

August 6, 2008

Group Financial Report, Second Quarter 2008

Review

Group invoiced sales increased by 11.9%, to €54.4 mio (€48.6 mio in 2007). Total group sales (including indent sales) increased by 11.7% to €54.8 mio (€49 mio in 2007).

Sales growth of 6% was achieved by the Commercial Vehicle Division and especially by Scania trucks, Isuzu pickups and light-duty vehicles. The Automotive Machinery Division, which includes Petrogen, Engines & Boats, Agricultural and Industrial Equipment Business, grew by 2%. Sales of the PMS Business Unit (batteries), which was not included in the second quarter last year, were €3.8 mio.

Net profit after tax and minority rights decreased by 6% to €1.9 mio (€2 mio in 2007).

Group sales were affected by the port strike, especially those of the Isuzu, Petrogen and PMS Business Units. The latter was also affected by the sudden worldwide drop in the price of lead in the first months of 2008, while the Business Unit was building up inventories at the port acquired at the high prices of the end of 2007. These developments, as well as the expected drop of pick-up, tractor and recreational products markets, have lead the Board of Directors of the Group, under present circumstances, to revise the profit after tax guidance for the year 2008.

Summary Consolidated Profit & Loss Statement (in 000 Euro).

Jan 1- June 30

	2008	2007
Total Sales	54.797	49.019
Indent Sales	376	410
Invoiced Sales	54.421	48.609
Gross Profit	10.521	10.857
Other Income	1.177	876
Administrative, Selling & Marketing Expenses	(7.794)	(6.712)
Other Expenses	(221)	(53)
Operating Profit	3.683	5.021
Net Financial Income (Expenses) and Fx Gain (Loss)	(1.145)	(1.724)
Depreciation included in Operating Cost	380	277
Net Profit Before Income Tax	2.538	3.297
Taxes	(610)	(1.240)

PETROS PETROPOULOS AEBE

Head Office
96-102 Iera Odos
Post Office Box 41018
122 10 Athens, Greece

Telephone
Switchboard 210 – 3499200

Telefax Line
Central 210 – 347 3404

E-mail
ppaebe@petropoulos.com

Net Profit After Income Tax	1.928	2.056
Minority Rights	0	0
Net Profit After Income Tax & Minority Rights	1.928	2.056
Earnings per Share	0,27	0,30

Summary Consolidated Balance Sheet (in 000 Euro).

	30/6/2008	31/12/2007
Assets		
Current Assets		
Cash & Securities	3.533	9.530
Accounts Receivable	20.423	26.999
Inventories	29.682	16.205
Other Receivables	677	740
Non Current Assets		
Intangible Assets	507	501
Tangible Assets	37.443	37.274
Other Long Term Assets	4.030	3.851
Total	96.295	95.100
Liabilities		
Short Term Bank Debt	11.731	2.773
Customer Advances	12.982	19.416
Other Short Term Liabilities	8.616	11.020
Long Term Bank Debt	22.000	19.700
Other Long Term Liabilities	4.228	3.847
Net Worth	36.738	38.345

Group Solvency (Equity as a percentage of Total Liabilities without Cash and Securities) as at 30 June 2008 was 39.6%.

Prospects for 2008

Profit after income tax for the year is expected to be approximately 10% lower than 2007.

The Company was established in Thessaloniki in 1922. It manufactures, modifies, distributes and supports a wide range of automotive products including automobiles, trucks, buses, generating sets, diesel engines, boats, outboard engines, batteries, agricultural, earthmoving and industrial equipment. The Company has a leading position in the Greek market in the sectors of its activity.

For further information, please contact Ms. Athina Tsiaga, tel.: 210 3499211.