a decrease of 38.41%. Operating profit margin accounted to 14.04% against 17.58% in the 1st semester 2009, posting a decrease of 20.10%.

Administrative – Other Expenses: Administrative, distribution and other expenses decreased in the 1st semester of 2010 to a total of € 9.676m against € 10.847m in the corresponding period of 2009, posting a decrease of 10.80% due to the control of parental company's distribution and administrative expenses. Despite the said expenses decrease, said decrease in sales had a negative effect on the ratio General Expenses / Sales, as it increased to 19.13% at 30/06/2010 from the point of 16.53% at 30/06/2009.

Finance Income/Expense: Group's financial results of the specific period significantly increased to € (1.370)m, from € (0.531)m at 30/06/09, considering the additional financing cost due to the increased exchange rate differences charged to the Parent company's results because of the deterioration of the exchange rate between Euro and Dollar.

Total Liabilities: Group's total debt dropped to € 116.822 m. as at 30/06/2010 from € 130.562m at 31/12/2009, posting a decrease of 10.52%. Said decrease of the total debt is actually due to the decrease of trade and other payables of the subsidiaries companies of the Group.

Earnings Before Tax: As at 30/6/10 Net profit before taxes amounted to € 5.205m reduced from the level of € 9.304m of the corresponding period in 2009, posting a decrease equal to 44.06% and having a negative effect on EBT/SALES ratio as it is decreased to 10.29% from 14.18% respectively.

Earnings After Tax and Minority Interests: Group's Net Profit after taxes and Minority Rights dropped to € 2.365m in 2010 against € 7.123m as at 30/06/09, presenting a decrease of 66.80%, due to the extraordinary contribution amounted for the Group to € 1.410m.

Other Financial Ratios:

- Current Ratio: 6M 2010 2.45 (6M 2009: 2.82)
- Quick Ratio: 6M 2010 1.25 (6M 2009: 1.47)
- Inventory Turnover Ratio: 6M 2010 249 days (6M 2009: 209 days)
- Return on Equity Ratio: 6M 2010 7.77% (6M 2009: 19.78%)
- EBITDA Ratio: 6M 2010 11.72% (6M 2009: 16.69%)

B. Significant events occurred

Annual General Assembly of Shareholders convened Wednesday, April 14, 2010 and resolved to set Friday, April 16, 2010 as dividend ex date for the fiscal year 2009. General Assembly of Shareholders approved the distribution of dividend in the amount of 0.150 euro per share. In accordance with Law 3697/2008 a 10% tax is imposed on dividend earnings, thus net dividend paid to the beneficiaries shall accordingly be 0.135 euro per share. Beneficiaries for the dividend are holders of company shares as at the closing of the Athens Exchange on Tuesday, April 20, 2010 ("record date"). It should be further noted that, in accordance with the revised edition of the Athens Exchange Rulebook, all corporate actions as of 01.01.2009 take place based on the record date rule in replacement of the trade date rule. As the new rule specifies, beneficiaries of the corporate action (in this case being the dividend) are those persons registered in the records of the D.S.S. as beneficiaries of the respective Transferable Securities on the above-mentioned date of determination of beneficiaries (record date). Payment of the dividend to the beneficiaries began on Monday, April 26, 2010. Payment of the dividend will be serviced through the bank EFG Eurobank Ergasias S.A.

The General Assemblies of Shareholders of the 100% subsidiaries companies of R.F. ENERGY S.A., R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A., of May 31, 2010 decided the clearing up and liquidation of the aforementioned companies. The above-mentioned companies intended, through the planed acquisition, to undertake the management and operation of two wind parks with 18 and 24 MW capacity in Arkadia and for that reason increased their share capital in July 2009 in total by € 13.275. The planed acquisition was not materialized because of breach of agreement from the side of seller. The parent Company R.F. ENERGY S.A. has initiated legal actions claiming compensation for the expenses incurred.

C. Future Perspectives and Outlook, Main Risks with regard to the second half of fiscal year 2010

Future perspectives and outlook

The progress noted over recent years in the financial results of the Company and the Group, and 1st semester 2010's satisfactory profitability, achieved in spite of the generally adverse market conditions, constitute the basis for the Board of Directors' moderately optimistic with regard to fiscal year 2010.

The Company's strategic goals are to preserve its leader position in the Greek air-conditioners market, and to establish such position in foreign markets where the Company is active, to further

strengthen sales of SHARP products in the Greek market, to upgrade the ESKIMO product line and further develop its energy subsidiary, R.F. ENERGY.

Particular focus is paid to planning a sound structure of capitals, which, in conjuncture with adequate liquidity, will allow companies of the Group to overcome these turbulent financial times with minimum loss.

Management, having taken into thorough consideration the effects of the financial crisis to the market, has fully re-evaluated and planned its corporate policy, and reassessed its co-operations, in a constant effort to secure the company against any potential financial threats.

Finally, RF Energy is expected to continue to strongly support total revenues and the financial result of the Group in 2010 and the forthcoming years.

Risks and Uncertainties

Financial Risk Management

Financial risk factors: The Group's operations entail exposure to various financial risks (including foreign exchange risk, interest rates risk, cash flow risk and price risk credit risk and liquidity risk). The Group's risk management policy is focused in the unpredictability of the financial markets targeting the minimization of the factors that can negatively affect the financial performance of the Group. The Group uses in certain cases financial derivative products in order to hedge its exposure to certain risks.

The risk management is conducted by the Company's financial management department in accordance with the policy authorized by the Company's Board of Directors. The financial management department detects, evaluates and hedges financial risks in close cooperation with the Group's other departments. The Board of Directors provides guidelines for the risk management in general and specifically covering such areas of risk as foreign exchange risk, interest rate risk, credit risk, the use of derivatives and non financial instruments as well as the investment of additional liquidity.

Market risks

Foreign exchange risk: The Group operates internationally and as a result, it is exposed to foreign exchange risks arising from commercial operations in foreign currencies (USD and JPY) with customers and suppliers using currencies other than the Euro. In order to minimize risks the Group on occasion hedges its exposure to foreign currency risk through derivative contracts but does not use hedging accounting.

Price volatility risk: The Group is exposed to price volatility risks resulting from investment in shares of listed companies, which for the purposes of preparing the Financial Statements are recognized as available for sales assets. In order to hedge this risk the Group diversifies its stock portfolio. Such diversification in the Group's portfolio is authorized by the Company's Board of Directors.

Cash flow and interest rate risks: The Group is exposed to cash flow risk that may arise: a) through the volatility noted in variable interest rates which may cause positive or negative variations in cash inflows and/or outflows of assets and/or liabilities connected with these variable interest rates, b) through the increase in receivables which may be caused due to extension in the time when receivables are due, as suggested current market conditions, or c) through the increase of reserves, due to failure to realize expected sales growth.

Interest rate risk results mainly from short and long term borrowing in Euro and in variable interest rates. The Group assesses its exposure to interest rate variation on a constant basis taking under examination any chance of refinancing of its existing obligations under different conditions and terms. On this basis the Group assesses any potential influence to its financial result arising out of contingent variations in interest rates pertaining to mid term and long term financing facilities.

According to the Bond Loan Term Sheet under which the Company entered the bond loan agreement, in case of a set back in financial figures of the Company and failure to comply with the terms, the current spread of interest rates of 1.30%, may respectively rise up to 1.6%, thus accordingly having an effect on the cost of the debt financing. In the opposite case of further improvement of the Company's financial rates spread rates would further decrease to 0.9%.

Credit risk: Credit risk is hedged at Group level. Such credit risk mainly arises out of from the existence of potentially doubtful receivables. For credit risk management purposes the Group has policies in place in order to continuously assess clients' credibility taking into consideration the client's financial standing, previous transactions with the client, the client's credit history. Such factors and other are monitored on a steady basis and cannot be exceeding predefined levels for any individual client. Sales to individuals are conducted in cash. During the FY 2008 no excess in credit levels was noted and the Group does not expect any substantial potential losses which come as a result of inability to liquidate receivables. Moreover, part of the receivables arising from the international operations is secured through credit insurance and part of receivables in the mobile telephony business is covered through bank guarantees.

Liquidity risk: Liquidity risk management ensures sufficient cash and cash equivalents and secured credit ability through existing financing. The Group monitors and controls cash on a daily basis, taking into consideration expected cash flows.

Seasonality in sales of air-conditioners: Over the last years sales of air-conditioners showed signs of a seasonal trend mainly increasing during the summer period, and cooling off during winter. This resulted to concerns with regard to a) satisfying increased demand within a short period, which could potentially put sales in risk, b) sustaining added expenses due to maintaining of large stock to satisfy demand, as well as c) potential risks from doubtful debts due to the high number of credit openings in a relatively short period of time.

However over the last couple of years this seasonal trend seems to steadily decrease, and demand seems to spread more evenly throughout the year, nonetheless a relatively high demand sustained during summer months, and especially at times of extreme climate conditions, such as heat waves. This fact contributes towards higher quality client services and mitigation of the abovementioned risks.

D. Related party transactions

According to IAS 24, related parties are subsidiary companies, affiliate companies and companies with common shareholding structure and/ or management. Moreover, the members of the Board of Directors and the Directors are also considered related parties. The Company purchases and provides products and services from and to related parties.

Company sales to related parties primarily concern sales of products and merchandise. Sale prices are at cost plus a low profit margin. Services rendered to the Company primarily concern storage services (logistics etc.) as well as after sales services.

