INTERIM REPORT
FOR THE THREE MONTHS
ENDED DECEMBER 31, 2008

Limassol, 27th of February 2009

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We have prepared this quarterly report as required by Paragraph 86 section 1 point 1 of the Regulation of the Ministry of Finance dated 19 October 2005 on current and periodic information to be published by issuers of securities.

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 December 2008. The financial statements appended to this quarterly report are presented in U.S. dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

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 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, Ukraine, Slovakia, Poland, Czech Republic, Romania, Croatia, Slovenia, Bulgaria, Serbia, Hungary, and Middle East countries (i.e. United Arab Emirates, Saudi Arabia, Qatar and Kuwait).

The Group distributes servers, desktop PCs, laptops and networking to assemblers, system integrators and retailers. 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, Samsung, Microsoft, Toshiba, Dell and Hitachi. In addition, a significant part of our revenue is comprised of sales of IT products under our private labels, Prestigio and Canyon. In addition, we offer "white label" products, which are products that are distributed through the Group and branded with some of our largest customers' own brands.

ASBISc began 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, , Finland and the United Arab Emirates), 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 and the year ended 31 December 2008

Following summary must be read in combination to the information on factors affecting the Company business for the period reported (i.e. currency exchange rates). This information can be found in chapter 13, page 10 and elsewhere in this document.

- In the three months period ended December 31, 2008 revenues decreased by 21.6% to U.S.$ 364,066 from U.S.$ 464,221 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 revenues increased by 7.1% to U.S. $ 1,496,124 from U.S.$ 1,397,349 in the corresponding period of 2007.

- In the three months period ended December 31, 2008 gross profit decreased by 42.2% to U.S.$ 14,817 from U.S.$ 25,651 in the corresponding period of 2007. Gross profit margin decreased to 4.1% compared to 5.5% in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 gross profit increased by 14.1% to U.S.$ 77,509 from U.S.$ 67,939 in the corresponding period of 2007. Gross profit margin increased to 5.2% compared to 4.9% in the corresponding period of 2007.

- In the three months period ended December 31, 2008 EBITDA decreased to U.S.$ -1,518 from U.S.$ 12,435 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 EBITDA decreased by 30,3% to U.S.$ 19,249 from U.S.$ 27,636 in the corresponding period of 2007. EBITDA margin was 1,29% compared to 1,98% in the corresponding period of 2007.

- In the three months period ended December 31, 2008 the Company has U.S.$ 5,427 of losses in comparison to net profit of U.S.$ 9,366 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 net profit after taxation amounted to U.S.$ 5,103 in comparison to net profit of U.S.$ 18,686 in the corresponding period of 2007.

Table: Revenues breakdown by regions in the three and twelve months period ended 31 December 2008 in comparison to the corresponding periods of 2007.

Region	Q4 2008	Q4 2007	2008	2007
Former Soviet Union	130,812	229,064	649,444	681,730
Central and Eastern Europe	148,371	156,380	504,609	452,914
Western Europe	39,209	35,223	142,057	124,739
Middle East and Africa	40,656	36,077	169,465	111,643
Other	5,018	7,476	30,550	26,324
Grand Total	364,066	464,221	1,496,124	1,397,349

3. Summary historical financial data

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

For convenience, certain U.S. $ amounts as of and for the three months ended 31 December 2008 and 2007, 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 31 December 2007, that is: 1 US$ = 2.4350 PLN and 1 EUR = 3.5820 PLN and 31 December 2008, that is: 1 US$ = 2.9618 PLN and 1 EUR = 4.1724 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 1 January to 31 December 2007, that is 1 US$ = 2.7484 PLN and 1 EUR = 3.7768 PLN and 1 January to 31 December 2008, that is 1 US$ = 2.4115 PLN and 1 EUR = 3.5463 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 1 October to 31 December 2007, that is 1 US$ = 2.4698 PLN and 1 EUR = 3.6131 PLN and 1 October to 31 December 2008, that is 1 US$ = 2.9095 PLN and 1 EUR = 3.8542 PLN.

	Period from 1 October to 31 December 2008			Period from 1 October to 31 December 2007		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**364,066**	**1,059,249**	**274,830**	**464,221**	**1,146,533**	**317,327**
Cost of sales	(349,249)	1,016,139	263,645	(438,570)	(1,083,179)	(299,792)
Gross profit	**14,817**	**43,110**	**11,185**	**25,651**	**63,354**	**17,534**
Selling expenses	(10,242)	(29,799)	(7,732)	(9,138)	(22,570)	(6,247)
Administrative expenses	(6,875)	(20,004)	(5,190)	(4,573)	(11,294)	(3,126)
Profit from operations	**(2,300)**	**(6,693)**	**(1,737)**	**11,940**	**29,490**	**8,162**
Financial expenses	(3,491)	(10,158)	(2,636)	(1,969)	(4,863)	(1,346)
Financial income	31	90	23	513	1,226	351
Other income	157	457	119	187	461	128
Negative goodwill and goodwill written off, net	0	0	0	(223)	(551)	(152)
Impairment of investments	(90)	(262)	(68)	0	0	0
Profit before taxation	**(5,694)**	**(16,566)**	**(4,298)**	**10,448**	**25,804**	**7,142**
Taxation	267	776	201	(1,082)	(2,673)	(740)
Profit after taxation	**(5,427)**	**(15,790)**	**(4,097)**	**9,366**	**23,131**	**6,402**
Minority interest	(16)	(47)	(12)	0	0	0
Profit attributable to members	**(5,411)**	**(15,743)**	**(4,085)**	**9,366**	**23,131**	**6,402**
	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	(9,75)	(28,37)	(7,36)	17,67	43,64	12,08

	Period from 1 January to 31 December 2008			Period from 1 January to 31 December 2007		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**1,496,124**	**3,607,903**	**1,017,371**	**1,397,349**	**3,840,473**	**1,016,859**
Cost of sales	(1,418,615)	(3,420,990)	(964,665)	(1,329,409)	(3,653,749)	(967,419)
Gross profit	**77,509**	**186,913**	**52,706**	**67,939**	**186,724**	**49,440**
Selling expenses	(34,006)	(82,006)	(23,125)	(25,358)	(69,693)	(18,453)
Administrative expenses	(27,175)	(65,533)	(18,479)	(16,845)	(46,295)	(12,258)
Profit from operations	**16,327**	**39,373**	**11,103**	**25,737**	**70,736**	**18,729**
Financial expenses	(8,745)	(21,089)	(5,947)	(5,192)	(14,270)	(3,778)
Financial income	200	481	136	750	2,062	546
Other income	346	833	235	337	925	245
Negative goodwill and goodwill written off, net	90	216	61	(223)	613	162
Impairment of investments	(90)	(217)	(61)	0	0	0
Profit before taxation	**8,127**	**19,598**	**5,526**	**21,409**	**58,840**	**15,579**
Taxation	(3,024)	(7,292)	(2,056)	(2,723)	(7,485)	(1,982)
Profit after taxation	**5,103**	**12,306**	**3,470**	**18,686**	**51,355**	**13,598**
Minority interest	83	199	56	0	0	0
Profit attributable to members	**5,021**	**12,107**	**3,414**	**18,686**	**51,355**	**13,598**
	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	9.05	21,82	6,15	37.94	104,27	27,61

