



# ***Condensed Interim Financial Statements 1 January to 30 June 2011***

*These financial statements have been translated from the original statutory financial statements that have been prepared in the Hellenic language. In the event that differences exist between this translation and the original Hellenic language financial statements, the Hellenic language financial statements will prevail over this document.*

**FRIGOGLASS S.A.I.C**  
**Commercial Refrigerators**  
15, A. Metaxa Street  
GR-145 64 Kifissia  
Athens - Hellas



# **FRIGOGLASS S.A.I.C.**

## **Commercial Refrigerators**

It is confirmed that the present Interim Financial Statements (**pages 2- 58**) are compiled according to the Law **3556/2007** and the decision **4/507/28.04.2009** of the Hellenic Capital Market Commission and are the ones approved by the Board of Directors of “Frigoglass S.A.I.C.” on the **28<sup>th</sup> of July 2011**.

The present Interim Financial Statements of the period are available on the company’s website [www.frigoglass.com](http://www.frigoglass.com) , where they will remain at the disposal of the investing public for at least 5 years from the date of its publication.

### **TABLE OF CONTENTS**

- A) Board of Directors Statement
- B) Board of Directors Report
- C) Auditors Review Report
- D) Financial Statements for the period 1<sup>st</sup> January to 30 June 2011
- E) Summary Financial Statements for the period 1<sup>st</sup> January to 30 June 2011

It is asserted that for the preparation of the Financial Statements the following are responsible:

**The Chairman of the Board**

Haralambos David

**The Managing Director**

Petros Diamantides

**The Group Chief Financial Officer**

Panagiotis Tabourlos

**The Head of Finance**

Vassilios Stergiou

**BOARD OF DIRECTORS STATEMENT**  
**Regarding the Semi Annual Financial Statements for the year 2011**  
**According to the Law 3556/2007**

According to the Law 3556/2007, we state and we assert that from what we know of:

1. The Interim financial statements of the Group and the Company "Frigoglass S.A.I.C." for the period 01.01.2011 - 30.06.2011, which were compiled according to the established accounting standards, describe in a truthful way the assets and the liabilities, the equity and the results of the Group and the Company, as well as the subsidiary companies which are included in the consolidation as a total, according to what is stated in the Law 3556/2007.
2. The report of the Board of Directors for the six months period presents in a truthful way the information that is required based on the Law 3557/2007.

**Kifissia, July 28, 2011**

**The Chairman of the Board**

**The Managing Director**

**The Vice Chairman**

Haralambos David

Petros Diamantides

Ioannis Androutsopoulos

*(Translation from the original in Hellenic)*

## **BOARD OF DIRECTORS REPORT**

### **Concerning the Financial Statements for the period 1<sup>st</sup> January – 30<sup>th</sup> June 2011**

*Kifissia, 28<sup>th</sup> of July 2011*

Dear Shareholders,

According to the law 3556/2007 and the executive decisions of the Hellenic Capital Market Commission, we submit for the First Half of 2011 (1<sup>st</sup> January – 30<sup>th</sup> June 2011) the present semi-annual report of the board of Directors referring to the consolidated and parent company financial data.

#### **1) Important Events during First Half of 2011**

Frigoglass maintained its positive growth momentum, with Cool driving the top-line through a strong first half in Europe and a record performance in Glass. However, the rapid rise in input costs, which were partially offset by continued focus on operating costs, dampened the effect of the positive volume leverage.

We expect input costs to remain at high levels and to return to more normal seasonal trading patterns for the second half of the year.

We are conscious that the macro economic outlook for some economies appears to be increasingly cautious. However our diverse global geographic footprint, sector leading position and strong relationships with the world's leading beverage companies leaves us confident in progressing our long term strategy, and therefore our ability to create further value for our shareholders.

#### **2) Operational Review**

Consolidated Net Sales increased 36.7% to €322.5 million for the first half of 2011. Growth was driven by Cool Operations, where Sales increased 38.5% to €276 million, accounting for 85.6% of H1 2011 Consolidated Sales, compared to 84.5% in the prior year. Sales at Glass Operations increased to €46.5 million, up 26.8% on the comparable year period, including the one month consolidation of Frigoglass Jebel Ali, the recently acquired glass container business in Dubai.

Sales at **Cool Operations** continued to be driven by Eastern Europe with 88.4% growth for the first half of the year led primarily by Russia, Ukraine and Poland. Second quarter Sales accelerated in this region, increasing 93.1% relative to the comparable prior year quarter. In Western Europe, positive first quarter momentum continued with Sales up 63.2%, led by Italy, Spain and Finland. Sales in Africa / Middle East were broadly flat in the first half, whilst Asia / Oceania also declined, down by 10.6%, owing to lower Sales in India and China. The integration of North America continues, with 85.3% growth for the first half, delivering a stronger sequential growth rate in the second quarter, behind the successful launch of two new products.

In terms of Sales by key customer groups, Coca-Cola Hellenic posted a 207.4% increase for the first half versus the comparable prior year period, accounting for 30.2% of Cool sales. Sales to Coca-Cola bottlers other than Coca-Cola Hellenic decreased by 8% for the first half, representing 28.5% of Cool Sales. Sales to the Brewery segment posted an increase of 57.8% in the first half of the year, representing 24.6% of Cool Sales. Sales to all other customer groups accounted for 16.6% of Cool Sales and increased 5.3% for the first half of the year.

Sales at **Glass Operations** increased by 26.8% for the first half to €46.5million accounting for 14.4% of first half Consolidated Sales compared to 15.5% the prior year period. Frigoglass Jebel Ali contributed €1.9 million to the segment's Sales representing one month of financial results. The first quarter benefitted from cycling an easier prior year period due to the planned furnace refurbishment, whilst the second quarter posted a 1.3% decline as the prior year period reflected the sales pick-up as the furnace came back on stream. Glass drove the performance in the first half, with Other Operations (Metal Crowns and Plastic Crates) making good progress.

At a Consolidated level, **Operating Profit (EBIT)** increased by 22.4% for the first half, to €36.4 million, reflecting the effect of the sales growth, partially offset by high levels of input cost inflation and higher production costs to meet stronger than anticipated sales.

**Net Profit** increased by 30.1% to €19.3 million in the first half from €14.8 million the previous year period.

Cash flow generated from operating activities and before working capital movements reached €43.2 million in the first half of 2011, versus €35.7 million in the comparable prior year period. The increased level of trade debtors, owing to the top-line growth, led to a cash outflow of €84.8 million after operational and investing activities, compared to an outflow of €10.7 million in the comparable prior year period. The high level of trade debtors is anticipated to recede as we move into the second half of the year. The average net working capital to sales ratio remained at almost the same levels compared to the prior year period. Capital expenditure during the first half of 2011 was €10.9 million.

### **Operational Review by Key Operations**

First Half 2011	Revenues (€000's)				EBITDA (€000's)		
	H1 2011	H1 2010	% Change	% of Total	H1 2011	H1 2010	% Change
Cool Operations	276,028	199,359	38.5%	85.6%	35,914	30,903	16.2%
Glass Operations	46,453	36,629	26.8%	14.4%	14,117	11,375	24.1%
<b>Frigoglass Total</b>	<b>322,481</b>	<b>235,988</b>	<b>36.7%</b>		<b>50,031</b>	<b>42,278</b>	<b>18.3%</b>

### **Cool Operations**

Sales at Cool Operations increased by 38.5% in the first half of the year to €276 million, driven by good growth in Eastern and Western Europe. Volume advanced by 26.8% compared to last year.

#### **Revenue by Geography**

Sales in Eastern Europe increased by 88.4% to €118 million in the first half of the year, accounting for 42.7% of Cool Operations Sales. Growth in the region was driven by Russia, Ukraine, Poland, Bulgaria and Romania. Sales in Western Europe grew 63.2% in the first half of the year to €64.6 million, representing 23.4% of Cool Operations Sales. Substantial contribution to Sales within this region came from Italy, Spain and Finland.

Sales in Africa / Middle East were broadly flat at €32.9 million, with the top-line trend improving versus the first quarter, representing 11.9% of Cool Operations Sales for the first half of the year. The markets which drove incremental contributions were Kenya, Zimbabwe, Tanzania and Congo whereas sales in Nigeria declined in the first half, due to a shift in placement seasonality this year.

Sales in Asia / Oceania decreased by 10.6% in the first half of the year to €54.3 million, contributing 19.7% of Cool Sales. China witnessed lower overall market placements, whilst India was highly impacted by the shift of focus of main customers from new placements to an in-market cooler upgrade programme. The Philippines, Turkey and Indonesia provided notable positive incremental contribution to the first half, partially offsetting these declines.

Finally, in North America, Sales posted an 85.3% growth for the first half of the year to €6.3 million, accounting for 2.3% of Cool Sales.

### **Revenue by Customer Group**

Sales to Coca-Cola Hellenic rose 207.4% to €83.5 million in the first half whilst Sales to Other Coca-Cola bottlers decreased by 8% to €78.7 million.

Sales to the Breweries advanced by 57.8% to €68 million whilst Sales to Other customers increased by 5.3% for the first half of the year.

### **Profitability**

**EBITDA** increased by 16.2% reaching €35.9 million. The EBITDA margin decreased by 250 basis points to 13% compared to the first half of 2010, owing to strong input costs inflation, the negative operating leverage in India due to the in-market cooler upgrade program and the sourcing of higher cost units owing to the stronger than anticipated level of overall demand in Europe.

**Operating Profit (EBIT)** rose 18.7% to €27.3 million, with the respective margin retreating by 160 basis points to 9.9%, compared to 11.5% in H1 2010.

**Net Profit** increased by 40.7% to €15.3 million, from €10.9 million in the first half of last year.

### **Glass Operations**

Sales at Glass Operations increased 26.8% for the first half, to €46.5 million, with Jebel Ali accounting for €1.9 million. The first quarter benefitted from cycling an easier period due to the furnace refurbishment and impact of energy price increases on order timings in the prior year period, whilst the second quarter posted a 1.3% decline as the prior year period reflected the sales pick-up of the furnace coming back on stream and normalization of order patterns.

### **Revenue by Operation**

Sales relating to Glass increased by 31.5% (excluding Jebel Ali) for the first half, to €29.3 million. Sales at Other Operations (Metal Crowns and Plastic Crates) were up 6.2% to €15.3 million for the first half. Sales increased by 0.7% in Metal Crowns and 11.1% in Plastic Crates for the first half.

### **Profitability**

**EBITDA** increased 24.1% reaching €14.1 million for the first half of the year, with the respective margin decreasing by 70 basis points. Excluding Frigoglass Jebel Ali, EBITDA margin was broadly flat compared to the first half of last year.

**Operating profit (EBIT)** rose 34.8% to €9.1 million for the first half of the year whilst

**Net Profit** increased slightly to €3.9 million for the first half of the year.

## **3) Financial Review**

### ***Summary Profit and Loss Account***

	H1 2011	H1 2010	Change
	(€ 000's)	(€ 000's)	%
Revenues	322,481	235,988	36.7%
Comparable* revenues	320,564	235,988	35.8%
Gross profit	70,683	56,225	25.7%
Comparable* Gross Profit	70,544	56,225	25.5%
EBITDA	50,031	42,278	18.3%
Comparable* EBITDA	49,690	42,278	17.5%
Operating profit (EBIT)	36,440	29,772	22.4%
Comparable* EBIT	36,337	29,772	22.0%
EBT	28,219	22,772	23.9%
Comparable* EBT	28,213	22,772	23.9%
Net Profit	19,266	14,806	30.1%
Comparable* Net Profit	19,261	14,806	30.1%

### **Net Sales**

Consolidated Sales rose 36.7% to €322.5 million in the first six months of the year compared to the prior year period. This performance was led by Cool, which delivered €76.7 million of the incremental increase, up 38.5%. Glass Sales Operations sales grew 26.8% to €46.5 million.

### **Gross Profit**

Gross Profit increased by 25.7% to €70.7 million impacted mainly by high input cost inflation particularly during the second quarter which compressed margins by 190 basis points to 21.9%.



**Operating Profit (EBIT)**

Operating Profit posted a 22.4% increase in the first half of the year to €36.4 million, advancing at a lower sequential rate than the first quarter owing to high input cost inflation, the negative operating leverage in India and the sourcing of higher cost units to meet stronger than anticipated demand in Europe. However, the continued focus on the cost base resulted in operating expenses over sales decreasing by 70 basis points to 10.9%.

**Net Profit**

Net Profit advanced by 30.1% to €19.3 million, also aided by a lower effective tax rate of 23.4% (compared to 26.9% in the comparable prior year period), offset partially by higher finance costs.

**Cash flow**

Cash flow from operations advanced by 21.3% to €43.2 million in the first six months of 2011. As a result of a higher than usual trade debtor position in the seasonally stronger first half of the year, net cash generated from operations and after investing activities recorded a €84.8 million outflow for the period. However, this position is expected to reverse in the second half of 2011.

**Balance Sheet**

Good sales in the first half of the year led to a significant short term cash requirement, resulting in higher debt and an increase in the net debt to equity ratio of 167.4%, compared to 118.7% at the end of June 2010. Frigoglass expects the normalisation of inventories and trade debtors in the second half of the year to reduce net debt.

Average net working capital rose 37.2%, in line with the increase in Consolidated Sales resulting in an average net working capital to sales ratio of 0.69x almost flat versus the prior year comparable period.

**Capital Expenditure**

During the first half of 2011, Capex reached €10.9 million where Cool Operations accounted for €7.7 million, primarily relating to capacity increases, efficiency improvements and the development of new products. The remaining €3.2 million was directed towards Glass Operations, mainly for machinery and equipment.

#### **4) Parent Company Financial Data**

The Company's Net Trade Sales increased by 94.2 % y-o-y to € 52.8 mil. compared to the previous year's relative period.

Gross Profit increased by 166.2 % to € 7.5 mil. compared to the previous year.

Profit before Interest Tax & Depreciation reached € 4.6 mil., compared to € 0.88 mil. profit the previous year.

Profit after Tax reached € 0.9 mil. compared to previous year's losses of € 0.85 mil.

#### **5) Main Risks and uncertainties**

##### **Raw Material Price Volatility**

Raw material costs headwinds as copper, steel, aluminium and PVC are our main raw materials and therefore we have adopted policies to mitigate this risk.

We negotiate volume, not just price.

We keep strategic inventory reserves at the supplier, at our plants, and in finished goods, to guarantee availability.

We set up contracts with suppliers that are long enough to satisfy production plans but short enough to permit adjustment if prices start to decline.

In addition, at the second quarter of 2009 we have entered into commodities derivative financial instruments in order to hedge its exposure from changes in the prices of raw materials for purchases that will take place in 2010 and onwards.

##### **Product Demand**

Due to possible demand slowdown for ICM's arising from global economic uncertainties we expand business into new markets and attract new customers in existing markets.

