

# **PLAISIO COMPUTERS S.A.**



## **ANNUAL FINANCIAL REPORTS** **JANUARY 1<sup>st</sup> to DECEMBER 31<sup>st</sup> 2007**

**According to International Financial Reporting Standards**

The attached Interim Financial Statements account for those that were approved by the Board of Directors of «PLAISIO COMPUTERS S.A.» on the 25<sup>th</sup> of January 2008 and have been posted on the company's web site [www.plaisio.gr](http://www.plaisio.gr).

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## **Independent Auditor's Report**

### **To the Shareholders of «PLAISIO COMPUTERS S.A.»**

#### **Report on the Financial Statements**

We have audited the accompanying Stand Alone and Consolidated Financial Statements of «PLAISIO COMPUTERS S.A.», which comprise the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### **Management's responsibility for the Financial Statements**

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

#### **Auditor's responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as they have been adopted by the European Union.

**Report on Other Legal and Regulatory Requirements**

The Board of Director's Report is consistent with the accompanying Financial Statements.

**Athens, 26 January 2008**

**BDO Protypos Hellenic Auditing Co AE**

**ANAGNOS LYMPERIS**

**Certified Auditor Accountant**

**A.M. SOEL 11241**

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO  
ARTICLE 11a par.1 OF THE LAW 3371/2005**

This explanatory report of the Board of Directors of PLAISIO COMPUTERS S.A. addressed to the Annual General Shareholders' Meeting contains information regarding the items of the article 11a paragraph 1 of the Law 3371/2005.

The Company's share capital amounts to 7.065.600,00 Euro, it is fully paid and divided to 22.080.000 ordinary shares with a nominal value of 0,32 Euro. All the Company's shares are listed for trading in the Athens Stock Exchange under Large Cap classification.

There are no restrictions to the transfer of the Company's shares.

The significant holdings of the Company in the sense of the Presidential Decree 51/1992 are the following: PLAISIO COMPUTERS JSC Bulgaria with 100% of shares and voting rights, PLAISIO ESTATE S.A. with 20% of shares and voting rights, PLAISIO ESTATE JSC Bulgaria with 20% of shares and voting rights, ELNOUS S.A. with 24% of shares and voting rights, INTERACTION CONNECT S.A. Luxembourg with 12,5% of shares and voting rights, TECHNOPOLIS-ACROPOLIS S.A. with 3,23% of shares and voting rights, TECHNOPOLIS THESSALONIKI S.A. with 3,29% of shares and voting rights. The only shareholder that holds more than 5% of the Company's shares and voting rights is George Gerardos with 67,73% of the Company's shares.

There are no shares that offer special voting rights.

There is no limitation on the voting right of each share of the Company

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on the voting rights.

The rules concerning the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association of the Company do not differ from those envisaged in the Law 2190/1920.

There is no authority of the Board of Directors or certain members of the Board to issue new shares. The Board of Directors is not authorized from the General Shareholders' Meeting to buy own shares.

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

**PLAISIO COMPUTERS S.A.**

Notes to the Annual Financial Statements (01/01 – 31/12/2007)

The Company have no significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without good reason in case of a public offer.

**THE MANAGING DIRECTOR  
AND PRESIDENT OF THE BOARD**

**GEORGE GERARDOS**

## Income Statement

(Figures in thousand €)

	Note	THE GROUP		THE COMPANY	
		01/01–31/12/07	01/01–31/12/06	01/01–31/12/07	01/01–31/12/06
Turnover	<b>3.24</b>	385.023	311.075	382.553	309.605
Cost of Sales		(313.442)	(252.624)	(311.877)	(251.606)
<b>Gross Profit</b>		<b>71.581</b>	<b>58.451</b>	<b>70.676</b>	<b>57.998</b>
Other operating income	<b>3.26</b>	794	135	794	134
Distribution/Selling expenses		(48.652)	(40.087)	(47.820)	(39.584)
General Administrative expenses		(6.938)	(6.422)	(6.372)	(5.771)
Other expenses		(412)	(503)	(462)	(503)
<b>EBIT</b>		<b>16.374</b>	<b>11.574</b>	<b>16.816</b>	<b>12.274</b>
Financial Income		482	447	512	453
Financial expenses		(3.263)	(2.049)	(3.247)	(2.040)
Profit / (loss) from associates		92	79	0	0
<b>Earnings before taxes</b>		<b>13.684</b>	<b>10.051</b>	<b>14.081</b>	<b>10.688</b>
Income taxes	<b>3.25</b>	(3.828)	(3.717)	(3.836)	(3.690)
<b>Earnings after taxes</b>		<b>9.855</b>	<b>6.334</b>	<b>10.244</b>	<b>6.998</b>
<i>Distributed to:</i>					
Parent Company's shareholders		9.855	6.334	10.244	6.998
Minority interest		0	0	-	-
<b>Basic earnings per share</b>	<b>3.23</b>	<b>0,45</b>	<b>0,29</b>	<b>0,46</b>	<b>0,32</b>
<b>Dividend per share</b>		-	-	<b>0,30</b>	<b>0,27</b>
<b>EBITDA</b>		<b>19.627</b>	<b>15.641</b>	<b>19.989</b>	<b>16.265</b>

The notes on the accounts are an indispensable part of the attached financial statements.

## Q4 Income Statement

(Figures in thousand €)

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<u>01/01–31/12/07</u>	<u>01/01–31/12/06</u>	<u>01/01–31/12/07</u>	<u>01/01–31/12/06</u>
Turnover	121.013	96.658	120.348	96.111
Cost of Sales	(98.311)	(79.088)	(98.038)	(78.682)
<b>Gross Profit</b>	<b>22.702</b>	<b>17.570</b>	<b>22.310</b>	<b>17.429</b>
Other operating income	710	67	710	67
Distribution/Selling expenses	(14.113)	(10.995)	(13.843)	(10.952)
General Administrative expenses	(2.274)	(1.634)	(2.056)	(1.405)
Other expenses	121	(249)	121	(249)
<b>EBIT</b>	<b>7.146</b>	<b>4.759</b>	<b>7.241</b>	<b>4.890</b>
Financial Income	166	136	163	135
Financial expenses	(1.114)	(695)	(1.107)	(692)
Profit / (loss) from associates	15	12	-	-
<b>Earnings before taxes</b>	<b>6.213</b>	<b>4.212</b>	<b>6.297</b>	<b>4.333</b>
Income taxes	(1.655)	(1.599)	(1.659)	(1.486)
<b>Earnings after taxes</b>	<b>4.558</b>	<b>2.613</b>	<b>4.638</b>	<b>2.847</b>
<i>Distributed to:</i>				
Parent Company's shareholders	4.558	2.613	4.638	2.847
Minority interest	0	0	-	-
Basic earnings per share	<b>0,21</b>	<b>0,12</b>	<b>0,21</b>	<b>0,13</b>
<b>EBITDA</b>	<b>7.919</b>	<b>5.812</b>	<b>7.994</b>	<b>5.922</b>

The notes on the accounts are an indispensable part of the attached financial statements.

