



F.G. EUROPE S.A.

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

128, Vouliagmenis Ave.

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P.C. Reg. No. 13413/06/B/86/111

THREE - MONTHS FINANCIAL REPORT

ended March 31, 2011

**ACCORDING TO INTERNATIONAL FINANCIAL REPORTING
STANDARDS (IFRS)**

INTERNATIONAL ACCOUNTING STANDARD 34 (IAS 34)

**In accordance with
article 6 of L. 3556/2007**

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Statement of Comprehensive Income (Consolidated and Company)

For the Three-Months Period ended March 31, 2011 and 2010

(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated		Company	
		For the Three-month Periods Ended March 31,	For the Three-month Periods Ended March 31,	For the Three-month Periods Ended March 31,	For the Three-month Periods Ended March 31,
		2011	2010	2011	2010
Sales.....	3	20.221	19.481	18.746	17.543
Less: Cost of sales.....	3	(14.419)	(12.665)	(13.708)	(11.825)
Gross profit		5.802	6.816	5.038	5.718
Other operating income.....	3	75	173	74	173
Distribution expenses.....	3	(3.191)	(3.621)	(3.175)	(3.515)
Administrative expenses.....	3	(1.141)	(1.160)	(717)	(710)
Other operating expenses.....	3	(23)	-	(1)	-
Earnings before interests and taxes		1.522	2.208	1.219	1.666
Finance income.....	3,4	386	868	377	718
Finance costs.....	3,4	(1.295)	(1.801)	(963)	(1.514)
Earnings before taxes		613	1.275	633	870
Income tax expense.....	5	(181)	(351)	(153)	(234)
Net profit for the period		432	924	480	636
Attributable as follows:					
Equity holders of the Parent.....		445	684	480	636
Minority interest.....		(13)	240	-	-
Net profit (after tax) attributable to the Group		432	924	480	636
Other Comprehensive Income					
Available for sale investments.....		19	26	19	26
Other Comprehensive Income after taxes		19	26	19	26
Total Comprehensive Income after taxes		451	950	499	662
Attributable as follows:					
Equity holders of the Parent.....		464	710	499	662
Minority interest.....		(13)	240	-	-
Net profit (after tax) attributable to the Group		451	950	499	662
Earnings per share (expressed in €s):					
Basic.....	6	0,0084	0,0130	0.0091	0,0120

The accompanying Notes on pages 8 to 23 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.

Statement of Financial Position (Consolidated and Company)

As of March 31, 2011 and December 31, 2010

(All amounts in Euro thousands unless otherwise stated)

		Consolidated		Company	
	Note	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment.....	7	47.703	35.046	326	345
Investments in real estate property.....	7	326	325	326	325
Intangible assets.....	7	10691	9.252	2	2
Investments in subsidiaries.....		-	-	17.531	16.781
Long term receivables.....		606	605	569	568
Deferred tax assets.....		1.775	1.606	717	618
Available for sale investments.....		2.454	2.135	154	135
Total non-current assets		63.555	48.969	19.625	18.774
Current assets					
Inventories.....	8	31.665	33.489	31.639	33.469
Trade receivables.....	9	37.976	33.743	11.985	15.051
Cash and cash equivalents.....	10	33.551	35.643	32.706	27.586
Total current assets		103.192	102.875	76.330	76.106
Total assets		166.747	151.844	95.955	94.880
<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.....		6.610	6.623	6.726	6.726
Reserves.....		6.072	6.054	5.085	5.066
Retained earnings.....		422	35	4.443	3.963
		28.944	28.552	32.094	31.595
Minority interest.....		24.227	22.729	-	-
Total shareholders' equity		53.171	51.281	32.094	31.595
<u>LIABILITIES</u>					
Non-current liabilities					
Long term Borrowings.....	11	45.753	51.191	33.205	38.496
Retirement benefit obligations.....		530	502	346	333
Deferred government grants.....		25.498	18.276	-	-
Long-term provisions.....		697	687	-	-
Deferred tax liabilities.....		1.540	1.532	-	-
Total non-current liabilities		74.018	72.188	33.551	38.829
Current liabilities					
Short term Borrowings.....	11	8.553	1.997	-	5
Short term portion of long term borrowings.....	11	11.367	11.268	10.400	10.274
Current tax liabilities.....		71	219	-	141
Trade and other payables.....		19.567	14.891	19.910	14.036
Total current liabilities		39.558	28.375	30.310	24.456
Total liabilities		113.576	100.563	63.861	63.285
Total equity and liabilities		166.747	151.844	95.955	94.880

The accompanying Notes on pages 8 to 23 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Changes in Equity (Consolidated)
For the Three-Months Period ended March 31, 2011 and 2010
(All amounts in Euro thousands unless otherwise stated)

	<u>Consolidated</u>						Minority interest	Total equity
	<u>Share capital</u>	<u>Share premium</u>	<u>Legal reserve</u>	<u>Available for sales - Fair value reserves</u>	<u>Special tax reserves</u>	<u>Retained earnings</u>		
Balance on January 1, 2010	15.840	6.614	3.118	(76)	2.782	4.734	22.718	55.730
Year's changes:								
Net profit for the period	-	-	-	-	-	684	240	924
Other Comprehensive Income..	-	-	-	26	-	-	-	26
Total Comprehensive Income..	-	-	-	26	-	684	240	950
Balance on March 31, 2010	15.840	6.614	3.118	(50)	2.782	5.418	22.958	56.680
Balance on January 1, 2011	15.840	6.623	3.416	(144)	2.782	35	22.729	51.281
Year's changes:								
Net profit for the period	-	-	-	-	-	445	(13)	432
Other Comprehensive Income..	-	-	-	19	-	-	-	19
Total Comprehensive Income..	-	-	-	19	-	445	(13)	451
Share capital increase	-	-	-	-	-	-	1.550	1.550
Purchase of minority interest	-	-	-	-	-	(58)	(39)	(97)
Expenses of issuance of shares	-	(14)	-	-	-	-	-	(14)
Balance on March 31, 2011	15.840	6.609	3.416	(125)	2.782	422	24.227	53.171

