INTERIM REPORT
FOR THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2010

Limassol, November 9th, 2010

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

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

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

Financial and Operating Data

This quarterly report contains financial statements of, and financial information relating to the Group. In particular, this quarterly report contains our interim consolidated financial statements for the three months ended 30 September 2010. The financial statements appended to this quarterly report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

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

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

Currency Presentation

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

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

FORWARD-LOOKING STATEMENTS

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

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

Part I Additional information

1. Overview

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

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

ASBISc commenced business in 1990 in Belarus and in 1995 we incorporated our holding company in Cyprus and moved our headquarters to Limassol. Our Cypriot headquarters support, through three master distribution centres (located in the Czech Republic, the United Arab Emirates and China), our network of 33 warehouses located in 26 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 75 countries.

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

2. Executive summary for the three months ended 30 September 2010

Following summary must be read in combination to the information on factors affecting the Company business for the period reported. This information can be found elsewhere in this document.

The principal events of the three months ended 30 September 2010 were as follows:

- Revenues in Q3 2010 increased by 23.67% to U.S.$ 357,437 from U.S.$ 289,024 in the corresponding period of 2009. That was possible because of better demand and upgraded product portfolio.

- Gross profit before currency movements in Q3 2010 increased by 8.01% to U.S.$ 15,271 from U.S.$ 14,139 in the corresponding period of 2009.

- Gross profit after currency movements in Q3 2010 increased by 19.69% to U.S.$ 17,259 from U.S.$ 14,421 in the corresponding period of 2009.

- Gross profit margin in Q3 2010 was 4.83% compared to 4.99% in the corresponding period of 2009.

- Selling expenses in Q3 2010 increased by 5.38% to U.S.$ 7,365 from U.S.$ 6,989 in the corresponding period of 2009 following an increase in both sales and gross profit. This growth was however lower than growth in revenues and gross profit.

- Administrative expenses in Q3 2010 increased by 8.21% to U.S.$ 5,778 from U.S.$ 5,340 in the corresponding period of 2009.

- EBITDA in Q3 2010 grew by 73.65% and amounted to U.S.$ 4,862 compared to U.S.$ 2,800 in the corresponding period of 2009.

- Net profit for Q3 2010 grew by 17.78% and amounted to U.S.$ 1,309 compared to U.S.$ 1,111 in the corresponding period of 2009.

Following table presents revenues breakdown by regions in the three and nine months periods ended September 30th, 2010 and 2009 respectively (in U.S.$ thousands):

Region	Q3 2010	Q3 2009	Q1 – Q3 2010	Q1 - Q3 2009
Former Soviet Union	152,948	90,619	374,045	220,107
Central and Eastern Europe	112,672	118,043	315,262	301,182
Middle East and Africa	52,098	43,177	147,752	131,417
Western Europe	27,290	24,574	82,946	72,563
Other	12,429	12,610	37,988	32,925
Grand Total	357,437	289,024	957,994	758,192

3. Summary historical financial data

The following data sets out our summary historical consolidated financial information for the periods presented. You should read the information in conjunction with the interim condensed consolidated financial statements and results of operations contained elsewhere in this interim report. For your convenience, certain U.S. $ amounts as of and for the three and nine months ended 30 September 2010 and 2009, have been converted into Euro and PLN as follows:

- Individual items of the balance sheet – based at average exchange rates quoted by the National Bank of Poland for a given balance sheet date December 31st, 2009, that is: 1 US$ = 2.8503 PLN and 1 EUR = 4.1082 PLN and September 30th, 2010, that is: 1 US$ = 2.9250 PLN and 1 EUR = 3.9870 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 September 2009, that is 1 US$ = 3.2243 PLN and 1 EUR = 4.3993 PLN and 1 January to 30 September 2010, that is 1 US$ = 3.0556 PLN and 1 EUR = 4.0027 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 July to 30 September 2009, that is 1 US$ = 2.9017 PLN and 1 EUR = 4.1610 PLN and 1 July to 30 September 2010, that is 1 US$ = 3.0521 PLN and 1 EUR = 3.9996 PLN.

	Period from 1 July to 30 September 2010			Period from 1 July to 30 September 2009		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**357,437**	**1,090,935**	**272,761**	**289,024**	**838,660**	**201,553**
Cost of sales	-342,167	-1,044,327	-261,108	-274,885	-797,633	-191,693
Gross profit before currency movements	**15,271**	**46,608**	**11,653**	**14,139**	**41,027**	**9,860**
Currency movements on gross profit	1,989	6,069	1,518	282	818	197
Gross profit after currency movements	**17,259**	**52,677**	**13,171**	**14,421**	**41,845**	**10,056**
Selling expenses	-7,365	-22,479	-5,620	-6,989	-20,279	-4,874
Administrative expenses	-5,778	-17,636	-4,409	-5,340	-15,495	-3,724
Profit from operations	**4,116**	**12,563**	**3,141**	**2,092**	**6,070**	**1,459**
Financial expenses	-2,837	-8,657	-2,165	-1,548	-4,491	-1,079
Financial income	145	442	110	500	1,451	349
Other gains and losses	21	65	16	4	12	3
Share of profit from joint ventures	16	49	12	-	-	-
Profit before taxation	**1,462**	**4,462**	**1,116**	**1,048**	**3,042**	**731**
Taxation	-153	-467	-117	63	182	44
Profit after taxation	**1,309**	**3,995**	**999**	**1,111**	**3,224**	**775**
Attributable to:						
Non-controlling interests	100	306	77	97	280	67
Owners of the parent	**1,209**	**3,688**	**922**	**1,015**	**2,944**	**708**
	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	2.18	6.65	1.66	1.83	5.30	1.27

	Period from 1 January to 30 September 2010			Period from 1 January to 30 September 2009		
	USD	PLN	EUR	USD	PLN	EUR
Net cash inflows/(outflows) from operating activities	(46,846)	(143,144)	(35,762)	9,140	29,470	6,699
Net cash outflows from investing activities	(2,158)	(6,593)	(1,647)	(3,002)	(9,678)	(2,200)
Net cash inflows/(outflows) from financing activities	7,985	24,399	6,096	(5,683)	(18,324)	(4,165)
Net increase/(decrease) in cash and cash equivalents	**(41,019)**	**(125,337)**	**(31,313)**	**455**	**1,468**	**334**
Cash at the beginning of the period	**36,572**	**111,749**	**27,918**	**12,934**	**41,703**	**9,480**
Cash at the end of the period	**(4,447)**	**(13,589)**	**(3,395)**	**13,389**	**43,172**	**9,813**

	As at 30 September 2010			As at 31 December 2009		
	USD	PLN	EUR	USD	PLN	EUR
Current assets	388,417	1,136,119	284,956	357,920	1,020,179	248,328
Non-current assets	26,803	78,398	19,663	27,903	79,532	19,359
Total assets	415,220	1,214,517	304,519	385,823	1,099,711	267,687
Liabilities	325,153	951,072	238,543	294,471	839,332	204,307
Equity	90,067	263,446	66,076	91,352	260,379	63,380

	Period from 1 January to 30 September 2010			Period from 1 January to 30 September 2009		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**957,994**	**2,927,246**	**731,318**	**758,192**	**2,444,640**	**555,688**
Cost of sales	-911,398	-2,784,867	695,747	-720,960	-2,324,590	-528,400
Gross profit before currency movements	**46,596**	**142,378**	**35,571**	**37,233**	**120,049**	**27,288**
Currency movements on gross profit	-2,045	-6,250	-1,561	-3,946	12,724	2,892
Gross profit after currency movements	**44,551**	**136,129**	**34,009**	**33,287**	**107,326**	**24,396**
Selling expenses	-22,621	-69,121	-17,269	-19,228	-61,996	-14,092
Administrative expenses	-17,031	-52,040	-13,001	-16,266	-52,445	-11,921
Profit/(loss) from operations	**4,899**	**14,969**	**3,740**	**-2,207**	**-7,116**	**-1,617**
Financial expenses	-5,829	-17,812	-4,450	-4,883	-15,744	-3,579
Financial income	493	1,505	376	909	2,932	666
Other gains and losses	186	567	142	374	1,205	274
Share of profit from joint ventures	28	85	21	-	-	-
Loss before taxation	**-224**	**-686**	**-171**	**-5,807**	**-18,722**	**-4,256**
Taxation	-388	-1,185	-296	398	1,282	291
Loss after taxation	**-612**	**-1,870**	**-467**	**-5,409**	**-17,441**	**-3,964**
Attributable to:						
Non-controlling interests	201	613	153	105	337	77
Owners of the parent	**-813**	**-2,483**	**-620**	**-5,514**	**-17,778**	**-4,041**
	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	-1.46	-4.47	-1.12	-9.93	-32.03	-7.28