Intercompany transactions take place in accordance with Law 3728/18-12-2008, and under such conditions and terms which do not materially differ from relevant conditions and terms in agreements between the Company and third parties.

The compensation of the members of the Board of Directors concern paid Board's of Directors compensation to Non-executive Independent members. The compensation of Directors concerns compensation of regular payment according to employment contracts.

The following paragraph lists important transactions between the company and its related parties, having occurred during the period under review, in accordance with provisions of IAS 24, pertaining to amounts over € 10 thousand:

F.G. EUROPE S.A. sold mechanical parts to FIDAKIS SERVICE S.A. amounting to € 0.045m thousands (€ 0,051m for the respective period of 2009). All the sales above have been totally paid by FIDAKIS SERVICE S.A.

F.G. EUROPE S.A. was charged by FIDAKIS SERVICE S.A. with the amount of € 0.339m during the period from January 1 to June 30, 2010 (€ 0.646m for the respective period of 2009), concerning the guarantee and service of air conditioners which FG EUROPE S.A sells in Greek Market. From the sales above, the liability of F.G EUROPE to FIDAKIS SERVICE S.A. is € 0.069m.

FIDAKIS LOGISTICS S.A. invoiced F.G. EUROPE the amount of € 1.684m, according to their agreement for providing logistics services during the period from January 1 to June 30, 2010. The equivalent amount for the respective period of 2009 was € 1.546m. All the sales above have been totally paid by F.G. EUROPE S.A.

The amount of € 0.350m, included under “receivables” in the balance sheet, from FIDAKIS LOGISTICS, pertains to € 0.298m paid in advance F.G. EUROPE as guarantee, in accordance with an intercompany agreement and € 0.052m outstanding balance from logistic services.

CYBERONICA S.A.’s income from leasing offices and storing facilities rose to € 1.463m during the period from January 1 to June 30, 2010 (€ 1.428m for the respective period of 2009). From that amount the contribution of F.G. EUROPE S.A. was € 0.303m and the rest was paid from the other firms of the Group. The biggest share was paid by FIDAKIS LOGISTICS S.A. as it leases storage facilities of 25.000 s.m. in Aspropyrgos.

Group companies have paid as leasing guarantees to CYBERONICA S.A. the amount of € 0.490m during the period from January 1 to June 30, 2010 (from € 0.486m on December 31, 2009). The amount paid as guarantee from F.G. EUROPE S.A. is € 0.103m.

E. Corporate Governance

F.G. EUROPE S.A. pays great significance and undertakes all necessary actions to secure the necessary levels of transparency for all its actions and internal procedures, aiming to further strengthening its credibility for the sake of its shareholders and the investment community in general.

The Company fully abides by and implements all provisions set forth by the statutory laws and legal framework. Corporate Governance practices implemented by the Board of Directors’ relevant sub-committees, are a major factor towards achieving the Company’s corporate mission, which is maximizing the value of the shareholders’ equity.

F. Internal Policies and Procedures

The Company operates under an internal code of Policies and Procedures, which is updated and kept abreast of current events, in order to incorporate any issues arising pertaining to matters of corporate governance, as well as any changes in the organizational structure of the Company.

G. ISO 9001-2000 Certified

F.G. EUROPE S.A implements the Quality Management System ISO 9001:2000 and is certified by the internationally recognizes Certification Organization, TUV Austria.

The implementation of the Quality Management System, plays a pivotal role towards improving efficiency for the Company and its daily operations, and thus lays the ground for the optimal use of the Company's resources, as well as for the provision of excellent services for the Company's customers, partners and shareholders.

H. Corporate Social Responsibility

F.G. EUROPE S.A. is especially sensitive to matters of environmental awareness and protection. Respect for the environment, promoting renewable energy sources, taking part in recycling initiatives and implementing recycling policies, all are guidelines incorporated in F.G. Europe's strategy.

The abovementioned are elements that define the Company's new corporate identity and guided the design of the new corporate logo of F.G. EUROPE S.A.

All the above information mentioned with regard to the financial standing of the Company and the Group is accurate and can be confirmed through the Financial Statements for the period ending June 30, 2010.

Glyfada, July 27, 2010

Chairman of the Board of Directors

Georgios Fidakis

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the shareholders of F.G. EUROPE SOCIETE ANONYME FOR ELECTRIC AND ELECTRONIC DEVICES

Introduction

We have reviewed the accompanying separate and consolidated condensed statement of financial position of FG EUROPE S.A. (the “Company”) and its subsidiaries (“the Group”) as at 30 June 2010, and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes (the “interim condensed financial information”) which is an integral part of the six-month financial report of article 5 Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (“International Accounting Standard (IAS) 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal and regulatory matters

Our review did not identify any inconsistency or non-correspondence of the other information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007, with the accompanying financial information.

Athens, 28 July 2010

THE CERTIFIED AUDITOR ACCOUNTANT

CHRISTODOULOS SEFERIS

S.O.E.L. R.N. 23431

ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.

11TH KLM NATIONAL ROAD ATHENS – LAMIA, METAMORFOSI

COMPANY S.O.E.L. R.N. 107

F.G. EUROPE S.A.

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

SIX - MONTHS FINANCIAL STATEMENTS COMPANY AND CONSOLIDATED FOR THE SIX – MONTHS PERIOD ENDED JUNE 30, 2010

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F.G. EUROPE S.A.
Statement of Comprehensive Income (Consolidated)
For the Six-Months Periods ended June 30, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated			
		For the Six-Months Periods Ended June 30,		For the Three-Months Periods Ended June 30,	
		2010	2009	2010	2009
Sales.....	3	50.576	65.608	31.095	45.229
Less: Cost of sales.....	3	(34.830)	(45.324)	(22.165)	(31.289)
Gross profit		15.746	20.284	8.930	13.940
Other operating income.....	3	505	398	332	233
Distribution expenses.....	3	(7.489)	(8.243)	(3.868)	(4.911)
Administrative expenses.....	3	(1.894)	(2.394)	(734)	(1.169)
Other operating expenses.....	3	(293)	(210)	(293)	(196)
Earnings before interests and taxes		6.575	9.835	4.367	7.897
Finance income.....	3,4	3.699	3.142	2.830	1.897
Finance costs.....	3,4	(5.069)	(3.673)	(3.268)	(1.454)
Earnings before taxes		5.205	9.304	3.929	8.340
Income tax expense.....	5	(2.679)	(2.127)	(2.327)	(1.775)
Net profit for the period		2.526	7.177	1.602	6.565
Attributable as follows:					
Equity holders of the Parent.....		2.365	7.123	1.681	6.590
Minority interest.....		161	54	(79)	(25)
Net profit (after tax) attributable to the Group		2.526	7.177	1.602	6.565
Other Comprehensive Income					
Available for sale investments.....	1	(60)	56	(86)	60
Other Comprehensive Income after taxes		(60)	56	(86)	60
Total Comprehensive Income after taxes		2.466	7.233	1.516	6.625
Attributable as follows:					
Equity holders of the Parent.....		2.305	7.179	1.595	6.650
Minority interest.....		161	54	(79)	(25)
Net profit (after tax) attributable to the Group		2.466	7.233	1.516	6.625
Earnings per share (expressed in Euros):					
Basic.....	6	0,0448	0,1349	0,0318	0,1248

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statement of Comprehensive Income (Company)
For the Six-Months periods ended June 30, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

	Note	Company			
		For the Six-Months Periods Ended June 30,		For the Three-Months Periods Ended June 30,	
		2010	2009	2010	2009
Sales.....	3	47.621	63.425	30.078	44.110
Less: Cost of sales.....	3	(33.225)	(44.428)	(21.400)	(30.811)
Gross profit		14.396	18.997	8.678	13.299
Other operating income.....	3	366	396	195	231
Distribution expenses.....	3	(7.418)	(8.301)	(3.903)	(5.007)
Administrative expenses.....	3	(1.361)	(1.313)	(652)	(593)
Other operating expenses.....	3	-	(185)	-	(185)
Earnings before interests and taxes		5.983	9.594	4.318	7.745
Finance income.....	3,4	3.508	2.711	2.790	1.761
Finance costs	3,4	(4.565)	(3.208)	(3.051)	(1.261)
Earnings before taxes		4.926	9.097	4.057	8.245
Income tax expense.....	5	(2.595)	(2.369)	(2.362)	(2.126)
Net profit for the period		2.331	6.728	1.695	6.119
Other Comprehensive Income					
Available for sale investments.....	1	(60)	56	(86)	60
Other Comprehensive Income after taxes		(60)	56	(86)	60
Total Comprehensive Income after taxes		2.271	6.784	1.609	6.179
Earnings per share (expressed in Euros):					
Basic.....	6	0,0441	0,1274	0,0321	0,1159

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.

