Annual report 07
Frigoglass in action

Welcome to Frigoglass

Frigoglass is the global market leading Ice-Cold Merchandising [ICM] manufacturer and solution provider, and West Africa's leading glass container producer, meeting the needs of beverage customers around the world.

Frigoglass has operations in 17 countries, across four continents.

With our extensive experience and expertise, unique customer-led approach and unrivalled focus on efficiency and quality, we provide innovative and cost-effective solutions that deliver value to our customers in two key ways:

Cool: develop the appropriate and most efficient ICM solutions to keep beverages at the optimum temperature for consumption

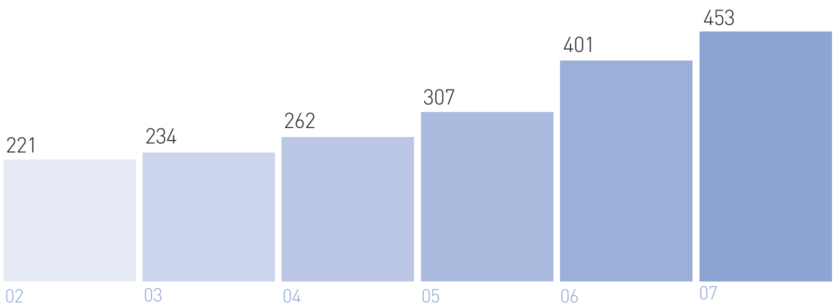
Sell: stimulate the sales of ice-cold drinks for various consumer occasions across different trade channels.

As a dynamic and responsible business, we truly believe that our core strength is the competency and enthusiasm of our people and that only by helping our customers meet their strategic goals with integrity and consistency can we be successful in fulfilling our great potential.

Financial highlights

As we have a proven track-record, scaleable business model and operations in high growth markets, we are confident that our market-leading position and strategy for further growth will deliver long-term value to our shareholders.

Top-line growth Revenue Euros m

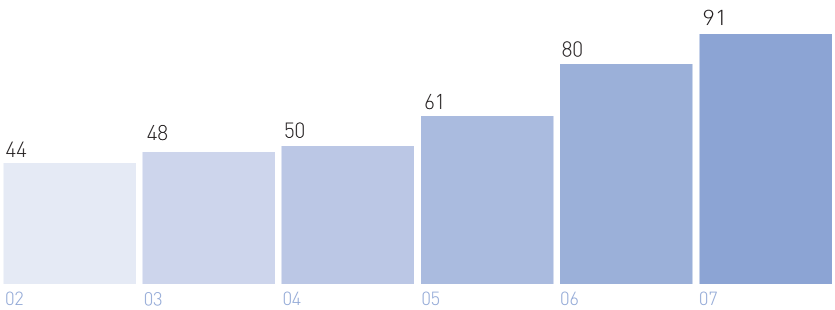


CAGR 5-Year 15.4%

13.1%

Increase from 2006

EBITDA Euros m

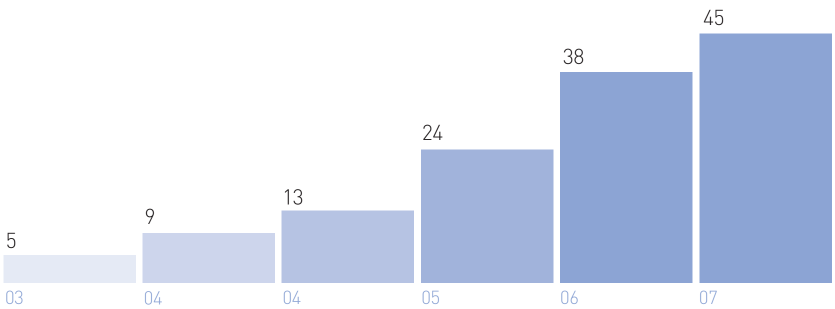


CAGR 5-Year 15.9%

12.7%

Increase from 2006

Net profit Euros m



CAGR 5-Year 55.2%

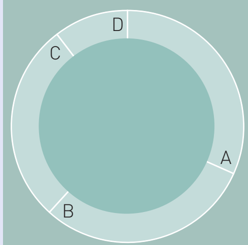
18.1%

Increase from 2006

Company overview

Key customer segments

Customer groups



A	Coca-Cola Hellenic	32%
B	Breweries	30%
C	Coca-Cola Bottlers (other)	28%
D	All other	10%

Trade channels

Immediate consumption	Future consumption
HORECA*	Supermarkets
Bars	Convenience Stores
Kiosks	Grocery stores
Bakeries	Liquor stores
Gas stations	

*Hotel, Restaurant, Coffee Shops

Our core businesses

Ice-cold merchandising

Cool Operations see page 28

Global Presence

ICM's stimulate the merchandising and selling of ice cold drinks. Our target is to support beverage companies' sales by creating cold drink availability and stimulating consumer purchases through the appropriate ICM placements in specific trade channels.

Sales revenue	86%
EBT	89%

Glass containers

Nigeria Operations see p 30

Regional/Africa

We manufacture glass containers for beverage, pharmaceutical and cosmetic companies.

Sales revenue	13%
EBT	10%

Our regions

Western Europe see page 20

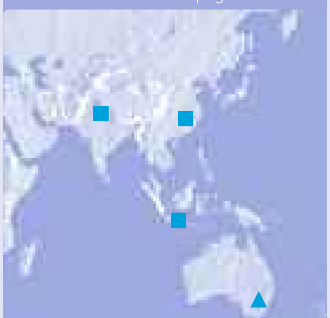
■ Production plant:
Norway

▲ Sales offices:
Germany, Spain, France, UK, Ireland, Norway

Eastern Europe see page 22

■ Production plants:
Russia, Romania, Poland, Greece

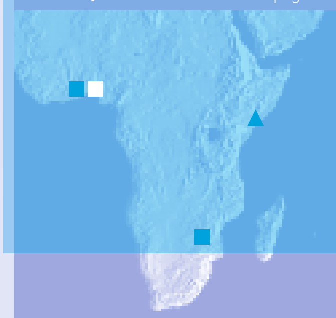
Asia Pacific see page 24



■ Production plants:
India, Indonesia, China

▲ Sales office: Australia

Africa/Middle East see page 26



■ Production plants:
Nigeria, South Africa

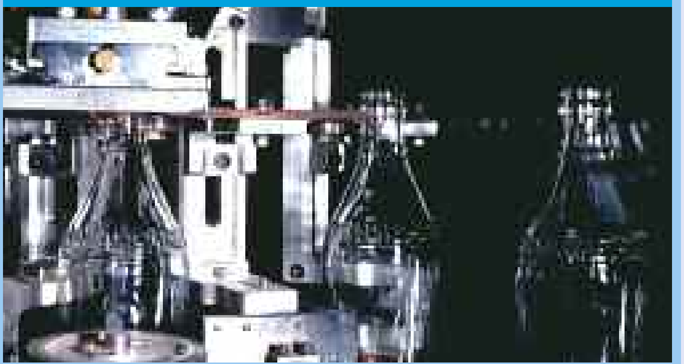
▲ Sales office: Kenya

□ Nigeria Operations:
Glass/Other operations

Trade channel: Supermarket

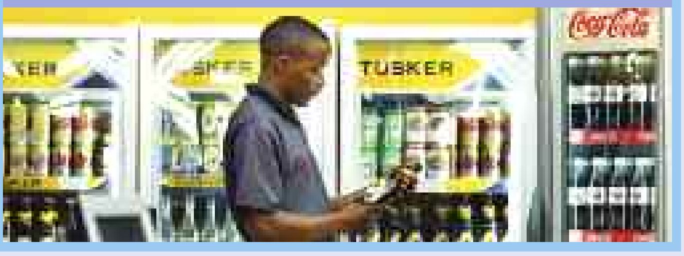
Trade channel: Bar

Bottle production



Production

Africa



Asia

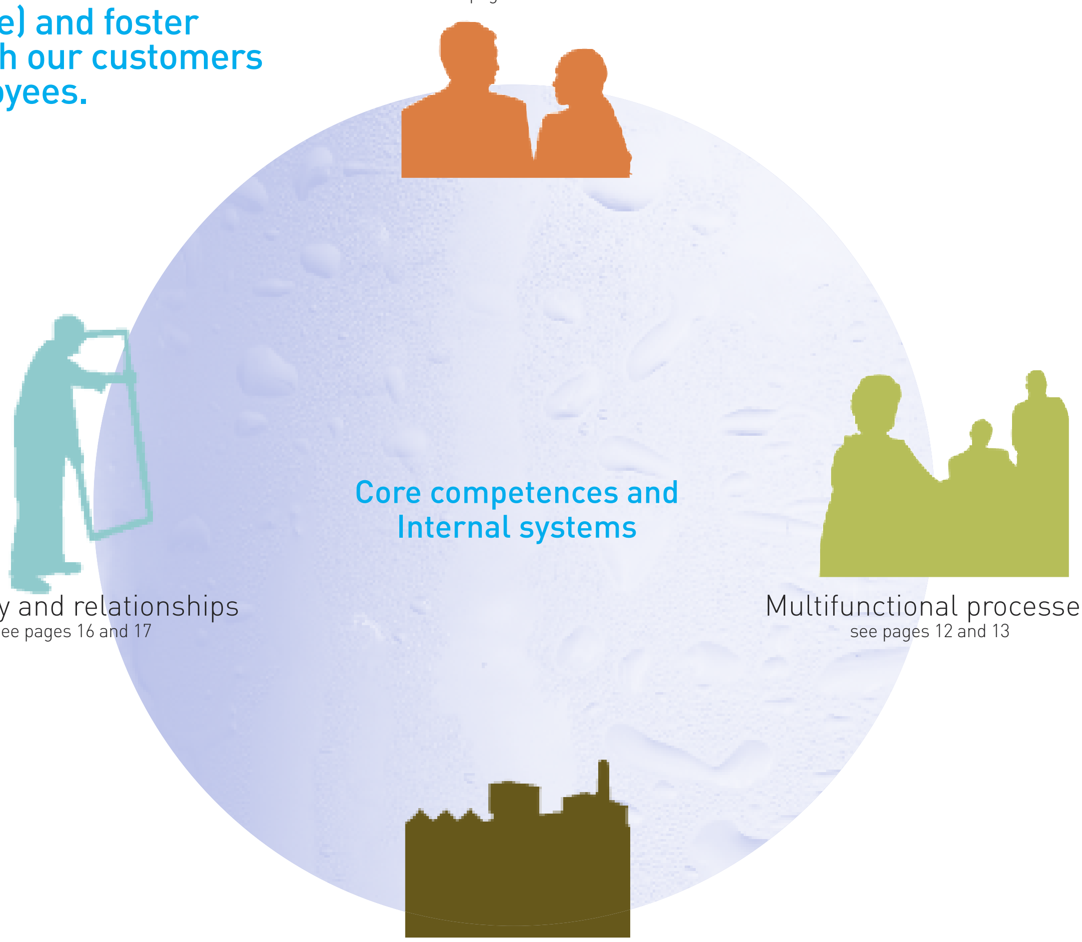
Western Europe

Eastern Europe

How we work

Our core competences

Our core values and systems allow us to act responsibly towards the environment (and the communities where we operate) and foster loyalty with our customers and employees.



Our history

1982
Inception of the industrial division of Cola-Cola Hellenic Bottling Company

1996
Frigoglass formed as a spin-off

1999
Acquisition of Norcool; Frigoglass listed on the Athens Stock Exchange

Today
Global ICM leader

In the future
Continued geographical expansion through acquisitions and/or joint ventures

Our investment proposition

Geographic reach

The Company's geographic reach, both in terms of production and distribution, across four continents, is unparalleled.

Unlike most of its competitors, ICM is the core business for Frigoglass.

Blue chip customers

Frigoglass' customer base consists of a range of blue-chip customers across a variety of segments.

These include: Coca-Cola Enterprises, Coca-Cola Hellenic, BBH, InBev, SABMiller, Heineken, Efes, Nestle, Danone and GlaxoSmithKline.

We continue to look to diversifying our customer base by providing ICM solutions to the unique requirements of our customers.

Competitive cost structure

Frigoglass can ensure a stable and competitive cost base.

Production in low cost countries (Russia, Romania, India, Indonesia).

Increase in raw material costs absorbed through higher capacity utilisation and production efficiencies.

Revenue visibility

Frigoglass is well positioned to capture the global capex plans of its customers, effected through annual planning agreements.

Growth avenues

Multichannel and multisegment growth across key developed markets and further expansion into low penetrated markets (SE Asia and Middle East).

Continuous product innovation to meet the unique needs of existing and prospective customers.

Expansion through acquisitions and/or joint ventures.

Responsibility to the environment ProCool Award

Frigoglass continues to support and develop solutions that are both innovative and environmentally friendly, and this has been acknowledged through the ProCool Award that we received for our Easyreach unit at the Hannover Technology Fair 2006. ProCool is an international initiative supported by the European Commission, which aims to promote the development of both high quality and environmentally friendly equipment for the food and beverage segments. The Easyreach unit is a non-barrier ICM which successfully incorporates CO_2 technology to this end. Frigoglass' next-generation HFC-free products are based on cooperative efforts with global industry leaders on environmentally friendly refrigeration technologies.

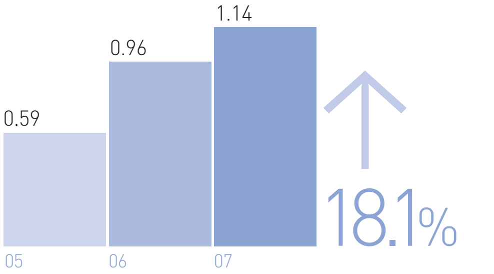
Our strategy

see page 18

Growth	Organic Geographic Capacity Diversification	Shareholder value
Profit	Cost structure Working capital Tax planning Capital structure	

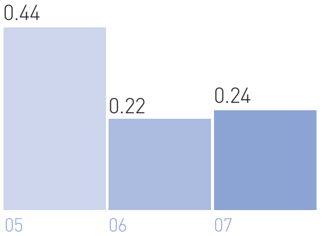
Chairman's statement

Financial Earnings per share Euros



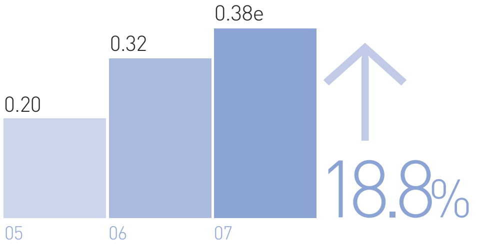
CAGR 2-Year 39% Increase from 2006

Financial Net debt/equity Percent



CARG 2-Year –26.1%

Financial Dividends Euros



CAGR 2-Year 37.8% Increase from 2006

"We recognise that the key component of our global market leadership is our unique offering of bespoke design and delivery of ICM sales solutions, and Glass products, together with our after-sales services, which work together to ensure long-term business partnerships with our customers all over the world."

Harry G. David
Chairman

Fellow Stakeholders,
I am delighted to be writing to you following yet another year of excellent progress for your Company. 2006 was an exceptional year, making the gains we achieved during 2007 even more notable. This momentum confirms the success of our strategy, and the strength of our market offer throughout the world.

Over the past two years we have grown Sales at a CAGR of 21.5%, reaching €453 million in 2007, which has resulted in Net Profit trebling over the same time-frame to €45 million, owing to the benefits of operational leverage within Cool Operations, the successful turnaround in Nigeria Glass and disciplined cost control. At the same time our dividend has grown by 37.8% p.a., and our capital structure has actually strengthened despite the significantly increased capital expenditure programme in 2007, led by the exciting China Greenfield development which became operational in October.

This latest venture represents the most significant extension of our Cool global footprint to date. Frigoglass now operates in 17 countries, with production plants in ten countries, covering Western and Eastern Europe, Australasia, Africa and the Middle East. Latest independent market statistics in 2006 show that we are the global leader in ICMs, with a 16.8% share, and we will continue to seek new growth opportunities in new markets where ICM penetration rates are low. Indeed, as I write this, we have completed a transaction to enter the Turkish market, which will provide us access to a new geography, new customers across several segments, shared technologies and a base for additional potential sales to nearby markets in Central Asia and the Near East.

Our integrated "Cool & Sell" approach – from creating bespoke, innovative ICM sales solutions together with an after-sales offering – is a proven generator of sales for our customers across trade channels, particularly in the high–margin immediate-consumption channel. Our high historic investment in creating new products that are tailored to our customers' specific needs will continue, as this is a key differentiator between us and our competitors.

Our unique business model, based on our early experience in partnership with Coca-Cola Hellenic, has been so successful that the largest brewers in the world – such as SABMiller, InBev and Heineken – as well as other Coca-Cola bottlers – are now significant customers of ours. Indeed, in 2006, 23% of Cool Sales originated from breweries which rose to 30% in 2007, whilst Coca-Cola bottles reached 28%. Our diversification strategy is working well, and we are now working with dairy, juice and bottled water customers.

Glass Operations are performing well and have evolved to become the focus of our activity in Nigeria. It is an operation that has deep historic roots for your Company, and is a key part of our business, and one that we are very proud of. Having undergone successful restructuring, investing in a new furnace, and with the recovery in glass demand from brewers such as Heineken and Guinness, our Glass operations are one of Continental Africa's largest producers and well placed to capitalise on the region's economic growth.

Our global leadership means that we operate in, and impact many countries. We are committed to ensuring that we maximise the positive impacts through best-in-class, consistent Human Resources policies, as well as investing in local community initiatives. In addition, we are committed to promoting environmentally-friendly practices across the markets where we operate, as we believe that is a key value contributor to all stakeholders.

On closing, I would like to thank all our employees, who have been the core to the continued success of Frigoglass. We recognise that the key component of our global market leadership is our unique offering of bespoke design and delivery of ICM sales solutions, and Glass products, together with our after-sales services, which work together to ensure long-term business partnerships with our customers all over the world. All of this is down to our people. In addition, I would like to thank the Board of Directors, and each and every stakeholder for their continued support of the strategy that we continue to execute and that we believe will deliver sustainable and attractive growth.

Harry G. David
Chairman

Managing Director's statement

"Frigoglass performed well once again, continuing its strong momentum in the marketplace, driven by high demand in its core Cool and Nigeria Glass Operations."

Petros Diamantides
Managing Director

Last year was a highly challenging period for Frigoglass for three key reasons. Firstly, input costs continued to rise to new high levels, a development which was felt by the entire global manufacturing market, and which placed pressure on margins. Secondly, the extraordinary success of 2006 for Frigoglass set a very high comparable for the Company in terms of benchmarking 2007 growth. Thirdly, our capital expenditure plan ran at twice the rate of the previous year, led by the opening of our first-ever production facility in the highly promising Chinese market, incurring start-up costs and management time.

Nevertheless, Frigoglass performed well once again, continuing its strong momentum in the marketplace, driven by high demand in its core Cool and Nigeria Glass Operations. New products, the diversification of customers and geographies all progressed well, and we maintained our operational focus on cost discipline. These successes enabled Frigoglass to report another strong set of results for the full year:

- **Revenues grew 13.1% to €453.4 million**
- **EBITDA rose to €90.5 million, 12.7% ahead of 2006**
- **Strong EBT improvement of 16.8% above prior year to €65.9 million**
- **EPS of €1.14 versus €0.96, up 18.1%**
- **2007 Dividend up 18.8% to €0.38 per share**
- **Net debt/Equity modest at 24%, versus previous year 22%**

As a result of the above, Frigoglass continues to deliver financial and strategic results in-line with management targets. Core components of our medium-term plan are to grow EPS by double-digits, and to outperform market growth, defined as the global ICM market, and we achieved both of these objectives in 2007 once again, and will seek to achieve them in 2008.

2007 Overview

Another year of double-digit top-line growth was in many ways even more pleasing than the extraordinary 30.7% growth achieved in 2005–06, given the high base we had to achieve against. This was driven by Cool Operations and Nigeria Glass, which continued its strong turnaround following a restructuring of the operations, as well as a recovery in demand, led by the brewers, in the local market.

Costs however, continued to escalate, leading to a decline in the gross profit margin of 40 bps. In addition, 2007 saw a €4 million additional cost attributable to start-up costs relating to China. Nevertheless, through the benefits of operation leverage as well as a continued strong focus on overhead costs, Frigoglass managed to expand the EBIT margin by 10 bps, a significant achievement in such a challenging environment. Furthermore, effective tax management and a favourable development in our interest line, owing to the most significant portion of our large capex programme being incurred in the fourth quarter, led to EPS growing in the high teens.

Frigoglass' cash generation also continued at a high level, which enabled us to maintain net gearing at modest levels (at 24% versus 22% at year-end 2006), despite the significant capex programme – up from €24.3 million in 2006 to €54.6 million.

Cool Operations

Despite the extraordinarily high growth witnessed in 2006, Cool Operations recorded another year of double-digit top-line growth, with Asia/Oceania region leading the way. Individually, the highest incremental growth came from Russia, the UK, India, and France and the highest rate of growth coming from Libya, Ghana and, Kazakhstan. In addition, our diversification strategy continued to develop well, with some 68.3% of sales coming from sources other than Coca-Cola Hellenic, compared to 59.6% last year. In particular, Sales to brewers, led by Heineken, BBH, SAB Miller InBev and Carlsberg rose 46.3%, and now account for 30.1% of Cool sales, with bottlers other than CCH now accounting for 27.9% (up from 18.7% in 2006). In addition, we are increasingly looking beyond these traditional customer types, and utilising our unique business proposition to enter the untapped potential in bottled water, juices, dairy customers.

We are delighted that diversification is going well, and believe that this positive momentum illustrates the belief that our customers have in Frigoglass' ability to create and deliver innovative ICM solutions that truly drive superior sales in all markets and all channels. Our unrivalled experience and commitment to understanding specific customer needs, the broad geographic focus of our operations, confirmed by our global leadership, and our continued customer diversification facilitates a multi-regional and multi-channel market approach that we believe will continue to drive share gains for Frigoglass in this growing market.

Our commitment to investment in new products continues unabated, as Frigoglass recognises the importance of being the industry's technological leader, and we continue to expect this to contribute 20% of our annual growth, each year, in the long term.

In addition, we continue to reinvest our strong cash flows into building new platforms for growth. This was especially visible in 2007 with the construction of our most exciting greenfield development in the history of the company, in China. The plant opened on time and on budget, a challenging task in a new market, thanks to the dedication, excellence and focus of our partners in China and our own employees. This market has significant potential and plays well to the strengths of Frigoglass – tailor-made solutions in a challenging and unique marketplace. The significant capital expenditure in 2007 also related to increased expansion in Russia, Romania and India.

Nigeria Operations

With Nigeria ICM operations now reported within the segment Cool Operations, Nigeria is led by its Glass operations. As we announced at our full year results, our TSG and PET operations are undergoing a strategic review, in line with our policy of constantly reviewing the efficiency of our capital employment.

Indeed, Nigeria Glass has undergone successful restructuring and produced an excellent set of results in 2007, continuing the turnaround that was witnessed near the end of 2006. Together with improved operational efficiency, Nigeria Operations also saw a recovery in local demand, with breweries, pharmaceuticals, cosmetics and exports driving growth, leading to a top-line increase of 17.7% in Euro terms, and positively impacting the rate growth in Group revenues.

In addition, as part of the significant capital expenditure programme of 2007, Nigeria Glass undertook the rebuilding of a glass furnace in Delta, increasing capacity and efficiency, as well as providing the ability for the first time to produce ultra light bottles.

Outlook

Looking forward, there is much to excite Frigoglass and its customers and partners. We have an innovative pipeline of new products including a new range developed exclusively for the Coca-Cola bottling system, together with developing new products for the brewery segment that addresses the needs of their new merchandising requirements. In China, for example, we took steps to design a range to address the specific requirements of Coke that reflects priorities in certain trade channels.

In addition Frigoglass will continue to look for new opportunities to grow both organically and acquisitively, whether that be in new geographies, new customer segments like dairy, an expansion into additional trade channels (such as our new cooler developed for Coke designed for the bakeries in Germany) or an extension of relationships with existing customers. With regard to acquisitive opportunities, the key criteria remain assessing market opportunities and value potential, including the level of synergies available.

I, and the Board, were delighted with the performance of the Company in 2007. Together, we witnessed unprecedented pressures in industry input costs, the execution of the most ambitious capital expenditure programme to-date together with facing the challenge of achieving our long-term growth rates following a year of extraordinary growth in 2006. We managed to meet all these challenges, and that can be attributed to the excellence and dedication of our employees all over the world, the vision and commitment of our managers and the total support of our shareholders and partners, all working together with the single purpose to deliver customer satisfaction and consumer delight. We thank you all.

As we enter 2008, we can see the new challenges – a global economy that looks uncertain together with high oil prices and persistently high raw materials. However, we feel confident in our ability to deliver growth in all environments, given the belief in our successful integrated, unique business proposition and the people that work for Frigoglass. We believe that this will enable Frigoglass to deliver future goals and aspirations.

Petros Diamantides
Managing Director

Our strong **customer focus** helps us to identify our customers' unique needs and maintain our **leadership** position

Indentifying unique needs

We worked closely with Coca-Cola Germany to produce a bespoke ICM solution for local bakeries to support their strategic goals of maximising sales in this channel.

→ Employee profile

Christian Hylkema
Christian is the **Region Manager for Western Europe**, based in Germany. He manages five legal entities in Germany, Spain, Ireland, Norway and France. Christian has accumulated over 16 years of international experience in commercial and general management functions, working for KLM Cargo and Heineken International in Western Europe and the Americas prior to joining Frigoglass.

