INTERIM REPORT
FOR THE THREE MONTHS
ENDED 31 MARCH 2010

Limassol, May 6th, 2010

TABLE OF CONTENTS

DIRECTORS' REPORT ON THE COMPANY'S AND GROUP'S OPERATIONS

We have prepared this report as required by Paragraph 82 section 1 point 1 of the Regulation of the Ministry of Finance dated 19 February 2009 on current and periodic information to be published by issuers of securities and conditions of recognition of information required by the law of non-member country as equal.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this quarterly report all references to the Company apply to ASBISc Enterprises Plc and all references to the Group apply to ASBISc Enterprises Plc and its consolidated subsidiaries. Expressions such as "we", "us", "our" and similar apply generally to the Group (including its particular subsidiaries, depending on the country discussed), unless from the context it is clear that they apply to the Company alone.

Financial and Operating Data

This quarterly report contains financial statements of, and financial information relating to the Group. In particular, this quarterly report contains our interim consolidated financial statements for the three months ended 31 March 2010. The financial statements appended to this quarterly report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

The functional currency of the Company is U.S. dollars. Accordingly, transactions in currencies other than our functional currency are translated into U.S. dollars at the exchange rates prevailing on the applicable transaction dates.

Certain arithmetical data contained in this quarterly report, including financial and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this quarterly report may not conform exactly to the total figure given for that column or row.

Currency Presentation

Unless otherwise indicated, all references in this quarterly report to "U.S. $" or "U.S. dollars" are to the lawful currency of the United States; all references to "€" or the "Euro" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty, which means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and all references to "PLN" or "Polish Zloty" are to the lawful currency of the Republic of Poland.

All references to U.S. dollars, Polish Zloty, Euro and other currencies are in thousands, except share and per share data, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements relating to our business, financial condition and results of operations. You can find many of these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate" and similar words used in this quarterly report. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution you not to place undue reliance on such statements, which speak only as of the date of this quarterly report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this quarterly report.

Part I Additional information

1. Overview

ASBISc Enterprises Plc is one of the leading distributors of Information Technology ("IT") products in Europe, Middle East and Africa ("EMEA") Emerging Markets: Central and Eastern Europe, the Baltic States, the former Soviet Union, the Middle East and Africa, combining a broad geographical reach with a wide range of products distributed on a "one-stop-shop" basis. Our main focus is on the following countries: Russia, Slovakia, Ukraine, Poland, Czech Republic, Belarus, Romania, Croatia, Slovenia, Bulgaria, Serbia, Hungary, and Middle East countries (i.e. United Arab Emirates, Saudi Arabia, Qatar and other Gulf states).

The Group distributes IT components (to assemblers, system integrators, local brands and retail) as well as A-branded finished products like desktop PCs, laptops, servers, and networking (to SMB and retail). Our IT product portfolio encompasses a wide range of IT components, blocks and peripherals, and mobile IT systems. We currently purchase the majority of our products from leading international manufacturers, including Intel, Advanced Micro Devices ("AMD"), Seagate, Western Digital, Samsung, Microsoft, Toshiba, Dell, Acer and Hitachi. In addition, a significant part of our revenue is comprised of sales of IT products under our private labels, Prestigio and Canyon.

ASBISc commenced business in 1992 in Belarus and in 1995 we incorporated our holding company in Cyprus and moved our headquarters to Limassol. Our Cypriot headquarters support, through three master distribution centres (located in the Czech Republic, the United Arab Emirates and China), our network of 33 warehouses located in 26 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 75 countries.

The Company's registered and principal administrative office is at Diamond Court, 43 Kolonakiou Street, Ayios Athanasios, CY-4103 Limassol, Cyprus.

2. Executive summary for the three months ended 31 March 2010

The principal events of the three months ended 31 March 2010 were as follows:

- Revenues in Q1 2010 increased by 39.12% to U.S. $ 330,995 from U.S. $ 237,914 in the corresponding period of 2009.

- Gross profit in Q1 2010 increased by 115.12% to U.S. $ 15,443 from U.S. $ 7,179 in the corresponding period of 2009.

- Gross profit margin in Q1 2010 increased to 4.67% from 3.0% in the corresponding period of 2009. It is also worth mentioning that the above gross margin is net of foreign exchange losses of approximately U.S. $ 1.4 million.

- Selling expenses in Q1 2010 increased by 30.40% to U.S. $ 7,978 from U.S. $ 6,118 in the corresponding period of 2009. This is connected with increased sales and gross profit.

- Administrative expenses in Q1 2010 increased by 1.09% to U.S. $ 5,630 from U.S. $ 5,569 in the corresponding period of 2009. Administrative expenses remained under strict control despite the significant increase in sales, gross and net profit.

- EBITDA in Q1 2010 reached U.S. $ 2,556 in comparison to negative value of U.S. $ -3,785 in the corresponding period of 2009.

- Net profit after taxation in Q1 2010 reached U.S. $ 202 in comparison to net loss of U.S. $ 6,208 in the corresponding period of 2009. The management wants to point out that Q1 2010 was the third consecutive quarter where the company delivered profits and consider this as a key indicator for recovery from the crisis.

Following table presents revenues breakdown by regions in the three month periods ended March 31st, 2010 and 2009 respectively (in U.S.$ thousands):

Region	Q1 2010	Q1 2009
Former Soviet Union	121,825	64,183
Central and Eastern Europe	114,589	94,012
Western Europe	30,255	24,751
Middle East and Africa	51,656	47,604
Other	12,671	7,364
Grand Total	330,995	237,914

3. Summary historical financial data

The following data sets out our summary historical consolidated financial information for the periods presented. You should read the information in conjunction with the interim condensed consolidated financial statements and results of operations contained elsewhere in this interim report.

For your convenience, certain U.S. $ amounts as of and for the three months ended March 31st, 2010 and 2009, have been converted into Euro and PLN as follows:

- Individual items of the balance sheet – based at average exchange rates quoted by the National Bank of Poland for a given balance sheet date December 31st, 2009, that is: 1 US$ = 2.8503 PLN and 1 EUR = 4.1082 PLN and March 31st, 2010, that is: 1 US$ = 2.8720 PLN and 1 EUR = 3.8622 PLN

- Individual items in the income statement and cash flow statement – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month in a given period January 1st to March 31st, 2009, that is 1 US$ = 3.5578 PLN and 1 EUR = 4.5994 PLN and January 1st to March 31st, 2010, that is 1 US$ = 2.9018 PLN and 1 EUR = 3.9669 PLN.

	Period from 1 January to 31 March 2010			Period from 1 January to 31 March 2009		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**330,995**	**960,481**	**242,126**	**237,914**	**846,449**	**184,035**
Cost of sales	(315,552)	(915,669)	(230,829)	(230,735)	(820,909)	(178,482)
Gross profit	**15,443**	**44,811**	**11,296**	**7,179**	**25,540**	**5,553**
Selling expenses	(7,978)	(23,149)	(5,836)	(6,118)	(21,766)	(4,732)
Administrative expenses	(5,630)	(16,337)	(4,118)	(5,569)	(19,815)	(4,308)
Profit/(loss) from operations	**1,835**	**5,326**	**1,343**	**(4,509)**	**(16,041)**	**(3,488)**
Financial expenses	(1,699)	(4,929)	(1,243)	(1,816)	(6,460)	(1,405)
Financial income	103	299	75	13	47	10
Other income	13	36	9	143	508	111
Profit/(loss) before taxation	**252**	**732**	**185**	**(6,169)**	**(21,947)**	**(4,772)**
Taxation	(50)	(146)	(37)	(39)	(138)	(30)
Profit/(loss) after taxation	**202**	**585**	**148**	**(6,208)**	**(22,085)**	**(4,802)**
Attributable to:						
Non-controlling interests	75	218	55	(13)	(47)	(10)
Owners of the parent	**127**	**367**	**93**	**(6,194)**	**(22,038)**	**(4,791)**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	0.23	0.66	0.17	(11.16)	(39.71)	(8.63)

	Period from 1 January to 31 March 2010			Period from 1 January to 31 March 2009		
	USD	PLN	EUR	USD	PLN	EUR
Net cash outflows from operating activities	(49,371)	(143,264)	(36,115)	(17,313)	(61,597)	(13,393)
Net cash outflows from investing activities	(496)	(1,438)	(363)	(2,145)	(7,631)	(1,659)
Net cash outflows from financing activities	(2,635)	(7,647)	(1,928)	(5,153)	(18,334)	(3,986)
Net increase/(decrease) in cash and cash equivalents	**(52,502)**	**(152,349)**	**(38,405)**	**(24,611)**	**(87,562)**	**(19,038)**
Cash at the beginning of the period	**36,572**	**106,124**	**26,753**	**12,934**	**46,017**	**10,005**
Cash at the end of the period	**(15,930)**	**(46,225)**	**(11,653)**	**(11,677)**	**(41,545)**	**(9,033)**