## Balance Sheet Statement

(Figures in thousand €)

	<i>Note</i>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
		<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
<b>Assets</b>					
<b>Non current assets</b>					
Tangible fixed assets	<b>3.1</b>	25.882	18.681	25.731	18.490
Intangible fixed assets	<b>3.1</b>	411	846	402	826
Down payments for fixed assets	<b>3.1</b>	270	0	270	0
Investments in subsidiaries	<b>3.2</b>	0	0	1.057	1.057
Investments in associates	<b>3.3</b>	1.554	1.500	1.330	1.380
Other investments	<b>3.4</b>	442	442	442	442
Deferred tax assets	<b>3.14</b>	960	0	887	0
Other non current assets	<b>3.5</b>	703	642	695	642
		<b>30.222</b>	<b>22.111</b>	<b>30.814</b>	<b>22.837</b>
<b>Current assets</b>					
Inventories	<b>3.6</b>	63.524	42.803	62.359	41.410
Trade receivables	<b>3.7</b>	38.157	31.569	40.409	33.658
Other receivables	<b>3.8</b>	7.543	2.721	7.524	2.686
Financial Assets at fair value through Profit & Loss	<b>3.9</b>	6	8	6	8
Cash and cash equivalents	<b>3.10</b>	8.495	7.625	8.287	7.468
		<b>117.724</b>	<b>84.726</b>	<b>118.585</b>	<b>85.230</b>
		<b>147.946</b>	<b>106.837</b>	<b>149.399</b>	<b>108.067</b>
<b>Total Assets</b>					
<b>Shareholders' Equity and Liabilities</b>					
<b>Shareholders' Equity</b>					
Share capital	<b>3.11</b>	7.066	7.066	7.066	7.066
Additional paid-in capital	<b>3.11</b>	11.961	11.961	11.961	11.961
Reserves retained from earnings		26.307	23.075	28.070	24.449
Dividends	<b>3.12</b>	6.624	5.962	6.624	5.962
		<b>51.958</b>	<b>48.064</b>	<b>53.721</b>	<b>49.438</b>
<b>Long term liabilities</b>					
Long term banking liabilities	<b>3.13</b>	12.426	0	12.426	0
Deferred tax liabilities	<b>3.14</b>	0	2	0	68
Provision for pensions and similar commitments	<b>3.15</b>	370	389	370	389
Long term provisions	<b>3.16</b>	702	420	702	420
Other long term liabilities	<b>3.17</b>	42	39	42	39
		<b>13.540</b>	<b>850</b>	<b>13.540</b>	<b>916</b>
<b>Short term liabilities</b>					
Suppliers and related liabilities	<b>3.18</b>	65.731	36.069	65.629	35.905
Tax liabilities		4.950	5.894	4.802	5.894
Short term banking liabilities	<b>3.13</b>	509	9.217	509	9.217
Short term provisions	<b>3.16</b>	475	202	475	202
Other short term liabilities	<b>3.18</b>	10.784	6.541	10.722	6.495
		<b>82.449</b>	<b>57.923</b>	<b>82.137</b>	<b>57.713</b>
		<b>147.946</b>	<b>106.837</b>	<b>149.399</b>	<b>108.067</b>
<b>Total Shareholders' Equity and Liabilities</b>					

## Statement of changes in net equity

(Figures in thousand €)

### Consolidated statement of changes in net equity

	Share Capital	Additional paid in capital	Reserves and earnings carried forward	Total
<b>Net equity balance at the beginning of the period (1<sup>st</sup> of January 2006)</b>	<b>6.845</b>	<b>12.051</b>	<b>28.354</b>	<b>47.250</b>
Dividends paid	0	0	(5.520)	<b>(5.520)</b>
Net profit / (losses) after taxes	0	0	6.334	<b>6.334</b>
Capitalization of reserves and differences from value of stocks above par value	221	(90)	(131)	<b>0</b>
<b>Net equity balance at the end of the period (31<sup>st</sup> of December 2006)</b>	<b>7.066</b>	<b>11.961</b>	<b>29.037</b>	<b>48.064</b>
<b>Net equity balance at the beginning of the period (1<sup>st</sup> of January 2007)</b>	<b>7.066</b>	<b>11.961</b>	<b>29.037</b>	<b>48.064</b>
Dividends paid	0	0	(5.962)	(5.962)
Net profit / (losses) after taxes	0	0	9.855	9.855
<b>Net equity balance at the end of the period (31<sup>st</sup> of December 2007)</b>	<b>7.066</b>	<b>11.961</b>	<b>32.930</b>	<b>51.957</b>

### Parent company's statement of changes in net equity

	Share Capital	Additional paid in capital	Reserves and earnings carried forward	Total
<b>Net equity balance at the beginning of the period (1<sup>st</sup> of January 2006)</b>	<b>6.845</b>	<b>12.051</b>	<b>29.064</b>	<b>47.960</b>
Dividends paid	0	0	(5.520)	<b>(5.520)</b>
Net profit / (losses) after taxes	0	0	6.998	<b>6.998</b>
Capitalization of reserves and differences from value of stocks above par value	221	(90)	(131)	<b>0</b>
<b>Net equity balance at the end of the period (31<sup>st</sup> of December 2006)</b>	<b>7.066</b>	<b>11.961</b>	<b>30.411</b>	<b>49.438</b>
<b>Net equity balance at the beginning of the period (1<sup>st</sup> of January 2007)</b>	<b>7.066</b>	<b>11.961</b>	<b>30.411</b>	<b>49.438</b>
Dividends paid	0	0	(5.962)	<b>(5.962)</b>
Net profit / (losses) after taxes	0	0	10.244	<b>10.244</b>
<b>Net equity balance at the end of the period (31<sup>st</sup> of December 2007)</b>	<b>7.066</b>	<b>11.961</b>	<b>34.693</b>	<b>53.720</b>

The notes on the accounts are an indispensable part of the attached financial statements.

## Cash Flow Statement

(Figures in thousand €)

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>01/01/07- 31/12/07</b>	<b>01/01/06- 31/12/06</b>	<b>01/01/07- 31/12/07</b>	<b>01/01/06- 31/12/06</b>
<b><u>Operating Activities</u></b>				
Profits before taxes	<b>13.684</b>	<b>10.051</b>	<b>14.081</b>	<b>10.688</b>
<i>Plus / less adjustments for:</i>				
Depreciation / amortization	3.253	4.067	3.173	3.990
Devaluation of Investments	0	59	50	200
Provisions	254	(319)	254	(319)
Exchange differences	(60)	53	(60)	53
Results (income, expenses, profit and loss) from investing activities	69	(69)	123	0
Interest expenses and related costs	2.781	1.602	2.735	1.587
<i>Plus/less adjustments for changes in working capital or related to operating activities</i>				
Decrease / (increase) in inventories	(20.721)	(2.916)	(20.948)	(2.773)
Decrease / (increase) in receivables	(11.470)	(2.225)	(11.642)	(2.961)
(Decrease) / increase in liabilities (except for banks)	33.676	9.677	33.722	9.635
<i>Less:</i>				
Interest charges and related expenses paid	(2.970)	(2.049)	(2.954)	(2.040)
Income taxes paid	(5.452)	(254)	(5.599)	(254)
<b>Total inflows / (outflows) from operating activities (a)</b>	<b>13.044</b>	<b>17.677</b>	<b>12.935</b>	<b>17.806</b>
<b><u>Investing Activities</u></b>				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	0	(137)	0	(137)
Purchase of tangible and intangible fixed assets	(10.412)	(6.369)	(10.384)	(6.362)
Earnings from sales of tangible, intangible fixed assets and other investments	0	9	0	9
Received interest	482	447	475	443
Received dividends	0	0	37	10
<b>Total inflows / (outflows) from investing activities (b)</b>	<b>(9.930)</b>	<b>(6.050)</b>	<b>(9.872)</b>	<b>(6.037)</b>
<b><u>Financing Activities</u></b>				
Proceeds from share capital increase	0	0	0	0
Proceeds from issued loans	25.933	23.176	25.933	23.176
Payments of loans	(22.215)	(26.029)	(22.215)	(26.029)
Payments of financial leasing liabilities (capital installments)	0	0	0	0
Dividends paid	(5.962)	(5.520)	(5.962)	(5.520)
<b>Total inflows / (outflows) from financing activities (c)</b>	<b>(2.244)</b>	<b>(8.373)</b>	<b>(2.244)</b>	<b>(8.373)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>	<b>870</b>	<b>3.254</b>	<b>819</b>	<b>3.396</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>7.625</b>	<b>4.371</b>	<b>7.468</b>	<b>4.072</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>8.495</b>	<b>7.625</b>	<b>8.287</b>	<b>7.468</b>

The notes on the accounts are an indispensable part of the attached financial statements.