	Period from 1 January to 31 December 2008			Period from 1 January to 31 December 2007		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Net cash (outflow)/inflow from operating activities	(623)	(1,502)	(424)	1,075	2,954	782
Net cash outflows from investing activities	(13,654)	(32,927)	(9,285)	(7,612)	(20,920)	(5,539)
Net cash inflows/(outflows) from financing activities	(2,075)	(5,003)	(1,411)	22,572	62,038	16,426
Net (decrease)/increase in cash and cash equivalents	**(16,352)**	**(39,432)**	**(11,119)**	**16,035**	**44,071**	**11,669**
Cash at the beginning of the year	**29,286**	**70,623**	**19,914**	**13,250**	**36,418**	**9,642**
Cash at the end of the year	**12,934**	**31,191**	**8,795**	**29,286**	**80,489**	**21,311**

	As at 31 December 2008			As at 31 December 2007		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Current assets	336,126	995,537	238,601	348,367	848,275	236,816
Non-current assets	26,773	79,297	19,005	17,304	42,136	11,763
Total assets	362,899	1,074,835	257,606	365,672	890,411	248,579
Liabilities	266,886	790,462	189,450	269,971	657,380	183,523
Equity	96,013	284,372	68,156	95,700	233,031	65,056

4. Organization of ASBIS Group

The following table lists all members of the Group

Company	Consolidation Method
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
ISA Hardware 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)
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 Marocco Limited (Casablanca, Marocco)	Full (100% subsidiary)
Warranty RU Limited (Moscow, Russia)	Full (100% subsidiary)
ISA Hardware s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
ISA Hardware d.o.o (Zagreb, Croatia)	Full (100% subsidiary)
ISA Hardware Hungary Commercial Limited Liability Co (Budapest, Hungary)	Full (100% subsidiary)
Euro-Mall SRL(formerly ISA Hardware International S.R.L) (Bucharest, Romania)	Full (100% subsidiary)
ISA Hardware s.r.o Slovakia (Bratislava, Slovakia)	Full (100% subsidiary)
ISA Hardware d.o.o Beograd (Belgrade, Serbia)	Full (100% subsidiary)
ISA Hardware s.r.o Slovenia (Lublana, 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 Limited (Moscow, Russia)	Full (100% subsidiary)
Prestigio Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
Canyon Technology Ltd (Hong Kong, People’s Republic of China)	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 Hertzegovina)	80% ownership
PTUE IT-MAX (Minsk, Belarus)	Full (100% subsidiary)
CZAO ASBIS (Minsk, Belarus)	66.6% ownership
ASBIS IT S.R.L.” (Rome, Italy)	Full (100% subsidiary)
ASBIS Kazakhstan LLP (Almaty,Kazakhstan)	Full (100% subsidiary)

5. Changes in the structure of the Company

During the three months ended 31 December 2008 “ASBIS Kazakhstan LLP”, Almaty, Kazakhstan has been incorporated. This newly incorporated company is 100% subsidiary of the Company. As of December 31st 2008 ASBISc Enterprises Plc holds offices and subsidiaries in 26 countries.

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

The Company did not publish any forecasts or estimates to the market.

7. Information on dividend payment

In the period of three months ended 31 December 2008 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 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

The table below presents the number of shares held by the members of the Board of Directors as of the date of this report. During the three months period ended on December 31, 2008 there were no changes in the number of shares possessed by the members of the Board of Directors.

The information included in the table below is based on information received from members of the Company’s Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

Name	Number of Shares	% of the share capital
Siarhei Kostevitch	25,676,361	46.26%
John Hirst	84,631	0.15%
Marios Christou	400,000	0.72%
Laurent Journoud	400,000	0.72%
Constantinos Tziamalis	35,000	0.06%
Paul Swigart	15,171	0,03%

10. Administrative and court proceedings against the Company

As of 31 December 2008, no court, arbitration or administrative proceedings whose single or aggregate value exceeds 10% of the Company’s equity were pending against it or any of the members of the Group.

11. Related party transactions

During the three months ended 31 December 2008 the Company did not have any material related party transactions exceeding the Polish Zloty equivalent of Euro 500 thousand other than typical or routine transactions.

12. Information on guarantees granted to third parties

Neither us, nor any of the Company's affiliates or subsidiary companies had granted any guarantees or secured any third party credits for an amount exceeding 10% of its equity within the three months ended 31 December 2008.

13. Other information important for the assessment of our personnel, economic and financial position, as well as the Company's financial results

Principal factors affecting financial condition and results of operations

The Company's results of operations have been affected and are expected to continue to be affected by a number of factors, including the global financial crisis, currency fluctuations, interest rate fluctuations, competition and price pressures, low gross profit margins, potential inventory obsolescence and price erosion, credit risk, growth markets and seasonality. These factors are discussed in more detail below.

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 impact continued in Q4 2008 and is expected to continue to adversely affect the Company's results of operations going forward until the crisis lasts. This financial crisis has negatively impacted both the Company's revenues and profitability.

Traditionally IT distributors generate 40-50% of annual profitability in the last quarter of the calendar year (Q4). The crisis led to several adverse effects, including lower demand in some countries of the Company's operations, due to decreased access on credit facilities by customers and decreased purchasing power of consumers. Although the Company was able to partially offset this negative impact due to its broad geographical presence, it was not possibible to achieve the desired revenues.

On top of this, the Company was negatively affected by the sharp depreciation of local currencies and volatility against the US Dollar, the Group's reporting currency.

The Company has taken appropriate actions to minimize the impact of the global financial crisis and currency volatility on its financial results; It :

a) Has undertaken significant cost-cutting actions in November 2008 (including savings on overheads, mostly in Russia and the Netherlands) and continues same in 2009, the results of which will be visible from Q1 of 2009 (it is expected that the saving from those actions will be around U.S.$ 1.4 million in Q1 and U.S.$ 1.6 million per quarter beginning from Q2)

b) Has increased its U.S. Dollar denominated sales, to decrease its foreign exchange exposure (as it mainly purchases goods in U.S. Dollars and principally sells in local currencies)

c) Improved both short term and long term hedging strategies by increasing loans, factoring and other hedging tools in local subsidiaries

d) Improved credit risk management

Currency fluctuations

As mentioned above, the Company's reporting currency is the U.S. dollar. Approximately 40% of the Company's revenues are denominated in U.S. dollars, while the balance is denominated in Euro and other currencies, certain 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 as the majority of its receivables are denominated in local currencies. In addition, a large amount of the Company's operating expenses are denominated in U.S. dollars and this has also affected the Group's results. The biggest impact of the foreign exchange losses that the Group suffered during the three months ended 31 December 2008, was created by the steep depreciation of the local currencies (i.e., the Russian Ruble, the Hungarian Forint, the Czech Koruna. the Polish Zloty etc) against the US Dollar