The accompanying Notes on pages 8 to 23 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Changes in Equity (Company)
For the Three-Months Period ended March 31, 2011 and 2010
(All amounts in € thousands unless otherwise stated)

Company

	<u>Share capital</u>	<u>Share premium</u>	<u>Legal reserve</u>	<u>Available for sales - Fair value reserves</u>	<u>Special tax reserves</u>	<u>Retained earnings</u>	<u>Total</u>
Balance on January 1, 2010	15.840	6.726	3.085	(76)	1.856	8.194	35.625
Year's changes:							
Net profit for the period	-	-	-	-	-	636	636
Other Comprehensive Income..	-	-	-	26	-	-	26
Total Comprehensive Income..	-	-	-	26	-	636	662
Balance on March 31, 2010	15.840	6.726	3.085	(50)	1.856	8.830	36.287
 Balance on January 1, 2011	 15.840	 6.726	 3.354	 (144)	 1.856	 3.963	 31.595
Year's changes:							
Net profit for the period	-	-	-	-	-	480	480
Other Comprehensive Income..	-	-	-	19	-	-	19
Total Comprehensive Income..	-	-	-	19	-	480	499
Balance on March 31, 2011	15.840	6.726	3.354	(125)	1.856	4.443	32.094

The accompanying Notes on pages 8 to 23 are an integral part of the interim Financial Statements.

F.G. EUROPE S.A.
Statements of Cash Flows (Consolidated and Company)
For the Three-Months Period ended March 31, 2011 and 2010
(All amounts in € thousands unless otherwise stated)

	Consolidated		Company	
	For the Three-Months Period Ended March 31,			
	2011	2010	2011	2010
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before tax (and minority interest).....	614	1.275	634	869
Add / (less) adjustments for:				
Depreciation and amortization.....	727	664	21	31
Provisions.....	(142)	362	188	348
Exchange rate differences.....	404	427	404	426
Result of investment activity.....	(174)	(414)	(165)	(263)
Interest and similar expenses.....	679	920	347	633
Government grants recognized in income.....	(185)	(195)	-	(3)
Employee benefits.....	28	6	13	(13)
Operating result before changes in working capital	1.951	3.045	1.442	2.028
Add / (less) adjustments for changes in working capital items:				
(Increase) / decrease in inventories.....	1810	(4.934)	1.816	(4.937)
(Increase) / decrease in receivables and prepayments.....	(2.705)	10.712	2.891	11.326
Increase / (decrease) in trade and other payables.....	3.857	(14.319)	5.125	158
(Increase) in long term receivables.....	(1)	46	(1)	46
Total cash inflow / (outflow) from operating activities	4.912	(5.450)	11.273	8.621
Interest and similar expenses paid.....	(410)	(478)	(105)	(233)
Income taxes paid.....	(269)	(390)	(256)	(390)
Total net inflow / (outflow) from operating activities	4.233	(6.318)	10.912	7.998
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Purchase) of subsidiaries and other investments.....	(59)	-	(750)	-
(Purchase) of PPE and intangible assets.....	(14.825)	(57)	(3)	(29)
Interest income.....	174	415	165	263
Government grants.....	5.704	-	-	-
Total net cash inflow / (outflow) from investing activities	(9.006)	358	(588)	234
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Share capital increase.....	1.498	-	-	-
Proceeds from borrowings.....	1.183	5.812	-	5.944
Repayments of borrowings.....	-	-	(5.204)	-
Total net cash inflow from financing activities	2.681	5.812	(5.204)	5.944
Net increase / (decrease) in cash and cash equivalents	(2.092)	(148)	5.120	14.176
Cash and cash equivalents at beginning of period	35.643	45.673	27.586	15.076
Cash and cash equivalents at end of period	33.551	45.525	32.706	29.252

The accompanying Notes on pages 8 to 23 are an integral part of the interim Financial Statements.

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Notes to the interim Financial Statements (Consolidated and Company) For the Three-Months Period ended March 31, 2011 (All amounts in € 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 ENERGIKI 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.
 - AEOLIC ADERES 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 March 31, 2011 is 64 for the Company and 115 for the Group.

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 December 31, 2010	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 ENERGIKI S.A.	Greece	37,50% (b)	Full consolidation
• AEOLIC ADERES S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. MISOHORIA S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. OMALIES S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. KORAKOVRAHOS S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. DEXAMENES S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. LAKOMA S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. TSOUKKA S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. PRARO S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. XESPORTES S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. SHIZALI S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. KALAMAKI S.A.	Greece	37,50% (b)	Full consolidation

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Notes to the interim Financial Statements (Consolidated and Company)

For the Three-Months Period ended March 31, 2011

(All amounts in € thousands unless otherwise stated)

Note: a) Direct investments, b) Indirect investments

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 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 of the Group and the Company as 'Available for sale investment'.