We have developed an integrated ICM solution for Coca-Cola Germany, designed to increase sales of their products in the bakery channel through the strengthening of brand awareness.

Rico Üslük
Germany Sales Office Manager

Thomas Novak
CCE AG

Customer focus
Multifunctional processes
Efficiency and quality
Integrity and relationships

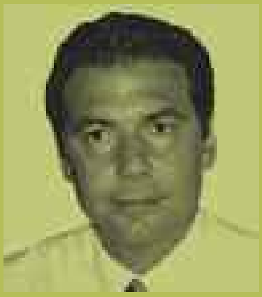
Frigoglass believes that a key reason for its global No.1 market position is its total focus in identifying the exact, unique needs of each of its customers. An example is its partnership with CCE AG in Germany, to develop specialised shop-design-solutions for retail bakeries. The retail bakery channel in Germany has a low penetration of ICMs, and with 47,000 such outlets, there exists great growth potential. However, traditional stand alone placements are not ideal, due to a low consideration for beverages sales in the planning/designing of bakeries leading to a lack of attractive areas. Thus, Frigoglass worked with both parties to produce the Easy Reach Fit in Cooler, an integrated solution that provides availability and visibility, which was showcased in the leading trade fair for bakeries in late 2006, at the launch of CCE AG innovative shop-designer concept.

Our dynamic and enthusiastic **people** work closely together to develop unique and innovative new products

Exploiting multifunctional processes

Our research and development process involves design, marketing, sales, procurement and production teams to ensure that the new product maximises the sales and profits of our customers in the specific trade channel.

→ Employee profile



Paschalis Papagiannidis
Paschalis has been **Head of Product Management** since September 2005 and was appointed **Head of Product Execution** at Frigoglass in January 2008. He is responsible for the Product Development and the New Product Project Management functions. Prior to this he has held various roles within Frigoglass dating back to 1997. Prior to joining Frigoglass, Paschalis held the role of Application Engineer in central air conditioning systems and Development Chief Engineer for Klimatair S.A., and an Engineering Consultant for thermo-fluid sciences for Alpha-Pi AEBE.

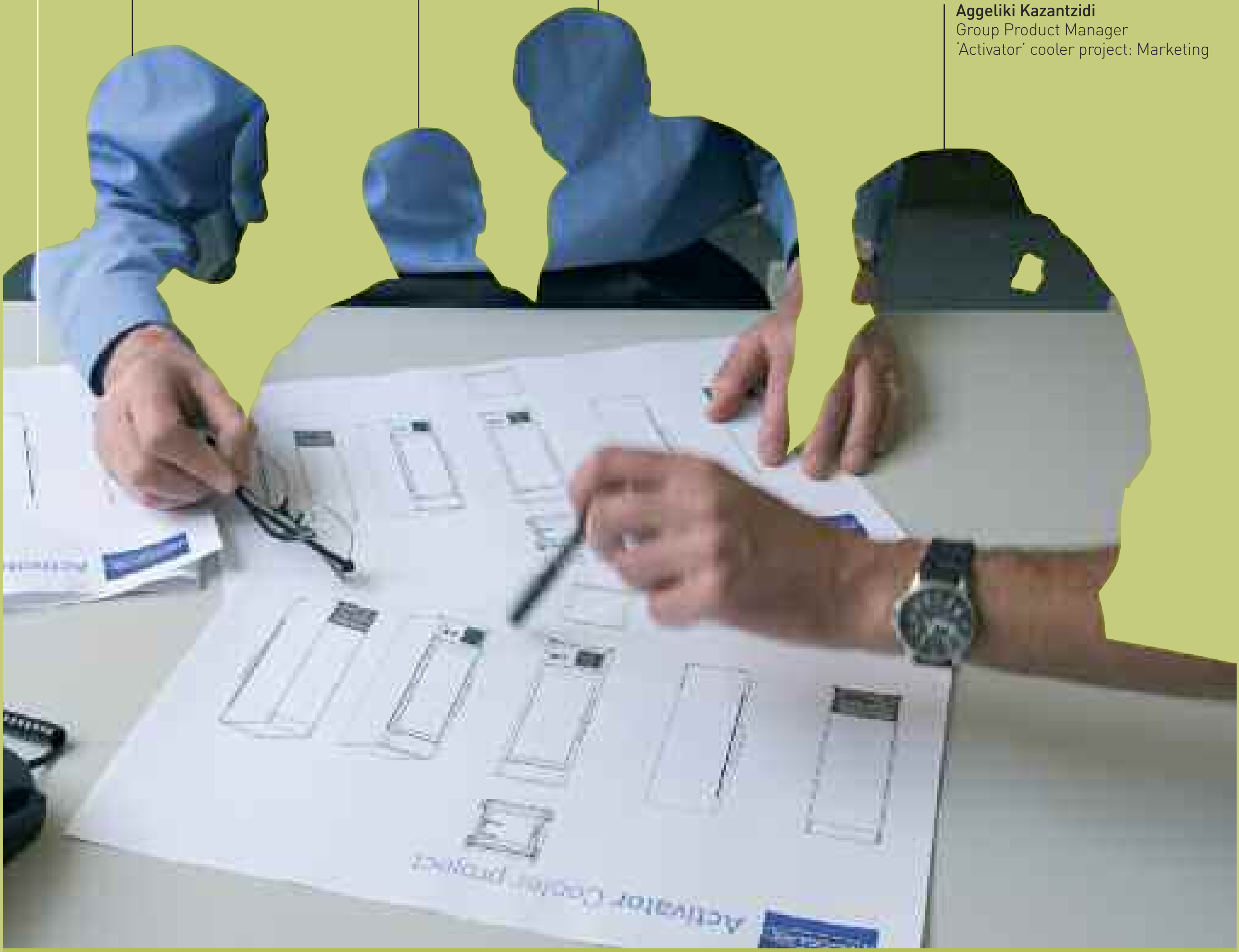
Addressing the needs of Coca-Cola for an innovative and unique approach to large ICMs, which include superior cooling performance, merchandising flexibility, energy efficiency, and ease of cooling mechanism replacement

Nick Doumas
Head of Purchasing
'Activator' cooler project: Procurement

Andreas Kallitzis
Industrialisation Manager
'Activator' cooler project: Manufacturing support

Spiros Masouras
Product Development Manager
'Activator' cooler project: Design

Aggeliki Kazantzidi
Group Product Manager
'Activator' cooler project: Marketing



Customer focus

Multifunctional processes

Efficiency and quality

Integrity and relationships

Vision: to provide dynamic, bespoke sales solutions for customers through producing innovative, scalable and environmentally friendly ICMs, in a timely manner.
Our fully integrated 'art to part to market' approach, or product execution process, involves managing a cross functional team matrix system that combines our highly specialised design engineers working together with individual marketers, process engineers, suppliers, as well as sales and customer service people – all being involved throughout each and every one of five stages of the project.

This process is centred around a structured approach to defining customer needs /requirements and translating them into specific plans to produce a solution, often moving customers away from the approach 'how the need can be satisfied' towards 'what the need is'. This highly-tailored, integrated individual approach is crucial in setting Frigoglass apart, delivering new products from concept approval to full commercial approval and production, within budget, on-time and with a comprehensive after sales service.

Our highly **efficient** production facilities enable us to produce high **quality** products around the world

Geographic reach; manufacturing network – Expanding into China

Our new production facility in China was opened in 2007 employing 163 people, with an investment of €15 million and an initial capacity of 120,000 units per annum. It represents the first Greek wholly-owned foreign enterprise in the Guangzhou industrial region.

→ Employee profile

Tom Arild Aas
Tom currently holds the position of **ICM Manufacturing Director** at Frigoglass. He was appointed Regional Director for North and Eastern Europe in 2001, overseeing Manufacturing and Sales, following which he took the role of Engineering Director, overseeing Technical Support and Product Development. Prior to joining Frigoglass,he worked at Williams Plc as Regional Operational Director for Scandinavia and the Baltics and a Technical Director for Brod. Boeckmann AS in Norway.

Guangzhou is one of the biggest industrial zones in China, within the Guangdong province

The new Frigoglass plant in Guangzhou, China

Customer focus
Multifunctional processes
Efficiency and quality
Integrity and relationships

Frigoglass currently has ten manufacturing plants located in Greece, Romania, Poland, Norway, Russia, Indonesia, Nigeria, South Africa, and from end-2007 in China. In 2007, additional assembly lines were installed in Poland, Romania and India to meet with volume growth. Romania had the most significant capacity increases, with additional investments made in automation to improve efficiency and quality; the plant was installed with an automatic metal processing line and new printing equipment. The focus on quality performance has continued, with cooling performance testing undertaken in all plants, as well as the execution of sample standardisation testing, seeing significant improvement in all quality performance indicators. An exciting new development in 2007 was the successful start-up of our new plant in the Guangzhou industrial zone in China. The plant is equipped with state-of-the-art production and quality-control equipment, with the aim of achieving production standardisation across the Group. The plant has an initial capacity equivalent to 120,000 units per annum.

Our **integrity** and service culture allows us to develop long-term **strategic relationships** with our customers

Extending product life-time

We design our products to keep total-cost-of-ownership as low as possible and provide a full aftersales service locally, ensuring maximum value.

→ Employee profile

John Banister
John is a **Regional Sales Manager for China, S.E. Asia and Oceania**. He is responsible for managing the sales offices in China and Indonesia, and also the representative sales office in Australia. Before joining Frigoglass, he worked as the Asia Pacific Regional manager for 10 years, for a Joint Venture between GE capital and Sea Containers. Prior to this John was the Asia Pacific Regional sales manager for Carrier Transicold, spending 2 years in Europe and 4 years in Hong Kong.

One to one placement order from Heineken in Ireland, made through our CRM system.

Fiona Garry
Service representative, Ireland

Customer focus

Multifunctional processes

Efficiency and quality

Integrity and relationships

Frigoglass believes that the retention of customers through the development of long-term relationships is equally important as recruiting new ones. We therefore focus on ensuring customer satisfaction through after-sales-service as a key part of our integrity and commitment to service culture. To this end, we provide warranty and post-warranty services, one-to-one placement, spare parts and refurbishment across several markets, including Russia, Poland, Romania, Greece, Germany, Sweden and South Africa.

A key tool that we have developed is our integrated Client Relationship Management system (CRM) that provides our customers with an interactive, online tool that addresses their individual business needs across our after-sales-service offer. In 2007, we introduced the E-Ordering Page which allows customers and service providers to order spare parts online. Looking to 2008, we plan to integrate front-office (CRM) and back-office (ERP LN) functions in order to promote further efficiency in the processing of service and sales orders.

Business review
Strategic overview

2007 marked another year of strong growth for Frigoglass, particularly given the substantially higher operating base following an exceptional 2006. Our successful efforts in cost discipline and efficiency gains managed to offset the strong increases in raw material prices. During the year we have invested significantly in future platforms for growth, establishing a presence in China through our green-field development.

Strategy

Growth

A. Organic
Organic growth continues to be achieved through maintaining our relationship with the Coca-Cola system while deversifying into other customers, like brewers, juice and dairies. We also focus on maintaining the strong contribution from new models together with extending the range of value adding post-sales services

B. Geographic
Frigoglass is a truly global company operating in 17 countries across four continents. Significant opportunities for growth remain and the Company will continue to seek entry into attractive and low ICM penetration markets through acquisitions and/or joint ventures

C. Capacity
With manufacturing facilities in ten countries, Frigoglass will continue to focus on capacity increases, optimisation, process automation and R&D

D. Diversification
The Company is focused on seeking opportunities to synergise its 'Cool & Sell' philosophy through non-traditional merchandising opportunities, to leverage its unique expertise

Profit

E. Cost structure
Raw material costs continue to impact the Company, and thus Frigoglass continues to look for ways to offset these pressures through production efficiencies, strict cost management and improved product mix

F. Working capital
Through continuing to focus on effective inventory management and improved production planning, Frigoglass continues to seek ways to improve its cash flow

G. Tax planning
Given the many countries in which Frigoglass operates, an important component of growing its profitability lies in its ability to optimise group tax across all geographies

H. Capital structure
Notwithstanding high capex levels in 2007, net gearing remains modest, and thus Frigoglass will seek to optimise balance sheet efficiency through acquisitions and/or joint ventures. In addition, the Company will continue to actively manage its portfolio of assets

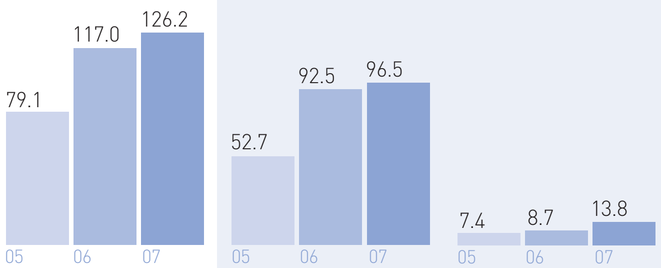
2007 progress	2008 priorities
→ 13.1% company Sales growth → 22% of Cool sales from new products → CCH accounted for 31.7% of Cool sales, down from 40.4%, with breweries up to 30.1% from 23.1% → Other customers segment, mainly juice and dairy grew by 14.9% representing 10.4% of cool operations sales	→ Continue to outperform market to extend global leadership → Maintain contribution of new products → Targeting new segments such as Energy drinks, RTD Coffee and Dairy beverages through delivering appropriate and effective solutions. → Consolidate and build on Nigeria Glass growth
→ China Greenfield operation → Rapid growth in developed geographies such as UK, France, Norway, Denmark as well as emerging ones like India, Kenya, Morocco and Libya → Strong Nigeria Glass growth	→ Seek to enter at least one new geography through acquisition or joint venture in low penetration and attractive markets → Optimise existing footprint, consolidating position in significant markets and growing newer markets
→ Significant Cool capacity extensions in Russia, Romania and India → Start-up of China Greenfield → Furnace rebuilt in Nigeria to optimise efficiency	→ Capital expenditure towards Cool Operations of €21 million towards capacity increases in Russia, India and Romania plants. Total capacity up by 25% to c800,000 units including China with 120,000 units. → €7–8 million will be directed to Nigeria Operations towards production optimisation and quality upgrades
→ Evaluating opportunities in the global refrigeration market that would be synergistic to the ICM business i.e. refrigeration equipment for supermarkets	→
→ EBIT margin expanded despite a 120bp increase in raw materials to Sales margin and China start up costs → Nigeria efficiency initiatives have benefited turnaround	→ Continue to focus on cost savings initiatives and internal KPIs that are related to productivity and efficiency levels as well as manufacturing optimisation.
→ NTS/NWC ratio up only marginally despite strong pre-buying of inventories at year-end	→ Maintaining the current working capital to sales ratio
→ Effective tax planning helped to reduce effective tax rate to 27.3%, from 29.1%	→ Seek to obtain a tax rate of c.25% over the next few years, through optimising tax structures
→ Strong operational cash flow ensured net gearing rose only modestly to 24% in 2007 despite a doubling in capex → Provisions taken against Nigeria Operations relating to restructuring	→ Optimise capital structure through acquisitions or joint ventures → Announce outcome of strategic review on Nigeria other operations

Progress by region
Western Europe

Extending our reach

Sales revenue Euros m

Total | Coca-Cola Bottlers | Breweries



CAGR 2-Year 26.3% | CAGR 2-Year 35.3% | CAGR 2-Year 36.6%

Year-on-year total sales increase

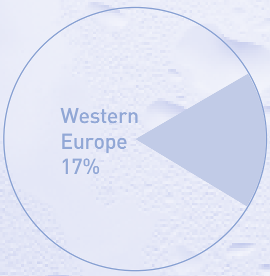
6.4% ↑

CAGR 2-Year total sales increase

26.3% ↑

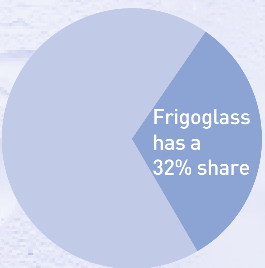
Western Europe market overview Source: Frost & Sullivan, 2006 data.

Global ICM market



The Western Europe ICM market is worth €329.5m, which represents 17% of the global ICM market.

Western Europe ICM market



Frigoglass has a 32% share of the Western Europe ICM market.

Market Growth in 2006 versus 2005

2.4% ↑

Frigoglass is market leader Market share

32%

List of countries within Western Europe

France, Germany, Norway, Spain, UK, Ireland, Italy, Greece, Austria, The Netherlands and Denmark.

→ **Energy consumption concerns will lead to development of solutions that address customers' environmental needs.**
→ **Premium model ICMs drive sales.**

In Western Europe, we continue to develop bespoke ICM solutions that cater for the unique needs of our customers, extending our reach across different product categories and trade channels.

In 2007, Frigoglass grew sales by 6.4% in Western Europe, reaching €126.2 million. This was driven predominantly by Coca-Cola bottlers, with sales increasing 23% to €65 million.

This growth in the Coke segment was supported by Coca-Cola Enterprises, who increased placements mainly in France, the UK and the Netherlands in both the immediate and future consumption channels. We supported this strategy with our single-door, open-front and open-top (Slim) units for secondary placement, as well as the bespoke Retro unit for the hotel, restaurant and café channels.

In Germany, we developed the Easyreach Fit-in for CCE AG, for placement in bakeries, a high growth potential segment, and our smaller countertop units Zero and Counter Express supported the launch of Fruitopia Juice. In Italy, the focus of placements was on the launch of Coke Zero and on the local water brand Lilia. In 2007, we also made our first sales to Coca-Cola Malta. Sales in Coca-Cola Denmark grew by 40%, driven by our double-door units and further growth of the Feedback ICM solution.

We have also expanded our relationship with breweries, with sales increasing 58% to €13.7 million, where we focused on single-door solutions with Veltins and Krombacher in the immediate consumption channel. We increased sales to Heineken in Greece, driven by the continued success of our new sub-zero concept product, Frostwell, as well as in Sweden with Spendrups, and also to Carlsberg in Norway with Ringnes.

Counter Express ICM / Café / Germany

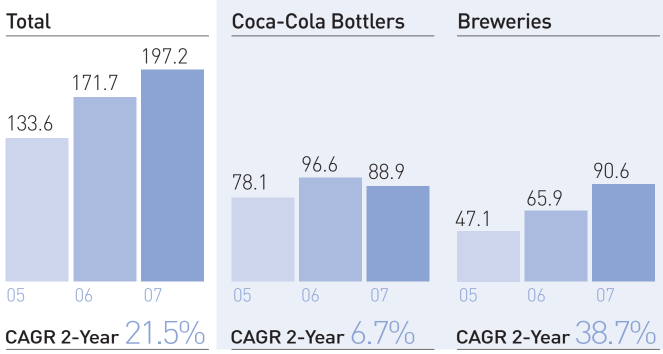
Easy Reach Express ICM / Convenience store / Norway

Easy Reach ICM / Bakery / Germany

Progress by region
Eastern Europe

Diversifying our customer base

Sales revenue Euros m



Year-on-year total sales increase

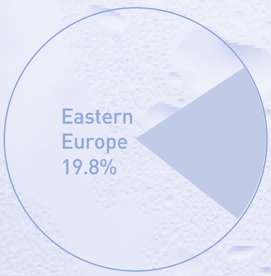
14.8% ↑

CAGR 2-Year total sales increase

21.5% ↑

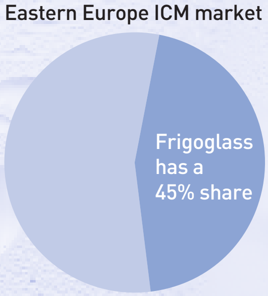
Eastern Europe market overview Source: Frost & Sullivan, 2006 data.

Global ICM market



The Eastern Europe ICM market is worth €378m, which represents 19.8% of the global ICM market.

Eastern Europe ICM market



Frigoglass has a 45% share of the Eastern Europe ICM market.

Market Growth in 2006 versus 2005

8% ↑

Frigoglass is market leader Market share

45%

List of countries within Eastern Europe

Russia, Romania, Poland, Ukraine, Bulgaria, Croatia, Czech Republic and Slovenia.

→ **ICM market volume driven by heavy investment by breweries.**
→ **Russia: Market is estimated at €160 million, up by 13.4%.**

Frigoglass continues to diversify its customer base successfully in its largest region, Eastern Europe, expanding relationships with brewery customers as well as customers in the juice, dairy and water segments.

2007 marked another strong year for Frigoglass in Eastern Europe, its most significant region, where sales increased 14.8%, reaching €197.2 million. Growth was led by sales to breweries, which increased 37%, as well as to customers in the juice, dairy and water categories, which increased 142%.

In Russia, growth was generated primarily by sales to our brewery customers (BBH, Heineken, Inbev and SABMiller), with a focus on stimulating sales in modern trade food stores and kiosk trade channels. In Poland, we almost doubled sales to Coca-Cola Hellenic, with a focus on grocery stores and outdoor placements. The local water brand 'Kropla Beskidu' was also further promoted through our open-front and single-door units.

In the brewery segment, Frigoglass developed bespoke units for SABMiller's Peroni brand in Poland. We also worked with Heineken in Bulgaria and Slovakia with the sub-zero concept product, Frostwell, which has been rolled-out across all trade channels. Carlsberg in Bulgaria and SABMiller in Romania have doubled volume sales through investing in outdoor placements of our single-door units. In 2007 we also expanded in the brewery segment in Kazakhstan with BBH and in the Ukraine with new customer 'Obolon', as well as in the juice and water segments in Russia.

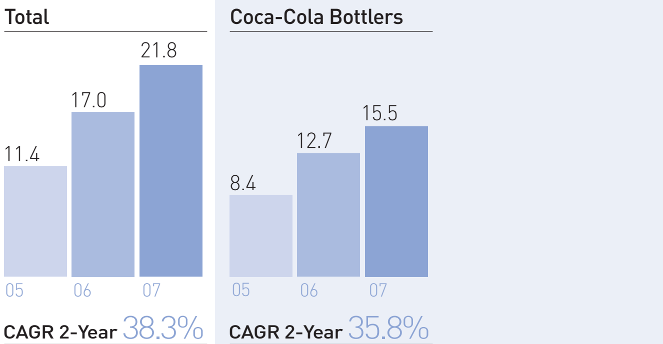
Easy Reach ICM / Supermarket / Romania

Single door 650 litre ICM /
Kiosk /
Russia

Progress by region
Asia Pacific

Our fastest growing region

Sales revenue Euros m



Year-on-year total sales increase

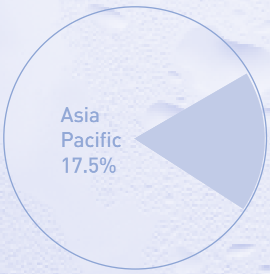
28.8%

CAGR 2-Year total sales increase

38.3%

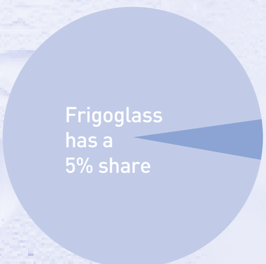
Asia Pacific market overview Source: Frost & Sullivan, 2006 data.

Global ICM market



The Asia Pacific ICM market is worth €335m, which represents 17.5% of the global ICM market.

Asia Pacific ICM market



Frigoglass has a 5% share of the Asia Pacific ICM market.

Market Growth in 2006 versus 2005

20%

Frigoglass Market share

5%

List of countries within Asia Pacific

India, Malaysia, Indonesia, Vietnam and Australia.

- Fastest growing region for Frigoglass.
- India ICM market: offers significant growth potential in addition to already high growth in 2006 estimated to be up by 20% in sales revenue – due to high demand from beverage companies and current low penetration of ICMs.
- China: market is estimated at €160 million, up by around 19% in 2006 versus last year. The ICM market is driven by the opening of new retail stores and the significant marketing activities of international soft drink companies.

Sales in Asia increased 28.8% in 2007, reaching €21.9 million, driven primarily by India (up 53%). Coca-Cola bottler HCCB accelerated placements of our locally-tailored models in hotel, restaurant, coffee shop and mini-market trade channels.

Frigoglass more than doubled its business in Australia, securing Danone's ICM acceleration project, as well as further diversifying the customer base with Unilever in the tea and juice categories. We also extended our presence in Kazakhstan with BBH.

Frigoglass also opened its first plant in China in October 2007, which has an initial capacity of 120,000 units per annum. China represents a significant growth platform for Frigoglass, with relatively low beverage consumption per capita and ICM penetration rates.

Single door 280 litre / Small convenience store / Indonesia

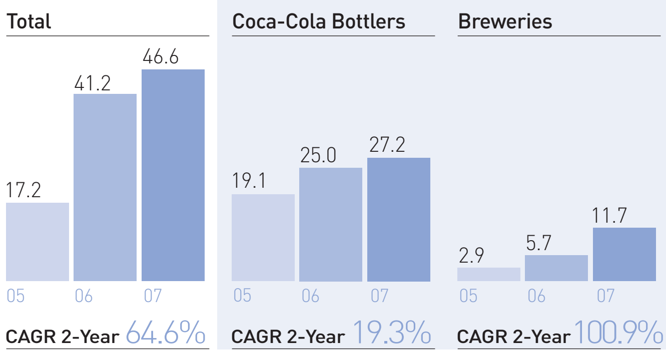
Frigoglass China Plant: Showcase

Single door 400 litre /
Restaurant /
Indonesia

Progress by region
Africa/Middle East

Market leader with significant opportunities

Sales revenue Euros m



Year-on-year total sales increase

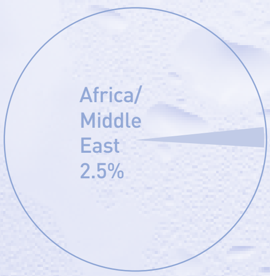
13.2% ↑

CAGR 2-Year total sales increase

64.6% ↑

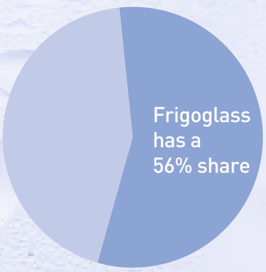
Africa/Middle East market overview Source: Frost & Sullivan, 2006 data.