	As at 31 March 2010			As at 31 December 2009		
	USD	PLN	EUR	USD	PLN	EUR
Current assets	348,667	1,001,370	259,275	357,920	1,020,179	248,328
Non-current assets	26,970	77,457	20,055	27,903	79,532	19,359
Total assets	375,636	1,078,827	279,330	385,823	1,099,711	267,687
Liabilities	284,401	816,800	211,486	294,471	839,332	204,307
Equity	91,235	262,028	67,844	91,352	260,379	63,380

4. Organization of ASBIS Group

The following table presents our corporate structure as at March 31st, 2010:

Company	Consolidation
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
Asbis PL Sp.z.o.o (Warsaw, Poland)	Full (100% subsidiary)
AS Asbis Baltic (Tallinn, Estonia)	Full (100% subsidiary)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100% subsidiary)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100% subsidiary)
Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100% subsidiary)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100% subsidiary)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100% subsidiary)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
UAB Asbis Vilnius (Vilnius, Lithuania)	Full (100% subsidiary)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100% subsidiary)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100% subsidiary)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100% subsidiary)
Asbis Europe B.V (Schiphol, Netherlands)	Full (100% subsidiary)
Asbis Limited (Charlestown, Ireland)	Full (100% subsidiary)
FPUE Automatic Systems of Business Control (Minsk, Belarus)	Full (100% subsidiary)
E.M. Euro-Mall Ltd (former ISA Hardware Limited–Group) (Limassol, Cyprus)	Full (100% subsidiary)
OOO ‘ Asbis’-Moscow (Moscow, Russia)	Full (100% subsidiary)
Asbis Nordic AB (Jaelfaella, Sweden)	Full (100% subsidiary)
Asbis Morocco Limited (Casablanca, Morocco)	Full (100% subsidiary)
EUROMALL CZ s.r.o. (formerly ISA Hardware s.r.o.) (Prague, Czech Republic)	Full (100% subsidiary)
EUROMALL d.o.o. (formerly ISA Hardware d.o.o.) (Zagreb, Croatia)	Full (100% subsidiary)
ISA Hardware Hungary Commercial Limited Liability Co (Budapest, Hungary)	Full (100% subsidiary)
S.C. EUROMALL 2008 S.R.L (formerly ISA Hardware International S.R.L) (Bucharest, Romania)	Full (100% subsidiary)
ISA Hardware s.r.o Slovakia (Bratislava, Slovakia)	Full (100% subsidiary)
Euro-Mall SRB d.o.o. (former ISA Hardware d.o.o Beograd) (Belgrade, Serbia)	Full (100% subsidiary)
E.M.Euro-Mall D.o.o. (former ISA Hardware s.r.o Slovenia) (Ljubljana, Slovenia)	Full (100% subsidiary)
Prestigio Plaza Sp. z o.o (Warsaw, Poland)	Full (100% subsidiary)
Prestigio Plaza Ltd (formerly Prestigio Technologies) (Limassol, Cyprus)	Full (100% subsidiary)
Prestigio Europe s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
Prestigio Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
ASBIS NL.B.V. (Amsterdam, Netherlands)	Full (100% subsidiary)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100% subsidiary)
Asbis TR Bilgisayar Limited Sirketi (Istanbul, Turkey)	Full (100% subsidiary)
SIA “ASBIS LV” (Riga, Latvia)	Full (100% subsidiary)
Megatrend d.o.o. (Sarajevo, Bosnia Herzegovina)	Full (80% ownership)
PTUE IT-MAX (Minsk, Belarus)	Full (100% subsidiary)
ASBIS Close Joint-Stock Company (former CZAO ASBIS) (Minsk, Belarus)	Full (66.6% ownership)
ASBIS IT S.R.L.” (Rome, Italy)	Full (100% subsidiary)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100% subsidiary)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100% subsidiary)
ASBIS Taiwan (Taipei City, Taiwan)	Full (100% subsidiary)

5. Changes in the structure of the Company

During the three months ended March 31st, 2010 there were no changes in the structure of the Company and the Group.

6. Discussion of the difference of the Company's results and published forecasts

We did not publish any forecasts for the three month period ended March 31st, 2010.

7. Information on dividend payment

For the period ended March 31st, 2010 no dividend has been paid.

8. Shareholders possessing more than 5% of the Company's shares as of the date of publication of the interim report

The following table presents the shareholders possessing more than 5% of the Company's shares as of the date of publication of this report, according to our best knowledge. The information included in the table is based on the information received from the shareholders pursuant to Art. 69, sec. 1, point 2 of the Act on Public Offering, conditions governing the introduction of financial instruments to organized trading and public companies.

Name	Number of shares	% of share capital	Number of Votes	% of votes
KS Holdings Ltd	25,676,361	46.26%	25,676,361	46.26%
Maizuri Enterprises Ltd	4,800,000	8.65%	4,800,000	8.65%
Alpha Ventures S.A.	3,200,000	5.76%	3,200,000	5.76%
Sangita Enterprises Ltd	2,800,000	5.05%	2,800,000	5.05%
Free float	19,023,639	34.28%	19,023,639	34.28%
Total	**55,500,000**	**100.00%**	**55,500,000**	**100.00%**

9. Changes in the number of shares owned by the members of the Board of Directors

During the three month period ended March 31st, 2010 as well as for the period between March 30th, 2010 (the date of publication of the Annual Report for 2009) and May 6th, 2010 (date of this report) there were no changes in the number of shares possessed by the members of the Board of Directors.

The table below presents the number of shares held by the members of the Board of Directors as of the date of this report. The information included in the table below is based on information received from members of our Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

Name	Number of Shares	% of the share capital
Siarhei Kostevitch (directly and indirectly)	25,696,361	46.30%
Marios Christou	350,000	0.63%
Laurent Journoud	400,000	0.72%
Constantinos Tziamalis	35,000	0.06%
Efstathios Papadakis	0	0%
Kyriacos Christofi	0	0%

10. Changes in the members of managing bodies

During the three month period ended March 31st, 2010 there were no changes in the members of the Company's Board of Directors.

11. Administrative and court proceedings against the Company

As of March 31st, 2010, no court, arbitration or administrative proceedings whose single or aggregate value exceeds 10% of our equity were pending against us or any of the members of our Group.

12. Related Party Transactions

During the three months ended March 31st, 2010 we did not have any material related party transaction exceeding the Polish Zloty equivalent of Euro 500 thousand other than typical or routine transactions.

13. Information on guarantees granted to third parties

Neither us, nor any of our affiliates or subsidiary companies have granted any guarantees or secured any third party credits for an amount exceeding 10% of its equity within the three months ended March 31st, 2010. However, the total bank guarantees raised by the Group (mainly to Group suppliers) as at March 31st, 2010 amounted to U.S. $ 11.729 – as per note number 14 to the financial statements – which exceeded 10% of the Company's equity.

14. Information on changes in conditional commitments or conditional assets, occurred since the end of last fiscal year

No changes in conditional commitments or conditional assets, occurred since the end of the last fiscal year.

15. Other information important for the assessment of our personnel, economic and financial position, as well as our financial results

In the three month period ended March 31st, 2010 the Company's results of operations have been affected and are expected to continue to be affected by a number of factors, including the effects of the world's financial crisis, currency fluctuations, competition and price pressures, low gross profit margins, potential inventory obsolescence and price erosion, credit risk and seasonality.

Out of the aforementioned factors two were the most important ones; the world's financial crisis and the currency fluctuations. Despite the impact from these factors the Company increased its revenues significantly compared to the corresponding period of 2009 and was profitable for a third consecutive quarter.

This was possible mostly due to better demand in the Company's main markets, improved product portfolio and good operational efficiencies combined with solid foundation built during the crisis times.This enabled the Company to increase its market share in particular markets and increase sales.

Below we present all factors that affected and continue to affect our business:

World's Financial Crisis

As it was announced in previous reports, the world's financial crisis that has led the global economy into a dramatic slowdown has affected the Company's results. This impacted the Company's results since the second half of 2008 and throughout 2009. Although the crisis is not over yet, its influence on the Company's markets beginning from September 2009 was decreasing and this trend continued in Q1 2010.

Despite recovery signals from some of our markets, the Company continues its efforts to minimize the impact of the global financial crisis on its financial results, especially on sales. The Company has revised its strategy and has adapted to the new environment, i.e. by rebuilding its product portfolio. This paid off in line with increasing demand in many markets of the Company's operations, as the Company was able to benefit from the partial recovery of demand.

We expect that the impact of the crisis will continue throughout the whole 2010, however we are confident that the Group is in a much better position to weather the situation.

Currency fluctuations

As mentioned in previous reports, the Company's reporting currency is the U.S. dollar. Traditionally approximately 40% of the Company's revenues were denominated in U.S. dollars. Due to the Company's efforts to decrease currency risk, this number grew to more than 50% in Q3 2009 and remained unchanged since then, while the balance was denominated in Euro and other currencies, some of which are linked to the Euro. Since most of the Company's trade payable balances are denominated in U.S. dollars (about 80%), the Company was exposed to foreign exchange risk.

