INTERIM REPORT
FOR THE SIX MONTHS
ENDED 30 JUNE 2008

Limassol, 12 August 2008

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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 six months ended 30 June 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, and Euro 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

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

We distribute 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 growing 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.

Our business began 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 four master distribution centres (located in the Czech Republic, the Netherlands, Finland and the United Arab Emirates.), our network of 33 warehouses located in 25 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 70 countries.

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

2. Executive summary for the six months ended 30 June 2008

The principal events of the six months ended 30 June 2008, were as follows:

- Our revenues increased by 30.5% to U.S.$ 704,805 from U.S.$ 540,056 in the corresponding period of 2007.

- Our gross profit increased by 74.1% to U.S.$ 41,388 from U.S.$ 23,779 in the corresponding period of 2007. Our gross profit margin increased to 5.9% compared to 4.4% in the corresponding period of 2007.

- Our EBITDA increased by 125.5% to U.S.$ 14,784 from U.S.$ 6,557 in the corresponding period of 2007. Our EBITDA margin was 2.1% compared to 1.2% in the corresponding period of 2007.

- Our net profit after taxation increased by 130.7% to U.S.$ 7,308 from U.S.$ 3,168 in the corresponding period of 2007.

- Revenue from sale of central processing units ("CPUs") increased by 26.8% comparing to the corresponding period of 2007, increasing sales of CPUs to U.S. $ 189,959.

- Revenue from sale of hard disk drives ("HDDs") decreased by 11.2% comparing to the corresponding period of 2007, decreasing sales of HDDs to U.S. $ 102,764.

- Revenue from sale of Software (Microsoft) increased by 85.5% comparing to the corresponding period of 2007, increasing sales of Software to U.S. $ 100,069.

- Revenue from sale of PC Mobile (laptops) increased by 203.9% comparing to the corresponding period of 2007, increasing sales of laptops to U.S. $ 99,956.

- Revenues from our private labels, Canyon and Prestigio, decreased by 0.4% to U.S. $ 40,963 from U.S. $ 41,136 in the corresponding period of 2007.

- Our earnings per share almost doubled to U.S. $ 0,1311 from U.S. $ 0,0660 in the corresponding period of 2007.

3. Summary historical financial data

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

For your convenience, certain U.S. $ amounts as of and for the six months ended 30 June 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 30 June 2008, that is: 1 US$ = 2.1194 PLN and 1 EUR = 3.3542 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 30 June 2007, that is 1 US$ = 2.8903 PLN and 1 EUR = 3.8486 PLN and 1 January to 30 June 2008, that is 1 US$ = 2.2531 PLN and 1 EUR = 3.4776 PLN.

	Period from 1 January to 30 June 2008			Period from 1 January to 30 June 2007		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**704,805**	**1,587,961**	**456,626**	**540,056**	**1,560,942**	**405,585**
Cost of sales	-663,416	-1,494,709	-429,811	-516,277	-1,492,213	-387,727
Gross profit	**41,388**	**93,251**	**26,815**	**23,779**	**68,729**	**17,858**
Selling expenses	-15,626	-35,206	-10,124	-10,048	-29,042	-7,546
Administrative expenses	-12,371	-27,872	-8,015	-8,087	-23,374	-6,073
Profit from operations	**13,391**	**30,173**	**8,676**	**5,644**	**16,313**	**4,239**
Financial expenses	-3,278	-7,385	-2,124	-2,298	-6,642	-1,726
Financial income (net)	222	500	144	381	1,101	286
Other income	187	421	121	119	344	89
Negative goodwill written off	90	203	58	0	0	0
Profit before taxation	**10,611**	**23,907**	**6,875**	**3,846**	**11,116**	**2,888**
Taxation	-3,303	-7,442	-2,140	-678	-1,960	-509
Profit after taxation	**7,308**	**16,465**	**4,735**	**3,168**	**9,157**	**2,379**
Minority interest	-34	-77	-22	0	0	0
Profit attributable to members	**7,274**	**16,389**	**4,713**	**3,168**	**9,157**	**2,379**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	13.11	29.54	8.49	6.60	19.08	4.96

	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Net cash inflows/(outflows) from operating activities	-21,291	-47,970	-13,794	4,196	12,128	3,151.2
Net cash outflows from investing activities	-6,470	-14,577	-4,192	-1,314	-3,798	-986.8
Net cash inflows from financing activities	1,881	4,238	1,219	-1,194	-3,451	-896.7
Net increase/(decrease) in cash and cash equivalents	**-25,881**	**-58,309**	**-16,767**	**1,687**	**4,879**	**1,268**
Cash at the beginning of the period	**29,286**	**65,983**	**18,974**	**13,250**	**38,297**	**9,950.8**
Cash at the end of the period	**3,405**	**7,674**	**2,207**	**14,938**	**43,176**	**11,219**

	As at 30 June 2008			As at 31 December 2007		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Current assets	350,093	741,987	221,211	348,367	848,274	236,816
Non-current assets	24,091	51,058	15,222	17,304	42,135	11,763
Total assets	**374,184**	**793,046**	**236,434**	**365,672**	**890,409**	**248,579**
Liabilities	273,016	578,630	172,509	269,971	657,379	183,523
Equity	101,167	214,413	63,924	95,700	233,030	65,056

4. Organisation 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 (99% 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” Latvia (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

5. Changes in the structure of the Company

During the six months ended 30 June 2008 the following changes in the Group structure took place.

