

## METIS CAPITAL LTD. ANNOUNCES 6M-2008 FINANCIAL RESULTS

*Total Revenues: € 46.5 million; Gross Profit: € 7.7 million; Net Loss: € 9.4 million*

**Tel Aviv/Israel; August 29, 2008 – Metis Capital Ltd.** (Prime Standard: EIC; TASE: MTSC) announces its consolidated interim financial statements for the first six months of fiscal year 2008.

Total revenues of the consolidated company in the first six months of 2008 amounted to € 46.5 million, compared to € 53.0 million in the same period of 2007. Of the total revenues, € 45.7 million were derived from the sales of cars and spare parts (6M-2007 € 52.5 million), € 0.6 million were derived from rental income (6M-2007 € 0.4 million), € 0.2 million were derived from business consulting services (to Japan Auto) compared to € 0.1 million in the same period of 2007.

The gross profit of the consolidated company in the first six months of 2008 amounted to € 7.7 million, compared to € 9.2 million in the same period of 2007. The selling and marketing expenses of the consolidated company in the first six months of 2008 amounted to € 1.7 million, compared to € 1.3 million in the same period of 2007. The increase is mainly due to advertising campaign made by Japan Auto.

The loss before income taxes of the consolidated company amounted to € 1.1 million, compared to a profit of € 4.7 million in the same period of 2007. The net loss of the consolidated company in the first six months of 2008 amounted to € 9.4 million, compared to a net profit of € 2.2 million in the same period of 2007.

The liquid assets (cash, cash equivalent short term investments and restricted deposit) of the consolidated Company as of June 30, 2008 amounted to € 21.1 million, compared to € 29.1 million by the end of 2007. This decrease derives mainly from the decrease in cash and cash equivalent and in short term investments at Japan Auto.

The complete financial report is available for download on the corporate website: [www.metis-capital.com](http://www.metis-capital.com)

Financial Details for 6M-2008:

In million of EUROS, except earnings per share data

	For the six months ended June 30,	
	2008	2007
<b>Total Revenues</b>	<b>46.5</b>	<b>53.0</b>
<b>Gross Profit</b>	<b>7.7</b>	<b>9.2</b>
<b>Operating Profit</b>	<b>3.33</b>	<b>5.3</b>
<b>Profit (loss) before income taxes</b>	<b>(1.1)</b>	<b>4.7</b>
<b>Income Taxes</b>	<b>0.7</b>	<b>1.2</b>
<b>Net (Loss) Profit</b>	<b>(9.4)</b>	<b>2.2</b>
<b>Profit (Loss) per Share</b>	<b>(1.2)</b>	<b>0.3</b>

About Metis Capital Ltd.

Metis Capital Ltd. is an investment house with entrepreneurial outlook that targets to invest in high-growth markets and areas of business that offer attractive returns in order to create high value for its shareholders. The Company aims at national and international investment activities.

Metis Capital Ltd. is active in diversified business sectors, such as automotive, real estate and financing.

In 2005, the Company acquired fifty percent of Japan Auto Group, which includes real estate assets, a management company and the exclusive concession for the marketing of Subaru automobiles in Israel. The investment is presently the main operational focus of the Company's business activities and one of the focus areas of its future growth.

The Company complements its resources by forming strategic partnerships with leading financial institutions, investment companies and other synergistic companies that support and grow the Company's business activities and investment portfolio.

Metis Capital is traded on the Prime Standard of the Frankfurt Stock Exchange and on the Tel-Aviv Stock Exchange. The corporate headquarter of the Company is in Tel-Aviv, Israel.

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