Statement of Financial Position (Company and Consolidated)

As of June 30, 2010 and December 31, 2009

(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated		Company	
		June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment.....	7	35.881	37.026	439	409
Investments in real estate property.....	7	324	326	324	326
Intangible assets.....		1.876	1.880	3	4
Investments in subsidiaries.....		-	-	16.481	16.481
Long term receivables.....		579	620	487	528
Deferred tax assets.....		1.590	1.533	506	624
Available for sale investments		131	214	131	214
Total non-current assets		40.381	41.599	18.371	18.586
Current assets					
Inventories.....	8	46.046	36.741	46.011	36.702
Trade receivables.....	9	36.569	62.279	20.184	45.163
Cash and cash equivalents.....	10	44.102	45.673	27.579	15.076
Total current assets		126.717	144.693	93.774	96.941
Total assets		167.098	186.292	112.145	115.527
<u>SHAREHOLDERS' EQUITY & LIABILITIES</u>					
<u>SHAREHOLDERS' EQUITY</u>					
Shareholders equity attributable to the equity holders of the parent company					
Share capital.....		15.840	15.840	15.840	15.840
Share premium.....		6.626	6.614	6.726	6.726
Reserves.....		5.764	5.824	4.805	4.865
Retained earnings.....		(833)	4.734	2.605	8.194
		27.397	33.012	29.976	35.625
Minority interest.....		22.879	22.718	-	-
Total shareholders' equity		50.276	55.730	29.976	35.625
<u>LIABILITIES</u>					
Non-current liabilities					
Long term Borrowings.....	11	54.439	59.948	43.639	48.713
Retirement benefit obligations.....		472	470	288	306
Deferred government grants.....		10.963	11.357	5	10
Long term provisions.....		746	647	-	-
Deferred tax liabilities.....		248	117	-	-
Total non-current liabilities		66.868	72.539	43.932	49.029
Current liabilities					
Short term Borrowings.....	11	11.548	10.822	2.049	11
Short term portion of long term borrowings.....	11	11.130	11.165	10.261	10.301
Current tax liabilities.....		2.304	1.185	2.004	926
Trade and other payables.....		24.972	34.851	23.923	19.635
Total current liabilities		49.954	58.023	38.237	30.873
Total liabilities		116.822	130.562	82.169	79.902
Total equity and liabilities		167.098	186.292	112.145	115.527

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Changes in Equity (Consolidated)
For the Six-Months Periods ended June 30, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Retained earnings	Total	Minority interest	Total equity
Balance on January 1, 2009.....	15.840	6.644	2.777	(68)	2.782	4.677	32.652	21.952	54.604
Period's changes:									
Total Comprehensive Income.....	-	-	-	56	-	7.123	7.179	54	7.233
Dividend distribution for fiscal year 2008.....	-	-	-	-	-	(7.663)	(7.663)	-	(7.663)
Adjustments of minority interest.....	-	-	-	-	-	(152)	(152)	152	-
Balance on June 30, 2009.....	15.840	6.644	2.777	(12)	2.782	3.985	32.016	22.158	54.174
Balance on January 1, 2010.....	15.840	6.614	3.118	(76)	2.782	4.734	33.012	22.718	55.730
Period's changes:									
Total Comprehensive Income.....	-	-	-	(60)	-	2.365	2.305	161	2.466
Dividend distribution for fiscal year 2009.....	-	-	-	-	-	(7.920)	(7.920)	-	(7.920)
Interruption of operation of subsidiary.....	-	12	-	-	-	(12)	-	-	-
Balance on June 30, 2010.....	15.840	6.626	3.118	(136)	2.782	(833)	27.397	22.879	50.276

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Changes in Equity (Company)
For the Six-Months Periods ended June 30, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Retained earnings	Total
Balance on January 1, 2009.....	15.840	6.726	2.770	(68)	1.856	7.763	34.887
Period's changes:							
Total Comprehensive Income.....	-	-	-	56	-	6.728	6.784
Dividend distribution for fiscal year 2008.....	-	-	-	-	-	(7.663)	(7.663)
Balance on June 30, 2009.....	15.840	6.726	2.770	(12)	1.856	6.828	34.008
Balance on January 1, 2010.....	15.840	6.726	3.085	(76)	1.856	8.194	35.625
Period's changes:							
Total Comprehensive Income.....	-	-	-	(60)	-	2.331	2.271
Dividend distribution for fiscal year 2009.....	-	-	-	-	-	(7.920)	(7.920)
Balance on June 30, 2010.....	15.840	6.726	3.085	(136)	1.856	2.605	29.976

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Cash Flows (Company and Consolidated)
For the Six-Months Periods ended June 30, 2009 and 2008
(All amounts in Euro thousands unless otherwise stated)

	Consolidated		Company	
	For the Six-Months period Ended June 30,			
	2010	2009	2010	2009
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before tax (and minority interest).....	5.204	9.304	4.926	9.097
Add / (less) adjustments for:				
Depreciation and amortization.....	1.382	806	61	56
Provisions.....	494	548	387	539
Exchange rate differences.....	460	(1.179)	460	(940)
Result of investment activity.....	(600)	(1.070)	(410)	(878)
Interest and similar expenses.....	1.511	2.781	1.007	2.315
Government grants recognized in income.....	(394)	(288)	(5)	(6)
Employee benefits.....	2	56	(18)	15
Operating result before changes in working capital	8.059	10.958	6.408	10.198
Add / (less) adjustments for changes in working capital items:				
(Increase) / decrease in inventories.....	(9.314)	12.556	(9.318)	12.552
(Increase) / decrease in receivables and prepayments.....	25.324	10.048	24.601	11.346
Increase / (decrease) in trade and other payables.....	(10.913)	(9.909)	3.256	(9.758)
(Increase)/ decrease in long term receivables.....	41	1	41	3
Total cash inflow / (outflow) from operating activities	13.197	23.654	24.988	24.341
Interest and similar expenses paid.....	(809)	(2.221)	(400)	(1.862)
Income taxes paid.....	(1.443)	(1.896)	(1.349)	(1.891)
Total net inflow / (outflow) from operating activities	10.945	19.537	23.239	20.588
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Proceeds from the sale of subsidiaries and other investments.....	8	-	8	-
(Purchase) of PPE and intangible assets.....	(230)	(1.907)	(89)	(81)
Interest income.....	615	1.067	426	876
Dividend income.....	-	2	-	2
Total net cash inflow / (outflow) from investing activities	393	(838)	345	797
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Repayments of borrowings.....	(4.989)	(55.091)	(3.161)	(53.556)
Dividends paid.....	(7.920)	(7.649)	(7.920)	(7.649)
Total net cash inflow from financing activities	(12.909)	(62.740)	(11.081)	(61.205)
Net increase / (decrease) in cash and cash equivalents	(1.571)	(44.041)	12.503	(39.820)
Cash and cash equivalents at beginning of period	45.673	67.727	15.076	44.931
Cash and cash equivalents at end of period	44.102	23.686	27.579	5.111

The accompanying Notes on pages 20 to 37 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(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 R.F. ENERGY S.A. and its subsidiaries below activate in the field of electric energy production from renewable energy sources.
 - HYDROELECTRICAL ACHAIAS S.A.
 - CITY ELECTRIC S.A.
 - AEOLIC KYLINDRIAS S.A.
 - KALLISTI ENERGIAKI S.A.
 - R.F. ENERGY S.A. MISOHORIA S.A.
 - R.F. ENERGY S.A. OMALIES S.A.
 - R.F. ENERGY S.A. KORAKOVRAHOS S.A.
 - R.F. ENERGY S.A. DEXAMENES S.A.
 - R.F. ENERGY S.A. LAKOMA S.A.
 - R.F. ENERGY S.A. TSOUKKA S.A.
 - R.F. ENERGY S.A. PRARO S.A.
 - R.F. ENERGY S.A. XESPORTES S.A.
 - R.F. ENERGY S.A. SHIZALI S.A.
 - R.F. ENERGY S.A. KALAMAKI S.A.

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 June 30, 2010 is 137 for the Group and 74 for the Company.

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

The subsidiaries contained with the method of full consolidation in the attached consolidated financial statements of the group are the following:

Name	Country	Share as of June 30, 2009	Method of consolidation
• F.G. EUROPE S.A.	Greece	Parent company	Full consolidation
• FIDAKIS LOGISTICS S.A.	Greece	100,00% (a)	Full consolidation
• FIDAKIS SERVICE S.A.	Greece	100,00% (a)	Full consolidation
• R.F. ENERGY S.A.	Greece	37,50% (a)	Full consolidation
• HYDROELECTRICAL ACHAIAS S.A.	Greece	37,50% (b)	Full consolidation
• CITY ELECTRIC S.A.	Greece	37,50% (b)	Full consolidation
• AEOLIC KYLINDRIAS S.A.	Greece	37,50% (b)	Full consolidation
• KALLISTI ENERGIAKI S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. MISOHORIA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A.OMALIES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A.KORAKOVRAHOS S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. DEXAMENES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. LAKOMA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. TSOUKKA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. PRARO S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A XESPORTES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. SHIZALI S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. KALAMAKI S.A.	Greece	31,50% (b)	Full consolidation

Note: a) Direct investments, b) Indirect investments

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

F.G. EUROPE's holding share in the company R.F. ENERGY S.A. is to 37,50%. 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 indirectly with 12,50% 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, with the method of full consolidation.

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 total effect in the "Other comprehensive income after tax" concerns the loss of EURO 60 that arose on June 30, 2010, after offset of fair value reserves EURO 16 from the sale of securities which are classified as "available for sale investments" and the loss of EURO 76 that arose from the valuation of securities of the same category and was recognised directly in Group's and Company's Equity.

The subsidiaries on the Company financial statements are valued at cost less any impairment losses.

The General Assemblies of Shareholders of the 100% subsidiaries companies of R.F. ENERGY S.A., R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A., of May 31, 2010 decided the clearing up and liquidation of the aforementioned companies. The above-mentioned companies intended, through the planed acquisition, to undertake the management and operation of two wind parks with 18 and 24 MW capacity in Arkadia and for that reason increased their share capital in July 2009 in total by € 13.275. The planed acquisition was not materialized because of breach of agreement from the side of seller. The parent Company R.F. ENERGY S.A. has initiated legal actions claiming compensation for the expenses incurred.