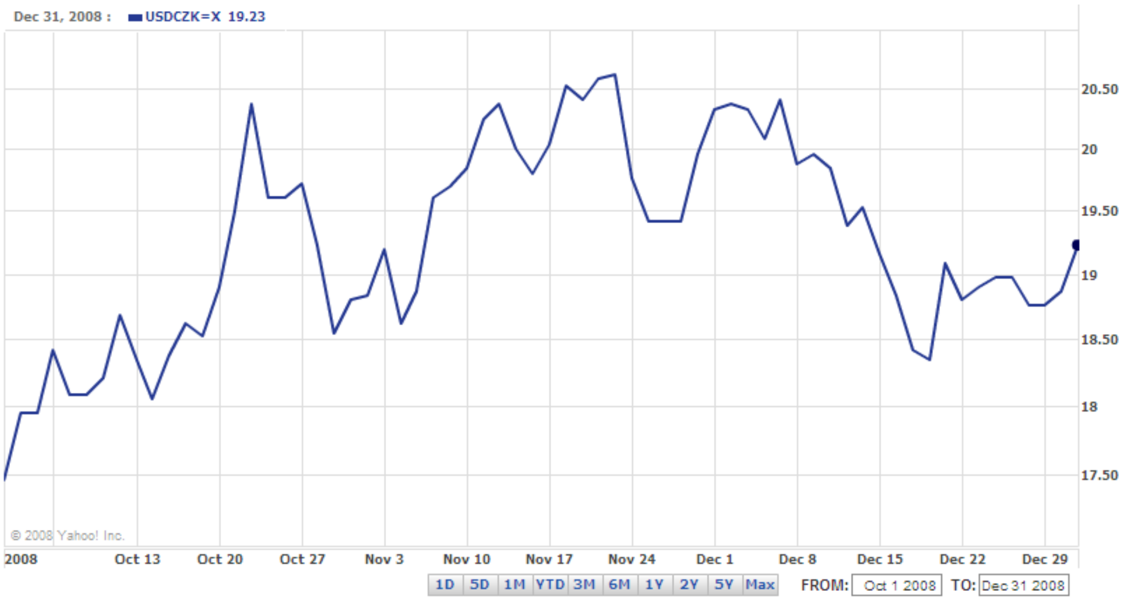
The steep and constant depreciation of the aforementioned currencies had multiple negative effects on the Group's results such as lower revenues, lower profitability, instability in prices and translation losses.

The charts below indicate the movement of the major currencies of the Group agains the US. Dollar for the period from October to December 2008.

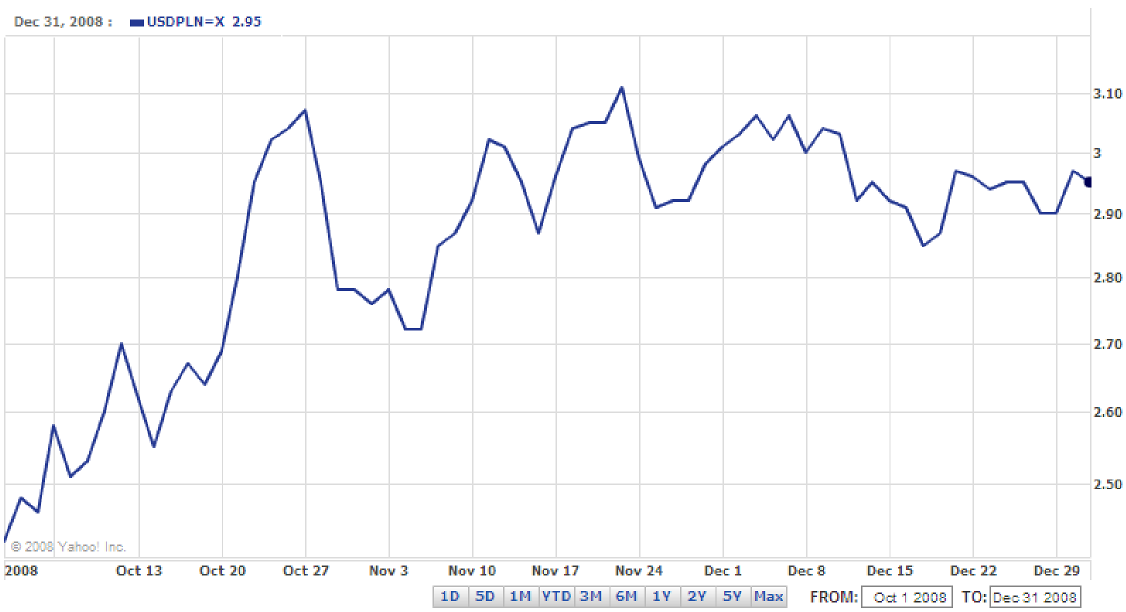
U.S. Dollar / Russian Ruble in Q4 2008

U.S. Dollar / Hungarian Forint in Q4 2008

U.S. Dollar / Czech Crown in Q4 2008



U.S. Dollar / Polish Zloty in Q4 2008



It is hard to eliminate the foreign exchange risk in such a dynamically changing environment, however the Group is taking appropriate measures possible to mitigate such risk. This includes:

a) The Company has started to invoice some of its customers in countries with weakening currency in U.S. Dollar or U.S. Dollar equivalent
b) The Company hedges the balance sheets of its subsidiaries by converting their assets and liabilities in local currencies
c) The Company is covering some of its subsidiaries' un-hedged positions with forward contracts.

Interest rate fluctuations

As at 31 December 2008, the Company's total borrowings (excluding amounts due to factoring creditors) amounted to U.S.$ 58,832 and for the three months ended 31 December 2008 its interest expense was U.S.$ 1,256 on those borrowings. Most of the Company's borrowings bear interest at a floating rate, i.e. either U.S.

LIBOR, EURIBOR or local interbank rates, plus a certain spread. During this crisis - and especially in the fourth quarter of 2008 - these local interbank rates decreased, whereas the banks' spread increased.

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 and the Adriatic Region, Kvazar Micro, and Merlion in the Former Soviet Union, AB, ABC Data and Action in Poland and ATC and ED System 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 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.

Due to huge forex losses the Company's gross profit margin decreased to 4.1% in Q4 2008 compared to 5.5% in the corresponding period of 2007. However, for the whole year ended 31 December 2008, it has increased to 5.2% compared to 4.9% in 2007.

Inventory obsolescence and price erosion

The Company is often required to buy components according to forecasted requirements and orders of its customers and in anticipation of market demand. The market for IT 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 components. 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 certain 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 55 per cent. of its revenue.

Growth markets

Information technology penetration in the markets in which the Company operates, is still significantly lower than in more mature Western European markets. Because of the world's financial crisis the growth in many markets the Group operatesis shrinked as most of the economies have entered into a recession and it is not forseable when they will be able to recover.

In the reporting period ended 31 December 2008, Middle East and African countries seemed to be less affected by the recent world's financial crisis and demand on those markets remained satisfactory.

Although for large markets like Russia and Ukraine, that were affected more by the crisis, the demand was lower than expected.The Company believes that in the mid term and long term these markets will show good growth.

Seasonality

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, for distributors of IT components demand tends to increase in the period starting from September to the end of the year.

Demand observed during the three months ended 31 December 2008 in some countries of the Company's operations was significantly lower than expected, due to the world's financial crisis. Therefore, given this financial crisis, seasonality trends changed.

Results of Operations

Results for the three and twelve months ended 31 December 2008 compared to the corresponding periods of 2007:

***Revenues*:** During the three months ended December 31, 2008 revenues decreased by 21.6% to U.S.$ 364,066 from U.S.$ 464,221 in the corresponding period of 2007. In the twelve months period ended December 31, 2008 revenues increased by 7.1% to U.S. $ 1,496,124 from U.S.$ 1,397,349 in the corresponding period of 2007.
This annual increase reflected an increase in units sold and larger coverage of the EMEA region. The better coverage of the region was not enough to offset lower demand deriving from the world financial crisis that impacted all markets the Group operates in, especially FSU countries (Russia, Ukraine).

Gross Profit: Gross profit for the three months ended 31 December 2008 decreased by 42.2% to U.S.$ 14,817 from U.S.$ 25,651 in the corresponding period of 2007. Gross profit for the twelve months ended 31 December 2008 increased by 14.1% to U.S.$ 77,509 from U.S.$ 67,939 in the corresponding period of 2007.