4. Organization of ASBIS Group

The following table presents our corporate structure as at 30 September 2010:

Company	**Consolidation Method**
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
Asbis PL Sp.z.o.o (Warsaw, Poland)	Full (100% subsidiary)
AS Asbis Baltic (Tallinn, Estonia)	Full (100% subsidiary)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100% subsidiary)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100% subsidiary)
Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100% subsidiary)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100% subsidiary)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100% subsidiary)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
UAB Asbis Vilnius (Vilnius, Lithuania)	Full (100% subsidiary)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100% subsidiary)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100% subsidiary)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100% subsidiary)
Asbis Europe B.V (Schiphol, Netherlands)	Full (100% subsidiary)

Asbis Limited (Charlestown, Ireland)	Full (100% subsidiary)
FPUE Automatic Systems of Business Control (Minsk, Belarus)	Full (100% subsidiary)
E.M. Euro-Mall Ltd (former ISA Hardware Limited–Group) (Limassol, Cyprus)	Full (100% subsidiary)
OOO ' Asbis'-Moscow (Moscow, Russia)	Full (100% subsidiary)
Asbis Nordic AB (Jaelfaella, Sweden)	Full (100% subsidiary)
Asbis Morocco Limited (Casablanca, Morocco)	Full (100% subsidiary)
EUROMALL CZ s.r.o. (formerly ISA Hardware s.r.o.) (Prague, Czech Republic)	Full (100% subsidiary)
EUROMALL d.o.o. (formerly ISA Hardware d.o.o.) (Zagreb, Croatia)	Full (100% subsidiary)
ISA Hardware Hungary Commercial Limited Liability Co (Budapest, Hungary)	Full (100% subsidiary)
S.C. EUROMALL 2008 S.R.L (formerly ISA Hardware International S.R.L) (Bucharest, Romania)	Full (100% subsidiary)
ISA Hardware s.r.o Slovakia (Bratislava, Slovakia)	Full (100% subsidiary)
Euro-Mall SRB d.o.o. (former ISA Hardware d.o.o Beograd) (Belgrade, Serbia)	Full (100% subsidiary)
E.M.Euro-Mall D.o.o. (former ISA Hardware s.r.o Slovenia) (Ljubljana, Slovenia)	Full (100% subsidiary)
Prestigio Plaza Sp. z o.o (Warsaw, Poland)	Full (100% subsidiary)
Prestigio Plaza Ltd (formerly Prestigio Technologies) (Limassol, Cyprus)	Full (100% subsidiary)
Prestigio Europe s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
ASBIS NL.B.V. (Amsterdam, Netherlands)	Full (100% subsidiary)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100% subsidiary)
Asbis TR Bilgisayar Limited Sirketi (Istanbul, Turkey)	Full (100% subsidiary)
SIA "ASBIS LV" (Riga, Latvia)	Full (100% subsidiary)
Megatrend d.o.o. (Sarajevo, Bosnia Herzegovina)	Full (90% ownership)
PTUE IT-MAX (Minsk, Belarus)	Full (100% subsidiary)
ASBIS Close Joint-Stock Company (former CZAO ASBIS) (Minsk, Belarus)	Full (66.6% ownership)
ASBIS IT S.R.L." (Rome, Italy)	Full (100% subsidiary)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100% subsidiary)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100% subsidiary)
ASBIS Taiwan (Taipei City, Taiwan)	Full (100% subsidiary)
AOSBIS TECHNOLOGY (SHENZHE) CORP. (Shenzhen, China)	48% ownership
ASBIS DE GMBH, (Munchen, Germany)	Full (100% subsidiary)
EUROMALL BULGARIA EOOD (Sofia, Bulgaria)	Full (100% subsidiary)
ION-Ukraine LLC (Kiev, Ukraine)	Full (100% subsidiary)
Advanced Systems Company LLC (Riyadh, Kingdom of Saudi Arabia)	Full (100% subsidiary)
ASBIS KOREA (Seoul, Korea)	Full (100% subsidiary)

5. Changes in the structure of the Company

During the three months ended 30 September 2010 there were the following changes in the structure of the Company and the Group:

New subsidiary was established:

- ASBIS KOREA (Seoul, Korea) – 100% subsidiary was established to conduct operations in the Korean market

One subsidiary was sold:

- Prestigio Ukraine Limited (Kiev, Ukraine) – 100% subsidiary was sold due to the fact that it was conducting no operations

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 three months ended 30 September 2010.

7. Information on dividend payment

In the period of three months ended 30 September 2010 no dividend has been paid.

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

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

Name	Number of shares	% of share capital	Number of Votes	% of votes
KS Holdings Ltd	25,676,361	46.26%	25,676,361	46.26%
Alpha Ventures S.A.	3,200,000	5.76%	3,200,000	5.76%
Aviva Investors Funds	2,919,414	5,26%	2,919,414	5,26%
Free float	23,704,225	42.71%	23,704,225	42.71%*
Total	**55,500,000**	**100.00%**	**55,500,000**	**100.00%**

* The table does not present MAIZURI ENTERPRISES LTD who informed the Company on October 8th that due to sale of 2,400,000 shares of the Company, it decreased number of possessed shares to 2,400,000 which represents less than 5% of the Company's shares.

On July 6th, 2010 the Company received from Sangita Enterprises Limited notification in mode of art. 69 of the Act from July 29, 2005 on public offering and the conditions of introducing financial instruments to an organized trading system and on public companies. Sangita Enterprises Limited informed about decrease of its share in overall number of votes at the Issuer's general meeting of shareholders below 5%. This change occurred because of transfer of 2,800,000 shares of the Issuer held by Sangita Enterprises Limited, to its beneficial owners, as a result of transactions conducted on June 30th, 2010. These transactions were conducted outside the regulated market, under civil law agreements.

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

During the three month period ended on 30 September 2010 as well as in the period between August 12th, 2010 (the date of the publication of the six-months results) and November 9th, 2010 (date of this report) there were the following changes in the number of shares possessed by the members of the Board of Directors.

On October 8th, 2010 the Company has been notified by its CEO and Chairman of the Board of Directors, Mr. Siarhei Kostevitch about a transaction of purchase of the Company's shares. Mr. Siarhei Kostevitch bought on October 5th 2010 a total number of 21,766 shares at the average price of PLN 4.01 per share. These shares were purchased at the Warsaw Stock Exchange due to ordinary market session transaction. Before this transaction Mr. Siarhei Kostevitch controlled 25,676,361 of Company's shares (via KS Holdings Ltd) which represented 46.26% of the Company's total share capital and given right to 46.26% of votes on the Company's General Shareholders Meeting and additional 20,000 of Company's shares on his own name. As a result of the aforementioned transaction, Mr. Siarhei Kostevitch controls 25,718,127 Company's shares, which represents 46,34% of the Company's total share capital and gives right to 46,34% of votes on the Company's General Shareholders Meeting.

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

Name	Number of Shares	% of the share capital
Siarhei Kostevitch (directly and indirectly)	25,718,127	46.34%
Laurent Journoud	400,000	0.72%
Marios Christou	350,000	0.63%
Constantinos Tziamalis	35,000	0.06%
Efstathios Papadakis	0	0%
Kyriacos Christofi	0	0%

10. Changes in the members of managing bodies

During the three month period ended September 30th, 2010 there were no changes in the members of the Company's Board of Directors.

11. Administrative and court proceedings against the Company

As of September 30th, 2010, no court, arbitration or administrative proceedings whose single or aggregate value exceeds 10% of our equity were pending against us or any of the members of our Group.

12. Related Party Transactions

During the three months ended September 30th, 2010 we did not have any material related party transaction exceeding the Polish Zloty equivalent of Euro 500 thousands other than typical or routine transactions.

13. 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 September 30th, 2010. However, the total bank guarantees raised by the Group (mainly Group suppliers) as at September 30th, 2010 amounted to U.S. $ 10,133 – as per note number 18 to the financial statements – which exceeded 10% of the Company's equity.

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

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

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

In the three month period ended September 30th, 2010 the Company's results of operations have been affected and are expected to continue to be affected by a number of factors, including the effects of the world's financial crisis, currency fluctuations, competition and price pressures, low gross profit margins, potential inventory obsolescence and price erosion, credit risk and seasonality.