The investments in subsidiaries of the Company are as follows:

Investments in Subsidiaries as at 31.3.2011						
Subsidiary name	Additions till 01.01.2011	Reductions till 01.01.11	Balance as at 01.01.11	Additions 01.01- 31.03.11	Reductions 01.01 - 31.03.11	Balance as at 31.03.11
1 R.F. ENERGY S.A.....	21.210	(5.250)	15.960	750	-	16.710
2 FIDAKIS SERVICE S.A.....	1.996	(1.696)	300	-	-	300
3 FIDAKIS LOGISTICS S.A...	918	(397)	521	-	-	521
					-	
Total	24.124	(7.343)	16.781	750	-	17.531

Investments in Subsidiaries as at 31.12.2010						
Subsidiary name	Additions till 01.01.2010	Reductions till 01.01.10	Balance as at 01.01.10	Additions 01.01- 31.12.10	Reductions 01.01 - 31.12.10	Balance as at 31.12.10
1 R.F. ENERGY S.A.....	21.210	(5.250)	15.960	-	-	15.960
2 FIDAKIS SERVICE S.A.....	1.696	(1.696)	-	300	-	300
3 FIDAKIS LOGISTICS S.A...	918	(397)	521	-	-	521
Total	23.824	(7.343)	16.481	300	-	16.781

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

On 10/3/2011, the Extraordinary General Meeting of the subsidiary RF ENERGY S.A. decided to increase its share capital by € 667. The increase will be in cash and will be covered by issuing 1,333,336 new shares with a nominal value of fifty cents (0.50) of the € and disposal price of (1.50) each. The difference between nominal value and the disposal price, amounting to € 1.333, will be brought to the credit of the account "Proceeds from issuance of shares above par". After the increase, the company's share capital amounts to € 14.667, divided into 29,333,336 shares of nominal value (0.50) € each.

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Notes to the interim Financial Statements (Consolidated and Company) For the Three-Months Period ended March 31, 2011 (All amounts in € thousands unless otherwise stated)

On 4/1/2011 an increase in equity of the subsidiary company of the Group Aioliki Aderes S.A. by the amount of € 9.930 for the direct financing of construction of three wind farms, the completion of which is expected to take place in 2011.

On 4/2/2011 the subsidiary RF ENERGY S.A. acquired the remaining percentage (16%) of ten subsidiaries operating in the energy sector in the prefecture of Evia and now owns 100% of their shares.

Also in the first quarter of 2011, the General Assembly of 10 subsidiary companies operating in the prefecture of Evia decided to increase their equity, so that the procedure for the acquisition of the Production Licenses can smoothly continue. These increases will be covered by the single shareholder, R.F. Energy S.A.

The total effect in the “Other comprehensive income after tax” concerns the profit of € 19 that arose on March 31, 2011, from the valuation of securities which are classified as “available for sale investments” 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.

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, 2010 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, 2010, apart from the adoption of new standards and interpretations that were adopted for first time as of January 1, 2011, 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 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 three-months period ended March 31, 2011, are not indicative for the results expected by management for the year ending December 31, 2011 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.

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Consolidated and Company) For the Three-Months Period ended March 31, 2011 (All amounts in € thousands unless otherwise stated)

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

New International Accounting Standards have been issued, including amendments and interpretations, which are compulsory for annual accounting periods beginning after January 1, 2010. The management's estimation of both the Group and the Company, relating to the impact from the enforcement of these new amendments and interpretations, is referred further:

2.2.1 Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except as follows:

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**
- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**
- **IAS 32 Classification on Rights Issues (Amended)**
- **IAS 24 Related Party Disclosures (Revised)**
- **In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording**
 - **IFRS 3 Business Combinations**
 - **IFRS 7 Financial Instruments: Disclosures**
 - **IAS 1 Presentation of Financial Statements**
 - **IAS 27 Consolidated and Separate Financial Statements**
 - **IAS 34 Interim Financial Reporting**
 - **IFRIC 13 Customer Loyalty Programmes**

The Group does not expect that these amendments will have an impact on the financial position or performance of the Group.

2.2.2 Standards issued but not yet effective

Until the date of preparation of the Financial Statements, standards and interpretations have been issued but are not yet effective. Apart from the standards and interpretations that are not applied yet and are referred to in the Financial Statements of December 31, 2010, the below have been also issued.

- **IFRS 9 Financial Instruments – Phase 1 Classification and Measurement**

The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS addresses classification and measurement of financial instruments. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial liabilities using the FVO. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.
- **IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)**

The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU. The Group does not expect that this

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Notes to the interim Financial Statements (Consolidated and Company) For the Three-Months Period ended March 31, 2011 (All amounts in € thousands unless otherwise stated)

amendment will have an impact on the financial position or performance of the Group, however additional disclosures may be required.

- **IFRS 1 Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters (Amended) [REMOVE IF COMPANY IS NOT FTA]**

The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment introduces a new deemed cost exemption for entities that have been subject to severe hyperinflation. When an entity's date of transition to IFRS is on, or after, the functional currency "normalisation" date, the entity may elect to measure all assets and liabilities, held before the functional currency "normalisation" date, at fair value on the date of transition to IFRS. Additionally, the IASB removed the legacy fixed dates included in IFRS 1 for derecognition and day one gain or loss transactions and replaced those dates with the date of transition to IFRS. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

- **IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

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.

Energy

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

Other

The sector of Mobile Telephony due to the minimization of its activities from 01/01/2011 is included in the sector "Other".

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

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.