New subsidiaries were acquired:

- SIA "ASBIS LV" Latvia (Riga, Latvia)
- Megatrend d.o.o. (Sarajevo, Bosnia Hertzegovina)
- CZAO ASBIS (Minsk, Belarus)
- PTUE IT-MAX (Minsk, Belarus)

Two subsidiaries changed their names:

- ISA Hardware International S.R.L (Bucharest, Romania) changed name to Euro-Mall SRL
- Prestigio Technologies (Limassol, Cyprus) changed name to Prestigio Plaza Ltd

Two subsidiaries were liquidated due to the fact that they have never started operations:

- Asbis Fin OY (Helsinki, Finland)
- Comptizon Ltd (British Virgin Islands)

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

We did not publish any forecasts with respect to the period of the six months ended 30 June 2008.

7. Information on dividend payment

In the period of six months ended 30 June 2008 we made dividend payment for shareholders for the financial year 2007. The dividend record day was May 26th 2008, and the dividend payment date was June 11th 2008. Total amount of money for dividend was U.S. $ 3,330, which gave U.S. $ 0,06 per share.

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 our 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%**

Shareholders with more than 1% stake who are under a lock-up agreement until 30 October 2008 are included in the free float, as well as for all the shares stated above, approximately 15% of the free float is under the lock up agreement. Total free float as at 30 June 2008 was about 20%.

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. There were no changes in the number of shares of the Company held by the members of the Board of Directors between 3 April 2008 (the date of the publication of the first quarter results) and 12 August 2008 (date of this quarterly report). The information included in the table below is based on information received from members of our Management Board pursuant to Art. 160 sec. 1 of the Act on Public Trading.

Name	Number of Shares	% of the share capital
Siarhei Kostevitch	25,676,361	46.26%
John Hirst	75,600	0.14%
Marios Christou	400,000	0.72%
Laurent Journoud	400,000	0.72%
Constantinos Tziamalis	35,000	0.06%

10. Administrative and court proceedings against the Company

As of 30 June 2008, no court, arbitration or administrative proceedings whose single or aggregate value exceeds 10% of our equity were pending against us or any of the members of our Group.

11. Related Party Transactions

During the six months ended 30 June 2008 we did not have any material related party transactions exceeding the Polish Zloty equivalent of Euro 500 other than typical or routine transactions.

12. Information on guarantees granted to third parties

Neither us, nor any of our 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 30 June 2008.

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

Principal Factors Affecting Financial Condition and Results of Operations

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

Competition and price pressure

The IT distribution industry is a highly competitive market, particularly with regards to product selection and quality, inventory, price, customer services and credit availability and hence is open to margin pressure from competitors and new entrants. We compete at the international level with a wide variety of suppliers of varying sizes, covering different product categories and geographic markets. In particular, in each of the markets in which we operate we face competition from a number of either international distributors such as Avnet Inc., Tech Data Corp., Ingram Micro Inc. and Arrow Electronics Inc., which are much larger than we, but do not always cover the same geographic regions with local presence as we do, as well as from 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, 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 our 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 our profit margins and our overall profitability, especially in view of the fact that our gross profit margins, like those of most of our competitors, are low and sensitive to sales price fluctuations.

Low gross profit margins

Our gross profit margins, like those of other distributors of IT products, are low and we expect them to remain low in the future. Increased competition arising from industry consolidation and low demand for certain IT products may hinder our ability to maintain or improve our gross margins. A portion of our 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, we may not be able to reduce our operating expenses as a percentage of revenue in order to mitigate any reductions in gross margins in the future.

Inventory obsolescence and price erosion

We are often required to buy components according to forecasted requirements and orders of our 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 we increase the scope of our business and, in particular, of inventory management for our customers, there is an increasing need for us to hold inventory to serve as a buffer in anticipation of the actual needs of our customers. This increases the risk of inventory becoming devalued or obsolete and could affect our 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 us to lower our prices to stay competitive. Our ability to manage our inventory and protect our business against price erosion is critical to our success.

A number of our most significant contracts with our major suppliers contain advantageous contract terms that protect us against exposure to price fluctuations, defective products and stock obsolescence. Specifically, our contracts include terms such as (i) a price protection policy, which allows us to request reimbursement from suppliers for inventory in transit or held at our warehouses in the event that product prices decline; (ii) a stock rotation policy under which we have the right to return to the supplier slow moving inventory in exchange for credit, which reduces our exposure to obsolescence of inventory; and (iii) a return material authorization policy under which we can return defective items to our suppliers in return for either credit, replacement or refurbished products.

Currency fluctuations

Our reporting currency is the U.S. dollar. Approximately half of our revenues are denominated in U.S. dollars, while the balance of our revenues are denominated in Euro and other currencies, certain of which are linked to the Euro. Substantially all of our trade payable balances are denominated in U.S. dollars. In addition, approximately half of our operating expenses are denominated in U.S. dollars and the other half in Euro or other currencies, certain of which are linked to the Euro.

As a result, reported results are affected by movements in exchange rates, particularly in the exchange rate of the U.S. dollar against the Euro and other currencies of the countries in which we operate, including the Slovakian Crown, the Czech Crown and the Polish Zloty. In particular, a strengthening of the U.S. dollar against the Euro and other currencies of the countries in which we operate may result in a decrease in our revenues, as reported in U.S. dollars, which would have a negative impact on our operating and net profit, despite a positive impact on our operating expenses. On the other hand, a devaluation of the U.S. dollar against the Euro and other currencies of the countries in which we operate may have a positive impact on our revenues, as reported in U.S. dollars, which would have a positive impact on operating and net profit despite a negative impact on our operating expenses, as was the case in 2007.