2. Significant Accounting Policies used by the Group

2.1 Basis of Preparation of Financial Statements

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 Interpretations that have been issued by the Standing Interpretations Committee.

These financial statements have been prepared according to IAS 34 (Interim Financial Reporting) and therefore should be considered in combination with the audited financial statements as of December 31, 2009 that are accessible on the internet site of the Company.

The Accounting policies, estimations and calculation methods adopted for the preparation of these interim Financial Statements are those used for the preparation of the Annual Financial Statements for the year ended December 31, 2009, apart from the adoption of new standards and interpretations that were adopted for first time as of January 1, 2010, the impact of which on the Financial Statements is mentioned below in note 2.2.

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 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

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

necessary in order to conduct forecasts. Actual results may differ from estimates and deviations can have serious impacts on the Financial Statements.

The operating results of the six-months period ended June 30, 2010, are not indicative for the results expected by management for the year ending December 31, 2010 because of the seasonality of the core business. This seasonality results from fact that air conditioners sales that are the company's core business in terms of profitability multiply during the second and third quarter of the year dependent on the weather conditions.

2.2 New Standards, Interpretations and Amendments of Existing Standards and Interpretations

The accounting policies adopted are consistent with those of the financial year ended 31 December 2009 except as follows:

2.2.1 Changes in accounting policy and disclosures

The Group and the Company have adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2010:

- **IFRIC 17 Distributions of Non-cash Assets to Owners**
- **IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items**
- **IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)**
- **IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)**
- **Improvements to IFRSs (May 2008).** All amendments issued are effective as at 31 December 2009, apart from the following: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: clarifies when a subsidiary is classified as held for sale, all its assets and liabilities are classified as held for sale, even when the entity remains a non-controlling interest after the sale transaction. The amendment is applied prospectively.
- **Improvements to IFRSs (April 2009)**

When the adoption of the standard or interpretation is deemed to have an impact on the financial statements or performance of the Group/Company, its impact is described below:

- **IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)**

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The company and the group have adopted the above standard which had no any impact until today due to the fact that no respective transactions have taken place.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

- **Amendments resulting from improvements to IFRSs (April 2009) to the following standards which had or did not have an effect on the accounting policies, financial position or performance of the Company/Group:**

- **IFRS 5 Non-current Assets Held for Sale and Discontinued Operations**

Clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in IFRS 5. The disclosure requirements of other IFRSs only apply if specifically required for such non-current assets or discontinued operations. The company will apply the amendment immediately if necessary.

2.2.2 Standards issued but not yet effective and not early adopted

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2010. Early application is permitted in all cases and this annual improvements project has not yet been endorsed by the EU. These amendments concern concisely the below standards and interpretations:

- **IFRS 1 First-time adoption**, effective for annual periods beginning on or after 1 January 2011. This improvement clarifies the treatment of accounting policy changes in the year of adoption after publishing an interim financial report in accordance with IAS 34 “Interim Financial Reporting”, allows first-time adopters to use an event-driven fair value as deemed cost and expands the scope of ‘deemed cost’ for property, plant and equipment or intangible assets to include items used subject to rate regulated activities. This amendment is not relevant to the Company and the Group.
- **IFRS 3 Business Combinations**, effective for annual periods beginning on or after 1 July 2010. This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008). Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments’ proportionate share of the acquiree’s identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity’s net assets. Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree’s share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses. The Company will apply these changes from their effective date.
- **IFRS 7 Financial Instruments: Disclosures**, effective for annual periods beginning on or after 1 January 2011. This improvement gives clarifications of disclosures required by IFRS 7 and emphasises the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments. These amendments have no any impact on the financial statements due to the fact that they concern disclosure of financial instruments that are not used widely from the Company and the Group.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

- **IAS 1 Presentation of Financial Statements**, effective for annual periods beginning on or after 1 January 2011. This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The Company will apply these changes from their effective date.
- **IAS 27 Consolidated and Separate Financial Statements**, effective for annual periods beginning on or after 1 July 2010. This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 The Effect of Changes in Foreign Exchange Rates, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures apply prospectively for annual periods beginning on or after 1 July 2009 or earlier when IAS 27 is applied earlier. The Company will apply these changes from their effective date.
-
- **IAS 34 Interim Financial Reporting**, effective for annual periods beginning on or after 1 January 2011. This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements. The Company will apply these changes from their effective date.
-
- **IFRIC 13 Customer Loyalty Programmes**, effective for annual periods beginning on or after 1 January 2011. This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account. This interpretation is not relevant to the Group and the Company.

3. Operating Segments

The operating segments of Group are strategic units that sell different goods. They are monitored and managed separately by the Board of Directors, because these goods are of completely different nature, demand in the market and mixed profit margin.

The Groups' segments are the following:

Long Living Consumer Goods

The sector of Long Living Consumer Goods constitutes the import and wholesale of all types of air conditioners for domestic and professional use and the import and wholesale of white and brown house appliances.

Mobile Telephony

The sector of Mobile Telephony constitutes of the wholesale of prepaid scratch cards, other mobile telephony products and mobile telephony services through corporate contracts of WIND. Management's target during the last years is the reduction of sales of mobile telephony due to the low profit margin and the focus on corporate connections and the income from air time.

Energy

The sector of Energy constitutes the development and operation of energy projects, focused on Renewable Energy Sources (RES).

The accounting policies for the operating segments are those used for the preparation of the Financial Statements.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

The efficiency of the sectors is determined by the net profit after taxes.

The sales of the Group are completely wholesale and all assets are located in Greece.

No revenues from a single customer constituting above 10% of total revenues of Group.

The assets of the sectors as of June 30, 2009 are as follows:

June 30, 2010	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination / not allocated	Group
Property, plant and equipment and intangible assets.....	751	16	41.914	418	43.099	(5.018)	38.081
Inventories.....	45.957	54	-	35	46.046	-	46.046
Receivables and prepaid expenses.....	20.185	-	15.917	346	36.448	121	36.569
Cash and cash equivalents.....	27.579	-	16.432	91	44.102	-	44.102
Total	94.472	70	74.263	890	169.695	(4.897)	164.798
Other assets.....	-	-	-	-	-	-	2.300
Total assets	≡	≡	≡	≡	≡	≡	<u>167.098</u>
Long term borrowings.....	43.639	-	10.800	-	54.439	-	54.439
Deferred government grants.....	5	-	10.958	-	10.963	-	10.963
Short term borrowings.....	2.049	-	9.499	-	11.548	-	11.548
Short term portion of long term debt.....	10.261	-	869	-	11.130	-	11.130
Trade and other payables.....	25.926	-	721	508	27.155	121	24.972
Total	81.880	-	32.847	508	115.235	121	113.052
Other liabilities.....	-	-	-	-	-	-	3.770
Equity.....	-	-	-	-	-	-	50.276
Total liabilities	≡	≡	≡	≡	≡	≡	<u>167.098</u>

December 31, 2009	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination / not allocated	Group
Property, plant and equipment and intangible assets.....	722	17	43.139	372	44.250	(5.018)	39.232
Inventories.....	36.664	38	-	39	36.741	-	36.741
Receivables and prepaid expenses.....	45.164	-	16.821	388	62.373	(94)	62.279
Cash and cash equivalents.....	15.076	-	30.541	56	45.673	-	45.673
Total	97.626	55	90.501	855	189.037	(5.112)	183.925
Other assets.....	-	-	-	-	-	-	2.367
Total assets	≡	≡	≡	≡	≡	≡	<u>186.292</u>
Long term borrowings.....	48.713	-	11.235	-	59.948	-	59.948
Deferred government grants.....	10	-	11.347	-	11.357	-	11.357
Short term borrowings.....	11	-	10.811	-	10.822	-	10.822
Short term portion of long term debt.....	10.301	-	864	-	11.165	-	11.165
Trade and other payables.....	19.580	55	14.910	400	34.945	(94)	34.851
Total	78.615	55	49.167	400	128.237	(94)	128.143
Other liabilities.....	-	-	-	-	-	-	2.419
Equity.....	-	-	-	-	-	-	55.730
Total liabilities	≡	≡	≡	≡	≡	≡	<u>186.292</u>

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

The segments results of the Group are analyzed as follows:

Six-Months Period ended June 30, 2010	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties.....	47.426	150	2.893	107	50.576	-	50.576
Sales within the Group.....	45	-	-	2.023	2.068	(2.068)	-
Less: Cost of sales.....	(33.038)	(142)	(1.574)	(76)	(34.830)	-	(34.830)
Cost of sales within the Group.....	(45)	-	-	(1.797)	(1.842)	1.842	-
Gross profit.....	<u>14.388</u>	<u>8</u>	<u>1.319</u>	<u>257</u>	<u>15.972</u>	<u>(226)</u>	<u>15.746</u>
Other operating income.....	45	321	134	5	505	-	505
Distribution expenses.....	(6.853)	(339)	-	(297)	(7.489)	-	(7.489)
Distribution expenses within the Group.....	(226)	-	-	-	(226)	226	-
Administrative expenses.....	(1.357)	(4)	(492)	(41)	(1.894)	-	(1.894)
Other operating expenses.....	-	-	(294)	1	(293)	-	(293)
Profit from operations.....	<u>5.997</u>	<u>(14)</u>	<u>667</u>	<u>(75)</u>	<u>6.575</u>	<u>≡</u>	<u>6.575</u>
Finance income.....	3.493	-	190	-	3.683	-	3.683
Finance costs.....	(4.550)	-	(503)	-	(5.053)	-	(5.053)
Profits before tax.....	<u>4.940</u>	<u>(14)</u>	<u>354</u>	<u>(75)</u>	<u>5.205</u>	<u>≡</u>	<u>5.205</u>
Income tax expense.....	(2.610)	3	(90)	18	(2.679)	-	(2.679)
Net profit.....	<u>2.330</u>	<u>(11)</u>	<u>264</u>	<u>(57)</u>	<u>2.526</u>	<u>≡</u>	<u>2.526</u>