Global ICM market



The Africa/Middle East ICM market is worth €48.1m, which represents 2.5% of the global ICM market.

Africa/Middle East ICM market



Frigoglass has a 56% share of the Africa/Middle East ICM market.

Market Growth in 2006 versus 2005

13% ↑

Frigoglass is market leader Market share

56%

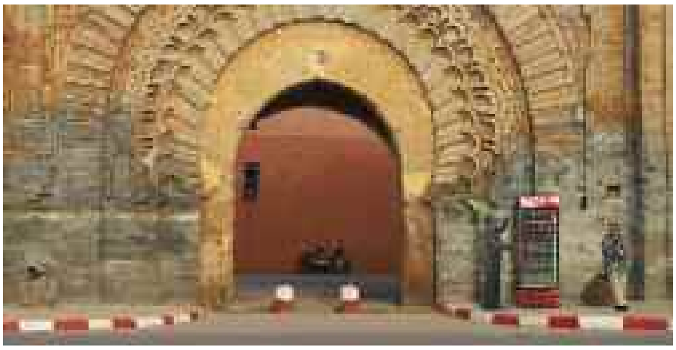
List of countries within Africa/Middle East

South Africa, Nigeria, Morocco, Libya, Kenya, Ghana, UAE and Angola.

→ **Frigoglass is the market leader in Africa, where there is still significant opportunity in a highly fragmented region**

Sales increased 13.2% in 2007 to €46.6 million, driven by Coca-Cola in the North African markets of Algeria, Morocco and Libya, with Coca-Cola Sabco driving sales growth in South Africa, Angola and Mozambique. SABMiller drove brewery sales in South Africa, focusing on both the premium market with single- and double-door units and on secondary placements with open-front units. 2007 also marked the first sales to Heineken in West Africa, with the outdoor placement of single-door units and the highly impactful sub-zero concept product, Frostwell.

Retro / Supermarket / Kenya



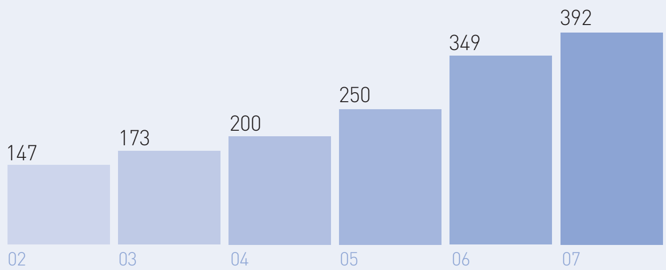
Single door 650 litre / Outdoor placement / Morocco

ICM 2000 /
Supermarket /
Kenya

Performance review
Cool Operations

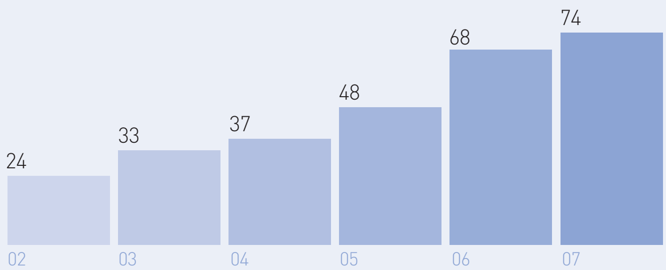
We aim to provide our beverage customers with solutions that stimulate sales of their products in the market. New products drive the company's leading position as a provider of bespoke ICM solutions, and represented approximately 22% of Cool Operations sales in 2007.

Top-line growth Revenue Euros m



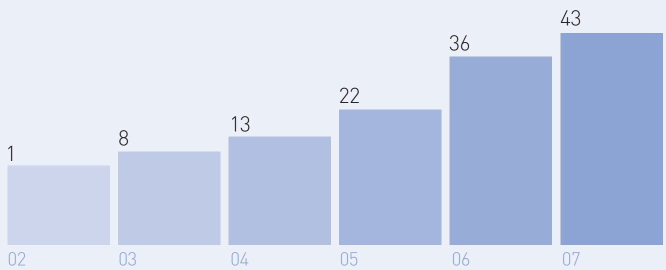
Year-on-year increase 12.4% **CAGR 5-Year** 21.6%

EBITDA Euros m



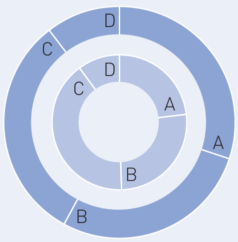
Year-on-year increase 9.6% **CAGR 5-Year** 25.3%

Net Profit Euros m



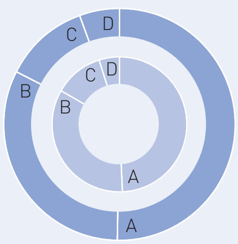
Year-on-year increase 18.8% **CAGR 5-Year** 112.2%

Customers %



	2007	2006
A **Breweries**	30.1%	23.1%
B **Coca-Cola bottles**	27.9%	26.4%
C **CCH**	31.7%	40.4%
D **All other**	10.4%	10.1%

Regions %



	2007	2006
A **Eastern Europe**	50.3%	49.3%
B **Western Europe**	32.2%	34.0%
C **Africa/Middle East**	11.9%	11.8%
D **Asia**	5.6%	4.9%

Year-on-year growth

14.8% ↑
Eastern Europe

13.2% ↑
Africa/Middle East

6.4% ↑
Western Europe

28.8% ↑
Asia

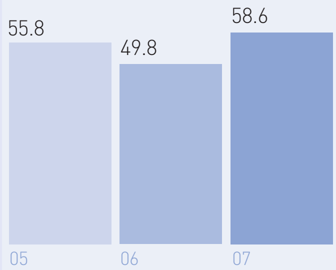
2007 Key events

- Cool Operations maintained its strong top-line momentum, with Sales increasing 12.4% to €392.0 million. This compares favourably given the 30.7% growth obtained in the previous year.
- This was achieved owing to the solid growth seen across all regions. Sales increased an impressive 14.8% in Eastern Europe reaching €197.1 million, with notable incremental contributions from Russia, Poland and Serbia. Asia/Oceania experienced the strongest growth, with Sales increasing by 28.8% reaching €21.9 million, driven incrementally by India, as well as Kazakhstan and Australia. Sales increased 6.4% in Western Europe to €126.2 million, driven by the UK, France, the Netherlands, Germany and Sweden, and in Africa/Middle East, Sales increased 13.2% reaching €46.7 million with highest contributions from Libya, Ghana, Morocco and Algeria.
- As well as consolidating its presence in existing markets, Frigoglass extended its geographic footprint in 2007 to include China. This is a very exciting market representing a significant platform for future growth at Frigoglass, given the low ICM penetration rates. The new plant opened in Guangzhou in October and has an initial capacity of 120,000 units per annum. Looking forward, we will continue to look for opportunities to expand into new markets where attractive growth potential exists.
- At the same time, Frigoglass continues to successfully diversify its customer base, accelerating Sales to breweries that increased 46.3% reaching €117.8 million and Coca-Cola Bottlers other than Coca-Cola Hellenic increasing by 18.7% to €109.2 million. Sales to Coca-Cola Hellenic reached €124.3 million representing 31.7% of Cool sales. Frigoglass also continues to increase Sales to juice, dairy and bottled water customers that increased 14.9% representing 10.4% of cool operations sales.
- New products accounted for 22% of ICM Sales, in line with Frigoglass' long-term targets.
- In terms of profitability, ongoing cost management and positive operating leverage led to EBITDA increasing 9.6% to €74.2 million, despite a substantial increase of 170 bps in raw material costs. Net profit increased 18.8% to €42.5 million, owing to lower financing costs and effective tax planning.
- Capital expenditure of €30 million most directed towards the new plant in China as well as Russia, Romania and India capacity increases and machinery.

Performance review
Nigeria Operations

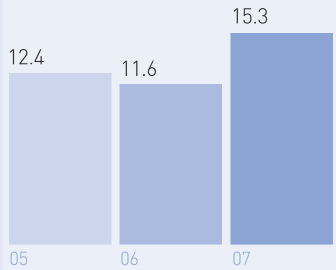
Nigeria glass operations are one of the largest in capacity on the continent. Following a three year modernization programme, our Nigeria Operations have evolved into a highly efficient business, delivering top-quality glass products.

Top-line growth Revenue Euros m



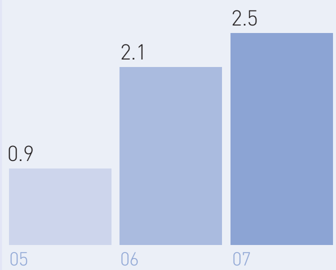
Year-on-year increase 17.7% CAGR 2-Year 2.4%

EBITDA Euros m



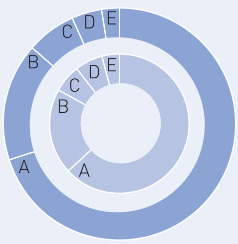
Year-on-year increase 32.0% CAGR 2-Year 10.9%

Net Profit Euros m



Year-on-year increase 17.5% CAGR 2-Year 64.3%

Customers %



	2007	2006
A **Glass**	70.0%	63.5%
B **Crowns**	16.4%	20.0%
C **Plastics**	6.9%	6.5%
D **PET**	4.2%	6.5%
D **Other**	2.5%	4.1%

2007 Key events

- With Nigeria ICMs now been included within Cool Operations, Nigeria Operations is evolving into a glass-focused operation, supported by metal crowns and plastic crates.
- Sales recovered in Nigeria in 2007, recording a 17.7% increase in Euro terms to €58.6 million, and 21.0% increase in local currency (Naira) terms.
- This was driven by strong momentum in Glass, where Sales increased 29.8% in Euro terms, boosted primarily from sales to breweries (up 69.9%), as well as pharmaceuticals (up 71.2%), cosmetics (up 72.1%) and exports (up 10.8%).
- Sales for Other Operations declined 4.5% in Euro terms, mainly as a result of a decline in TSG and PET, which are currently undergoing a strategic review.
- Following a three year modernisation programme targeting production efficiencies, quality upgrades and a furnace rebuild during 2007, glass operations in Nigeria are delivering higher profitability levers.
- EBITDA increased 32% in Euro terms to €15.3 million, and Net profit increased 17.5% in Euro terms to €2.5 million, despite an increase in financing costs and the effective tax rate.
- Capital expenditure of €24.2 million primary related to the glass furnace rebuild in Nigeria and new machinery.

Corporate Social Responsibility

Frigoglass is committed to integrating its corporate responsibility principles into its business strategy and practices, in order to maintain a business model that will create sustainable value for its key stakeholders: the shareholders, customers, suppliers, employees and communities.

In 2007 Frigoglass created its CSR Vision, Mission and Policy, where its values, principles and goals regarding corporate governance, marketplace, human capital, environment and the community are enshrined, and integrated into its business operations. Frigoglass' CSR Values are:

- Responsibility
- Openness
- Fairness
- Integrity, appreciation and respect,

while our CSR principles are:
- Being ethical and responsible
- Providing responsible products and services and promoting Sustainable business conduct throughout the supply chain
- Creating a better workplace and being an employer of choice
- Being transparent and accountable
- Preventing environmental impacts and minimising our footprint
- Supporting local communities.

In order to fulfill these commitments Frigoglass developed its CSR Strategy of 2008–2010, which was developed in 2007 and approved by the Board of Directors, containing the policies, targets and action plans required to meet the societal and environmental needs of our key stakeholders. The basis of our pro-active CSR Strategy is to adopt widely accepted and approved international systems and best practice standards.

In addition, in 2007 we enrolled at the CSR Hellas Network, the Greek branch of CSR Europe Network, where along with other responsible organisations, we jointly strive to promote social and environmental practices and principles.

In this section you shall find a synopsis of our major achievements in each pillar of our integrated CSR programme, while detailed information is presented in the CSR Report 2007, which has been prepared according to the international guidelines of the Global Reporting Initiative (GRI) and accompanies the financial report each year.

Marketplace

Frigoglass' recognises that its global business conduct impacts the markets in which it operates. For this reason it aims to conduct its operations responsibly as well as manufacturing environmentally responsible products, so contributing positively to the global efforts to combat climate change. This commitment is core to our continuous investment in Research and Development, and illustrated by our new product FV650 CO_2, which achieved the 1st Eco-product award, in the Business Awards for the Environment.

Similarly, Frigoglass also expects the same standards from its suppliers and business partners, expecting as well as supporting better environmental practices, and so aiming towards a more responsible marketplace.

Human capital

Frigoglass consider its personnel as its most important capital and aspires to being an employer of choice. In 2007 Frigoglass employed 4,660 persons. Diversity and equal opportunities are amongst its key basic principles, with 14.8% of the total workforce being women and 7.74% belonging to ethnic minorities.

To effectively develop its personnel Frigoglass seeks to implement its human resources policies regarding labour relations, salaries and compensation as well as recruitment and hiring. Furthermore Frigoglass places great importance on investing in the knowledge of its personnel via training and skills development. 259 training programmes were organised in 2007, with total duration of 57,503 hours, almost double that of 2006.

Frigoglass' global footprint was expanded recently with the opening of a Greenfield plant in China. It believes that conducting business in countries, where standards regarding employee's rights are different to that of Europe, places responsibility on corporates such as Frigoglass to ensure best practice. Frigoglass' code of conduct stipulates clearly our commitments to implementing international standards regarding human and labour rights.

In the next three years Frigoglass aims to implement, in all our plants, Health and Safety Management Systems according to the International Standard OHSAS 18001 as well as Social Accountability Management Systems according to the International Standard SA 8000. Through these systems, as well as promoting our existing policies for diversity, non-discrimination and equal opportunities, we will focus on continually improving our performance regarding safeguarding our human capital principles, wherever we operate, thus achieving our strategic CSR goal of becoming an employer of choice.

Environment

Environmental protection is regarded as a priority issue for Frigoglass. Its policy is to conduct operations in an environmentally-responsible manner by adhering to European and internationally accepted regulations and standards.

Our environmental responsibility as a producer is twofold, focusing on managing environmental impacts either (i) direct (stemming from the operation of offices, factories, transportation, etc) or (ii) indirect (associated with our products, such as the materials contained, energy use, waste generated, etc).

Focusing on improving our environmental performance Frigoglass has already implemented Environmental Management Systems, according to the International Standard ISO 14001, in three plants (Greece, Romania and South Africa). Furthermore it has set a strategic goal to expand these systems to all our factories in the next three years, aiming at minimising our overall environmental footprint. In the meantime our plants are implementing environmental programmes targeting reuse and recycling of waste, water conservation as well as energy reduction, reducing the impacts of global warming.

Concurrently, Frigoglass invests in Research and Development striving to improve the design and manufacturing of even more environmentally friendly products. Our innovative R&D programmes focus on the use of eco-friendly chemicals, the energy efficiency of the products as well as their recyclability at the end of their life time. In December 2007 at the Business Awards for the Environment in Greece, Frigoglass won 1st prize in the eco-product category for its innovative FV 650 CO_2 unit: a no-barrier Ice Cold Merchandiser, integrating successfully carbon dioxide (CO_2), which is considered as one of the most environmentally friendly refrigerants, since it eliminates ecological impacts to the ozone layer. Another R&D breakthrough of Frigoglass in 2007 was the development of the pilot Super 12 ICM Model, which possesses a photovoltaic system, in order to utilise sun rays for energy consumption and thus reduce power generation via non-renewable sources that affect climate change. We aim to continue using alternative technologies, in order to minimise the environmental impacts of our products, especially towards global warming, focusing on reducing their energy requirements.

Society

Frigoglass supports the communities where it operates by funding the work of non-governmental organisations. Under this framework we supported activities based on the axis of people, culture and environment.

Via the CSR Hellas network in 2007 we worked together and participated in implementing actions, which were designed to alleviate the social and environmental burden that was created in the extensive forest fires, a catastrophe that hit Greece during the past summer. Economic relief is crucial for the sustainable redevelopment of the affected areas.

Find further information at our CSR Report 2007 or check our website www.frigoglass.com (section Responsibility).

Corporate Governance
Financial risk management

Financial risk factors

Frigoglass' activities expose it to a variety of financial risks: market risk (currency and price risk), credit risk, liquidity risk and interest rate risk. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's underlying financial performance.

Financial risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Company's financial instruments consist mainly of deposits with banks, bank overdrafts, trade accounts receivable and payable, loans to and from subsidiaries, dividends payable and leases obligations The Company's overall risk management programme focuses on natural hedging in order to minimise the unpredictability of financial markets and seeks to minimise potentially adverse effects on the Company's underlying financial performance.

Market Risk

Foreign exchange risk

The Company operates internationally and is therefore 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, the Russian ruble, Chinese yuan and Polish zloty. Entities in the Company use natural hedging to hedge their exposure to foreign currency risk in connection with the Company's reporting currency (Euro).

Price risk

The Company is not exposed to risks from changes in the prices of equity securities since it does not own securities that can be characterised either as available for sale assets or financial assets recorded at fair value in the financial statements. The Group is exposed to changes in the prices of raw materials. This risk is offset by increased productivity, by increased sales volume resulting in fixed cost allocation over greater production volume, as well as by absorption of the change in cost into the final price of the product.

Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with high quality credit credentials are accepted. For customers, the Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Trade accounts receivable consist mainly of receivables from large groups of companies. All entities within the Company monitor the financial position of its debtors on an ongoing basis. Appropriate provision for impairment losses is made for specific credit risks. At the year-end, management considered that there was no material credit risk exposure that had not already been covered by credit guarantee insurance or a doubtful debt provision.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out adverse market positions. Due to the dynamic nature of the underlying businesses, the treasury aims at maintaining flexibility in funding by maintaining committed (exclusive) credit lines. The Company manages liquidity risk through strict management of working capital and cash flows.

Interest-rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates since the Company does not hold any interest bearing assets other than short-term time deposits. Exposure to interest rate risk on liabilities is limited to cash flow risk from changes in floating rates. The Company continuously reviews interest rate trends and the tenure of financing needs. Consequently, all short-, medium- and long-term borrowings are entered into at floating rates with review dates of less than six months.

Capital risk management

The company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or raise debt, depending on the debt to equity ratio that is maintained by the Company.

Directors' biographies

The Board of Directors

Harry G. David
Chairman (non-executive member)
Harry David has been the Chairman of the Frigoglass Board of Directors since November 2006. He is also Chairman of Plias S.A, Vice-chairman of Katselis S.A., member of the Boards of Ideal S.A., A.G. Leventis PLC, Nigerian Bottling Company PLC, A.G., Cummins West Africa Ltd, Vectis Capital and Emporiki Bank. He is a member of the General Council of the Greek Industries Federation (SEV) and he is also an executive member of the International Directors Council of the Guggenheim Museum in New York. He has served on the boards of Alpha Finance, Hellenic Public Power Corp. and Lanitis Development Ltd.

John K. Androutsopoulos
Vice-chairman (non-executive member)
John Androutsopoulos was appointed to the Board of Directors in July 1996. His long career in the bottling and manufacturing sectors has included positions as Technical Manager of the Hellenic Bottling Company, executive Director of the Industrial Division of the 3E Group of companies, Chairman of the Board of Directors of Frigorex and Managing Director of Frigoglass.

Petros K. Diamantides
Managing Director (executive member)
Petros was appointed Managing Director in June 2007. He began his career in 1991 working for Procter & Gamble and joined Frigoglass in 1998 as General Manager of the Indonesia plant, and in 2001 he moved to the position of Regional Manager of Asia and Africa. In 2004 he was appointed Business Development Director and in 2006 he held the position of Corporate Development & Strategy Director. He is a member of the Board of Directors of Ideal Group.

Loucas D. Komis
Member and Secretary (non-executive)
Loucas Komis was appointed to the Board of Directors in July 1996. Currently, he is also Chairman of Ideal S.A. and of Recovery & Recycling S.A., and Vice-chairman of the Federation of Hellenic Food Industries. In his long career in the appliance manufacturing sector he has held top management positions with Izola S.A. and the Coca-Cola Hellenic Bottling Company, where he also served as an executive Board member and remains an advisor to the Chairman, a position he has held since 2001.

Christos C. Leventis
Member (non-executive)
Christos Leventis was appointed to the Board of Directors in October 2002. His career in the finance industry, both in fund management and stock broking, has included positions with the UK equity strategy team of Credit Suisse Asset Management and equity research analyst covering European alcoholic beverages companies for institutional investors at JP Morgan Securities in London.

Evangelos Kaloussis
Member (independent non-executive)
Evangelos Kaloussis was appointed to the Board of Directors in June 2006. He has been President and CEO of Nestlé Hellas since 2001, following a long and distinguished career in the Nestlé organization that included a number of international senior management positions. He has been a member of the board of the Federation of the Greek Food Industry since 2002 and was elected President in March 2006.

Vassilios S. Fourlis
Member (independent non-executive)
Vassilios Fourlis was appointed to the Board of Directors in October 2002. He is President and Managing Director of Fourlis Holding Company, President of House Market S.A. (IKEA), Fourlis Trade S.A. and Prime Telecom S.A. and Vice President of Euroelectronics S.A. He also serves on the Board of Directors of Vivartia S.A., Titan S.A. and Piraeus Bank.

Alexandra Papalexopoulou
Member (independent non-executive)
Alexandra Papalexopoulou was appointed to the Board of Directors in April 2003. She is Group Strategic Planning Director of the Titan Cement Company and serves on the Board of Directors of Titan S.A. and of the Pavlos and Alexandra Kanelopoullou Foundation.

Victor Pisante
Member (independent non-executive)
Victor Pisante was appointed to the Board of Directors in November 2006. He founded Bluehouse Capital in 2005. He was a Founder and Managing Partner of Telesis Group, which in 2001 merged with EFG Eurobank Ergasias S.A. Following the merger he was appointed Chief Executive Officer of EFG Telesis Finance S.A. and General Manager of EFG Eurobank Ergasias S.A. and was elected member of EFG's Executive Committee until 2004.
Prior to founding Telesis, he worked as an associate in the M&A and Corporate Finance departments of Bear Stearns in New York. He is also a member of the Board of Directors of Yalco S.A. and Aegean S.A..

Remuneration and compensation

Salary

The salary structure is determined by an internal grading system, reflecting market pay practice. Salary ranges are determined by a number of factors including: the level of accountability, individual ability, and employees' professional experience.

Management short-term incentive plan

The Management short-term incentive plan is based on the Management by Objectives principle. The incentive plan links individual performance with Company results, aiming to increase employee commitment, thus in turn encouraging exceptional performance through continuous improvement.

All managerial positions are eligible for Year-end Bonuses. Employee performance is evaluated and compensated annually according to the achievement of objectives. Targets are set so as to reflect the Company's annual goals and strategy. The short-term incentive plan vary according to the individual's position within the Company. Bonus payout is calculated on the individual's achievement of objectives, as well as operational targets of the Group, division, individual unit or sales territory respectively.

Stock options

All members of the Executive Committee are eligible to participate in Frigoglass' stock option plan. Options are viewed as a part of the total remuneration package.

Options are granted at a price equal to the average value of the Company's share mid-price at close of trading on the Stock Exchange over the last 60 calendar days, prior to the date at which the options were granted.

Options vest in one-third increments each year and can be exercised for up to six years from when the options were granted.

The terms of any options granted must be approved by our shareholders at the Annual General Meeting.

At the Annual General Meeting in June 2007, shareholders adopted a multi-year plan to grant stock options to senior management, subject to approval of the Board of Directors. Under this authorisation, the Board of Directors approved the stock option grants during 2007.

Pension scheme

Employees can participate in the Company's pension scheme in countries where this is applicable, thereby providing a savings and incentive tool.

Other benefits

Fringe benefits are offered to employees in their home countries according to position level. These benefits range from company car, fuel allowance, mobile phone, private health care, food allowance, awards, sports and cultural activities, kindergarten allowance and others according to local market practices.

Corporate Governance report

Governance framework

The Board of Directors is responsible for dealing with the corporation's affairs exclusively in the interests of the corporation and its shareholders within the existing regulatory frame.
The Board's key responsibilities are:

- setting the corporation's long-term goals
- making all strategic decisions
- making available all required resources for the achievement of the strategic goals
- appointing top executive management.

The Board consists of nine members, with eight of them being non-executive. The only executive member is the Managing Director. The Board meets on a regular basis to decide on issues including policy, corporate strategy and approval of the budget.

The non-executive members are:
– Chairman.
– Vice-chairman.
– Six additional members, with four of them being independent.

Frigoglass recognises the importance of independent non-executive Directors to ensure high standards of corporate governance, a principle that the Company is committed to. Their role is to provide a clear independent view to the Board.

Audit Committee
The Audit Committee ensures that the internal and external audits within the Company comply with statutory requirements, are effective and independent. The Committee also serves to facilitate good communication between the auditors and the Board of Directors. In executing these duties, the Audit Committee operates in the interest of all shareholders and investors of the Group. It consists of three non-executive members from the Board of Directors.