The current economic situation could lead to reduced demand for our products, or reductions in the prices of our products, or both, which would have a negative impact on our financial position, results of operations and cash flows.

##### **FX rate exposure**

The Group/Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Nigerian naira, South African rand, Indian rupee, Norwegian Krone, Swedish Krona, Russian ruble and the Chinese Yuan.

Entities in the Group use natural hedging, transacted with the Group Treasury, to hedge their exposure to foreign currency risk in connection with the presentation currency.

##### **Interest rate exposure**

If the capital and credit markets continue to experience volatility and the availability of funds remains limited, we may incur increased interest rates and other costs associated with debt financings and our ability to access the capital markets or borrow money may become restricted at a time when we would like, or need, to raise capital, which could have an adverse impact on our flexibility to react to changing economic and business conditions, on our ability to fund our operations and capital expenditures in the future and on our growth rate and shareholder returns.

**Liquidity Risk:**

The prudent management of liquidity is achieved through the appropriate combination of cash and cash equivalents and approved bank credit.

The Group manages the risks which may arise due to insufficient liquidity by procuring that guaranteed bank credit is always available for use. The existing available and unused approved bank credit extended to the Group is sufficient to face any potential cash flow shortage.

**Significant customer dependency**

Significant customer dependence on CCH. Efforts during the past year have reduced our dependency. There is a continuous ongoing effort to broaden our client base.

**Political instability in emerging markets**

Penetration of organized crime in the global economy increases significantly over a 10-year period, weakening state authority, worsening the investment climate and slowing growth.

Multiple developed economies take steps (tariffs, WTO disputes) which retard existing trade and further undermine talks on increased global integration.

Multiple significant emerging economies advance policies that harm foreign direct investment and slow the engine of global growth.

**Risk of natural disasters mostly in S.E. Asia (lack of infrastructure)**

Extreme weather events linked to climate change and other natural disasters (i.e. earthquakes) will impact businesses and society at large.

We are adopting full business continuity plans to protect against business interruption arising from natural disasters.

**Nigeria Division**

Customs related restrictions which imply the risk of delay in imports of raw materials.

Raw material price pressure, associated with glass (natural gas) as it is the main energy source for all of our three plants, and soda ash, raw material for our glass companies.

Freight cost increase.

## **6) 2011 Business Outlook**

The sales growth momentum continued during the first half of the year with good sales in Eastern and Western Europe, offsetting lower contributions from Asia, whilst Glass operations posted a record first half performance.

The effect of positive volume leverage has been dampened by high input cost inflation, across the core commodities of steel, copper, aluminium and oil as well as the stronger than anticipated demand in the second quarter that led to the sourcing of higher cost units. For the rest of the year, whilst we expect input costs to remain at high levels, production efficiencies will normalize and India will resume new placements. We expect the second half of the year to more closely reflect our usual seasonality with Western Europe continuing its positive trend although at a lower rate and against tough year-on-year comparables and Africa demonstrating a positive momentum.

We are conscious of increased concerns over the pace of economic growth and weak consumer sentiment in certain key economies but we remain confident of further progress owing to our strong market positions and global production footprint.

We expect to invest around €38 million of capex during 2011. €10.9 million was incurred during the first six months, with the balance expected to be spent in the second half of the year towards capacity increases and efficiency improvements within Cool and machinery upgrades within Glass.

Our long-term outlook remains positive, given our sector-leading innovation, extensive geographic footprint and leading global position given our strong, proven relationships with the leading beverage companies in the world. This has been established through consistent delivery over the years of superior, bespoke merchandising solutions to the drinks industry.

## **7) After Balance Sheet Events and Other information**

On 29/07/2011, the Group finalized the process of renewing and refunding the syndicated bank loan that was first agreed on 15/06/2009. The amount borrowed has been reverted to € 75 mil. and the duration of the loan has been extended until July 2014.

No significant losses are present at the time of our report's submission, nor are any expected to occur in the future as a result of possible events.

## 8) Important Transactions with Related Parties

### Related Party Transactions:

The most important transactions of the Company with parties related to it, in the sense used in International Accounting Standard 24, are the transactions carried out with its subsidiaries (enterprises related to it in the sense used in article 42e of Codified Law 2190/1920), which are listed in the following table:

in € 000's		30/06/2011					
Consolidated		Sales of Goods		105,597	CCH Group		
		Receivables		35,870	CCH Group		
Parent Company		Sales of Goods & Services	Purchases of Goods	Dividends Income	Receivables	Payables	Management Fees Income
Frigoglass Romania SRL		1,733	20,529	-	13,426	3,099	2,723
Frigoglass Indonesia PT		311	2,059	-	4,126	4,323	1,629
Frigoglass South Africa Ltd		173	10	-	2,929	12	839
Frigoglass Eurasia LLC		66	26	-	8,894	25	4,375
Frigoglass (Guangzhou) Ice Cold Equipment Co. .Ltd.		6	6	-	40	7	-
Frigoglass Ltd.		455	40	-	835	623	-
Frigoglass Iberica SL		-	-	-	128	-	-
Frigoglass Sp Zoo		-	-	-	-	10	-
Frigoglass India PVT.Ltd.		14	276	-	1,384	424	236
Frigoglass Turkey Soğutma Sanayi İç ve Dış Ticaret Anonim Şirketi		478	1	-	1,262	48	373
Frigoglass İstanbul Sogutma Sistemleri İç ve Dis Ticaret A.S.		-	8,232	-	163	2,954	-
Frigorex East Africa Ltd.		29	-	-	-	-	-
Frigoglass GmbH		-	-	-	28	2	-
Frigoglass Nordic		-	-	-	-	19	-
Frigoglass France SA		-	-	-	-	-	-
Beta Glass Plc.		-	-	-	7	-	-
Frigomagna Inc		2	-	-	133	-	-
Frigoglass Industries (Nig.) Ltd		251	-	-	241	-	-
3P Frigoglass Romania SRL		-	141	-	24	110	24
Frigoglass Iberica, SL		-	-	-	-	-	-
Frigorex Cyprus Limited		5	-	-	5	-	-
Nigerinvest Holdings Limited		-	-	-	638	-	850
Coolinvest Holdings Limited		-	-	-	59	-	-
Frigoglass North America Ltd. Co		-	-	-	2	-	-
<b>Total</b>		<b>3,523</b>	<b>31,320</b>	<b>-</b>	<b>34,324</b>	<b>11,656</b>	<b>11,049</b>
CCH Group		36,287	-	-	-	4,189	-
<b>Grand Total</b>		<b>39,810</b>	<b>31,320</b>	<b>-</b>	<b>34,324</b>	<b>15,845</b>	<b>11,049</b>

	Consolidated	Parent Company
30/06/2011		
Fees of member of Board of Directors	72	72
Management compensation	1,894	1,894
Receivables from management & BoD members	-	-
Payables to management & BoD members	-	-

Yours Faithfully,  
THE BOARD OF DIRECTORS

**[Translation from the original text in Greek]  
Report on Review of Interim Financial Information**

**To the Shareholders of Frigoglass S.A.I.C.**

**Introduction**

We have reviewed the accompanying condensed company and consolidated balance sheet of Frigoglass S.A.I.C. and its subsidiaries as of 30 June 2011 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

**Reference to Other Legal and Regulatory Requirements**

Our review has not revealed any inconsistency or discrepancy of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



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Athens, 4 August 2011  
The Certified Auditor Accountant

Dimitrios Sourbis  
SOEL Reg. No. 16891

# FRIGOGLASS S.A.I.C.

## Commercial Refrigerators

### Interim Financial Statements for the period 1 January to 30 June 2011

Table of Contents	Pages
1. Balance Sheet	16
2. Income Statement	17
3. Income Statement 2 <sup>nd</sup> Quarter	18
4. Statement of Comprehensive Income	19
5. Statement of Changes in Equity	20-21
6. Cash Flow Statement	22
7. Notes to the financial statements	
(1) General information	23
(2) Basis of preparation	23
(3) Principal accounting policies	24-29
(4) Critical accounting estimates and judgments	30
(5) Segment information	31-37
(6) Property, plant & equipment	38-39
(7) Intangible assets	40-41
(8) Inventories	42
(9) Trade debtors	42
(10) Other debtors	43
(11) Cash & Cash equivalents	43
(12) Other creditors	43
(13) Non-current & current borrowings	44-45
(14) Investments in subsidiaries	46
(15) Share capital, treasury shares, dividends & share options	47-49
(16) Other reserves	50
(17) Financial expenses	51
(18) Income Tax	51
(19) Commitments	52
(20) Related party transactions	52-53
(21) Earnings per share	54
(22) Contingent liabilities	54
(23) Seasonality of Operations	55
(24) Post-balance sheet events	55
(25) Average number of personnel	55
(26) Clarifications regarding the comparative data for the previous year	55
(27) Derivative financial instruments	56.
(28) Business combinations	57

The notes on pages 23 to 57 are an integral part of the financial statements

## Frigoglass S.A.I.C

### Balance Sheet

in € 000's



	Note	Consolidated		Parent Company	
		30/06/2011	31/12/2010	30/06/2011	31/12/2010
<b>Assets:</b>					
Property, Plant & Equipment	6	193,877	169,815	8,005	8,285
Intangible assets	7	40,678	39,048	5,826	5,757
Investments in subsidiaries	14	-	-	58,045	77,458
Deferred income tax assets		11,242	12,627	1,503	3,739
Other long term assets		988	626	280	270
Derivative financial instruments	27	-	57	-	57
<b>Total non current assets</b>		<b>246,785</b>	<b>222,173</b>	<b>73,659</b>	<b>95,566</b>
Inventories	8	156,946	135,905	7,573	5,801
Trade receivables	9	193,273	92,038	25,018	22,553
Other receivables	10	29,787	20,653	1,838	851
Income tax advances		7,062	7,125	2,816	2,206
Intergroup receivables	20	-	-	34,324	26,940
Cash & cash equivalents	11	74,827	79,967	19,276	15,779
Derivative financial instruments	27	1,827	2,798	831	988
<b>Total current assets</b>		<b>463,722</b>	<b>338,486</b>	<b>91,676</b>	<b>75,118</b>
<b>Total assets</b>		<b>710,507</b>	<b>560,659</b>	<b>165,335</b>	<b>170,684</b>
<b>Liabilities:</b>					
Long term borrowings	13	93,728	43,919	40,000	12,000
Deferred Income tax liabilities		13,040	13,340	-	-
Retirement benefit obligations		15,393	14,416	6,704	6,233
Provisions for other liabilities & charges		7,512	8,226	322	451
Deferred income from government grants		100	115	84	93
Derivative financial instruments	27	-	-	-	-
<b>Total non current liabilities</b>		<b>129,773</b>	<b>80,016</b>	<b>47,110</b>	<b>18,777</b>
Trade payables		123,144	75,205	11,016	7,413
Other payables	12	42,814	47,250	12,477	10,113
Current income tax liabilities		4,025	4,712	-	-
Intergroup payables	20	-	-	11,656	21,375
Short term borrowings	13	249,879	208,771	46,639	84,604
Derivative financial instruments	27	329	767	26	212
<b>Total current liabilities</b>		<b>420,191</b>	<b>336,705</b>	<b>81,814</b>	<b>123,717</b>
<b>Total liabilities</b>		<b>549,964</b>	<b>416,721</b>	<b>128,924</b>	<b>142,494</b>
<b>Equity:</b>					
Share capital	15	15,159	12,069	15,159	12,069
Share premium	15	2,668	3,167	2,668	3,167
Treasury shares	15	(7,949)	(15,343)	(7,949)	(15,343)
Other reserves	16	(3,040)	14,966	16,606	24,616
Retained earnings		123,340	99,302	9,927	3,681
<b>Total Shareholders Equity</b>		<b>130,178</b>	<b>114,161</b>	<b>36,411</b>	<b>28,190</b>
Non controlling interest		30,365	29,777	-	-
<b>Total Equity</b>		<b>160,543</b>	<b>143,938</b>	<b>36,411</b>	<b>28,190</b>
<b>Total Liabilities &amp; Equity</b>		<b>710,507</b>	<b>560,659</b>	<b>165,335</b>	<b>170,684</b>

The notes on pages 23 to 57 are an integral part of the financial statements





**Frigoglass S.A.I.C**  
**Income Statement - 2nd Quarter**



in € 000's

	Note	Consolidated		Parent Company	
		Three months ended		Three months ended	
		30/06/2011	30/06/2010	30/06/2011	30/06/2010
<b>Net Sales Revenue</b>		<b>187,655</b>	<b>142,775</b>	<b>31,443</b>	<b>17,569</b>
Cost of goods sold		(148,882)	(108,313)	(26,880)	(15,945)
<b>Gross profit</b>		<b>38,773</b>	<b>34,462</b>	<b>4,563</b>	<b>1,624</b>
Administrative expenses		(8,351)	(6,579)	(4,925)	(3,644)
Selling, distribution & marketing expenses		(9,570)	(6,995)	(2,235)	(1,578)
Research & development expenses		(1,478)	(1,170)	(879)	(629)
Other operating income		458	92	6,015	4,734
Other <losses> / gains		75	(25)	2	-
<b>Operating Profit / &lt;Loss&gt;</b>		<b>19,907</b>	<b>19,785</b>	<b>2,541</b>	<b>507</b>
Finance <costs> / income		(4,961)	(4,300)	(1,243)	(519)
<b>Profit / &lt;Loss&gt; before income tax</b>		<b>14,946</b>	<b>15,485</b>	<b>1,298</b>	<b>(12)</b>
Income tax expense		(3,299)	(4,303)	(264)	1
<b>Profit / &lt;Loss&gt; after income tax expenses</b>		<b>11,647</b>	<b>11,182</b>	<b>1,034</b>	<b>(11)</b>
<b>Attributable to:</b>					
Non controlling interest		1,110	1,087	-	-
<b>Shareholders</b>		<b>10,537</b>	<b>10,095</b>	<b>1,034</b>	<b>(11)</b>
Depreciation		7,372	6,488	814	741
<b>Earnings / &lt;Loss&gt; before interest, tax, depreciation and amortization (EBITDA)</b>		<b>27,279</b>	<b>26,273</b>	<b>3,355</b>	<b>1,248</b>
		<b>Amounts in €</b>	<b>Amounts in €</b>	<b>Amounts in €</b>	<b>Amounts in €</b>
<b>Earnings / &lt;Loss&gt; per share, after taxes</b>					
- Basic		0.2328	0.2106	0.0228	(0.0002)
- Diluted		0.2312	0.2093	0.0227	(0.0002)