In addition, exchange rate fluctuations of the U.S. dollar against other currencies of countries in which we operate may result in translation gains or losses reflected in our consolidated financial statements.

Furthermore, major devaluation or depreciation of any such currencies may result in disruption in the international currency markets and may limit our ability to transfer or to convert such currencies into U.S. dollars and other currencies.

Interest rate fluctuations

As at 30 June 2008, our total borrowings (excluding amounts due to factoring creditors) amounted to U.S. $ 56,052 and for the six months ended 30 June 2008 our interest expense was U.S. $ 1,976 on those borrowings, compared to a profit after taxation of U.S. $ 7,308. Substantially all of our borrowings bear interest at a floating rate, i.e. either U.S. LIBOR or local base rates, plus a certain spread. Therefore any fluctuation in U.S. LIBOR or in other interest rates applicable to our borrowings would have an impact on our financial expense, in particular any increase in such rates would increase our financial expense, and this, in turn, would adversely affect our operating profit and financial situation.

Credit risk

We buy components from our suppliers on our own account and resell them to our customers. We extend credit to some of our customers at terms ranging from 15 to 45 days or, in certain cases, to 90 days. Our payment obligations towards our suppliers under such agreements are separate and distinct from our customers' obligations to pay for their purchases, except in limited cases in which our arrangements with our suppliers require us to resell to certain resellers or distributors. Thus, we are liable to pay our suppliers regardless of whether our customers pay for their respective purchases. As our profit margin is relatively low compared to the total price of the products sold, in the event we are unable to recover payments from our customers, we are exposed to a financial liquidity risk. We have in place credit insurance which covers such an eventuality for approximately 50 per cent. of our revenue.

Growth markets

Information technology penetration in the markets in which we operate, is still significantly lower than in more mature Western European markets. As a result, demand for relevant products in these markets is growing and the Directors expect it to continue to grow in the foreseeable future. In addition, in a number of these markets, including Russia and Ukraine, we believe that there will be improvements in applicable import regulations which should have a positive effect on demand for our products. Our aim is to benefit from such growth in order to increase our revenue and potentially our market shares.

Seasonality

The IT distribution industry in which we operate 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, such as we, demand tends to increase in the period starting from September to the end of the year. During these periods prices for our products tend to increase, which may have a positive effect on our gross profit margin. During these periods we may, however, experience, and in certain cases in the past have experienced, shortages in product supply due to higher demand.

Results of Operations

Six months ended 30 June 2008 compared to the six months ended 30 June 2007

Revenues: Our revenues increased by 30.5% to U.S. $ 704,805 in the six months ended 30 June 2008 from U.S. $ 540,056 in the corresponding period of 2007. This increase reflected an increase in units sold and a limited positive impact resulting from weakening of the U.S. dollar against the Euro and Euro-linked currencies, partially offset by declining average sales prices for certain products distributed. During the period ended 30 June 2008 we have experienced a tremendous sales growth of software open licenses (Microsoft) mostly in the Russian Federation. This is a result of the combined efforts of the Russian Government and Microsoft to eliminate illegal software in the country and the abolition of VAT from the sale of such non-exclusive rights in Russia. We believe that today’s healthy margins from Microsoft business are not sustainable and they are expected to gradually decrease.

	For the six months ended 30 June			
	2008		2007	
	U.S. $thousands	**% of total revenues**	**U.S. $ thousands**	**% of total revenues**
Central processing units (CPUs)	189,959	27.0%	149,862	27.7%
Hard disk drives (HDDs)	102,764	14.6%	115,716	21.4%
Software	100,069	14.2%	53,948	10.0%
PC-mobile (laptops)	99,956	14.2%	32,896	6.1%
Other	212,057	30.0%	187,634	34.8%
Total revenue	**704,805**	**100.0%**	**540,056**	**100.0%**

Revenues from central processing units ("CPUs") increased by 26.8% (both Intel and AMD business has grown) to U.S. $ 189,959 (27.0% of our revenues) in the six months ended 30 June 2008, from U.S. $ 149,862 (27.7% of our revenues) in the corresponding period of 2007, mainly due to increase in unit sales.

Revenues from the sale of software increased by 85.5% to U.S. $ 100,069 (14.2% of our revenues) in the six months ended 30 June 2008 from U.S. $ 53,948 (10.0% of our revenues) in the corresponding period of 2006, mainly due to increased demand for Microsoft software especially in Russia.

Revenues from the sale of PC-mobile (laptops) increased by 203.9% to U.S. $ 99,956 (14.2% of our revenues) in the six months ended 30 June 2008 from U.S. $ 32,896 (6.1% of our revenues) in the corresponding period of 2007, mainly due to an increase in sales of Toshiba and Dell laptops deriving from increased demand for mobile computers (laptops) instead of desktop computers.

Revenues from the sale of hard disk drives ("HDDs") decreased by 11.2% to U.S. $ 102,764 (14.6% of our revenues) in the six months ended 30 June 2008, from U.S. $ 115,716 (21.4% of our revenues) in the corresponding period of 2007, mainly due to a decrease in unit sales derived from lower demand from several markets.

Most of our product categories include sales of private label products, such as flash memory, monitors, accessories and multimedia products. Revenues derived from sales of our private label products reached U.S. $ 40,963 (5.8% of our revenues in the six months ended 30 June 2008), compared to U.S. $ 41,136 (7.6% in the corresponding period of 2007).