Foreign exchange risk remains a very crucial factor that might affect the Group's results in the future. On the other hand, the Group is adopting all hedging strategies possible to tackle this problem. The problem persists and will persist as the Euro and other Eastern European currencies fluctuate against the U.S. Dollar, the Group's reporting currency. The problems faced within the Eurozone had led the Euro and other Eastern European currencies into a steep depreciation against the U.S. Dollar, which made our hedging efforts extremely difficult. Despite the steep movements and the significant impact on our income statement, the company remained profitable for the whole quarter. This was a significant change in comparison to the corresponding period of 2009, that confirmed effectiveness of the upgraded strategies and undertaken efforts.

Competition and price pressure

The IT distribution industry is a highly competitive market, particularly with regards to products selection and quality, inventory, price, customer services and credit availability and hence is open to margin pressure from competitors and new entrants. The Company competes at the international level with a wide variety of distributors of varying sizes, covering different product categories and geographic markets. In particular, in each of the markets in which the Company operates it faces competition from:

a) international distributors such as Avnet Inc., Tech Data Corp., Ingram Micro Inc. and Arrow Electronics Inc., which are much larger than the Company, but do not always cover the same geographic regions with local presence as the Company does,

b) regional or local distributors, such as Elko, mainly in the Baltic States, Russia, Ukraine, Kvazar Micro and Merlion in the Former Soviet Union, AB, ABC Data and Action in Poland and ATC and ED System-BGS Levi in the Czech Republic and Slovakia.

Competition and price pressures from market competitors and new market entrants may lead to significant reductions in the Company's sales prices. Such pressures may also lead to loss of market share in certain of the Group's markets. Price pressures can have a material adverse effect on the Company's profit margins and its overall profitability, especially in view of the fact that its gross profit margins, like those of most of its competitors, are low and sensitive to sales price fluctuations.

Low gross profit margins

The Company's gross profit margins, like those of other distributors of IT products, are low and the Company expects them to remain low in the foreseeable future. Increased competition arising from industry consolidation and low demand for certain IT products may hinder the Company's ability to maintain or improve its gross margins. A portion of the Company's operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, the Company may not be able to reduce its operating expenses as a percentage of revenue in order to mitigate any reductions in gross margins in the future.

Despite that the Company continues its strategy of product portfolio diversification by adding more A-branded goods, laptops, software and more own brands sales to traditional IT components business, in order to reach better margins in the future.

When comparing the presented Company's gross profit margins with competitors, it is important to remember that the Company counts part of foreign exchange effect connected with sales in its gross profit. This has an adverse effect on the presented gross profit margin (assuming FX losses, as the case of Q1 2010) and creates a difference compared to that of other IT distributors. If this effect is excluded, the presented gross profit margin would increase significantly.

Inventory obsolescence and price erosion

The Company is often required to buy components and finished products according to forecasted requirements and orders of its customers and in anticipation of market demand. The market for IT finished products and components is characterized by rapid changes in technology and short product shelf life, and, consequently, inventory may rapidly become obsolete. Due to the fast pace of technological changes, the industry may sometimes face a shortage or, at other times, an oversupply of IT products. As the Company increases the scope of its business and, in particular, of inventory management for its customers, there is an increasing need to hold inventory to serve as a buffer in anticipation of the actual needs of the Company's customers. This increases the risk of inventory becoming devalued or obsolete and could affect the Company's profits either because prices for obsolete products tend to decline quickly, or as a result of the need to make provisions for write-offs. In an oversupply situation, other distributors may resort to price reductions to dispose of their existing inventories, forcing the Company to lower its prices to stay competitive. The Company's ability to manage its inventory and protect its business against price erosion is critical to its success.

A number of the Company's most significant contracts with its major suppliers contain advantageous contract terms that protect the Company against exposure to price fluctuations, defective products and stock obsolescence.

Credit risk

The Company buys components and finished products from its suppliers on its own account and resells them to its customers. The Company extends credit to some of its customers at terms ranging from 21 to 60 days or, in a few cases, to 90 days. The Company's payment obligations towards its suppliers under such agreements are separate and distinct from its customers' obligations to pay for their purchases, except in limited cases in which the Company's arrangements with its suppliers require the Company to resell to certain resellers or distributors. Thus, the Company is liable to pay its suppliers regardless of whether its customers pay for their respective purchases. As the Company's profit margin is relatively low compared to the total price of the products sold, in the event the Company is unable to recover payments from its customers, it is exposed to a financial liquidity risk. The Company has in place credit insurance which covers such an eventuality for approximately 50 percent of its revenue.

Due to the recent market developments following the credit crisis that affected all countries the Group operates in, credit risk has become one of the most important factors that might affect the Group's results in the future. Despite the fact that the Group has managed to credit insure a large portion of its receivables, credit insurance companies are nowadays more risk averse and they are cancelling and/or withdrawing credit limits to customers. As a result the Group is exposed to more credit risk and the ability of the Group to analyse and assess its credit risk is of extremely high importance.

Seasonality

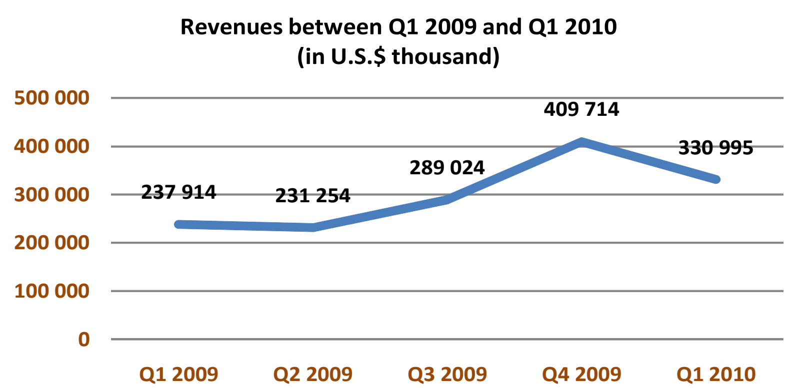
Traditionally the IT distribution industry in which the Company operates experiences high demand during the months prior to and leading up to the Christmas and New Year holiday period. In particular, IT distributors' demand tends to increase in the period starting from September to the end of the year.

This situation changed in 2008, when the Company enjoyed good demand, sales and profits in the first half of the year, and poor demand, sales and results in the second half of the year due to the financial crisis affecting our regions. This continued during the first nine months of 2009, especially on the demand and sales levels, as some of our customers' ability to buy was limited due to the overall economic situation.

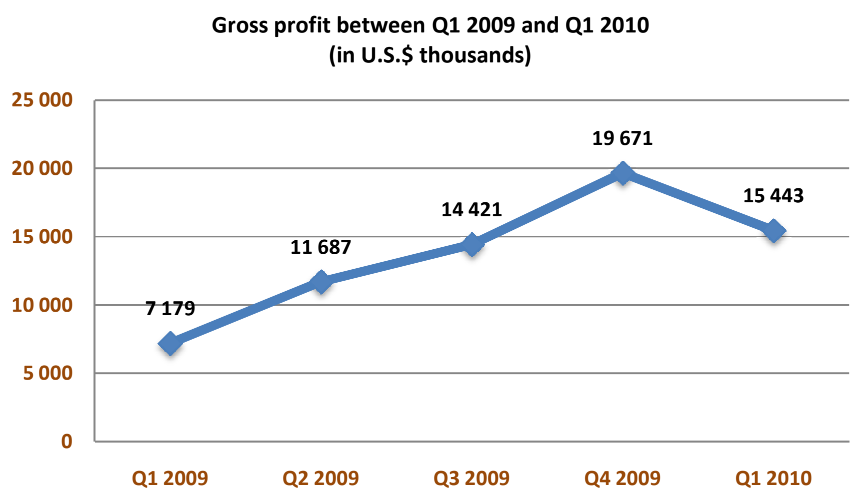
Results of Operations

Three months ended March 31st, 2010 compared to the three months ended March 31st, 2009:

Revenues: In Q1 2010 revenues increased by 39.12% to U.S. $ 330,995 from U.S. $ 237,914 in the corresponding period of 2009. This increase reflected easing of the world's financial crisis, and the Company's ability to benefit from better demand on its main markets also thanks to its upgraded product portfolio. As a result the Company delivered significantly higher levels of sales than in 2009.



- **Gross profit:** In Q1 2010 gross profit increased by 115.12% to U.S. $ 15,443 from U.S. $ 7,179 in the corresponding period of 2009.



- **Gross profit margin:** In Q1 2010 increased to 4.67% from 3.0% in the corresponding period of 2009. The increase in gross profit margin in Q1 2010 compared to Q1 2009 is mainly due to lower foreign exchange losses owed to better efficiency of implemented hedging strategies.