## **|Notes to the Interim Financial Statements**

### **1. General information**

PLAISIO COMPUTERS S.A. was founded in 1988 and is listed in the Athens Stock Exchange since 1999. The company's headquarters are located in 5 Favierou Street, in Metamorphosis Attiki (Num. M.A.E 16601/06/B/88/13). The Company assembles and trades PCs, Telecommunication and Office Equipment.

The Board of Directors of PLAISIO COMPUTERS S.A. approved the financial statements for the period ending on December 31<sup>st</sup> 2007 on the 25<sup>th</sup> of January 2008.

### **2. Basic Accounting Principles**

#### **2.1. Basis of Preparation of Financial Statements**

The Company's and the consolidated financial statements of the period ending on December 31<sup>st</sup> 2007, have been prepared according to the accrual basis, the going concern principle and in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations which have been issued by the International Financial Reporting Interpretation Committee (IFRIC) of IASB.

All the fundamental accounting principles of the financial statements of December 31<sup>st</sup> 2006 have been observed in the annual financial statements of December 31<sup>st</sup> 2007.

The preparation of the financial statements according to the International Financial Reporting Standards requires the management to perform estimations and assumptions. All the important assumptions made by the Company's management for the application of the company's

accounting methods and policies have been appropriately highlighted whenever this has been deemed necessary.

## **2.2. Basis of Consolidation**

The attached consolidated financial statements include the financial statements of PLAISIO COMPUTERS S.A. and its subsidiaries and affiliates.

### **Subsidiaries**

Subsidiaries are considered to be all the companies that are managed or controlled, directly or indirectly, by the parent company PLAISIO COMPUTERS S.A., either via the holding of the majority of voting rights of the company in which the investment took place, or via its dependence on the know how that is provided by the Group. PLAISIO COMPUTERS S.A. acquires and exercises control via voting rights. The existence of any potential voting rights that are exercisable at the time of compilation of the present financial statements has been taken into consideration in order to determine whether the parent company exercises control over the subsidiaries. Subsidiaries are fully consolidated with the purchase method from the day that the parent company acquires the right to control them and their consolidation ceases the day that the aforementioned control stops. The acquisition of a subsidiary by the Group is accounted for by the purchase method. The acquisition cost of a subsidiary is the fair value of the assets, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued at their fair value regardless of the participation percentage. The cost of acquisition over and above the fair value of the individual assets acquired is recorded as goodwill. If the total cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the profit and loss statement.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been

changed where necessary, in order to ensure consistency with the policies adopted by the Group.

## **Associates**

Associates are the companies over which the Group exerts significant influence, but cannot be classified as subsidiaries or joint ventures. Significant influence implies the holding between 20% and 50% of the voting rights of a company. The participations in associate companies are initially recognized at cost and are subsequently valued using the equity method. At the end of each period, the value increases by the proportion of the investing company in the changes of net equity of the associate and decreases by the dividends received from the associate.

## **Group structure**

The Group's structure on December 31<sup>st</sup> 2007 is analyzed as follows:

<b>Company</b>	<b>Country</b>	<b>Participation %</b>	<b>Relation to the parent company</b>	<b>Consolidation method</b>
PLAISIO Computers S.A.	Greece	Parent company	Parent company	Full consolidation
PLAISIO Computers J.S.C.	Bulgaria	100%	Direct	Full consolidation
PLAISIO Estate S.A.	Greece	20%	Direct	Equity consolidation
PLAISIO Estate J.S.C.	Bulgaria	20%	Direct	Equity consolidation
ELNOUS S.A.	Greece	24%	Direct	Equity consolidation

During the year 2007 there was no change in the participation percentage of the aforementioned companies in the Group's structure.

### **2.3. Segment reporting**

A business sector is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments. The Group and the Company are organized into three main segments, office

equipment, telecommunications and computer applications. The segment results of the Group are presented in note 3.24.

A geographical segment is engaged in providing products and services within a particular economic environment (area) that are subject to risks and return that are different from those in other economic environments. During the year 2007, the great majority (over 98%) of the Group's turnover came from operations in Greece, which is considered as one geographical segment.

## **2.4. Conversion of foreign currency**

### **Operating currency and reporting currency**

Items included in the financial statements of the Group's companies are measured using the currency of the primary economic environment in which each company operates (operating or functional currency). The consolidated financial statements are presented in euros, which is the operating currency of the Parent Company.

### **Transactions and balances**

The transactions in other currencies are converted to euros using the foreign currency exchange rates prevailing at the transaction day. The receivables and obligations under foreign currency are adjusted in order to be in line with the foreign currencies that are in effect the day of preparation of the financial statements. The profits or losses that result from the adjustments of the currency differences are included in the profits (losses) from currency differences in the attached financial statements.

### **Group Companies**

The conversion of the financial statements of the companies of the group, which have an operating currency other than the one of the parent company, takes place as follows:

1. The assets and obligations are converted using the foreign exchange rate at the close of the balance sheet date.
2. Equity is converted using the foreign exchange rates that were in effect the date they came up.
3. Revenue and expenses are converted using the average rates of the period.

Any differences that may arise from the aforementioned process is being debited or credited to the equity for conversion of foreign subsidiaries' balance sheets in foreign currency. Goodwill and adjustments of the fair values that arise from obtaining foreign economic units are converted using the exchange rates at the date of the balance sheet.

## **2.5. Tangible fixed assets**

Tangible fixed assets are displayed in the acquisition cost, minus the accumulated depreciations as well as the possible accumulated devaluation losses. Acquisition cost includes all the direct expenses that the acquisition of these assets entailed.

Subsequent costs are added to the carrying value of the tangible fixed assets or are recognized as a separate fixed asset only if it is probable that future economic benefits, associated with the asset, will flow to the Group or to the Company and the cost of the asset can accurately be measured.

Depreciation of tangible fixed assets is calculated using the straight-line method over their estimated useful lives, as follows:

- Buildings: 30 years
- Vehicles: 5 – 10 years
- Other equipment: 3 – 6 years

Land as well as the fixed assets under construction is not depreciated. Improvements in leased real estates are depreciated based on the length of their lease contract.