Human Resources Committee
The role of the Committee is to establish the principles governing the human resources policies of the Company, which will guide management decision-making and action. Its duties are:

- To oversee succession planning policy.
- To establish the principles governing Corporate Citizenship policies of the Company.
- To establish the Compensation Strategy for the Frigoglass Group.

The Committee is comprised by three non-executive Directors of the Company and is appointed by the Board.

Investment Committee
The duties of the Committee are:

- To recommend to the Board of Directors the Group Corporate Development and Strategy.
- To evaluate and suggest to the Board of Directors new proposals for investments and/or Group expansion, as they are recommended by Corporate Development and Strategy.
- To evaluate and suggest to the Board of Directors major opportunities for business development and Group expansion through acquisitions and/or strategic partnerships.

The Committee is appointed by the Board of Frigoglass Directors and consists of four members, two of them being non-executive Directors.

The Chairman of the Committee is appointed by the Board.

Investor Relations
The department of Investor Relations has the responsibility to provide timely, accurate and bilateral information for the Company's investors and the financial market. Its main responsibility is to create trust by providing all target groups in the financial community with transparent and up-to-date information. The department's top priority is to address the concerns of investors and analysts, while maintaining a special focus on service.

Internal Audit department
The Internal Audit department is an independent function that ensures that all operations are executing their duties in accordance with the corporate objectives, policies and procedures. In particular, Internal Audit seeks to ensure that internal financial control systems across the Company remain robust and consistent. The internal auditor is independent and reports directly to the Audit Committee, which consists of one, two or three non-executive members of the Board and approves the internal audit work programme for each year. The Internal Audit department examines and evaluates the efficiency and effectiveness of the internal control system and the quality of all mechanisms and systems within the Company.

The Board of Directors

Harry David Chairman
Ioannis Androutsopoulos Vice-chairman, non-executive member
Petros Diamantides Managing Director, executive member
Vassilios Fourlis non-executive, independent member
Evaggelos Kaloussis non-executive, independent member
Loucas Komis member and secretary, non-executive member
Christodoulos Leventis non-executive member
Alexandra Papalexopoulou non-executive, independent member
Victor Pisante non-executive member, independent member

The Audit Committee

Ioannis Androutsopoulos Chairman
Loucas Komis Vice Chairman
Christodoulos Leventis member

The Human Resources Committee

Loucas Komis Chairman
Harry David member
Evaggelos Kaloussis member

The Investment Committee

Harry David Chairman
Petros Diamantides member
Loucas Komis member
Panos Tabourlos member

Management

Petros Diamantides Managing Director
Tom Aas ICM Manufacturing Director
Vangelis Apostolakopoulos Nigeria Operations Director
Nick Dimellas Human Resources Director
Panos Giannopoulos ICM Sales Director
Dimitris Kouniakis Purchasing Director
Panos Tabourlos Financial Director
Dimitris Valachis ICM China Director
Konstantinos Vossos Marketing Director

Certified auditors

PricewaterhouseCoopers
268 Kifissias Avenue,
152 32 Halandri, Athens, Greece

Legal advisors

KYRIAKIDES-GEORGOPOULOS, Law Firm
Leonidas Georgopoulos

Shareholders' information

Share capital: 40,134,989 shares outstanding as at 31 December 2007 at €1 nominal value.

Market of share listing: Athens Stock Exchange (ATHEX)

Reuters code: FRIr.AT, Bloomberg Code: FRIGO GA.

Free float: 56%.

Annual General Meeting: Friday, 6 June 2008.

Proposed dividend FY2007: €0.38 per share.

Ex-dividend date FY2007: Tuesday, 10 June 2008.

Dividend payment date: Wednesday, 18 June 2008.

Dividend history € per share

Full year	Amount	AGM date	Ex-dividend date	Payment date
2001	0.06	31 May 2002	03 June 2002	20 June 2002
2002	0.08	18 June 2003	21 July 2003	01 August 2003
2003	0.10	21 June 2004	22 June 2004	14 July 2004
2004	0.14	10 June 2005	10 June 2005	12 July 2005
2005	0.20	09 June 2006	14 June 2006	21 June 2006
2006	0.32	08 June 2007	13 June 2007	20 June 2007

2007 share price € per share

Quarter ended	High	Low	Close
31 December	26.48	21.50	24.80
28 September	24.18	19.62	24.18
29 June	24.46	17.70	23.00
30 March	18.48	15.26	17.70

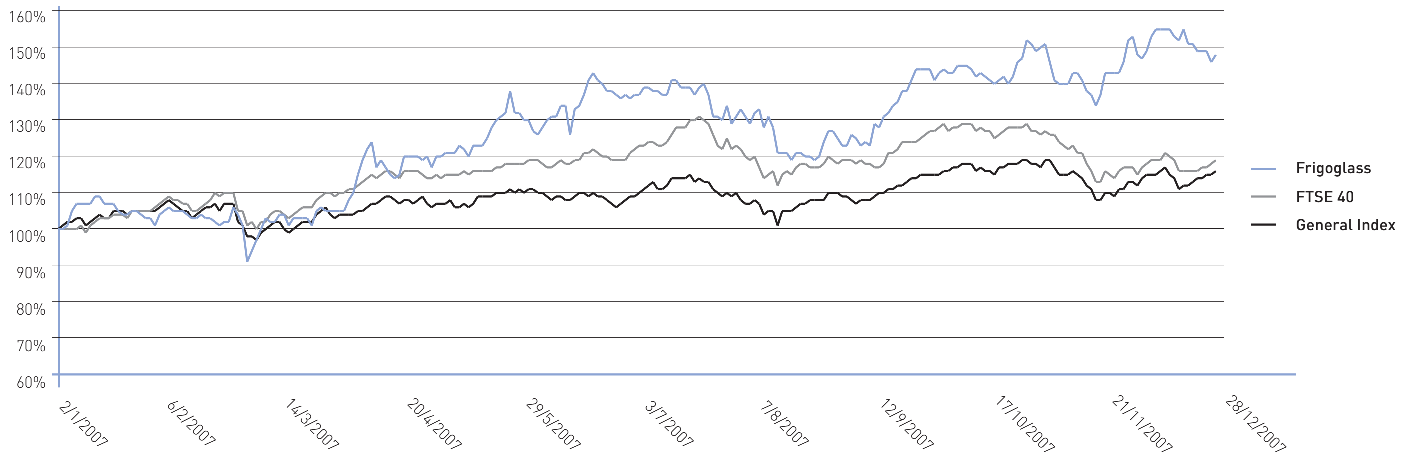
Research coverage

Broker	Analyst
Eurobank Securities	Ms E Yiagou
Marfin Investment Bank	Mr V Roumantzis
Proton Bank	Mr J Stamatakos
Deutsche Bank	Mr G Spais
National P&K Securities	Mr V Labate
HSBC	Mr P Manztavras
Pireaus Securities	Mr P Voutirakis

Capital return € per share

Full year	Amount	AGM date	Ex-right date	Payment date
2003	1.00	18 June 2003	22 July 2003	01 August 2003

Frigoglass stock price vs ATHEX General Index & FTSE Mid-Cap 40 %

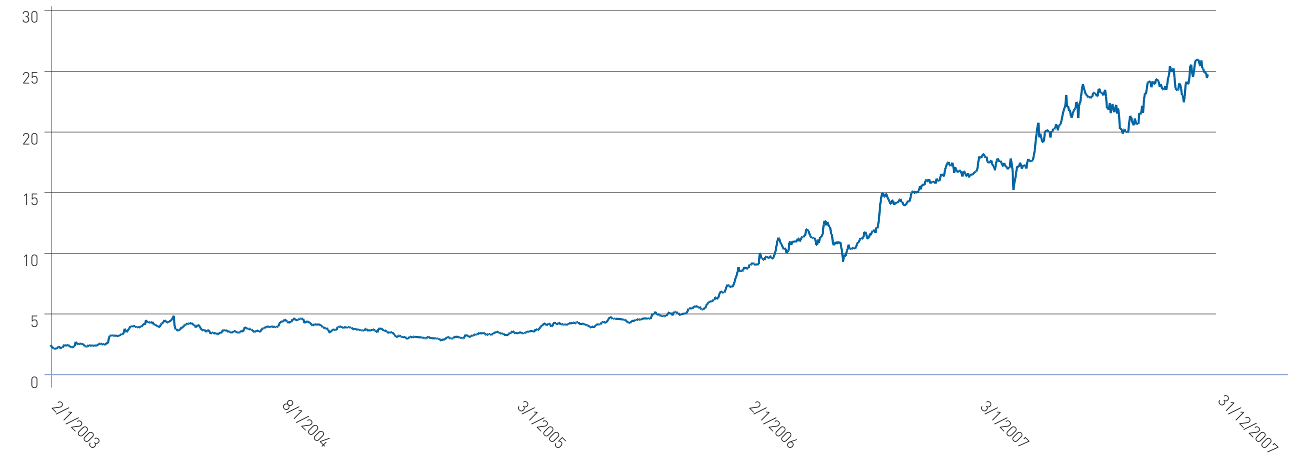


Share price at 31 December 2007: € 24.80.

Market capitalisation at 31 December 2007: €995.3 million.

Average daily trading volume FY2007: 52,316 shares.

Historical stock price chart €



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Website: www.frigoglass.com

Investor Relations: Lillian Phillips +30 210 6165757, lphillips@frigoglass.com

Financial Statements
Balance Sheet

	Note	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Assets:					
Property, plant and equipment	6	**150,370**	117,038	**12,859**	14,004
Intangible assets	7	**5,430**	5,183	**3,438**	3,763
Investments in subsidiaries	14			**59,781**	44,894
Deferred income tax assets	29	**2,614**	3,404	**406**	1,132
Other long-term assets	23	**2,580**	3,376	**2,143**	2,597
Total non current assets		**160,994**	129,001	**78,627**	66,390
Inventories	8	**116,245**	94,701	**14,945**	17,380
Trade debtors	9	**52,618**	41,951	**5,055**	2,855
Other debtors	10	**20,658**	23,663	**1,476**	12,548
Income tax advances		**16,724**	14,571	**12,188**	10,181
Intergroup receivables	20			**21,790**	22,406
Cash and cash equivalents	11	**17,313**	18,220	**3,806**	2,271
Total current assets		**223,558**	193,106	**59,260**	67,641
Total assets		**384,552**	322,107	**137,887**	134,031
Liabilities:					
Long-term borrowings	13	**2,810**	875		
Deferred income tax liabilities	29	**9,016**	8,281	**827**	
Retirement benefit obligations	30	**14,992**	13,562	**7,284**	7,195
Provisions for other liabilities and charges	28	**6,725**	8,439	**1,391**	3,584
Deferred income from government grants		**333**	362	**169**	211
Total non-current liabilities		**33,876**	31,519	**9,671**	10,990
Trade creditors		**41,573**	31,013	**9,387**	7,185
Other creditors	12	**35,939**	32,751	**7,227**	5,553
Current income tax liabilities		**11,427**	12,056	**7,494**	9,761
Intergroup payables	20			**8,597**	648
Short-term borrowings	13	**62,222**	52,523		14,237
Total current liabilities		**151,161**	128,343	**32,705**	37,384
Total liabilities		**185,037**	159,862	**42,376**	48,374
Equity:					
Share capital	15	**40,135**	40,000	**40,135**	40,000
Share premium	15	**9,680**	6,846	**9,680**	6,846
Other reserves	16	**21,151**	25,599	**22,843**	23,285
Retained earnings/(loss)		**106,071**	69,957	**22,853**	15,526
Total shareholders' equity		**177,037**	142,402	**95,511**	85,657
Minority interest		**22,478**	19,843		
Total equity		**199,515**	162,245	**95,511**	85,657
Total liabilities and equity		**384,552**	322,107	**137,887**	134,031

The attached financial statements have been approved by the Board of Directors meeting held on the 22nd of February 2008 and are hereby signed by:

Haralambos David
Chairman

Panagiotis Tabourlos
Chief Financial Officer

Petros Diamantides
Managing Director

Vassilios Stergiou
Head of Finance

Kifissia, 22 February 2008

The notes on pages 44 to 77 are an integral part of the financial statements.

Income Statement

	Note	Group From 01/01 to 31/12/2007 €000's	Group From 01/01 to 31/12/2006 €000's	Parent company From 01/01 to 31/12/2007 €000's	Parent company From 01/01 to 31/12/2006 €000's
Sales	5	**453,403**	401,039	**94,592**	97,492
Cost of goods sold	31	**–329,081**	–289,664	**–78,936**	–81,882
Gross profit		**124,322**	111,375	**15,656**	15,610
Administration expenses	31	**–29,004**	–26,463	**–19,913**	–17,543
Selling, distribution and marketing expenses	21	**–22,104**	–20,114	**–5,819**	–6,037
Research and development expenses	31	**–3,243**	–2,781	**–2,330**	–2,135
Other operating income	20	**2,034**	1,820	**21,667**	18,797
Other (losses)/gains		**39**	–146	**46**	6
(Losses)/gains from restructuring activities	27	**–783**	–967		
Operating profit		**71,261**	62,724	**9,307**	8,698
Dividend income	20			**17,993**	20,467
Finance costs	17	**–5,357**	–6,280	**–975**	–1,970
Profit before taxation		**65,904**	56,444	**26,325**	27,195
Taxation	18	**–17,977**	–16,413	**–8,774**	–11,144
Profit after taxation from continuing operations		**47,927**	40,031	**17,551**	16,051
Profit after taxation from discontinued operations	23				307
Profit after taxation		**47,927**	40,031	**17,551**	16,358
Attributable to:					
Minority interest		**2,472**	1,544		
Shareholders of the Company		**45,455**	38,487	**17,551**	16,358
Basic earnings per share from continuing operations (in € per share)	21	**1.14**	0.96	**0.44**	0.40
Basic earnings per share from discontinued operations (in € per share)	21				0.01
Diluted earnings per share from continuing operations (in € per share)	21	**1.13**	0.96	**0.44**	0.40
Diluted earnings per share from discontinued operations (in € per share)	21				0.01

The notes on pages 44 to 77 are an integral part of the financial statements.

Statement of Changes in Equity

Group

	Share capital €000's	Share premium €000's	Other reserves €000's	Retained earnings/ (loss) €000's	Total shareholders equity €000's	Minority interest €000's	Total €000's
Balance 01/01/2006	**40,000**	**57,245**	**29,048**	**–8,809**	**117,484**	**37,090**	**154,574**
Profit for the period				38,487	38,487	1,544	40,031
Disposal of investments			–1,627		–1,627	–14,534	–16,161
Currency translation differences			–2,255	–1,687	–3,942	–2,463	–6,405
Comprehensive income			**–3,882**	**36,800**	**32,918**	**–15,453**	**17,465**
Dividends				–8,000	–8,000		–8,000
Share capital increase	50,399	–50,399					
Share capital decrease	–50,399			50,399		–1,794	–1,794
Transfer from/to			433	–433			
Balance 31/12/2006	**40,000**	**6,846**	**25,599**	**69,957**	**142,402**	**19,843**	**162,245**
Balance 01/01/2007	**40,000**	**6,846**	**25,599**	**69,957**	**142,402**	**19,843**	**162,245**
Profit for the period				45,455	45,455	2,472	47,927
Currency translation differences			–4,006	883	–3,123	473	–2,650
Comprehensive income			**–4,006**	**46,338**	**42,332**	**2,945**	**45,277**
Dividends				–12,800	–12,800	–310	–13,110
Shares issued to employees exercising stock options	135	2,834	–2,377		592		592
Stock option reserve			4,072		4,072		4,072
Transfer from/to			1,856	–1,856			
Transfer from/to tax-free reserve			–3,993	3,338	–655	•	–655
Net income/(loss) recognised directly in equity				1,094	1,094		1,094
Balance 31/12/2007	**40,135**	**9,680**	**21,151**	**106,071**	**177,037**	**22,478**	**199,515**

Parent company

	Share capital €000's	Share premium €000's	Other reserves €000's	Retained earnings/ (loss) €000's	Total €000's
Balance 01/01/2006	**40,000**	**57,245**	**22,857**	**–42,798**	**77,304**
Profit for the period			–5	16,358	16,353
Comprehensive income			**–5**	**16,358**	**16,353**
Dividends				–8,000	–8,000
Share capital increase	50,399	–50,399			
Share capital decrease	–50,399			50,399	
Transfer to reserves			433	–433	
Balance 31/12/2006	**40,000**	**6,846**	**23,285**	**15,526**	**85,657**
Balance 01/01/2007	**40,000**	**6,846**	**23,285**	**15,526**	**85,657**
Profit for the period				17,551	17,551
Comprehensive income				**17,551**	**17,551**
Dividends				–12,800	–12,800
Shares issued to employees exercising stock options	135	2,834	–2,377		592
Stock option reserve			4,072		4,072
Transfer from/to			1,856	–1,856	
Transfer from/to tax-free reserve			–3,993	3,338	–655
Net income/(loss) recognised directly in equity				1,094	1,094
Balance 31/12/2007	**40,135**	**9,680**	**22,843**	**22,853**	**95,511**

The notes on pages 44 to 77 are an integral part of the financial statements.

Cash Flow Statement

	Note	Group From 01/01 to 31/12/2007 €000's	Group From 01/01 to 31/12/2006 €000's	Parent company From 01/01 to 31/12/2007 €000's	Parent company From 01/01 to 31/12/2006 €000's
Cash flow from operating activities					
Profit before income tax from continuing operation		**65,904**	56,444	**26,325**	27,195
Profit before tax from discontinuing operation	23				1,130
Profit before tax		**65,904**	56,444	**26,325**	28,325
Adjustments for:					
Depreciation		**18,509**	17,201	**3,593**	3,619
Provisions		**6,140**	8,474	**1,196**	3,014
(Profit)/loss from disposal of PPE and intangible assets		**411**		**–46**	
Dividend income				**–17,993**	–20,467
Exchange difference		**–4,030**	–1,813		
Changes in working capital:					
Decrease/(increase) of inventories		**–21,545**	–13,484	**2,436**	–8,109
Decrease/(increase) of trade debtors		**–10,668**	7,836	**–2,200**	6,608
Decrease/(increase) of inter-group receivables				**616**	9,265
Decrease/(increase) of other receivables		**2,985**	–9,557	**11,071**	–10,200
Decrease/(increase) of other long-term receivables		**797**	–2,193	**454**	–2,441
(Decrease)/increase of suppliers		**10,560**	3,904	**2,202**	–1,416
(Decrease)/increase of inter-group payables				**7,949**	–57
(Decrease)/increase of other liabilities (except borrowing)		**3,188**	3,558	**1,674**	–697
Less:					
Income tax paid		**–19,269**	–14,208	**–10,313**	–6,814
(a) Net cash generated from operating activities		**52,982**	56,162	**26,964**	630
Cash flow from investing activities					
Purchase of property, plant and equipment	6	**–52,457**	–22,505	**–1,286**	–1,846
Purchase of intangible assets	7	**–2,181**	–2,265	**–1,137**	–1,494
Proceeds from subsidiaries disposal and other investments	23		11,690		12,000
Investments in subsidiaries				**–14,887**	
Proceeds from disposal of property, plant, equipment and intangible assets		**1,345**		**355**	
Dividend income				**17,993**	20,467
(b) Net cash generated from investing activities		**–53,293**	–13,080	**1,038**	29,127
Net cash generated from operating and investing activities		**–311**	43,082	**28,002**	29,757
Cash flow from financing activities					
Increase/(decrease) of borrowing		**11,634**	–27,165	**–14,237**	–19,870
Dividends paid to Company's shareholders		**–12,822**	–8,009	**–12,822**	–8,009
Dividends and share capital paid to minority interest			–1,794		
Proceeds from issue of shares to employees	15	**592**		**592**	
(c) Net cash generated from financing activities		**–596**	–36,968	**–26,467**	–27,879
Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c)		**–907**	6,114	**1,535**	1,878
Cash and cash equivalents at beginning of the year		**18,220**	12,106	**2,271**	393
Cash and cash equivalents at the end of the year		**17,313**	18,220	**3,806**	2,271

The notes on pages 44 to 77 are an integral part of the financial statements.

Notes to the Financial Statements

1 Notes to the financial statements

1.1 General information

These financial statements include the financial statements of the parent company Frigoglass S.A.I.C. (the "Company") and the consolidated annual financial statements of the Company and its subsidiaries (the "Group").

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, and Africa.

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

This financial statements were approved by the Board of Directors on the 22 February 2008.

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union, and International Financial Reporting Standards issued by the IASB.

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 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 judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.2 Consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern their financial and operating policies, generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair values of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests (minority rights).

The excess of the cost of acquisition over the Group's share of the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Note 2.6.1 describes the accounting treatment of goodwill. Whenever the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless there is evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to minority interests are also recorded in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also recorded in equity.

The Company accounts for investments in subsidiaries in its separate financial statements at historic cost less impairment losses.

2.3 Segment reporting

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. A geographical segment is engaged in providing products or a service within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2 Summary of significant accounting policies continued

2.4 Foreign currency translation

2.4.1 Functional and presentation currency
Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency").

The consolidated financial statements are presented in Euros, which is the Company's functional and presentation currency.

2.4.2 Transactions and balances
Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

2.4.3 Group companies
The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date.
- Income and expenses for each income statement are translated at the average exchange rate of the reporting period, unless this average is not a reasonable approximation of the cumulative effect of the exchange rates prevailing on the transaction dates, in which case the rate on the date of the transaction is used.
- All resulting exchange differences are recognised as a separate component of equity.
- On the disposal of a foreign operation, the cumulative exchange differences relating to that particular foreign operation, presented as a separate component of equity, are recognised in the income statement as part of the gain or loss on sale.

Goodwill and other fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate at the balance sheet date.

2.5 Property plant and equipment
Buildings comprise mainly factories and offices. All property, plant and equipment are stated at historic cost less accumulated depreciation and any impairment losses, except for land which is shown at cost less any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the tangible assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Interest costs on borrowings, specifically, used to finance the acquisition of property, plant and equipment are capitalised, during the period of time required to prepare and complete the asset for its intended use. Other borrowing costs are recorded in the income statement as expenses.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life as follows:

Buildings	up to 40 years
Vehicles	5 to 6 years
Glass furnaces	5 years
Glass moulds	2 years
Machinery	up to 10 years
Furniture and fixtures	3 to 6 years

The cost of subsequent expenditures is depreciated during the estimated useful life of the asset and costs for major periodic renovations are depreciated to the date of the next scheduled renovation. When an item of plant and machinery comprises major components with different useful lives, the components are accounted for as separate items of plant and machinery.

The tangible assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in the income statement.

Gains and losses on disposals are determined by the difference between the sales proceeds and the carrying amount of the asset. These gains or losses are included in the income statement.

2.6 Intangible assets

2.6.1 Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share in the acquired subsidiary's net assets at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. At each balance sheet date the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of goodwill is fully 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.

Loss from impairment is recognised if the carrying amount exceeds the recoverable amount. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2.6.2 Research expenses
Research expenditure is recognised as an expense as incurred.

2.6.3 Development expenses
Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be successful, considering its commercial and technological feasibility, and also the costs can be measured reliably. Other development expenditures are recognised as an expense in the income statement as incurred. Development costs that have a finite useful life and that have been capitalised, are amortised from the commencement of their production on a straight-line basis over the period of its useful life, not exceeding five years.

2 Summary of significant accounting policies continued

2.6.4 Computer software
Capitalised software licences are carried at acquisition cost less accumulated amortisation, less any accumulated impairment. They are amortised using the straight-line method over their useful lives, not exceeding a period of five years. Computer software development or maintenance costs are recognised as expenses in the income statement as they incur.

2.6.5 Other intangible assets
Patents, trademarks and licences are shown at historical cost less accumulated amortisation, less any accumulated impairment. These intangible assets have a definite useful life, and their cost is amortised using the straight-line method over their useful lives not exceeding a period of five years.

2.7 Impairment of non-financial assets
Assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually and whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.8 Financial assets
The Group classifies its financial assets in the following categories: at fair value through profit and loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value through profit and loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

The Group and the Company did not own any financial assets, including derivatives held for trading during the periods presented in these financial statements. These financial assets when they occur are recorded at fair value through the income statement.

(b) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. Receivables are classified as "trade and other receivables" or cash and cash equivalents in the balance sheet (Note 2.11 and Note 2.12). For the period covered by these financial statements the Group did not have any loans receivable.

(c) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets are carried at fair value with any change in the fair value recognised in equity.

The Group did not own any financial assets that can be characterised as available-for-sale financial assets during the periods presented in these financial statements.

(d) Investments in subsidiaries
Equity investments in subsidiaries are measured at cost less impairment losses in the separate financial statements of the parent. Impairment losses are recognised in the income statement.

(e) Impairment of financial assets
The Group and Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables is described in Note 2.11.

(f) Derivative financial instruments and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of any derivative instruments are recognised immediately in the income statement within "other gains/(losses) – net". The Group's policy is not to enter into derivatives contracts as hedging instruments.

2.9 Leases

2.9.1 When a Group company is the lessee
Leases where the lessor retains a significant portion of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received by the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Leases of property, plant and equipment where a Group entity has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance lease liability outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities as other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment, acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

2 Summary of significant accounting policies continued

2.9.2 When a Group company is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Assets leased out under operating leases are included within tangible assets in the balance sheet. They are depreciated over their expected useful lives, which are defined on the basis of similar tangible assets owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.10 Inventories

Inventories are recorded at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

The cost of finished goods and work in progress comprises raw materials, direct labour cost and other related production overheads.