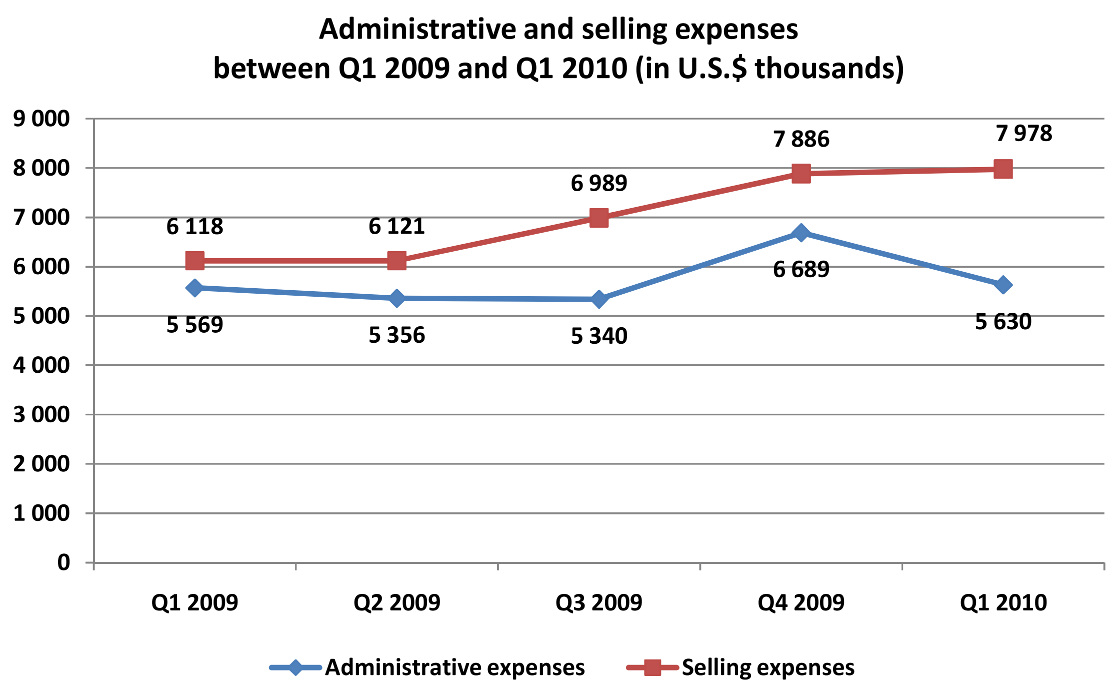
- **Selling expenses** largely comprise of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and traveling expenses.

  Selling expenses in Q1 2010 increased by 30.40% to U.S. $ 7,978 from U.S. $ 6,118 in the corresponding period of 2009. This was connected with increased sales and gross profit.

- **Administrative expenses** largely comprise of salaries and wages and rent expense.

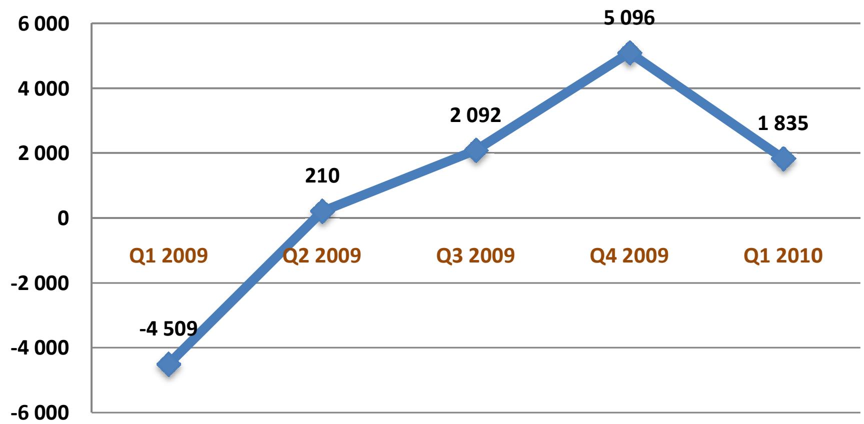
  In Q1 2010 administrative expenses increased slightly by 1.09% to U.S. $ 5,630 from U.S. $ 5,569 in the corresponding period of 2009. This confirms that despite growing sales and gross profit year-on-year, the administrative expenses remained under strict control and actually decreased as a ratio to revenue.

  It is also worth mentioning that the administrative expenses were reduced significantly by 15.83% compared to Q4 2009.



- **Operating profit:** In Q1 2010 the Company had an operating profit of U.S. $ 1,835 compared to operating loss of U.S. $ 4,509 in the corresponding period of 2009.

Profit from operations between
Q1 2009 and Q1 2010 (in U.S.$ thousands)

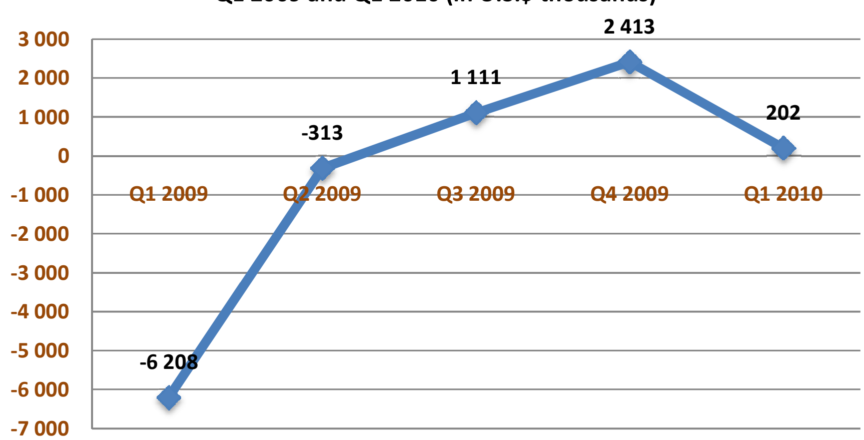


- **Profit before taxation:** In Q1 2010 the Company had a profit before taxation amounting to U.S. $ 252 compared to a loss of U.S. $ 6,169 in the corresponding period of 2009.

- **EBITDA in Q1 2010** reached U.S. $ 2,556 in comparison to negative value of U.S. $ 3,785 in the corresponding period of 2009.

- **Net profit after taxation** in Q1 2010 reached U.S. $ 202 in comparison to net loss of U.S. $ 6,208 in the corresponding period of 2009.

Net profit/loss after tax between
Q1 2009 and Q1 2010 (in U.S.$ thousands)



Sales by regions and countries

Traditionally and throughout the last years of the Company's operation, the region contributing the majority of revenues has been the Former Soviet Union. Because of the recent financial crisis that has affected many markets of the Company's operations, revenues generated from F.S.U. countries have decreased in Q1-Q3 2009 compared to the corresponding periods of 2008 and Central and Eastern Europe region become region no 1 in the Company's structure of revenues.

However, together with easing of the world's financial crisis and growing demand, big markets like Russia or Ukraine, which suffered more during the crisis, started to show signs of recovery. This was visible in Q1 2010, when the F.S.U. region with +89,81% growth in sales regained position no 1 in the Company's structure of revenues.

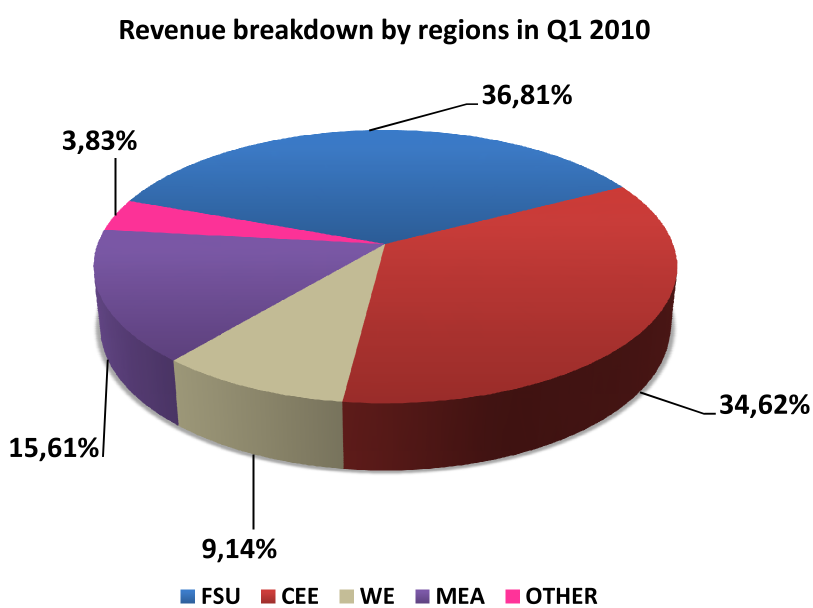
Additionally, in Q1 2010 the Company was able to increase its revenues in all other major regions of its operations. Central and Eastern European countries revenues grew by 21.89%, Western Europe by 22.24% and the Middle East and Africa by 8.51% - confirming good performance shown even during the crisis times.

Country-by-country analysis confirms signs of recovery in the Company's biggest markets. Sales in Russia grew by 86.85% and in Ukraine by 71.04%. Revenues in Slovakia grew by 17.46% confirming good performance of this country. All of this was possible because of a much enhanced product portfolio which was built during the very tough crisis times.