The Group's management examines periodically the tangible fixed assets in order to ascertain any possible decrease in their fair value. If there are indications that the book value of a tangible fixed asset exceeds its recoverable value, then a provision is formed for loss from devaluation, so that the fixed asset's book value displays its recoverable value. Tangible fixed assets are written off from the balance sheet only when they are distributed or not expected to bring future economic benefits.

Gains or losses on disposals of tangible fixed assets are determined by comparing the proceeds with the residual value and are included in the profit and loss statement of the period.

## **2.6. Intangible Fixed Assets**

The intangible fixed assets concern mainly the cost of software as well as any expense that has been realized during the software development in order for it to be functional. The software depreciation is calculated using the straight-line method and within a period of 3 - 5 years.

After the initial recognition, the Group's management examines periodically the intangible fixed assets in order to find any possible decrease in their value. When facts or changes indicate that the book value of an intangible property may not be regained, a provision for loss from devaluation is formed so that the accounting value of the property displays its recoverable value. Tangible fixed assets are written off from the balance sheet only when they are distributed or not expected to bring future economic benefits.

## **2.7. Investments**

All the investments are initially recognized at cost, including market expenses that are related to the investment. After the initial recognition, the investments are classified according to the purpose for which they were purchased and the management re-examines the classification at each publication date.

## **Financial Assets Available for Sale**

The investments that are classified as available for sale are valued at their fair value. In the case that the fair value cannot be estimated reliably, the investment is valued at cost. Profits or losses from investments available for sale are posted as a special part in the net equity until the investment gets sold, settled, distributed or until there is an indication of devaluation. Then the above profits or losses are transferred to the income statement of the period.

For investments that are traded in organized markets, the fair value is determined through the current market prices, which are provided from these markets during the balance sheet closing date. For investments for which there is no stock market price, the fair value is determined based on the current market value of another financial item that is similar (similar risks and returns) or is calculated using the discounted cash flow method of the net equity of the issuer.

On the balance sheet date the management examines the investments in order to find any possible indications of devaluation of their value. When the value of the investment has come to a level that does not allow the retrieval of the invested capital in the near future a provision for devaluation is formed. The aforementioned provision is posted to the income statement of the period.

### **Financial Assets valued at fair value through the Profit and Loss Statement**

Financial Assets that were obtained with the main purpose of making profit through the variations at their price belong in this category. More specifically, in the aforementioned category are classified all the financial assets that have not been obtained for hedging purposes, the shares bought for speculation purposes and the investments have defined or definable installments, if the company does not intend to keep them until their expiration but to speculate from them. Variations at the fair value of the above elements are posted directly in the Profit and Loss Statement. On December 31<sup>st</sup> 2007 the company owned 447 shares of the Greek Postal Savings Bank.

## **2.8. Inventories**

Inventories are valued at the lower value between cost and net realizable value. Cost is determined using the moving average price method. The cost of inventories does not include financial expenses. The net realizable value is the expected selling price during the regular business proceedings, reduced by the calculated cost that is necessary for the sale to take place.

## **2.9. Trade receivables and other receivables**

Trade receivables are recognized initially at fair value (invoice value), less provisions for non-receivables (bad debt). Provision for doubtful receivables is conducted when there is objective evidence that the Group or the Company will not be able to collect all amounts due according to the terms of receivables. The doubtful receivables (bad debt) are written off against the formatted bad debt provision.

## **2.10. Cash and Equivalents**

Cash and cash equivalents include cash on hand, short-term bank deposits and other short-term highly liquid investments with maturity dates of three (3) months or less and insignificant risk.

## **2.11. Banking liabilities (loans)**

Banking loans are recognized initially at fair value, decreased by any transaction costs incurred. Subsequently, they are stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the profit and loss statement over the borrowing period using the effective interest method.

Loans are classified as short-term liabilities when the Group or the Company has the obligation to pay them back within twelve months from the date of the balance sheet. In the opposite case they are classified as long-term liabilities.

## **2.12. Income Tax (Current and Deferred)**

The period's income tax includes the current tax, the deferred tax and the provisions for unaudited tax periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to equity, in which case it is, accordingly, booked to equity.

Current income tax concerns tax over the taxable profits of the companies that are included in the consolidation as restated according to the requirements of the tax law and calculated based on the current tax coefficient in effect in the countries where the subsidiaries are activated.

The deferred tax is calculated using the liability method, for all the temporary differences arising between the tax base and the accounting value of the assets and liabilities. The expected tax burdens from the temporary tax differences are calculated and displayed either as future (deferred) tax assets, or as deferred tax liabilities. The deferred tax is calculated based on the rates that applied on the date of the Balance Sheet.

Deferred income tax assets are recognized to the extent that is probable that future taxable profit will be available against which the temporary differences can be utilized. The book value of the deferred tax assets is restated in every balance sheet date and reduced in the degree that is speculated that there will not be enough tax profits charged with a part or the total of the deferred liabilities.

## **2.13. Employee Benefits**

### **Short-term benefits**

Short-term employee benefits, monetary and in items, are recognized as an expense when they accrue.

## **Benefits for employee compensation**

According to the Greek Law 2112/20 the company pays the employees compensations for dismissals or resignations due to pensions. The aforementioned payments depend on the years of working experience, the remunerations, and the way of leaving the company (dismissal or resignation). The compensations for pensions and dismissals fall under the defined benefit plans according to the IFRS 19 «Employee benefits». The above obligations are calculated based on an actuarial projected unit credit method. A program of specific benefits that operates taking into consideration various factors such as age, years of experience, remuneration and other specific obligations.

The provisions that concern the fiscal year, are included in the relative personnel cost in the attached consolidated financial statements and consist of the current and previous personnel cost, the relative financial cost, the actuarial profits or losses and any other possible charges. According to the IFRS 19, for the non-recognized actuarial profits or losses, the method of corridor approach is followed. IFRS 19 states that the profits and losses are systematically registered during the average employee working life.

The provision for personnel compensation for the current period, which is displayed in the results of the Group and the Company, is based on an actuarial study made by an independent actuarial company.

### **2.14. Provisions and contingent liabilities, potential receivables**

The company forms provisions when:

- a. There is a legal or presumed obligation as a result of past events.
- b. Possible outflows encompass financial gains of the obligation settling.
- c. The amount of the relevant obligation can be reliably estimated.

The company's management reassesses the need of provisions at the date of the financial statement, and adjusts them so that they display the best possible estimations. In the case it is thought necessary; these are discounted based on a pre-tax rate.

Contingent liabilities are not posted in the financial statements, but are disclosed, unless the possibility of outflows that encompass financial gains is very small. Contingent claims are not posted in the financial statements but are disclosed as long as the inflows of financial gains are probable.

## **2.15. Revenue and cost recognition**

### **Sale of goods**

Revenue from the sale of goods is recognized, after the deduction of possible discounts, when all significant risks and rewards of ownership of the goods are transferred to the buyer.

### **Sale of services**

Income from services is recognized in the accounting period in which the services are rendered, based on the stage of completion of the services provided in relation to the total services to be provided.

### **Interest income**

Interest income is recognized in the income statement on a time proportion basis using the effective interest method.

### **Dividend income**

Income from dividends is recognized when the right to receive payment is established.

### **Expenses**

Expenses are recognized when they accrue.

## **2.16. Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period in which the Annual Shareholders' Meeting approves the distribution of these dividends.

## **2.17. Earnings per share**

Earnings per share are calculated dividing the net profit of the period that corresponds to the holders of common stocks, with the weighted average number of the ordinary shares during the fiscal year. There have been no bonds or other potential titles convertibles in shares that reduce the profits during the period. Consequently, diluted profits per share have not been calculated.