Six-Months Period ended June 30, 2009	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties.....	59.703	3.722	2.019	223	65.667	(59)	65.608
Sales within the Group.....	-	-	-	2.192	2.192	(2.192)	-
Less: Cost of sales.....	(40.715)	(3.712)	(889)	(67)	(45.383)	59	(45.324)
Cost of sales within the Group.....	-	-	-	(1.849)	(1.849)	1.849	-
Gross profit.....	<u>18.988</u>	<u>10</u>	<u>1.130</u>	<u>499</u>	<u>20.627</u>	<u>(343)</u>	<u>20.284</u>
Other operating income.....	40	356	2	-	398	-	398
Distribution expenses.....	(8.047)	(152)	-	(44)	(8.243)	-	(8.243)
Distribution expenses within the Group.....	-	-	-	(241)	(241)	241	-
Administrative expenses.....	(1.404)	(11)	(979)	-	(2.394)	-	(2.394)
Administrative expenses within the Group.....	-	-	-	(102)	(102)	102	-
Other operating expenses.....	-	(186)	(24)	-	(210)	-	(210)
Profit from operations.....	<u>9.577</u>	<u>17</u>	<u>129</u>	<u>112</u>	<u>9.835</u>	<u>≡</u>	<u>9.835</u>
Finance income.....	2.712	-	430	-	3.142	-	3.142
Finance costs.....	(3.205)	(2)	(465)	(1)	(3.673)	-	(3.673)
Profits before tax.....	<u>9.084</u>	<u>15</u>	<u>94</u>	<u>111</u>	<u>9.304</u>	<u>≡</u>	<u>9.304</u>
Income tax expense.....	(2.047)	(4)	(64)	(12)	(2.127)	-	(2.127)
Net profit.....	<u>7.037</u>	<u>11</u>	<u>30</u>	<u>99</u>	<u>7.177</u>	<u>≡</u>	<u>7.177</u>

The geographic results of the Groups sales are analyzed as follows:

Six-month period ended June 30, 2010	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total
Greece.....	20.654	150	2.893	107	23.804
Italy.....	9.641	-	-	-	9.641
Turkey.....	7.468	-	-	-	7.468
Balkan.....	9.663	-	-	-	9.663
Total	<u>47.426</u>	<u>150</u>	<u>2.893</u>	<u>107</u>	<u>50.576</u>

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Six-month period ended June 30, 2009	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total
Greece.....	35.705	3.722	2.019	223	41.669
Italy.....	7.793	-	-	-	7.793
Turkey.....	8.904	-	-	-	8.904
Balkan.....	7.242	-	-	-	7.242
Total	<u>59.644</u>	<u>3.722</u>	<u>2.019</u>	<u>223</u>	<u>65.608</u>

Group's revenue declined during the 1st semester of 2009 compared to the corresponding period of the previous year, due to the crisis which overruns the market. Especially sales of air-conditioners decreased on the domestic market by 47% compared to exports that increased by 12%. Sales of SHARP Consumer Electronics significantly improved by 24% compared to sales of white electrical home appliances that decreased in the 1st semester by 32%. Under the present conditions and taking into consideration the significantly increased percentage of reduced sales of all segments on the domestic market, the sales of the Parent Company in the 1st semester are considered satisfactory. Group's revenue in the sector of energy significantly increased by 43% amounted to € 2.893.

4. Finance income and expenses

Finance income and expenses are analyzed as follows:

	Consolidated				Company			
	Six-months ended June 30,		Three-months ended June 30,		Six-months ended June 30,		Three-months ended June 30,	
	2010	2009	2010	2009	2010	2009	2010	2009
Finance costs:								
Interest and similar expenses.	(1.372)	(2.639)	(557)	(1.128)	(884)	(2.186)	(296)	(939)
Bank charges and commissions.....	(129)	(142)	(34)	(54)	(123)	(129)	(78)	(48)
Financial cost of provision of equipment removal.....	(10)	-	-	-	-	-	-	-
Foreign exchange differences	(3.543)	(893)	(2.662)	(273)	(3.543)	(893)	(2.662)	(273)
Other.....	(15)	-	(15)	-	(15)	-	(15)	(1)
Total Finance costs	<u>(5.069)</u>	<u>(3.674)</u>	<u>(3.268)</u>	<u>(1.455)</u>	<u>(4.565)</u>	<u>(3.208)</u>	<u>(3.051)</u>	<u>(1.261)</u>
Finance income:								
Interest and similar income...	615	1.068	202	290	425	876	162	287
Gain from securities (sale – dividend income).....	-	2	-	2	-	2	-	2
Foreign exchange differences (income).....	2.950	2.057	2.537	1.591	2.949	1.818	2.536	1.457
Valuation of Derivaties.....	134	15	91	15	134	15	92	15
Other.....	-	1	-	-	-	-	-	-
Total Finance income	<u>3.699</u>	<u>3.143</u>	<u>2.830</u>	<u>1.898</u>	<u>3.508</u>	<u>2.711</u>	<u>2.790</u>	<u>1.761</u>
Finance costs, net	<u>(1.370)</u>	<u>(531)</u>	<u>(438)</u>	<u>443</u>	<u>(1.057)</u>	<u>(497)</u>	<u>(261)</u>	<u>500</u>

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Generally the above accounts have as follows:

	Consolidated				Company			
	Six-months ended June 30,		Three-months ended June 30,		Six-months ended June 30,		Three-months ended June 30,	
	2010	2009	2010	2009	2010	2009	2010	2009
Foreign exchange differences	(459)	1.179	(34)	1.333	(460)	940	(34)	1.199
Result of investment activity	600	1.071	187	292	410	878	147	288
Interest and similar expenses	(1.511)	(2.781)	(591)	(1.182)	(1.007)	(2.315)	(374)	(987)
Finance costs (net)	(1.370)	(531)	(438)	443	(1.057)	(497)	(261)	500

5. Income taxes

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.	2008 to 2009
• Fidakis Service S.A.	2007 to 2009
• Fidakis Logistics S.A.	2007 to 2009
• City Elektrik S.A.	2007 to 2009
• Hydroelectrical Ahaias S.A.	2007 to 2009
• Aeolic Kylindrias S.A.	Unaudited from inception (2002)
• Kallisti Energiaki S.A.	Unaudited from inception (2004)
• R.F. Energy S.A.	Unaudited from inception (2006)
• R.F. Energy Misohoria S.A.	Unaudited from inception (2008)
• R.F. Energy Omalies S.A.	Unaudited from inception (2008)
• R.F. Energy Korakovrahos S.A.	Unaudited from inception (2008)
• R.F. Energy Dexamenes S.A.	Unaudited from inception (2008)
• R.F. Energy Lakoma S.A.	Unaudited from inception (2008)
• R.F. Energy Tsoukka S.A.	Unaudited from inception (2008)
• R.F. Energy Praro S.A.	Unaudited from inception (2008)
• R.F. Energy Xesportes S.A.	Unaudited from inception (2008)
• R.F. Energy Shizali S.A.	Unaudited from inception (2008)
• R.F. Energy Kalamaki S.A.	Unaudited from inception (2008)

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

	Consolidated				Company			
	Six-months ended June 30,		Three-months ended June 30,		Six-months ended June 30,		Three-months ended June 30,	
	2010	2009	2010	2009	2010	2009	2010	2009
Income tax (current period).....	(1.179)	(2.591)	(982)	(2.301)	(1.068)	(2.338)	(900)	(2.130)
Extraordinary tax contribution.....	(1.410)	-	(1.359)	-	(1.359)	-	(1.359)	-
Deferred tax.....	(11)	548	58	570	(118)	19	(77)	29
Provisions for tax liabilities from years uninspected by the tax authorities.....	(79)	(84)	(44)	(44)	(50)	(50)	(26)	(25)
Income taxes	<u>(2.679)</u>	<u>(2.127)</u>	<u>(2.327)</u>	<u>(1.775)</u>	<u>(2.595)</u>	<u>(2.369)</u>	<u>(2.362)</u>	<u>(2.126)</u>

The tax returns of the companies of the Group have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The provision in this

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respect that has been created in the current period, amounts to EURO 267 for the company and EURO 347 for the Group as of June 30, 2010.

6. 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 year.