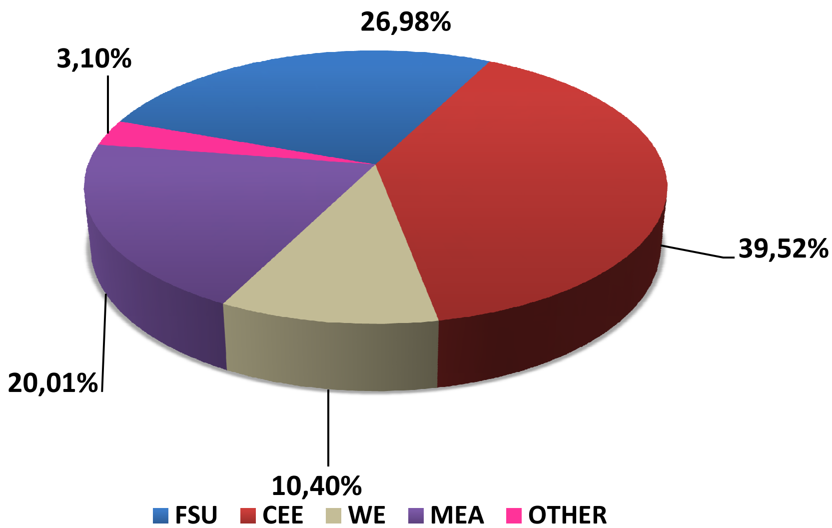
However as the world's financial crisis is not over yet, and its effects are still visible in many markets (in different scale), and demand in many countries is limited, revenues generated by the Company in Q1 2010 allows to be more optimistic about its potential for future revenues.

The table below provides a geographical breakdown of sales in the three month periods ended March 31st, 2010 and 2009.

	Q1 2010		Q1 2009		Change
	U.S. $ thousands	% of total revenues	U.S. $ thousands	% of total revenues	%
Central and Eastern Europe	114,589	34,62%	94,012	39,52%	+21,89%
Former Soviet Union	121,825	36,81%	64,183	26,98%	+89,81%
Middle East and Africa	51,656	15,61%	47,604	20,01%	+8,51%
Western Europe	30,255	9,14%	24,751	10,40%	+22,24%
Other	12,671	3,83%	7,364	3,10%	+72,06%
Total	330,995	100%	237,914	100%	+39,12%



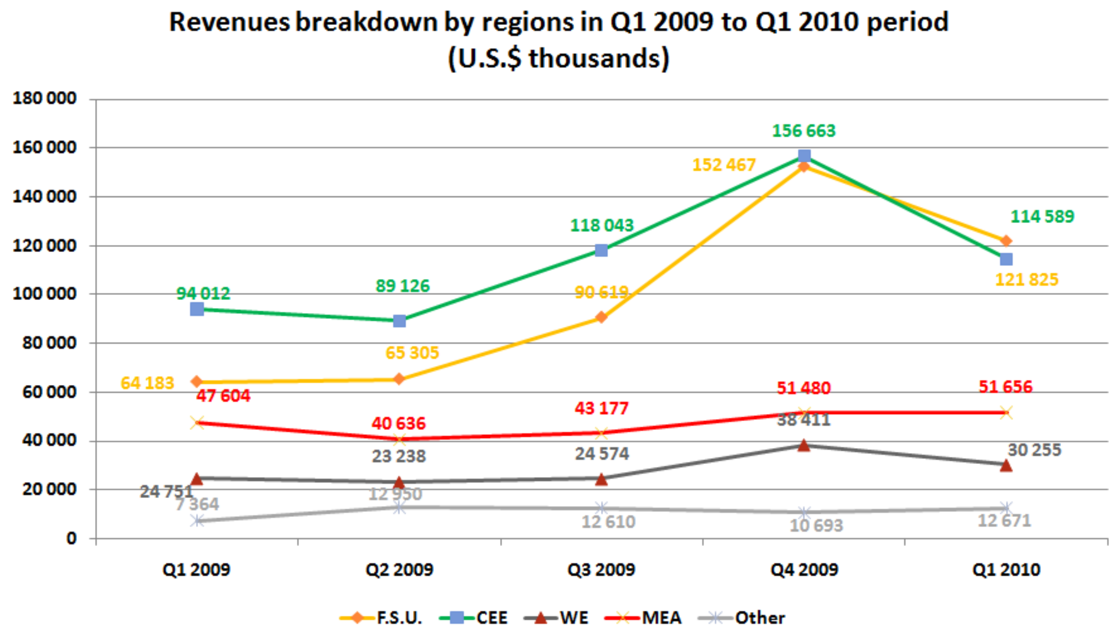
Revenue breakdown by regions in Q1 2009



Revenue breakdown – Top 10 countries in Q1 2010 and Q1 2009 (in U.S. Dollar thousands)

	Q1 2010		Q1 2009	
	Country	Sales U.S. $ thousands	Country	Sales U.S. $ thousands
1.	Russia	68,412	Russia	34,614
2.	Slovakia	37,841	Slovakia	32,216
3.	Ukraine	36,475	Ukraine	21,326
4.	United Arab Emirates	18,360	United Arab Emirates	18,073
5.	Czech Republic	16,802	Czech Republic	15,645
6.	Belarus	11,526	Poland	11,127
7.	The Netherlands	11,006	The Netherlands	9,931
8.	Saudi Arabia	9,798	Saudi Arabia	7,877
9.	Turkey	8,608	Turkey	7,629
10.	Romania	8,041	Bulgaria	7,163
11.	Other	104,126	Other	72,314
	Total revenue	330,995	Total revenue	237,914

The chart below provides information about revenues derived in major regions for the period between Q1 2009 and Q1 2010.



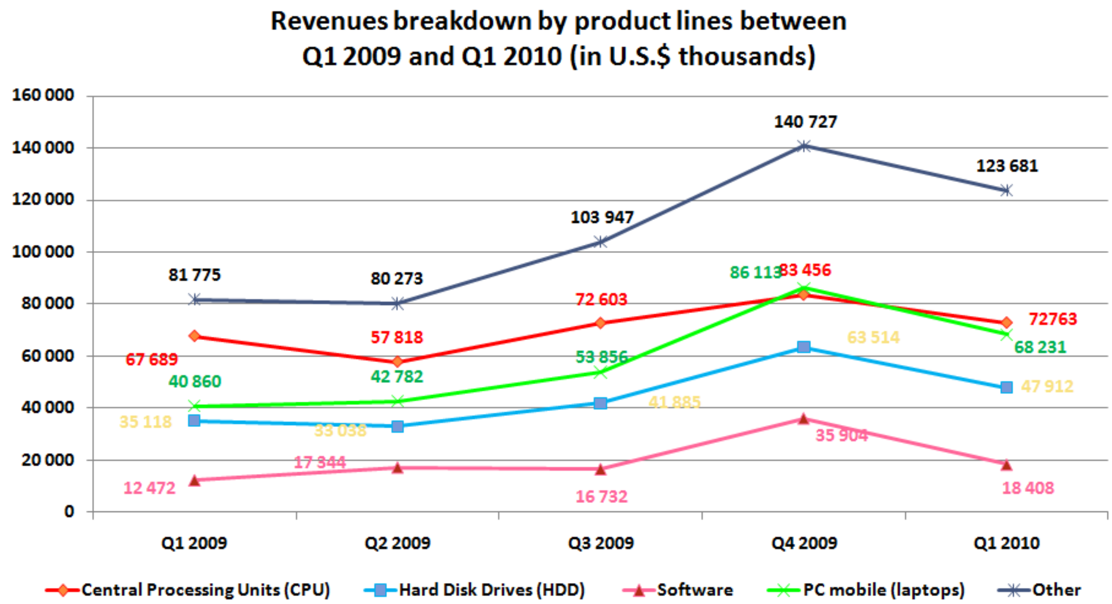
Sales by product lines

The table below sets a breakdown of revenues, by product, for Q1 2010 and Q1 2009 :

	Q1 2010		Q1 2009	
	U.S. $ thousands	% of revenues	U.S. $ thousands	% of revenues
Central processing units (CPUs)	72,763	21.98%	67,689	28.45%
Hard disk drives (HDDs)	47,912	14.48%	35,118	14.76%
Software	18,408	5.56%	12,472	5.24%
PC-mobile (laptops)	68,231	20.61%	40,860	17.17%
Other	123,681	37.37%	81,775	34.37%
Total revenue	**330,995**	**100%**	**237,914**	**100%**

In the three month period ended March 31st, 2010:

- Revenue from sale of central processing units ("CPUs") increased by 7.50% to U.S. $ 72,763 from U.S. $ 67,689 in the corresponding period of 2009. This was mostly due to 6.81% increase in unit sales.
- Revenue from sale of hard disk drives ("HDDs") increased by 36.43% to U.S. $ 47,912 from U.S. $ 35,118 in the corresponding period of 2009. This was mostly due to 26.46% increase in unit sales, stable average selling price, and improved product portfolio in many countries of the Company's operations.
- Revenue from sale of PC-mobile ("laptops") increased by 66.99% to U.S. $ 68,231 from U.S. $ 40,860 in the corresponding period of 2009. This was mostly due to 76.04% increase in unit sales.
- Revenue from sale of software increased by 47.59% to U.S. $ 18,408 from U.S. $ 12,472 in the corresponding period of 2009. This increase of revenue from sale of software was connected with 98.49% increase in unit sales possible due to better sales of Microsoft software in Russia, developments of Microsoft software sales in other markets and development of other software (i.e. Symantec, Kerio, Kaspersky) sales.