The table below provides a geographical breakdown of sales in the six months ended 30 June 2008 and 2007:

	For the six months ended 30 June			
	2008		**2007**	
	U.S. $ thousands	**% of total revenues**	**U.S. $ thousands**	**% of total revenues**
Former Soviet Union	306,787	43.5%	252,844	46.8%
Eastern Europe	232,772	33.0%	173,978	32.2%
Middle East & Africa	82,813	11.8%	42,935	8.0%
Western Europe	65,864	9.3%	55,751	10.3%
Other	16,568	2.4%	14,548	2.7%
Total revenues	**704,805**	**100.0%**	**540,056**	**100.0%**

The table below provides a country-by-country breakdown of sales in our most important markets for the six months ended 30 June 2008 and 2007:

	For the six months ended 30 June			
	2008		**2007**	
	U.S. $ thousands	**% of total revenues**	**U.S. $ thousands**	**% of total revenues**
Russia	209,143	29.7%	152,307	28.2%
Slovakia	71,355	10.1%	47,460	8.8%
Ukraine	66,485	9.4%	72,774	13.5%
United Arab Emirates	40,639	5.8%	19,970	3.7%
Poland	34,438	4.9%	24,542	4.5%
Czech Republic	27,808	3.9%	22,311	4.1%
Romania	26,468	3.8%	26,741	5.0%
Other	228,468	32.4%	173,951	32.2%
Total	**704,805**	**100.0%**	**540,056**	**100.0%**

Gross Profit: Our gross profit for the six months ended 30 June 2008 increased by 74.1% to U.S. $ 41,388 from U.S. $ 23,779 in the corresponding period of 2007.

Our gross profit margin (gross profit as a percentage of revenues) improved to 5.9% in the six months ended 30 June 2008, compared to 4.4% in the corresponding period of 2007. This increase in gross profit margin was mainly a result of improved product mix and especially the increased sales and margin of software and laptops. Although the market expects a slowdown in sales of software (especially in Russia) the Group was able to be fully benefited from the increased demand experienced so far.

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

Selling expenses increased by 55.5% to U.S. $ 15,626 for the six months ended 30 June 2008 from U.S. $ 10,048 in the corresponding period of 2007.

This increase was driven primarily by increased investment in marketing and advertising of our newly introduced product lines (DELL, Lenovo, Toshiba), and an increase in salaries and benefits paid to sales employees mainly due to increase in gross profit.

Selling expenses represented 2.2% and 1.9% of our revenues for the six month periods ended 30 June 2008 and 2007, respectively.

Administrative Expenses: Administrative expenses largely comprise of salaries and wages and rent expense.

Administrative expenses increased by 53.0% to U.S. $ 12,371 in the six months ended 30 June 2008 from U.S. $ 8,087 in the corresponding period of 2007 mainly due to increased number of administration personnel as well as the appreciation of the Euro and the Euro-linked currencies to the US Dollar.

Administrative expenses represented 1.8% and 1.5% of our revenues for each of the six month periods ended 30 June 2008 and 2007, respectively.

Operating Profit: Our operating profit for the six months ended 30 June 2008 has been increased by 137.3% to U.S. $ 13,391, from U.S. $ 5,644 in the corresponding period of 2007 mainly due to a strong increase in revenues, but more importantly due to strong increase in gross profit.

Operating margin (operating profit as a percentage of revenues) increased to 1.9% for the six months ended 30 June 2008 from 1.0% for the corresponding period of 2007.

Profit Before Taxation: Profit before taxation increased to U.S. $ 10,611 for the six months ended 30 June 2008 from U.S. $ 3,846 for the corresponding period of 2007.

Profit attributable to members: Profit attributable to members increased to U.S. $ 7,274 for the six months ended 30 June 2008 from U.S. $ 3,168 for the corresponding period of 2007.

Earnings per share: Earnings per share increased to U.S. $0.1311 for the six months ended 30 June 2008 compared to U.S. $ 0.0660 for the corresponding period of 2007.

Liquidity and Capital Resources

We have in the past funded our liquidity requirements, including ongoing operating expenses and capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. We expect to fund our liquidity requirements, for the most part, through operating cash flows, debt financing and equity financing.

The following table presents a summary of cash flows for the six months ended 30 June 2008 and 2007:

	Six months ended 30 June	
	2008	**2007**
	U.S. $	
Net cash inflows/(outflows) from operating activities	(21,291)	4,196
Net cash outflows from investing activities	(6,470)	(1,314)
Net cash inflows/(outflows) from financing activities	1,881	(1,194)
Net increase/decrease in cash and cash equivalents	(25,881)	1,687

Net cash outflows from operations

Net cash outflows from operations amounted to U.S. $ 21,291 for the six months ended 30 June 2008, compared to cash inflows of U.S. $ 4,196 in the corresponding period of 2007. The increase in the cash outflows was primarily due to increased business and additional investment in working capital partially offset by increased profitability. The increased amount of trade receivables and inventory was a result of increased purchases of finished products (Toshiba and Dell) as the transit time for delivery from these vendors is usually much higher compared to the traditional components business.

Net cash outflows from investing activities

Net cash outflows from investing activities was U.S. $ 6,470 in the six months ended 30 June 2008, compared to U.S. $ 1,314 in the corresponding period of 2007. This increase in the cash outflows is mainly due to higher expenditure on property, plant and equipment.

Net cash inflows from financing activities

Net cash inflows from financing activities was U.S. $ 1,881 for the six months ended 30 June 2008, compared to net cash outflow of U.S. $ 1,194 for the corresponding period of 2007. This increase was primarily due to the ability of the Group to raise more financing lines as a result of improved profitability and strengthened equity.

