

March 20, 2013

## **Group Income and Financial Condition - 2012**

### **Review**

Group invoiced sales decreased by 21% to million €50 million (€63.3 million in 2011). Total Group sales (including indent sales) also decreased by 21% to €50.1 million (€63.7 million in 2011).

The markets served by the Group suffered a further decline of around 30%. The decline in Group sales by only 21% compared to 2011 was mainly due to the relatively greater weight in the sales mix of activities in sectors that suffered less (proving once again the benefit of the Group's diversification), but also due to an increase in market share.

Losses from operations after taxes amounted to €2.2 million, compared to losses of €1.8 million in 2011. The Group's results were further burdened with losses from revaluation of investment property by €3.4million.

The Group's price-to-book value (P/BV) was at an all-time low of approximately 0.4 (closing price on 15/3/2013).

The capital adequacy ratio (Equity as a percentage of Total Assets without Cash and Cash Equivalents) remained at a high level of 45,4% despite the impairment of the Group's property fair value (used by the Group and investment) by about €8,4 million in accordance with the valuation conducted at the end of 2012.

The Board of Directors will propose that no dividend be paid for fiscal year 2012.

**Summary Consolidated Profit & Loss Statement (in € 000).**

	1 Jan - 31 Dec	
	2012	2011
<b>Total Sales</b>	<b>50,181</b>	<b>63,731</b>
Indent Sales	111	420
<b>Invoiced Sales</b>	<b>50,070</b>	<b>63,311</b>
Gross Profit	9,518	12,922
Other Income	1,629	2,338
Administrative, Selling & Marketing Expense	(12,009)	(14,633)
Other Expenses	(255)	(1,169)
Operating Profit	(1,117)	(542)
Losses from Revaluation of Investment Property	(3,375)	0
Net Financial Income (Expense)	(1,617)	(1,267)
Depreciation included in Operating Cost	1,533	1,525
Net Profit before Income Tax	(6,109)	(1,809)
Income Taxes	485	6
Net Profit after Income Tax	(5,624)	(1,803)
Minority Interests	0	0
<b>Net Profit After Income Tax &amp; Minority Interests</b>	<b>(5,624)</b>	<b>(1,803)</b>
Earnings per Share	<b>(0.80)</b>	<b>(0.26)</b>

**Summary Balance Sheet Items before Profit Distribution (in € 000)**

	31/12/2012	31/12/2011
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	8,551	5,747
Accounts Receivable	19,181	24,935
Inventories	10,287	11,099
Other Receivables	2,047	4,867
<b>Non Current Assets</b>		
Intangible Assets	2,152	2,961
Tangible Assets	28,163	37,348
Long term Accounts Receivable	3,526	4,637
Other Long Term Assets	2,216	1,716
<b>Total</b>	<b>76,123</b>	<b>93,310</b>
<b>Liabilities</b>		
Short Term Bank Debt	14,043	13,447
Other Short Term Liabilities	12,283	16,069
Long Term Bank Debt	17,753	20,020
Other Long Term Liabilities	1,348	3,441
<b>Equity</b>	<b>30,696</b>	<b>40,333</b>

*Petros Petropoulos AEBE was established in Thessaloniki 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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