Significant change in comparison with previous quarters of 2010 was the decreased affect of currency movements. Despite the impact from the aforementioned factors the Company increased its revenues, gross profit and profit from operations significantly compared to the corresponding period of 2009. This was possible mostly due to better demand in the Company's main markets, improved product portfolio and good operational efficiencies combined with solid foundation built during the crisis times.This enabled the Company to increase its market share in particular markets and increase sales. As a result, the Company generated a net profit of US$ 1.309 in Q3 2010.

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

World's Financial Crisis

The world's financial crisis has eased significantly throughout 2010 and this trend continued in Q3. It was especially visible on sales and profitability levels compared to corresponding periods of 2009. These recovery signals from some of our markets were strong, especially from the Former Soviet Union countries. Following some recovery the Company undertakes efforts to benefit from these signals both in revenues and profitablity. The Company has revised its strategy and has adapted to the new environment, i.e. by rebuilding its product portfolio. This paid off in line from the increasing demand in many markets of the Company's operations, as the Company was able to win market share from the weaker competitors.

The growth rates in the quarter under review were significant but they cannot be compared with the first quarter of 2010 since the corresponding period of 2009 was seriously affected by the crisis.Despite the ease of the world financial crisis, its adverse effects are still visible in all markets the Group operates. Bank lending is still not easily available in many markets and consumer fear on a possible double dip of the economies are still major factors in the business environment.

We expect that the impact of the crisis will continue throughout the whole of 2010, however we are confident that with better market position we will be able to continue enjoying the benefits of increased demand, especially during the upcoming Christmas period.

Currency fluctuations

As mentioned in previous reports, the Company's reporting currency is the U.S. dollar. Traditionally around 40% of the Company's revenues were denominated in U.S. dollars. Following the Company's efforts to decrease currency risk, this number grew to more than 50% in Q3 2009 and remained unchanged since then, while the balance was denominated in Euro and other currencies, some of which are linked to the Euro. Since most of the Company's trade payable balances are denominated in U.S. dollars (about 80%), the Company was exposed to foreign exchange risk. Foreign exchange risk remains a very crucial factor that might affect the Group's results in the future. On the other hand, the Group is adopting all hedging strategies possible to tackle this problem. The problem persists and will persist as the Euro and other Eastern European currencies fluctuate so steep against the U.S. Dollar, the Group's reporting currency.

It is worth mentioning that during the quarter under review, there was a favourable movement of the exchange rates which resulted in significant foreign exchange gains for the Group, which however was not enough to offset the losses created in the first six months of 2010.

Competition and price pressure

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

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

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

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

Low gross profit margins

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

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

When comparing the presented Company’s gross profit margins with that of competitors, it is important to remember that the Company counts part of foreign exchange effect connected with sales in its gross profit. This has an adverse effect on the presented gross profit margin (assuming FX losses, as the case of H1 2010) and creates a difference compared to that of other IT distributors. If this effect is excluded, the presented gross profit margin would increase significantly.

Inventory obsolescence and price erosion

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

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

Credit risk

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

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

Seasonality

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

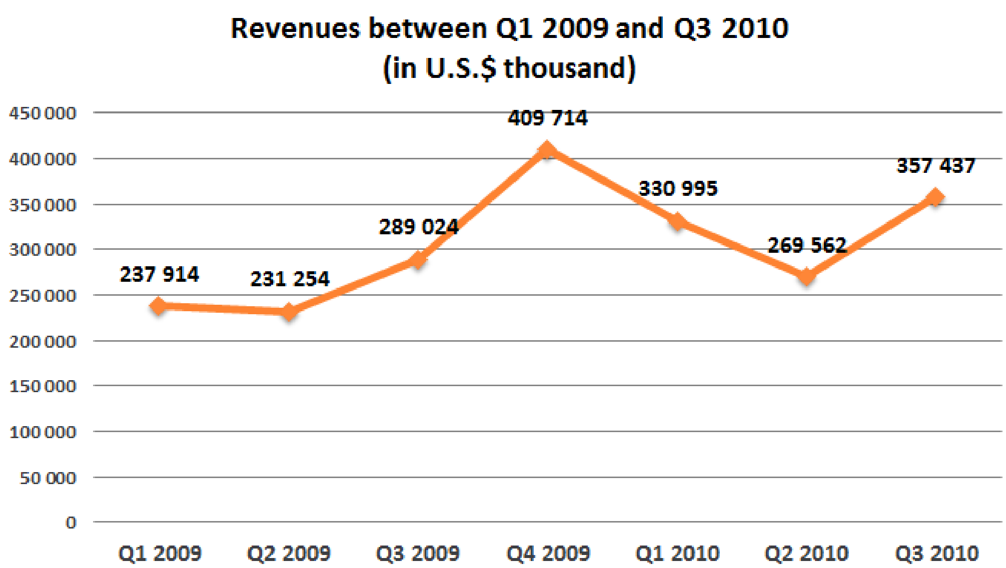
This situation changed in the second part of 2008 and in 2009 when the world's financial crisis limited demand and sales levels, as well as some of our customers' ability to buy. However there were more signals of recovery in the second part of 2009 and in first nine months of 2010. This was reflected in growing sales. If this trend continues, the traditional seasonality will be visible again.

Results of Operations

Three months ended September 30th, 2010 compared to the three months ended September 30th, 2009

- **Revenues:** It is important to underline that revenues grew significantly both in Q3 2010 and in the whole nine months period. In Q3 2010 revenues increased by 23.67% to U.S.$ 357,437 from U.S.$ 289,024 in the corresponding period of 2009. That was possible because of better demand, upgraded product portfolio and the Company's stronger market position.

  It is expected that sales levels will continue to grow in Q4 2010, as it seems that the traditional seasonality effect came back to the distribution market.



- **Gross profit:** Gross profit grew both in Q3 2010 and in the nine months of 2010. However different growth dynamics were observed in the first and second part of the whole nine months period, similarly to revenues described above. Because of the significant importance of the foreign exchange impact on gross profit the Group has decided to present the figures both before and after currency movements.

- <u>Gross profit before currency movements:</u>

  Gross profit before currency movements in Q3 2010 increased by 8.01% to U.S.$ 15,271 from U.S.$ 14,139 in the corresponding period of 2009.

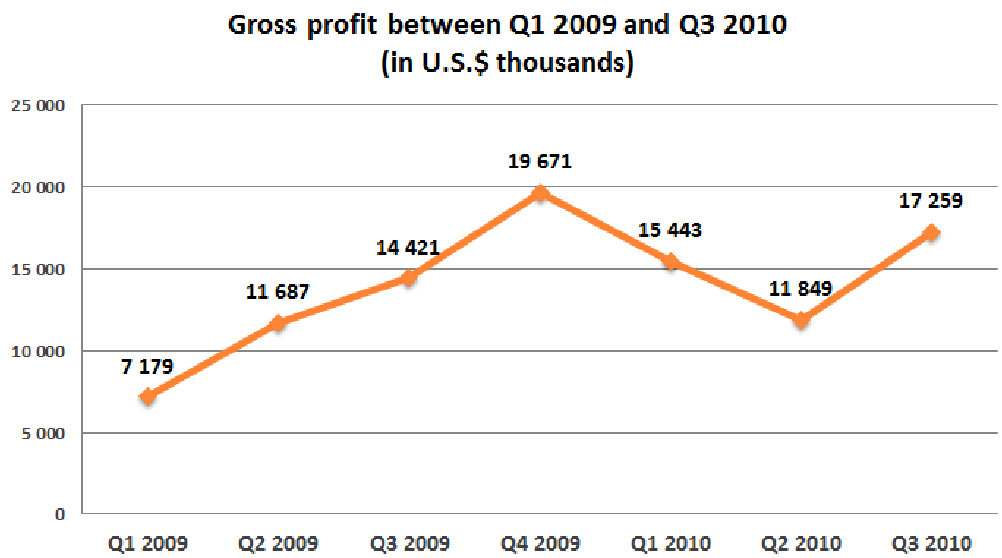
Gross profit after currency movements:

Gross profit after currency movements in Q3 2010 increased by 19.69% to U.S.$ 17,259 from U.S.$ 14,421 in the corresponding period of 2009.

It is important to note that during Q3 of 2010, there was a positive effect from the currency movements in the gross profit number of the mentioned period. This positive effect was partially offset by the increased financial expenses alongside with some losses created during hedging of the receivables of the Group.

If the overall economy will not change dramatically, growth in gross profit should continue to be seen in the next periods.

Gross profit margin: In Q3 2010 was 4.83% compared to 4.99% in the corresponding period of 2009.