## **2.18. Financial items**

The financial receivables and the financial obligations in the balance sheet include cash, receivables, participations and investments as well as short-term obligations. The company does not use financial derivatives for hedging or speculative purposes. The accounting policies of recognition and devaluation of these elements are included in the relating accounting policies, which are presented in this note. The financial products are presented as assets, liabilities or elements of net equity based on their essence and content from which they stem. Interests, dividends, profits or losses that result from the financial products (assets or liabilities) are posted to the income statement. The financial products are offset when the company, according to the law, holds the legal right and intends to offset them on a clear basis (between them) or to retrieve the financial element and offset at the same time the obligation.

### 3. Notes to the Interim Financial Statements

#### 3.1. Tangible and Intangible Assets

(Figures in thousand €)

The tangible and intangible assets of the Group and the Company are analyzed as follows:

<b>Tangible &amp; Intangible Assets</b>					
<b>THE GROUP</b>					
	<b>Land &amp; Buildings</b>	<b>Furniture &amp; Other Equipment</b>	<b>Tangible Assets under construction</b>	<b>Intangible Assets</b>	<b>Total</b>
<b>Acquisition Cost</b>					
<b>Book Value on January 1<sup>st</sup> 2007</b>	<b>16.363</b>	<b>10.398</b>	<b>3.739</b>	<b>3.982</b>	<b>34.482</b>
Additions	2.520	1.044	6.517	61	10.142
Reductions	(299)	(561)	0	0	(860)
Transfers	180	7	(187)	0	0
<b>Book value on December 31<sup>st</sup> 2007</b>	<b>18.765</b>	<b>10.888</b>	<b>10.069</b>	<b>4.043</b>	<b>43.765</b>
<b>Depreciations</b>					
<b>Book Value on January 1<sup>st</sup> 2007</b>	<b>(4.732)</b>	<b>(7.087)</b>	<b>0</b>	<b>(3.136)</b>	<b>(14.955)</b>
Additions	(1.234)	(1.523)	0	(496)	(3.253)
Reductions	295	442	0	0	737
Transfers	0	0	0	0	0
<b>Book value on December 31<sup>st</sup> 2007</b>	<b>(5.672)</b>	<b>(8.168)</b>	<b>0</b>	<b>(3.632)</b>	<b>(17.472)</b>
<b>Remaining value on December 31<sup>st</sup> 2007</b>	<b>13.093</b>	<b>2.720</b>	<b>10.069</b>	<b>411</b>	<b>26.293</b>
<b>Remaining value on December 31<sup>st</sup> 2006</b>	<b>11.631</b>	<b>3.311</b>	<b>3.739</b>	<b>846</b>	<b>19.527</b>

**Tangible & Intangible Assets**

<b>THE COMPANY</b>					
	<b>Land &amp; Buildings</b>	<b>Furniture &amp; Other Equipment</b>	<b>Tangible Assets under construction</b>	<b>Intangible Assets</b>	<b>Total</b>
<b>Acquisition Cost</b>					
<b>Book Value at January 1<sup>st</sup> 2007</b>	<b>16.363</b>	<b>10.108</b>	<b>3.739</b>	<b>3.941</b>	<b>34.151</b>
Additions	2.520	1.016	6.517	61	10.114
Reductions	(299)	(561)	0	0	(860)
Transfers	180	7	(187)	0	0
<b>Book value at December 31<sup>st</sup> 2007</b>	<b>18.765</b>	<b>10.570</b>	<b>10.069</b>	<b>4.002</b>	<b>43.405</b>
<b>Depreciations</b>					
<b>Book Value at January 1<sup>st</sup> 2007</b>	<b>(4.732)</b>	<b>(6.988)</b>	<b>0</b>	<b>(3.116)</b>	<b>(14.836)</b>
Additions	(1.234)	(1.455)	0	(483)	(3.173)
Reductions	295	442	0	0	737
Transfers	0	0	0	0	0
<b>Book value at December 31<sup>st</sup> 2007</b>	<b>(5.672)</b>	<b>(8.001)</b>	<b>0</b>	<b>(3.600)</b>	<b>(17.272)</b>
<b>Remaining value at December 31<sup>st</sup> 2007</b>	<b>13.093</b>	<b>2.569</b>	<b>10.069</b>	<b>402</b>	<b>26.133</b>
<b>Remaining value at December 31<sup>st</sup> 2006</b>	<b>11.631</b>	<b>3.120</b>	<b>3.739</b>	<b>825</b>	<b>19.315</b>

There are no mortgages or collateral on the tangible fixed assets of the Group and the Company. Intangible assets include mainly bought software and licenses for software (SAP R3, BW, CRM etc.).

The total acquisition of fixed assets of the Group and the Company for the 12M 2007 amount to 10.142 thousand € and 10.114 thousand € respectively, while the down payments to acquire fixed assets for the Group and the Company on December 31st 2007 amounted to 270 thousand € and 270 thousand € respectively.

### 3.2. Participations in subsidiaries

(Figures in thousand €)

Participation in subsidiaries is the participation of the parent company PLAISIO COMPUTERS S.A. in the share capital of the fully consolidated PLAISIO COMPUTERS JSC. The percentage of participation of the parent company is 100% and no minority rights arise. In the company's financial statements the participation in subsidiaries is displayed in cost. In the consolidated financial statements participation in subsidiaries is omitted. The value of participation in subsidiaries on December 31<sup>st</sup> 2007 and December 31<sup>st</sup> 2006 was:

Participation of parent company in subsidiaries	31/12/2007	31/12/2006
PLAISIO COMPUTERS JSC	1.057	1.057

### 3.3. Participations in affiliated companies

(Figures in thousand €)

The participation in affiliated companies on December 31<sup>st</sup> 2007 and December 31<sup>st</sup> 2006 is analyzed as follows:

Participation in affiliated companies	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
PLAISIO Estate S.A.	1.297	1.243	1.087	1.087
ELNOUS S.A.	21	30	282	282
PLAISIO Estate J.S.C.	236	227	212	212
	<b>1.554</b>	<b>1.500</b>	<b>1.581</b>	<b>1.581</b>
<b>Minus: Provision for devaluation (ELNOUS)</b>	<b>0</b>	<b>0</b>	<b>(250)</b>	<b>(200)</b>
	<b>1.554</b>	<b>1.500</b>	<b>1.331</b>	<b>1.381</b>

The participation in affiliated companies is presented at cost in the Company's financial statements. The management created provision for devaluation of 50 thousand € for the investment in Elnous S.A., as there are doubts concerning the continuation of its activity with the same business activity.