	Consolidated				Company			
	Six-months ended June 30,		Three-months ended June 30,		Six-months ended June 30,		Three-months ended June 30,	
	2010	2009	2010	2009	2010	2009	2010	2009
Net profit attributable to shareholders.....	2.365	7.123	1.682	6.590	2.331	6.728	1.695	6.119
Weighted average number of shares outstanding.....	52.800.154	52.800.154	52.800.154	52.800.154	52.800.154	52.800.154	52.800.154	52.800.154
Basic earnings per share (in Euro)	<u>0,0448</u>	<u>0,1349</u>	<u>0,0318</u>	<u>0,1248</u>	<u>0,0441</u>	<u>0,1274</u>	<u>0,0321</u>	<u>0,1159</u>

Annual General Assembly of Shareholders convened Wednesday, April 14, 2010 and resolved to set Friday, April 16, 2010 as dividend ex date for the fiscal year 2009 dividend. General Assembly of Shareholders approved the distribution of dividend in the amount of 0.150 euro per share. In accordance with Law 3697/2008 a 10% tax is imposed on dividend earnings, thus net dividend paid to the beneficiaries shall accordingly be 0.135 euro per share. Beneficiaries for the dividend are holders of company shares as at the closing of the Athens Exchange on Tuesday, April 20, 2010 ("record date"). It should be further noted that, in accordance with the revised edition of the Athens Exchange Rulebook, all corporate actions as of 01.01.2009 take place based on the record date rule in replacement of the trade date rule. As the new rule specifies, beneficiaries of the corporate action (in this case being the dividend) are those persons registered in the records of the D.S.S. as beneficiaries of the respective Transferable Securities on the above-mentioned date of determination of beneficiaries (record date). Payment of the dividend to the beneficiaries began on Monday, April 26, 2010. Payment of the dividend will be serviced through the bank EFG Eurobank Ergasias S.A.

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7. Property, plant and equipment and intangible assets

Property, plant and equipment of the Group are analyzed as follows:

Fixed Assets							
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total
January 1, 2009							
Value at cost.....	5	3.755	18.537	312	1.184	15.222	39.016
Accumulated depreciation..	-	<u>(297)</u>	<u>(1.071)</u>	<u>(145)</u>	<u>(851)</u>	-	<u>(2.364)</u>
Net book value.....	<u>5</u>	<u>3.458</u>	<u>17.466</u>	<u>167</u>	<u>333</u>	<u>15.222</u>	<u>36.652</u>
January 1 to December 31, 2009							
Additions	-	-	575	71	186	1.803	2.635
Work in progress.....	-	1.530	14.781	-	-	(16.311)	-
Disposals / Transfers.....	-	-	-	-	-	-	-
Depreciation.....	-	(256)	(1.831)	(34)	(139)	-	(2.260)
Depreciation of disposals...	-	-	-	-	-	-	-
December 31, 2009							
Value at cost.....	5	5.285	33.893	383	1.370	714	41.650
Accumulated depreciation..	-	<u>(553)</u>	<u>(2.902)</u>	<u>(179)</u>	<u>(990)</u>	-	<u>(4.624)</u>
Net book value.....	<u>5</u>	<u>4.732</u>	<u>30.991</u>	<u>204</u>	<u>380</u>	<u>714</u>	<u>37.026</u>
January 1 to June 30, 2010							
Additions.....	-	43	29	-	127	33	232
Work in progress.....	-	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-	-	-
Depreciation.....	-	(142)	(1.135)	(24)	(76)	-	(1.377)
Depreciation of disposals...	-	-	-	-	-	-	-
June 30, 2010							
Value at cost.....	5	5.328	33.922	383	1.497	747	41.882
Accumulated depreciation..	-	<u>(695)</u>	<u>(4.037)</u>	<u>(203)</u>	<u>(1.066)</u>	-	<u>(6.001)</u>
Net book value.....	<u>5</u>	<u>4.633</u>	<u>29.885</u>	<u>180</u>	<u>431</u>	<u>747</u>	<u>35.881</u>
Investments in real estate							Intangible assets
	Land	Buildings	Total	License for wind energy	Licenses	Total	
January 1, 2009							
Value at cost.....	52	284	336	1.800	190	1.990	
Accumulated depreciation..	-	<u>(3)</u>	<u>(3)</u>	-	<u>(94)</u>	<u>(94)</u>	
Net book value.....	<u>52</u>	<u>281</u>	<u>333</u>	<u>1.800</u>	<u>96</u>	<u>1.896</u>	
January 1 to December 31, 2009							
Additions.....	-	-	-	-	-	-	
Work in progress.....	-	-	-	-	-	-	
Disposals / Transfers.....	-	-	-	-	-	-	
Depreciation.....	-	(7)	(7)	-	(16)	(16)	
Depreciation of disposals....	-	-	-	-	-	-	
December 31, 2009							
Value at cost.....	52	284	336	1.800	190	1.990	
Accumulated depreciation..	-	<u>(10)</u>	<u>(10)</u>	-	<u>(110)</u>	<u>(110)</u>	
Net book value.....	<u>52</u>	<u>281</u>	<u>326</u>	<u>1.800</u>	<u>80</u>	<u>1.880</u>	
January 1 to June 30, 2010							
Additions.....	-	1	1	-	-	-	
Work in progress.....	-	-	-	-	-	-	

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Disposals / transfers.....	-	-	-	-	-	-
Depreciation.....	-	(3)	(3)	-	(4)	(4)
Depreciation of disposals...	-	-	-	-	-	-

June 30, 2010

Value at cost.....	52	285	337	1.800	190	1.990
Accumulated depreciation..	-	(13)	(13)	-	(114)	(114)
Net book value.....	<u>52</u>	<u>272</u>	<u>324</u>	<u>1.800</u>	<u>76</u>	<u>1.876</u>

Property, plant and equipment of the Company are analyzed as follows:

Fixed Assets							
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total
January 1, 2009							
Value at cost.....	5	36	11	105	978	-	1.135
Accumulated depreciation..	-	(24)	(7)	(68)	(776)	-	(875)
Net book value.....	<u>5</u>	<u>12</u>	<u>4</u>	<u>37</u>	<u>202</u>	<u>=</u>	<u>260</u>
January 1 to December 31, 2009							
Additions	-	-	-	71	164	-	235
Work in progress.....	-	-	-	-	-	-	-
Disposals / Transfers.....	-	-	-	-	-	-	-
Depreciation.....	-	(3)	(1)	(1)	(81)	-	(86)
Depreciation of disposals...	-	-	-	-	-	-	-
December 31, 2009							
Value at cost.....	5	36	11	176	1.142	-	1.370
Accumulated depreciation..	-	(27)	(7)	(69)	(857)	-	(961)
Net book value.....	<u>5</u>	<u>9</u>	<u>4</u>	<u>106</u>	<u>285</u>	<u>=</u>	<u>409</u>
January 1 to June 30, 2010							
Additions.....	-	-	-	-	55	33	87
Work in progress.....	-	-	-	-	-	-	-
Disposals / transfers.....	-	-	(1)	-	-	-	-
Depreciation.....	-	(1)	-	(8)	(47)	-	(57)
Depreciation of disposals...	-	-	-	-	-	-	-
June 30, 2010							
Value at cost.....	5	36	11	175	1.197	33	1.458
Accumulated depreciation..	-	(29)	(8)	(78)	(904)	-	(1.018)
Net book value.....	<u>5</u>	<u>8</u>	<u>3</u>	<u>98</u>	<u>292</u>	<u>33</u>	<u>439</u>

	Investments in real estate			Intangible assets		
	Land	Buildings	Total	License for wind energy	Licenses	Total
January 1, 2009						
Value at cost.....	52	285	337	-	29	29
Accumulated depreciation..	-	(4)	(4)	-	(24)	(24)
Net book value.....	<u>52</u>	<u>281</u>	<u>333</u>	<u>=</u>	<u>5</u>	<u>5</u>
January 1 to December 31, 2009						
Additions.....	-	-	(1)	-	-	-
Work in progress.....	-	-	-	-	-	-
Disposals / Transfers.....	-	-	-	-	-	-
Depreciation.....	-	(6)	(6)	-	(2)	(2)
Depreciation of disposals....	-	-	-	-	-	-

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December 31, 2009						
Value at cost.....	52	285	336	-	29	29
Accumulated depreciation..	-	<u>(10)</u>	<u>(10)</u>	-	<u>(26)</u>	<u>(26)</u>
Net book value.....	<u>52</u>	<u>275</u>	<u>326</u>	=	<u>4</u>	<u>4</u>
January 1 to June 30, 2010						
Additions.....	-	-	-	-	-	-
Work in progress	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-	-
Depreciation.....	-	(3)	(3)	-	(1)	(1)
Depreciation of disposals...	-	-	-	-	-	-
June 30, 2010						
Value at cost.....	52	285	336	-	29	29
Accumulated depreciation..	-	<u>(13)</u>	<u>(13)</u>	-	<u>(27)</u>	<u>(27)</u>
Net book value.....	<u>52</u>	<u>272</u>	<u>324</u>	=	<u>3</u>	<u>3</u>

It is noted that fixed assets are not pledged.

Work in progress of the Group amount EURO 714 concerns the cost of wind park construction and hydroelectrical plant construction of the subsidiaries of the Group and by EURO 33 concerns the advance of acquisition of Company's vehicles. The impairment testing of licensees of electrical energy production hasn't resulted to impairment losses.

8. Inventories

The Company's inventory has been reduced to net realizable value during the period January 1 to June 30, 2010 by EURO 9 and affected the cost of sales. During the related period from January 1 to June 30, 2009 the provision amounted to EURO 246.

9. Receivables and prepayments

During the period from January 1 to June 30, 2010 Company's Provisions of doubtful accounts of customers amounted to EURO 378 and affected the distribution expenses. During the related previous period the provision amounted to EURO 293.

10. Cash and cash equivalents

	Consolidated		Company	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Cash on hand.....	14	10	4	2
Sight and time deposits.....	44.088	45.663	27.575	15.074
Total	<u>44.102</u>	<u>45.673</u>	<u>27.579</u>	<u>15.076</u>

Cash and cash equivalents comprise petty cash of the group and the company and short term bank deposits callable at first sight.