Gross profit margin *(gross profit as a percentage of revenues)* decreased to 4.1% in the three months ended 31 December 2008, compared to 5.5% in the corresponding period of 2007. In the twelve months ended 31 December 2008 gross profit margin improved to 5,2%, compared to 4,9% in the corresponding period of 2007. This increase in gross profit margin was mainly a result of improved product mix achieved by the Group throughout the year.

Profit after taxation: In the three months period ended December 31, 2008 the Company had losses of U.S.$ 5,427 in comparison to net profit of U.S.$ 9,366 in the corresponding period of 2007. In the twelve months period ended December 31, 2008 net profit after taxation amounted to U.S.$ 5,103 in comparison to net profit of U.S.$ 18,686 in the corresponding period of 2007. The results for the three months ended 31 December 2008 were negatively affected by lower demand and high currency losses. The net foreign exchange losses amounted to about U.S.$ 10 million during the whole financial year ended 31 December 2008.

It is hard to eliminate the foreign exchange risk in such a dynamically changing environment , however the Group is taking appropriate measures possible to mitigate such risk. This includes:

a) The Company has started to invoice some of its customers in countries with weakening currency (i.e. in Russia) in U.S. Dollar or U.S. Dollar equivalent
b) The Company hedges the balance sheets of its subsidiaries by converting their assets and liabilities in local currencies,
c) The Company is covering some of its subsidiaries' un-hedged positions with forward contracts,

Profit attributable to members: Profit attributable to members reached U.S. $ 5,103 for the twelve months ended 31 December 2008 compared to U.S. $ 18,686 in the corresponding period of 2007.

Earnings per share: Earnings per share (in cents) reached U.S. $ 9,05 for the twelve months ended 31 December 2008 compared to U.S. $ 37,94 in the corresponding period of 2007.

Sales by regions and countries

The tables below provide a geographical breakdown of sales in the three and twelve months ended 31 December 2008 and 2007:

Sales by regions for the three months period ended 31 December

	2008		2007	
	U.S. $ thousands	% of total revenues	U.S. $ thousands	% of total revenues
Former Soviet Union	130,812	35.93%	229,064	49.72%
Central and Eastern Europe	148,371	40.75%	156,380	33.42%
Western Europe	39,209	10.77%	35,223	7.58%
Middle East and Africa	40,656	11.17%	36,077	7.86%
Other	5,018	1.38%	7,476	1.42%
Total	364,066	100%	464,221	100%

Sales by regions for the twelve months period ended 31 December

	2008		2007	
	U.S. $ thousands	% of total revenues	U.S. $ thousands	% of total revenues
Former Soviet Union	649,444	43,41%	681,730	48.78%
Central and Eastern Europe	504,609	33.73%	452,914	32.41%
Western Europe	142,057	9.50%	124,739	8.93%
Middle East and Africa	169,465	11.33%	111,643	7.99%
Other	30,550	2.04%	26,324	1.91%
Total	1,496,124	100%	1,397,349	100%

Revenue breakdown – Top 10 countries in 2007 and 2008 (in U.S. Dollar thousands)

Pos.	Country	Sales 2007	Sales 2008	Change (%)	Share (%)
1.	Russia	397,738	429,895	+8.1%	28.73%
2.	Slovakia	132,499	164,409	+24.1%	10.99%
3.	Ukraine	222,005	149,604	-32.6%	9.99%
4.	U.A.E.	55,120	79,874	+44.9%	5.34%
5.	Poland	66,847	68,041	+1.8%	4.55%
6.	Czech Rep.	56,475	66,816	+18.3%	4.47%
7.	Belarus	25,244	47,874	+89.6%	3.20%
8.	Romania	60,065	47,745	-20.5%	3.20%
9.	The Netherlands	37,385	45,221	+20.96%	3.02%
10.	Bulgaria	28,198	40,196	+42.6%	2.69%
11.	Other	291,607	356,444	+22.2%	23.82%

Throughout 2008, and especially in the last three months, sales figures presented in the table above have been negatively affected by the world's financial crisis and currency exchange rates vulnerability. In the same time negative sales dynamics in countries like Ukraine was partially offset by strong positive movements on demand in other countries like Slovakia (which with +24.1% of annual growth became our second largest market). Sales from the Middle East region (+44.9 of annual growth, still benefits from strong demand and customers being invoiced in U.S. Dollars), Belarus (+89.6%), Bulgaria (+42.6%) were the leaders in the Group's attempt to deliver growth.

Sales by product lines

- In the three months period ended December 31, 2008 revenue from sale of central processing units ("CPUs") decreased by 34.6% to U.S. $ 91,836 from U.S. $ 140,484 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 revenue from sale of CPUs decreased slightly by 1,5% to U.S. $ 396,972 from U.S. $ 402,843 in the corresponding period of 2007.

- In the three months period ended December 31, 2008 revenue from sale of hard disk drives ("HDDs") decreased by 41.6% to U.S. $ 46,757 from U.S. $ 80,008 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 revenue from sale of HDDs decreased by 20.6% to U.S. $ 211,062 from U.S. $ 265,967 in the corresponding period of 2007.
  This decrease of revenue from sale of HDDs has been experienced mainly due to lower unit sales in Q4 2008 and lower average sales price ("ASP").

- In the three months period ended December 31, 2008 revenue from sale of PC-mobile ("laptops") increased by 31.97% to U.S. $ 64,420 from U.S. $ 48,815 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 revenue from sale of laptops increased by 120,8% to U.S. $ 254,579 from U.S. $ 115,298 in the corresponding period of 2007.
  This solid increase of revenue from sale of laptops has been experienced mainly due to high demand and sales of Dell, Lenovo and Toshiba laptops, due to signing distribution agreements for new countries with the aforementioned suppliers.

- In the three months period ended December 31, 2008 revenue from sale of software decreased by 36.1% to U.S. $ 38,062 from U.S. $ 59,604 in the corresponding period of 2007.
  In the twelve months period ended December 31, 2008 revenue from sale of software increased by 16.5% to U.S. $ 183,305 from U.S. $ 157,381 in the corresponding period of 2007.
  This annual increase of revenue from sale of software was mainly due to high demand for Microsoft software and due to signing distribution agreements with Microsoft for more countries.

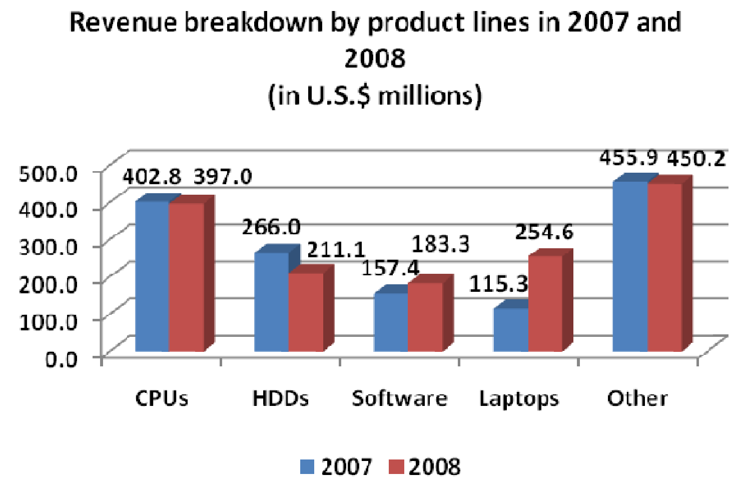
- Peripherals was one of the product categories that noted strong growth of sales in 2008. In the three months period ended December 31, 2008 revenue from sale of peripherals increased by 51% to U.S. $ 17,714 from U.S. $ 11,732 in the corresponding period of 2007.