The Company is also developing its own brands, Canyon and Prestigio, as traditionally it allows the Company to reach double digit gross margins. In Q1 2010 own brands contribution in total sales revenue was close to 5%. It is the Company's intention to further develop own brands sales so that in the medium term their contribution in total sales revenue will reach 10%. This should be possible because of undertaken efforts to rebuild the own brands product portfolio in the direction of lighter technology.

The Group is also focusing on improving its margins and decreasing reliance on the traditional components segment by broadening its product portfolio and signing more distribution agreements with mostly finished-goods vendors.

Liquidity and Capital Resources

The Company has in the past funded its liquidity requirements, including ongoing operating expenses and capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. The Company expects to continue this policy.

The following table presents a summary of cash flows for the three months ended March 31st, 2010 and 2009:

	Three months ended March 31st	
	2010	**2009**
	U.S. $	
Net cash outflows from operating activities	(49,371)	(17,313)
Net cash outflows from investing activities	(496)	(2,145)
Net cash outflows from financing activities	(2,635)	(5,153)
Net decrease in cash and cash equivalents	(52,502)	(24,611)

Net cash outflows from operations

Net cash outflows from operations amounted to U.S. $ 49,371 for the three months ended March 31st, 2010, compared to U.S. $ 17,313 in the corresponding period of 2009. This is primarily due to the increased inventory and receivables, following a much increased demand in Q1 2010.

Net cash outflows from investing activities

Net cash outflows from investing activities was U.S. $ 496 for the three months ended March 31st, 2010, compared to U.S. $ 2,145 in the corresponding period of 2009. This decrease in the cash outflows was mainly due to lower expenditure on property, plant and equipment.

Net cash outflows from financing activities

Net cash outflows from financing activities was U.S. $ 2,635 for the three months ended March 31st, 2010, compared to U.S. $ 5,153 for the corresponding period of 2009. This decrease was primarily due to lower costs of financing that forced the Company to repay certain expensive loans in Q1 2009.

Net decrease in cash and cash equivalents

As a result of the Company's efforts to serve growing demand and increased sales, the cash and cash equivalents position decreased by U.S. $ 52,502 compared to a decrease of U.S. $ 24,611 in the corresponding period of 2009.

16. Factors which may affect our results in the future

The Group's ability to increase revenues with the easing of global economic slowdown

The dramatic global economic environment has affected many markets of the Company's operations in the past. This was especially visible in H1 2009 on some of the Company's biggest markets, like Russia and Ukraine. The situation started getting better in the second part of 2009 and this trend continued in Q1 2010.

Therefore, the Company was able to benefit from weaker competition in some markets, from improved product portfolio and in result - win more market share in particular countries. This was reflected in sales volumes, as the Company finished Q1 2010 with much higher sales than in the comparative period of 2009. If this trend will continue revenues of 2010 should exceed those of 2009.

Additionally, the Company's large geographical presence, allows it to partially limiting dependence on particular markets. It is with no doubt that the demand in its biggest markets, like Russia and Ukraine - alongside the always strong CEE and with increasing importance of Middle East region - will remain the key success factor determining the Company's sales levels.

It is still important to underline that results will remain under the influence of the overall economic environment. Having seen signals of recovery in several of the markets where the Company operates, we remain optimistic about the future. However, we do not exclude the possibility of a double dip of the economies that could delay growth.

Currency volatilities:

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. This was again the case in Q1 2010. This effect was however significantly limited due to implemented hedging policies. Despite implemented hedging strategies foreign exchange losses could not be avoided.

It is the management's target to take all possible measures to mitigate currency risks; however in this turbulent environment there is no perfect hedging strategy that could eliminate the foreign exchange risk. Therefore, in 2010 and going forward, the Group will continue to be exposed to currency volatilities despite all precautionary measures taken. It is our belief that should the currency environment stabilize, the results of the Group will be much improved.

Cost restructuring actions

Following the cost restructuring actions undertaken in the end of 2008 and first months of 2009, the Company reduced its selling and administrative expenses. These actions were finished in the second part of 2009, as the Company decided to prepare its structure for expected growth in demand. This paid off during the following periods, when the Company was able to service reviving markets while sustaining reduced level of expenses, therefore increasing its competitive strength.

In Q1 2010 administrative expenses remained at a reduced level, despite growing demand and sales, confirming the Company's improved operational efficiencies. Selling expenses were reduced too, but as its level partially depends on gross profit, selling expenses are expected to grow together (but not in line) with demand and sales delivered.

Development of product portfolio:

Because of its size, geographical coverage and good relationships with vendors, the Company, even in crisis times of 2008 and 2009, was able to significantly upgrade its product portfolio. This will be continued in 2010. The Company's strategy to refine its product portfolio includes:

1) Development of the A Branded finished products by signing more distribution agreements with laptop producers for different countries. This has resulted in growth of the Company's market share in particular countries and in a change in the overall revenues breakdown structure. It is expected that the finished products segment will continue to increase its contribution in the Company's revenues in the near future.

2) Development of the software business arm by signing distribution agreements with Microsoft for additional countries and other software producers for different countries of the Company's operations. As gross profit margin on software sales is higher than that for the components segment, it is expected that this development will positively affect the Company's results in the future.

3) Development of private label brands (Canyon and Prestigio) by adding more products in the already enhanced portfolio.

Stronger development of finished products and software segments is a part of the Company's strategy to benefit from its large geographical coverage by offering customers a complete portfolio of hardware and software solutions.

17. Information about important events that occurred after the period ended on March 31st, 2010 and before this report release

According to our best knowledge in the period between March 31st, 2010 and May 6th, 2010 no events have occurred that could affect the Company's operations or financial stability.

Part II Financial Information

The financial information of ASBISc Enterprises Plc presented as a part of this report is as follows:

Report and Unaudited Financial Statements for the period ended March 31st, 2010

Contents **Page**

ASBISC ENTERPRISES PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2010

ASBISC ENTERPRISES PLC

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARTH 2010

C o n t e n t s

UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

	Notes	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Revenue	18	330.994.849	237.913.618
Cost of Sales		(315.552.215)	(230.735.050)
Gross profit		15.442.634	7.178.568
Selling expenses		(7.977.526)	(6.117.879)
Administrative expenses		(5.629.874)	(5.569.382)
Profit/(loss) from operations		1.835.234	(4.508.693)
Financial expenses	5	(1.698.673)	(1.815.806)
Financial income	5	103.123	13.059
Other gains and losses	4	12.463	142.864
Profit/(loss) before taxation	6	252.147	(6.168.576)
Taxation	7	(50.437)	(38.879)
Profit/(loss) after taxation		201.710	(6.207.455)
Attributable to:			
Non-controlling interests		75.238	(13.325)
Owners of the parent		126.472	(6.194.130)
		201.710	(6.207.455)
		US$ cents	US$ cents
Earnings per share			
Basic and diluted from continuing operations		0,23	(11,16)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Profit/(loss) after taxation	201.710	(6.207.455)
Other comprehensive loss:		
Exchange difference on translating foreign operations	(318.006)	(1.540.322)
Other comprehensive loss for the period	(318.006)	(1.540.322)
Total comprehensive loss for the period	(116.296)	(7.747.777)
Total comprehensive income attributable to:		
Non-controlling interests	59.296	(33.344)
Owners of the parent	(175.592)	(7.714.433)
	(116.296)	(7.747.777)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010
(Expressed in United States Dollars)

ASSETS	Notes	Unaudited as at 31 March 2010 US$	Audited as at 31 December 2009 US$
Current assets			
Inventories		104.478.060	83.476.504
Trade receivables	8	213.919.973	214.444.867
Other current assets	9	9.719.526	6.985.056
Current taxation	7	384.275	156.135
Cash at bank and in hand	19	20.164.665	52.857.260
Total current assets		348.666.499	357.919.822
Non-current assets			
Goodwill	22	550.517	550.517
Property, plant and equipment	10	23.577.142	24.541.436
Investments	12	9.580	9.580
Intangible assets	11	2.129.095	2.175.799
Deferred tax assets		703.264	625.795
Total non-current assets		26.969.598	27.903.127
Total assets		375.636.097	385.822.949
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		196.735.108	210.325.327
Other current liabilities	13	30.052.151	43.777.114
Current taxation	7	196.917	220.794
Short term obligations under finance leases	16	113.975	101.409
Bank overdrafts and short term loans	14	53.381.925	35.806.853
Total current liabilities		280.480.076	290.231.497
Non-current liabilities			
Long term liabilities	15	3.797.338	4.099.294
Long term obligations under finance leases	16	123.447	140.626
Total non-current liabilities		3.920.785	4.239.920
Total liabilities		284.400.861	294.471.417
Equity			
Share capital	17	11.100.000	11.100.000
Share premium		23.518.243	23.518.243
Retained earnings and other components of equity		56.238.294	56.413.886
Equity attributable to owners of the parent		90.856.537	91.032.129
Non-controlling interests		378.699	319.403
Total equity		91.235.236	91.351.532
Total liabilities and equity		375.636.097	385.822.949