In the Group's financial statements the affiliates are consolidated using the net equity method, in accordance with IAS 28. The participation of the Company in affiliates on December 31<sup>st</sup> 2007 is analyzed as follows:

	<b>Participation percentage</b>	<b>Country of incorporation</b>	<b>Activity</b>
PLAISIO Estate S.A.	20%	Greece	Real estate
ELNOUS S.A.	24%	Greece	Educational services
PLAISIO Estate J.S.C.	20%	Bulgaria	Real estate

### 3.4. Other long-term Investments

(Figures in thousand €)

Other investments consist of portfolio investments in companies not listed in organized stock markets. According to IAS 32 and 39, these investments are displayed in the financial statements at their cost of acquisition less any provision for devaluation. Other long-term investments on December 31<sup>st</sup> 2007 are analyzed as follows:

<b>Other long-term investments</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>
High-tech Park Acropolis Athens S.A.	411	411	411	411
High-tech Park Technopolis Thessalonica S.A.	19	19	19	19
Interaction Connect S.A.	12	12	12	12
	<b>442</b>	<b>442</b>	<b>442</b>	<b>442</b>

The participation of the company in the above companies on December 31<sup>st</sup> 2007 was:

	<u>Percentage of Participation</u>	<u>Country of Incorporation</u>
High-tech Park Acropolis Athens S.A.	3,23%	Greece
High-tech Park Technopolis Thessalonica S.A.	3,29%	Greece
Interaction Connect S.A.	12,5%	Luxembourg

### 3.5. Other non-current assets

(Figures in thousand €)

Other non-current assets include long-term guarantees and receivables that are going to be collected after the end of the following period. In particular, other non-current assets on December 31<sup>st</sup> 2007 are analyzed as follows:

Other non-current assets	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
Long-term guarantees	703	627	695	627
Other non-current receivables	0	15	0	15
	<b>703</b>	<b>642</b>	<b>695</b>	<b>642</b>

### 3.6. Inventories

(Figures in thousand €)

The Group and Company's inventories on December 31<sup>st</sup> 2007 are analyzed as follows:

Inventories	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
Inventories of merchandise	61.962	41.004	60.744	39.575
Inventories of finished products	15	25	15	25
Inventories of raw materials	111	84	111	84
Inventories of consumables	567	329	567	329
Down payments to vendors	4.554	3.175	4.554	3.175
	<b>67.209</b>	<b>44.617</b>	<b>65.991</b>	<b>43.188</b>
<i>Minus:</i> Provision for devaluation	(3.685)	(1.814)	(3.632)	(1.778)
<b>Net realizable value of inventories</b>	<b>63.524</b>	<b>42.803</b>	<b>62.359</b>	<b>41.410</b>

The provision for devaluation of inventories refers to slow-moving stock and technologically depreciated stock to be destroyed. In 2007, the results of the Group and the Company have been aggravated by a provision for devaluation of stock in the net realizable value of 1.872 thousand € and 1.854 thousand € respectively. This provision is re-evaluated at every date of the balance sheet, since the company trades high technology products and the risk of obsolescence is high.

### **3.7. Trade and other receivables**

**(Figures in thousand €)**

The Group and Company's trade and other receivables on December 31<sup>st</sup> 2007 are analyzed as follows:

<b>Trade and other receivables</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>
Receivables from subsidiaries	0	0	2.498	2.278
Trade receivables – credit cards	33.425	26.588	33.148	26.393
Cheques and bills receivables	5.817	5.763	5.817	5.763
	<b>39.242</b>	<b>32.351</b>	<b>41.464</b>	<b>34.434</b>
<i>Minus:</i> bad debt provision	(1.085)	(782)	(1.055)	(776)
	<b>38.157</b>	<b>31.569</b>	<b>40.409</b>	<b>33.658</b>

All the above receivables are short-term and there is no need to discount them at the date of the balance sheet.

The above mentioned bad debt provision includes specific and general bad debt provision. The receivables from subsidiaries and from the public sector are omitted in the formation of the bad debt provision as it is estimated that there is no danger of non-collecting the receivables from the customers of these categories. In 2007, the results of the Group and the Company have been aggravated by a provision for bad debt of 303 thousand € and 279 thousand € respectively.

### 3.8. Other short –term receivables

(Figures in thousand €)

The other short-term receivables of the Group and of the Company are analyzed as follows:

Other short-term receivables	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
Income tax assets	0	19	0	0
Deferred expenses	481	142	469	127
Other short-term receivables	7.062	2.560	7.055	2.559
	<b>7.543</b>	<b>2.721</b>	<b>7.524</b>	<b>2.686</b>

All the above receivables are short-term and there is no need to discount them at the date of the balance sheet.

### 3.9. Financial Assets Valuated at fair value through the Profit & Loss

#### Statement

(Figures in thousand €)

The Financial Assets of this category include investments of the Company in the Greek Postal Savings Bank. The valuation of the shares of the Greek Postal Savings Bank was at fair value and more specifically at their closing price at the Athens Stock Exchange on December 31<sup>st</sup> 2007, which is the date of the Balance Sheet. The loss which came out from the revaluation of the fair value of the shares was posted directly under the Profit and Loss Statement of the period.

Financial Assets Valuated at fair value through the Profit & Loss Statement	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
<b>Balance at the beginning of the period</b>	<b>8</b>	<b>0</b>	<b>8</b>	<b>0</b>
Additions	0	6	0	6
Sales	0	0	0	0
Revaluations of fair value	(2)	2	(2)	2
<b>Balance at the end of the period</b>	<b>6</b>	<b>8</b>	<b>6</b>	<b>8</b>

### 3.10. Cash and cash equivalents

(Figures in thousand €)

Cash and cash equivalents represent cash in the cash register of the Group and the Company as well as time deposits available on first demand. Their analysis on December 31<sup>st</sup> 2007 and December 31<sup>st</sup> 2006 respectively was:

Cash and cash equivalents	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
Cash in hand	360	3.545	272	3.484
Short-term bank deposits	6.835	4.080	6.715	3.984
Short-term bank time deposits	1.300	0	1.300	0
	<b>8.495</b>	<b>7.625</b>	<b>8.287</b>	<b>7.468</b>

### 3.11. Share capital and difference above par

The share capital of the company is analyzed as follows:

	Number of shares	Par Value	Share capital	Above par	Total
<b>1<sup>st</sup> of January 2007</b>	22.080.000	0,32	7.065.600	11.961.185	19.026.785
<b>31<sup>st</sup> of December 2007</b>	<b>22.080.000</b>	<b>0,32</b>	<b>7.065.600</b>	<b>11.961.185</b>	<b>19.026.785</b>

The company's share capital consists of twenty-two million eighty thousand ordinary shares with a par value of thirty-two cents (0,32 €) each. All issued shares are traded at the Athens Stock Exchange.

### 3.12. Dividends

(Figures in thousand €)

On January 25<sup>th</sup> 2008 the Board of Directors of PLAISIO COMPUTERS S.A. proposed the distribution of dividend of total value € 6.624 thousand (0,30 € per share) from the profits of the fiscal year 2007, which is under the approval of the Annual General Shareholders' Meeting.

According to IFRS, the aforementioned dividend is included in the Net Equity of the company on December 31<sup>st</sup> 2007, after the approval of the General Shareholders' Meeting; it will be transferred from the Net Equity to other short-term liabilities. The dividend paid for the year 2006 was 5.962 thousand euro (0,27 € per share). The payment of the dividend for the fiscal year 2006 took place on May 22<sup>nd</sup> 2007. As a result, the net equity for 31<sup>st</sup> December 2006 includes the aforementioned dividend and the short-term liabilities of December 31<sup>st</sup> 2007 include the dividends of previous years that had not been collected by the shareholders.

