

November 6, 2008

Group Financial Report, Third Quarter 2008

Review

Group invoiced sales increased by 4.6%, to € 82.5 mio (€78.9 mio in 2007). Total group sales (including indent sales) increased by 4.2% to € 82.9 mio (€ 79.6 mio in 2007).

Sales growth of 3% was achieved by the Automotive Machinery Division and especially Petrogen and Engines & Boats Business Units. Sales of the Commercial Vehicle Division were decreased by 4% mainly those of earth-moving trucks and pickups. Sales of the PMS Business Unit (batteries), was revised downwards compared to Plan.

Net profit after tax and minority rights decreased by 27% to € 3.3 mio (€ 4.5 mio in 2007).

Group sales were affected by the port strike, especially in the Isuzu 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 drop of the pick-up and tractor markets and the uncertainty regarding the heavy truck market, have lead the Board of Directors of the Group, under present circumstances, to revise the after tax profit guidance for the year 2008.

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

	Jan 1- Sept 30	
	2008	2007
Total Sales	82.918	79.605
Indent Sales	389	619
Invoiced Sales	82.529	78.986
Gross Profit	16.025	17.340
Other Income	1.524	1.468
Administrative, Selling & Marketing Expenses	(11.088)	(10.206)
Other Expenses	(250)	(96)
Operating Profit	6.211	8.506
Net Financial Income (Expenses) and Fx Gain (Loss)	(1.922)	(1.764)
Depreciation included in Operating Cost	543	458
Net Profit Before Income Tax	4.289	6.742

PETROS PETROPOULOS AEBE

Taxes	(1.010)	(2.278)
Net Profit After Income Tax	3.279	4.464
Minority Rights	0	0
Net Profit After Income Tax & Minority Rights	3.279	4.464
Earnings per Share	0.46	0.64

Summary Consolidated Balance Sheet (in 000 Euro).

	30/9/2008	31/12/2007
Assets		
Current Assets		
Cash & Securities	4.617	9.530
Accounts Receivable	22.857	26.999
Inventories	31.017	16.205
Other Receivables	825	740
Non Current Assets		
Intangible Assets	502	501
Tangible Assets	37.789	37.274
Other Long Term Assets	4.027	3.851
Total	101.634	95.101
Liabilities		
Short Term Bank Debt	13.672	2.773
Customer Advances	12.905	19.416
Other Short Term Liabilities	7.854	11.020
Long Term Bank Debt	24.900	19.700
Other Long Term Liabilities	3.949	3.847
Net Worth	38.354	38.345

Group Solvency (Equity as a percentage of Total Liabilities without Cash and Securities) as at 30 September 2008 was 40%.

Prospects for 2008

Profit after income tax for the year is expected to be 25% 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.

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