14. Factors which may affect our results in the future

The Group still enjoys higher than market average increases in revenues (according to Gartner and IDC). The biggest growth comes from the Middle East and Africa (MEA) where the Group focuses in improving its operations by investing in a warehouse in Dubai (Jebel Ali – free trade zone area) to support the increased business. It is expected that the new offices and warehouse will be operational during the second half of the current year.

The Group is experiencing a very good growth in software sales (mainly Microsoft) deriving from the increased demand in the Russian Federation. The management expects a slowdown in revenues and in gross profit margins in the near future. Although we can not predict when will these happen, the Group ensures that it takes full advantage of the situation created (after the Russian government in cooperation with Microsoft decided to fight software piracy).

During the period ended 30 June 2008 the Group has experienced a slowdown in sales in countries like Ukraine and Kazakhstan. That was mainly due to the direct effects of the worldwide credit crisis hitting the financial services sector of those two countries. However despite these decreases and because of the Group's diversification we managed to substitute this lost revenue from Ukraine and Kazakhstan with revenue from other countries (Middle East, Russia, Slovakia, Poland).

During the last six months as mentioned above the Group significantly increased the revenues from suppliers like Toshiba and Dell. This had a negative effect on both receivable and inventory days since both vendors are facing inefficiencies in deliveries and inventory replenishment.

The greenfield operations in Turkey have been established and the Group is expecting this operation to bring value towards the end of this year, early next year. We are working on improving infrastructure in Turkey as well as employing more sales staff on the ground to service this huge country. As it was mentioned in the prospectus dated 4 October 2007, we had acquired land and started construction of a warehouse and office space in Bratislava, Slovakia. This project has been delivered and it improved significantly the efficiency of our operations in Bratislava. However, the Group having seen the dramatic increase of the Slovakian operation is considering replicating this model to Kosice which is expected to further increase sales and efficiency.

The Group has invested in new countries (Latvia – opening a 100% subsidiary and Bosnia & Herzegovina – acquiring 80% of Megatrend D.o.o.) and it expects that both operations will deliver positive results from the beginning of next year.

As two of the Group's subsidiaries changed their names (ISA Hardware International S.R.L in Romania to Euro-Mall SRL and Prestigio Technologies in Cyprus to Prestigio Plaza Ltd) the Group has started pilot e-shops programs in these countries. If it will succeed, then the idea will be introduced in other countries we operate.

Most external researches (IDC and Gartner) increased their growth estimations for mobile computers (laptops) market what may positively impact our results of operations as we signed contracts with top laptop manufacturers (i.e. Toshiba, Dell and others).

15. Information about important events that occurred between the balance day June 30th 2008 and date of this report release

According to our best knowledge in the period between June 30th 2008 and August 12th 2008 no events that can affect the company operations or financial stability 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 30 June 2008

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ASBISC ENTERPRISES PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 JUNE 2008

ASBISC ENTERPRISES PLC

REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008

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BOARD OF DIRECTORS REPRESENTATIONS

In accordance with the requirements of the Decree of the Council of Ministers of 19 October 2005 on current and periodical reporting by issuers of securities, the Board of Directors of ASBISC ENTERPRISES PLC hereby represents that:

- to its best knowledge, the semi-annual consolidated financial statements and the comparative data have been prepared in accordance with the Group's accounting policies and that they give a true, fair and clear reflection of the Group's financial position and its results of operations, and that the semi-annual Board of Directors' Report gives a true view of the Group's development, achievements, and position, including a description of the basic risks and threats;

- the registered audit company which reviewed the semi-annual consolidated financial statements was appointed in accordance with the legal regulations and the said company and the registered auditors who performed the review fulfilled the conditions for issuing an unbiased and independent review report, in accordance with the principles specified in the Accounting Act.

Limassol, August 8th 2008

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**ACCOUNTANTS' REPORT
TO THE BOARD OF DIRECTORS OF
ASBISC ENTERPRISES PLC**

Introduction

We have reviewed the unaudited condensed consolidated financial statements of Asbisc Enterprises PLC on pages 3 to 15 which comprise the balance sheet as at 30 June 2008 and the income statement, statement of changes in equity and cash flow statement for the period from 1 January 2008 to 30 June 2008 and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards for preparation of interim financial statements. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unaudited condensed consolidated financial statements do not present fairly, in all material respects, the financial position of the entity as at 30 June 2008 and of its financial performance and its cash flows for the six month period ended in accordance with International Financial Reporting Standards for preparation of interim financial statements.

Deloitte & Touche Limited

DELOITTE & TOUCHE LIMITED
Certified Public Accountants (Cyprus)

Limassol, 8 August 2008

Audit.Tax.Consulting.Financial Advisory.

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2008
(Expressed in United States Dollars)

	Notes	Period from January 1 to June 30 2008 *US$*	Period from January 1 to June 30 2007 *US$*
Revenue		704.804.551	540.055.910
Cost of sales		(663.416.339)	(516.276.970)
Gross profit		**41.388.212**	**23.778.940**
Selling expenses		(15.625.763)	(10.047.770)
Administrative expenses		(12.371.155)	(8.087.157)
Profit from operations		**13.391.294**	**5.644.013**
Financial expenses	5	(3.278.364)	(2.298.329)
Financial income	5	221.784	381.347
Other income	4	186.931	119.623
Negative goodwill written off		89.715	-
Profit before taxation	6	**10.611.360**	**3.846.654**
Taxation	7	(3.303.425)	(678.483)
Profit after taxation		**7.307.935**	**3.168.171**
Profit attributable to minority interest		33.721	-
Profit attributable to equityholders		7.274.214	3.168.171
		7.307.935	**3.168.171**
Weighted average basic and diluted earnings per share from continuing operations, in US$ cent		13,11	6,60