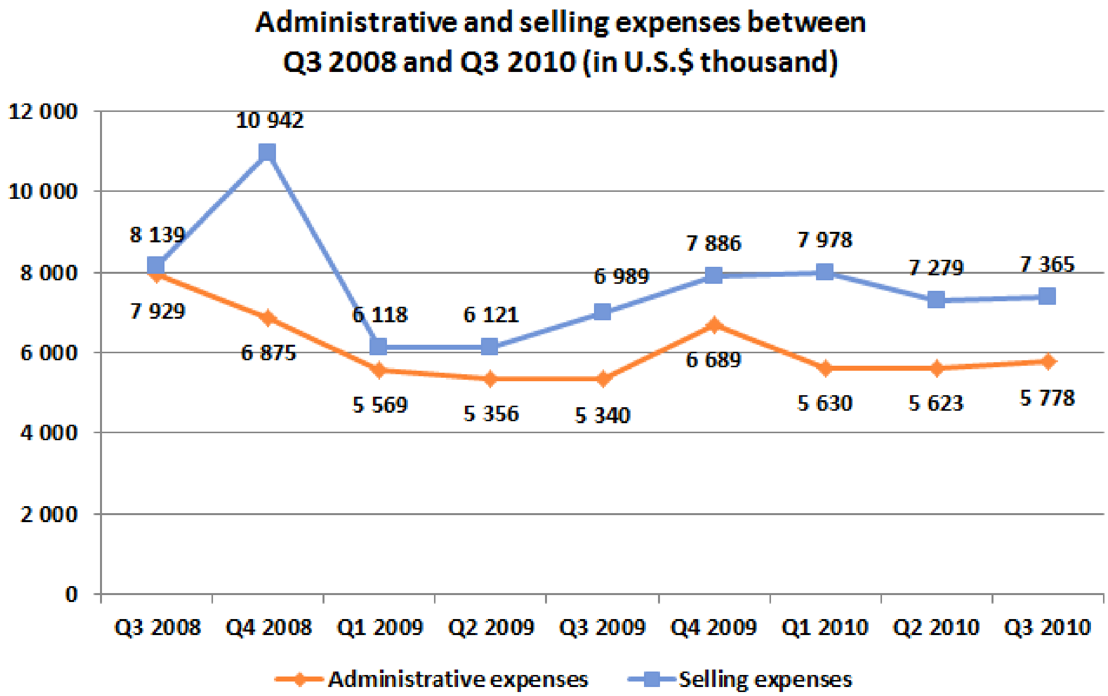


- ***Selling expenses*** largely comprise of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and traveling expenses.

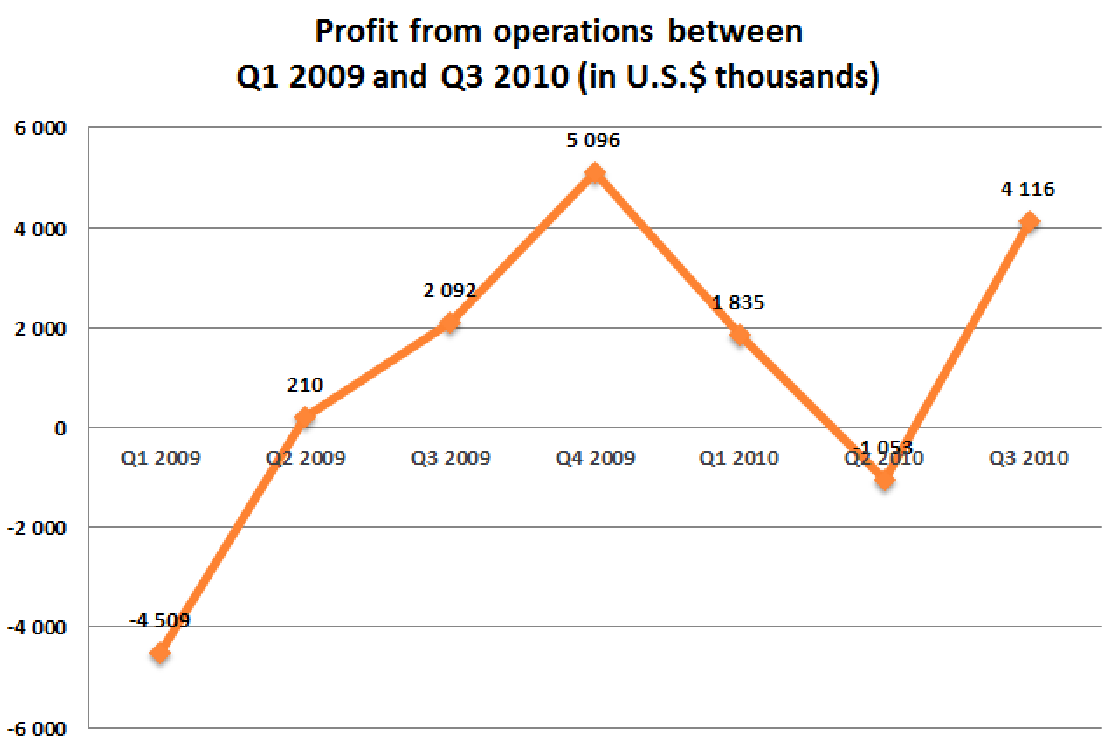
  Selling expenses in Q3 2010 increased by 5.38% to U.S.$ 7,365 from U.S.$ 6,989 in the corresponding period of 2009 following an increase in both sales and gross profit. This growth was however lower than the growth in revenues and gross profit. As result in Q3 2010 selling expenses represented 2.06% of the Company revenues compared to 2.42% in the corresponding period of 2009.

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

  Administrative expenses in Q3 2010 remained under control and increased only by 8.21% to U.S.$ 5,778 from U.S.$ 5,340 in the corresponding period of 2009. In the same time its growth was significantly lower than growth in revenues and gross profit.



- ***Operating profit:*** In Q3 2010 the operating profit grew by 96.76% to U.S. $ 4,116 compared to operating profit of U.S. $ 2,092 in the corresponding period of 2009. This confirms good operational efficiency and growing effectiveness of the Company's operations.



- ***Profit before taxation:*** In Q3 2010 profit before taxation grew by 39.44% to U.S. $ 1,462 compared to U.S. $ 1,048 in the corresponding period of 2009. The difference in growth dynamics of operating profit and profit before taxation was mostly due to currency movements.

- **EBITDA:** In Q3 2010 grew by 73.65% and amounted to U.S.$ 4,862 compared to U.S.$ 2,800 in the corresponding period of 2009.

- **Net profit after taxation:** In Q3 2010 grew by 17.78% and amounted to U.S.$ 1,309 compared to U.S.$ 1,111 in the corresponding period of 2009.

Sales by regions and countries

Traditionally and throughout the Company's operation, the region contributing the majority of revenues has been the Former Soviet Union. This changed temporarily in 2009, when Central and Eastern Europe region was less affected by the world's financial crisis. However together with recovery of big markets like Russia and Ukraine, F.S.U. regained the first position in the Company's structure of revenues in 2010. This was also the case of Q3 2010 when revenues derived in F.S.U. countries grew by +68,78% compared to the corresponding period of 2009.

Additionally, in Q3 2010 the Company was able to increase its revenues in Western Europe by 11.05% and in the Middle East and Africa by 20.66%. On the other hand sales in Central and Eastern Europe dropped slightly by 4.55%; this is however not likely to repeat and the Company expects to see further growth in sales in CEE in the next periods.

Country-by-country analysis confirms signs of recovery in the Company's biggest markets. Sales in Russia grew by 85.41% and in Ukraine by 30.07%. This drove overall revenues and profitability up. In the same time, revenues in Slovakia – the country whose performance during crisis times of 2009 was much better than the average – dropped by 13.12%. This was however offset by good performance of other countries: United Arab Emirates grew by 10.16%, Czech Republic grew by 21.16% and Belarus grew by 65,41%. All of this was possible because of a much enhanced product portfolio which was built during the very tough crisis times.

The tables below provide a geographical breakdown of sales in the three month periods ended September 30th, 2010 and 2009.