Appropriate allowance is made for excessive, obsolete and slow moving items. Write-downs to net realisable value and inventory losses are expensed in the period in which the write-downs or losses occur.

2.11 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group entity will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 120 days overdue) are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the recoverable amount.

The recoverable amount, if the receivable is more than one year is equal to the present value of expected cash flow, discounted at the market rate of interest applicable to similar borrowers. The amount of the provision is recognised as an expense in the income statement.

Subsequent recoveries of amounts previously written off are credited against "selling and marketing costs" in the income statement.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

2.13 Share capital

Ordinary shares are classified as equity.

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

When the Company or its subsidiaries purchase the Company's own equity share the amount paid – including any attributable incremental external costs net of income taxes – is deducted from total shareholders' equity as treasury shares until they are cancelled or reissued. Where such shares are subsequently sold or reissued, any proceed received is included in shareholders' equity.

2.14 Borrowings

Borrowings are recognised initially at fair value, as the proceeds received, net of any transaction cost incurred. Borrowings are subsequently recorded at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group entity has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

2.15 Current and deferred income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The deferred income tax that arises from initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss, is not accounted for.

Deferred tax assets are recognised to the extent that future taxable profit, against which the temporary differences can be utilised, is probable.

Deferred tax liabilities are provided for taxable temporary differences arising on investments in subsidiaries, except for when the Group is able to control the reversal of the temporary difference, thus it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income taxation is determined using tax rates that have been enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled. Deferred tax is charged or credited in the income statement, unless it relates to items credited or charged directly to equity, in which case the deferred tax is also recorded in equity.

2 Summary of significant accounting policies continued

2.16 Employee benefits

2.16.1 Retirement benefits

Group entities operate various pension and retirement schemes in accordance with the local conditions and practices in the countries they operate. These schemes include both funded and unfunded schemes. The funded schemes are funded through payments to insurance companies or trustee-administered funds, as determined by periodic actuarial calculations. The Group's employees participate in both defined benefit and defined contribution plans.

A defined benefit plan is a pension or voluntary redundancy plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability regarding defined benefit pension or voluntary redundancy plans, including certain unfunded termination indemnity benefits plans, is measured as the present value of the defined benefit obligation at the balance sheet date minus the fair value of plan assets (when the programme is funded), together with adjustments for actuarial gains/losses and past service cost. The defined benefit obligation is calculated at periodic intervals not exceeding two years, by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates applicable to high quality corporate bonds or government securities with terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to equity during the assessment period by external actuaries.

Past service cost is recognised as expense on a constant basis during the average period until the contributions are vested. To the extent that these contributions have been vested directly after the amendments or the establishment of a defined benefit plan, the Company directly records the past service cost.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity that is either publicly or privately administered. Once the contributions have been paid, the Group has no further legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The regular contributions are recorded as net periodic expenses for the year in which they are due, and as such are included in staff costs.

2.16.2 Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits when it is demonstrably committed either to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

2.16.3 Bonus plans

The Company and the Group recognises a liability for bonuses that are expected to be settled within 12 months and based on amounts expected to be paid upon the settlement of the liability.

2.16.4 Share-based payments

The Company operates a share option scheme for its senior executives. Options are allocated to executives depending on their performance, employment period in the Company, and their positions' responsibilities. The options are subject to a two-year service vesting period after granting and may be exercised during a period of three years from the date of award.

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.17 Provisions

Provisions are recognised when a) a Group entity has a present legal or constructive obligation as a result of past events, b) it is probable that an outflow of resources will be required to settle the obligation, c) and of the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments and are recognised in the period during which the Group entity is legally or constructively bound to pay the respective amounts. Provisions are not recognised for future operating losses related to the Group's ongoing activities.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

In the case that a Group entity expects a provision to be reimbursed from a third party, for example under an insurance contract, the reimbursement is recognised as a separate asset provided that the reimbursement is virtually certain.

The Group entity recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of settling the obligations under the contract.

Provisions are measured at the present value of the expenditures that, according to the management's best estimations, are expected in order to settle the current obligation at the balance sheet date (Note 4.1). The discounting rate used for the calculation of the present value reflects current market assessments of the time value of money and the risks specific to the obligation.

2.18 Revenue recognition

Revenue comprises the fair value for the sale of goods and services net of value-added tax, rebates and discounts, and after eliminating sales within the Group in the consolidated financial statements. Revenue is recognised as follows:

Sales of goods Revenue from the sale of goods is recognised when the significant risks and rewards of owning the goods are transferred to the buyer (usually upon delivery and customer acceptance) and the collectibility of the related receivable is reasonably assured.

2 Summary of significant accounting policies continued

Sales of services Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest income Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Dividend income Dividend income is recognised when the right to receive payment is established.

2.19 Dividend distribution
Dividends are recorded in the financial statements, as a liability, in the period in which they are approved by the Annual Shareholder Meeting.

2.20 Government grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group entity will comply with anticipated conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period corresponding to the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in long-term liabilities as deferred income and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

2.21 Assets Held for Sale
Assets classified as "Assets Held for Sale" are stated at the lower of carrying amount and fair value less costs to sell, if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

2.22 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 reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards effective in 2007
– IFRS 7 – Financial Instruments: Disclosures and the complementary amendment to IAS 1 – Presentation of Financial Statements: Capital Disclosures This standard and amendment introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation and trade and other payables.

The pronouncements of these standards have been applied in the preparation of these financial statements.

Interpretations effective in 2007
– IFRIC 7 – Applying the Restatement Approach under IAS 29 This interpretation provides guidance on how to apply requirements of IAS 29 in a reporting period in which a company identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. As none of the Group companies operate in a hyperinflationary economy this interpretation does not affect the Group's financial statements.

– IFRIC 8 – Scope of IFRS 2 This interpretation considers transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of IFRS 2. This interpretation will not affect the Group's financial statements.

– IFRIC 9 – Reassessment of Embedded Derivatives This interpretation requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. This interpretation is not relevant to the Group's operations.

– IFRIC 10 – Interim Financial Reporting and Impairment This interpretation prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation does not have any impact on the Group's financial statements.

Standards effective after 1 January 2008
– IFRS 8 – Operating Segments This standard is effective for annual periods beginning on or after 1 January 2009 and supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 8 from 1 January 2009.

– IAS 23 – Borrowing Costs This standard is effective for annual periods beginning on or after 1 January 2009 and replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. Group will apply IAS 23 from 1 January 2009.

Interpretations effective after 1 January 2008
– IFRIC 11 – IFRS 2: Group and Treasury Share Transactions This interpretation is effective for annual periods beginning on or after 1 March 2007 and clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

– IFRIC 12 – Service Concession Arrangements This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

2 Summary of significant accounting policies continued

– IFRIC 13 – Customer Loyalty Programmes This interpretation is effective for annual periods beginning on or after 1 July 2008 and clarifies the treatment of entities that grant loyalty award credits such as ''points'' and ''travel miles'' to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

– IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

2.23 Reclassifications of amounts

Amounts on the financial statements of the previous periods have been reclassified so as to be comparable with those of the current period. These reclassifications had no effect on net profit attributable to the shareholders of the Company, on net profit attributable to minorities, on EBITDA, and on assets, liabilities and equity.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (price risk and currency risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Group Treasury does not perform speculative transactions or transactions that are not related to the Group's operations.

The Company's and the Group's financial instruments consist mainly of deposits with banks, bank overdrafts, trade accounts receivable and payable, loans to and from subsidiaries, equity investments, dividends payable and leases obligations

The Group's overall risk management programme focuses on the natural hedging in order to minimise the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group/Company does not use derivative financial instruments to hedge for risk exposures. The Group/Company does not participate in any financial instruments that could expose it foreign exchange and interest rates fluctuations.

(a) Market risk

(i) Foreign exchange risk 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 rouble 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.

The Group has certain investments in subsidiaries that operate in foreign countries, whose net positions are exposed to foreign exchange risk during the consolidation of their financial statements to the Group's financial statements. The Group is not substantially exposed to this type of risk since most of its subsidiaries use Euro as their functional currency with the exception of the subsidiaries in Nigeria, Poland, and China.

At 31 December 2007, if the Euro had weakened by 5% against the Nigerian, Polish and Chinese currencies with all other variables held constant, post-tax profit for the year would have been €0.186 million (2006: €0.160 million) higher.

Equity would have been €4.0 million (2006: €3.0 million) higher.

At 31 December 2007, if the Euro had strengthened by 5% against the Nigerian, Polish and Chinese currencies with all other variables held constant, post-tax profit for the year would have been €0.186 million (2006: €0.160 million) lower.

Equity would have been €4.0 million (2006: €3.0 million) lower.

(ii) Price risk The Group is not exposed to risks from changes in the prices of equity securities since it does not own securities that can be characterised either as available for sale assets or financial assets recorded at fair value in the financial statements.

The Group is exposed to changes in the prices of raw materials. This risk is offset by increased productivity, by increased sales volume resulting in fixed cost allocation over greater production volume, as well as by absorption of the change in cost into the final price of the product.

(b) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and financial institutions, only independently rated parties with high quality credit credentials are accepted.

For customers, the Group/Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Trade accounts receivable consist mainly of receivables from large groups of companies. All Group companies monitor the financial position of their debtors on an ongoing basis.

Where necessary, credit guarantee insurance cover is purchased. The granting of credit is controlled by credit limits and application of certain terms. Appropriate provision for impairment losses is made for specific credit risks. At the year-end management considered that there was no material credit risk exposure that had not already been covered by credit guarantee insurance or a doubtful debt provision. The Group and the Company do not use derivative financial products.

3 Financial risk management continued

The Group and the Company have a significant concentration of credit risk exposures regarding cash and cash equivalent balance and revenues from the sale of products and merchandise.

Notes 32, 33, 34 present as at 31/12/2007 the concentration of the credit risk related to cash at banks and the revenues from the sale of products and merchandise.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out adverse market positions.

Due to the dynamic nature of the underlying businesses, Group treasury aims at maintaining flexibility in funding by maintaining committed (exclusive) credit lines.

The Group manages liquidity risk by proper management of working capital and cash flows. It monitors forecasted cash flows and ensures that adequate banking facilities and reserve borrowing facilities are maintained. The Group has sufficient undrawn call/demand borrowing facilities that could be utilised to fund any potential shortfall in cash resources.

The Group's maturity of the contractual cash flows related to financial liabilities at 31/12/2007 is presented in Note 35.

(d) Interest-rate risk

The Group's/Company's income and operating cash flows are substantially independent of changes in market interest rates since the Group does not hold any interest bearing assets other than short term time deposits. Exposure to interest rate risk on liabilities is limited to cash flow risk from changes in floating rates.

The Group continuously reviews interest rate trends and the tenure of financing needs. Consequently, all short, medium and long-term borrowings are entered into at floating rates with re-evaluation dates in less than six months.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or raise debt, due to the low debt to equity ratio that is maintained by the Group.

3.3 Fair value estimation

The nominal value less impairment provision of trade receivables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair value of investments in subsidiaries is test for impairment when indications exist that these investments may be impaired. The fair value is determined by using discounted cash flow techniques and makes assumptions that are based on market conditions existing at each balance sheet date.

Other than trade receivables, cash and cash equivalents, and investments in subsidiaries the Group does not have any other financial assets that are subject to fair value estimation.

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.

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.

4.2 Critical judgements in applying the entity's accounting policies

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

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.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

A. Analysis per business segments – primary reporting format
1. Ice Cold Merchandise (ICM) Operation, 2. Glass Operation, 3. Plastic Operation, 4. Crowns Pet.

The discontinuing operations comprises of the Pet Operation of VPI SA

B. Analysis per geographical segments – secondary reporting format
1. Europe, 2. Africa, 3. Asia & Oceania.

The consolidated balance sheet and profit and loss accounts per business and geographical segments are described below:

Analysis per business and geographical segments

(a) Analysis per business segment:

Profit and loss account analysis

Period end:	31/12/2007					31/12/2007	
	ICM €000's	Glass €000's	Plastics €000's	Crowns Pet Other €000's	Inter-division eliminations €000's	Total Continuing operations €000's	Total Discontinuing operations €000's
Sales	391,975	41,019	9,228	13,509	–2,328	453,403	
Operating profit	63,718	7,081	1,806	–1,344		71,261	
Finance costs						–5,357	
Taxation						–17,977	
Profit for the year						47,927	
Depreciation	10,443	5,863	747	1,456		18,509	
Gains/(losses) from restructuring activities				–783		–783	
Impairment of trade receivables	228					228	
Impairment of inventory	772					772	

Period end:	31/12/2006						28/02/2006
	ICM €000's	Glass €000's	Plastics €000's	Crowns Pet Other €000's	Inter-division eliminations €000's	Total Continuing operations €000's	Total Discontinuing operations €000's
Sales	348,777	31,607	7,367	14,897	–1,609	401,039	10,534
Operating profit	57,214	4,047	1,779	–316		62,724	124
Finance costs						–6,280	–124
Taxation						–16,413	
Profit for the year						40,031	
Depreciation	9,744	4,691	665	1,524		16,624	577
Gains/(losses) from restructuring activities	–743			–224		–967	
Impairment of trade receivables	448			21		469	
Impairment of inventory	1,828		26	60		1,914	

5 Segment information continued

Balance sheet

Period end:	31/12/2007				31/12/2007	
	ICM €000's	Glass €000's	Plastics €000's	Crowns Pet Other €000's	Total Continuing operations €000's	Total Discontinuing operations €000's
Total assets	282,935	70,285	13,676	17,656	384,552	
Total liabilities	133,553	25,345	2,516	23,623	185,037	
Capital expenditure	29,970	22,456	671	1,541	54,638	
					Note 6 & 7	

Period end:	31/12/2006				28/02/2006	
	ICM €000's	Glass €000's	Plastics €000's	Crowns Pet Other €000's	Total Continuing operations €000's	Total Discontinuing operations €000's
Total assets	241,450	53,061	11,161	16,435	322,107	65,348
Total liabilities	129,202	12,524	1,248	16,888	159,862	35,685
Capital expenditure	16,975	6,086	609	650	24,320	450
					Note 6 & 7	Note 6

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities. Capital expenditure comprises additions to property, plant equipment and intangible assets.

(b) Analysis per geographical segment:

Period end:	31/12/2007 Continuing operations €000's	31/12/2006 Continuing operations €000's	31/12/2007 Discontinuing operations €000's	28/02/2006 Discontinuing operations €000's
Sales				
Europe	326,158	293,234		10,534
Africa	105,243	90,563		
Asia & Oceania	22,002	17,242		
Total	453,403	401,039		10,534

Period end:	31/12/2007 Continuing operations €000's	31/12/2006 Continuing operations €000's	31/12/2007 Discontinuing operations €000's	28/02/2006 Discontinuing operations €000's
Total assets				
Europe	220,376	200,380		65,348
Africa	115,317	89,595		
Asia & Oceania	48,859	32,132		
Total	384,552	322,107		65,348
Capital expenditure				
Europe	16,520	15,002		450
Africa	24,423	7,379		
Asia & Oceania	13,695	1,939		
Total	54,638	24,320		450

Sales are allocated based on the country in which the customers of the Group are located. Total assets are allocated based on where the assets are located. Capital expenditure is allocated based on where the assets are located.

5 Segment information continued

(c) Sales analysis per geographical area (based on customer location):

Continuing operations	Group 2007 €000's	Group 2006 €000's	Parent company 2007 €000's	Parent company 2006 €000's
ICM Operation:				
Europe	**323,322**	290,345	**76,409**	85,255
Africa/Middle East	**46,651**	41,198	**16,521**	10,541
Asia	**21,893**	16,995	**1,662**	1,696
Other countries	**109**	239		
Total	**391,975**	348,777	**94,592**	97,492
Glass Operation:				
Africa/Middle East	**41,019**	31,607		
Total	**41,019**	31,607		
Plastics Operation:				
Europe	**5,165**	4,111		
Africa/Middle East	**4,063**	3,256		
Total	**9,228**	7,367		
Other operations:				
Africa/Middle East	**13,509**	14,897		
Total	**13,509**	14,897		
Inter-division eliminations	**–2,328**	–1,609		
Total sales	**453,403**	401,039		

	Continuing operations 2007 €000's	Continuing operations 2006 €000's	Discontinuing operations 2007 €000's	Discontinuing operations 2006 €000's
Total sales				
Europe	**328,487**	294,456		9,457
Africa/Middle East	**105,242**	90,958		
Asia	**21,893**	16,995		592
Other countries	**109**	239		485
Inter-division eliminations	**–2,328**	–1,609		
Total sales	**453,403**	401,039		10,534

6 Property, plant and equipment

Group

For the period ended December 2007 Historic cost	Land €000's	Building and technical works €000's	Machinery technical installation €000's	Motor vehicles €000's	Furniture and fixture €000's	Total €000's
Open balance on 01/01/2007	**6,723**	**54,702**	**128,177**	**3,809**	**8,999**	**202,410**
Additions		4,195	14,669	522	1,668	21,054
Advances and construction in progress		4,980	26,420		3	31,403
Disposals	–1,038	–758	–1,818	–450	–181	–4,245
Transfer to/from and reclassification		–34	–90	71	53	
Exchange differences	–136	–559	–374	–33	–73	–1,175
Closing balance on 31/12/2007	**5,549**	**62,526**	**166,984**	**3,919**	**10,469**	**249,447**
Accumulated depreciation						
Open balance on 01/01/2007	**12**	**10,743**	**65,393**	**2,502**	**6,722**	**85,372**
Additions	8	2,270	12,850	474	1,026	16,628
Disposals		–83	–1,805	–424	–176	–2,488
Transfer to/from and reclassification			–6		6	
Exchange differences		–221	–139	–25	–50	–435
Closing balance on 31/12/2007	**20**	**12,709**	**76,293**	**2,527**	**7,528**	**99,077**
Net book value on 31/12/2007	**5,529**	**49,817**	**90,691**	**1,392**	**2,941**	**150,370**

For the period ended December 2006 Historic cost	Land €000's	Building and technical works €000's	Machinery technical installation €000's	Motor vehicles €000's	Furniture and fixture €000's	Total €000's
Open balance on 01/01/2006	**6,516**	**50,905**	**126,619**	**3,735**	**8,729**	**196,504**
Additions	683	4,521	12,045	546	1,011	18,806
Advances and construction in progress		354	3,285		60	3,699
Disposals	–12	–84	–3,755	–304	–1,119	–5,274
Transfer to/from and reclassification		130	–1,221	57	653	–381
Exchange differences	–464	–1,124	–8,346	–225	–335	–10,494
Assets held for sale			–450			–450
Closing balance on 31/12/2006	**6,723**	**54,702**	**128,177**	**3,809**	**8,999**	**202,410**
Accumulated depreciation						
Open balance on 01/01/2006	**12**	**8,765**	**62,106**	**2,409**	**6,515**	**79,807**
Additions		2,206	10,980	476	958	14,620
Disposals		–73	–3,247	–247	–867	–4,434
Transfer to/from and reclassification			–522	7	368	–147
Exchange differences		–155	–3,924	–143	–252	–4,474
Closing balance on 31/12/2006	**12**	**10,743**	**65,393**	**2,502**	**6,722**	**85,372**
Net book value on 31/12/2006	**6,711**	**43,959**	**62,784**	**1,307**	**2,277**	**117,038**

The total value of pledged group assets as at 31/12/2007 was €15.8 million (31/12/2006: €7.2 million).

6 Property, plant and equipment continued

Parent company

For the period ended December 2007 Historic cost	Land €000's	Building and technical works €000's	Machinery technical installation €000's	Motor vehicles €000's	Furniture and fixture €000's	Total €000's
Open balance on 01/01/2007	303	8,789	15,176	347	2,995	27,610
Additions		66	875	15	303	1,259
Advances and construction in progress		20				20
Inter-group purchases/(sales)			–384		6	–378
Disposals			–8		–18	–26
Closing balance on 31/12/2007	303	8,875	15,659	344	3,304	28,485
Accumulated depreciation						
Open balance on 01/01/2007		1,120	9,920	267	2,299	13,606
Additions		405	1,353	23	340	2,121
Disposals			–8	–18		–26
Inter-group purchases/(sales)			–75			–75
Closing balance on 31/12/2007		1,525	11,190	272	2,639	15,626
Net book value on 31/12/2007	303	7,350	4,469	72	665	12,859

For the period ended December 2006 Historic cost	Land €000's	Building and technical works €000's	Machinery technical installation €000's	Motor vehicles €000's	Furniture and fixture €000's	Total €000's
Open balance on 01/01/2006	303	8,654	13,891	390	3,010	26,248
Additions		134	1,362	1	237	1,734
Advances and construction in progress			89		23	112
Inter-group purchases/(sales)			80			80
Disposals			–10	–44	–128	–182
Transfer to/from and reclassification		1	–236		–147	–382
Closing balance on 31/12/2006	303	8,789	15,176	347	2,995	27,610
Accumulated depreciation						
Open balance on 01/01/2006		724	8,520	286	2,235	11,765
Additions		396	1,409	25	338	2,168
Disposals				–44	–128	–172
Inter-group purchases/(sales)			–9			–9
Transfer to/from and reclassification					–146	–146
Closing balance on 31/12/2006		1,120	9,920	267	2,299	13,606
Net book value on 31/12/2006	303	7,669	5,256	80	696	14,004

There are no pledged assets for the parent company.

7 Intangible assets

Group

For the period ended December 2007 Historic cost	Development Costs €000's	Patterns and trademarks €000's	Software and other intangible assets €000's	Total €000's
Open balance on 01/01/2007	**11,439**	**683**	**6,835**	**18,957**
Additions	343		1,140	1,483
Advances and construction in progress	698			698
Disposals	3		–3	
Transfer to/from and reclassification	4		–7	–3
Exchange differences	–46	21	4	–21
Closing balance on 31/12/2007	**12,441**	**704**	**7,969**	**21,114**
Accumulated depreciation				
Open balance on 01/01/2007	**8,267**	**683**	**4,824**	**13,774**
Additions	1,141		785	1,926
Disposals			–3	–3
Transfer to/from and reclassification	10		–7	3
Exchange differences	–53	21	16	–16
Closing balance on 31/12/2007	**9,365**	**704**	**5,615**	**15,684**
Net book value on 31/12/2007	**3,076**		**2,354**	**5,430**

For the period ended December 2006 Historic cost	Development Costs €000's	Patterns and trademarks €000's	Software and other intangible assets €000's	Total €000's
Open balance on 01/01/2006	**10,410**	**867**	**5,199**	**16,476**
Additions	820		1,195	2,015
Advances and construction in progress	149		101	250
Transfer to/from and reclassification	236	–186	334	384
Exchange differences	–102		6	–96
Impairment charge	–74			–74
Assets held for sale		2		2
Closing balance on 31/12/2006	**11,439**	**683**	**6,835**	**18,957**
Accumulated depreciation				
Open balance on 01/01/2006	**7,308**	**812**	**3,905**	**12,025**
Additions	1,116	3	632	1,751
Transfer to/from and reclassification		–134	281	147
Exchange differences	–86	2	6	–78
Impairment charge	–71			–71
Closing balance on 31/12/2006	**8,267**	**683**	**4,824**	**13,774**
Net book value on 31/12/2006	**3,172**		**2,011**	**5,183**

7 Intangible assets continued

Parent company

For the period ended December 2007 Historic cost	Development costs €000's	Patterns and trademarks €000's	Software and other intangible assets €000's	Total €000's
Open balance on 01/01/2007	**8,052**	**35**	**4,982**	**13,069**
Additions	92		532	624
Advances and construction in progress	513			513
Disposals	3		–3	
Closing balance on 31/12/2007	**8,660**	**35**	**5,511**	**14,206**
Accumulated depreciation				
Open balance on 01/01/2007	**5,636**	**35**	**3,635**	**9,306**
Additions	911		554	1,465
Disposals			–3	–3
Closing balance on 31/12/2007	**6,547**	**35**	**4,186**	**10,768**
Net book value on 31/12/2007	**2,113**		**1,325**	**3,438**

For the period ended December 2006	Development costs €000's	Patterns and trademarks €000's	Software and other intangible assets €000's	Total €000's
Historic cost				
Open balance on 01/01/2006	**7,135**	**35**	**4,022**	**11,192**
Additions	633		764	1,397
Advances and construction in progress	48		49	97
Transfer to/from and reclassification	236		147	383
Closing balance on 31/12/2006	**8,052**	**35**	**4,982**	**13,069**
Accumulated depreciation				
Open balance on 01/01/2006	**4,668**	**35**	**3,082**	**7,785**
Additions	968		406	1,374
Transfer to/from and reclassification			147	147
Closing balance on 31/12/2006	**5,636**	**35**	**3,635**	**9,306**
Net book value on 31/12/2006	**2,416**		**1,347**	**3,763**

8 Inventories

Inventories	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Raw materials	**59,735**	52,842	5,415	5,207
Work in progress	**4,130**	3,230	**232**	456
Finished goods	**58,788**	45,874	**9,721**	12,679
Less: provisions	**–6,408**	–7,245	**–423**	–962
Total inventories	**116,245**	94,701	**14,945**	17,380

9 Trade debtors

Trade debtors	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Trade debtors	**54,941**	44,182	**5,350**	3,164
Less: provisions for impairment of receivables	**–2,323**	–2,231	**–295**	–309
Total trade debtors	**52,618**	41,951	**5,055**	2,855

The fair value of trade debtors closely approximate their carrying value.
The Group and the company have a significant concentration of credit risk with specific customers. (See Note 34.)
Management does not expect any losses from non-performance of trade debtors (other than provides for) as at 31/12/2007.