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008
(Expressed in United States Dollars)

ASSETS	Notes	Unaudited as at 30 June 2008 *US$*	Audited as at 31 December 2007 *US$*
Current assets			
Inventories		100.229.104	88.279.393
Trade receivables	8	210.621.110	209.740.666
Other current assets	9	13.114.809	5.150.240
Current taxation	7	1.215.926	-
Cash and cash equivalents		24.911.810	45.197.152
Total current assets		350.092.759	348.367.451
Non-current assets			
Goodwill		504.660	-
Property, plant and equipment	10	22.245.239	16.190.268
Intangible assets	11	1.241.349	1.014.383
Investments	12	99.580	99.580
Total non-current assets		24.090.828	17.304.231
Total assets		374.183.587	365.671.682
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		185.116.608	181.850.153
Other current liabilities	13	31.463.317	44.635.126
Current taxation	7	-	314.464
Short term obligations under finance leases	16	82.069	68.676
Bank overdrafts and short term loans	14	48.771.079	40.767.798
Total current liabilities		265.433.073	267.636.217
Non-current liabilities			
Long term liabilities	15	7.390.755	2.257.497
Long term obligations under finance leases	16	173.192	54.878
Deferred tax liability		19.097	22.595
Total non-current liabilities		7.583.044	2.334.970
Total liabilities		273.016.117	269.971.187
Equity			
Share capital	17	11.100.000	11.100.000
Share premium		23.518.243	23.518.243
Reserves		66.458.355	61.082.252
Minority interest		90.872	-
Total equity		101.167.470	95.700.495
Total liabilities and equity		374.183.587	365.671.682

The financial statements were approved by the Board on 8 August 2008.

Siarhei Kostevitch
Director

Marios Christou
Director

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 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 30 June 2007	-	-	3.168.171	-	3.168.171	-	3.168.171
Payment of dividend for 2006	-	-	(960.000)	-	(960.000)		(960.000)
Exchange difference arising on consolidation	-	-	-	127.579	127.579	-	127.579
Balance at 30 June 2007	9.600.000	8.138.039	43.290.399	1.459.878	62.488.316	-	62.488.316
Profit for the period from 1 July 2007 to 31 December 2007	-	-	15.517.355	-	15.517.355	-	15.517.355
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)
Exchange difference arising on consolidation	-	-	-	814.620	814.620	-	814.620
Balance at 31 December 2007	11.100.000	23.518.243	58.807.754	2.274.498	95.700.495	-	95.700.495
Minority interest on acquisition of subsidiaries	-	-	-	-	-	56.750	56.750
Profit for the period from 1 January 2008 to 30 June 2008	-	-	7.274.214	-	7.274.214	33.721	7.307.935
Payment of dividend for 2007			(3.330.000)		(3.330.000)	-	(3.330.000)
Exchange difference arising on consolidation	-	-	-	1.431.889	1.431.889	401	1.432.290
Balance 30 June 2008	11.100.000	23.518.243	62.751.968	3.706.387	101.076.598	90.872	101.167.470

ASBISC ENTERPRISES PLC

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2008
(Expressed in United States Dollars)

	Notes	For the six months ended 30 June 2008 *US$*	For the six months ended 30 June 2007 *US$*
Profit for the period before tax and minority interest		10.611.360	3.846.654
Adjustments for:			
Exchange difference arising on consolidation		(80.346)	240.780
Provision for bad debts and receivables written off		349.477	-
Bad debts recovered		(80.674)	-
Depreciation	10	823.964	542.160
Amortization of intangible assets	11	389.320	370.777
Negative goodwill written off		(89.715)	-
Interest received		(136.784)	-
Interest paid		1.975.719	-
Profit from the sale of property, plant and equipment and intangible assets		(16.219)	(19.715)
Operating profit before working capital changes		13.746.102	4.980.656
Increase in inventories		(8.278.741)	(13.356.390)
Decrease in trade receivables		1.744.170	14.669.531
Increase/ (decrease) in other current assets		(6.497.963)	214.119
Increase/(decrease) in trade payables		(2.396.154)	529.089
Decrease in other current liabilities		(12.787.246)	(2.218.749)
Cash outflows from operations		(14.469.832)	4.818.256
Taxation paid, net	7	(4.845.514)	(622.378)
Interest paid		(1.975.719)	-
Net cash outflows from operating activities		(21.291.065)	4.195.878
Cash flows from investing activities			
Interest received		136.784	-
Purchase of property, plant and equipment		(6.764.013)	(1.152.420)
Purchase of intangible assets	11	(590.830)	(270.142)
Payments to acquire investments in subsidiary companies		(158.371)	-
Net cash acquired from acquisition of subsidiary		600.925	-
Proceeds from sale of property, plant and equipment and intangible assets		305.565	108.368
Net cash outflows from investing activities		(6.469.940)	(1.314.194)
Cash flows from financing activities			
Dividends paid		(3.330.000)	(960.000)
Proceeds/(repayments) of long term loans and long term obligations under finance lease		4.070.336	(34.683)
Proceeds/(repayments) of short term loans and short term obligations under finance lease		1.140.308	(199.544)
Net cash inflows/(outflows) from financing activities		1.880.644	(1.194.227)
Net (decrease)/increase in cash and cash equivalents		(25.880.361)	1.687.457
Cash and cash equivalents at beginning of the period		29.285.726	13.250.441
Cash and cash equivalents at end of the period	19	3.405.365	14.937.898

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 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. The ultimate holding company of the group is K.S. Holding Limited, a company incorporated in Cyprus.