The notes on pages 23 to 57 are an integral part of the financial statements

**Frigoglass S.A.I.C**  
**Statement of Comprehensive Income**



in € 000's

	Consolidated			
	Six months ended		Three months ended	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
<b>Profit / &lt;Loss&gt; after income tax expenses (Income Statement)</b>	<b>21,627</b>	<b>16,650</b>	<b>11,647</b>	<b>11,182</b>
Currency translation difference	(11,302)	16,924	(3,264)	8,484
Cash Flow Hedges:				
- Net changes in fair Value, net of taxes	(261)	(301)	(247)	(1,337)
- Transfer to net profit, net of taxes	(1,733)	(487)	(823)	(308)
<b>Other comprehensive income / &lt;expenses&gt; net of tax</b>	<b>(13,296)</b>	<b>16,136</b>	<b>(4,334)</b>	<b>6,839</b>
<b>Total comprehensive income / &lt;expenses&gt; for the period</b>	<b>8,331</b>	<b>32,786</b>	<b>7,313</b>	<b>18,021</b>
<b>Attributable to:</b>				
- Non controlling interest	(362)	6,214	62	3,845
- Shareholders	8,693	26,572	7,251	14,176
	<b>8,331</b>	<b>32,786</b>	<b>7,313</b>	<b>18,021</b>

	Parent Company			
	Six months ended		Three months ended	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
<b>Profit / &lt;Loss&gt; after income tax expenses (Income Statement)</b>	<b>897</b>	<b>(848)</b>	<b>1,034</b>	<b>(11)</b>
<b>Other comprehensive income / &lt;expenses&gt; net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income / &lt;expenses&gt; for the period</b>	<b>897</b>	<b>(848)</b>	<b>1,034</b>	<b>(11)</b>
<b>Attributable to:</b>				
- Non controlling interest	-	-	-	-
- Shareholders	897	(848)	1,034	(11)
	<b>897</b>	<b>(848)</b>	<b>1,034</b>	<b>(11)</b>

The notes on pages 23 to 57 are an integral part of the financial statements

**Frigoglass S.A.I.C**  
**Statement of Changes in Equity**



in € 000's

Consolidated								
	Share Capital	Share premium	Treasury Shares	Other reserves	Retained earnings	Total Shareholders Equity	Minority Interest	Total Equity
<b>Balance at 01/01/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(9,696)</b>	<b>5,902</b>	<b>83,823</b>	<b>95,098</b>	<b>23,823</b>	<b>118,921</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	<b>10,976</b>	<b>15,596</b>	<b>26,572</b>	<b>6,214</b>	<b>32,786</b>
<Purchase>/ Sale of treasury shares	-	-	(2,014)	-	-	(2,014)	-	(2,014)
Dividends to shareholders (note 15)	-	-	-	-	(4,019)	(4,019)	-	(4,019)
Transfers between reserves	-	-	-	2,193	(2,193)	-	-	-
<b>Balance at 30/06/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(11,710)</b>	<b>19,071</b>	<b>93,207</b>	<b>115,637</b>	<b>30,037</b>	<b>145,674</b>
<b>Balance at 01/07/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(11,710)</b>	<b>19,071</b>	<b>93,207</b>	<b>115,637</b>	<b>30,037</b>	<b>145,674</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	<b>(4,355)</b>	<b>6,096</b>	<b>1,741</b>	<b>132</b>	<b>1,873</b>
Dividends to shareholders (note 15)	-	-	-	-	(1)	(1)	-	(1)
Dividends to Non controlling interest	-	-	-	-	-	-	(392)	(392)
<Purchase>/ Sale of treasury shares	-	-	(3,633)	-	-	(3,633)	-	(3,633)
Shares issued to employees exercising share options	9	158	-	(31)	-	136	-	136
Share option reserve	-	-	-	281	-	281	-	281
<b>Balance at 31/12/2010</b>	<b>12,069</b>	<b>3,167</b>	<b>(15,343)</b>	<b>14,966</b>	<b>99,302</b>	<b>114,161</b>	<b>29,777</b>	<b>143,938</b>
<b>Balance at 01/01/2011</b>	<b>12,069</b>	<b>3,167</b>	<b>(15,343)</b>	<b>14,966</b>	<b>99,302</b>	<b>114,161</b>	<b>29,777</b>	<b>143,938</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	<b>(9,996)</b>	<b>18,689</b>	<b>8,693</b>	<b>(362)</b>	<b>8,331</b>
Non controlling interest from acquisitions	-	-	-	-	-	-	950	950
Share capital increase	9,527	(1,526)	-	(8,001)	-	-	-	-
Share capital decrease	(6,500)	-	-	-	-	(6,500)	-	(6,500)
<Purchase>/ Sale of treasury shares	-	-	7,394	-	5,349	12,743	-	12,743
Shares issued to employees exercising share options	63	1,027	-	(174)	-	916	-	916
Share option reserve	-	-	-	165	-	165	-	165
<b>Balance at 30/06/2011</b>	<b>15,159</b>	<b>2,668</b>	<b>(7,949)</b>	<b>(3,040)</b>	<b>123,340</b>	<b>130,178</b>	<b>30,365</b>	<b>160,543</b>

The notes on pages 23 to 57 are an integral part of the financial statements

## Frigoglass S.A.I.C

### Statement of Changes in Equity

in € 000's



	Parent Company					
	Share Capital	Share premium	Treasury Shares	Other reserves	Retained earnings	Total Equity
<b>Balance at 01/01/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(9,696)</b>	<b>24,366</b>	<b>10,800</b>	<b>40,539</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	-	(848)	(848)
Dividends to shareholders (note 15)	-	-	-	-	(4,019)	(4,019)
<Purchase>/ Sale of treasury shares	-	-	(2,014)	-	-	(2,014)
<b>Balance at 30/06/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(11,710)</b>	<b>24,366</b>	<b>5,933</b>	<b>33,658</b>
<b>Balance at 01/07/2010</b>	<b>12,060</b>	<b>3,009</b>	<b>(11,710)</b>	<b>24,366</b>	<b>5,933</b>	<b>33,658</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	-	(2,251)	(2,251)
Dividends to shareholders (note 15)	-	-	-	-	(1)	(1)
<Purchase>/ Sale of treasury shares	-	-	(3,633)	-	-	(3,633)
Shares issued to employees exercising share options	9	158	-	(31)	-	136
Share option reserve	-	-	-	281	-	281
<b>Balance at 31/12/2010</b>	<b>12,069</b>	<b>3,167</b>	<b>(15,343)</b>	<b>24,616</b>	<b>3,681</b>	<b>28,190</b>
<b>Balance at 01/01/2011</b>	<b>12,069</b>	<b>3,167</b>	<b>(15,343)</b>	<b>24,616</b>	<b>3,681</b>	<b>28,190</b>
<b>Total comprehensive income / &lt;expense&gt;, net of taxes</b>	-	-	-	-	897	897
Share capital increase	9,527	(1,526)	-	(8,001)	-	-
Share capital decrease	(6,500)	-	-	-	-	(6,500)
<Purchase>/ Sale of treasury shares	-	-	7,394	-	5,349	12,743
Shares issued to employees exercising share options	63	1,027	-	(174)	-	916
Share option reserve	-	-	-	165	-	165
<b>Balance at 30/06/2011</b>	<b>15,159</b>	<b>2,668</b>	<b>(7,949)</b>	<b>16,606</b>	<b>9,927</b>	<b>36,411</b>

The notes on pages 23 to 57 are an integral part of the financial statements

**Frigoglass S.A.I.C**  
**Cash Flow Statement**



in € 000's

	Note	Consolidated		Parent Company	
		Six months ended		Six months ended	
		30/06/2011	30/06/2010	30/06/2011	30/06/2010
<b>Cash Flow from operating activities</b>					
<b>Profit / &lt;Loss&gt; before tax</b>		<b>28,219</b>	<b>22,772</b>	<b>1,133</b>	<b>(1,021)</b>
<b>Adjustments for:</b>					
		13,591	12,506	1,466	1,419
		1,482	410	136	(172)
		(49)	(25)	(2)	(17)
<b>Changes in Working Capital:</b>					
		(17,652)	(28,594)	(1,772)	346
		(99,772)	(27,522)	(2,465)	(5,817)
	20	-	-	(7,384)	(6,284)
		(7,913)	(4,662)	(987)	740
		(362)	(4)	(10)	-
		32,103	32,651	3,603	(149)
	20	-	-	(9,719)	6,147
		(12,340)	1,016	(4,131)	(917)
<b>Less:</b>					
		(7,083)	(6,983)	(192)	(1,982)
<b>(a) Net cash generated from operating activities</b>		<b>(69,776)</b>	<b>1,565</b>	<b>(20,324)</b>	<b>(7,707)</b>
<b>Cash Flow from investing activities</b>					
	6	(8,641)	(10,632)	(249)	(114)
	7	(2,272)	(1,791)	(978)	(1,087)
	14	-	-	19,413	-
	28	(4,213)	-	-	-
		126	145	3	443
<b>(b) Net cash generated from investing activities</b>		<b>(15,000)</b>	<b>(12,278)</b>	<b>18,189</b>	<b>(758)</b>
<b>Net cash generated from operating and investing activities (a) + (b)</b>		<b>(84,776)</b>	<b>(10,713)</b>	<b>(2,135)</b>	<b>(8,465)</b>
<b>Cash Flow from financing activities</b>					
		72,481	61,615	(9,965)	19,969
		(5)	(236)	(5)	(236)
	15	14,686	(2,014)	14,686	(2,014)
	15	916	-	916	-
<b>(c) Net cash generated from financing activities</b>		<b>88,078</b>	<b>59,365</b>	<b>5,632</b>	<b>17,719</b>
<b>Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)</b>		<b>3,302</b>	<b>48,652</b>	<b>3,497</b>	<b>9,254</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>79,967</b>	<b>42,773</b>	<b>15,779</b>	<b>14,542</b>
Effects of changes in exchange rate		(8,442)	7,518	-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>74,827</b>	<b>98,943</b>	<b>19,276</b>	<b>23,796</b>

The notes on pages 23 to 57 are an integral part of the financial statements

**Frigoglass Group**  
**Commercial Refrigerators**  
**Number in the Register of Societes Anonymes: 29454/06/B/93/32**

## **Notes to the financial statements**

### **1 General Information**

These financial statements include the financial statements of the Parent Company FRIGOGLASS S.A.I.C. (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (the “Group”). The names of the subsidiaries are presented in **Note 14** of the financial statements.

Frigoglass S.A.I.C. and its subsidiaries are engaged in the manufacturing, trade and distribution of commercial refrigeration units and packaging materials for the beverage industry. The Group has manufacturing plants and sales offices in Europe, Asia, Africa and America.

The Company is a limited liability company incorporated and based in Kifissia, Attica. The Company’s shares are listed on the Athens Stock Exchange.

The address of its registered office is:

15, A. Metaxa Street  
GR 145 64, Kifissia  
Athens, Hellas

The company’s web page is: [www.frigoglass.com](http://www.frigoglass.com)

### **2 Basis of Preparation**

This condensed interim financial information for the six months ended **30 June 2011** has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and specifically in terms of IAS 34, ‘Interim financial reporting.

The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended **31 December 2010** that is available on the company’s web page [www.frigoglass.com](http://www.frigoglass.com).

### **3 Principal accounting policies**

The accounting policies adopted in preparing this condensed interim financial information are consistent with those described in the Company and Group annual financial statements for the year ended **31 December 2010**.

There have been no changes in the accounting policies used from those that were used for the preparation of the annual financial statements prepared by the Company and the Group for the year ended **31 December 2010**.

All International Financial Reporting Standards issued by the IASB and effective at the time of preparing these financial statements have been adopted by the European Commission through the endorsement procedure established by the European Commission, with the exception of certain provisions of International Accounting Standard 39 "Financial Instruments: Recognition and Measurement" relating to portfolio hedging of core deposits.

Since the Group and the Company are not affected by the provisions regarding portfolio hedging that are not required by the EU-endorsed version of IAS 39, the accompanying financial statements comply with both IFRS as adopted by the EU and IFRS issued by the IASB.

The financial statements have been prepared under the historical cost convention.

The preparation of these interim financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

#### **New standards, amendments to standards and interpretations:**

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:



## Standards and Interpretations effective for the current financial period

### **IAS 24 (Revised) “Related Party Disclosures”**

This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. This revision does not affect the Group’s financial statements.

### **IAS 32 (Amendment) “Financial Instruments: Presentation”**

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity’s own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.

### **IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”**

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

### **IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”**

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

## Amendments to standards that form part of the IASB’s 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB’s annual improvements project. Unless otherwise stated the following amendments do not have a material impact on the Group’s financial statements.

### **IFRS 3 “Business Combinations”**

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

### **IFRS 7 “Financial Instruments: Disclosures”**

The amendments include multiple clarifications related to the disclosure of financial instruments.

### **IAS 1 “Presentation of Financial Statements”**

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

### **IAS 27 “Consolidated and Separate Financial Statements”**

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

### **IAS 34 “Interim Financial Reporting”**

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

### **IFRIC 13 “Customer Loyalty Programmes”**

The amendment clarifies the meaning of the term ‘fair value’ in the context of measuring award credits under customer loyalty programmes.

Standards and Interpretations effective from periods beginning on or after 1 January 2012

**IFRS 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets**

(effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

**IAS 12 (Amendment) “Income Taxes”**

(effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”. This amendment has not yet been endorsed by the EU.

**IAS 1 (Amendment) “Presentation of Financial Statements”**

(effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

**IAS 19 (Amendment) “Employee Benefits”**

(effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between “short-term” and “other long-term” benefits. This amendment has not yet been endorsed by the EU.

**IFRS 9 “Financial Instruments”**

(effective for annual periods beginning on or after 1 January 2013)

IFRS 9 is the first Phase of the Board’s project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

**IFRS 13 “Fair Value Measurement”**

(Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

**Group of standards on consolidation and joint arrangements**

(Effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

**IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

### **IFRS 11 “Joint Arrangements”**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

### **IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

### **IAS 27 (Amendment) “Separate Financial Statements”**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “Consolidated and Separate Financial Statements”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 “Investments in Associates” and IAS 31 “Interests in Joint Ventures” regarding separate financial statements.

### **IAS 28 (Amendment) “Investments in Associates and Joint Ventures”**

IAS 28 “Investments in Associates and Joint Ventures” replaces IAS 28 “Investments in Associates”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

## **4 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances.

### **4.1 Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year concern income tax.

#### **4.1.1 Income Taxes**

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required by the Group Management in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. If the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax.

#### **4.1.2 Estimated impairment of goodwill**

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.6.1. of the annual financial statements. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (see Note 7).

### **4.2 Critical judgements in applying the entity's accounting policies**

There are no areas that Management required to make critical judgements in applying accounting policies.