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

	Attributable to owners of the parent						
	Share capital US$	**Share premium US$**	**Retained earnings US$**	**Translation of foreign operations US$**	**Total US$**	**Non-controlling interests US$**	**Total equity US$**
Balance at 31 December 2008 and 1 January 2009	11.100.000	23.518.243	59.498.454	765.535	94.882.232	131.049	95.013.281
Loss for the period 1 January 2009 to 31 March 2009	-	-	(6.194.130)	-	(6.194.130)	(13.325)	(6.207.455)
Other comprehensive loss for the period 1 January 2009 to 31 March 2009	-	-	-	(1.520.303)	(1.520.303)	(20.019)	(1.540.322)
Balance 31 March 2009	11.100.000	23.518.243	53.304.324	(754.768)	87.167.799	97.705	87.265.504
Profit for the period 1 April 2009 to 31 December 2009	-	-	2.985.750	-	2.985.750	225.225	3.210.975
Other comprehensive income/(loss) for the period 1 April 2009 to 31 December 2009	-	-	-	878.580	878.580	(3.527)	875.053
Balance at 31 December 2009 and 1 January 2010	11.100.000	23.518.243	56.290.074	123.812	91.032.129	319.403	91.351.532
Profit for the period 1 January 2010 to 31 March 2010	-	-	126.472	-	126.472	75.238	201.710
Other comprehensive loss for the period 1 January 2010 to 31 March 2010	-	-	-	(302.064)	(302.064)	(15.942)	(318.006)
Balance 31 March 2010	11.100.000	23.518.243	56.416.546	(178.252)	90.856.537	378.699	91.235.236

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

	Notes	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Profit/(loss) for the period before tax and minority interest		252.147	(6.168.576)
Adjustments for:			
Exchange difference arising on consolidation		618.133	519.297
Provision for bad debts and receivables written off		731.535	102.973
Bad debts recovered		(1.492)	(64.842)
Depreciation	10	541.032	513.692
Amortisation of intangible assets	11	179.923	210.171
Interest received		(92.791)	(13.059)
Interest paid		869.388	1.058.370
Loss/(profit) from the sale of property, plant and equipment and intangible assets		8.251	(14.028)
Operating profit/(loss) before working capital changes		3.106.126	(3.856.002)
Increase in inventories		(21.001.555)	(11.554.971)
(Increase)/decrease in trade receivables		(200.063)	50.526.375
(Increase)/decrease in other current assets		(2.734.470)	578.426
Decrease in trade payables		(13.590.219)	(37.041.172)
Decrease in other current liabilities		(13.730.231)	(14.682.359)
Increase/(decrease) in other non-current liabilities		33.043	(12.814)
Cash outflows from operations		(48.117.369)	(16.042.517)
Taxation paid, net	7	(384.000)	(212.423)
Interest paid		(869.388)	(1.058.370)
Net cash outflows from operating activities		(49.370.757)	(17.313.310)
Cash flows from investing activities			
Interest received		92.791	13.059
Purchase of property, plant and equipment	10	(459.433)	(904.685)
Purchase of intangible assets	11	(149.135)	(1.292.363)
Proceeds from sale of property, plant and equipment and intangible assets		20.185	39.203
Net cash outflows from investing activities		(495.592)	(2.144.786)
Cash flows from financing activities			
Repayments of long term loans and long term obligations under finance lease		(413.884)	(320.403)
Repayments of short term loans and short term obligations under finance lease		(2.221.327)	(4.832.874)
Net cash (outflows)/inflows from financing activities		(2.635.211)	(5.153.277)
Net decrease in cash and cash equivalents		(52.501.560)	(24.611.373)
Cash and cash equivalents at beginning of the period		36.571.758	12.934.088
Cash and cash equivalents at end of the period	19	(15.929.802)	(11.677.285)

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

1. Incorporation and principal activities

Asbisc Enterprises Plc was incorporated in Cyprus on 9 November 1995 with limited liability. The group's and the company's principal activity is the trading and distribution of computer hardware and software. The main shareholder of the company is K.S. Holdings Limited, a company incorporated in Cyprus.

On the 30th October 2007 the company was listed at the Warsaw Stock Exchange.

2. Basis of preparation

These un-audited financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

Significant accounting policies

The accounting policies adopted are consistent with those followed in the preparation of the group's annual financial statements for the year ended 31 December 2009.

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

3. Effects of seasonality

The group's revenue and consequently its profitability is significantly lower during the first half of the year. The seasonality is driven by increased household expenditure during the Christmas period as well as the commencement of the academic period during the second half of the year resulting in a positive effect on the demand for the group's products.

4. Other gains and losses

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Loss/(profit) on disposal of property, plant and equipment	(8.251)	14.028
Bad debts recovered	1.492	64.842
Rental income	43.632	41.938
Other income	17.006	22.056
Other non-operating expenses	(41.416)	-
	12.463	142.864

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2010
(Expressed in United States Dollars)

5. Financial expense, net

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Financial income		
Interest income	92.791	13.059
Other financial income	10.332	-
	103.123	13.059
Financial expense		
Bank interest	869.388	1.058.370
Bank charges	329.511	249.102
Factoring interest	276.683	226.156
Factoring charges	55.261	163.032
Other financial expenses	29.068	8.470
Other interest	69.034	15.932
Net exchange loss	69.728	94.744
	(1.698.673)	(1.815.806)
Net	(1.595.550)	(1.802.747)

6. Profit before taxation

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Profit before taxation is stated after charging:		
(a) Depreciation	541.032	513.692
(b) Amortisation of intangible assets	179.923	210.171
(c) Auditors' remuneration	142.393	161.466
(d) Directors' remuneration – executive (Note 20)	126.179	80.529
(e) Directors' remuneration – non-executive (Note 20)	10.316	28.283

7. Taxation

	For the three months ended 31 March 2010 *US$*	For the year ended 31 December 2009 *US$*
Credit/(debit) balance 1 January	64.659	(2.663.619)
Tax asset on disposal of subsidiary	-	628.040
Provision for the period/year	132.794	643.811
Under provision of prior years	-	12.571
Exchange difference on retranslation	(811)	241.492
Amounts paid, net	(384.000)	1.202.364
Net (debit)/credit balance 31 March/31 December	(187.358)	64.659

(Expressed in United States Dollars)

7. Taxation (continued)

	For the three months ended 31 March 2010 US$	For the year ended 31 December 2009 US$
Tax receivable	(384.275)	(156.135)
Tax payable	196.917	220.794
Net	(187.358)	64.659

The consolidated taxation charge for the period/year consists of the following:

	For the three months ended 31 March 2010 US$	For the three months ended 31 March 2009 US$
Provision for the period	132.794	17.421
Over provision of prior years	-	7.225
Deferred tax (income)/charge	(82.357)	14.233
Charge for the period	50.437	38.879

The taxation charge of the group comprises corporation tax charge in Cyprus on the taxable profits of the company and those of its subsidiaries which are subject to tax in Cyprus and corporation tax in other jurisdictions on the results of the foreign subsidiary companies.

8. Trade receivables

	As at 31 March 2010 US$	As at 31 December 2009 US$
Trade receivables	219.135.625	219.001.324
Allowance for doubtful debts	(5.215.652)	(4.556.457)
	213.919.973	214.444.867

9. Other current assets

	As at 31 March 2010 US$	As at 31 December 2009 US$
Other debtors and prepayments	4.257.623	2.648.844
VAT and other taxes refundable	4.226.256	3.133.742
Deposits and advances to service providers	709.443	852.045
Employee floats	526.204	350.425
	9.719.526	6.985.056

The directors consider that the carrying amount of other current assets of the group approximate their fair value.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2010 (Expressed in United States Dollars)