Analysis of provisions:	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Open balance on 01/01	**2,231**	2,333	**309**	247
Additions during the period	**370**	644		100
Unused amounts reversed	**–142**	–175		
Total charges to income statement	**228**	469		100
Realised during the period	**–142**	–412	**–14**	-38
Exchange differences	**6**	–159		
Closing balance on 31/12	**2,323**	2,231	**295**	309

10 Other debtors

Other debtors	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
VAT receivable	**9,921**	18,337	**1,342**	12,090
Advances and prepayments	**5,710**	3,786	**102**	372
Other debtors	**5,027**	1,540	**32**	86
Total other debtors	**20,658**	23,663	**1,476**	12,548

The fair value of other debtors closely approximate their carrying value.

11 Cash and cash equivalents

Cash and cash equivalents	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Cash at bank and in hand	**753**	2,497	**597**	8
Short-term bank deposits (see Note 32)	**16,560**	15,723	**3,209**	2,263
Total cash and cash equivalents	**17,313**	18,220	**3,806**	2,271

The effective interest rate on short-term bank deposits for December 2007: 4.28% (December 2006: 5.19%)

12 Other creditors

Other creditors	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Taxes and duties payable	**2,046**	1,474	**349**	340
VAT payable	**779**	908		
Social security insurance	**1,438**	1,268	**900**	762
Dividends payable	**211**	90	**68**	90
Customers' advances	**9,813**	12,489	**2,950**	424
Accrued Expenses	**17,368**	12,802	**2,312**	3,388
Other creditors	**4,284**	3,720	**648**	549
Total other creditors	**35,939**	32,751	**7,227**	5,553

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

13 Non-current and current borrowings

Non-current borrowings	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Bank loans	**2,810**	875		
Debenture loan				
Total non-current borrowings	**2,810**	875		

Current borrowings	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Bank overdrafts	**19,854**	1,301		
Bank loans	**42,226**	36,641		
Current portion of non-current debenture loan	**142**	14,581		14,237
Total current borrowings	**62,222**	52,523		14,237
Total borrowings	**65,032**	53,398		14,237

The maturity of non-current borrowings	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Between one and two years	**1,014**	16		
Between two and five years	**427**	859		
Over five years	**1,369**			
Total non-current borrowings	**2,810**	875		

Effective interest rates at the balance sheet date of:	Group 31/12/2007	Group 31/12/2006	Parent company 31/12/2007	Parent company 31/12/2006
Non-current borrowings	**10.03%**	10.55%		
Bank overdrafts	**5.90%**	8.03%		
Current borrowings	**7.04%**	5.04%		4.58%

13 Non-current and current borrowings continued

The foreign currency exposure of bank borrowings is as follows:

	Group 31/12/2007			Group 31/12/2006		
	Current borrowings €000's	Non-current borrowings €000's	Total €000's	Current borrowings €000's	Non-current borrowings €000's	Total €000's
– EURO	**36,810**		**36,810**	38,427		38,427
– USD	**8,608**		**8,608**	8,921		8,921
– PLN	**3,018**		**3,018**	2		2
– NAIRA	**8,814**	**16**	**8,830**	378	16	394
– NOK	**142**	**1,923**	**2,065**	1,548		1,548
– RUR				2,903		2,903
– INR	**4,830**	**871**	**5,701**	344	859	1,203
Total	**62,222**	**2,810**	**65,032**	52,523	875	53,398

	Parent company 31/12/2007			Parent company 31/12/2006		
	Current borrowings €000's	Non-current borrowings €000's	Total €000's	Current borrowings €000's	Non-current borrowings €000's	Total €000's]
– EURO				14,237		14,237
– USD						
Total				14,237		14,237

The extent of Group and parent company exposure to fluctuations of interest rate is considered to be for periods less than six months when repricing occurs.

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

The total value of pledged group assets as at 31/12/2007 was €15.8 million (31/12/2006: €7.2 million).

There are no pledged assets for the parent company.

On 03/02/2004 the parent company issued a €35,000,000 debenture loan, in order to refinance its bank borrowings. The debenture loan is payable in instalments which expire on 20/02/2011.

There are no encumbrances or pledged over the parent company's assets but the parent company is required to comply with covenants relating to the sufficiency of solvency, profitability and liquidity ratios as described below.

(a) Total bank borrowing to EBITDA – earnings before interest tax depreciation and amortisation.

(b) Total liabilities to total equity.

(c) EBITDA.

The Company proceeded to the complete repayment of the debenture loan at 20/02/2007.

14 Parent company investments in subsidiaries

Companies	31/12/2007 Historic cost €000's	31/12/2007 Provision for impairment of investments €000's	31/12/2007 Net book value €000's	31/12/2006 Net book value €000's
Coolinvest Holding Limited (Cyprus)	**24,396**	**–4,670**	19,726	19,726
Frigorex Cyprus Limited (Cyprus)	**482**		482	482
Letel Holding Limited (Cyprus)	**60,254**	**–41,743**	18,511	18,511
Nigerinvest Holding Limited (Cyprus)	**7,384**	**–1,209**	6,175	6,175
Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd.	**14,887**		14,887	
Total	**107,403**	**–47,622**	59,781	44,894

The subsidiaries of the Group, the nature of their operation and their shareholding status as at 31/12/2007 are described below:

Companies	Country of incorporation	Nature of the operation	Consolidation Method	Group percentage
Frigoglass S.A.I.C. – parent company	Hellas	Ice cold merchandisers	Parent company	
Frigoglass Romania SRL	Romania	Ice cold merchandisers	Full	100%
Frigorex Indonesia PT	Indonesia	Ice cold merchandisers	Full	100%
Frigoglass South Africa Ltd	South Africa	Ice cold merchandisers	Full	100%
Frigoglass Eurasia LLC	Eurasia	Ice cold merchandisers	Full	100%
Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd.	China	Ice cold merchandisers	Full	100%
Scandinavian Appliances A.S	Norway	Ice cold merchandisers	Full	100%
Frigoglass Ltd.	Ireland	Ice cold merchandisers	Full	100%
Frigoglass Iberica SL	Spain	Ice cold merchandisers	Full	100%
Frigoglass Sp zo.o	Poland	Ice cold merchandisers	Full	100%
Frigoglass India PVT. Ltd.	India	Ice cold merchandisers	Full	100%
Frigorex East Africa Ltd.	Kenya	Sales office	Full	100%
Frigoglass GmbH	Germany	Sales office	Full	100%
Frigoglass Nordic	Norway	Sales office	Full	100%
Frigoglass France SA	France	Sales office	Full	100%
Beta Glass Plc.	Nigeria	Glass operation	Full	53.823%
Frigoglass Industries (Nig.) Ltd	Nigeria	Crowns, Plastics, Pet, ICMs	Full	76.027%
TSG Nigeria Ltd.	Nigeria	Glass operation	Full	54.888%
Beta Adams Plastics	Nigeria	Plastics operation	Full	76.027%
3P Frigoglass Romania SRL	Romania	Plastics operation	Full	100%
Coolinvest Holding Limited	Cyprus	Holding company	Full	100%
Frigorex Cyprus Limited	Cyprus	Holding company	Full	100%
Letel Holding Limited	Cyprus	Holding company	Full	100%
Norcool Holding A.S	Norway	Holding company	Full	100%
Nigerinvest Holding Limited	Cyprus	Holding company	Full	100%
Deltainvest Holding Limited	Cyprus	Holding company	Full	100%

15 Share capital

The share capital of the company comprises of 40,134,989 fully paid up shares of €1.0 each.

On 18 December 2007, Frigoglass's Board of Directors resolved to increase the share capital of the Company by 134,989 ordinary shares, following the exercise of stock options by option holders pursuant to the Company's stock option plan. Proceeds from the issue of the shares were €592,000.

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

	Number of shares	Ordinary shares €000's	Share premium €000's	Total €000's
Balance on 01/01/2007	**40,000,000**	**40,000**	**6,846**	**46,846**
Shares issued to employees exercising stock options	**134,989**			
Proceeds from the issue of shares		**135**	**457**	**592**
Transferred from reserves (see Note 16)			**2,377**	**2,377**
Balance on 31/12/2007	**40,134,989**	**40,135**	**9,680**	**49,815**

16 Other reserves

Group	Statutory reserves	Stock option reserves	Reserves by article of incorporation based on tax legislation	Extraordinary reserves	Tax free reserves	Currency translation differences	Total
Open balance on 01/01/2006	1,656		571	9,782	18,151	–1,112	29,048
Transfer from/to			–571	571			
Disposal of investments	–250				–1,382		–1,632
Exchange differences	40			–477		–1,813	–2,250
Transfer from retained earnings	433						433
Closing balance on 31/12/2006	1,879			9,876	16,769	–2,925	25,599
Open balance on 01/01/2007	**1,879**			**9,876**	**16,769**	**–2,925**	**25,599**
Transfer from provisions (Note 28)	853	3,343			–2,991		1,205
Additions for the period (Note 26)		730					730
Shares issued to employees		–2,377					–2,377
Exchange differences	–12			37	–1	–4,030	–4,006
Closing balance on 31/12/2007	**2,720**	**1,696**		**9,913**	**13,777**	**–6,955**	**21,151**

Parent company	Statutory reserves	Stock option reserves	Reserves by article of incorporation based on tax legislation	Extraordinary reserves	Tax free reserves	Total
Open balance on 01/01/2006	1,247		571	4,264	16,775	22,857
Transfer from/to			–571	571		
Transfer from retained earnings	433				–5	428
Closing balance on 31/12/2006	1,680			4,835	16,770	23,285
Open balance on 01/01/2007	1,680			4,835	16,770	23,285
Transfer from provisions (Note 28)		3,343				3,343
Additions for the period (Note 26)		730				730
Shares issued to employees		–2,377				–2,377
Transfer from P&L of the year	853				–2,991	–2,138
Closing balance on 31/12/2007	2,533	1,696		4,835	13,779	22,843

A statutory reserve is created under the provisions of Hellenic law (Law 2190/20, articles 44 and 45) 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 share capital. The statutory reserve cannot be distributed to the shareholders of the Company except for the case of liquidation.

The Stock option reserve refers to a stock option programme with beneficiaries the Company's BoD and employees and is further analysed in Note 28.

The Company has created tax free reserves, taking advances off various Hellenic Taxation laws, during the years, in order to achieve tax deductions, either by postponing the tax liability till the reserves are distributed to the shareholders, or 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 was in effect at the time of the creation of the reserves. 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.

17 Financial expenses

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	**31/12/2007 €000's**	31/12/2006 €000's
Finance expense	**4,997**	4,978	**919**	1,697
Finance income	**–612**	–442	**–47**	–31
Exchange loss/(gain)	**972**	1,744	**103**	304
Finance cost	**5,357**	6,280	**975**	1,970

18 Income tax

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Corporate tax	**16,396**	16,210	**7,202**	10,605
Prior years corporate tax	**170**	3,066	**19**	3,066
Corporate tax from discontinuing operations				–823
Deferred tax	**1,411**	–2,863	**1,553**	–1,704
Total tax	**17,977**	16,413	**8,774**	11,144
Income tax				
Profit for the year before income tax expenses from continuing operations	**65,904**	56,444	**26,325**	27,195
Profit for the year before income tax from discontinuing operations				1,130
Profit before taxation	**65,904**	56,444	**26,325**	28,325
Nominal tax rate	**22.0%**	22.2%	**25.0%**	29.0%
Tax calculated at the nominal tax rate	**14,523**	12,542	**6,581**	8,214
Prior years corporate tax	**170**	3,066	**19**	3,066
Income not subject to tax	**–1,256**	–1,598	**–540**	–1,319
Expenses not deductible for tax purposes	**4,117**	2,117	**1,686**	703
Utilisation of previously unrecognised tax losses	**70**	–325		
Other taxes	**353**	611	**1,028**	480
Tax charge	**17,977**	16,413	**8,774**	11,144

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

Company	Country	Periods	Operation
Frigoglass SAIC – parent company	Hellas	2005–2007	Ice cold merchandisers
Frigoglass Romania SRL	Romania	2007	Ice cold merchandisers
Frigorex Indonesia PT	Indonesia	2007	Ice cold merchandisers
Frigoglass South Africa Ltd	South Africa	2003–2007	Ice cold merchandisers
Frigoglass Eurasia LLC	Eurasia	2006–2007	Ice cold merchandisers
Frigoglass (Guangzhou) Ice Cold Equipment Co., Ltd.	China	2006–2007	Ice cold merchandisers
Scandinavian Appliances A.S	Norway	2003–2007	Ice cold merchandisers
Frigoglass Ltd.	Ireland	2000–2007	Ice cold merchandisers
Frigoglass Iberica SL	Spain	2002–2007	Ice cold merchandisers
Frigoglass Sp zo.o	Poland	2002–2007	Ice cold merchandisers
Frigoglass India PVT.Ltd.	India	2004–2007	Ice cold merchandisers
Beta Glass Plc.	Nigeria	2004–2007	Glass operation
Frigoglass Industries (Nig.) Ltd	Nigeria	1999–2007	Crowns, Plastics, Pet, ICMs
TSG Nigeria Ltd.	Nigeria	1999–2007	Glass operation
Beta Adams Plastics	Nigeria	1999–2007	Plastics operation
3P Frigoglass Romania SRL	Romania	2005–2007	Plastics operation
Frigorex East Africa Ltd.	Kenya	2002–2007	Sales office
Frigoglass GmbH	Germany	2001–2007	Sales office
Frigoglass Nordic	Norway	2003–2007	Sales office
Frigoglass France SA	France	2003–2007	Sales office
Coolinvest Holding Limited	Cyprus	1999–2007	Holding company
Frigorex Cyprus Limited	Cyprus	1999–2007	Holding company
Letel Holding Limited	Cyprus	1999–2007	Holding company
Norcool Holding A.S	Norway	1999–2007	Holding company
Nigerinvest Holding Limited	Cyprus	1999–2007	Holding company
Deltainvest Holding Limited	Cyprus	1999–2007	Holding company

The tax rates in the countries where the Group operates are between 10% and 38%.

Some of non-deductible expenses and the different tax rates in the countries that the Group operates, create a tax rate for the Group approximately of 27.3% (Hellenic Taxation Rate is 25%).

The tax returns for the parent company and for the Group subsidiaries have not been assessed by tax authorities for different periods. Until the tax audit assessment for the companies described in the table above is completed, the tax liability can not be finalised for those years.

19 Commitments

Capital commitments
The capital commitments contracted for but not yet incurred at the balance sheet date 31/12/2007 for the Group amounted to [€20,560,000 (2005: [€3,449,000]).

Operating lease commitment
The Group leases buildings and vehicles under operating leases.

Total future lease payments under operating leases are as follows:

Group	31/12/2007 Buildings €000's	31/12/2007 Vehicles €000's	31/12/2007 Total €000's	31/12/2006 Buildings €000's	31/12/2006 Vehicles €000's	31/12/2006 Total €000's
Within one year	635	525	1,160	887	440	1,327
Between one to five years	2,871	1,760	4,631	1,740	873	2,613
Over five years	2,160		2,160	2,149		2,149
Total	5,666	2,285	7,951	4,776	1,313	6,089

Parent company	31/12/2007 Buildings €000's	31/12/2007 Vehicles €000's	31/12/2007 Total €000's	31/12/2006 Buildings €000's	31/12/2006 Vehicles €000's	31/12/2006 Total €000's
Within one year	544	490	1,034	436	343	779
Between one to five years	1,998	1,501	3,499	1,544	599	2,143
Over five years	2,160		2,160	2,040		2,040
Total	4,702	1,991	6,693	4,020	942	4,962

20 Related party transactions

The component of the Company's shareholders on 31/12/2007 was: BOVAL S.A. 44.1%, Deutsche Bank 7.2%, Institutional Investors 33%, and Other Investors 15.7%. The Coca Cola Hellenic Bottling Company is a non alcoholic beverage company listed in stock exchanges of Athens, New York, London & Australia. Except from the common share capital involvement of BOVAL S.A at 30.2%, with CCHBC, Frigoglass is the majority shareholder in Frigoglass Industries Limited based on Nigeria, where CCHBC also owns an 18% equity interest.

(a) The amounts of related party transactions (sales and receivables) were:

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Sales	151,058	174,265	27,987	33,482
Receivables	9,631	13,215		251

Based on a contract signed on 1999, which was renewed on 2004 and expires on 31/12/2008 the CCHBC Group purchases from the Frigoglass Group at yearly negotiated prices for at least 60% of its needs in ICMs, Bottles, Pet & Crowns.
The above transactions are executed at arm's length.

(b) The intercompany transactions of the parent company with the rest of subsidiaries were:

	31/12/2007 €000's	31/12/2006 €000's
Sales of goods	43,731	46,825
Sales of services		
Purchases of goods	21,928	19,214
Dividend income	17,993	20,467
Receivables	21,790	22,406
Payables	8,597	648

The above transactions are executed at arm's length.

(c) Other operating income: parent company

	31/12/2007 €000's	31/12/2006 €000's
Other operating income	21,667	18,797

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

20 Related party transactions continued

(d) Fees to members of the Board of Directors and management compensation (included wages, stock option, indemnities and other employee benefits)

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Fees of member of Board of Directors	**207**	187	**207**	187
Management compensation	**2,708**	2,992	**2,708**	2,992
Receivables from management and Board of Directors members	**–**	–	**–**	–
Payables to management and Board of Directors members	**–**	–	**–**	–

21 Earnings per share

Basic and diluted earnings per share from contining and discontinuing operations
Basic and diluted earnings per share are calculated by dividing the profit attributable to equity holders of parent company, by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company (treasury shares).

Continuing operations

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Profit attributable to equity holders of the Company	**45,455**	38,487	**17,551**	16,051
	Number	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**40,004,438**	40,000,000	**40,004,438**	40,000,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**40,140,039**	40,000,000	**40,140,039**	40,000,000
	Euros	Euros	Euros	Euros
Basic earnings per share from continuing operations	**1.14**	0.96	**0.44**	0.40
Diluted earnings per share from continuing operations	**1.13**	0.96	**0.44**	0.40

Discontinuing operations

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Profit attributable to equity holders of the Company				307
	Number	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**40,004,438**	40,000,000	**40,004,438**	40,000,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**40,140,039**	40,000,000	**40,140,039**	40,000,000
	Euros	Euros	Euros	Euros
Basic earnings per share from discontinuing operations				**0.01**
Diluted earnings per share from discontinuing operations				**0.01**

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:

	31/12/2007 €000's	31/12/2006 €000's
	135,346	119,911

The Group did not have any contingent liabilities as at 31/12/2007 and 31/12/2006.

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 besides those recognised in the financial statements will be finally assessed.

23 Assets held for sale

On 15 December, 2005 Frigoglass announced the sale of its stockholding in VPI SA. Frigoglass is a stockholder of 51% of VPI SA based at the city of Volos. The final agreement was signed on 28 February, 2006.

The parent company's investment in VPI SA amount to [€12,998,000].

The purchase price for the shares amounts to [€15,000,000], [€12,000,000] will be paid upon completion of the transaction under the condition that the net asset position of VPI will be at least [€30,000,000], while the balance will be paid in three equal annual instalments till January 2009, and is linked to the condition that VPI's sales will remain at their present level.

The completion of VPI sale was approved by the Greek Minister of Economy and Finance, given that VPI SA has received government grants under law 1892/1990. The sale of VPI shares is consistent with the Frigoglass Group strategy to focus on its core business on ICM. (VPI paid dividends on 2004 and on 2005 of €1,011,000 to Frigoglass SAIC).

Balance sheet and income statement of VPI SA are shown below:

Balance sheet

	31/12/07 €000's	28/02/2006 €000's
Assets:		
Property, plant and equipment		36,698
Intangible assets		170
Other long-term assets		26
Total non-current assets		36,894
Inventories		11,869
Trade debtors		15,661
Other debtors		526
Marketable securities		88
Cash and cash equivalents		310
Total current assets		28,454
Total assets		65,348
Liabilities:		
Long-term borrowings		2,504
Deferred income tax liabilities		1,068
Retirement benefit obligations		411
Deferred income from government grants		4,747
Total non-current liabilities		8,730
Trade creditors		10,867
Other creditors		1,319
Short-term borrowings		14,769
Total current liabilities		26,955
Total liabilities		35,685
Total equity		29,663
Total liabilities and equity		65,348

Parent company

Profit for the period from discontinued operations:

	01/01/06 to 28/02/06 €000's
Purchase price for the shares	15,000
Parent company's investment in VPI SA	−12,998
Provisions for net present value and expected realisation percentages of the contract terms	−872
Profit before income tax	1,130
Income tax expense	−823
Profit for the period after income tax	307

Cash flow statement

	01/01/06 to 28/02/06 €000's
Proceeds from investment disposal	12,000
Cash at banks and in hand on the date of sale	−310
Net proceeds from investment disposal	11,690

23 Assets held for sale continued

Income statement

	From 01/01 to 31/12/2007	From 01/01 to 28/02/2006
Sales		10,534
Cost of goods sold		–10,086
Gross profit		448
Administration expenses		–453
Selling, distribution and marketing expenses		–15
Research and development expenses		–3
Other operating income		147
Other losses/(gains) – net		
Operating profit		124
Finance costs		–124
Profit before income tax from discontinuing operations		
Taxation		
Profit after taxation from discontinued operations		
Pre-tax loss recognised on the remeasurement of assets of disposal		
Profit after taxation from discontinued operations		
Depreciation		577
EBITDA		701

Cash flow statement

	31/12/2007 €000's	28/02/2006 €000's
(a) Net cash generated from operating activities		1,101
(b) Net cash generated from investing activities		–461
(c) Net cash generated from financing activities		–835
Net increase (decrease) in cash and cash equivalents		–195

Other long-term assets

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Receivables from the sale of VPI	**1,819**	2,419	**1,819**	2,419
Other long-term receivables	**761**	957	**324**	178
Total	**2,580**	**3,376**	**2,143**	**2,597**

24 Seasonality of operations

Sales

Period	2004 €000's	2004 %	2005 €000's	2005 %	2006 €000's	2006 %	2007 €000's	2007 %
Q1	76,482	29%	86,320	28%	116,556	29%	**133,930**	**30%**
Q2	85,809	32%	98,089	32%	142,209	35%	**156,623**	**35%**
Q3	49,321	19%	59,114	19%	78,998	20%	**91,590**	**20%**
Q4	52,590	20%	63,306	21%	63,276	16%	**71,260**	**16%**
Total	**264,202**	**100%**	**306,829**	**100%**	**401,039**	**100%**	**453,403**	**100%**

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

Consequently the level of the working capital required for the remaining months of the year will vary from the requirements of the current period

25 Post-balance sheet events

There are no post-balance sheet events which are likely to affect the financial statements or the operations of the Group and the parent company.

26 Average number of personnel and employee benefit expenses

Average number of personnel per operation for the Group and for the parent company are listed below.

Operations

	31/12/2007	31/12/2006
ICM Operations	**3,614**	3,066
Nigeria Operations	**1,334**	1,265
Plastics Operation	**72**	63
Total	**5,020**	4,394
Parent company	**526**	592

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Wages and salaries	**44,205**	40,217	**17,736**	18,503
Social security insurance	**11,051**	9,847	**3,594**	3,725
Total payroll (Note 31)	**55,256**	**50,064**	**21,330**	**22,228**
Pension plan (define contribution)	**1,308**	1,676	**1,308**	1,676
Retirement benefit (define benefit) (Note 30)	**3,032**	1,866	**1,310**	1,739
Share Appreciation Rights (Phantom Option Plan)	**–149**	1,847	**–149**	1,847
Provision for Stock Option Plan	**730**		**730**	
Total	**60,177**	**55,453**	**24,529**	**27,490**

27 (Losses)/Gains from restructuring activities

The losses from restructuring activities refer to the restructuring in Ireland Plant and the transfer of its production activity to Poland, as well as the restructuring of operations in Nigeria.

28 Provision for other liabilities and charges

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
(a) Provision for Share Appreciation Rights (Phantom Option Plan)		3,343		3,343
(b) Provisions for warranty	4,003	3,309	878	
(c) Other provisions	2,722	1,787	513	241
Total provision for other liabilities and charges	**6,725**	**8,439**	**1,391**	**3,584**

(a) Provision for Stock Option Plan (SARs Phantom Option Plan)

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Opening Balance	**3,343**	**2,356**	**3,343**	**2,356**
Additional provision for the period		987		987
Unused amounts reversed				
Charged to income statement		987		987
Transfer to equity	–3,343		–3,343	
Utilised during the year				
Closing balance		**3,343**		**3,343**

28 Provision for other liabilities and charges continued

The Annual General Assembly of 8 June 2007 approved a stock option plan with beneficiaries members of the Company's Board of Directors, employees of the Company and employees of the Company's affiliates. According to the above General Assembly resolution, a maximum of 428.870 stock options were approved, each corresponding to one (1) ordinary share of the Company.

On 18 December 2007, Frigoglass' Board of Directors resolved to increase the share capital of the Company by 134,989 ordinary shares, following the exercise of stock options by option holders pursuant to the Company's stock option plan. Proceeds from the issue of the shares were €592,000.