**Note 5 - Segment Information**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Taking into account the above, the categorization of the Group's operations in business segments is the following:

- Ice Cold Merchandise ( ICM ) Operations
- Glass Operations

The consolidated Balance Sheet and the Income Statement per business segment are presented below:

**a) Analysis per business segment :**

**i) Income Statement**

	Six months ended			Six months ended		
	30/06/2011			30/06/2010		
	ICM Operations	Glass Operations	Total	ICM Operations	Glass Operations	Total
Net sales revenue	276,028	46,453	<b>322,481</b>	199,359	36,629	<b>235,988</b>
Operating Profit / <Loss>	27,332	9,108	<b>36,440</b>	23,017	6,755	<b>29,772</b>
Finance <costs> / income	(7,513)	(708)	<b>(8,221)</b>	(7,203)	203	<b>(7,000)</b>
Profit / <Loss> before income tax	19,819	8,400	<b>28,219</b>	15,814	6,958	<b>22,772</b>
Income tax expense	(4,525)	(2,067)	<b>(6,592)</b>	(4,444)	(1,678)	<b>(6,122)</b>
Profit / <Loss> after income tax expenses	15,294	6,333	<b>21,627</b>	11,370	5,280	<b>16,650</b>
Profit / <Loss> after taxation attributable to the shareholders of the company	15,317	3,949	<b>19,266</b>	10,885	3,921	<b>14,806</b>
Depreciation	8,582	5,009	<b>13,591</b>	7,886	4,620	<b>12,506</b>
Earnings / <Loss> before interest, tax, depreciation and amortization (EBITDA)	35,914	14,117	<b>50,031</b>	30,903	11,375	<b>42,278</b>
Impairment of trade debtors	145	36	<b>181</b>	(45)	(136)	<b>(181)</b>
Impairment of inventory	223	106	<b>329</b>	380	5	<b>385</b>
				<b>Y-o-Y %</b>		
				<b>30/06/2011 vs 30/06/2010</b>		
	ICM Operations	Glass Operations	Total			
Net sales revenue	38%	27%	<b>37%</b>			
Operating Profit / <Loss>	19%	35%	<b>22%</b>			
Earnings / <Loss> before interest, tax, depreciation and amortization (EBITDA)	16%	24%	<b>18%</b>			



Note 5 - Segmental Information (continued)

ii) Balance Sheet

	Six months ended			Year ended		
	30/06/2011			31/12/2010		
	ICM Operations	Glass Operations	Total	ICM Operations	Glass Operations	Total
Total assets	561,027	149,480	710,507	451,016	109,643	560,659
Total liabilities	474,240	75,724	549,964	378,737	37,984	416,721
Capital expenditure	7,656	3,257	10,913	15,844	14,796	30,640

(Note 6 & 7)

b) Net sales revenue analysis per geographical area (based on customer location)

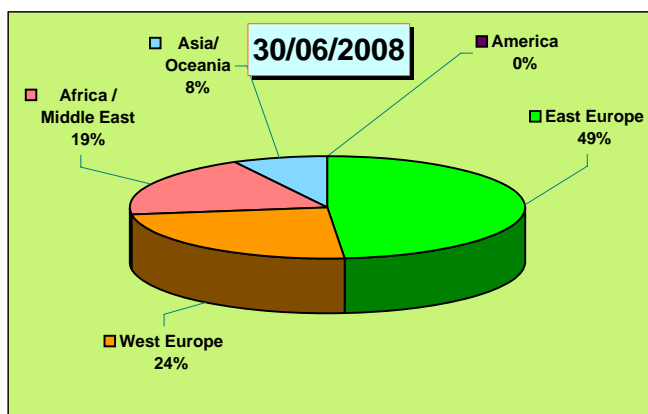
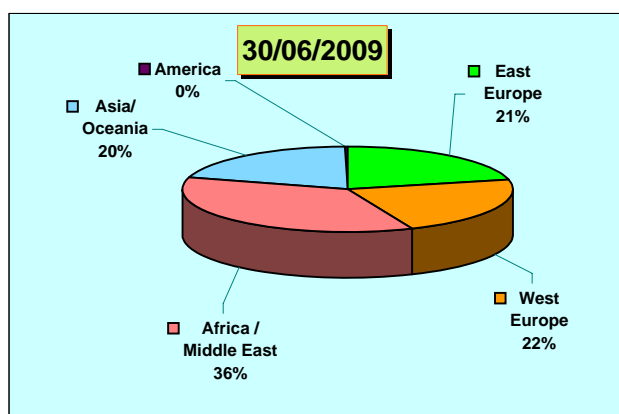
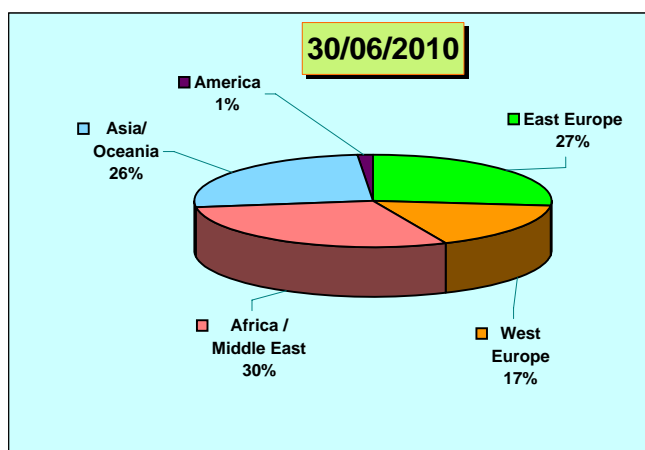
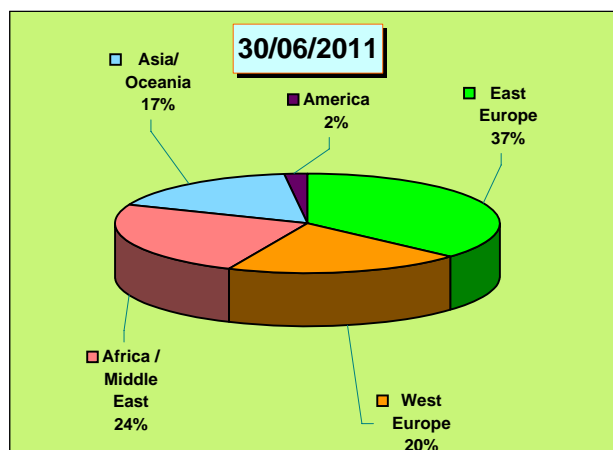
	% Y-o-Y	Consolidated			
		Six months ended			
		30/06/2011	30/06/2010	30/06/2009	30/06/2008
<b>Total Sales</b>					
East Europe	88.4%	117,980	62,612	39,025	168,513
West Europe	63.5%	64,657	39,546	40,074	83,937
Africa / Middle East	13.0%	78,727	69,697	65,056	67,120
Asia/Oceania	-9.8%	54,803	60,725	36,826	27,220
America	85.3%	6,314	3,408	562	55
<b>Consolidated</b>	<b>36.7%</b>	<b>322,481</b>	<b>235,988</b>	<b>181,543</b>	<b>346,845</b>
<b>ICM Operations</b>					
East Europe	88.4%	117,980	62,612	39,025	168,513
West Europe	63.2%	64,554	39,546	40,074	83,937
Africa / Middle East	-0.6%	32,863	33,068	29,405	37,266
Asia/Oceania	-10.6%	54,317	60,725	36,826	27,220
America	85.3%	6,314	3,408	562	55
<b>Total</b>	<b>38.5%</b>	<b>276,028</b>	<b>199,359</b>	<b>145,892</b>	<b>316,991</b>
<b>Glass Operations</b>					
West Europe	0.0%	103	-	-	-
Africa / Nigeria	25.2%	45,864	36,629	35,651	29,854
Asia/Oceania	0.0%	486	-	-	-
<b>Total</b>	<b>26.8%</b>	<b>46,453</b>	<b>36,629</b>	<b>35,651</b>	<b>29,854</b>
<b>Consolidated</b>	<b>36.7%</b>	<b>322,481</b>	<b>235,988</b>	<b>181,543</b>	<b>346,845</b>



**Note 5 - Segmental Information (continued)**

The contribution to the net sales revenue of the Group per geographical area (based on customers location) is presented at the following charts:

**Consolidated**



**Net Sales revenue**

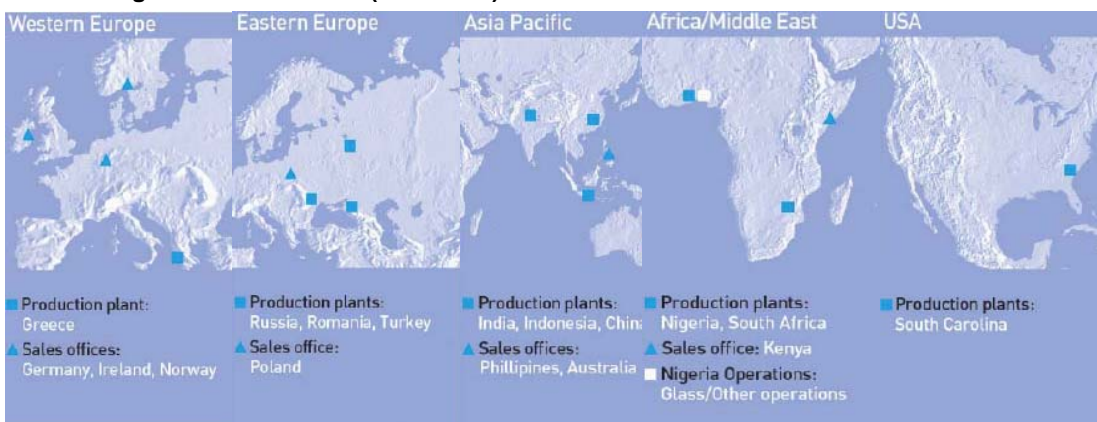
East Europe	
West Europe	
Africa / Middle East	
Asia/Oceania	
America	
Intergroup sales revenue	
<b>Total Parent Company</b>	

<b>Parent Company</b>			
<b>Six months ended</b>			
<b>30/06/2011</b>	<b>30/06/2010</b>	<b>30/06/2009</b>	<b>30/06/2008</b>
4,034	782	1,490	5,308
35,821	12,712	14,895	26,601
8,397	11,138	12,539	15,445
890	332	198	490
94	22	-	-
3,523	2,175	3,535	21,196
<b>52,759</b>	<b>27,161</b>	<b>32,658</b>	<b>69,040</b>



in € 000's

**Note 5 - Segmental Information (continued)**

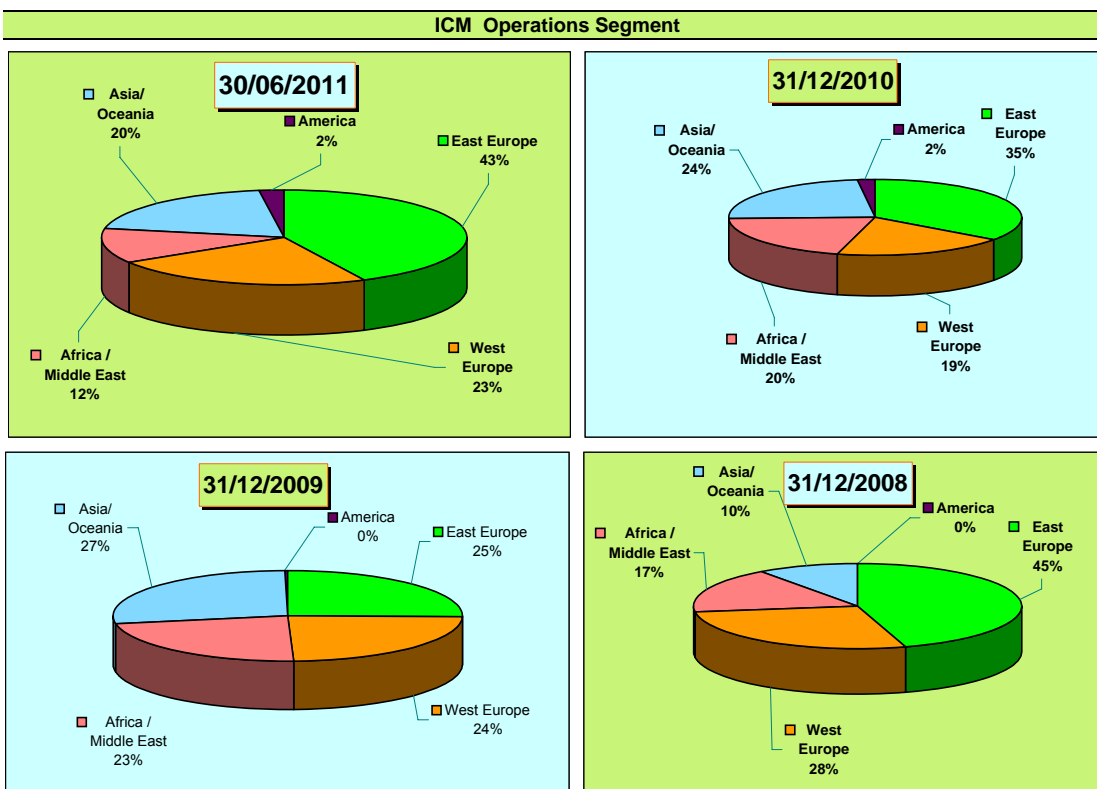


**ICM Business Segment**

**Net sales revenue analysis per geographical area (based on customer location)**

	30/06/2011	31/12/2010	31/12/2009	31/12/2008	31/12/2007
East Europe	117,980	131,436	69,526	194,099	205,982
West Europe	64,554	72,260	65,895	118,920	129,958
Africa / Middle East	32,863	75,422	62,104	73,631	48,050
Asia/Oceania	54,317	88,818	75,269	42,785	22,550
America	6,314	7,293	1,116	205	112
<b>Total ICM Operations</b>	<b>276,028</b>	<b>375,229</b>	<b>273,910</b>	<b>429,640</b>	<b>406,652</b>