### **3.13. Banking liabilities** **(Figures in thousand €)**

The banking liabilities of the Group and of the Company on December 31<sup>st</sup> 2007 are analyzed as follows:

<b>Banking liabilities</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>
<b><u>Long-term banking liabilities</u></b>				
Non convertible bond loans	12.426	0	12.426	0
<b>Total long-term banking liabilities</b>	<b>12.426</b>	<b>0</b>	<b>12.426</b>	<b>0</b>
<b><u>Short-term banking liabilities</u></b>				
Banking loans	509	9.217	509	9.217
<b>Total short-term banking liabilities</b>	<b>509</b>	<b>9.217</b>	<b>509</b>	<b>9.217</b>
<b>Total banking liabilities</b>	<b>12.935</b>	<b>9.217</b>	<b>12.935</b>	<b>9.217</b>

The due date of the total loans of the Group and of the Company is:

	<b><u>Up to 2 years</u></b>	<b><u>Between 2 and 5 years</u></b>	<b><u>Over 5 years</u></b>	<b><u>Total</u></b>
<b><u>Balance 31/12/2006</u></b>	9.217	0	0	<b>9.217</b>
<b><u>Balance 31/12/2007</u></b>	1.151	7.928	3.856	<b>12.935</b>

The long term bank loans that appear in the financial statements of the Group and of the Company refer to:

1. 12-year Bond Loan, non-convertible to stocks from the National Bank of Greece S.A.
2. 5-year Bond Loan, non-convertible to stocks from the Alpha Bank S.A.

### 3.14. Differed income tax

(Figures in thousand €)

Based on the current tax law, for the period 2007 and on, the tax rate will be 25%. For the relevant periods the tax rate in Bulgaria is 10%. According to the above tax rates, the deferred income tax is analyzed as follows:

Deferred tax income	THE GROUP		THE COMPANY	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
<b>Deferred tax liabilities</b>				
Depreciation of tangible and intangible assets	(729)	(930)	(728)	(929)
Other	0	(61)	0	(61)
<b>Deferred tax assets</b>				
Bad debt provision	271	195	263	194
Provisions for pensions and similar commitments	92	97	92	97
Provisions for devaluation-destruction of inventories	913	449	908	444
Other provisions	352	187	352	187
Prior year losses	61	61	0	0
	<b>960</b>	<b>(2)</b>	<b>887</b>	<b>(68)</b>

### 3.15. Provisions for pensions and similar commitments

(Figures in thousand €)

The company, for the period 2007, had an independent actuarial study done on personnel compensation. The provision for pensions and similar commitments for the first 12month period of 2008, based on the aforementioned studies was:

<b>Provisions for pensions and similar commitments</b>	<b><u>12M 2007</u></b>
Opening balance	389
Provision for the year	67
<i>Minus: reversed provisions</i>	(86)
<b>Closing balance</b>	<b>370</b>

The main actuarial principals used were:

<b>Actuarial assumptions</b>	
Discount rate	4,3%
Rate of compensation increase	4%
Average future working life	1,04 years

According to IAS 19, the interest rate used for the calculation of present values of pension and similar commitments has to be determined based on the current performance of high quality corporate bonds. Thus, taking into consideration the interest rate curve at the date the estimate was formed (31/12/2007) and the estimated time of payment of benefits, it was estimated that the weighted average interest rate was 4,3%.

### **3.16. Provisions**

**(Figures in thousand €)**

The balances of accounts of provisions for the Group and the Company on December 31<sup>st</sup> 2007 are analyzed respectively as follows:

<b>Provisions</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>		
	<i>Note</i>	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>

<b>Long-term provisions</b>					
Provision for un-audited tax periods	<b>(a)</b>	562	280	562	280
Provision for bringing the stores in their primary condition according to the lease contracts	<b>(b)</b>	140	140	140	140
<b>Total long-term provisions</b>		<b>702</b>	<b>420</b>	<b>702</b>	<b>420</b>
<b>Short-term provisions</b>					
Provision for copyrights	<b>(c)</b>	27	103	27	103
Provision for computer guarantees	<b>(d)</b>	448	99	448	99
<b>Total short-term provisions</b>		<b>475</b>	<b>202</b>	<b>475</b>	<b>202</b>

**(a).** The Company had formed a provision of € 562 thousand, in order to cover the event of additional taxes in case of audit from the tax authorities for the unaudited periods. Concerning the other companies of the group, no such provision has been formed on the basis that any extra burden will be non-material. The unaudited tax periods are presented in note 3.20.

**(b).** The Company has formed a provision for restoring the stores in their primary condition according to the lease contracts.

**(c).** The Company has formed a provision for the copyright fees that should be paid, based on the relevant regulations for the importers / manufacturers of digital products, electronic storage means, copy paper and specific office machines in the relevant organizations of total control. This provision referred to the copyrights of the period 1996 – 2004, which was reversed in 2007, since the company took all the necessary actions to pay them, but the qualified bodies did not respond. At the same time in 2007 a provision was formed concerning neighbouring rights for the recorded music in the stores.

**(d).** The Company has formed provision of total amount of € 448 thousand for computer guarantees given to its customers. The provision is revaluated at the end of each fiscal year.

### **3.17. Other Long-Term Liabilities** **(Figures in thousand €)**

Other long-term liabilities of the Group and of the Company refer to deferred income (duration longer than twelve (12) months from the date of compilation of the balance sheet) and their balance on December 31<sup>st</sup> 2007 was € 42 thousand.

### **3.18. Suppliers and related short-term liabilities** **(Figures in thousand €)**

Suppliers and related short-term liabilities on December 31<sup>st</sup> 2007 are analyzed as follows:

<b>Suppliers and related short-term liabilities</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>
Trade payables	65.731	36.069	65.629	35.905
Advance payments	1.825	1.076	1.817	1.076
Dividends payable	176	166	176	166
Deferred income	0	6	0	0
Social security liabilities	1.461	1.161	1.461	1.161
Other short-term liabilities	7.322	4.132	7.268	4.092
	<b>76.515</b>	<b>42.610</b>	<b>76.351</b>	<b>42.400</b>

All the aforementioned liabilities are short-term and there is no need to be discounted at the date of the balance Sheet.

### **3.19. Related party transactions** **(Figures in thousand €)**

The intra-company transactions can be analyzed as follows:

<b>Intra-company transactions 31.12.2007</b>
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**PLAISIO COMPUTERS S.A.**

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<b>Intra-company purchases</b>						
<b>Intra-company sales</b>	<b>PLAISIO COMPUTERS S.A.</b>	<b>PLAISIO Estate S.A.</b>	<b>ELNOUS S.A.</b>	<b>PLAISIO COMPUTERS J.S.C.</b>	<b>PLAISIO Estate J.S.C.</b>	<b>Total</b>
PLAISIO COMPUTERS S.A.	-	6	0	3.825	0	<b>3.831</b>
PLAISIO Estate S.A.	1.218	-	0	0	0	<b>1.218</b>
ELNOUS S.A.	0	0	-	0	0	<b>0</b>
PLAISIO COMPUTERS J.S.C.	44	0	0	-	0	<b>44</b>
PLAISIO Estate JSC	0	0	0	147	-	<b>147</b>
<b>Total</b>	<b>1.262</b>	<b>6</b>	<b>0</b>	<b>3.972</b>	<b>0</b>	<b>5.240</b>