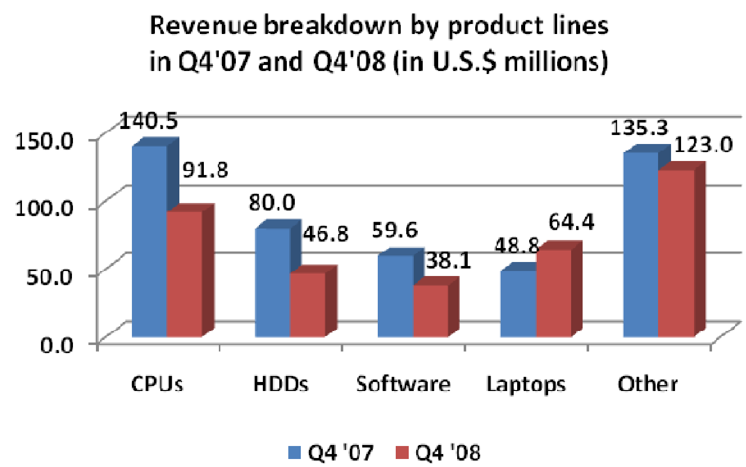
In the twelve months period ended December 31, 2008 revenue from sale of peripherals increased by 40.4% to U.S. $ 42,487 from U.S. $ 30,256 in the corresponding period of 2007.

The Company is also developing its own brands, Canyon and Prestigio, as it allows the Company to reach good, double digit gross margins. In 2008 own brands contribution in total sales revenue was more than 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 10-12%.

The Group is focusing on decreasing its reliance on the traditional components segment by broadening its product portfolio (i.e. trying to benefit from its good cooperation with Microsoft by signing distribution agreements for new countries like Croatia in November 2008) and signing more distribution agreements with finished-goods vendors. During the three month period ended December 31st 2008, the Company has signed several new distribution agreements with various suppliers with the most important being Dell, Brightpoint, Microsoft, CNT and LG Electronics.

The charts below indicate the revenue breakdown by product categories for the quarter ended December 31 as well as for the twelve months of 2008:





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 fund its liquidity requirements, for the most part, through operating cash flows and debt financing.

14. Additional Factors which may affect the Company's results in the future

Currency volatilities:

As it was already mentioned above the major factor that might affect the Company's results in the future is the continuous depreciation of the currencies of countries that the Group operates in against the US Dollar. During 2008 foreign exchange losses were the key driver of the ASBIS Group performance. Depending on how stable the local currencies will be going forward, the Group's results might be significantly affected. Despite all measures taken (and described above) the Group is not immune to dramatic changes of the currency rates and it requires constant monitoring and adaptation to this continuously changing environment.

Global economic slowdown:

The global economy has entered into a recession mode and the markets where the Group operates in could not be an exception. Especially the emerging markets of EMEA where the Group mainly focuses on were negatively affected and this continues till the day of this report.

Both the demand for IT and consumer electronics was decreased dramatically and as analysts expect this will continue during 2009. The Group has a strong position in the markets where it operates in and the management believes that the Company will come out of this slowdown much stronger. It is however the case that in the near future, because of lower demand observed in most of the Group's markets, the growth in revenues and profitability might be affected.

Investment in new countries:

During 2008 the Group has invested in various new countries like Turkey, the Kingdom of Saudi Arabia, Latvia, Italy and Bosnia and Herzegovina (through an acquisition). These investments are expected to deliver good results in the short term and partially offset possible negative impact in revenues from the markets affected the most by the world's financial crisis.

Management of Expenses

Following the slump in demand in 2008, the Group has taken several actions in decreasing its expenses and overheads and continues to do the same during 2009. The Group has proceeded into making employees redundant in November 2008 and continues the same in the first months of 2009. Following all its legal obligations the Group had to compensate and will have to compensate redundant employees and this might have an adverse effect by increasing temporarily its expenses.

Certain markets of EMEA have become quite illiquid and, as a result, the Company's cost of borrowing increased. If these market conditions persist, then the Group might also be negatively affected.

15. Information about important events that occurred after the period ended on September 30th 2008 and before this report's release

- On February 3rd, 2009 the Company has signed a purchase agreement with E-Vision Ltd under which it obtained full ownership, all rights, title and interest in and to certain computer programs known as the IT4PROFIT platform. The total sum of the transaction is USD 1,240,000.

  IT4PROFIT platform is a computer software platform used by the Company and its subsidiaries to organize electronic data interchange with its partners and customers and for online sales. Therefore the Board of Directors recognizes the purchase of the software platform and full rights to this platform as a purchase of an important asset.

- On February 4th, 2009 the Company announced that it has signed a distribution agreement with Western Digital Corporation (WD, NYSE ticker: WDC), one of the pioneers and long-time leaders of the storage industry.

  Under the terms of the signed agreement, the Company is authorized to sell a wide range of WD products including hard drives for desktop, mobile, audio-video and enterprise storage applications across Europe and the CIS.

By signing this agreement the Company has completed its hard-drives portfolio, which now includes products of all market leaders.

According to our best knowledge, in the period between December 31st 2008 and February 27th 2009 no other significant events occurred.

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 31 December 2008

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REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2008

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ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2008
(Expressed in United States Dollars)

	Notes	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Revenue		364.065.747	464.220.786	1.496.123.942	1.397.348.678
Cost of sales		(349.248.696)	(438.569.449)	(1.418.615.063)	(1.329.409.427)
Gross profit		**14.817.051**	**25.651.337**	**77.508.879**	**67.939.251**
Selling expenses		(10.242.092)	(9.138.434)	(34.006.367)	(25.357.804)
Administrative expenses		(6.875.353)	(4.572.617)	(27.175.249)	(16.844.488)
Profit from operations		**(2.300.394)**	**11.940.286**	**16.327.263**	**25.736.959**
Financial expenses	5	(3.491.213)	(1.968.974)	(8.745.077)	(5.192.225)
Financial income	5	30.769	512.683	199.625	750.371
Other income	4	157.099	186.703	345.484	336.659
Goodwill written off	13	-	(222.963)	89.715	(222.963)
Impairment of investments	12	(90.000)	-	(90.000)	**-**
Profit before taxation	6	**(5.693.739)**	**10.447.735**	**8.127.010**	**21.408.801**
Taxation	7	266.761	(1.082.200)	(3.023.806)	(2.723.275)
Profit after taxation		**(5.426.978)**	**9.365.535**	**5.103.204**	**18.685.526**
Profit/(Loss) attributable to minority interest		(16.028)	-	82.504	-
Profit/(Loss) attributable to equity holders		(5.410.950)	9.365.535	5.020.700	18.685.526
		(5.426.978)	**9.365.535**	**5.103.204**	**18.685.526**
Weighted average basic and diluted shares outstanding		55.500.000	53.000.000	55.500.000	49.250.000
Weighted average basic and diluted earnings per share from continuing operations, in US$ cent		(9.75)	17.67	9.05	37.94

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008
(Expressed in United States Dollars)