The contribution to the net sales revenue of ICM Segment per geographical area (based on customers location) is presented at the following charts:





in € 000's

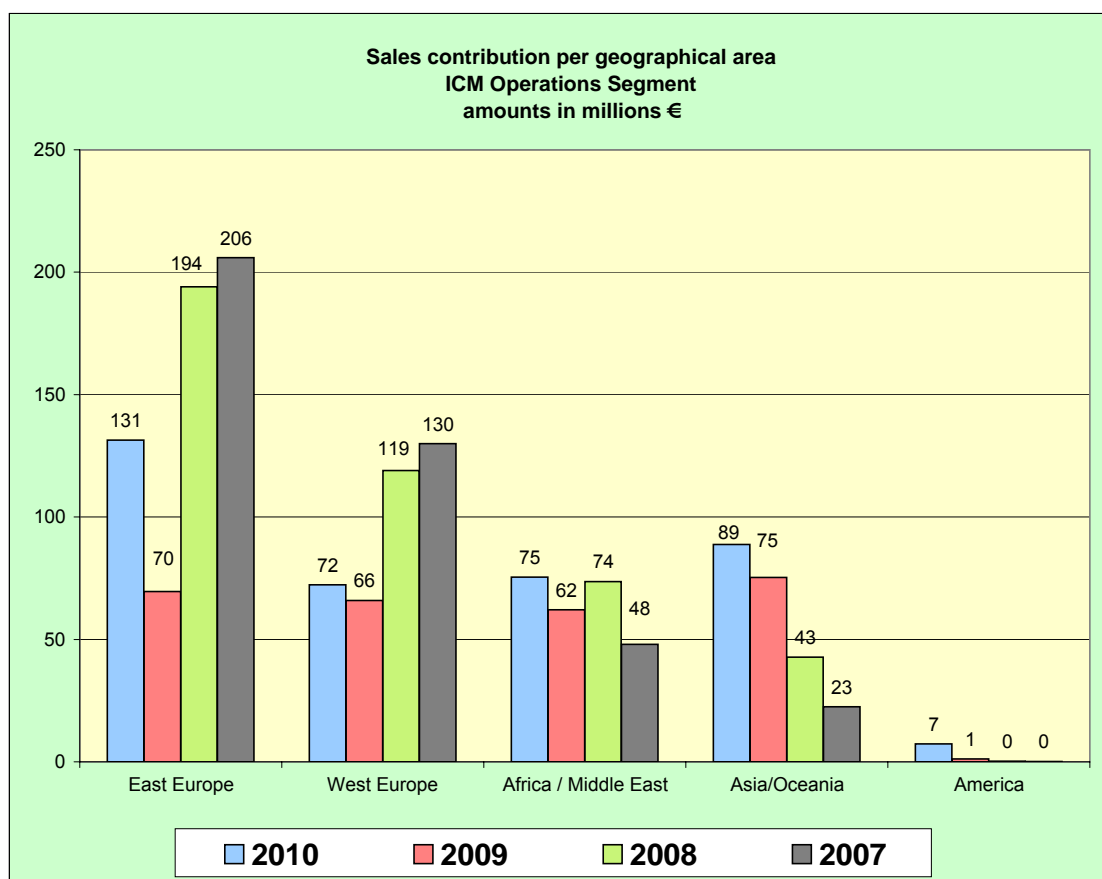
**Note 5 - Segmental Information (continued)**

**Revenue by Customer Group**

The ICM net sales revenue analysis per customer group is as follows:

	ICM Business Segment				
	% Y-o-Y	30/06/2011	% of Total	30/06/2010	% of Total
Coca-Cola Hellenic	207.4%	83,483	30%	27,155	14%
Other Coca-Cola bottlers	-8.0%	78,681	29%	85,555	43%
Breweries	57.8%	67,997	25%	43,094	22%
Other	5.3%	45,867	17%	43,555	22%
<b>Total ICM Operations</b>	<b>38.5%</b>	<b>276,028</b>	<b>100%</b>	<b>199,359</b>	<b>100%</b>

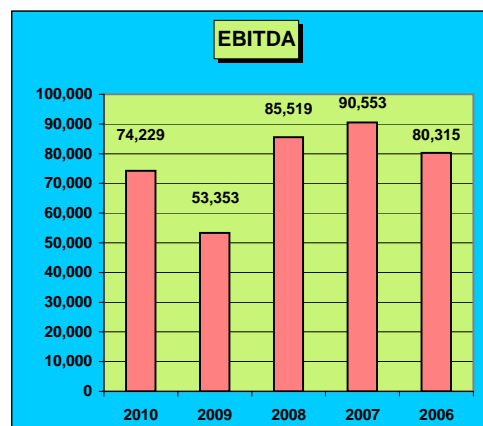
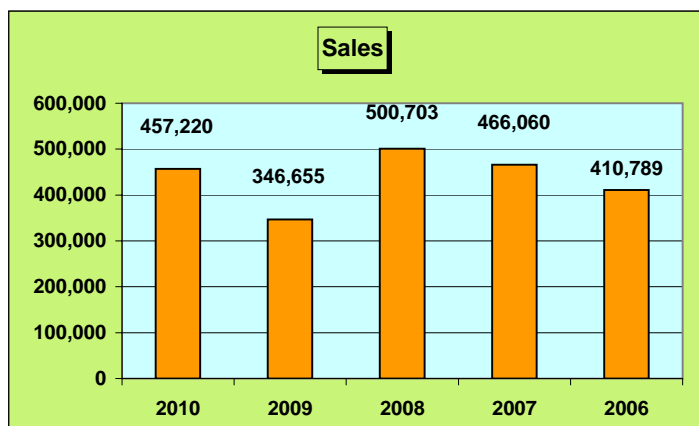
The contribution to the net sales revenue of ICM Segment per geographical area (based on customers location) is presented at the following charts:





Note 5 - Segmental Information (continued)

Key Financial Measures



Consolidated	2010	2009	2008	2007	2006
Net sales revenue	457,220	346,655	500,703	466,060	410,789
Gross profit	106,777	73,036	113,939	122,981	110,029
Gross profit - %	23.4%	21.1%	22.8%	26.4%	26.8%
Operating Profit / <Loss>	49,276	28,944	47,327	71,261	62,725
Operating Profit / <Loss> - %	10.8%	8.3%	9.5%	15.3%	15.3%
<Losses> / Gains from restructuring activities	-	(444)	(14,618)	(783)	(966)
Operating Profit / <Loss> before <Losses> / Gains from restructuring activities	49,276	29,388	61,945	72,044	63,691
Depreciation	24,953	23,965	23,574	18,509	16,624
Earnings / <Loss> before interest, tax, depreciation and amortization (EBITDA)	74,229	53,353	85,519	90,553	80,315
EBITDA %	16.2%	15.4%	17.1%	19.4%	19.6%
Profit / <Loss> before income tax	34,887	16,885	34,083	65,904	56,444
Income tax expense	9,433	4,235	10,691	17,977	16,413
Tax - Special lump sum contribution L. 3808/2009	-	5,496	-	-	-
Profit / <Loss> after income tax expenses	25,454	7,154	23,392	47,927	40,031
Profit / <Loss> after income tax expenses & non controlling interest	20,535	3,041	19,455	45,455	38,487
Capital Expenditure	30,640	17,885	29,531	54,638	24,320
Tangible and Intangible Assets	208,863	198,364	203,690	155,800	122,221
Dividends to Shareholders	4,020	-	39,396	12,800	8,000
Share Capital Decrease	-	-	36,181	-	-
Total Shareholders Equity	114,161	95,098	107,949	177,038	142,403
Total Equity	143,938	118,921	131,232	199,515	162,246
Net Debt	172,723	167,509	179,707	47,719	35,178
Net Debt / Total Equity	120%	141%	137%	24%	22%



in € 000's

**Note 5 - Segmental Information (continued)**

**Key Financial Measures (continued)**

<b>Ice Cold Merchandise (ICM) Operations</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Net sales revenue	375,229	273,910	429,640	406,652	361,028
Contribution to the Consolidated net sales revenue	82.1%	79.0%	85.8%	87.3%	87.9%
Operating Profit / <Loss>	33,632	15,396	32,943	64,302	57,834
<Losses> / Gains from restructuring activities	-	(444)	(14,618)	(54)	(743)
Operating Profit / <Loss> before <Losses> / Gains from restructuring activities	33,632	15,840	47,561	64,356	58,577
Depreciation	15,286	15,304	14,899	10,901	10,154
Earnings / <Loss> before interest, tax, depreciation and amortization (EBITDA)	48,918	31,144	62,460	75,257	68,731
EBITDA %	13.0%	11.4%	14.5%	18.5%	19.0%
Profit / <Loss> before income tax	19,522	3,473	20,670	59,495	52,073
Income tax expense	5,909	691	7,680	16,224	15,295
Tax - Special lump sum contribution L. 3808/2009	-	5,496	-	-	-
Profit / <Loss> after income tax expenses	13,613	(2,714)	12,990	43,271	36,778
Profit / <Loss> after income tax expenses & non controlling interest	13,093	(2,826)	13,000	42,966	36,369
Capital Expenditure	15,844	12,050	20,817	30,448	17,313

<b>Glass Operations</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Net sales revenue	81,991	72,745	71,063	59,408	49,761
Contribution to the Consolidated net sales revenue	17.9%	21.0%	14.2%	12.7%	12.1%
Operating Profit / <Loss>	15,644	13,548	14,384	6,959	4,891
<Losses> / Gains from restructuring activities	-	-	-	(729)	(223)
Operating Profit / <Loss> before <Losses> / Gains from restructuring activities	15,644	13,548	14,384	7,688	5,114
Depreciation	9,667	8,661	8,675	7,608	6,470
Earnings / <Loss> before interest, tax, depreciation and amortization (EBITDA)	25,311	22,209	23,059	15,296	11,584
EBITDA %	30.9%	30.5%	32.4%	25.7%	23.3%
Profit / <Loss> before income tax	15,365	13,412	13,413	6,409	4,371
Income tax expense	3,524	3,544	3,011	1,753	1,118
Tax - Special lump sum contribution L. 3808/2009	-	-	-	-	-
Profit / <Loss> after income tax expenses	11,841	9,868	10,402	4,656	3,253
Profit / <Loss> after income tax expenses & non controlling interest	7,442	5,867	6,455	2,489	2,118
Capital Expenditure	14,796	5,835	8,714	24,190	7,007



**Note 6 - Property, Plant & Equipment**

	Consolidated					
	Land	Building & technical works	Machinery technical installation	Motor vehicles	Furniture & fixtures	Total
<b>Cost</b>						
<b>Opening balance at 01/01/2011</b>	<b>10,358</b>	<b>71,964</b>	<b>221,984</b>	<b>4,132</b>	<b>13,696</b>	<b>322,134</b>
Additions	-	615	7,141	313	572	8,641
Arising on acquisitions (Note 28)	-	13,613	44,645	132	451	58,841
Disposals	-	(29)	(220)	(195)	(81)	(525)
Transfer to / from & reclassification	-	67	(853)	741	45	-
Exchange differences	(391)	(1,843)	(11,148)	(259)	(411)	(14,052)
<b>Closing balance at 30/06/2011</b>	<b>9,967</b>	<b>84,387</b>	<b>261,549</b>	<b>4,864</b>	<b>14,272</b>	<b>375,039</b>
<b>Accumulated Depreciation</b>						
<b>Opening balance at 01/01/2011</b>	-	<b>19,208</b>	<b>119,135</b>	<b>2,953</b>	<b>11,023</b>	<b>152,319</b>
Additions	-	1,391	9,191	280	552	11,414
Arising on acquisitions (Note 28)	-	5,604	18,582	94	405	24,685
Disposals	-	-	(195)	(179)	(74)	(448)
Transfer to / from & reclassification	-	64	(674)	580	30	-
Exchange differences	-	(395)	(5,948)	(175)	(290)	(6,808)
<b>Closing balance at 30/06/2011</b>	-	<b>25,872</b>	<b>140,091</b>	<b>3,553</b>	<b>11,646</b>	<b>181,162</b>
<b>Net book value at 30/06/2011</b>	<b>9,967</b>	<b>58,515</b>	<b>121,458</b>	<b>1,311</b>	<b>2,626</b>	<b>193,877</b>

	Consolidated					
	Land	Building & technical works	Machinery technical installation	Motor vehicles	Furniture & fixtures	Total
<b>Cost</b>						
<b>Opening balance at 01/01/2010</b>	<b>9,964</b>	<b>70,301</b>	<b>194,859</b>	<b>4,037</b>	<b>12,803</b>	<b>291,964</b>
Additions	-	85	10,137	165	245	10,632
Disposals	-	-	(156)	(228)	(57)	(441)
Transfer to / from & reclassification	-	105	(113)	-	8	-
Exchange differences	790	3,204	18,374	356	714	23,438
<b>Closing balance as at 30/06/2010</b>	<b>10,754</b>	<b>73,695</b>	<b>223,101</b>	<b>4,330</b>	<b>13,713</b>	<b>325,593</b>
<b>Accumulated Depreciation</b>						
<b>Opening balance at 01/01/2010</b>	-	<b>17,326</b>	<b>101,012</b>	<b>2,733</b>	<b>9,945</b>	<b>131,016</b>
Additions	-	1,339	8,360	265	571	10,535
Disposals	-	-	(65)	(203)	(53)	(321)
Exchange differences	-	489	8,616	205	481	9,791
<b>Closing balance as at 30/06/2010</b>	-	<b>19,154</b>	<b>117,923</b>	<b>3,000</b>	<b>10,944</b>	<b>151,021</b>
<b>Net book value at 30/06/2010</b>	<b>10,754</b>	<b>54,541</b>	<b>105,178</b>	<b>1,330</b>	<b>2,769</b>	<b>174,572</b>

The total value of pledged assets for the Group as at 30/06/2011 was € 38 mil and (31/12/2010: 2.9 mil).



Note 6 - Property, Plant & Equipment (continued)

	Parent Company					Total
	Land	Building & technical works	Machinery technical installation	Motor vehicles	Furniture & fixtures	
<b>Cost</b>						
Opening balance at 01/01/2011	303	8,967	15,767	293	3,691	29,021
Additions	-	27	110	-	112	249
Disposals	-	-	(17)	-	(8)	(25)
<b>Closing balance at 30/06/2011</b>	<b>303</b>	<b>8,994</b>	<b>15,860</b>	<b>293</b>	<b>3,795</b>	<b>29,245</b>
<b>Accumulated Depreciation</b>						
Opening balance at 01/01/2011	-	2,762	14,282	271	3,421	20,736
Additions	-	207	237	4	80	528
Disposals	-	-	(16)	-	(8)	(24)
<b>Closing balance at 30/06/2011</b>	<b>-</b>	<b>2,969</b>	<b>14,503</b>	<b>275</b>	<b>3,493</b>	<b>21,240</b>
<b>Net book value at 30/06/2011</b>	<b>303</b>	<b>6,025</b>	<b>1,357</b>	<b>18</b>	<b>302</b>	<b>8,005</b>

	Parent Company					Total
	Land	Building & technical works	Machinery technical installation	Motor vehicles	Furniture & fixtures	
<b>Cost</b>						
Opening balance at 01/01/2010	303	8,952	15,985	307	3,669	29,216
Additions	-	-	60	-	54	114
Disposals	-	-	(579)	(22)	-	(601)
<b>Closing balance as at 30/06/2010</b>	<b>303</b>	<b>8,952</b>	<b>15,466</b>	<b>285</b>	<b>3,723</b>	<b>28,729</b>
<b>Accumulated Depreciation</b>						
Opening balance at 01/01/2010	-	2,351	14,032	281	3,265	19,929
Additions	-	205	245	7	128	585
Disposals	-	-	(153)	(22)	-	(175)
<b>Closing balance as at 30/06/2010</b>	<b>-</b>	<b>2,556</b>	<b>14,124</b>	<b>266</b>	<b>3,393</b>	<b>20,339</b>
<b>Net book value at 30/06/2010</b>	<b>303</b>	<b>6,396</b>	<b>1,342</b>	<b>19</b>	<b>330</b>	<b>8,390</b>

There are no pledged assets for the Parent Company as at 30/06/2011 and 31/12/2010.