	Q3 2010		Q3 2009	
	U.S. $ thousands	% of total revenues	U.S. $ thousands	% of total revenues
Former Soviet Union	152,948	42.79%	90,619	31.35%
Central and Eastern Europe	112,672	31.52%	118,043	40.84%
Middle East and Africa	52,098	14.58%	43,177	14.94%
Western Europe	27,290	7.64%	24,574	8.50%
Other	12,429	3.48%	12,610	4.36%
Total	**357,437**	**100%**	**289,024**	**100%**

Revenue breakdown – Top 10 countries in Q3 2010 and Q3 2009 (in U.S. Dollar thousands)

	Q3 2010		Q3 2009	
	Country	Sales U.S. $ thousands	Country	Sales U.S. $ thousands
1.	**Russia**	87,067	**Russia**	46,958
2.	**Ukraine**	40,003	**Slovakia**	42,747
3.	**Slovakia**	37,136	**Ukraine**	30,756
4.	**United Arab Emirates**	19,257	**United Arab Emirates**	17,481

5.	**Czech Republic**	18,508	**Czech Republic**	15,276
6.	**Belarus**	15,344	**Poland**	10,838
7.	**Saudi Arabia**	12,165	**Belarus**	9,276
8.	**Poland**	9,634	**The Netherlands**	7,921
9.	**Kazakhstan**	9,336	**Romania**	7,909
10.	**The Netherlands**	8,002	**Turkey**	7,829
11.	**Other**	101,086	**Other**	92,033
	TOTAL	**357,437**	**TOTAL**	**289,024**

Sales by product lines

The table below sets a breakdown of revenues, by product, for Q3 2010 and Q3 2009 (U.S.$ thousands):

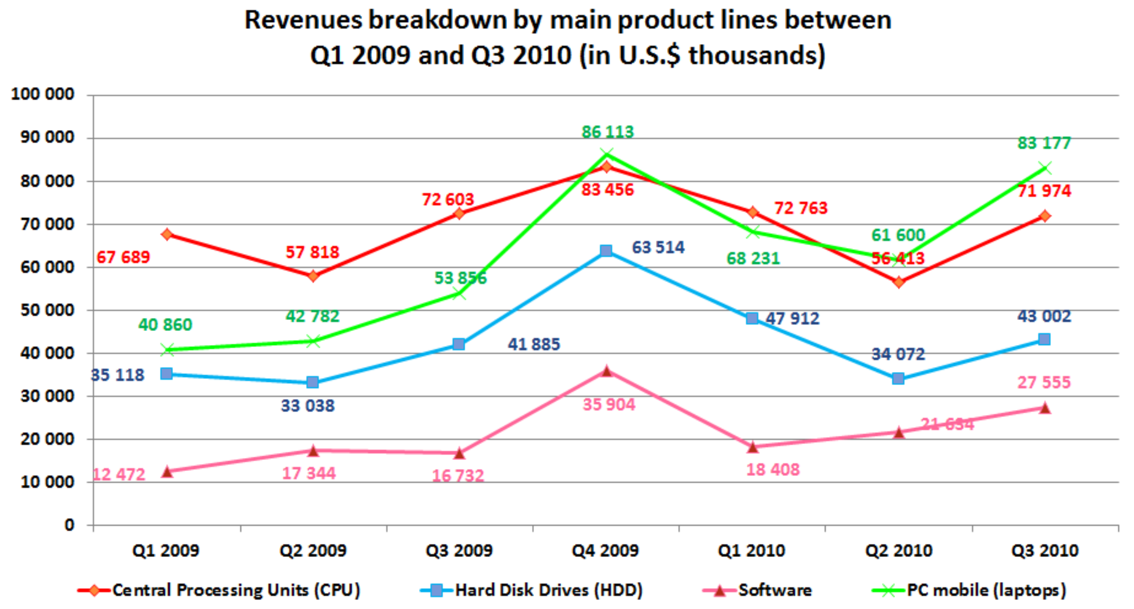
	Q3 2010		Q3 2009	
	U.S. $ thousands	% of revenues	U.S. $ thousands	% of revenues
Central processing units (CPUs)	71,974	20.14%	72,603	25.12%
Hard disk drives (HDDs)	43,002	12.03%	41,885	14.49%
Software	27,555	7.71%	16,732	5.79%
PC-mobile (laptops)	83,177	23.27%	53,856	18.63%
Other	131,729	36.85%	103,947	35.97%
Total revenue	**357,437**	**100%**	**289,024**	**100%**

- In the three month period ended September 30, 2010 revenue from sale of central processing units ("CPUs") decreased slightly by 0.86% to U.S. $ 71,974 from U.S. $ 72,603 in the corresponding period of 2009. It is however important to underline that in the same time revenues derived from sales of CPUs in Q3 2010 were by 27.58% higher than in Q2 2010.

- In the three month period ended September 30th, 2010 revenue from sale of hard disk drives ("HDDs") increased by 2.67% to U.S. $ 43,002 from U.S. $ 41,885 in the corresponding period of 2009. In the same time revenues derived from sales of HDDs in Q3 2010 were by 26.21% higher than in Q2 2010.

- In the three month period ended September 30th, 2010 revenue from sale of software increased by 64.68% to U.S. $ 27,555 from U.S. $ 16,732 in the corresponding period of 2009. This increase was possible due to upgraded product portfolio (Microsoft software, antivirus and virtualization software) offered in markets with growing demand, while the average selling price was almost unchanged.

- In the three month period ended September 30th, 2010 revenue from sale of PC-mobile ("laptops") increased by 54.44% to U.S. $ 83,177 from U.S. $ 53,856 in the corresponding period of 2009. This segment has become the number one contributor in the Group's revenues. As it was expected and because of the convergence in the IT market towards finished products, the Group was fast enough to early adopt into the new environment and managed to increase its market share in the PC laptop segment.



Despite the main categories, the Group is developing segments with high margins, like peripherals, display products or accessories and multimedia. In the three month period ended September 30th, 2010 revenue from sale of:

- peripherals increased by 37.21% to U.S. $ 20,749 from U.S. $ 15,122 in the corresponding period of 2009,
- display products increased by 44.54% to U.S. $ 3,511 from U.S. $ 2,429 in the corresponding period of 2009,
- accessories and multimedia increased by 139.19% to U.S. $ 14,671 from U.S. $ 6,134 in the corresponding period of 2009.

The Company is also developing its own brands, Canyon and Prestigio, as traditionally it allows the Company to reach double digit gross margins. In Q3 2010 own brands contribution in total sales revenue was about 5% while it contributed about 15% in profitability.

Liquidity and Capital Resources

The Company has in the past funded its liquidity requirements, including ongoing operating expenses and capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. Financing in Russia and certain other markets became more available and at a lower cost; this decreased the Group's weighted average cost of debt.

The following table presents a summary of cash flows for the nine months ended 30 September 2010 and 2009:

	Nine months ended September 30th	
	2010	**2009**
	U.S. $	
Net cash inflows/(outflows) from operating activities	(46,846)	9,140
Net cash outflows from investing activities	(2,158)	(3,002)
Net cash inflows/(outflows) from financing activities	7,985	(5,683)
Net increase/(decrease) in cash and cash equivalents	(41,019)	455

Net cash inflows/(outflows) from operations

Net cash outflows from operations amounted to U.S. $ 46,846 for the nine months ended September 30th, 2010, compared to cash inflows of U.S. $ 9,140 in the corresponding period of 2009. This is primarily due to the increased inventory and receivables, following a much increased demand in Q3 and the nine months of 2010.

Net cash outflows from investing activities

Net cash outflows from investing activities was U.S. $ 2,158 in the nine months ended September 30th, 2010, compared to U.S. $ 3,002 in the corresponding period of 2009. This decrease in the cash outflows was mainly due to lower expenditure on property, plant and equipment.

Net cash inflows/(outflows) from financing activities

Net cash inflows from financing activities was U.S. $ 7,985 for the nine months ended September 30th, 2010, compared to net cash outflows of U.S. $ 5,683 for the corresponding period of 2009. This increase was primarily due to lower cost of financing and more available bank lines in certain countries.

Net increase/(decrease) in cash and cash equivalents

As a result of the Company's efforts to serve growing demand and increased sales, the cash and cash equivalents position decreased by U.S. $ 41,019 compared to an increase of U.S. $ 455 in the corresponding period of 2009.

16. Factors which may affect our results in the future

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

The dramatic global economic environment has affected many markets of the Company's operations in the past two years. However the situation in the Company's biggest markets, like Russia and Ukraine started getting better in the second part of 2009 and this trend continued in 2010 so far. Therefore, the Company was able to benefit from weaker competition in some markets, from improved product portfolio and as a result managed to win more market share in particular countries. This was reflected in sales volumes. If this trend will continue revenues of 2010 should exceed those of 2009.

Moreover, the Company's large geographical presence, allows it to partially limiting dependence on particular markets. It is with no doubt that the demand in its biggest markets, like Russia and Ukraine and with increasing importance of Middle East region - will remain the key success factor determining the Company's sales levels. What is more important strong growth in main markets combined with good diversification of revenues, visible i.e. in growing importance of the Middle East region, allows the Company to offset temporarily lower revenues in other regions and/or specific countries.