	Notes	Unaudited as at 31 December 2008 US$	Audited as at 31 December 2007 US$
ASSETS			
Current assets			
Inventories		81.282.446	88.279.393
Trade receivables	8	202.704.802	209.740.666
Other current assets	9	8.267.223	5.150.240
Current taxation	7	2.663.619	-
Cash at bank and in hand	20	41.207.621	45.197.152
Total current assets		**336.125.711**	**348.367.451**
Non-current assets			
Goodwill	13	550.517	-
Property, plant and equipment	10	24.470.498	16.190.268
Investments	12	9.580	99.580
Intangible assets	11	1.601.797	1.014.383
Deferred tax assets		140.992	-
Total non-current assets		**26.773.384**	**17.304.231**
Total assets		**362.899.095**	**365.671.682**
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		175.569.349	181.850.153
Other current liabilities	14	32.087.655	44.635.126
Current taxation	7	-	314.464
Short term obligations under finance leases	17	89.648	68.676
Bank overdrafts and short term loans	15	54.165.127	40.767.798
Total current liabilities		**261.911.779**	**267.636.217**
Non-current liabilities			
Long term liabilities	16	4.805.689	2.257.497
Long term obligations under finance leases	17	168.346	54.878
Deferred tax liability		-	22.595
Total non-current liabilities		**4.974.035**	**2.334.970**
Total liabilities		**266.885.814**	**269.971.187**
Equity			
Share capital	18	11.100.000	11.100.000
Share premium		23.518.243	23.518.243
Reserves		61.263.989	61.082.252
Minority interest		131.049	-
Total equity		**96.013.281**	**95.700.495**
Total liabilities and equity		**362.899.095**	**365.671.682**

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2008
(Expressed in United States Dollars)

	Attributable to equity holders of the parent						
	Share capital *US$*	Share premium account *US$*	Retained earnings *US$*	Foreign exchange reserve *US$*	Total *US$*	Minority interest *US$*	Total equity *US$*
Balance at 1 January 2007	**9.600.000**	**8.138.039**	**41.082.228**	**1.332.299**	**60.152.566**	**-**	**60.152.566**
Profit for the period from 1 January 2007 to 31 December 2007	-	-	18.685.526	-	18.685.526	-	18.685.526
Issue of shares	1.500.000	17.318.761	-	-	18.818.761	-	18.818.761
Cost related to issue of shares		(1.938.557)	-	-	(1.938.557)	-	(1.938.557)
Payment of dividend for 2006	-	-	(960.000)	-	(960.000)	-	(960.000)
Exchange difference arising on consolidation	-	-	-	942.199	942.199	-	942.199
Balance at 31 December 2007/ 1 January 2008	**11.100.000**	**23.518.243**	**58.807.754**	**2.274.498**	**95.700.495**	**-**	**95.700.495**
Minority interest from acquisition of subsidiaries	-	-	-	-	-	45.346	45.346
Profit for the period from 1 January 2008 to 31 December 2008	-	-	5.020.700	-	5.020.700	82.504	5.103.204
Payment of dividend for 2007	-	-	(3.330.000)	-	(3.330.000)	-	(3.330.000)
Increase of minority shareholding due to additional share capital	-	-	-	-	-	8.602	8.602
Exchange difference arising on consolidation	-	-	-	(1.508.963)	(1.508.963)	(5.403)	(1.514.366)
Balance at 31 December 2008	**11.100.000**	**23.518.243**	**60.498.454**	**765.535**	**95.882.232**	**131.049**	**96.013.281**

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2008
(Expressed in United States Dollars)

	Notes	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Profit for the period before tax and minority interest		8.127.010	21.408.801
Adjustments for:			
Exchange difference arising on consolidation		(1.027.769)	437.215
Provision for bad debts and receivables written off		1.194.243	1.442.277
Bad debts recovered		(11.636)	(98.208)
Depreciation	10	1.871.292	1.127.390
Amortization of intangible assets	11	960.867	771.690
Goodwill written off		(89.715)	222.963
Interest received		(199.625)	(415.417)
Interest paid		4.365.937	2.777.555
Impairment of investments		90.000	-
Profit from the sale of property, plant and equipment and intangible assets		(35.414)	(54.668)
Operating profit before working capital changes		**15.245.190**	**27.619.598**
Decrease/(increase) in inventories		10.682.000	(41.553.042)
Decrease/(increase) in trade receivables		8.757.302	(61.675.350)
(Increase) in other current assets		(1.650.377)	(406.009)
(Decrease)/increase in trade payables		(11.991.288)	63.083.694
(Decrease)/increase in other current liabilities		(11.080.254)	19.492.783
Cash inflows from operations		**9.962.573**	**6.561.674**
Taxation paid, net	7	(6.219.532)	(2.709.394)
Interest paid		(4.365.937)	(2.777.555)
Net cash (outflows)/inflows from operating activities		**(622.896)**	**1.074.725**
Cash flows from investing activities			
Interest received		199.625	415.417
Purchase of property, plant and equipment		(12.510.984)	(7.550.034)
Purchase of intangible assets	11	(1.525.722)	(567.214)
Payments to acquire investments in subsidiary	13	(660.040)	(49.447)
Net cash acquired from acquisition of subsidiary	13	600.925	(125.217)
Proceeds from sale of property, plant and equipment and intangible assets		242.184	264.734
Net cash outflows from investing activities		**(13.654.012)**	**(7.611.761)**
Cash flows from financing activities			
Dividends paid	23	(3.330.000)	(960.000)
Net proceeds from issue of share capital at a premium		-	16.880.204
Proceeds of long term loans and long term obligations under finance lease		1.480.422	1.571.602
(Repayments)/proceeds of short term loans and short term obligations under finance lease		(225.152)	5.080.515
Net cash (outflows)/inflows from financing activities		**(2.074.730)**	**22.572.321**
Net (decrease)/increase in cash and cash equivalents		**(16.351.638)**	**16.035.285**
Cash and cash equivalents at beginning of the period	20	**29.285.726**	**13.250.441**
Cash and cash equivalents at end of the period	20	**12.934.088**	**29.285.726**

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2008
(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.

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 2007. The financial statements have been prepared under historical cost convention.

3. Effects of seasonality and financial crisis

The Group's revenue and consequently its profitability are 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. Given the current economic turbulent environment though, the second half of the year was negatively affected as demand decreased. In addition gross and net profitability of the Group was negatively impacted as certain regional currencies (i.e. the Russian Ruble, Czech Crown, Polish Zloty, etc) significantly depreciated against the US Dollar, the Group's reporting currency.