**Note 7 - Intangible assets**

	Consolidated				
	Goodwill	Development costs	Patterns & trade marks	Software & other intangible assets	Total
<b>Cost</b>					
<b>Opening balance at 01/01/2011</b>	19,630	20,002	9,429	14,873	63,934
Additions	-	1,384	-	888	2,272
Arising on acquisitions (Note 28)	1,458	-	-	-	1,458
Exchange differences	-	(94)	-	(139)	(233)
<b>Closing balance at 30/06/2011</b>	<b>21,088</b>	<b>21,292</b>	<b>9,429</b>	<b>15,622</b>	<b>67,431</b>
<b>Accumulated Depreciation</b>					
<b>Opening balance at 01/01/2011</b>	-	13,307	2,173	9,406	24,886
Additions	-	835	303	817	1,955
Exchange differences	-	(36)	-	(52)	(88)
<b>Closing balance at 30/06/2011</b>	<b>-</b>	<b>14,106</b>	<b>2,476</b>	<b>10,171</b>	<b>26,753</b>
<b>Net book value at 30/06/2011</b>	<b>21,088</b>	<b>7,186</b>	<b>6,953</b>	<b>5,451</b>	<b>40,678</b>

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. At each balance sheet date the Group performs an analysis to assess whether the carrying amount of goodwill is recoverable. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is performed on the cash-generating units that are expected to benefit from the acquisition from which goodwill was derived.

The existing goodwill, which resulted from the business combination of Frigoglass Turkey Soğutma Sanayi İç ve Dış Ticaret Anonim Şirketi (Istanbul, Turkey), Frigoglass North America Ltd. Co, Baffington Road LLC (South Carolina, America ) and Frigoglass Jebel Ali FZCO (Dubai), has been allocated to cash generating units related to the Group's operations in Turkey, America and Dubai for the respective subsidiaries.

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations are based on cash flow projections, which require the use of estimates approved by Management and covering a five year period.

The key assumptions used for the Value-in-use calculation are as follows:

Discount rate (pre-tax): 14%, Gross margins: 10%-20% , Perpetuity growth rate: 2%

As at **31 December 2010**, if any of the assumptions used were 10% lower or higher, the Group would not need to reduce the carrying value of goodwill.

	Consolidated				
	Goodwill	Development costs	Patterns & trade marks	Software & other intangible assets	Total
<b>Cost</b>					
<b>Opening balance at 01/01/2010</b>	19,630	17,095	9,731	12,759	59,215
Additions	-	1,290	-	501	1,791
Exchange differences	-	176	(3)	300	473
<b>Closing balance as at 30/06/2010</b>	<b>19,630</b>	<b>18,561</b>	<b>9,728</b>	<b>13,560</b>	<b>61,479</b>
<b>Accumulated Depreciation</b>					
<b>Opening balance at 01/01/2010</b>	-	11,784	1,870	8,145	21,799
Additions	-	732	303	620	1,655
Exchange differences	-	113	(3)	90	200
<b>Closing balance as at 30/06/2010</b>	<b>-</b>	<b>12,629</b>	<b>2,170</b>	<b>8,855</b>	<b>23,654</b>
<b>Net book value at 30/06/2010</b>	<b>19,630</b>	<b>5,932</b>	<b>7,558</b>	<b>4,705</b>	<b>37,825</b>





Note 7 - Intangible assets (continued)

	Parent Company			
	Development costs	Patterns & trade marks	Software & other intangible assets	Total
<b>Cost</b>				
<b>Opening balance at 01/01/2011</b>	12,003	35	8,753	20,791
Additions	639	-	339	978
Disposals	-	-	-	-
<b>Closing balance at 30/06/2011</b>	12,642	35	9,092	21,769
<b>Accumulated Depreciation</b>				
<b>Opening balance at 01/01/2011</b>	8,928	35	6,071	15,034
Additions	481	-	428	909
Disposals	-	-	-	-
<b>Closing balance at 30/06/2011</b>	9,409	35	6,499	15,943
<b>Net book value at 30/06/2011</b>	3,233	-	2,593	5,826

	Parent Company			
	Development costs	Patterns & trade marks	Software & other intangible assets	Total
<b>Cost</b>				
<b>Opening balance at 01/01/2010</b>	10,799	35	7,718	18,552
Additions	701	-	386	1,087
Disposals	-	-	-	-
<b>Closing balance as at 30/06/2010</b>	11,500	35	8,104	19,639
<b>Accumulated Depreciation</b>				
<b>Opening balance at 01/01/2010</b>	8,077	35	5,274	13,386
Additions	434	-	375	809
Disposals	-	-	-	-
<b>Closing balance as at 30/06/2010</b>	8,511	35	5,649	14,195
<b>Net book value at 30/06/2010</b>	2,989	-	2,455	5,444



**Note 8 - Inventories**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Raw materials	100,042	86,200	4,182	3,179
Work in progress	7,438	4,564	292	216
Finished goods	57,592	52,498	3,589	2,896
<b>Less: Provisions</b>	<b>(8,126)</b>	<b>(7,357)</b>	<b>(490)</b>	<b>(490)</b>
<b>Total</b>	<b>156,946</b>	<b>135,905</b>	<b>7,573</b>	<b>5,801</b>

**Note 9 - Trade Receivables**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Trade receivables	196,051	94,453	25,302	22,837
<b>Less: Provisions</b>	<b>(2,778)</b>	<b>(2,415)</b>	<b>(284)</b>	<b>(284)</b>
<b>Total</b>	<b>193,273</b>	<b>92,038</b>	<b>25,018</b>	<b>22,553</b>

The fair value of trade debtors closely approximates their carrying value. The Group and the Company have a significant concentration of credit risk with specific customers. Management does not expect any losses from non performance of trade receivables, other than provides for as at 30/06/2011.

**Analysis of provisions for trade receivables:**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
<b>Opening balance at 01/01</b>	<b>2,415</b>	<b>2,848</b>	<b>284</b>	<b>489</b>
Additions during the year	190	640	-	-
Unused amounts reversed	(12)	(866)	-	(205)
<b>Total charges to income statement</b>	<b>178</b>	<b>(226)</b>	<b>-</b>	<b>(205)</b>
Realized during the year	(573)	(329)	-	-
Arising from acquisitions	896	-	-	-
Exchange differences	(138)	122	-	-
<b>Closing balance at 30/06</b>	<b>2,778</b>	<b>2,415</b>	<b>284</b>	<b>284</b>



**Note 10 - Other receivables**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
VAT receivable	14,518	9,982	598	249
Advances & prepayments	9,292	7,061	676	95
Other receivables	5,977	3,610	564	507
<b>Total</b>	<b>29,787</b>	<b>20,653</b>	<b>1,838</b>	<b>851</b>

The fair value of other receivables closely approximates their carrying value.

**Note 11 - Cash & cash equivalents**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Cash on hand	202	64	2	3
Short term bank deposits	74,625	79,903	19,274	15,776
<b>Total</b>	<b>74,827</b>	<b>79,967</b>	<b>19,276</b>	<b>15,779</b>

The effective interest rate on short term bank deposits for June 2011 is 4,53% ( December 2010: 3.08% )

**Note 12 - Other liabilities**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Taxes and duties payable	3,673	2,957	409	521
VAT payable	2,356	1,702	-	-
Social security insurance	1,208	993	611	564
Share capital return payable	6,500	-	6,500	-
Dividends payable to company shareholders	46	51	46	51
Customers' advances	1,413	15,373	16	4,791
Accrued expenses	21,386	20,221	4,210	3,654
Other payables	6,232	5,953	685	532
<b>Total</b>	<b>42,814</b>	<b>47,250</b>	<b>12,477</b>	<b>10,113</b>

The fair value of other creditors closely approximates their carrying value.



**Note 13 - Non current & current borrowings**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Bank loans	53,728	31,919	-	-
Bank bond loans	40,000	12,000	40,000	12,000
<b>Total non current borrowings</b>	<b>93,728</b>	<b>43,919</b>	<b>40,000</b>	<b>12,000</b>

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Bank overdrafts	28,498	7,910	18,759	2,949
Bank loans	188,381	99,161	9,880	9,655
Current portion of non current bond loan	33,000	101,700	18,000	72,000
<b>Total current borrowings</b>	<b>249,879</b>	<b>208,771</b>	<b>46,639</b>	<b>84,604</b>

<b>Total borrowings</b>	<b>343,607</b>	<b>252,690</b>	<b>86,639</b>	<b>96,604</b>
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**Maturity of non current borrowings**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Between 1 & 2 years	47,778	42,610	40,000	12,000
Between 2 & 5 years	44,880	183	-	-
Over 5 years	1,070	1,126	-	-
<b>Total</b>	<b>93,728</b>	<b>43,919</b>	<b>40,000</b>	<b>12,000</b>

**Effective interest rates**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Non current borrowings	4.86%	3.46%	5.78%	3.63%
Bank overdrafts	5.49%	4.87%	6.11%	5.86%
Current borrowings	4.81%	3.77%	4.28%	3.92%

**Net Debt / Total capital**

	Consolidated		Parent Company	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Total borrowings	343,607	252,690	86,639	96,604
Cash & cash equivalents	(74,827)	(79,967)	(19,276)	(15,779)
<b>Net debt (A)</b>	<b>268,780</b>	<b>172,723</b>	<b>67,363</b>	<b>80,825</b>
Total equity (B)	160,543	143,938	36,411	28,190
Total capital (C) = (A) + (B)	429,323	316,661	103,774	109,015
<b>Net debt / Total capital (A) / (C)</b>	<b>62.6%</b>	<b>54.5%</b>	<b>64.9%</b>	<b>74.1%</b>

**Note 13 - Non current & current borrowings (continued)**

The foreign Currency exposure of bank borrowings is as follows:

	Consolidated					
	30/06/2011			31/12/2010		
	Current borrowings	Non current borrowings	Total	Current borrowings	Non current borrowings	Total
- EURO	188,080	92,044	<b>280,124</b>	178,175	42,000	<b>220,175</b>
- USD	41,115	1,650	<b>42,765</b>	15,785	1,841	<b>17,626</b>
- NAIRA	48	13	<b>61</b>	48	14	<b>62</b>
- NOK	19	21	<b>40</b>	-	64	<b>64</b>
- CNY	16,590	-	<b>16,590</b>	13,829	-	<b>13,829</b>
- INR	4,016	-	<b>4,016</b>	508	-	<b>508</b>
- PHP	-	-	<b>-</b>	426	-	<b>426</b>
- PLN	11	-	<b>11</b>	-	-	<b>-</b>
<b>Total</b>	<b>249,879</b>	<b>93,728</b>	<b>343,607</b>	<b>208,771</b>	<b>43,919</b>	<b>252,690</b>

	Parent Company					
	30/06/2011			31/12/2010		
	Current borrowings	Non current borrowings	Total	Current borrowings	Non current borrowings	Total
- EURO	46,639	40,000	<b>86,639</b>	84,604	12,000	<b>96,604</b>
- USD	-	-	<b>-</b>	-	-	<b>-</b>
<b>Total</b>	<b>46,639</b>	<b>40,000</b>	<b>86,639</b>	<b>84,604</b>	<b>12,000</b>	<b>96,604</b>

The extent of the Group's and Parent company's exposure to fluctuations in interest rate due to market or contractual changes is considered to be less than six months.

In addition, at the 4th quarter of 2009 the Group has entered into Interest rate swaps derivatives financial instruments in order to hedge its exposure of interest changes.

The fair value of current and non current borrowings closely approximates their carrying value, since the company borrows at floating interest rates, which are renegotiated in periods shorter than six months.

The total value of pledged assets for the Group as at **30/06/2011** was € 38 mil and (**31/12/2010**: 2.9 mil).

There are no pledged assets for the Parent Company as at **30/06/2011** and **31/12/2010**.

On 15/06/2009 the Group issued a € 75 million syndicated bank loan, in order to refinance its bank borrowings. There are no encumbrances or pledges over the Parent Company's or the Group's assets. However the Group is required to comply with covenants relating to the sufficiency of solvency, profitability and liquidity ratios as described below:

- a) Net debt to total equity
- b) Net debt to earnings before interest tax depreciation and amortization (EBITDA)
- c) EBITDA to net interest expense



**Note 14 - Investments in subsidiaries**

	Parent Company			31/12/2010
	30/06/2011			
	Historic cost	Provision for impairment of investments	Net book value	Net book value
Coolinvest Holding Limited (Cyprus)	91,435	(47,622)	43,813	19,727
Frigorex Cyprus Limited (Cyprus)	482	-	482	482
Letel Holding Limited (Cyprus)	-	-	-	37,324
Nigerinvest Holding Limited (Cyprus)	-	-	-	6,175
Frigoinvest Holdings B.V (The Netherlands)	13,750	-	13,750	13,750
<b>Total</b>	<b>105,667</b>	<b>(47,622)</b>	<b>58,045</b>	<b>77,458</b>

In its separate financial statements, the Parent Company accounts for investments in subsidiaries at historic cost less any impairment losses.

In January 2011, the Board of Directors of Letel Holdings Limited resolved the reduction of the Company's sharecapital by an amount of € 19.413 th. by decreasing the nominal value of each share.

In May 2011, the Parent Company participated 100% in the share capital increase of the Coolinvest by contributing its whole shareholding in its subsidiaries Nigerinvest Holdings Limited and Letel Holdings Limited.