10. Property, plant and equipment

	Land and buildings US$	Assets under construction US$	Warehouse machinery US$	Furniture and fittings US$	Office equipment US$	Motor vehicles US$	Computer hardware US$	Total US$
Cost								
At 1 January 2009	12.915.207	5.551.839	223.219	1.682.730	2.659.536	3.260.333	5.302.632	31.595.496
Additions from the acquisition of subsidiary	-	-	-	26.934	39.085	-	14.947	80.966
Additions	183.592	1.198.901	74.546	337.103	268.759	315.429	672.348	3.050.678
Disposals upon sale of subsidiaries	-	-	-	-	-	-	(1.661)	(1.661)
Disposals	-	-	(150.132)	(61.343)	(264.195)	(305.502)	(729.625)	(1.510.797)
Transfers	6.182.145	(6.182.145)	-	-	-	-	-	-
Foreign exchange difference on retranslation	235.179	(568.595)	(4.605)	25.604	23.087	6.120	119.250	(163.960)
At 1 January 2010	19.516.123	-	143.028	2.011.028	2.726.272	3.276.380	5.377.891	33.050.722
Additions	-	-	-	53.963	111.591	130.894	162.985	459.433
Disposals	-	-	-	(22.110)	(20.703)	(29.755)	(144.672)	(217.240)
Foreign exchange difference on retranslation	(716.803)	-	(35)	(63.717)	(67.284)	(86.476)	(134.191)	(1.068.506)
At 31 March 2010	18.799.320	-	142.993	1.979.164	2.749.876	3.291.043	5.262.013	32.224.409
Accumulated depreciation								
At 1 January 2009	1.023.510	-	146.353	655.709	1.069.118	1.373.247	2.857.061	7.124.998
Charge for the year	330.181	-	14.769	232.527	261.270	541.094	746.591	2.126.432
Disposals upon sale of subsidiaries	-	-	-	-	-	-	(1.186)	(1.186)
Disposals	-	-	(144.652)	(36.347)	(217.163)	(240.733)	(322.280)	(961.175)
Foreign exchange difference on retranslation	11.557	-	(4.224)	22.505	35.186	26.750	128.443	220.217
At 1 January 2010	1.365.248	-	12.246	874.394	1.148.411	1.700.358	3.408.629	8.509.286
Charge for the period	116.582	-	3.575	52.369	72.742	129.494	166.270	541.032
Disposals	-	-	-	(19.786)	(5.728)	(19.886)	(144.672)	(190.072)
Foreign exchange difference on retranslation	(47.175)	-	(7)	(24.803)	(10.144)	(46.260)	(84.590)	(212.979)
At 31 March 2010	1.434.655	-	15.814	882.174	1.205.281	1.763.706	3.345.637	8.647.267
Net book value								
At 31 March 2010	17.364.665	-	127.179	1.096.990	1.544.595	1.527.337	1.916.376	23.577.142
At 31 December 2009	18.150.875	-	130.782	1.136.634	1.577.861	1.576.022	1.969.262	24.541.436

(Expressed in United States Dollars)

11. Intangible assets

	Computer software US$	Patents and licenses US$	Total US$
Cost			
At 1 January 2009	5.493.326	672.454	6.165.780
Additions from acquisition of subsidiaries	1.380	-	1.380
Additions	1.369.405	6.525	1.375.930
Disposals	(413.671)	(2.397)	(416.068)
Foreign exchange difference on retranslation	83.521	2.854	86.375
At 1 January 2010	6.533.961	679.436	7.213.397
Additions	60.966	88.169	149.135
Disposals	(11.183)	(39)	(11.222)
Foreign exchange difference on retranslation	(34.785)	(10.485)	(45.270)
At 31 March 2010	6.548.959	757.081	7.306.040
Accumulated amortisation			
At 1 January 2009	4.074.654	489.329	4.563.983
Charge for the year	706.320	63.462	769.782
Disposals	(382.966)	(1.717)	(384.683)
Foreign exchange difference on retranslation	85.793	2.723	88.516
At 1 January 2010	4.483.801	553.797	5.037.598
Charge for the period	160.848	19.075	179.923
Disposals	(9.915)	(39)	(9.954)
Foreign exchange difference on retranslation	(23.143)	(7.479)	(30.622)
At 31 March 2010	4.611.591	565.354	5.176.945
Net book value			
At 31 March 2010	1.937.368	191.727	2.129.095
At 31 December 2009	2.050.160	125.639	2.175.799

12. Investments

	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 31 March 2010 US$	As at 31 December 2009 US$
Investments held in related companies						
E-Vision Ltd	Cyprus	18%	90.000	(90.000)	-	-
Other Investments						
Asekol s.r.o.	Czech Republic	9,09%	9.580	-	9.580	9.580
			99.580	(90.000)	9.580	9.580

(Expressed in United States Dollars)

13. Other current liabilities

	As at 31 March 2010 US$	As at 31 December 2009 US$
Factoring creditors (i)	16.931.305	24.359.986
Non-trade accounts payable	2.093.007	4.822.123
Salaries payable and related costs	1.023.471	1.372.243
VAT payable	4.220.615	9.294.206
Amount due to directors – executive	1.324	1.071
Amounts due to directors – non-executive	10.710	14.790
Accruals and deferred income	5.771.719	3.912.695
	30.052.151	43.777.114

(i) As at 31 March 2010 the group enjoyed factoring facilities of US$ 40.153.486 (31 December 2009: US$ 34.962.429). The factoring facilities are secured as mentioned in note 14.

14. Bank overdrafts and short term loans

	As at 31 March 2010 US$	As at 31 December 2009 US$
Bank overdrafts	36.094.467	16.285.502
Bank short term loans	16.617.966	18.657.298
Current portion of long term loans	669.492	864.053
	53.381.925	35.806.853

Summary of borrowings and overdraft arrangements

The group as at 31 March 2010 had the following financing facilities with banks in the countries that the company and its subsidiaries are operating:

- overdraft lines of US$ 48.030.009 (31 December 2009: US$ 41.158.551)
- short term loans/revolving facilities of US$ 21.581.828 (31 December 2009: US$ 20.947.902)
- bank guarantees of US$ 11.729.365 (31 December 2009: US$ 11.970.088)

The group had for the period ending 31 March 2010 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the period was 6,5% (2009: 8,5%)

The factoring, overdraft and revolving facilities as well as the loans granted to the company and its subsidiaries by their bankers are secured by:

- First, second and third floating charges over all assets of the company.
- Mortgage on land and buildings that the group owns in Cyprus, Czech Republic, and Slovakia
- Charge over receivables and inventories
- Corporate guarantees to the extent of facilities granted
- Assignment of insurance policies
- Pledged deposits of US$ 634.650 (31 December 2009: US$ 910.489)

(Expressed in United States Dollars)

15. Long term liabilities

	As at 31 March 2010 US$	As at 31 December 2009 US$
Bank loans	3.580.229	3.915.227
Other long term liabilities	217.109	184.067
	3.797.338	4.099.294

16. Finance leases

	As at 31 March 2010 US$	As at 31 December 2009 US$
The Group		
Obligation under finance lease	237.422	242.035
Less: Amount payable within one year	(113.975)	(101.409)
Amounts payable within 2-5 years inclusive	123.447	140.626

17. Share Capital

	As at 31 March 2010 US$	As at 31 December 2009 US$
Authorised		
63.000.000 (2009: 63.000.000) shares of US$ 0,20 each	12.600.000	12.600.000
Issued, called-up and fully paid		
55.500.000 (2009: 55.500.000) ordinary shares of US$ 0,20 each	11.100.000	11.100.000

18. Segmental reporting

Revenue analysis by geographical market

The group operates as a trader and distributor of computer hardware and software in a number of geographical regions.

The following table produces an analysis of the group's sales by geographical market, irrespective of the origin of the goods.

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Former Soviet Union	121.824.549	64.182.931
Eastern Europe	114.588.508	94.011.775
Western Europe	30.255.142	24.751.294
Middle East & Africa	51.655.874	47.603.584
Other	12.670.776	7.364.034
	330.994.849	237.913.618

(Expressed in United States Dollars)

19. Cash and cash equivalents

	As at 31 March 2010 US$	As at 31 December 2009 US$
Cash at bank and in hand	20.164.665	52.857.260
Bank overdrafts (Note 14)	(36.094.467)	(16.285.502)
	(15.929.802)	36.571.758

The cash at bank and in hand balances include an amount of US$ 634.650 (31 December 2009: US$ 910.489) which represents pledged deposits.

20. Transactions and balances of key management

	For the three months ended 31 March 2010 *US$*	For the three months ended 31 March 2009 *US$*
Directors' remuneration - executive	126.179	80.529
Directors' remuneration - non executive	10.316	28.283
	136.495	108.812

	As at 31 March 2010 US$	As at 31 December 2009 US$
Amount due to directors - executive	1.324	1.071
Amount due to directors - non executive	10.710	14.790
	12.034	15.861

21. Commitments and contingencies

As at 31 March 2010 the group was committed in respect of purchases of inventories of a total cost value of US$ 8.177.081 which were in transit at 31 March 2010 and delivered in April 2010. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of purchase title of the goods had not passed to the group as at the period end.

As at 31 March 2010 the group was contingently liable in respect of bank guarantees of US$ 11.729.365 (31 December 2009: US$11.970.088) which the group had extended mainly to its suppliers.

As at 31 March 2010 the group had no other legal commitments and contingencies.

(Expressed in United States Dollars)

22. Goodwill

	As at 31 March 2010 US$	As at 31 December 2009 US$
At 1 January	550.517	550.517
Goodwill arising from business combinations	-	-
At 31 March/December	550.517	550.517

23. Comparative figures

Where necessary, comparative figures have been restated to coincide with the presentation of the current period's condensed financial statements.

24. Events after the balance sheet date

No significant events occurred after the balance sheet date