

August 9, 2010

Group Financial Report, Second Quarter 2010

Review

Group invoiced sales decreased by 13.4 %, to €33.4 mio (€38.5 mio in 2009). Total group sales (including indent sales) also decreased by 13.7% to € 33.4 mio (€ 38.7 mio in 2009).

Sales of both Commercial Vehicles Division (Truck & Bus and Isuzu Business Units) and Automotive Machinery Division, (Petrogen generating sets, Engines & Boats, McCormick Agricultural Equipment, Industrial Equipment and PMS Batteries Business Units) decreased by 44% and 33% respectively. As of 1st March 2010, the Group is the distributor of Shell lubricants for motor vehicles, industrial uses, construction, shipping and aviation in Greece and in Cyprus.

Taxes, for the period January 1- June 30, 2010, were increased mainly due to additional taxation imposed by Law 3845/2010.

Net profit after tax and minority rights was reduced to € 53.000 (€1.1 mio in 2009).

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

Jan 1- June 30

	2010	2009
Total Sales	33.420	38.734
Indent Sales	19	185
Invoiced Sales	33.401	38.549
Gross Profit	7.267	7.837
Other Income	689	908
Administrative, Selling & Marketing Expenses	(6.848)	(6.214)
Other Expenses	(63)	(72)
Operating Profit	1.045	2.459
Income from Good Will of Acquisitions	302	0
Net Financial Income (Expenses) and Fx Gain (Loss)	(633)	(790)
Depreciation included in Operating Cost	362	364
Net Profit Before Income Tax	714	1.669
Taxes	(661)	(539)
Net Profit After Income Tax	53	1.130
Minority Rights	0	0
Net Profit After Income Tax & Minority Rights	53	1.130
Earnings per Share	0.0076	0.16

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Summary Consolidated Balance Sheet (in 000 Euro).

	30/6/2010	31/12/2009
Assets		
Current Assets		
Cash & Securities	3.673	17.449
Accounts Receivable	24.131	16.605
Inventories	19.361	15.001
Other Receivables	280	450
Non Current Assets		
Intangible Assets	689	709
Tangible Assets	37.173	37.239
Long Term Accounts Receivable	7.573	3.663
Other Long Term Assets	82	82
Total	92.962	91.198
Liabilities		
Short Term Bank Debt	2.775	9.291
Customer Advances	16.640	23.577
Long Term Bank Debt	29.300	13.400
Other Long Term Liabilities	4.603	4.503
Net Worth	39.644	40.427

Group Solvency (Equity as a percentage of Total Liabilities without Cash and Securities) as at 30 June 2010 was 44.40%.

Petros Petropoulos AEBE was established in Thessalonica in 1922. It manufactures, modifies, distributes and supports a wide range of automotive products including automobiles, trucks and buses, generating sets, diesel engines, boats, outboard engines, agricultural, earthmoving and industrial equipment, batteries and lubricants. The Company has a leading position in the Greek market in the sectors which it serves.

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