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

The segments results of the Group are analyzed as follows:

Three-month period ended March 31, 2011	Long Living Consumer Goods	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties.....	18.681	1.442	98	20.221	-	20.221
Sales within the Group.....	20	-	948	968	(968)	-
Less: Cost of sales.....	(13.645)	(716)	(58)	(14.419)	-	(14.419)
Less: Cost of sales within the Group.....	(20)	-	(812)	(832)	832	-
Gross profit.....	5.036	726	176	5.938	(136)	5.802
Other operating income.....	-	-	75	75	-	75
Distribution expenses.....	(2.967)	-	(224)	(3.191)	-	(3.191)
Distribution expenses within the Group.....	(136)	-	-	(136)	136	-
Administrative expenses.....	(715)	(385)	(41)	(1.141)	-	(1.141)
Administrative expenses within the Group.....	-	-	-	-	-	-
Other operating expenses.....	-	(23)	-	(23)	-	(23)
Profit from operations.....	1.218	318	(14)	1.522	-	1.522
Finance income.....	274	9	-	283	-	283
Finance costs.....	(860)	(333)	1	(1.192)	-	(1.192)
Profits before tax.....	632	(6)	(13)	613	-	613
Income tax expense.....	(152)	(18)	(11)	(181)	-	(181)
Net profit.....	480	(24)	(24)	432	-	432

Three-month period ended March 31, 2010	Long Living Consumer Goods	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties.....	17.437	1.922	122	19.481	-	19.481
Sales within the Group.....	23	-	975	998	(998)	-
Less: Cost of sales.....	(11.707)	(848)	(110)	(12.665)	-	(12.665)
Less: Cost of sales within the Group.....	(23)	-	(918)	(941)	941	-
Gross profit.....	<u>5.730</u>	<u>1.074</u>	<u>69</u>	<u>6.873</u>	<u>(57)</u>	<u>6.816</u>
Other operating income.....	8	-	165	173	-	173
Distribution expenses.....	(3.311)	-	(310)	(3.621)	-	(3.621)
Distribution expenses within the Group.....	(57)	-	-	(57)	57	-
Administrative expenses.....	(708)	(405)	(47)	(1.160)	-	(1.160)
Administrative expenses within the Group.....	-	-	-	-	-	-
Other operating expenses.....	-	-	-	-	-	-
Profit from operations.....	<u>1.662</u>	<u>669</u>	<u>(123)</u>	<u>2.208</u>	<u>=</u>	<u>2.208</u>
Finance income.....	717	151	-	868	-	868
Finance costs.....	(1.514)	(287)	-	(1.801)	-	(1.801)
Profits before tax.....	<u>865</u>	<u>533</u>	<u>(123)</u>	<u>1.275</u>	<u>=</u>	<u>1.275</u>
Income tax expense.....	(233)	(144)	26	(351)	-	(351)
Net profit.....	<u>632</u>	<u>389</u>	<u>(97)</u>	<u>924</u>	<u>=</u>	<u>924</u>

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

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Three-month period ended March 31, 2011	Long Living Consumer Goods	Energy	Other	Total
Greece.....	6.216	1.442	98	7.756
Exports.....	12.465	-	-	12.465
Total	<u>18.681</u>	<u>1.442</u>	<u>98</u>	<u>20.221</u>

Three-month period ended March 31, 2010	Long Living Consumer Goods	Energy	Other	Total
Greece.....	8.838	1.922	122	10.882
Exports.....	8.599	-	-	8.599
Total	<u>17.437</u>	<u>1.922</u>	<u>122</u>	<u>19.481</u>

4. Finance income and expenses

Finance income and expenses are analyzed as follows:

	Consolidated		Company	
	Three-month period ended March 31,			
	2011	2010	2011	2010
<u>Finance costs:</u>				
Interest and similar expenses.....	(533)	(815)	(267)	(588)
Bank charges and commissions.....	(106)	(95)	(80)	(45)
Financial cost of provision of equipment removal.....	(40)	(10)	-	-
Foreign exchange differences.....	(616)	(881)	(616)	(881)
Total Finance costs	<u>(1.295)</u>	<u>(1.801)</u>	<u>(963)</u>	<u>(1.514)</u>
<u>Finance income:</u>				
Interest and similar income.....		414		263
Foreign exchange differences (income).....	174	413	165	413
Valuation of Derivatives.....	212	41	212	42
Total Finance income	-	868	-	<u>718</u>
Finance costs, net	386	(933)	377	<u>(796)</u>

Generally the above accounts have as follows:

	Consolidated		Company	
	Three-month period ended March 31,			
	2011	2010	2011	2010
Foreign exchange differences	(404)	(426)	(404)	(426)
Result of investment activity.....	174	414	165	263
Interest and similar expenses.....	(679)	(921)	(347)	(633)
Finance costs (net)	(909)	(933)	(586)	(796)

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 2010
• Fidakis Logistics S.A.	2010

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• Fidakis Service S.A.	2010
• R.F. Energy S.A.	2010
• Hydroelectrical Ahaia S.A.	2010
• City Elektrik S.A.	2010
• Aeolic Kylindrias S.A.	2009-2010
• Kallisti Energiaki S.A.	2009-2010
• R.F. Energy Misohoria S.A.	2010
• R.F. Energy Omalies S.A.	2010
• R.F. Energy Korakovrahos S.A.	2010
• R.F. Energy Dexamenes S.A.	2010
• R.F. Energy Lakoma S.A.	2010
• R.F. Energy Tsoukka S.A.	2010
• R.F. Energy Praro S.A.	2010
• R.F. Energy Xesportes S.A.	2010
• R.F. Energy Shizali S.A.	2010
• R.F. Energy Kalamaki S.A.	2010
• Aeolic Aderes S.A..	Unaudited from inception (2009)

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

	Consolidated		Company	
	Three-month period ended March 31,			
	2011	2010	2011	2010
Income tax (current period).....	(303)	(248)	(227)	(168)
Deferred tax.....	157	(68)	99	(41)
Provisions for contingent tax liabilities from years uninspected by the tax authorities.....	(35)	(35)	(25)	(25)
Income taxes	(181)	(351)	(153)	(234)

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 respect that has been created for the first time in the current period, amounts to € 291 for the Company and € 375 for the Group as of March 31, 2011.