11. Borrowings

The company's borrowings are analyzed as follows:

	Consolidated		Company	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
<u>Long term borrowings:</u>				
Bonded loan.....	65.569	71.113	53.900	59.014
Long term debt payable within the next 12	(11.130)	(11.165)	(10.261)	(10.301)

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months.....				
Long term debt payable between 1 & 5 years.....	(54.439)	(59.948)	(43.639)	(48.713)
Total long term borrowings	<u>(65.569)</u>	<u>(71.113)</u>	<u>(53.900)</u>	<u>(59.014)</u>
Short term borrowings	<u>11.548</u>	<u>10.822</u>	<u>2.049</u>	<u>11</u>

The net cash inflows (receivables) from borrowings during the period from January 1 to June 30, 2010 amounted to EURO 4.989 for the Group and EURO 3.161 for the Company. During the related previous period the net cash outflow (repayments) amounted to EURO 55.091 for the Group and EURO 53.556 for the Company.

On January 18, 2008 the Board of Directors decided the issuance of a syndicated bond loan according to L. 2190/1920 and L. 3156/2003 for the amount of EURO 75.000. Purpose of the loan according to the decision of the Board of Directors is the restructuring of the existing long and short term bank debt of the Company. The payment of the loan was agreed in two installments of which the first for the amount of EURO 56.250 was on January 28, 2008 and the second for the amount of EURO 18.750 was on March 28, 2008. The loan has duration of five years with the option of prolongation for further two years. The repayment of the loan based of the initial five years duration will be proceeded in ten semi-annual installments, of which the first four (4) installments are payable on January 28, 2010. The first nine installments amount to EURO 5.200 and the tenth installment to EURO 28.200. The interest rate for the bonded loan was approximately 2,03%.

Based on the decision of April 3, 2009 of the General Assembly of Shareholders, the Group's Company KALLISTI ENERGI AKI S.A., decided the issuance of a syndicated bond loan for the amount of EURO 12.800. Purpose of the loan according to the decision of the General Assembly of Shareholders was the financing of the investment program of the Company. The loan has duration of twelve years for the amount of EURO 6.065. The repayment of the loan will be proceeded in twenty four semi-annual installments, of which the first two (2) installments are payable on March 31, 2010. The remaining amount of EURO 6.735 concerns the financing against the receivable government grant and will be payable directly to the repayment of the government grant. In June, 2010 the subsidiary company KALLISTI ENERGI AKI took the amount of € 1.310 as first installment of the approved government grant and repaid an equal amount of the existing debt. The interest rate for the bonded loan was approximately 5,80%.

The Group's Company AIOLIKI KYLINDRIAS S.A., received short-term financing of sum EURO 5.934, which during December 2009 converted to Common Bond Loan, with a duration of 14 years and a floating interest Euribor plus fixed margin 2,30%. For the conclusion of the above loan, reassurances were given, including blocking its bank deposits, the pledging of the shares of the issuer and concession of a part of its future receivables coming from the Power Purchase Agreement with HTSO. The loan will be paid up in 28 equivalent installments, while the first one should be disbursed 6 months after the date of signature of the agreement (21/06/2010).

The Group's Company HYDROELECTRIKI ACHAIAS S.A. has contracted a credit agreement sum of EURO 525 for long term loan, which expires on 2/9/2014 and was used for the financing of the project. The interest rate of the loan is floating Euribor plus fixed margin 1,50% with a 3-month period under debt. The loan will be paid up in 11 equivalent semi-annual installments sum of EURO 48, with one year as grace period after the date of signature of the agreement. Two installments have been disbursed till March 31, 2010. For the conclusion of the loan, the company has conceded its future receivables coming from the Power Purchase Agreement with HTSO.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated) For the Six-Months Period ended June 30, 2010 (All amounts in Euro thousands unless otherwise stated)

The fair value of the above loans approaches their nominal value.

The interest rates for the rest short term borrowings were approximately 4,60%.

12. Related party transactions

According to IAS 24, related parties are subsidiaries companies, companies with common shareholding structure and/ or management. Moreover, the members of the Board of Directors and the Directors are also considered related parties. The Company purchases and provides products and services from and to related parties.

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

The compensation of the members of the Board of Directors concern paid Board's of Directors compensation to Non-executive and independent members.

The compensation of Directors concern compensation regular payment according to employment contracts

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

	Company			
Receivables from:	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Fidakis Logistics S.A.....	350	380		
Total	<u>350</u>	<u>380</u>		
Obligations to:	Company			
Obligations to:	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Fidakis Service S.A.....	69	93		
Total	<u>69</u>	<u>93</u>		
Receivables from:	Consolidated		Company	
Receivables from:	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Cyberonica S.A.....	490	486	103	99
Total	<u>490</u>	<u>486</u>	<u>103</u>	<u>99</u>

The transactions with the related parties for the period ended June 30, 2010 and 2009 are analyzed as follows:

	Company	
Sales of goods and services:	Six-months period ended June 30,	
Sales of goods and services:	2010	2009
Inventories.....	45	51
Other.....	56	8
Total	<u>101</u>	<u>59</u>
Sales of goods and services:	Company	
Sales of goods and services:	Six-months period ended June 30,	

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

Purchases of goods and services:	2010	2009
Warranties.....	(339)	(646)
Logistics.....	(1.684)	(1.546)
Total	<u>(2.023)</u>	<u>(2.192)</u>

	Consolidated		Company	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Purchases of goods and services:				
Cyberonica S.A.....	(1.463)	(1.428)	(303)	(294)
Total	<u>(1.463)</u>	<u>(1.428)</u>	<u>(303)</u>	<u>(294)</u>

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

	Consolidated		Company	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Receivables from:				
Members of the Board and Directors.....	-	-	-	-
Total	≡	≡	≡	≡

	Consolidated		Company	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Obligations to:				
Members of the Board and Directors.....	20	-	20	-
Total	<u>20</u>	≡	<u>20</u>	≡

	Consolidated		Company	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Compensation:				
Personnel expenses.....	(956)	(908)	(889)	(836)
Provision for staff leaving indemnity.....	(10)	(11)	(10)	(11)
Total	<u>(966)</u>	<u>(919)</u>	<u>(899)</u>	<u>(847)</u>

13. Contingencies

In 2008 Company's subsidiaries filed applications to RAE and the Ministry of Development for the issuance of Production Licenses for Wind Power Energy Production Plants, located at various sites in Evia Prefecture, and with 387 MW capacity in total. At the same time meteorological masts were erected in said site locations in order to measure wind potential. Simultaneously Company's subsidiaries have taken actions to receive approval from competent authorities to develop this project. Said Production Licenses have not as of the date of issuance of the document at hand been granted. The parent Company R.F. ENERGY S.A. provides to its subsidiaries administrative, development and management services on this project.

As at December 31, 2009 the Group had spent on development of the aforementioned project the amount of EURO 1.962 of which EURO 1.369 is included under trade and other receivables and EURO 593 is included under Work in progress in the consolidated balance sheet.

Within fiscal year 2009 several Production Licenses were granted to unrelated companies for Wind Power Energy Production Plants located at sites which are at close proximity to Company owned projects, for which Company's subsidiaries have applied for Production

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

Licenses. Due to this fact, in December 2009 the Company proceeded to legal action against Decisions by the Ministry of Energy and Environment, RAE, and the Special Committee for the Environment. Action was filed to the Supreme Administrative Court, requesting annulment of said Production Licenses which were issued in favor of unrelated companies, on the basis of impingement of the Company's subsidiaries' lawful rights (as Company's subsidiaries have also filed applications for Production Licenses for Wind Power Energy Production Plants located in the area, and no decision has been reached yet), and material breach of substantial legal and statutory provisions. As of the date of issuance of the document at hand the Supreme Administrative Court has not convened on the case matter.

The company R.F. ENERGY has guaranteed loans of its subsidiaries for the total amount of € 8.351 repayable until 2023.

Except the above the group has contingent liabilities with banks, other guarantees and other issues arising from the regular course of business. No material impact is expected to result from these contingent liabilities.

14. Employee benefits: pension obligations

According to the Greek labour legislation employees are entitled to termination benefits in case of dismissal or retirement dependent on their current remuneration, the length of service and the reason for leaving (dismissal or retirement). Employees who leave or are dismissed with cause are not entitled to termination benefits. The termination benefit in case of retirements amounts to 40% of the termination benefit in case of dismissal.

The obligation for employee termination benefits amounts to EURO 472 for the Group and EURO 288 for the Company as of June 30, 2010. The amount charged to the income statement for the six-month period ended June 30, 2010 is EURO 45 for the Group and EURO 26 for the Company and affected the administrative expenses

15. Commitments

Capital Commitments

The group has no uncompleted purchasing commitments with its suppliers as of June 30, 2010. The future aggregate minimum lease payments arising from building lease agreements until year 2017 are estimated to amount to EURO 14.396 approximately. Furthermore, the future aggregate minimum lease payments arising from car lease agreements until the year 2013 are estimated to amount to EURO 253.

16. Post Balance Sheet Events

There are no other significant post balance events having occurred after June 30, 2010 concerning the Company that should have been disclosed or are able to adjust the financial statements.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Company and Consolidated)

For the Six-Months Period ended June 30, 2010

(All amounts in Euro thousands unless otherwise stated)

These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on July 27, 2010 and are accessible to the public in electronic form on the company website <http://www.fgeurope.gr>.