The following table summarises information for Stock Option Plan

Stock Option Plan	Start of exercise period	End of exercise period	Number of options issued	Number of options exercised	Number of options outstanding
Programme approved by Board of Directors on 8/6/2007	8/6/07	17/12/09	107,318	107,318	
Exercise price at €1.00 per share	1/1/08	17/12/09	65,621		65,621
	1/1/09	17/12/09	64,918		64,918
Total			**237,857**	**107,318**	**130,539**
Programme approved by Board of Directors on 2/8/2007	8/6/07	17/12/12	27,671	27,671	
Exercise price at €17.50 per share	1/1/08	17/12/12	31,672		31,672
	1/1/09	17/12/12	31,670		31,670
Total			**91,013**	**27,671**	**63,342**
Total			**328,870**	**134,989**	**193,881**

The weighted average fair value of options granted determined using the Black-Scholes valuation model was €12.38 per option.

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

Weighted average share price	22.0
Volatility	15.0%
Dividend yield	1.4%
Discount rate	4.5%

The Company operated until 31 December 2006 a phantom share option scheme for its senior executives in the form of stock appreciation rights depending on their performance, employment period in the company, and their positions' responsibilities. The terms of the SARs are based upon the basic terms and conditions of stock option plans except that instead of shares the holders receive a payment equal to the difference between the market price of the company's shares at the date of exercise and the exercise price.
The options are subject to a two year vesting condition after granting and may be exercised during a period of three years after vesting.

(b) Provisions for warranty

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Opening balance	**3,309**	**2,310**		340
Additional provision for the period	**585**	1,553	**269**	
Unused amounts reversed	**–918**	–102		
Charged to income statement	**–333**	1,451	**269**	
Utilised during the year	**–217**	–402	**–266**	–340
Reclassification of accounts	**1,255**		**875**	
Exchange difference	**–11**	–50		
Closing balance	**4,003**	**3,309**	**878**	

(c) Other provisions

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
Opening balance	**1,787**	**1,755**	**241**	**766**
Additional provision for the period	**1,540**	992	**376**	74
Unused amounts reversed	**–157**	–527	**–104**	–255
Charged to income statement	**1,383**	465	**272**	–181
Utilized during the year	**–8**	–393		–344
Reclassification of accounts	**–380**			
Exchange difference	**–60**	–40		
Closing balance	**2,722**	**1,787**	**513**	**241**
The category "other provisions" includes mainly: provisions for discount on sales, provisions for unused paid holidays, sales on tax and provisions for recycling costs.				
Total provisions for other liabilities and charges (a+b+c)	**6,725**	**8,439**	**1,391**	**3,584**

29 Deferred income tax

Group

2007

Deferred Tax Asset	Provisions and liabilities €000's	Tax losses carry forward €000's	Impairment of assets €000's	Pensions and employee benefit plan €000's	Other €000's	Total €000's
Open balance on 01/01/2007	**3,689**		**15**	**1,833**	**746**	**6,283**
Charged to profit and loss	**–367**	**369**	**–5**	**–165**	**134**	**–34**
Charged to equity						
Exchange differences	**–19**	**–9**	**–1**	**–3**	**–1**	**–33**
Closing balance on 31/12/2007	**3,303**	**360**	**9**	**1,665**	**879**	**6,216**

Deferred Tax Liabilities	Accelerated tax depreciation €000's	Fair value gains €000's	Asset revaluation €000's	Income tax at preferential rates €000's	Other €000's	Total €000's
Open Balance on 01/01/2007	**8,240**		**1,734**		**1,186**	**11,160**
Charged to profit and loss	**–50**	**487**	**–210**		**1,150**	**1,377**
Charged to equity						
Exchange differences	**140**	**1**	**–54**		**–6**	**81**
Closing Balance on 31/12/2007	**8,330**	**488**	**1,470**		**2,330**	**12,618**
Net Deferred Income Tax Asset (Liability)	**–5,027**	**–128**	**–1,461**	**1,665**	**–1,451**	**–6,402**

Closing Balance at

	31/12/2007 €000's	31/12/2006 €000's
Deferred tax assets	**2,614**	3,404
Deferred tax liabilities	**9,016**	8,281
Net deferred income tax asset (liability)	**–6,402**	–4,877

2006

Deferred tax asset	Provisions and liabilities	Tax losses carry forward	Impairment of assets	Pensions & employee benefit plan	Other	Total
Open balance on 01/01/2006	2,230	37	5	1,514	295	4,081
Charged to profit and loss	1,539	–32		268	434	2,209
Charged to equity						
Exchange differences	–80	–5	10	51	17	–7
Closing balance on 31/12/2006	3,689		15	1,833	746	6,283

Deferred tax liabilities	Accelerated tax depreciation	Fair value gains	Asset revaluation	Income tax at preferential rates	Other	Total
Open balance on 01/01/2006	8,851		1,734		1,928	12,513
Charged to profit and loss	316				–970	–654
Exchange Differences	–927				228	–699
Closing balance on 31/12/2006	8,240		1,734		1,186	11,160
Net deferred income tax asset (liability)	–4,551		–1,719	1,833	–440	–4,877

Closing balance at

	31/12/2006 €000's	31/12/2005 €000's
Deferred tax assets	3,404	1,241
Deferred tax liabilities	8,281	9,673
Net deferred income tax asset (liability)	–4,877	–8,432

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against tax liabilities and when the deferred income taxes relate to the same fiscal authority. This offset took place for the parent company, and for the subsidiaries of the Group (VPI SA and Scandinavian Appliances).

The majority portion of deferred tax asset/liability is to be recovered after more than 12 months.

29 Deferred income tax continued

Parent company

2007

Deferred tax asset	Provisions and liabilities €000's	Tax losses carry forward €000's	Impairment of assets €000's	Pensions and employee benefit plan €000's	Other €000's	Total €000's
Open balance on 01/01/2007	**1,788**			**1,799**	**111**	**3,698**
Charged to profit and loss	**–81**			**–851**	**–76**	**–1,008**
Charged to equity						
Closing balance on 31/12/2007	**1,707**			**948**	**35**	**2,690**

Deferred Tax Liabilities	Accelerated tax depreciation €000's	Fair value Gains €000's	Asset Revaluation €000's	Income tax at preferential rates €000's	Other €000's	Total €000's
Open Balance on 01/01/2007	**127**		**1,421**		**1,018**	**2,566**
Charged to profit and loss	**–105**				**650**	**545**
Charged to equity						
Closing Balance on 31/12/2007	**22**		**1,421**		**1,668**	**3,111**
Net Deferred Income Tax Asset (Liability)	**1,685**		**–1,421**	**948**	**–1,633**	**–421**

Closing Balance at

	31/12/2007 €000's	31/12/2006 €000's
Deferred tax assets	**406**	1,132
Deferred tax liabilities	**827**	
Net deferred income tax asset (liability)	**–421**	1,132

2006

Deferred tax asset	Provisions and liabilities	Tax losses carry forward	Impairment of Assets	Pensions and employee benefit plan	Other	Total
Open balance on 01/01/2006	1,132			1,455	229	2,816
Charged to profit and loss	656			344	–118	882
Charged to equity						
Closing Balance on 31/12/2006	1,788			1,799	111	3,698

Deferred tax liabilities	Accelerated tax depreciation	Fair value gains	Asset revaluation	Income tax at preferential rates	Other	Total
Open balance on 01/01/2006	241		1,421		1,726	3,388
Charged to profit and loss	–114				–708	–822
Charged to equity						
Closing balance on 31/12/2006	127		1,421		1,018	2,566
Net deferred income tax asset (liability)	1,661		–1,421	1,799	–907	1,132

Closing balance at

	31/12/2006 €000's	31/12/2005 €000's
Deferred tax assets	1,132	
Deferred tax liabilities		572
Net deferred income tax asset (liability)	1,132	–572

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The majority portion of deferred tax asset/liability is to be recovered after more than 12 months.

30 Retirement benefit obligations

Retirement benefit obligation	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Retirement benefit	**14,992**	13,562	**7,284**	7,195
Total retirement benefit obligations	**14,992**	13,562	**7,284**	7,195

The movement of the retirement benefit obligation during the period is as follows:

	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
Opening balance	**13,666**	12,808	**7,195**	5,821
Exchange differences	**9**	680		
Opening balance as restated	**13,675**	13,488	**7,195**	5,821
Additional provision for the period	**3,032**	3,204	**1,310**	1,739
Unused amounts reversed		–1,338		
Charged to income statement	**3,032**	1,866	**1,310**	1,739
Utilised during the year	**–607**	–1,109	**–127**	–365
Recognised actuarial (gain)/losses	**–1,094**		**–1,094**	
Exchange differences	**–14**	–683		
Closing balance	**14,992**	13,562	**7,284**	7,195

(a) Retirement benefit	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
The amounts recognised in the balance sheet are as follows:				
Present value of obligations	**14,994**	13,624	**7,284**	7,195
Fair value of plan assets		–43		
	14,994	13,581	**7,284**	7,195
Unrecognised past service cost	**–2**	–19		
Net liability in the balance sheet	**14,992**	13,562	**7,284**	7,195
The amounts recognised in the income statement are determined as follows:				
Current service cost	**1,359**	1,728	**902**	1,252
Interest cost	**1,116**	1,387	**281**	400
Expected return on plan assets		–5		
Recognised past service cost		17		17
Regular profit and loss charge	**2,475**	3,127	**1,183**	1,669
Additional cost of extra benefits		70		70
Other expenses (income)	**557**	–1,331	**127**	
Total profit and loss charge	**3,032**	1,866	**1,310**	1,739
Movement in the net liability recognised in the balance sheet				
Net liability in the balance sheet at the beginning of the period	**13,666**	12,709	**7,195**	5,821
Exchange differences	**9**	414		
	13,675	13,123	**7,195**	5,821
Actual contributions paid	**–127**	–851	**–127**	–365
Benefits paid directly	**–333**	–219		
Total expenses recognised in the income statement	**3,032**	1,866	**1,310**	1,739
Recognised actuarial (gain)/loss charged directly to equity	**–1,094**		**–1,094**	
Exchange difference	**–161**	–357		
Net liability in the balance sheet at the closing of the period	**14,992**	13,562	**7,284**	7,195

30 Retirement benefit obligations continued

Assumptions	Group		Parent company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Discount rate	**8.38%**	8.21%	**4.70%**	5.00%
Rate of compensation increase	**8.01%**	7.74%	**5.00%**	5.00%
Average future working life	**14.64**	15.37	**18.30**	19.05

Assumptions	Group		Parent company	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Discount rate	11.49%	11.88%	5.00%	5.00%
Rate of compensation increase	10.49%	9.98%	5.00%	4.50%
Average future working life	15.30	15.78	19.05	19.05

(b) Pension plan	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	31/12/2007 €000's	31/12/2006 €000's
The amounts recognised in the balance sheet are as follows:				
Net liability in the balance sheet at the beginning of the period		365		
Exchange differences				
		365		
Benefits paid directly		-365		
Total expenses recognised in the income statement				
Net liability/(asset) in the balance sheet at the closing of the period				

Assumptions	Group		Parent company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Discount rate		4.75%		
Expected return on plan asset		5.50%		
Rate of compensation increase		5.00%		
Interest on advances		2.46%		
Average future working life		11.39		

Assumptions	Group		Parent company	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Discount rate	5.16%	5.16%		
Expected return on plan asset	5.28%	5.28%		
Rate of compensation increase	4.47%	4.47%		
Interest on advances	2.46%	2.46%		
Average future working life	11.39	11.39		

31 Expenses by nature

The expenses of the Group and parent company are analysed below:

	Group		Parent company	
	31/12/2007 €000's	31/12/2006 €000's	**31/12/2007 €000's**	31/12/2006 €000's
Raw materials, consumables, energy and maintenance	**253,543**	219,890	**61,027**	60,029
Wages and salaries (Note 26)	**55,256**	50,064	**21,330**	22,228
Depreciation	**18,509**	16,624	**3,593**	3,619
Transportation expenses	**2,117**	1,673	**793**	40
Employee benefits and personnel expenses	**8,651**	7,334	**3,194**	3,391
Travel expenses	**6,274**	5,240	**2,498**	1,894
Provision for staff leaving indemnities	**3,533**	3,268	**1,839**	1,740
Audit and third party fees	**11,665**	11,411	**5,638**	5,538
Rent, insurance, leasing payments and security expenses	**6,052**	4,854	**1,125**	836
Provisions for trade debtors, inventories, warranties and free of charge goods	**2,244**	4,298	**600**	751
Promotion and after sales expenses	**8,323**	5,661	**1,517**	2,413
Telecommunications, subscriptions and office supply expenses	**2,560**	2,290	**619**	481
Provision for stock options	**581**	1,847	**581**	1,847
Other expenses	**4,124**	4,568	**2,644**	2,790
Total	**383,432**	339,022	**106,998**	107,597
Categorised as:				
Cost of goods sold	**329,081**	289,664	**78,936**	81,882
Administration expenses	**29,004**	26,463	**19,913**	17,543
Selling, distribution and marketing expenses	**22,104**	20,114	**5,819**	6,037
Research and development expenses	**3,243**	2,781	**2,330**	2,135
Total	**383,432**	339,022	**106,998**	107,597
Depreciation:				
Cost of goods sold	**15,027**	14,345	**1,770**	1,966
Administration expenses	**2,229**	1,048	**750**	517
Selling, distribution and marketing expenses	**211**	183	**163**	164
Research and development expenses	**1,042**	1,048	**910**	972
Total	**18,509**	16,624	**3,593**	3,619

32 Bank deposits analysis

Bank credit rate (S&P rating)	Financial institution (bank)	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
A-1+	Citibank	**2,746**	4,831	**1**	1
A-1+	HSBC	**1,470**	528	**309**	259
A-2	Eurobank Ergasias	**1,578**	267	**1,536**	249
A-2	Alpha Bank	**2,681**	2,193	**634**	1,680
A-2	National Bank of Greece	**729**	74	**729**	74
A-1+	ING Group	**349**	232		
A-1+	Deutshe Bank	**60**	9		
A-1	D n B Nor Bank (Norway)	**986**	318		
B	First National Bank (South Africa)	**2,395**	1,479		
A-3	China Merchand Bank (China)	**5**	110		
A-1+	Credit Agricole Bank	**9**	35		
A-1+	Bank Popular Spain	**121**	119		
A-1	United Bank of Africa (Nigeria)	**3**	3		
B	Zenith Bank PLC (Nigeria)	**13**	15		
A-1	Fortis Banque (France and Germany)	**34**	89		
A-1	Bank of Ireland (Ireland)	**97**	566		
A-2	CFC Bank (Kenya)	**340**	207		
A-1+	IBTC Chartered Bank PLC (Nigeria)	**757**			
N/A	Other banks	**2,187**	4,648		
	Total	**16,560**	15,723	**3,209**	2,263

33 Short and long-term borrowing analysis

Bank credit rate (S&P rating)	Financial institution (bank)	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
A-1+	Citibank	**21,536**	2,958		
A-1+	HSBC	**5,451**	7,904		
A-2	Eurobank – Ergasias	**20,270**	24,467		5,551
A-2	Alpha Bank	**8,456**	14,532		5,551
A-2	Marfin Popular Bank		1,143		1,143
A-2	National Bank of Greece		1,992		1,992
A-1	D n B Nor Bank (Norway)	**2,060**			
N/A	Investment Banking & Trust Company (Nigeria)	**1,139**			
N/A	First Bank of Nigeria PLC	**438**			
B	Zenith Bank PLC (Nigeria)	**5,682**	402		
	Total	**65,032**	53,398		14,237

The Group has available sufficient credit facilities and is also able to obtain new facilities to cover both operational requirements as well as any strategic expansion initiatives.

34 Customer analysis

Customer credit rating (S&P rating)	Customer	Group 31/12/2007 €000's	Group 31/12/2006 €000's	Parent company 31/12/2007 €000's	Parent company 31/12/2006 €000's
A-1	CCHBC Group	**9,631**	13,215		251
N/A	Other Coca-Cola bottlers	**16,548**	13,076	**2,106**	1,265
A-2	Diageo Group/Guinness	**4,201**	3,760		
N/A	Heineken Group	**2,515**	3,802		
N/A	Other customers	**22,046**	10,329	**3,244**	1,648
	Total	**54,941**	44,182	**5,350**	3,164

Sales to key customers are made based on an annual planning that has been agreed with the customer.

35 Maturity of the contractual cash flows of financial liabilities

	Less than 1 year €000's	Between 1 & 2 years €000's	Between 2 & 5 years €000's	Over 5 years €000's
Group 31/12/2007				
Trade creditors	**41,573**			
Other creditors	**35,939**			
Loans	**64,412**	**1,170**	**602**	**2,074**
Group 31/12/2006				
Trade creditors	31,013			
Other creditors	32,751			
Loans	53,847	19	1,130	
Parent company 31/12/2007				
Trade creditors	**9,387**			
Other creditors	**7,227**			
Loans				
Parent company 31/12/2006				
Trade creditors	7,185			
Other creditors	5,553			
Loans	14,563			

Independent auditor's report

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

Report on the financial statements

We have audited the accompanying financial statements of Frigoglass S.A.I.C (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group") which comprise the Company and consolidated balance sheet as of 31 December 2007 and the income statements, statements of changes in equity and cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Greek Auditing Standards that are based on International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Reference to other legal and regulatory requirements

The Board of Directors' Report contains all information required by articles 43a paragraph 3 and 107 paragraph 3 and 16 paragraph 9 of Law 2190/1920 and article 11a of Law 3371/2005 and is consistent with the financial statements referred to in the preceding paragraph.

Athens, 26 February 2008

THE CERTIFIED AUDITOR
Constantinos Michalatos
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*[Translation from the original text in Hellenic]

Additional Information
Board of Directors' Report

To the Annual General Meeting of the Shareholders of Frigoglass SAIC Concerning the Financial Statements for the year ended 31/12/2007
Kifissia 22/2/2008

Dear Shareholders,

In conjunction with the submission, for your approval, of the consolidated and parent company financial statements for the fiscal year ended 31 December 2007, we submit the present report concerning the financial performance of the Company.

Operating review

Note:
Following a reorganisation of reporting segments, to the Annual General Meeting of the Shareholders of Frigoglass SAIC concerning the financial statements for the year ended 31/12/2007. Frigoglass will now include Nigeria's ICM within Cool Operations, with Nigeria Operations comprising of Glass and Other Operations. The Company believes that this better reflects the structural drivers of the business segments.

Consolidated sales increased 13.1% for full year 2007, to €453.4 million, driven by solid sales growth in Cool Operations and ongoing strong growth in Glass in Nigeria Operations. This compares favourably given the 30.7% sales growth achieved in the respective period last year.

Cool Operations Sales increased 12.4% in the year, to €392.0 million, now representing 86% of consolidated sales. Net profit in the segment increased 18.8% to €42.5 million.

In geographic terms, all four of Frigoglass' main regions experienced sales growth for the year: Eastern Europe increased by 14.8%, Western Europe increased by 6.4%, Africa/Middle East increased by 13.2% and Asia/Oceania increased by 28.8%. The markets which contributed the greatest incremental sales were Russia, the UK, India, France and Poland, with significant contributions also from Serbia, Bulgaria, the Netherlands, Libya and Germany.

Frigoglass continues to successfully diversify its customer base, with accelerated sales growth in Breweries by 46.3% versus 41% a year ago, leading to an expansion in the contribution to Cool Operations sales to 30.1%, compared to 23.1% in the respective period last year. Sales to Coca-Cola bottlers other than Coca-Cola Hellenic increased 18.7%, with the customer group contributing 27.9% compared to 26.4% in the same period last year. Frigoglass also continues to increase sales to juice, dairy, bottled water and other customers, with growth of 14.9% leading to a contribution from these customers of 10.4% to Cool Operations sales, compared to 10.1% in the same period last year. Sales growth relating to Coca-Cola Hellenic declined 11.7% year-on-year, now comprising 31.7% of Cool Operations sales compared to 40.4% for the same period last year. New products accounted for 22% of Cool Operations ICM Sales in the year, in line with Frigoglass' long-term targets.

Nigeria Operations Sales recorded a 17.7% increase in Euro terms in the year, to €58.6 million (21.0% in local currency terms), now representing 13% of consolidated sales. Sales growth was driven by strong momentum in Glass, with 29.8% in Euro terms to €41.0 million. Net profit for Nigeria increased 17.5% in Euro terms for the full year, to €2.5 million.

Plastics Operations achieved a 25.6% increase in sales, to €5.2 million for the full year.

At a consolidated level, operating profit increased 13.6% to €171.3 million for the year, with the respective margin expanding despite the impact of high raw material cost pressures. Net profit for the full year increased 18.1% to €145.4 million, benefiting from a reduction in financing costs, exchange loss and a lower effective tax rate.

Cash generated from operations pre-working capital increased 8.2% to €87.0 million for the full year. Net cash generated from operations post working capital decreased 5.7% to €53.0 million. This is a result of increased inventories relating mainly to the pre-buying of raw materials at the end of 2007, as well as strong sales towards the end of Q4.

Cool Operations

Cool Operations reported sales growth of 12.4%, to €392.0 million for the year, driven by 11.1% volume growth and an improvement in the average price per unit. Excluding Nigeria ICM, Cool Operations Sales increased 13.2%, from €336.4 million to €380.9 million.

Revenue by geography

All four geographic regions experienced sales growth for the full year, with the strongest growth seen across both developed markets such as the UK, the Netherlands, and France, and emerging markets such as India, Libya, Ghana, Moldova, Serbia, and Slovakia.

In Eastern Europe, sales increased by 14.8% for the full year to €197.1 million, with the greatest incremental contributions from Russia, Poland, Serbia, Bulgaria and Moldova. Growth in the region was driven by sales to breweries (up 37% to €90.6 million), juice, dairy and bottled water customers (up 142% to €12.3 million).

Sales in Western Europe increased 6.4% for the full year, to €126.2 million, with the greatest incremental contributions from the UK, France, the Netherlands, Germany and Sweden. This growth was driven by sales to Coca-Cola bottlers other than Coca-Cola Hellenic (up 23% to €65 million) and to breweries (up 58% to €13.7 million).

Sales in Africa/Middle East increased 13.2% to €46.7 million, with the most notable incremental contributions from Libya, Ghana, Morocco and Algeria. Growth was driven by sales to breweries (up by 106% to €11.7 million) and to Coca-Cola bottlers other than Coca-Cola Hellenic (up by 9% to €27.3 million).

Sales in Asia/Oceania increased 28.8% for the full year, to €21.9 million, driven primarily by a significant incremental sales increase in India, with substantial incremental sales also in Kazakhstan and Australia. Growth in the region was boosted by sales to Coca-Cola bottlers other than Coca-Cola Hellenic (up 21% to €15.4 million) and to breweries (up 681% to €1.7 million), as well as juice and dairy customers.

Operational review by key operations

	Revenues				EBITDA		
Full year 2007	**FY 2007 €000's**	FY 2006 € 000's	Change	% of total	**FY 2007 €000's**	FY 2006 € 000's	Change
Cool Operations	**391,975**	348,777	12.4%	86%	**74,215**	67,701	9.6%
Nigeria	**58,592**	49,761	17.7%	13%	**15,296**	11,584	32.0%
Plastics	**5,165**	4,111	25.6%	1%	**1,042**	1,030	1.1%
Inter-division eliminations	**–2,329**	–1,610					
Frigoglass consolidated	**453,403**	**401,039**	**13.1%**	**100%**	**90,553**	**80,315**	**12.7%**

*[Translation from the original text in Hellenic]

Revenue by customer group

Frigoglass continues to successfully diversify its customer base, with sales to breweries representing 30.1% of Cool Operations sales for the full year, compared to 23.1% in the prior year, sales to Coca-Cola bottlers other than Coca-Cola Hellenic representing 27.9% compared to 26.4% in the prior year, and other customers in the dairy, juice and bottled water categories representing 10.4% compared to 10.1% in the prior year.
Sales to Coca-Cola Hellenic declined 11.7% year-on-year, to €124.3 million, attributed to the cyclicality effect in certain markets Coca-Cola Hellenic accounted for 31.7% of Cool Operations sales, compared to 40.4% in the prior year. The greatest incremental contributions were provided by Poland, Romania, Moldova and Cyprus.

Sales to Coca-Cola bottlers other than Coca-Cola Hellenic increased 18.7%, to €109.2 million for the year. The greatest incremental contributions to sales came from India in Asia, the UK, France, the Netherlands, Spain and Germany in Western Europe, and Libya, Ghana, and Morocco in Africa.

In terms of sales to breweries, which increased 46.3% to €117.8 million for the year, leading customers include Heineken, BBH, SABMiller and Inbev. Russia accounted for the most significant incremental contributions during the year, relating to placements made in Russia by Heineken, BBH, SABMiller and Inbev. Furthermore, notable additional contributions arose from Denmark (Carlsberg), Greece (Heineken) and Romania (SABMiller).

New products continue to drive our global leading position as a provider of bespoke Ice-Cold Merchandising solutions. New products represented 22% of Cool Operations sales in the year, which is in-line with our long-term target.

Profitability

Operating profit (EBIT) rose 11.4% to €63.7 million for the year. Despite a 170 bps increase in raw material costs and additional start-up costs related to the new China plant, the operating profit margin only declined by 10 bps to 16.3% owing to the positive effect of operating leverage.

EBITDA increased 9.6% to €74.2 million for the full year, with margins declining 50 bps to 18.9%, mainly owing to increased raw material costs, increased selling and distribution costs, and research and development costs. Administration expenses rose 11.1% to €24.5 million.

Net profit increased 18.8% to €42.5 million, aided by lower financing costs and a reduction in the effective tax rate.