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	
	Three-month period ended March 31,			
	2011	2010	2011	2010
Net profit attributable to shareholders	445	684	636	636
Weighted average number of shares outstanding.....	52.800.154	52.800.154	52.800.154	52.800.154
Basic earnings per share (in €)	<u>0.0084</u>	<u>0.0130</u>	<u>0.0091</u>	<u>0.0120</u>

On 18/5/2011 the annual General Assembly of Shareholders of the company decided not to distribute dividends from the profits of the year 2010

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7. Property, plant and equipment and intangible assets

Property, plant and equipment are analyzed as follows:

Fixed Assets							
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total
January1, 2010							
Value at cost.....	5	5.285	33.893	383	1.370	713	41.649
Accumulated depreciation..	-	(553)	(2.902)	(179)	(990)	-	(4.624)
Net book value.....	5	4.732	30.991	204	380	713	37.025
January 1 to December 31, 2010							
Additions.....	-	43	29	-	128	553	753
Work in progress.....	-	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	(7)	(60)	-	(67)
Depreciation.....	-	(292)	(2.239)	(48)	(151)	-	(2.730)
Depreciation of disposals...	-	-	-	5	60	-	65
December 31, 2010							
Value at cost.....	5	5.328	33.922	376	1.438	1.266	42.335
Accumulated depreciation..	-	(845)	(5.141)	(222)	(1.081)	-	(7.289)
Net book value.....	5	4.483	28.781	154	357	1.266	35.046
January 1 to March 31, 2011							
Additions.....	-	-	1	10	6	13.306	13.323
Work in progress.....	-	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	(2)	-	(2)
Depreciation.....	-	(74)	(550)	(12)	(29)	-	(665)
Depreciation of disposals...	-	-	-	-	2	-	2
March 31, 2011							
Value at cost.....	5	5.328	33.923	386	1.442	14.572	55.656
Accumulated depreciation..	-	(919)	(5.691)	(234)	(1.108)	-	(7.952)
Net book value.....	5	4.409	28.232	153	334	14.572	47.703

Consolidated	Investments in real estate			Intangible assets		
	Land	Buildings	Total	License for wind energy	Licenses	Total
January1, 2010						
Value at cost.....	52	284	336	1.800	190	1.990
Accumulated depreciation..	-	(10)	(10)	-	(110)	(110)
Net book value.....	52	274	326	1.800	80	1.880
January 1 to December 31, 2010						
Additions.....	-	-	-	7.091	289	7.380
Work in progress	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-	-
Depreciation.....	-	(1)	(1)	-	(8)	(8)
Depreciation of disposals...	-	-	-	-	-	-
December 31, 2010						
Value at cost.....	52	284	336	8.891	479	9.730
Accumulated depreciation..	-	(11)	(11)	-	(118)	(118)
Net book value.....	52	273	325	8.891	361	9.252
January 1 to March 31, 2011						

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Additions.....	-	1	1	-	1.503	1.503
Work in progress	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-	-
Depreciation.....	-	-	-	-	(64)	(64)
Depreciation of disposals...	-	-	-	-	-	-

March 31, 2011

Value at cost.....	52	285	337	8.891	1.982	10.873
Accumulated depreciation..	-	(11)	(11)	-	(182)	(182)
Net book value.....	<u>52</u>	<u>274</u>	<u>326</u>	<u>8.891</u>	<u>1.800</u>	<u>10.691</u>

Company	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Total
January 1, 2010						
Value at cost.....	5	36	11	175	1.142	1.369
Accumulated depreciation..	-	(27)	(7)	(69)	(857)	(960)
Net book value.....	<u>5</u>	<u>9</u>	<u>4</u>	<u>106</u>	<u>285</u>	<u>409</u>
January 1 to December 31, 2010						
Additions.....	-	-	-	-	54	54
Work in progress.....	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	(7)	(60)	(67)
Depreciation.....	-	(7)	(1)	(17)	(91)	(116)
Depreciation of disposals...	-	-	-	5	60	65
December 31, 2010						
Value at cost.....	5	36	11	168	1.136	1.356
Accumulated depreciation..	-	(34)	(8)	(81)	(888)	(1.011)
Net book value.....	<u>5</u>	<u>2</u>	<u>3</u>	<u>87</u>	<u>248</u>	<u>345</u>
January 1 to March 31, 2011						
Additions.....	-	-	-	-	1	1
Work in progress.....	-	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-	-
Depreciation.....	-	(2)	(1)	(4)	(12)	(20)
Depreciation of disposals...	-	-	-	-	-	-
March 31, 2011						
Value at cost.....	5	36	11	168	1.137	1.357
Accumulated depreciation..	-	(36)	(9)	(85)	(900)	(1.031)
Net book value.....	<u>5</u>	<u>0</u>	<u>2</u>	<u>83</u>	<u>237</u>	<u>326</u>