The subsidiaries of the Group, the country of incorporation and their shareholding status as at 30/06/2011 are described below:

Company name & business segment	Country of incorporation	Consolidation method	% Shareholding
<b>ICM Operations</b>			
Frigoglass S.A.I.C.	Hellas	Parent Company	
SC. Frigoglass Romania SRL	Romania	Full	100%
PT Frigoglass Indonesia	Indonesia	Full	100%
Frigoglass South Africa Ltd	South Africa	Full	100%
Frigoglass Eurasia LLC	Russia	Full	100%
Frigoglass (Guangzhou) Ice Cold Equipment Co., Ltd.	China	Full	100%
Scandinavian Appliances A.S	Norway	Full	100%
Frigoglass Ltd.	Ireland	Full	100%
Frigoglass Iberica SL	Spain	Full	100%
Frigoglass Sp zo.o	Poland	Full	100%
Frigoglass India PVT.Ltd.	India	Full	100%
Frigoglass Turkey Soğutma Sanayi İç ve Dış Ticaret Anonim Şirketi	Turkey	Full	98.92%
Frigoglass İstanbul Soğutma Sistemleri İç ve Dis Ticaret A.S.	Turkey	Full	98.92%
Frigoglass North America Ltd. Co	USA	Full	100%
Baffington Road LLC	USA	Full	100%
Frigomagna INC	Philippines	Full	51%
Frigorex East Africa Ltd.	Kenya	Full	100%
Frigoglass GmbH	Germany	Full	100%
Frigoglass Nordic	Norway	Full	100%
Frigoglass France SA	France	Full	100%
Frigoglass Industries (Nig.) Ltd	Nigeria	Full	76.03%
Coolinvest Holding Limited	Cyprus	Full	100%
Frigorex Cyprus Limited	Cyprus	Full	100%
Norcool Holding A.S	Norway	Full	100%
Frigoinvest Holdings B.V	The Netherlands	Full	100%
Frigoglass USA Inc.	USA	Full	100%
3P Frigoglass Romania SRL	Romania	Full	100%
<b>Glass Operations</b>			
Frigoglass Jebel Ali FZCO	Dubai	Full	80.00%
Beta Glass Plc.	Nigeria	Full	53.82%
Frigoglass Industries (Nig.) Ltd	Nigeria	Full	76.03%
Nigerinvest Holding Limited	Cyprus	Full	100%



**Note 15 - Share capital, treasury shares, dividends & share options**

**a) Share capital:**

The share capital of the company comprises of **50,529,438** fully paid up ordinary shares of **€0.30** each.

The share premium accounts represents the difference between the issue of shares (in cash) and their par value.

On the 29th of December 2010, FRIGOGLASS' s Board of Directors resolved to increase the share capital of the Company by 31,495 ordinary shares, following the exercise of share options by option holders pursuant to the Company's share option plan. The proceeds from the share capital increase amounted to € 136 thousand.

On the 31st of March 2011, FRIGOGLASS' s Board of Directors resolved to increase the share capital of the Company by 130,530 ordinary shares, following the exercise of share options by option holders pursuant to the Company's share option plan. The proceeds from the share capital increase amounted to € 593 thousand.

On 29th of June 2011, FRIGOGLASS' s Board of Directors resolved to increase the share capital of the Company by 76,144 ordinary shares, following the exercise of share options by option holders pursuant to the Company's share option plan. The proceeds from the share capital increase amounted to € 323 thousand.

On the 31st of May 2011, the Annual General Meeting of the shareholders resolved the increase of the Company's share capital through the capitalization of reserves of the "Share premium account" and the "Tax-free reserves under special laws", by the amount of € 1,526 th. and € 4.974 th. respectively, by increasing the nominal value of each share of the Company.

On the 31st of May 2011, the Annual General Meeting of the shareholders resolved a share capital decrease by the amount of Euro 6,500 th. by decreasing the nominal value of the Company's share and through the return of the amount that will result from the decrease to the Company's shareholders in cash. It is noted that the decrease of the Company's share capital took place from the existing paid up capital of the company and not from the amounts capitalized through the reserves mentioned above.

On the 31st of May 2011, the Annual General Meeting of the shareholders resolved to increase the company's share capital by the amount of Euro 3,027 th. through the capitalization of reserves of the accounts "Tax-free reserves under special laws" and the issuance of 10,090,659 new shares which shall be distributed to the shareholders as bonus shares with a ratio of one bonus free share for every four existing shares.

	Number of shares	Share capital -000' Euro-	Share premium -000' Euro-
<b>Balance at 01/01/2010</b>	<b>40,200,610</b>	<b>12,060</b>	<b>3,009</b>
Shares issued to employees exercising stock options / Proceeds from the issue of shares	31,495	9	127
Transfer from share option reserve ( Note 16 )	-	-	31
<b>Balance at 31/12/2010</b>	<b>40,232,105</b>	<b>12,069</b>	<b>3,167</b>
<b>Balance at 01/01/2011</b>	<b>40,232,105</b>	<b>12,069</b>	<b>3,167</b>
Shares issued to employees exercising stock options / Proceeds from the issue of shares	206,674	63	853
Transfer from share option reserve ( Note 16 )	-	-	174
Share capital increase	10,090,659	9,527	(1,526)
Share capital decrease	-	(6,500)	-
<b>Balance at 30/06/2011</b>	<b>50,529,438</b>	<b>15,159</b>	<b>2,668</b>



## Note 15 - Share capital, treasury shares, dividends & share options (continued)

### b) Treasury shares:

The Extraordinary General Meeting of the shareholders on the 5th of September 2008 approved a share buy back scheme, in terms of article 16 of Codified Law 2190/1920, for a maximum number of shares that equals to 10% of the Company's share capital (currently 40,200,610 shares) and which can be acquired for a period of 24 months from September 5, 2008, i.e. until September 5, 2010, with minimum purchase price Euro 1 and maximum purchase price Euro 25 per share. The share buy back that will be undertaken according to the above scheme, will be under the responsibility of the Board of Directors and will entail shares paid in full.

In May 2011, the Company sold 1,340,000 of its treasury shares amounting to € 7.394 thousands and realizing a profit of € 7.349 thousands which has been recognized directly in the Equity of the Parent Company and the Group.

	Number of shares	Treasury shares -000' Euro-
<b>Balance at 01/01/2010</b>	<b>(2,140,198)</b>	<b>(9,696)</b>
Treasury shares <purchased>	(640,431)	(5,647)
Treasury shares sold	-	-
<b>Balance at 31/12/2010</b>	<b>(2,780,629)</b>	<b>(15,343)</b>
<b>Balance at 01/01/2011</b>	<b>(2,780,629)</b>	<b>(15,343)</b>
Treasury shares sold	1,340,000	7,394
<b>Balance at 30/06/2011</b>	<b>(1,440,629)</b>	<b>(7,949)</b>

### c) Dividends

Dividends are recorded in the financial statements, as a liability, in the period in which they are approved by the Shareholders Meeting. The Annual Shareholders Meeting as at 14/05/2010 approved a dividend distribution of € 4.020 thousands.

### d) Share options:

i) The Annual General Assembly of June 8, 2007 approved a share option plan with beneficiaries members of the Company's BoD, employees of the Company and employees of the Company's affiliates in replacement of the previous Phantom option plan.

According to the above General Assembly resolution, a maximum of 428,870 share options were approved, each corresponding to one (1) ordinary share of the Company.

ii) The Annual General Assembly of June 5, 2009 approved a share option plan with beneficiaries members of the Company's BoD, employees of the Company and employees of the Company's affiliates.

According to the above General Assembly resolution, a maximum of 500,000 share options were approved, each corresponding to one (1) ordinary share of the Company.

iii) The Annual General Assembly of May 14, 2010 approved a share option plan with beneficiaries members of the Company's BoD, employees of the Company and employees of the Company's affiliates.

According to the above General Assembly resolution, a maximum of 600,000 share options were approved, each corresponding to one (1) ordinary share of the Company.





**Note 15 - Share capital, treasury shares, dividends & share options (continued)**

The following table summarizes information for share option plan:

Program of options	Start of exercise period	Expiry date	Number of options issued	Number of options exercised/ cancelled	Number of outstanding options
<b>Program approved by BoD on 02/08/2007</b>					
Exercise price at 17.50 Euro per share	8/6/2007	17/12/2016	27,671	27,671	-
Exercise price at 16.60 Euro per share	1/1/2008	17/12/2016	27,671	3,964	23,707
Exercise price at 16.60 Euro per share	1/1/2009	17/12/2016	27,669	3,964	23,705
		<b>Total</b>	<b>83,011</b>	<b>35,599</b>	<b>47,412</b>
<b>Program approved by BoD on 14/05/2008</b>					
Exercise price at 19.95 Euro per share	14/05/2008	17/12/2017	26,466	-	26,466
Exercise price at 19.95 Euro per share	14/05/2009	17/12/2017	26,466	-	26,466
Exercise price at 19.95 Euro per share	14/05/2010	17/12/2017	26,470	-	26,470
		<b>Total</b>	<b>79,402</b>	<b>-</b>	<b>79,402</b>
<b>Program approved by BoD on 19/06/2009</b>					
Exercise price at 4 Euro per share	19/06/2009	31/12/2018	163,738	75,671	88,067
Exercise price at 4 Euro per share	01/01/2010	31/12/2018	163,738	75,686	88,052
Exercise price at 4 Euro per share	01/01/2011	31/12/2018	163,737	54,486	109,251
		<b>Total</b>	<b>491,213</b>	<b>205,843</b>	<b>285,370</b>
<b>Program approved by BoD on 11/12/2009</b>					
Exercise price at 4 Euro per share	11/12/2009	31/12/2018	2,833	-	2,833
Exercise price at 4 Euro per share	01/01/2010	31/12/2018	2,833	-	2,833
Exercise price at 4 Euro per share	01/01/2011	31/12/2018	2,834	-	2,834
		<b>Total</b>	<b>8,500</b>	<b>-</b>	<b>8,500</b>
<b>Program approved by BoD on 17/11/2010</b>					
Exercise price at 7.08 Euro per share	17/11/2010	31/12/2019	59,759	13,828	45,931
Exercise price at 7.08 Euro per share	01/01/2011	31/12/2019	59,783	9,168	50,615
Exercise price at 7.08 Euro per share	01/01/2012	31/12/2019	59,788	-	59,788
		<b>Total</b>	<b>179,330</b>	<b>22,996</b>	<b>156,334</b>
<b>Program approved by BoD on 03/01/2011</b>					
Exercise price at 7.08 Euro per share	03/01/2011	31/12/2020	64,261	9,330	54,931
Exercise price at 7.08 Euro per share	03/01/2012	31/12/2020	64,283	-	64,283
Exercise price at 7.08 Euro per share	03/01/2013	31/12/2020	64,291	-	64,291
		<b>Total</b>	<b>192,835</b>	<b>9,330</b>	<b>183,505</b>
		<b>Grand Total</b>	<b>1,034,291</b>	<b>273,768</b>	<b>760,523</b>

The weighted average fair value of the new options granted during the year was determined using the Black-Scholes valuation model and amounted to Euro 3.24 per option.

The key assumptions used in the valuation model are the following:

Weighted average share price	10.18 €
Volatility	13.23%
Dividend yield	1.0%
Discount rate	3.5%



in € 000's

**Note 16 - Other reserves**

	Consolidated						
	Statutory reserves	Share option reserve	Extraordinary reserves	Cash flow hedge reserve	Tax free reserves	Currency translation reserve	Total
<b>Balance at 01/01/2010</b>	<b>2,113</b>	<b>570</b>	<b>9,092</b>	<b>992</b>	<b>14,834</b>	<b>(21,699)</b>	<b>5,902</b>
Additions for the year	-	281	-	2,103	-	-	2,384
Expiration / Cancellation of share option reserve	-	(31)	-	-	-	-	(31)
Transfers between reserves	2,193	-	-	(1,028)	-	-	1,165
Exchange differences	(129)	-	411	-	-	5,264	5,546
<b>Balance at 31/12/2010</b>	<b>4,177</b>	<b>820</b>	<b>9,503</b>	<b>2,067</b>	<b>14,834</b>	<b>(16,435)</b>	<b>14,966</b>
<b>Balance at 01/01/2011</b>	<b>4,177</b>	<b>820</b>	<b>9,503</b>	<b>2,067</b>	<b>14,834</b>	<b>(16,435)</b>	<b>14,966</b>
Additions for the year	-	165	-	(261)	-	-	(96)
Share capital increase	-	-	-	-	(8,001)	-	(8,001)
Shares issued to employees	-	(174)	-	-	-	-	(174)
Transfers between reserves	-	-	-	(1,733)	-	-	(1,733)
Exchange differences	-	-	(1,914)	-	-	(6,088)	(8,002)
<b>Balance at 30/06/2011</b>	<b>4,177</b>	<b>811</b>	<b>7,589</b>	<b>73</b>	<b>6,833</b>	<b>(22,523)</b>	<b>(3,040)</b>

	Parent Company				
	Statutory reserves	Share option reserve	Extraordinary reserves	Tax free reserves	Total
<b>Balance at 01/01/2010</b>	<b>4,019</b>	<b>570</b>	<b>4,943</b>	<b>14,834</b>	<b>24,366</b>
Additions for the year	-	281	-	-	281
Shares issued to employees	-	(31)	-	-	(31)
<b>Balance at 31/12/2010</b>	<b>4,019</b>	<b>820</b>	<b>4,943</b>	<b>14,834</b>	<b>24,616</b>
<b>Balance at 01/01/2011</b>	<b>4,019</b>	<b>820</b>	<b>4,943</b>	<b>14,834</b>	<b>24,616</b>
Additions for the year	-	165	-	-	165
Share capital increase	-	-	-	(8,001)	(8,001)
Shares issued to employees	-	(174)	-	-	(174)
<b>Balance at 30/06/2011</b>	<b>4,019</b>	<b>811</b>	<b>4,943</b>	<b>6,833</b>	<b>16,606</b>

A statutory reserve is created under the provisions of Hellenic law (Law 2190/20) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to this reserve until it reaches one third of the paid up share capital. The statutory reserve can not be distributed to the shareholders of the Company except for the case of liquidation.

The share option reserve refers to a share option program with beneficiaries the Company's BoD and employees and is analyzed in Note 15 of the annual financial statements.

The Company has created tax free reserves, taking advances off various Hellenic Taxation laws, during the years, in order to achieve tax deductions, either a) by postponing the tax liability till the reserves are distributed to the shareholders, or b) by eliminating any future income tax payment by issuing new shares for the shareholders of the company. Should the reserves be distributed to the shareholders as dividends, the distributed profits will be taxed with the rate that will be in effect at the time of the profits distributions. No provision has been created in regard to the possible income tax liability in the case of such a future distribution of the reserves the shareholders of the company as such liabilities are recognized simultaneously with the dividends distribution.

On the 31st of May 2011, the Annual General Meeting of the shareholders resolved the capitalization of € 8.001 thousands of tax free reserves (see Note 15).



in € 000's

**Note 17 - Financial Expenses**

	Consolidated		Parent Company	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
Interest expense	7,619	5,573	2,297	1,553
Interest income	(862)	(843)	(312)	(308)
<b>Net interest expense / &lt;income&gt;</b>	<b>6,757</b>	<b>4,730</b>	<b>1,985</b>	<b>1,245</b>
Exchange loss / (gain)	3,107	(4,995)	1,020	(2,052)
Loss / <Gain> on derivative financial instruments	(1,643)	7,265	(994)	1,291
<b>Net finance cost / &lt;income&gt;</b>	<b>8,221</b>	<b>7,000</b>	<b>2,011</b>	<b>484</b>

**Note 18 - Income Tax**

**Unaudited tax years**

Note: For some countries the tax audit is not obligated and is taken place under specific requirements.