Nigeria Operations

Nigeria Operations achieved sales growth of 17.7% in Euro terms for the year, equating to €58.6 million (21.0% on a local currency basis), driven by continued momentum in Glass. Including Nigeria ICM, Nigeria Operations sales increased 12.2%, from €62.1 million to €69.7 million.

Revenue by operation

Sales growth for Nigeria Operations was derived from Glass, where sales increased 29.8% for the year in Euro terms to €41.0 million (33.4% in local terms). This was boosted primarily from sales to breweries, where volumes increased 69.9%, with notable contributions also from Pharmaceuticals (up 71.2%), Cosmetics (up 72.1%) and Exports (up 10.8%).

Sales for Other Operations declined 4.5% in the year in Euro terms, to €17.6 million (a decline of 1.9% in local currency terms), mainly as a result of a decline of TSG and PET. A provision of €0.729 million has been taken this year as part of the strategic review that Frigoglass is undertaking. Including Nigeria ICM, Other Operations sales decreased 6.8% year-on-year, from €30.8 million to €28.7 million.

Profitability

Operating profit (EBIT) rose 42.3% in Euro terms, to €7.0 million for the full year (45.2% on a local currency basis), with the respective margin rising 210 bps to 11.9%. On a like-for-like basis, adjusting for exceptionals, EBIT increased 50.3% to €7.7 million.

EBITDA increased 32.0% in Euro terms, to €15.3 million for the full year (35.0% on a local currency basis). Depreciation increased 17.6%, relating to the recommissioning of the third furnace at the beginning of the year.
Net profit increased 17.5% in Euro terms, to €2.5 million for the full year, despite an increase in financing costs and the effective tax rate.

Plastics

Sales in the Plastics Operations increased 25.6% year-on-year, for the full year, to €5.2 million. Operating profit declined 5.8% to €0.6 million, negatively impacted by increasing input costs and product mix. The net profit declined 23.4% to €0.4 million.

Financial review

Frigoglass – summary consolidated profit and loss account

Full year 2007	FY 2007 € 000's	FY 2006 € 000's	Change %
Revenues	**453,403**	401,039	13.1%
Gross profit	**124,322**	111,375	11.6%
EBITDA	**90,553**	80,315	12.7%
Operating profit (EBIT)	**71,261**	62,724	13.6%
EBT	**65,904**	56,444	16.8%
Net profit (after minorities)	**45,455**	**38,487**	**18.1%**

Net sales

At a consolidated level, net sales increased 13.1% year-on-year, to €453.4 million for the full year. This was driven by strong sales growth in Cool Operations as well as by the continuing recovery of Glass in Nigeria Operations.

Gross profit

Gross profit increased 11.6% to €124.3 million for the year. The gross profit margin declined 40 bps relative to the same period last year, to 27.4%, owing to a 120 bps increase in the raw material cost margin.

Operating profit (EBIT)
Operating profit increased 13.6% in the year to €71.3 million, with the operating profit margin expanding 10 bps to 15.7% despite the impact of high raw material prices, expenses relating to the new China plant.

Operating expenses increased 10.1% to €54.4 million for the year, with a favorable decline of 30 bps to 12.0% in the Opex margin, owing to ongoing effective cost management, primarily relating to the reduction of costs at Nigeria Operations. Administration expenses increased 9.6%; selling, distribution and marketing expenses increased 9.9%; and research and development expenses increased 16.6% year-on-year.

Net profit
Net profit increased 18.1% year-on-year, to €45.5 million for the year, driven by strong top-line growth and effective cost management, and benefiting from reduced financing costs (down 3.3% owing to a lower level of average net debt), lower exchange losses (down 44.3%) and a lower effective tax rate (27.3% compared to 29.1% in the respective period last year).

Cash flow
Cash flow pre-working capital rose 8.3% to €86.9 million. Net cash generated from operations fell 5.7% to €53.0 million owing in the main to a negative working capital effect. This change in working capital stemmed from pre-buying raw materials for H1 2008, higher level of finished goods together with strong sales towards the end of Q4.

A high rate of investment into growth during 2007, saw a significant cash outflow of €53.3 million, compared to €24.8 million (gross, adjusted for €11.7 million VPI proceeds in 2006), resulting in negative cash flow pre-financing.

Balance sheet
The balance sheet at the end of 2007 remained robust, despite the high capital expenditure programme, with net gearing rising modestly from 21.7% in the comparable period to 24%. Net debt rose from €35.2 million to €47.7 million, testament to the strong internal cash flow generation of the Company.

Average NTS/NWC ratio at 3.15 remained almost flat versus the same period last year (3.13). This is owing to net working capital rising at a similar rate to sales (up by 12.3%) owing to pre-buying of inventories especially towards year end. Inventory build also led to stock turn rates increasing from 91 days to 93 days.

Days payable outstanding remained flat versus 2006 at 62 days, whilst days sales outstanding decreased from 70 days to 69 days.

Capital expenditure
During 2007 Frigoglass invested actively into platforms for future growth, with capex totaling €54.6 million. The key elements of this programme included the furnace rebuild in Nigeria (€22.5 million) relating to Glass Operations, together with the Cool-related investments in China (the Greenfield development amounting to €11.0 million), Russia (€9.8 million), Romania (€2.5 million) and India (€1.6 million). The majority of this spend was incurred during Q4.

Parent company financial data
During the above-mentioned financial year the Company's activities were in accordance with the current legislation, as defined in the Company's Articles of Association. The balance sheet, the income statement, the statement of changes in equity and the cash flow statement of the above-mentioned financial year, which have been published and are submitted to the Annual General Meeting of the shareholders, have been prepared according to IFRS as adopted by the European Union.

The Board of Directors attempting an overview of the Company's operations, the balance sheet and the income statement would like to inform you on the following:

The Company's net sales reached €94.6 million 3% lower compared to previous year.
Gross profit remained at level of €15.6 million.
Earnings before tax reached €26.3 million, decreased by 3.2% compared to previous year.
Earnings after tax increased by 7.3% year-on-year reaching €17.6 million.

Other information
No significant events have occurred from the end of the fiscal year under consideration to the date of this report, that have any affect on the reported fiscal year.

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.

Based on the above, on the audit report and on the annual financial statements of 31 December 2007, we consider that all the available information is at your disposal so as to proceed with the approval of the financial statements for the fiscal year that ended on 31 December 2007 and to relieve the Board of Directors and the auditors of any further responsibility.

Explanatory Report of the Board of Directors

Regarding the items of article 11a paragraph 1 of Law 3371/2005
This explanatory report of the Board of Directors addressed to the Annual General Meeting of shareholders, contains information regarding the items of article 11a paragraph 1 of Law 3371/2005.

1 Structure of the Company's share capital
The Company's share capital amounts to €40,134,989, divided among 40,134,989 shares with a nominal value of €1 each. All the shares are registered and listed for trading in the Securities Market of the Athens Exchange under "Large Cap" classification. Each ordinary share entitles the owner to one vote.

Each share carries all the rights and obligations set out in law and in the Articles of Association of the Company.

The liability of the shareholders is limited to the nominal value of the shares they hold.

2 Limits on transfer of Company shares
The Company shares may be transferred as provided by the law and the Articles of Association provide no restrictions as regards the transfer of shares.

3 Significant direct or indirect holdings in the sense of Presidential Decree 51/1992
On 31 December 2007 the following shareholders held more than 5% of the total voting rights of the Company: BOVAL SA, 44.1% and DEUTSCHE BANK AG LONDON, 7.2%.

4 Shares conferring special control rights
None of the Company shares carry any special rights of control.

5 Limitations on voting rights
The Articles of Association make no provision for any limitations on voting rights.

6 Agreements among Company shareholders
The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights, nor is there any provision in the Articles of Association providing the possibility of such agreements.

7 Rules governing the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association deviating from those provided for in Codified Law 2190/20
The rules set out in the Articles of Association of the Company on the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association do not differ from those envisaged in Codified Law 2190/20.

8 Authority of the Board of Directors or certain of its members to issue new shares or to purchase the own shares of the Company, pursuant to article 16 of Codified Law 2190/20
There is no authorisation to the Board of Directors to issue of new shares or to purchase of the Company's own shares according to the article 16 of Codified Law 2190/20.

9 Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer
The Company has no agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer.

10 Significant agreements with members of the Board of Directors or employees of the Company
The Company has no significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without good reason or termination of their period of office or employment due to of a public offer.

Yours faithfully,
THE BOARD OF DIRECTORS
Exact copy from register of the minutes of Board of Directors Meetings

Petros Diamantides
Managing Director

Summary Financial Statements

Summary Financial Statements for the period: 1st January to 31 December 2007

(In terms of the article 135 of the Law 2190, for the companies publishing annual financial statements in accordance with IAS/IFRS)

The following information aims to provide a broad overview of the financial position and results of FRIGOGLASS S.A.I.C. and its subsidiaries. We advise the reader, before entering into any investment or any other transaction with the Company, to visit the Company's site where the interim financial statements and notes according to IFRS are published together with the auditor's report whenever it is required.

Company's statutory information

Head Office and Registered Address:
15, A. Metaxa Street, GR –145 64 Kifissia, Athens

Company's Number in the Register of Societes Anonymes:
29454/06/B/93/32

Supervising Authority:
Ministry of Development (Department for Limited companies)

Board of Directors:

Chairman – non-executive member:	C. David
Vice Chairman – non-executive member:	I. Androutsopoulos
Managing Director – executive member:	P. Diamantides
Secretary – non-executive member:	L. Komis
Member – non-executive:	V. Pisante
Member – non-executive:	C. Leventis
Member – non-executive:	E. Kalousis
Member – non-executive:	V. Fourlis
Member – non-executive:	A. Papalexopoulou

Date of Approval of the Financial Statements:
22 February 2008

Auditors Firm: PricewaterhouseCoopers

Auditor's Name: D. Michalatos

Report of the Auditors: Without Qualification

Company's Web Address: www.frigoglass.com

1.1 Balance sheet

	Group 31/12/07 €000's	Group 31/12/06 €000's	Company 31/12/07 €000's	Company 31/12/06 €000's
Assets:				
Property, plant and equipment	**150,370**	117,038	**12,859**	14,004
Intangible assets	**5,430**	5,183	**3,438**	3,763
Investments in subsidiaries	**0**	0	**59,781**	44,894
Deferred income tax assets	**2,614**	3,404	**406**	1,132
Other long-term assets	**2,580**	3,376	**2,143**	2,597
Total non-current assets	**160,994**	129,001	**78,627**	66,390
Inventories	**116,245**	94,701	**14,945**	17,380
Trade debtors	**52,618**	41,951	**5,055**	2,855
Other debtors	**20,658**	23,663	**1,476**	12,548
Income tax advances	**16,724**	14,571	**12,188**	10,181
Intergroup receivables	**0**	0	**21,790**	22,406
Cash and cash equivalents	**17,313**	18,220	**3,806**	2,271
Total current assets	**223,558**	193,106	**59,260**	67,641
Total assets	**384,552**	322,107	**137,887**	134,031

	Group 31/12/07 €000's	Group 31/12/06 €000's	Company 31/12/07 €000's	Company 31/12/06 €000's
Liabilities:				
Long-term borrowings	**2,810**	875	**0**	0
Deferred income tax liabilities	**9,016**	8,281	**827**	0
Retirement benefit obligations	**14,992**	13,562	**7,284**	7,195
Provisions for other liabilities and charges	**6,725**	8,439	**1,391**	3,584
Deferred income from government grants	**333**	362	**169**	211
Total non-current liabilities	**33,876**	31,519	**9,671**	10,990
Trade creditors	**41,573**	31,013	**9,387**	7,185
Other creditors	**35,939**	32,751	**7,227**	5,553
Current income tax liabilities	**11,427**	12,056	**7,494**	9,761
Intergroup payables	**0**	0	**8,597**	648
Short-term borrowings	**62,222**	52,523	**0**	14,237
Total current liabilities	**151,161**	128,343	**32,705**	37,384
Total liabilities (a)	**185,037**	159,862	**42,376**	48,374
Equity:				
Share capital	**40,135**	40,000	**40,135**	40,000
Share premium	**9,680**	6,846	**9,680**	6,846
Other reserves	**21,151**	25,599	**22,843**	23,285
Retained earnings/<loss>	**106,071**	69,957	**22,853**	15,526
Equity attributable to company shareholders (b)	**177,037**	142,402	**95,511**	85,657
Minority interest (c)	**22,478**	19,843	**0**	0
Total equity (d) = (b) + (c)	**199,515**	162,245	**95,511**	85,657
Total liabilities and equity	**384,552**	322,107	**137,887**	134,031

1.2 Elements of income statement

	Group From 1/1 to 31/12/07 €000's	Group From 1/1 to 31/12/06 €000's	Company From 1/1 to 31/12/07 €000's	Company From 1/1 to 31/12/06 €000's
Net trade sales	**453,403**	411,573	**94,592**	97,492
Cost of goods sold	**–329,081**	–299,750	**–78,936**	–81,882
Gross profit	**124,322**	111,823	**15,656**	15,610
Administration expenses	**–29,004**	–26,916	**–19,913**	–17,543
Selling and marketing expenses	**–22,104**	–20,129	**–5,819**	–6,037
Research and development expenses	**–3,243**	–2,784	**–2,330**	–2,135
Other operating income	**2,034**	1,967	**21,667**	18,797
Other <losses>/gains	**39**	–146	**46**	6
<Losses>/gains from restructuring	**–783**	–967	**0**	0
<Losses>/gains from discontinuing operations	**0**	0	**0**	1,130
Operating profit	**71,261**	62,848	**9,307**	9,828
Dividend income	**0**	0	**17,993**	20,467
Finance costs	**–5,357**	–6,404	**–975**	–1,970
Profit before income tax	**65,904**	56,444	**26,325**	28,325
Income tax expenses	**–17,977**	–16,413	**–8,774**	–11,967
Profit for the year after income tax expenses	**47,927**	40,031	**17,551**	16,358

1.2 Elements of income statement continued

	Group From 1/1 to 31/12/07 €000's	Group From 1/1 to 31/12/06 €000's	Company From 1/1 to 31/12/07 €000's	Company From 1/1 to 31/12/06 €000's
Attributable to:				
Minority interest	**2,472**	1,544	**0**	0
Shareholders of the Company	**45,455**	38,487	**17,551**	16,358
Depreciation	**18,509**	17,201	**3,593**	3,619
EBITDA	**90,553**	81,016	**12,900**	12,317
Basic earnings per share attributable to the shareholders of the Company (in Euro)	**1.14**	0.96	**0.44**	0.41
Diluted earnings per share attributable to the shareholders of the Company (in Euro)	**1.13**	0.96	**0.44**	0.41

Note:1) (Losses)/gains from restructuring activities as well as losses from discontinued operations have been incorporated in the calculation of EBITDA.
2) For the full year 2006 there are financial data of the discontinued operations of VPI incorporated for the period 01/01/2006-28/02/2006.

1.3 Elements of statement of changes in equity

	Group 31/12/07 €000's	Group 31/12/06 €000's	Company 31/12/07 €000's	Company 31/12/06 €000's
Open balance 01/01/2007 and 2006	**162,245**	154,574	**85,657**	77,304
Profit of the period	**47,927**	40,031	**17,551**	16,353
Dividends to Company's shareholders	**–12,800**	–8,000	**–12,800**	–8,000
Disposal of investments	**0**	–16,161	**0**	0
Currency translation differences	**–2,650**	–6,405	**0**	0
Shares issued to employees exercising stock options	**592**	0	**592**	0
Stock option reserve	**4,072**	0	**4,072**	0
Transfer from/to tax-free reserve	**–655**	0	**–655**	0
Net income recognised directly in equity	**1,094**	0	**1,094**	0
Dividends and share capital to minorities	**–310**	–1,794	**0**	0
Closing balance 31/12/2007 and 2006	**199,515**	162,245	**95,511**	85,657

1.4 Cash flow statement

	Group From 1/1 to 31/12/07 €000's	Group From 1/1 to 31/12/06 €000's	Company From 1/1 to 31/12/07 €000's	Company From 1/1 to 31/12/06 €000's
Cash flow from operating activities				
Profit before income tax from continuing operations	**65,904**	56,444	**26,325**	27,195
Profit before tax from discontinuing operation	**0**	0	**0**	1,130
Profit before tax	**65,904**	56,444	**26,325**	28,325
Adjustments for:				
Depreciation	**18,509**	17,201	**3,593**	3,619
Provisions	**6,140**	8,474	**1,196**	3,014
<Profit>/loss from disposal of PPE and intangible assets	**411**	0	**–46**	0
Dividend income	**0**	0	**–17,993**	–20,467
Exchange differences	**–4,030**	–1,813	**0**	0
Changes in working capital:				
Decrease/(increase) of inventories	**–21,545**	–13,484	**2,436**	–8,109
Decrease/(increase) of trade debtors	**–10,668**	7,836	**–2,200**	6,608
Decrease/(increase) of Intergroup receivables	**0**	0	**616**	9,265
Decrease/(increase) of other receivables	**2,985**	–9,557	**11,071**	–10,200
Decrease/(increase) of other long-term receivables	**797**	–2,193	**454**	–2,441
(Decrease)/increase of suppliers	**10,560**	3,904	**2,202**	–1,416
(Decrease)/increase of Intergroup payables	**0**	0	**7,949**	–57
(Decrease)/increase of other liabilities (except borrowing)	**3,188**	3,558	**1,674**	–697
Less:				
Income tax paid	**–19,269**	–14,208	**–10,313**	–6,814
Net cash generated from operating activities (a)	**52,982**	56,162	**26,964**	630
Cash flow from investing activities				
Purchase of property, plant and equipment	**–52,457**	–22,505	**–1,286**	–1,846
Purchase of intangible assets	**–2,181**	–2,265	**–1,137**	–1,494
Proceeds from subsidiaries disposal and other investments	**0**	11,690	**0**	12,000
Proceeds from disposal of PPE and intangible assets	**1,345**	0	**355**	0
Investments in subsidiaries	**0**	0	**–14,887**	0
Dividend income	**0**	0	**17,993**	20,467
Net cash generated from investing activities (b)	**–53,293**	–13,080	**1,038**	29,127
Net cash generated from operating and investing activities	**–311**	43,082	**28,002**	29,757

1.4 Cash flow statement continued

	Group From 1/1 to 31/12/07 €000's	Group From 1/1 to 31/12/06 €000's	Company From 1/1 to 31/12/07 €000's	Company From 1/1 to 31/12/06 €000's
Cash flow from financing activities				
Increase/(decrease) of borrowing	**11,634**	–27,165	**–14,237**	–19,870
Dividends paid to Company's shareholders	**–12,822**	–8,009	**–12,822**	–8,009
Dividends and share capital paid to minority	**0**	–1,794	**0**	0
Proceeds from issue of shares to employees	**592**	0	**592**	0
Net cash generated from financing activities (c)	**–596**	–36,968	**–26,467**	–27,879
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)	**–907**	6,114	**1,535**	1,878
Cash and cash equivalents at beginning of the year	**18,220**	12,106	**2,271**	393
Cash and cash equivalents at the end of the year	**17,313**	18,220	**3,806**	2,271

Additional information

1. Group companies that are included in the consolidated financial statements with their respective locations, percentage of ownership as well as the information regarding the fiscal years unaudited by the tax authorities by company are listed below:

Note: For certain countries, tax audit is not compulsory and is performed only under specific conditions.

Company name	Country	Consolidation method	% ownership	Fiscal years unaudited
Frigoglass S.A.I.C.	Hellas	Full	Parent	2005-2007
Frigoglass Romania SRL	Romania	Full	100%	2007
Frigorex Indonesia PT	Indonesia	Full	100%	2007
Frigoglass South Africa Ltd	S. Africa	Full	100%	2003-2007
Frigoglass Eurasia LLC	Russia	Full	100%	2006-2007
Frigoglass (Guangzhou) Ice Cold Equipment Co.,Ltd.	China	Full	100%	2006-2007
Scandinavian Appliances A.S	Norway	Full	100%	2003-2007
Frigoglass Ltd.	Ireland	Full	100%	2000-2007
Frigoglass Iberica SL	Spain	Full	100%	2002-2007
Frigoglass Sp zo.o	Poland	Full	100%	2005-2007
Frigoglass India PVT. Ltd.	India	Full	100%	2004-2007
Beta Glass Plc.	Nigeria	Full	53.82%	2004-2007
Frigoglass Industries (Nig.) Ltd	Nigeria	Full	76.03%	1999-2007
TSG Nigeria Ltd.	Nigeria	Full	54.89%	1999-2007
Beta Adams Plastics	Nigeria	Full	76.03%	1999-2007
3P Frigoglass Romania SRL	Romania	Full	100%	2005-2007
Frigorex East Africa Ltd.	Kenya	Full	100%	2002-2007
Frigoglass GmbH	Germany	Full	100%	2001-2007
Frigoglass Nordic	Norway	Full	100%	2003-2007
Frigoglass France SA	France	Full	100%	2003-2007
Coolinvest Holding Limited	Cyprus	Full	100%	1999-2007
Frigorex Cyprus Limited	Cyprus	Full	100%	1999-2007
Letel Holding Limited	Cyprus	Full	100%	1999-2007
Norcool Holding A.S	Norway	Full	100%	1999-2007
Nigerinvest Holding Limited	Cyprus	Full	100%	1999-2007
Deltainvest Holding Limited	Cyprus	Full	100%	1999-2007

2. The company VPI SA was not consolidated in present financial statements due to the sale of the Group's 51% ownership on 28 February 2006. The proceeds from the sale amounted to €15 million. The Company announced the agreement for the sale of its total ownership in the share capital of VPI SA (PET operations) on 15 December 2005. The sale contract was signed on 28 February 2006. Information regarding the sale of PET operations is presented in Note 23 of the Annual Financial Statements of December 2007. VPI SA Income Statement in summary is presented below:

	From 1/1 to 31/12/07	From 1/1 to 28/02/06
Sales	**0**	10,534
Profit before income tax from discontinuing operations	**0**	0
EBITDA	**0**	701

For the parent company EBT in 2006 from the disposal of VPI amounts to 1,130 thousand Euros and Earnings After Tax to 307 thousand Euros.

3. The main accounting principles as of the balance sheet of 31/12/2006 have been applied.

4. The pledges on the Group's assets at 31/12/2007 stood at €15.8 million. There are no pledges on the parent company's assets.

5. Capital expenditure for 2007 amount to: Group €54.6 million. (31/12/2006: €24.3 million), parent company €2.6 million. (31/12/2006: €3.3 million.)

6. There are no litigation matters which have a material impact on the financial position or operation of the Company and the Group.

7. The average number of employees for the period stood at:

	Group	Company
31/12/2007	**5,020**	**526**
31/12/2006	4,394	592

8. The amounts of sales and purchases and outstanding balances of receivables and payables of the Company to and from its related parties (according to the provisions of IAS 24) for the period 1/1/–31/12/2007 were as follows:

	31/12/2007 Group €000's	31/12/2007 Company €000's
a) Sales of goods and services	151,058	27,987
b) Receivables from related parties	9,631	0
c) Purchases from and payables to related parties	0	0
d) Intergroup sales of goods and services	0	43,731
e) Dividend income from subsidiaries	0	17,993
f) Receivables from subsidiaries	0	21,790
g) Intergroup purchases of goods and services	0	21,928
h) Payables to subsidiaries	0	8,597
i) Fees of members of Board of Directors	207	207
j) Management compensation	2,708	2,708
k) Receivables from management and Board of Directors members	0	0
l) Payables to management and Board of Directors members	0	0

Kifissia, 22 February 2008

Haralambos David
Chairman

Petros Diamantides
Managing Director

Panagiotis Tabourlos
Group Chief Financial Officer

Vassilios Stergiou
Finance Manager

Press Releases

Information regarding the Article 10 of Law 3401/2005

The Press Releases / Announcements detailed below have been sent to the Daily Official List Announcements and may be retrieved from the ATHEX webpage as well as from the company's webpage: www.frigoglass.com.

17/12/2007	Frigoglass: information regarding stock options plan
08/11/2007	Results for nine months 2007
19/10/2007	Frigoglass schedules Q3 2007 financial results
10/10/2007	Frigoglass opens its China plant
14/08/2007	Comment on press article
03/08/2007	H1 2007 financial results
17/07/2007	Comment on press article
09/07/2007	Frigoglass schedules H1 2007 financial results
06/07/2007	Frigoglass receives major research and development award
13/06/2007	Board of Directors' approval for the appointment of new Managing Director
08/06/2007	Resolutions of the Annual General Meeting of the shareholders of 8 June 2007
08/06/2007	Distribution of dividend for the fiscal year 2006
25/05/2007	Frigoglass Annual Report 2006
16/05/2007	Annual analysts' presentation in the Association of Greek Institutional Investors
15/05/2007	Invitation of the shareholders to the Annual General Meeting
09/05/2007	Q1 2007 financial results
04/04/2007	Frigoglass schedules Q1 2007 financial results
30/03/2007	Frigoglass announces the appointment of new Managing Director
28/03/2007	Frigoglass participated in DB 7th annual Pan European Small & Mid Cap Conference
28/02/2007	Results for the year ended 31 December 2006
16/02/2007	Frigoglass conference call invitation
01/02/2007	Financial calendar 2007
29/01/2007	Frigoglass schedules full year 2006 financial results
17/01/2007	Frigoglass wins major industry award in Russia

You may retrieve the financial statements of those subsidiaries whose country/local statutory system provides the option for reporting under IFRS from the company's webpage: www.frigoglass.com

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