On the other hand, while demand and sales are growing, the dynamics of this growth described in percentage will change in future periods. This will be due to the fact that the Company enters the time when the comparable periods will be the ones when the crisis started easing down. Therefore operational efficiency and ability to win more market share will be crucial to further increase of revenues.

Upgrading credit risk management

As the Group benefits from growing demand, quality of its receivables becomes highly important. However after following a much more prudent strategy throughout 2010 we do not foresee cases that would affect our results other than in the ordinary course of business.

Despite that, it is a matter of extreme importance to take special care about customers and quality of sales. The Group has managed to weather the crisis without having significant losses from unpaid receivables. The ability of the Group to insure a large portion of its receivables was proven significant and it will play a more significant role in the future. The credit risk function within the Group has been enhanced both in human resources and other risk analysis tools.

Management of Currency volatilities

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. Although the currencies moved favourably in Q3 2010 and better efficiency of FX hedging teams launched within the Company earlier this year, in Q3 2010 we did not suffer currency losses similar to those of Q1 and Q2 2010. It is still a matter of great importance to take special care about this part of our business. It is the management's target to take all possible measures to mitigate currency risks; however in this turbulent environment there is no perfect hedging strategy that could eliminate the foreign exchange risk. Therefore, in 2010 and going forward, the Group will continue to be exposed to currency volatilities despite all precautionary measures taken. It is our belief that should the currency environment stabilize, the results of the Group will be much improved.

Development of product portfolio

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

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

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

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

17. Information about important events that occurred after the period ended on September 30th 2010 and before this report release

According to our best knowledge in the period between September 30th 2010 and November 9th 2010 no events that can affect the Company's 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 Interim Condensed Financial Statements for the period ended September 30th, 2010

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 SEPTEMBER 2010

ASBISC ENTERPRISES PLC

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

C o n t e n t s

INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

	Notes	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Revenue	5,22	357.437.341	289.023.767	957.993.672	758.192.362
Cost of Sales		(342.166.541)	(274.884.857)	(911.397.775)	(720.959.652)
Gross profit before currency movements		15.270.800	14.138.910	46.595.897	37.232.710
Currency movements on gross profit	6	1.988.592	281.777	(2.045.275)	(3.946.226)
Gross profit after currency movements		17.259.392	14.420.687	44.550.622	33.286.484
Selling expenses		(7.364.931)	(6.988.717)	(22.620.974)	(19.227.848)
Administrative expenses		(5.778.302)	(5.340.054)	(17.030.887)	(16.265.494)
Profit/(loss) from operations		4.116.159	2.091.916	4.898.761	(2.206.858)
Financial expenses	8	(2.836.512)	(1.547.707)	(5.829.207)	(4.882.793)
Financial income	8	144.726	500.048	492.626	909.301
Other gains and losses	7	21.401	4.139	185.626	373.755
Share of profit from joint ventures	27	16.132	-	27.759	-
Profit/(loss) before taxation	9	1.461.906	1.048.396	(224.435)	(5.806.595)
Taxation	10	(153.122)	62.785	(387.638)	397.456
Profit/(loss) after taxation		1.308.784	1.111.181	(612.073)	(5.409.139)
Attributable to:					
Non-controlling interest		100.305	96.531	200.521	104.597
Owners of the parent		1.208.479	1.014.650	(812.594)	(5.513.736)
		1.308.784	1.111.181	(612.073)	(5.409.139)
		US$ cents	US$ cents	US$ cents	US$ cents
Earnings per share					
Basic and diluted from continuing operations		2,18	1,83	(1,46)	(9,93)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Profit/(loss) after taxation	1.308.784	1.111.181	(612.073)	(5.409.139)
Other comprehensive income:				
Exchange difference on translating foreign operations	998.563	334.826	(423.346)	(514.737)
Other comprehensive income/(loss) for the period	998.563	334.826	(423.346)	(514.737)
Total comprehensive income/(loss) for the period	2.307.347	1.446.007	(1.035.419)	(5.923.876)
Total comprehensive income/(loss) attributable to:				
Non-controlling interests	105.547	100.293	177.733	90.233
Owners of the parent	2.201.800	1.345.714	(1.213.152)	(6.014.109)
	2.307.347	1.446.007	(1.035.419)	(5.923.876)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010
(Expressed in United States Dollars)

		Unaudited as at 30 September 2010	**Audited as at 31 December 2009**
ASSETS	**Notes**	***US$***	***US$***
Current assets			
Inventories	11	107.721.620	83.476.504
Trade receivables	12	236.893.875	214.444.867
Other current assets	13	8.930.091	6.985.056
Current taxation	10	353.976	156.135
Cash at bank and in hand	23	34.517.298	52.857.260
Total current assets		388.416.860	357.919.822
Non-current assets			
Goodwill	26	600.730	550.517
Property, plant and equipment	14	23.342.792	24.541.436
Investments in joint ventures	27	379.356	-
Available-for-sale financial assets	16	9.580	9.580
Intangible assets	15	1.844.908	2.175.799
Deferred tax assets		625.371	625.795
Total non-current assets		26.802.737	27.903.127
Total assets		415.219.597	385.822.949
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		214.900.274	210.325.327
Other current liabilities	17	39.031.225	43.777.114
Current taxation	10	109.141	220.794
Short term obligations under finance leases	20	169.270	101.409
Bank overdrafts and short term loans	18	67.288.834	35.806.853
Total current liabilities		321.498.744	290.231.497
Non-current liabilities			
Long term liabilities	19	3.510.494	4.099.294
Long term obligations under finance leases	20	143.497	140.626
Total non-current liabilities		3.653.991	4.239.920
Total liabilities		325.152.735	294.471.417
Equity			
Share capital	21	11.100.000	11.100.000
Share premium		23.518.243	23.518.243
Retained earnings and other components of equity		55.185.829	56.413.886
Equity attributable to owners of the parent		89.804.072	91.032.129
Non-controlling interests		262.790	319.403
Total equity		90.066.862	91.351.532
Total liabilities and equity		415.219.597	385.822.949

The financial statements were approved by the Board on 8 November 2010

Siarhei Kostevitch
Director

Marios Christou
Director

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

	Attributable to owners of the parent						
	Share capital *US$*	**Share premium** *US$*	**Retained earnings** *US$*	**Translation of foreign operations** *US$*	**Total** *US$*	**Non-controlling interests** *US$*	**Total equity** *US$*
Balance at 31 December 2008 and 1 January 2009	11.100.000	23.518.243	59.498.454	765.535	94.882.232	131.049	95.013.281
(Loss)/income for the period 1 January 2009 to 30 September 2009	-	-	(5.513.736)	-	(5.513.736)	104.597	(5.409.139)
Other comprehensive loss for the period 1 January 2009 to 30 September 2009	-	-	-	(500.373)	(500.373)	(14.364)	(514.737)
Balance at 30 September 2009	11.100.000	23.518.243	53.984.718	265.162	88.868.123	221.282	89.089.405
Income for the period 1 October 2009 to 31 December 2009	-	-	2.305.356	-	2.305.356	107.303	2.412.659
Other comprehensive loss for the period 1 October 2009 to 31 December 2009	-	-	-	(141.350)	(141.350)	(9.182)	(150.532)
Balance at 31 December 2009 and 1 January 2010	11.100.000	23.518.243	56.290.074	123.812	91.032.129	319.403	91.351.532
(Loss)/income for the period 1 January 2010 to 30 September 2010	-	-	(812.594)	-	(812.594)	200.521	(612.073)
Other comprehensive loss for the period 1 January 2010 to 30 September 2010	-	-	-	(400.558)	(400.558)	(22.788)	(423.346)
Dividend payment to non-controlling interests	-	-	-	-	-	(188.356)	(188.356)
Acquisition of shares from non-controlling interests	-	-	(14.905)	-	(14.905)	(45.990)	(60.895)
Balance at 30 September 2010	11.100.000	23.518.243	55.462.575	(276.746)	89.804.072	262.790	90.066.862