Company	Investments in real estate			Intangible assets	
	Land	Buildings	Total	Licenses	Total
January 1, 2010					
Value at cost.....	52	284	336	30	30
Accumulated depreciation..	-	(10)	(10)	(26)	(26)
Net book value.....	<u>52</u>	<u>274</u>	<u>326</u>	<u>4</u>	<u>4</u>
January 1 to December 31, 2010					
Additions.....	-	-	-	-	-
Work in progress	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-
Depreciation.....	-	(1)	(1)	(2)	(2)
Depreciation of disposals...	-	-	-	-	-
December 31, 2010					

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Value at cost.....	52	284	336	30	30
Accumulated depreciation..	-	(11)	(11)	(28)	(28)
Net book value.....	<u>52</u>	<u>273</u>	<u>325</u>	<u>2</u>	<u>2</u>

January 1 to March 31, 2011

Additions.....	-	1	1	-	-
Work in progress	-	-	-	-	-
Disposals / transfers.....	-	-	-	-	-
Depreciation.....	-	-	-	-	-
Depreciation of disposals...	-	-	-	-	-

December 31, 2010

Value at cost.....	52	285	337	30	30
Accumulated depreciation..	-	(11)	(11)	(28)	(28)
Net book value.....	<u>52</u>	<u>274</u>	<u>326</u>	<u>2</u>	<u>2</u>

It is noted that fixed assets are not pledged.

‘It is also noted that Work in progress amount € 13.306 concerns the cost of wind park construction and hydroelectrical plant construction of the subsidiaries of the Group. The impairment testing of licensees of electrical energy production hasn’t resulted to impairment losses.

8. Inventories

During the period from January 1 to March 31, 2011 the Company reduced the inventory to their fair value for the amount of € 14, and included in the “Cost of sales”. During the related period from January 1 to March 31, 2010 the Company did not reduced the inventory value.

9. Receivables and prepayments

During the period from January 1 to March 31, 2011 Company’s Provisions of doubtful accounts of customers amounted to € 174 and during the related previous period amounted to € 347. These expenses included in “Distribution expenses”

10. Cash and cash equivalents

	Consolidated		Company	
	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
Cash on hand.....	14	28	5	1
Sight and time deposits.....	33.537	35.615	32.701	27.585
Total	<u>33.551</u>	<u>35.643</u>	<u>32.706</u>	<u>27.586</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	
	March 31,			
	2011	2010	2011	2010
<u>Long term borrowings:</u>				

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Bonded loan.....	57.120	62.459	43.605	48.770
Long term debt payable within the next 12 months.....	(11.367)	(11.268)	(10.400)	(10.274)
Long term debt payable between 1 & 5 years.....	(45.753)	(51.191)	(33.205)	(38.496)
Total long term borrowings	<u>(57.120)</u>	<u>(62.459)</u>	<u>(43.605)</u>	<u>(48.770)</u>
 Short term borrowings	 <u>8.553</u>	 <u>1.997</u>	 =	 <u>5</u>

The net cash inflows (receivables) from borrowings during the period from January 1 to March 31, 2011 amounted to € 1.183 for the Group and for the same period it was for the Company cash outflow (repayments) € 5.204. During the related previous period the net cash inflows (receivables) amounted to € 5.812 for the Group and € 5.944 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 € 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 € 56.250 was on January 28, 2008 and the second for the amount of € 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 (6) installments are payable on January 28, 2011. The first nine installments amount to € 5.200 and the tenth installment to € 28.200. The interest rate for the bonded loan was approximately 2,29%.

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 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 three (3) installments are paid on September 30, 2010. The remaining amount of EURO 6.735 concerns the financing against the receivable state's subsidy and will be payable directly to the repayment of the state subsidy. 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%. Then, in August 2010, KALLISTI ENERGI AKI S.A. received the amount of € 2.059 as the rest of the first installment of the approved subsidy and proceeded immediately to a corresponding payout. In September 2010 the company moved to refinance the short-term borrowing against the approved grant amount of € 3.365, by issuing long term bonds with duration with eleven years and repayment in 22 semi-annual installments. The effective interest rate is Euribor 6M + 2% ≈ 3.50%

The Group's Company AIOLIKI KYLINDRIAS S.A., received short-term financing of sum € 10.008 in order to refinance its existing short-term loans. Amount € 5.934 was converted to Common Bond Loan during December 2009, with a duration of 14 years and a floating interest Euribor plus fixed margin 2,30%. While the remaining amount of € 4.074 remained short-term financing over the approved grant with floating Euribor plus a fixed margin of 2.00%.

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). In September 2010, AIOLIKI KYLINDRIAS S.A.

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received the amount of € 2.037 as the first installment of approved subsidy and made an immediate repayment of the relevant short-term loan, € 2.082, and using the cash items.

AIOLIKI ADERES SA subsidiary of the Group FG EUROPE AE, received in January approved funding of up to € 34.911 for the completion of 3 Wind Power Plants 33 Mw total power in the Municipality of Ermioni Argolida. Until 31/3/2011 from this fund have been paid an amount of € 4.059, with a margin of 380 basis points interest rate, the disbursement of the loan to finance the investment costs and VAT to be made upon presentation to the appropriate bank of the tariffs. This funding will be made with respect to a corporate guarantee by the RF ENERGY SA.

The RF ENERGY subsidiary company FG EUROPE SA., received funding in January at the rate of € 2.500 in total credit Euribor for three months plus margin (4.00%), with the contribution until 20/07/2011

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

The interest rates for the rest short term borrowings were approximately 7,40%.