4. Other income

	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Profit from sale of property, plant and equipment	19.195	29.492	35.414	54.668
Bad debts recovered	-	65.554	11.636	98.208
Other income	137.904	91.657	298.434	183.783
	157.099	186.703	345.484	336.659

5. Financial income/(expenses), net

	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Interest income	30.769	183.166	199.625	415.417
Other financial income	-	6.070	-	6.070
Exchange gain, net	-	323.447	-	328.884
	30.769	512.683	199.625	750.371

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2008
(Expressed in United States Dollars)

5. Financial income/(expenses), net (continued)

	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Bank interest	1.255.545	1.209.858	4.365.937	2.777.555
Bank charges	401.886	279.287	1.384.123	857.155
Factoring interest	125.383	140.804	763.718	692.965
Factoring charges	170.047	185.553	483.588	560.986
Other financial expenses	28.952	-	74.022	27.168
Other interest	7.393	153.472	110.439	276.396
Exchange loss	1.502.007	-	1.563.250	-
	3.491.213	1.968.974	8.745.077	5.192.225
Net financial expenses	(3.460.444)	(1.456.291)	(8.545.452)	(4.441.854)

6. Profit before taxation

	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Profit before taxation is stated after crediting:				
(a) Exchange gain	-	323.447	-	328.884
and after charging:				
(b) Depreciation	542.375	287.350	1.871.292	1.127.390
(c) Amortization of intangible assets	330.410	207.144	960.867	771.690
(d) Bank interest and charges	1.657.431	1.489.145	5.750.060	3.634.710
(e) Auditors' remuneration	210.047	145.906	743.831	639.066
(f) Directors' remuneration – executive	99.694	72.024	704.326	622.707
(g) Directors' remuneration – non executive	33.509	32.449	152.854	136.178

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7. Taxation

	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Credit balance 1 January	314.464	278.181
Acquisition of subsidiaries	34.043	-
Provision for the period/year	3.196.296	2.751.791
(Over)/underprovision of prior years	11.110	(6.114)
Amounts paid, net	(6.219.532)	(2.709.394)
(Debit)/credit balance 31 December	(2.663.619)	314.464

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.

The consolidated tax charge for the period consists of the following:

	Period from January 1 to December 31 2008 US$	Period from January 1 to December 31 2007 US$
Corporation tax for the period	3.196.296	2.751.791
(Over)/Underprovision of prior years	11.110	(6.114)
Deferred tax credit	(183.600)	(22.402)
Provision for the period	3.023.806	2.723.275

8. Trade receivables

	As at 31 December 2008 US$	As at 31 December 2007 US$
Trade receivables	205.408.098	212.230.205
Allowance for doubtful debts	(2.703.296)	(2.489.539)
	202.704.802	209.740.666

9. Other current assets

	As at 31 December 2008 US$	As at 31 December 2007 US$
Other debtors and prepayments	3.413.687	2.201.394
VAT and other taxes refundable	3.224.715	1.883.234
Loan due from related company	110.000	117.844
Loans advanced	28.114	39.367
Advances to suppliers	797.884	58.504
Employee floats	280.703	272.046
Deposits	412.120	577.851
	8.267.223	5.150.240

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

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10. Property, plant and equipment

Cost	**Land and buildings US$**	**Assets under construction US$**	**Warehouse machinery US$**	**Furniture and fittings US$**	**Office equipment US$**	**Motor vehicles US$**	**Computer hardware US$**	**Total US$**
At 1 January 2007	5.148.022	-	143.590	962.773	1.230.324	1.764.373	3.224.811	12.473.893
Additions from acquisitions of subsidiary	-	-	-	8.511	9.604	59.602	21.328	99.045
Additions	944.549	6.474.166	6.083	184.293	602.649	772.047	748.270	9.732.057
Disposals	-	-	-	(13.123)	(106.842)	(424.116)	(640.088)	(1.184.169)
Foreign exchange difference on retranslation	356.148	-	15.114	114.481	90.978	155.895	238.963	971.579
At 1 January 2008	6.448.719	6.474.166	164.787	1.256.935	1.826.713	2.327.801	3.593.284	22.092.405
Additions from the acquisition of subsidiary	-	62.909	-	23.294	24.547	67.211	174.837	352.798
Additions	2.380.297	3.397.336	71.620	674.280	944.922	1.203.477	1.920.909	10.592.841
Disposals upon disposal of subsidiaries	-	-	-	(57)	(55)	-	-	(112)
Disposals	-	-	-	(57.367)	(54.959)	(162.634)	(111.455)	(386.415)
Transfers	4.380.999	(4.380.999)	-	-	-	-	-	-
Foreign exchange difference on retranslation	(294.808)	(1.573)	(13.188)	(207.329)	(68.072)	(164.825)	(183.823)	(933.618)
At 31 December 2008	12.915.207	5.551.839	223.219	1.689.756	2.673.096	3.271.030	5.393.752	31.717.899
Accumulated depreciation								
At 1 January 2007	638.942	-	95.850	426.337	711.260	1.057.581	2.381.994	5.311.964
Charge for the year	147.561	-	25.404	127.806	145.944	285.066	395.609	1.127.390
Additions from acquisitions of subsidiary	-	-	-	1.043	1.642	10.960	6.447	20.092
Foreign exchange difference on retranslation	52.708	-	11.899	30.671	80.542	107.169	195.959	478.948
Disposals	-	-	-	(5.069)	(103.739)	(327.936)	(599.513)	(1.036.257)
At 1 January 2008	839.211	-	133.153	580.788	835.649	1.132.840	2.380.496	5.902.137
Additions from acquisitions of subsidiary	-	-	-	7.026	13.560	10.697	91.120	122.403
Charge for the year	262.276	-	25.008	175.561	282.063	475.384	651.000	1.871.292
Disposals upon disposal of subsidiaries	-	-	-	(57)	(55)	-	-	(112)
Disposals	-	-	-	(14.775)	(15.931)	(116.636)	(29.960)	(177.302)
Foreign exchange difference on retranslation	(77.977)	-	(11.808)	(85.808)	(32.608)	(118.341)	(144.475)	(471.017)
At 31 December 2008	1.023.510	-	146.353	662.735	1.082.678	1.383.944	2.948.181	7.247.401
Net book value								
At 31 December 2008	11.891.697	5.551.839	76.866	1.027.021	1.590.418	1.887.086	2.445.571	24.470.498
At 31 December 2007	5.609.508	6.474.166	31.634	676.147	991.064	1.194.961	1.212.788	16.190.268

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11. Intangible assets

	Computer software *US$*	Patents and licenses *US$*	Total *US$*
Cost			
At 1 January 2007	4.097.683	331.601	4.429.284
Foreign exchange difference on retranslation	110.709	5.506	116.215
Additions from the acquisition of subsidiary	1.164	-	1.164
Additions	340.113	227.101	567.214
Disposals	(318.683)	(8.745)	(327.428)
At 1 January 2008	4.230.986	555.463	4.786.449
Additions from acquisition of subsidiaries	26.244	-	26.244
Additions	1.407.054	118.668	1.525.722
Disposals upon disposal of subsidiaries	-	(330)	(330)
Disposals	(9.337)	-	(9.337)
Foreign exchange difference on retranslation	(150.974)	(1.347)	(152.321)
At 31 December 2008	5.503.973	672.454	6.176.427
Accumulated depreciation			
At 1 January 2007	2.955.641	205.393	3.161.034
Foreign exchange difference on retranslation	103.057	808	103.865
Charge for the year	609.479	162.211	771.690
On acquisition of subsidiary	752	-	752
Disposals	(263.526)	(1.749)	(265.275)
At 1 January 2008	3.405.403	366.663	3.772.066
Additions from acquisitions of subsidiaries	10.647	-	10.647
Charge for the year	834.705	126.162	960.867
Disposals upon disposal of subsidiaries	-	(330)	(330)
Disposals	(8.252)	-	(8.252)
Foreign exchange difference on retranslation	(157.202)	(3.166)	(160.368)
At 31 December 2008	4.085.301	489.329	4.574.630
Net book value			
At 31 December 2008	1.418.672	183.125	1.601.797
At 31 December 2007	825.583	188.800	1.014.383

12. Investments

	Country of incorporation	Percentage of participation	Cost *US$*	Impairment *US$*	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Investments held in related companies						
E-Vision Limited	Cyprus	18%	90.000	(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	99.580