2. Basis of preparation

These unaudited 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 the historical cost convention.

3. Effects of seasonality

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

4. Other income

	For the six months ended 30 June 2008	For the six months ended 30 June 2007
	US$	*US$*
Profit from sale of property, plant and equipment	16.219	19.715
Bad debts recovered	80.674	32.654
Other income	90.038	67.254
	186.931	119.623

5. Financial income/(expenses), net

	For the six months ended 30 June 2008	For the six months ended 30 June 2007
	US$	*US$*
Interest income	136.784	152.095
Exchange gain	85.000	229.252
	221.784	381.347
Bank interest	1.975.719	1.122.526
Bank charges	600.247	421.621
Factoring interest	392.686	358.929
Factoring charges	203.784	244.357
Other financial expenses	43.651	125.806
Other interest	62.277	25.090
	(3.278.364)	(2.298.329)
Net	(3.056.580)	(1.916,982)

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008
(Expressed in United States Dollars)

6. Profit before taxation

	For the six months ended 30 June 2008 *US$*	For the six months ended 30 June 2007 *US$*
Profit before taxation is stated after crediting:		
(a) Exchange gain	85.000	229.252
and after charging:		
(b) Depreciation	823.964	542.160
(c) Amortisation of intangible assets	389.320	370.777
(d) Bank interest and charges	2.575.966	1.544.147
(e) Auditors' remuneration	400.826	361.297
(f) Directors' remuneration – executive	403.874	343.113
(g) Directors' remuneration – non executive	80.203	75.317

7. Taxation

	For the six months ended 30 June 2008 *US$*	For the year ended 31 December 2007 *US$*
Credit balance 1 January	314.464	278.181
From acquisition of subsidiaries	17.618	-
Provision for the period/year	3.299.333	2.729.389
Overprovision of prior year periods	(1.827)	(6.114)
Amounts paid, net	(4.845.514)	(2.686.992)
(Debit)/credit balance 30 June/31 December	(1.215.926)	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.

8. Trade receivables

	As at 30 June 2008 US$	As at 31 December 2007 US$
Trade receivables	213.326.727	212.230.205
Allowance for doubtful debts	(2.705.617)	(2.489.539)
	210.621.110	209.740.666

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008
(Expressed in United States Dollars)

9. Other current assets

	As at 30 June 2008 US$	As at 31 December 2007 US$
Other debtors and prepayments	3.559.727	2.201.394
VAT and other taxes refundable	6.784.529	1.883.234
Loan due from fellow subsidiary company	110.000	117.844
Loans advanced	35.126	39.367
Advances to suppliers	39.340	58.504
Employee floats	411.317	272.046
Deposits	565.318	577.851
Advance payments for construction of buildings	1.609.452	-
	13.114.809	5.150.240

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

ASBISC ENTERPRISES PLC

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008
(Expressed in United States Dollars)

10. Property, plant and equipment

	Land and Buildings	Assets under construction	Warehouse machinery	Furniture and fittings	Office equipment	Motor vehicles	Computer hardware	Total
	US$	*US$*	*US$*	*US$*	*US$*	*US$*	*US$*	*US$*
Cost								
At 1 January 2007	5.148.022	-	143.590	962.773	1.230.324	1.764.373	3.224.811	12.473.893
Foreign exchange difference on retranslation	356.148	-	15.114	114.481	90.978	155.895	238.963	971.579
Additions from the acquisition 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)
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 acquisitions of subsidiaries	-	62.909	-	23.293	24.555	67.211	174.837	352.805
Additions	1.865.175	810.207	-	466.878	593.973	729.839	965.324	5.431.396
Disposals upon disposals of subsidiaries	-	-	-	(57)	(55)	-	-	(112)
Disposals	-	-	(1.263)	(111.677)	(39.676)	(10.690)	(192.334)	(355.640)
Transfers	4.263.010	(4.263.010)	-	-	-	-	-	-
Foreign exchange difference on retranslation	1.414.392	592	10.037	47.669	139.335	227.729	202.818	2.042.572
At 30 June 2008	13.991.296	3.084.864	173.561	1.683.041	2.544.845	3.341.890	4.743.929	29.563.426
Accumulated depreciation								
At 1 January 2007	638.942	-	95.850	426.337	711.260	1.057.581	2.381.994	5.311.964
Foreign exchange difference on retranslation	52.708	-	11.899	30.671	80.542	107.169	195.959	478.948
Charge for the year	147.561	-	25.404	127.806	145.944	285.066	395.609	1.127.390
On acquisition of subsidiary	-	-	-	1.043	1.642	10.960	6.447	20.092
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 the acquisitions of subsidiaries	-	-	-	7.188	15.451	10.697	92.965	126.301
Charge for the period	115.476	-	21.521	79.984	140.130	227.065	239.788	823.964
Disposals upon disposals of subsidiaries	-	-	-	(57)	(55)	-	-	(112)
Disposals	-	-	-	(41.932)	(10.556)	(74)	(13.731)	(66.293)
Foreign exchange difference on retranslation	85.242	-	8.893	24.472	130.840	121.133	161.610	532.190
At 30 June 2008	1.039.929	-	163.567	650.443	1.111.459	1.491.661	2.861.128	7.318.187
Net book value								
30 June 2008	12.951.367	3.084.864	9.995	1.032.597	1.433.386	1.850.229	1.882.801	22.245.239
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 the acquisition of subsidiary	26.245	-	26.245
Additions	545.517	45.313	590.830
Disposals upon disposal of subsidiaries	-	(330)	(330)
Disposals	(2.475)	-	(2.475)
Foreign exchange difference on retranslation	36.932	11.280	48.212
At 30 June 2008	4.837.205	611.726	5.448.931
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 the acquisitions of subsidiaries	11.244	-	11.244
Charge for the period	313.151	76.169	389.320
Disposals upon disposal of subsidiaries	-	(330)	(330)
Disposals	(2.475)	-	(2.475)
Foreign exchange difference on retranslation	31.273	6.484	37.757
At 30 June 2008	3.758.596	448.986	4.207.582
Net book value			
30 June 2008	1.078.609	162.740	1.241.349
31 December 2007	825.583	188.800	1.014.383