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:

Subsidiaries	Company	
	March 31, 2011	December 31, 2010
Receivables from:		
F.G. Logistics S.A.....	353	353
Total	<u>353</u>	<u>353</u>
Subsidiaries	Company	
	March 31, 2011	December 31, 2010
Obligation to:		
F.G. Logistics S.A.....	40	24
Fidakis Service S.A.....	30	13
R.F. Energy S.A.....	450	-
Total	<u>520</u>	<u>37</u>

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Companies with common shareholding structure	Consolidated		Company	
	March 31,	December	March 31,	December
	2011	31, 2010	2011	31, 2010
Receivables from:				
Cyberonica S.A.....	501	501	114	114
Total	<u>501</u>	<u>501</u>	<u>114</u>	<u>114</u>

The transactions with the related parties for the period ended March 31, 2011 and 2010 are analyzed as follows:

Subsidiaries	Company	
	Three-month periods ended March 31,	
	2011	2010
Sales of goods and services:		
Inventories.....	20	19
Other.....	-	-
Total	<u>20</u>	<u>19</u>

Subsidiaries	Company	
	Three-month periods ended March 31,	
	2011	2010
Purchases of goods and services:		
Warranties.....	(108)	(135)
Logistics.....	(840)	(840)
Total	<u>(948)</u>	<u>(975)</u>

Companies with common shareholding structure	Consolidated		Company	
	Three-month periods ended March 31,		Three-month periods ended March 31,	
	2011	2010	2011	2010
Purchases of goods and services:				
Cyberonica S.A.....	(768)	(731)	(188)	(151)
Total	<u>(768)</u>	<u>(731)</u>	<u>(188)</u>	<u>(151)</u>

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

Obligations to:	Consolidated		Company	
	March 31,	December	March 31,	December
	2011	31, 2010	2011	31, 2010
Members of the Board and Directors.....	20	10	20	10
Total	<u>20</u>	<u>10</u>	<u>20</u>	<u>10</u>

Compensation:	Consolidated		Company	
	Three-month periods ended March 31,		Three-month periods ended March 31,	
	2011	2010	2011	2010
Personnel expenses.....	(482)	(455)	(441)	(424)
Provision for staff leaving indemnity.....	(5)	(5)	(5)	(5)
Total	<u>(487)</u>	<u>(460)</u>	<u>(446)</u>	<u>(429)</u>

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Consolidated and Company) For the Three-Months Period ended March 31, 2011 (All amounts in € thousands unless otherwise stated)

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 387MW capacity in total. Subsequently meteorological masts were erected in said site locations in order to measure wind potential while parent Company R.F. ENERGY S.A. provides to its subsidiaries administrative, development and management services on this project. Moreover 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.

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 Licenses. As a result, 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.

Furthermore, as of March 31, 2011 the company R.F. ENERGY S.A. has issued guarantees for loans of its subsidiaries of total amount € 35.065 which will be repaid until 2023.

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

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

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 € 530 for the Group and € 346 for the Company as of March 31, 2011. The amount charged to the income statement for the three-month period ended March 31, 2011 is € 28 for the Group and € 13 for the Company. The amount charged to the income statement for the three-month period ended March 31, 2010 is € 32 for the Group and € 13 for the Company.

15. Commitments

Capital Commitments

F.G. EUROPE S.A.

Notes to the interim Financial Statements (Consolidated and Company)

For the Three-Months Period ended March 31, 2011

(All amounts in € thousands unless otherwise stated)

The group has no uncompleted purchasing commitments with its suppliers as of March 31, 2011. The future aggregate minimum lease payments arising from building lease agreements until year 2017 are estimated to amount to € 13.543 approximately. Furthermore, the future aggregate minimum lease payments arising from car lease agreements until the year 2013 are estimated to amount to € 395.

16. Post Balance Sheet Events

Apart of the event which is mentioned in note 6, there are no other significant post balance sheet events having occurred after March 31, 2011 concerning the Company that should have been disclosed.

These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on May 20, 2011 and are accessible to the public in electronic form on the company website <http://www.fgeurope.gr>.

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 YEAR OF 1 JANUARY UNTIL 31 MARCH 2011
(In compliance with the stipulations of decision 4/507/28.04.2009 of the Capital Market Commission)

The financial information listed bellow 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 address: <http://www.fgeurope.gr>

Date of approval of the interim financial statements by the Board of Directors: 20/5/2011

CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME <i>(consolidated and not consolidated) amounts in € thousands</i>				
	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Turnover	20.221	19.481	18.746	17.543
Gross profit	5.802	6.816	5.038	5.718
Earnings before taxes, financing and investing activities	1.118	1.782	815	1.240
Earnings before taxes	613	1.275	633	870
Earnings after taxes	432	924	480	636
Attributable to:				
Equity holders of the parent company	445	684	----	----
Minority interest	(13)	240	----	----
Other comprehensive income after tax (B)	19	26	19	26
Total comprehensive income after tax (A)+(B)	451	950	499	662
Attributable to:				
Equity holders of the parent company	464	710	----	----
Minority interest	(13)	240	----	----
Earnings per share – basic (in Euro)	0,0084	0,0130	0,0091	0,0120
Earnings before interest, depreciation, amortization and taxes	1.660	2.251	836	1.268

CONDENSED STATEMENT OF CHANGES IN NET EQUITY <i>(consolidated and not consolidated) amounts in € thousands</i>				
	GROUP		COMPANY	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Equity balance at the beginning of the period (1/1/2011 and 1/1/2010 respectively)	51.281	55.730	31.595	35.625
Total comprehensive income after taxes	451	950	499	662
Share capital increase/(decrease)	1.439	----	----	----
Equity at the end of the period (31/3/2011 and 31/3/2010 respectively)	53.171	56.680	32.094	36.287