Glyfada, July 27, 2010

**Chairman of the
Board of Directors**

Managing Director

Finance Manager

Accounting Supervisor

**Georgios Fidakis
ΑΔΤ Ν 000657**

**John Pantousis
ΑΔΤ Ξ 168490**

**Michael Poulis
ΑΜ ΟΕΕ 016921**

**Athanasios Harbis
ΑΜ ΟΕΕ 0002386**



F.G. EUROPE
SOCIETE ANONYME FOR ELECTRIC AND ELECTRONIC DEVICES
P.C.S.A. Register Number 13413/06/B/86/111

Municipality of Glyfada, 128, Vouliagmenis Ave., Zip Code 166 74

FIGURES AND INFORMATION FOR THE PERIOD OF 1 JANUARY UNTIL 30 JUNE 2010
(In compliance with the stipulations of decision 4/507/28.04.2009 of the Capital Market Commission)

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 financial statements prepared in accordance with International Financial Reporting Standards (IFRS) are available together with the auditors review report, when required, are presented.

Company's website adress: <http://www.fgeurope.gr>
 Date of approval of the interim financial statements by the Board of Directors: July 27, 2010
 Auditor: Christodoulos Seferis (SOEL Reg. No. 23431)
 Audit Company: Ernst & Young (Hellas) Certified Auditors Accountants S.A
 Type of Review Report: Unqualified review report

CONDENSED STATEMENT OF FINANCIAL POSITION <i>(consolidated and not consolidated) amounts in € thousands</i>				
	GROUP		COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
ASSETS				
Tangible assets	35.881	37.026	439	409
Investments in Property	324	326	324	326
Intangible assets	1.876	1.880	3	4
Other non current assets	2.300	2.367	17.605	17.847
Inventories	46.046	36.741	46.011	36.702
Trade receivables	36.569	62.279	20.184	45.163
Other current assets	44.102	45.673	27.579	15.076
TOTAL ASSETS	167.098	186.292	112.145	115.527
NET EQUITY AND LIABILITIES				
Share Capital	15.840	15.840	15.840	15.840
Other elements of net equity	11.557	17.172	14.136	19.785
Total equity attributable to the owners of parent company (a)	27.397	33.012	29.976	35.625
Minority interests (b)	22.879	22.718	-	-
Total equity (c) = (a) + (b)	50.276	55.730	29.976	35.625
Long term borrowings	54.439	59.948	43.639	48.713
Provisions / Other long-term liabilities	12.429	12.591	293	316
Short term borrowings	22.678	21.987	12.310	10.312
Other short term liabilities	27.276	36.036	25.927	20.561
Total liabilities (d)	116.822	130.562	82.169	79.902
TOTAL NET EQUITY AND LIABILITIES (e) = (c) + (d)	167.098	186.292	112.145	115.527

CONDENSED STATEMENT OF CHANGES IN NET EQUITY <i>(consolidated and not consolidated) amounts in € thousands</i>				
	GROUP		COMPANY	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Equity balance at the beginning of the period (1/1/2010 and 1/1/2009 respectively)	55.730	54.604	35.625	34.887
Total comprehensive income after taxes	2.466	7.233	2.271	6.784
Dividend distribution	(7.920)	(7.663)	(7.920)	(7.663)
Equity at the end of the period (30/6/2010 and 30/6/2009 respectively)	50.276	54.174	29.976	34.008

CONDENSED CASH FLOW STATEMENT <i>(consolidated and not consolidated) amounts in € thousands</i>				
Indirect method	GROUP		COMPANY	
	1/1-30/6/2010	1/1-30/6/2009	1/1-30/6/2010	1/1-30/6/2009
Operating Activities:				
Earnings before taxes	5.205	9.304	4.926	9.097
Add / (less) adjustments for:				
Depreciation and amortization	987	518	56	50
Provisions	496	604	369	554
Exchange rate differences	460	(1.179)	460	(940)
Result of investment activity	(600)	(1.070)	(410)	(878)
Interest and similar expenses	1.511	2.781	1.007	2.315
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	(9.314)	12.556	(9.318)	12.552
Decrease / (increase) in receivables	25.365	10.049	24.642	11.349
(Decrease) / increase in liabilities (other than banks)	(10.913)	(9.909)	3.256	(9.758)
Less:				
Interest and similar expenses paid	(809)	(2.221)	(400)	(1.862)
Taxes paid	(1.443)	(1.896)	(1.349)	(1.891)
Total inflow / (outflow) from operating activities (a)	10.945	19.537	23.239	20.588
Investing Activities				
Proceeds from sale of available for sale financial assets	8	-	8	-
Purchase of tangible and intangible assets	(230)	(1.907)	(89)	(81)
Interest income	615	1.067	426	876
Proceeds from dividends	-	2	-	2
Total inflow / (outflow) from investing activities (b)	393	(838)	345	797
Financing Activities				
Payments of borrowings	(4.989)	(55.091)	(3.161)	(53.556)
Dividends paid	(7.920)	(7.649)	(7.920)	(7.649)
Total inflow / (outflow) from financing activities (c)	(12.909)	(62.740)	(11.081)	(61.205)
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	(1.571)	(44.041)	12.503	(39.820)
Cash and cash equivalents at beginning of the year	45.673	67.727	15.076	44.931
Cash and cash equivalents at the end of the period	44.102	23.686	27.579	5.111

CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME <i>(consolidated and not consolidated) amounts in € thousands</i>									
	GROUP				COMPANY				
	1/1-30/6/2010	1/1-30/6/2009	1/1-30/6/2010	1/1-30/6/2009	1/1-30/6/2010	1/1-30/6/2009	1/1-30/6/2010	1/1-30/6/2009	
Turnover	50.576	65.608	31.095	45.229	47.621	63.425	30.078	44.110	
Gross profit	15.746	20.284	8.930	13.940	14.396	18.997	8.678	13.299	
Earnings before taxes, financing and investing activities	6.115	11.014	4.333	9.229	5.523	10.534	4.284	8.943	
Earnings before taxes	5.205	9.304	3.929	8.340	4.926	9.097	4.057	8.245	
Earnings after taxes	2.526	7.177	1.602	6.565	2.331	6.728	1.695	6.119	
Attributable to:									
Equity holders of the parent company	2.365	7.123	1.681	6.590	-	-	-	-	
Minority interest	161	54	(79)	(25)	-	-	-	-	
Other comprehensive income after tax (B)	(60)	56	(86)	60	(60)	56	(86)	60	
Total comprehensive income after tax (A) + (B)	2.466	7.233	1.516	6.625	2.271	6.784	1.609	6.179	
Attributable to:									
Equity holders of the parent company	2.305	7.179	1.595	6.650	-	-	-	-	
Minority interest	161	54	(79)	(25)	-	-	-	-	
Earnings per share - basic (In Euro)	0,0448	0,1349	0,0318	0,1248	0,0441	0,1274	0,0321	0,1159	
Earnings before interest, depreciation, amortization and taxes	7.103	11.532	4.852	9.461	5.579	10.584	4.312	8.969	

ADDITIONAL DATA AND INFORMATION

- Group companies that are included in the consolidated financial statements are presented in note (1) of the interim financial statements including locations, percentages, Group ownership and consolidation method.
- The "Other comprehensive income after tax" of € 60 thousands represents revaluation loss on securities which are classified as "available for sale investments".
- There are no companies which were included in the consolidated financial statements of the period 1/1-30/6/2010 and were consolidated for the first time. There are no companies which were included in the consolidated financial statements of the period 1/1-30/6/2010 and were included in consolidated financial statements of the respective period of the prior year. Also there are no companies which were not included in the consolidated financial statements and the consolidation method applied for all companies is the same in the previous periods.
- There are no own shares that are held from the Company or by its subsidiaries and associates companies for the period ending as of 30 June 2010
- There are no litigations or arbitrations in process or finalized that would have significant effect on the financial position of the Group or the Company.
- The tax returns of the companies of the Group have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The Group and the Company have made provisions for additional taxes and penalties for the amount of € 347 thousands and € 267 thousands respectively. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note (5) to the interim financial statements.
- The Group and the Company have not made "General provisions" as at June 30, 2010.
- The number of employees as of June 30, 2010 was : Group 137, Company 74 persons.
- The transactions and balances in € thousands for the period ending 30 June 2010 with related parties as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sale of goods and services	---	101
b) Purchase of goods and services	1.463	2.326
c) Receivables from related parties	490	453
d) Payables to related parties	---	---
e) Key management personnel compensations	966	899
f) Receivables from key management personnel	---	---
g) Payables to key management personnel	20	20
- The Annual General Meeting (A.G.M.) of the Shareholders of the Company of April 14, 2010, approved a dividend of € 0,150 per share which is subject to 10% withholding tax under law 3697/2008. Thus, the net dividend is € 0,135 per share. In addition the A.G.M. fixed : the ex-dividend date as April 16, 2010; the beneficiaries of the dividends (the record date) were holders of the Company's shares at the closing of the Athens Exchange as at April 20, 2010; and the dividend payment date as at April 26, 2010.
- There are no significant events subsequent to June 30, 2010 concerning the Group or the Company, that would require adjustment to or additional disclosure in the published financial statements in accordance with IAS 10 principles.

GLYFADA, ATTIKIS JULY 27, 2010

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCE DIRECTOR

ACCOUNTING CHIEF

GEORGIOS FIDAKIS
Id. No N 000657
KRONOS S.A.

JOHN PANTOUSIS
Id. No E 168490

MIHALIS POULIS
R.G. 016921

ATHANASIOS HARBIS
R.G. 0002386