**Intra-company transactions 31.12.2006**

<b>Intra-company purchases</b>						
<b>Intra-company sales</b>	<b>PLAISIO COMPUTERS S.A.</b>	<b>PLAISIO Estate S.A.</b>	<b>ELNOUS S.A.</b>	<b>PLAISIO COMPUTERS J.S.C.</b>	<b>PLAISIO Estate J.S.C.</b>	<b>Total</b>
PLAISIO COMPUTERS S.A.	-	5	7	2.594	0	<b>2.606</b>
PLAISIO Estate S.A.	1.164	-	0	0	0	<b>1.164</b>
ELNOUS S.A.	0	0	-	0	0	<b>0</b>
PLAISIO COMPUTERS J.S.C.	0	0	0	-	0	<b>0</b>
PLAISIO Estate JSC	0	0	0	142	-	<b>142</b>
<b>Total</b>	<b>1.164</b>	<b>5</b>	<b>7</b>	<b>2.736</b>	<b>0</b>	<b>3.912</b>

**Intra-company receivables – liabilities 31.12.2007**

<b>Intra-company liabilities</b>						
<b>Intra-company receivables</b>	<b>PLAISIO COMPUTERS S.A.</b>	<b>PLAISIO Estate S.A.</b>	<b>ELNOUS S.A.</b>	<b>PLAISIO COMPUTERS J.S.C.</b>	<b>PLAISIO Estate J.S.C.</b>	<b>Total</b>
PLAISIO COMPUTERS S.A.	-	7	0	2.498	0	<b>2.505</b>
PLAISIO Estate S.A.	62	-	0	0	0	<b>62</b>
ELNOUS S.A.	0	0	-	0	0	<b>0</b>
PLAISIO COMPUTERS J.S.C.	6	0	0	-	0	<b>6</b>
PLAISIO Estate JSC	0	0	0	0	-	<b>0</b>
<b>Total</b>	<b>68</b>	<b>7</b>	<b>0</b>	<b>2.498</b>	<b>0</b>	<b>2.573</b>

**Intra-company receivables – liabilities 31.12.2006**

Intra-company receivables	Intra-company liabilities					Total
	PLAISIO COMPUTERS S.A.	PLAISIO Estate S.A.	ELNOUS S.A.	PLAISIO COMPUTERS J.S.C.	PLAISIO Estate J.S.C.	
PLAISIO COMPUTERS S.A.	-	0	0	2.278	0	<b>2.278</b>
PLAISIO Estate S.A.	7	-	0	0	0	<b>7</b>
ELNOUS S.A.	0	0	-	0	0	<b>0</b>
PLAISIO COMPUTERS J.S.C.	0	0	0	-	39	<b>39</b>
PLAISIO Estate JSC	0	0	0	0	-	<b>0</b>
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>2.278</b>	<b>39</b>	<b>2.324</b>

In the consolidated financial statements all the necessary eliminations have been made.

The transactions with the members of the Board of Directors and the Management from the beginning of the period are analyzed as follows:

Transactions with members of the Board of Directors and Key Managers	01/01 – 31/12/2007	
	The Group	The company
Transactions with members of the Board of Directors and Key Managers	1.054	1.054
Claims to members of the Board of Directors and Key Managers	36	36
Liabilities to members of the Board of Directors and Key Managers	0	0
	<b>1.090</b>	<b>1.090</b>

### 3.20. Litigations

There are no litigations or other forms of commitments for the fixed assets of the companies of the Group. The un-audited tax periods of the companies of the Group are presented as follows:

Company	Un-audited tax periods
PLAISIO COMPUTERS S.A.	2006-2007
PLAISIO Estate S.A.	2003 – 2004 – 2005 – 2006 - 2007
ELNOUS S.A.	2007
PLAISIO COMPUTERS J.S.C.	2004 – 2005 – 2006 -2007
PLAISIO Estate JSC	2004 – 2005 – 2006 - 2007

### 3.21. Number of personnel

The Group and the Company's employed personnel on December 31st 2007 were 1.399 and 1.352 employees respectively. On December 31st 2007 of the Group and the Company's employed personnel were 1.168 and 1.127 employees respectively.

### 3.22. Post balance sheet events

There are no post balance sheet events, concerning the Group or the Company, which require the restatement of the Financial Statements, according to the IFRS.

### 3.23. Profit per Share

Profit per share is calculated with the weighted average of the issued shares of the company on December 31<sup>st</sup> 2007, which were 22.080.000 shares (December 31<sup>st</sup> 2006 – 22.080.000 shares).

### 3.24. Segment reporting (Figures in thousand €)

The segment results of the Group are analyzed as follows:

<b><u>01.01.07 – 31.12.07</u></b>	<b>Segment reporting</b>				<b>Total</b>
	<b>Office equipment</b>	<b>Computer and digital equipment</b>	<b>Telecom equipment</b>	<b>Non specified</b>	
Sales	107.547	239.985	35.933	1.558	<b>385.023</b>
Operating profit / (loss)	5.799	7.680	1.881	313	<b>15.673</b>
Other income					<b>700</b>
Finance cost					<b>(2.689)</b>
Income tax expense					<b>(3.828)</b>
Profits / (losses) after taxes					<b>9.856</b>

**Segment reporting**

<b>01.01.06 - 31.12.2006</b>	<b>Office equipment</b>	<b>Office equipment</b>	<b>Office equipment</b>	<b>Office equipment</b>	<b>Office equipment</b>
Πωλήσεις	93.961	183.901	31.824	1.349	<b>311.075</b>
Κέρδη / (ζημιά) από εργασίες	4.662	5.440	1.267	231	<b>11.731</b>
Χρηματοοικονομικά έξοδα					<b>(1.681)</b>
Φορολογία Χρήσεως					<b>(3.717)</b>
Κέρδη / (ζημιά) μετά από φόρους					<b>6.334</b>

### **3.25. Income tax expense** **(Figures in thousand €)**

The income tax expense, according to the current income tax rates on December 31<sup>st</sup> 2007, is analyzed as follows:

<b>Income tax expense</b>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>	<b><u>31/12/2007</u></b>	<b><u>31/12/2006</u></b>
Income tax expense	4.509	3.936	4.509	3.936
Deferred income tax	(963)	(649)	(955)	(676)
Tax Audit Differences	0	750	0	750
Provision for un-audited tax periods	282	(320)	282	(320)
	<b>3.828</b>	<b>3.717</b>	<b>3.836</b>	<b>3.690</b>

### **3.26. Other income** **(Figures in thousand €)**

Other income of the Group and of the Company for the year 2007 and 2006 are analyzed as follows:

Other Income	THE GROUP		THE COMPANY	
	<u>01/01-</u>	<u>01/01-</u>	<u>01/01-</u>	<u>01/01-</u>
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
Sales of waste material	23	31	23	31
Other income	72	65	71	64
Reimbursements and other grants	700	39	700	39
	<b>795</b>	<b>135</b>	<b>794</b>	<b>134</b>

The other income includes an income (profit) of 700 th. € as a result of the fact that the reimbursement for the fixed assets, destroyed in the fire of the Company's warehouse, was calculated on the acquisition cost and not on the net book value.

### **3.27. Accounting policies and estimations**

All the fundamental accounting principles of the financial statements of December 31<sup>st</sup> 2006 have been observed in the annual financial statements of December 31<sup>st</sup> 2007.

Athens, 26<sup>th</sup> of January 2008

The Chairman of the BoD  
& Managing Director

The Vice President

The Chief Financial Officer

George Gerardos  
A.Δ.T. N 318959

Konstantinos Gerardos  
A.Δ.T. AE632801

Filippos Karagounis  
A.Δ.T. Π 706801

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**Note:** These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.