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" for the Group and the Company of € 19 thousands, represents revaluation profit on securities which are classified as "available for sale investments".
- There are not companies which were included in the consolidated financial statements of the period 1/1/2011-31/3/2011 and were consolidated for the first time. Apart of the companies R.F. ENERGY GARBIS S.A and R.F. ENERGY ZEFYROS S.A. there are no other companies which were not included in the consolidated financial statements of the period 1/1-31/3/2011 and had been consolidated in the corresponding period of 2010. Also there are not companies which have not included in the consolidated financial statements and the consolidation method is the same as this applies in the previous periods.
- There are not own shares that are held from the Company or by its subsidiaries and associates companies for the period ending as of 31 March 2011.
- 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 € 375 thousands and € 291 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) in the interim financials statements.
- The Group and the Company have not made "General provisions" on March 31, 2011.
- The number of employees as of March 31, 2011 was : Group 115, Company 64 persons.
March 31, 2010 was : Group 145, Company 77 persons.
- The transactions and balances in € thousands for the period ending on March 31, 2011 with related parties as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of goods and services	----	20
b) Purchases of goods and services	768	1.136
c) Receivables from related parties	501	467
d) Payables to related parties	----	520
e) Key management personnel compensations	487	446
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 May 18, 2011, decided not to distribute dividends from the profits of the year 2010.
- There are no significant events subsequent to March 31, 2011 concerning the Group or the Company, apart of those which are presented in note (24), that would require adjustment to or additional disclosure in the published financial statements in accordance with IAS 10 principles, apart of these that are presented in note (16) of the interim financial statements.

GLYFADA, ATTIKIS MAY 20, 2011

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCE DIRECTOR

ACCOUNTING CHIEF

GEORGIOS FIDAKIS
Id. No N 000657

JOHN PANTOUSIS
Id. No Ε 168490

MIHALIS POULIS
R.G. 016921

ATHANASIOS HARBIS
R.G. 0002386

KRONOS S.A.

CONDENSED STATEMENT OF FINANCIAL POSITION <i>(consolidated and not consolidated) amounts in € thousands</i>				
	GROUP		COMPANY	
	31/3/2011	31/12/2010	31/3/2011	31/12/2010
ASSETS				
Tangible assets	47.703	35.046	326	345
Investments in Property	326	325	326	325
Intangible assets	10.691	9.252	2	2
Other non current assets	4.835	4.346	18.971	18.102
Inventories	31.665	33.489	31.639	33.469
Trade receivables	37.976	33.743	11.985	15.051
Other current assets	33.551	35.643	32.706	27.586
TOTAL ASSETS	166.747	151.844	95.955	94.880
NET EQUITY AND LIABILITIES				
Share Capital	15.840	15.840	15.840	15.840
Other elements of net equity	13.104	12.712	16.254	15.755
Total equity attributable to the owners of parent company (a)	28.944	28.552	32.094	31.595
Minority interests (b)	24.227	22.729	----	----
Total equity (c)=(a)+(b)	53.171	51.281	32.094	31.595
Long term borrowings	45.753	51.191	33.205	38.496
Provisions / Other long-term liabilities	28.265	20.997	346	333
Short term borrowings	19.920	13.265	10.400	10.279
Other short term liabilities	19.638	15.110	19.910	14.177
Total liabilities (d)	113.576	100.563	63.861	63.285
TOTAL NET EQUITY AND LIABILITIES (e)=(c)+(d)	166.747	151.844	95.955	94.880

CONDENSED CASH FLOW STATEMENT <i>(consolidated and not consolidated) amounts in € thousands</i>				
Indirect method	GROUP		COMPANY	
	1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Operating Activities:				
Earnings before taxes	614	1.275	634	869
Add / (less) adjustments for:				
Depreciation and amortization	542	469	21	28
Provisions	(114)	368	201	335
Exchange rate differences	404	426	404	426
Result of investment activity	(174)	(414)	(165)	(263)
Interest and similar expenses	679	920	347	633
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	1.810	(4.934)	1.816	(4.937)
Increase / (decrease) in receivables	(2.706)	10.759	2.890	11.372
(Decrease) / increase in liabilities (other than banks)	3.857	(14.319)	5.125	158
Less:				
Interest and similar expenses paid	(410)	(478)	(105)	(233)
Taxes paid	(269)	(390)	(256)	(390)
Total inflow / (outflow) from operating activities (a)	4.233	(6.318)	10.912	7.998
Investing Activities				
Acquisition of subsidiaries and other investments	(59)	----	(750)	----
Purchase of tangible and intangible assets	(14.825)	(57)	(3)	(29)
Interest income	174	415	165	263
Proceeds from Government grants	5.704	----	----	----
Total inflow / (outflow) from investing activities (b)	(9.006)	358	(588)	234
Financing Activities				
Proceeds from capital increase	1.498	----	----	----
Borrowings from banks	1.183	5.812	----	5.944
Payments of borrowings	----	----	(5.204)	----
Total inflow / (outflow) from financing activities (c)	2.681	5.812	(5.204)	5.944
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	(2.092)	(148)	5.120	14.176
Cash and cash equivalents at beginning of the year	35.643	45.673	27.586	15.076
Cash and cash equivalents at the end of the period	33.551	45.525	32.706	29.252