12. Investments

	Country of incorporation	Percentage of participation	As at 30 June 2008 US$	As at 31 December 2007 US$
Share at cost of acquisition				
Investments held in fellow subsidiaries				
E-Vision Limited	Cyprus	18%	90.000	90.000
Other investments				
Asekol s.r.o.	Czech Republic	9.09%	9.580	9.580
			99.580	99.580

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13. Other current liabilities

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Factoring creditors (Note a)	12.606.165	13.707.714
Non-trade accounts payable	5.522.339	11.544.367
Salaries payable and related costs	1.475.525	1.903.354
VAT payable	5.467.291	8.886.163
Amount due to directors - executive	289	38.318
Amount due to directors - non-executive	40.005	28.411
Creditors for construction of buildings	849.406	2.182.023
Accruals and deferred income	5.502.297	6.344.776
	31.463.317	44.635.126

Note a: The group enjoyed as at 30 June 2008 factoring facilities of US$30.181.305 (31 December 2007: US$32.008.699).

These factoring facilities are secured as mentioned in note 14.

14. Bank overdrafts and short term loans

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Bank overdrafts	21.506.445	15.911.426
Bank short term loans	26.925.695	24.577.864
Current portion of long term loans	338.939	278.508
	48.771.079	40.767.798

The group as at 30 June 2008 had the following financial facilities with banks in the countries that the company and its subsidiaries are operating:

- overdraft lines of US$48.364.144 (31 December 2007: US$25.980.656)
- short term loans/revolving facilities of US$28.745.869 (31 December 2007: US$30.134.980)
- bank guarantees of US$6.657.005 (31 December 2007: US$6.581.440)

The group had for the period ended 30 June 2008 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the period was 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 floating charge on the whole undertaking including the company's uncalled capital, goodwill and book debts for US$2.000.000 plus interest
- Second floating charge over all assets of the company for a total amount of US$4.000.000
- Third floating charge over all assets of the company for a total amount of US$3.000.000
- Fourth floating charge over all assets of the company for a total amount of US$6.000.000
- Fifth floating charge over all assets of the company for a total amount of US$2.000.000
- 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$3.109.261 (31 December 2007: US$2.901.663)
- Personal guarantee of the Chief Executive Officer for a certain facility granted to the Cyprus company

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15. Long term liabilities

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Bank loans	7.280.824	2.136.096
Other long term liabilities	109.931	121.401
	7.390.755	2.257.497

The long term loans are secured as mentioned in note 14.

16. Finance leases

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Obligation under finance leases	255.261	123.554
Less: Amount payable within one year	(82.069)	(68.676)
Amount payable within 2-5 years inclusive	173.192	54.878

17. Share capital

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Authorised		
63.000.000 (2007: 63.000.000) shares of US$0,20 each	12.600.000	12.600.000
Issued, called-up and fully paid		
55.500.000 (2007: 55.500.000) ordinary shares of US$0,20 each	11.100.000	11.100.000

18. Segmental reporting

The group operates as a distributor of IT hardware and software in a number of geographical regions.
The following table shows an analysis of the group's sales by geographical market, irrespective of the origin of the goods.

Revenue analysis by geographical market

	Period from January 1 to June 30 2008 *US$*	Period from January 1 to June 30 2007 *US$*
Former Soviet Union	306.787.258	252.843.644
Eastern Europe	232.771.533	173.977.705
Western Europe	65.864.285	55.751.240
Middle East & Africa	82.812.984	42.935.066
Other	16.568.491	14.548.255
Total revenue	704.804.551	540.055.910

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19. Cash and cash equivalents

	As at 30 June 2008 US$	As at 31 December 2007 US$
Cash at bank	24.911.810	45.197.152
Bank overdrafts - Note 14	(21.506.445)	(15.911.426)
	3.405.365	29.285.726

The cash at bank balances include an amount of US$3.109.261 (31 December 2007: US$2.901.663) which represents pledged deposits.

20. Transactions and balances of key management

	Period from January 1 to June 30 2008 *US$*	Period from January 1 to June 30 2007 *US$*
Directors' remuneration – executive	403.874	343.113
Directors' remuneration – non executive	80.203	75.317
	484.077	418.430

	As at 30 June 2008 *US$*	As at 31 December 2007 *US$*
Amount due to directors		
- executive	289	38.318
- non executive	40.005	28.411
	40.294	66.729

21. Commitments and contingencies

As at 30 June 2008 the group was committed in respect of purchases of inventories of a total cost value of US$5.482.872 which were in transit at 30 June 2008 and delivered in July 2008. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of the purchase, title of the goods has not passed to the company as at the period end.

As at 30 June 2008 the group was contingently liable in respect of bank guarantees of US$5.657.005 which the group extended mainly to its vendors.

As at 30 June 2008 the group had no other legal commitments and contingencies.

22. Events after the balance sheet date

No significant events occurred after the balance sheet date.

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.