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13. Acquisitions

During the year the Company acquired 100% of the share capital of PTUE IT-MAX, 80% of the share capital of Megatrend D.O.O. Sarajevo, and 66.6% of the share capital of CZAO Asbis. From the difference between the Group's interest in the net assets acquired and the consideration paid, the following goodwill arose:

- Capitalized goodwill on the acquisition of Megatrend D.O.O. Sarajevo of US$550.517;
- Negative goodwill on the acquisition of PTUE IT-MAX and CZAO Asbis of US$89.715 which was taken to income statement;

The net carrying value of underlying separately identifiable assets and liabilities transferred to the Group during the year were as follows:

	As at 31 December 2008	As at 31 December 2007
Tangible and intangible assets	245.992	79.365
Inventories	3.685.054	548.547
Receivables	2.904.045	619.014
Other receivables	1.466.606	17.874
Short and long term loans	(2.462.585)	-
Payables and accruals	(6.195.452)	(1.313.099)
Cash and cash equivalents	600.925	(125.217)
Net identifiable assets and liabilities	244.585	(173.516)
Group's interest in net assets acquired	199.238	(173.516)
Goodwill	550.517	222.963
Negative goodwill	(89.715)	-
Total purchase consideration	660.040	49.447

Net cash outflow arising on transfer:

Total purchase consideration	(660.040)	(49.447)
Cash and cash equivalents acquired	600.925	(125.217)
Net cash outflow	(59.115)	(174.664)

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14. Other current liabilities

	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Factoring creditors (note a)	12.776.071	13.707.714
Salaries payable and related costs	1.499.340	1.903.354
VAT payable	8.678.807	8.886.163
Amount due to directors - executive	2.873	38.318
Amount due to directors - non-executive	112.737	28.411
Non-trade accounts payable	4.910.867	11.544.367
Creditors for construction of buildings	263.881	2.182.023
Accruals and deferred income	3.843.079	6.344.776
	32.087.655	44.635.126

Note a: The Group enjoyed as at 31 December 2008 factoring facilities of US$32.254.260 (2007: US$32.008.699). These factoring facilities are secured as mentioned in note 15.

15. Bank overdrafts and short term loans

	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Bank overdrafts – note 20	28.273.533	15.911.426
Bank short term loans	25.159.446	24.577.864
Current portion of long term loans	732.148	278.508
	54.165.127	40.767.798

The Group as at 31 December 2008 had the following financial facilities with banks in the countries that the Company and its subsidiaries are operating:
- overdraft lines of US$47.376.351 (31 December 2007: US$ 25.980.656)
- short term loans/revolving facilities US$23.992.062 (31 December 2007: US$ 30.134.980)
- bank guarantees US$5.569.535 (31 December 2007: US$ 6.581.440)

The Group had for the period ending 31 December 2008 cash lines (overdrafts, loans and revolving facilities) and factoring lines.
The Weighted Average Cost of Debt (cash lines and factoring lines) for the year was 7.8% (2007: 8.6%).
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, Ukraine, Slovakia and Belarus
- Charge over receivables and inventories
- Corporate guarantees and, in some cases, cross guarantees by all Group companies to the extent of facilities granted
- Assignment of insurance policies
- Pledged deposits of US$ 764.541 (31 December 2007: US$ 2.901.663)

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16. Long term liabilities

	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Bank loans	4.667.223	2.136.096
Other long term liabilities	138.466	121.401
	4.805.689	2.257.497

17. Finance leases

	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Obligation under finance leases	257.994	123.554
Less: Amount payable within one year	(89.648)	(68.676)
Amount payable within 2-5 years inclusive	168.346	54.878

18. Share capital

	As at 31 December 2008 *US$*	As at 31 December 2007 *US$*
Authorised		
63.000.000 shares of US$ 0.20 each	12.600.000	12.600.000
Issued. called-up and fully paid		
55.500.000 ordinary shares of US$0.20 each	11.100.000	11.100.000

19. Segmental reporting

The Group operates in a single segment of the distribution of IT components 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.

	Period from October 1 to December 31 2008 *US$*	Period from October 1 to December 31 2007 *US$*	Period from January 1 to December 31 2008 *US$*	Period from January 1 to December 31 2007 *US$*
Former Soviet Union	130.812.379	229.063.512	649.443.986	681.730.050
Eastern Europe	148.370.615	156.380.313	504.608.484	452.913.972
Western Europe	39.208.950	35.223.167	142.056.609	124.738.564
Middle East & Africa	40.656.331	36.077.417	169.465.077	111.642.542
Other	5.017.472	7.476.377	30.549.786	26.323.550
Total revenue	364.065.747	464.220.786	1.496.123.942	1.397.348.678

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20. Cash and cash equivalents

	As at 31 December 2008 US$	As at 31 December 2007 US$
Cash at bank and in hand	41.207.621	45.197.152
Bank overdrafts - note 15	(28.273.533)	(15.911.426)
	12.934.088	29.285.726

The cash at bank balances include an amount of US$ 764.541 (31 December 2007: US$ 2.901.663) which represents pledged deposits.

21. Related party transactions and balances

Transactions between the Company and its subsidiaries have been eliminated on consolidation. In the normal course of business, the Group undertook during the period on an arm's-length basis transactions with the related company E-Vision Limited and its subsidiaries as follows:

	Period from January 1 to December 31 2008 US$	Period from January 1 to December 31 2007 US$
Purchase of services and computer software – E-Vision Limited	811.148	575.000
Interest income	4.639	7.844

Related party balances	As at 31 December 2008 US$	As at 31 December 2007 US$
Loan due from related company E-Vision Limited	110.000	117.844

The loan receivable from E-Vision Limited is unsecured and bears interest of 3 months Libor + 2% per annum.

Transactions and balances of key management	Period from October 1 to December 31 2008 US$	Period from October 1 to December 31 2007 US$	Period from January 1 to December 31 2008 US$	Period from January 1 to December 31 2007 US$
Directors' remuneration – executive	99.694	72.024	704.326	622.707
Directors' remuneration – non executive	33.509	32.449	152.854	136.178
	133.203	**104.473**	**857.180**	**758.885**

	As at 31 December 2008 US$	As at 31 December 2007 US$
Amount due to directors		
- executive	2.873	38.318
- non executive	112.737	28.411
	115.610	**66.729**

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22. Commitments and contingencies

As at 31 December 2008 the Group was committed in respect of purchases of inventories of a total cost value of US$4.701.594 (2007: US$4.832.250), which were in transit at 31 December 2008 and delivered in January 2009. 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 December 2008 the Group was contingently liable in respect of bank guarantees of US$5.569.535 (2007: US$6.581.440) which the Group had extended mainly to its suppliers as at 31 December 2008.

As at 31 December 2008 the Group had capital commitments of approximately US$ 1.900.000 (2007: US$1.570.000).

As at 31 December 2008 the Group had no other legal commitments and contingencies.

23. Dividends

The Board of Directors proposed the payment of a final dividend of US$0.06 per share for the year ended 31 December 2007 which in total amounted to US$3.330.000. The dividend was approved on 07 May 2008 at the Company's annual general meeting and paid on 11 June 2008.

24. Events after the balance sheet date

On the 3rd of February 2009 the Group has signed a purchase agreement with E-Vision Ltd under which it obtained full ownership, all rights, title and interest in and to certain computer programs known as the IT4PROFIT platform. The total sum of the transaction is US$ 1.240.000. IT4PROFIT platform is a computer software platform used by the Group to organize electronic data interchange with its partners and customers and for online sales.