Company	Country	Unaudited tax years	Line of Business
Frigoglass S.A.I.C. - Parent Company	Hellas	2010	Ice Cold Merchandisers
SC. Frigoglass Romania SRL	Romania	2010	Ice Cold Merchandisers
PT Frigoglass Indonesia	Indonesia	2009-2010	Ice Cold Merchandisers
Frigoglass South Africa Ltd	S. Africa	2006-2010	Ice Cold Merchandisers
Frigoglass Eurasia LLC	Russia	2009-2010	Ice Cold Merchandisers
Frigoglass (Guangzhou) Ice Cold Equipment Co. ,Ltd.	China	2006-2010	Ice Cold Merchandisers
Scandinavian Appliances A.S	Norway	2003-2010	Ice Cold Merchandisers
Frigoglass Ltd.	Ireland	2002-2010	Ice Cold Merchandisers
Frigoglass Iberica SL	Spain	2004-2010	Ice Cold Merchandisers
Frigoglass Sp zo.o	Poland	2009-2010	Ice Cold Merchandisers
Frigoglass India PVT.Ltd.	India	2005-2010	Ice Cold Merchandisers
Frigoglass Turkey Soğutma Sanayi İç ve Dış Ticaret Anonim Şirketi	Turkey	2010	Ice Cold Merchandisers
Frigoglass İstanbul Sogutma Sistemleri İç ve Dis Ticaret A.S.	Turkey	2010	Ice Cold Merchandisers
Frigoglass North America Ltd. Co	USA	2008-2010	Ice Cold Merchandisers
Baffington Road LLC	USA	2008-2010	Real Estate
Frigomagna INC	Philippines	2008-2010	Sales Office
Frigoglass Jebel Ali FZCO	Dubai	-	Glass Operation
Beta Glass Plc.	Nigeria	2004-2010	Glass Operation
Frigoglass Industries (Nig.) Ltd	Nigeria	2003-2010	Crowns, Plastics, ICMs
3P Frigoglass Romania SRL	Romania	2008-2010	Plastics
Frigorex East Africa Ltd.	Kenya	2008-2010	Sales Office
Frigoglass GmbH	Germany	2008-2010	Sales Office
Frigoglass Nordic	Norway	2003-2010	Sales Office
Frigoglass France SA	France	2004-2010	Sales Office
Coolinvest Holding Limited	Cyprus	2010	Holding Company
Frigorex Cyprus Limited	Cyprus	2010	Holding Company
Frigoinvest Holdings B.V	Netherlands	2008-2010	Holding Company
Norcool Holding A.S	Norway	1999-2010	Holding Company
Nigerinvest Holding Limited	Cyprus	2010	Holding Company
Frigoglass USA Inc.	USA	2009-2010	Holding Company

The tax rates in the countries where the Group operates are between **10%** and **38.3%**.

Some of non deductible expenses and the different tax rates in the countries that the Group operates, create an effective tax rate for the Group of **23.36%** (Hellenic taxation rate is 20%)

The tax returns of the Parent Company and the Group's subsidiaries have not been assessed by the tax authorities for different periods. Until the tax audit assessment for the companies described in the table above are finalized, the tax liability can not be reliably measured for those years. The Group provides additional tax in relation to the outcome of such tax assessments, to the extent that a liability is probable and estimable.



## **Note 19 - Commitments**

### **Capital commitments**

The capital commitments contracted for but not yet incurred at the balance sheet date 30/06/2011 for the Group amounted to **€3,854 thousands (31/12/2010: €1,273 thousands)**.

## **Note 20 - Related party transactions**

(based on IAS 24 & Article 42e of L 2190/20)

The Parent Company's shareholders as at **30/06/2011** are:

BOVAL S.A.	43.69%
Capital Research & Management	8.91%
Montanaro Group	5.37%
Institutional Investors	23.05%
Other Investors	18.98%

BOVAL SA (through Kar-Tess Holdings SA) has a 23.31% stake in Coca-Cola Hellenic Bottling Company SA share capital.

The Coca-Cola Hellenic Bottling Company is a non alcoholic beverage company listed in stock exchanges of Athens, New York & London.

Except from the common share capital involvement of BOVAL S.A at 23.31% with CCH Group, Frigoglass is the major shareholder in Frigoglass Industries Limited based on Nigeria, where CCH Group also owns a 15.86% equity interest.

Based on a contract expired on 31/12/2008, which has been renewed until 31/12/2013 the Coca-Cola Hellenic Bottling Company purchases from the Frigoglass Group at yearly negotiated prices ICM's.

The above transactions are executed at arm's length.



**Note 20 - Related party transactions (continued)**

a) The amounts of related party transactions were:

	Consolidated		Parent Company	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
Sales	105,597	48,923	36,287	9,398
Receivables / <Payables>	35,870	6,130	4,189	1,773

b) The intercompany transactions of the Parent company with the Group's subsidiaries were:

	Parent Company	
	30/06/2011	30/06/2010
Sales of goods	3,348	2,175
Sales of services	175	120
Purchases of goods / expenses	31,320	16,133
Dividend income	-	-
Receivables	34,324	27,635
Payables	11,656	25,615

The above transactions are executed at arm's length.

c) Other operating income ( transactions of the Parent company with the Group's subsidiaries )

	Parent Company	
	30/06/2011	30/06/2010
Management services income	11,049	8,870
Other operating income	68	87
<b>Total other operating income</b>	<b>11,117</b>	<b>8,957</b>

The majority portion of other operating income refers to management services charged to the Group's subsidiaries.

d) The fees to members of the Board of Directors and Management compensation include wages, stock option, indemnities and other employee benefits and the amounts are:

	Consolidated		Parent Company	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
Fees of member of Board of Directors	72	72	72	72
Management compensation	1,894	1,249	1,894	1,249
Receivables from management & BoD members	-	-	-	-
Payables to management & BoD	-	-	-	-



**Note 21 - Earnings per share**

**Basic & Diluted earnings per share**

Basic and Diluted earnings per share are calculated by dividing the profit attributable to shareholders, by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company (treasury shares).

The diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to net profit (numerator).

in 000's Euro (apart from per share earning and number of shares)	Consolidated		Parent Company	
	Six months ended		Six months ended	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
Profit attributable to shareholders of the Company	19,266	14,806	897	(848)
Weighted average number of ordinary shares for the purposes of basic earnings per share	41,382,044	47,993,326	41,382,044	47,993,326
Weighted average number of ordinary shares for the purpose of diluted earnings per share	41,686,264	48,260,497	41,686,264	48,260,497
<b>Basic earnings / &lt;losses&gt; per share</b>	<b>0.4656</b>	<b>0.3085</b>	<b>0.0217</b>	<b>(0.0177)</b>
<b>Diluted earnings / &lt;losses&gt; per share</b>	<b>0.4622</b>	<b>0.3068</b>	<b>0.0215</b>	<b>(0.0176)</b>

**Note 22 - Contingent liabilities**

The Parent company has contingent liabilities in respect of bank guarantees on behalf of its subsidiaries arising from the ordinary course of business as follows:

The Parent Company's bank guarantees on behalf of its subsidiaries were:

	Parent Company	
	30/06/2011	31/12/2010
Bank guarantees	425,807	385,700

The Group did not have any contingent liabilities as at **30/06/2011** and **31/12/2010**.

There are no pending litigation, legal proceedings, or claims which are likely to affect the financial statements or the operations of the Group and the Parent company.

The tax returns for the Parent Company and for the Group subsidiaries have not been assessed by the tax authorities for different periods. (see Note 18). The management of the Group believes that no significant additional taxes other than those recognized in the financial statements will be assessed.



in € 000's

**Note 23 - Seasonality of Operations**

**Net sales revenue**

Quarter	Consolidated							
	2008		2009		2010		2011	
Q1	165,936	33%	73,629	21%	93,213	20%	134,826	42%
Q2	180,909	36%	107,914	31%	142,775	31%	187,655	58%
Q3	88,186	18%	71,240	21%	110,627	24%	-	0%
Q4	65,672	13%	93,872	27%	110,605	24%	-	0%
<b>Total Year</b>	<b>500,703</b>	<b>100%</b>	<b>346,655</b>	<b>100%</b>	<b>457,220</b>	<b>100%</b>	<b>322,481</b>	<b>100%</b>

As shown above the Group's operations exhibit seasonality and therefore interim period sales should not be used for forecasting annual sales.

Consequently the level of the working capital required for the certain months of the year may vary.

**Note 24 - Post balance sheet events**

On 29/07/2011, the Group finalized the process of renewing and refunding the syndicated bank loan that was first agreed on 15/06/2009. The amount borrowed has been reverted to € 75 mil. and the duration of the loan has been extended until July 2014.

**Note 25 - Average number of personnel**

The average number of personnel per operation for the Group & for the Parent company are listed below:

Operations	Consolidated	
	30/06/2011	30/06/2010
ICM Operations	5,796	4,074
Glass Operations	1,336	1,204
<b>Total</b>	<b>7,132</b>	<b>5,278</b>

Average number of personnel	Parent Company	
	30/06/2011	30/06/2010
	428	252

**Note 26 - Clarifications for comparative data of the previous year**

No amount of the previous periods has been reclassified or restated.



in € 000's

**Note 27 - Derivative Financial Instruments**

	Consolidated				Parent Company			
	30/06/2011		31/12/2010		30/06/2011		31/12/2010	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>Held for trading</b>								
- Interest rate swaps	-	-	-	-	-	-	-	-
- Forward foreign exchange contracts	1,311	49	116	258	471	26	101	212
- Commodity forward contracts	-	-	-	-	360	-	944	-
<b>Cash flow hedges</b>								
- Interest rate swaps	-	280	-	509	-	-	-	-
- Commodity forward contracts	516	-	2,739	-	-	-	-	-
<b>Total financial derivatives instruments</b>	<b>1,827</b>	<b>329</b>	<b>2,855</b>	<b>767</b>	<b>831</b>	<b>26</b>	<b>1,045</b>	<b>212</b>
<b>Less: Non current portion</b>								
<b>Held for Trading</b>								
- Interest rate swaps	-	-	-	-	-	-	-	-
- Forward foreign exchange contracts	-	-	-	-	-	-	-	-
- Commodity forward contracts	-	-	-	-	-	-	57	-
<b>Cash flow hedges</b>								
- Interest rate swaps	-	-	-	-	-	-	-	-
- Commodity forward contracts	-	-	57	-	-	-	-	-
<b>Non current portion of financial derivatives instruments</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>
<b>Current portion of financial derivatives instruments</b>	<b>1,827</b>	<b>329</b>	<b>2,798</b>	<b>767</b>	<b>831</b>	<b>26</b>	<b>988</b>	<b>212</b>

Trading derivatives are classified as a current asset or liability. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

For 2011, there was no ineffective portion arising from cash flow hedges.

Gains and losses relating to the effective portion of the hedge are recognized in the hedging reserve in the Statement of Comprehensive Income. Subsequently these amounts are recognized in the income statement in the period or periods during which the hedged forecast transaction affects the income statement unless the gain or loss is included in the initial amount recognized for the purchase of inventory or fixed assets. These amounts are ultimately recognized in cost of goods sold in case of inventory or in depreciation in the case of fixed assets.

In terms of an amendment to IFRS 7, for 2011, the Company and the Group must disclose the basis of determining the fair value of financial instruments that are presented in the Balance Sheet. The only financial instruments at fair value presented in the balance sheet are the derivative financial instruments that are detailed in the tables above. These derivative financial instruments are measured in terms of the "Level 2" fair value hierarchy, that is described in IFRS 7. The "Level 2" fair value hierarchy refers to fair value measurements that are based on inputs that are directly or indirectly observed in an active market.





**Note 28 - Business Combinations**

On 19 April 2011, announced that it has reached an agreement to acquire 80% of the shareholding in the Dubai-based glass bottle and jar manufacturer, Jebel Ali Container Glass Factory Fze (JAG).

JAG, is located in the Jebel Ali Free Zone and produces glass bottles and jars for beverage and food companies. Since the start of operations in 1997, JAG has been a competitive player in the international market with exports to South and East Africa, which provides a complementary regional fit for the Frigoglass Glass Operations currently focused in West Africa. Furthermore, JAG exports to Asia, the fastest growing market for glass, and to Europe, thus providing Frigoglass the opportunity to capitalize on its strong position in several markets and to further strengthen its customer relationships in these regions.

Within its 68,000m2 facility, JAG houses state-of-the-art machinery and equipment. Currently, the total number of employees is 340 people with strong technical experience.

The acquisition has resulted in the Group temporarily recording € 1,458 thousand of goodwill as at 31/05/2010.

The strong technical expertise of JAG, together with the long-standing customer relationships and its attractive market presence, will drive the continued growth of Frigoglass Glass Operations. Through this deal, Frigoglass will be able to increase the geographic reach of its Glass business to Europe as well as to fast growth markets such as East and South Africa and Asia, where demand for glass containers has consistently outstripped supply in recent years.

In May 2011, Jebel Ali Container Glass Factory Fze (JAG) was renamed to Frigoglass Jebel Ali FZCO.

**The net assets that have been acquired are as follows:**

	<b>Acquiree's carrying amounts at the date of acquisition</b>	Fair Value Adjustments	<b>Temporary Fair Values</b>
<b>Assets:</b>			
Property, plant and equipment	34,156		34,156
Intangible assets	-		-
<b>Total non current assets</b>	<b>34,156</b>		<b>34,156</b>
Inventories	3,389		3,389
Trade debtors	1,463		1,463
Other debtors	1,221		1,221
Cash & Cash Equivalents	1,045		1,045
<b>Total current assets</b>	<b>7,118</b>		<b>7,118</b>
<b>Total assets</b>	<b>41,274</b>		<b>41,274</b>
<b>Liabilities:</b>			
Retirement benefit obligations	797		797
Provisions for other liabilities & charges	46		46
<b>Total non current liabilities</b>	<b>843</b>		<b>843</b>
Trade creditors	15,836		15,836
Other creditors	1,409		1,409
Short term borrowings	18,436		18,436
<b>Total current liabilities</b>	<b>35,681</b>		<b>35,681</b>
<b>Total liabilities</b>	<b>36,524</b>		<b>36,524</b>
<b>Total net assets</b>	<b>4,750</b>		<b>4,750</b>
Non controlling interest ( 20%)			950
<b>Fair value of net assets acquired</b>			<b>3,800</b>
Goodwill arising on acquisition			1,458
<b>Total acquisition cost</b>			<b>5,258</b>
			(1,045)
<b>Less: cash &amp; cash equivalents acquired</b>			<b>4,213</b>
<b>Net cash paid for the acquisition</b>			<b>124</b>
<b>Acquisition Costs</b>			<b>124</b>