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

	Notes	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Profit/(loss) for the period before tax and minority interest		1.461.906	1.048.396	(224.435)	(5.806.595)
Adjustments for:					
Exchange difference arising on consolidation		(384.945)	(466.578)	326.953	(513.338)
Provision for bad debts and receivables written off		175.005	191.974	1.364.524	504.182
Bad debts recovered		(22.339)	(939)	(23.083)	(67.965)
Depreciation	14	566.267	521.186	1.671.991	1.538.596
Amortization of intangible assets	15	179.891	186.980	540.138	602.547
Gains arising on business combinations		(176)	-	(176)	(3.251)
Share of profit from joint ventures	27	(16.132)	-	(27.759)	-
Interest received		(54.416)	(10.322)	(306.287)	(656.237)
Interest paid		1.190.430	994.209	3.039.904	3.208.194
Loss/(profit) from the sale of property, plant and equipment and intangible assets		50.085	(6.484)	65.442	34.742
Operating profit/(loss) before working capital changes		3.145.576	2.458.422	6.427.212	(1.159.125)
Increase in inventories		(5.593.034)	(16.018.718)	(24.244.871)	(12.435.155)
(Increase)/decrease in trade receivables		(42.920.802)	(28.734.314)	(23.785.364)	21.183.576
Decrease/(increase) in other current assets		(38.317)	1.188.891	(1.265.509)	144.688
Increase in trade payables		48.912.411	43.891.970	4.570.650	11.097.998
Increase/(decrease) in other current liabilities		12.207.748	8.695.310	(4.862.771)	(6.405.467)
(Decrease)/increase in other long-term liabilities		(47.244)	5.750	49.913	16.809
Cash inflows from operations		15.666.338	11.487.311	(43.110.740)	12.443.324
Taxation (paid)/recovered, net	10	(228.201)	138.764	(695.690)	(95.256)
Interest paid		(1.190.430)	(994.209)	(3.039.904)	(3.208.194)
Net cash inflows/(outflows) from operating activities		14.247.707	10.631.866	(46.846.334)	9.139.874

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

	Notes	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Cash flows from investing activities					
Interest received		54.416	10.322	306.287	656.237
Purchase of property, plant and equipment		(1.042.665)	(453.846)	(1.975.733)	(2.606.887)
Purchase of intangible assets	15	(31.003)	(21.664)	(225.095)	(1.340.651)
Net proceeds/(payments) on business combinations		253	-	(310.927)	(8.928)
Net cash (disposed)/acquired on business combinations		(76)	-	22.793	98.655
Proceeds from sale of property, plant and equipment and intangible assets		14.083	57.987	25.115	200.028
Net cash outflows from investing activities		(1.004.992)	(407.201)	(2.157.560)	(3.001.546)
Cash flows from financing activities					
Dividends paid to non-controlling interests		-	-	(188.356)	-
Proceeds/(repayments) of long term loans and long term obligations under finance lease		147.753	(53.909)	(697.548)	(458.635)
Proceeds/(repayments) of short term loans and short term obligations under finance lease		5.835.033	(2.270.028)	8.870.888	(5.224.360)
Net cash inflows/(outflows) from financing activities		5.982.786	(2.323.937)	7.984.984	(5.682.995)
Net increase/(decrease) in cash and cash equivalents		19.225.501	7.900.728	(41.018.910)	455.333
Cash and cash equivalents at beginning of the period		(23.672.653)	5.488.693	36.571.758	12.934.088
Cash and cash equivalents at end of the period	23	(4.447.152)	13.389.421	(4.447.152)	13.389.421

1. Incorporation and principal activities

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

Since 30th October 2007 the company is listed at the Warsaw Stock Exchange.

2. Basis of preparation

The interim condensed consolidated financial statements for the nine months ended 30 September 2010 have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union (EU).

The interim condensed consolidated financial statements do not include all the information and disclosures required for the annual financial statements and should be read in conjunction with the audited financial statements for the year ended 31 December 2009.

3. Basis of consolidation

The interim condensed consolidated financial statements, consolidate the financial statements of the company and its subsidiaries, which are together referred to as the group.

4. Significant accounting policies

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

The preparation of the interim condensed consolidated financial statements, according to IFRS's require the group's management to make judgments and estimates which have a material impact on the amounts presented in the financial statements.

These judgments and estimates are consistent with those followed for the preparation of the group's annual financial statements for the year 2009.

The interim condensed consolidated financial statements are presented in US$.

The accounting policies adopted for the preparation of the interim condensed consolidated financial statements for the nine months ended 30 September 2010 are consistent with those followed for the preparation of the annual financial statements for the year 2009 except for the adoption by the group of all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on 1 January 2010. The adoption of new and revised standards and interpretations did not have any material effect on the group's interim condensed consolidated financial statements.

5. Effects of seasonality

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010
(Expressed in United States Dollars)

6. Currency movements on gross profit	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Realised currency movements on trading activities	700.492	1.007.957	(2.960.816)	(2.558.542)
Unrealised currency movements on trading activities	2.156.830	(726.180)	1.268.195	(1.387.684)
Realised (loss)/gain on executed forward contracts	(341.280)	-	53.727	-
Net unrealised loss on unexecuted forward contracts	(527.450)	-	(406.381)	-
Gain/(loss) on currency movements	1.988.592	281.777	(2.045.275)	(3.946.226)

7. Other gains and losses	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Rental income	43.658	45.841	131.053	134.901
Loss on disposal of property, plant and equipment	(50.085)	-	(65.442)	-
Bad debts recovered	22.339	939	23.083	67.965
Other income/(loss)	5.489	(42.641)	96.932	170.889
	21.401	4.139	185.626	373.755

8. Financial expense, net

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Interest income	54.416	10.322	306.287	656.237
Net exchange gain	-	386.429	-	149.154
Other financial income	90.310	103.297	186.339	103.910
	144.726	500.048	492.626	909.301
Bank interest	1.190.430	994.209	3.039.904	3.208.194
Bank charges	413.739	306.248	1.089.347	826.677
Factoring interest	284.075	173.899	840.372	502.551
Factoring charges	102.211	42.702	226.911	262.525
Other financial expenses	43.925	8.574	115.535	25.479
Other interest	56.113	22.075	242.618	57.367
Net exchange loss	746.019	-	274.520	-
	(2.836.512)	(1.547.707)	(5.829.207)	(4.882.793)
Net	(2.691.786)	(1.047.659)	(5.336.581)	(3.973.492)

(Expressed in United States Dollars)

9. Profit/(loss) before taxation

	For the three months ended 30 September 2010 US$	For the three months ended 30 September 2009 US$	For the nine months ended 30 September 2010 US$	For the nine months ended 30 September 2009 US$
Profit/(loss) before taxation is stated after charging:				
(a) Depreciation	566.267	521.186	1.671.991	1.538.596
(b) Amortization	179.891	186.980	540.138	602.547
(c) Auditor's remuneration	158.086	135.147	430.977	369.541
(d) Directors' remuneration – executive (Note 24)	135.329	130.343	380.983	378.768
(e) Directors' remuneration non-executive (Note 24)	9.722	19.237	29.532	70.447

10. Taxation

	For the nine months ended 30 September 2010 US$	For the year ended 31 December 2009 US$
Net credit/ (debit) balance 1 January	64.659	(2.663.619)
Tax asset from subsidiaries acquired	(278)	-
Tax asset on disposal of subsidiary	-	628.040
Provision for the period/year	386.903	643.811
Under provision of prior year periods	2.012	12.571
Exchange difference on retranslation	(2.441)	241.492
Amounts (paid)/received, net	(695.690)	1.202.364
Net (debit)/credit balance 30 September/31 December	(244.835)	64.659

	For the nine months ended 30 September 2010 US$	For the year ended 31 December 2009 US$
Tax receivable	(353.976)	(156.135)
Tax payable	109.141	220.794
Net	(244.835)	64.659

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

	For the three months ended 30 September 2010 US$	For the three months ended 30 September 2009 US$	For the nine months ended 30 September 2010 US$	For the nine months ended 30 September 2009 US$
Provision for the period	149.489	(6.855)	386.903	23.211
Under/(over) provision of prior years	2.012	(93.846)	2.012	(86.453)
Deferred tax charge/(credit)	1.621	37.916	(1.277)	(334.214)
Charge/(credit) for the period	153.122	(62.785)	387.638	(397.456)

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.

(Expressed in United States Dollars)

11. Inventories

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Goods held for resale	96.852.715	78.755.070
Goods in transit	11.943.661	6.060.882
Provision for slow moving and obsolete stock	(1.074.756)	(1.339.448)
	107.721.620	83.476.504

12. Trade receivables

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Trade receivables	242.086.284	219.001.324
Allowance for doubtful debts	(5.192.409)	(4.556.457)
	236.893.875	214.444.867

Movement in provision for doubtful debts:	For the nine months ended 30 September 2010 *US$*	For the year ended 31 December 2009 *US$*
On 1 January	4.556.457	3.548.253
Provisions during the period/year	1.364.524	1.530.770
Amount written-off as uncollectible	(619.455)	(530.070)
Bad debts recovered	(23.083)	(291.108)
Exchange difference	(86.034)	298.612
On 30 September/31 December	5.192.409	4.556.457

13. Other current assets

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Other debtors and prepayments	4.083.276	2.648.844
VAT and other taxes refundable	2.786.042	3.133.742
Advance payments for purchase of buildings	679.525	-
Employee floats	579.287	350.425
Deposits and advances to service providers	801.961	852.045
	8.930.091	6.985.056

(Expressed in United States Dollars)

14. Property, plant and equipment

	Land and buildings US$	Assets under construction US$	Warehouse machinery US$	Furniture and fittings US$	Office equipment US$	Motor vehicles US$	Computer hardware US$	Total US$
Cost								
At 1 January 2009	12.915.207	5.551.839	223.219	1.682.730	2.659.536	3.260.333	5.302.632	31.595.496
Additions from acquisition of subsidiaries	-	-	-	26.934	39.085	-	14.947	80.966
Additions	183.592	1.198.901	74.546	337.103	268.759	315.429	672.348	3.050.678
Disposals upon sale of subsidiaries	-	-	-	-	-	-	(1.661)	(1.661)
Disposals	-	-	(150.132)	(61.343)	(264.195)	(305.502)	(729.625)	(1.510.797)
Transfers	6.182.145	(6.182.145)	-	-	-	-	-	-
Foreign exchange difference on retranslation	235.179	(568.595)	(4.605)	25.604	23.087	6.120	119.250	(163.960)
At 1 January 2010	19.516.123	-	143.028	2.011.028	2.726.272	3.276.380	5.377.891	33.050.722
Additions from acquisition of subsidiaries	-	-	-	953	214	-	1.720	2.887
Additions	105.349	-	11.013	160.527	161.474	438.639	419.206	1.296.208
Disposals	-	-	-	(15.824)	(57.054)	(167.766)	(225.299)	(465.943)
Foreign exchange difference on retranslation	(577.690)	-	85	(56.809)	(60.058)	(73.944)	(141.036)	(909.452)
At 30 September 2010	19.043.782	-	154.126	2.099.875	2.770.848	3.473.309	5.432.482	32.974.422
Accumulated depreciation								
At 1 January 2009	1.023.510	-	146.353	655.709	1.069.118	1.373.247	2.857.061	7.124.998
Charge for the year	330.181	-	14.769	232.527	261.270	541.094	746.591	2.126.432
Disposals upon sale of subsidiaries	-	-	-	-	-	-	(1.186)	(1.186)
Disposals	-	-	(144.652)	(36.347)	(217.163)	(240.733)	(322.280)	(961.175)
Foreign exchange difference on retranslation	11.557	-	(4.224)	22.505	35.186	26.750	128.443	220.217
At 1 January 2010	1.365.248	-	12.246	874.394	1.148.411	1.700.358	3.408.629	8.509.286
Charge for the period	353.665	-	11.715	157.980	210.866	384.662	553.103	1.671.991
Disposals	-	-	-	(13.333)	(15.358)	(141.600)	(205.225)	(375.516)
Foreign exchange difference on retranslation	(38.703)	-	69	(16.571)	(22.008)	(30.843)	(66.075)	(174.131)
At 30 September 2010	1.680.210	-	24.030	1.002.470	1.321.911	1.912.577	3.690.432	9.631.630
Net book value								
At 30 September 2010	17.363.572	-	130.096	1.097.405	1.448.937	1.560.732	1.742.050	23.342.792
At 31 December 2009	18.150.875	-	130.782	1.136.634	1.577.861	1.576.022	1.969.262	24.541.436

Assets under construction which related to the construction of warehouse and offices in Belarus (US$ 2.791.971) and the Middle East (US$ 3.390.174) became operational in 2009 and were transferred to land and buildings. Land and buildings of a total cost value of US$ 15.597.924 (2009 US$ 13.616.698) have been mortgaged for financing purposes.

(Expressed in United States Dollars)

15. Intangible assets

	Computer software US$	Patents and licenses US$	Total US$
Cost			
At 1 January 2009	5.493.326	672.454	6.165.780
Additions from acquisition of subsidiaries	1.380	-	1.380
Additions	1.369.405	6.525	1.375.930
Disposals	(413.671)	(2.397)	(416.068)
Foreign exchange difference on retranslation	83.521	2.854	86.375
At 1 January 2010	6.533.961	679.436	7.213.397
Additions	114.220	110.875	225.095
Disposals upon disposal of subsidiaries	(76)	-	(76)
Disposals	(46.556)	(10.600)	(57.156)
Foreign exchange difference on retranslation	(38.145)	(3.945)	(42.090)
At 30 September 2010	6.563.404	775.766	7.339.170
Accumulated amortization			
At 1 January 2009	4.074.654	489.329	4.563.983
Charge for the year	706.320	63.462	769.782
Disposals	(382.966)	(1.717)	(384.683)
Foreign exchange difference on retranslation	85.793	2.723	88.516
At 1 January 2010	4.483.801	553.797	5.037.598
Charge for the period	472.592	67.546	540.138
Disposals upon disposal of subsidiaries	(76)	-	(76)
Disposals	(46.425)	(10.599)	(57.024)
Foreign exchange difference on retranslation	(22.756)	(3.618)	(26.374)
At 30 September 2010	4.887.136	607.126	5.494.262
Net book value			
At 30 September 2010	1.676.268	168.640	1.844.908
At 31 December 2009	2.050.160	125.639	2.175.799

16. Available-for-sale financial assets

	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 30 September 2010 US$	As at 31 December 2009 US$
Investments held in related companies						
E-Vision Ltd	Cyprus	18%	90.000	(90.000)	-	-
Other Investments						
Asekol s.r.o.	Czech Republic	9,09%	9.580	-	9.580	9.580
			99.580	(90.000)	9.580	9.580

(Expressed in United States Dollars)

17. Other current liabilities

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Factoring creditors (i)	24.779.338	24.359.986
Non-trade accounts payable	2.753.949	4.822.123
Salaries payable and related costs	1.159.141	1.372.243
VAT payable	4.515.663	9.294.206
Amount due to directors – executive	1.602	1.071
Amounts due to directors – non-executive	10.046	14.790
Financial liability at fair value through profit and loss	409.186	-
Unpaid consideration for investment in joint venture	111.597	-
Accruals and deferred income	5.290.703	3.912.695
	39.031.225	43.777.114

(i) As at 30 September 2010 the group enjoyed factoring facilities of US$ 50.952.972 (31 December 2009: US$ 34.962.429). The factoring facilities are secured as mentioned in note 18.

18. Bank overdrafts and short term loans

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Bank overdrafts	38.964.450	16.285.502
Bank short term loans	27.699.589	18.657.298
Current portion of long term loans	624.795	864.053
	67.288.834	35.806.853

Summary of borrowings and overdraft arrangements

The group as at 30 September 2010 had the following financing facilities with banks in the countries that the company and its subsidiaries are operating:

- overdraft lines of US$ 51.114.197 (31 December 2009: US$ 41.158.551)
- short term loans/revolving facilities of US$ 28.577.044 (31 December 2009: US$ 20.947.902)
- bank guarantees of US$ 10.132.914 (31 December 2009: US$ 11.970.088)

The group had for the period ending 30 September 2010 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the period was 6,8% (2009: 8,0%)

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

- First, second and third floating charges over all assets of the company.
- Mortgage on land and buildings that the group owns in Cyprus, Czech Republic, Belarus, Middle East, Bulgaria and Slovakia
- 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$ 913.970 (31 December 2009: US$ 910.489)

(Expressed in United States Dollars)

19. Long term liabilities

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Bank loans	3.276.515	3.915.227
Other long term liabilities	233.979	184.067
	3.510.494	4.099.294

20. Finance leases

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Obligation under finance lease	312.767	242.035
Less: Amount payable within one year	(169.270)	(101.409)
Amounts payable within 2-5 years inclusive	143.497	140.626

21. Share Capital

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Authorised		
63.000.000 (2009: 63.000.000) shares of US$ 0,20 each	12.600.000	12.600.000
Issued, called-up and fully paid		
55.500.000 (2009: 55.500.000) ordinary shares of US$ 0,20 each	11.100.000	11.100.000

22. Operating segments

1.1 Reportable segments

The group mainly operates in a single industry segment as a distributor of IT products. The group's operating segments are based on geographic location, and the measure of segment profit is profit from operations. The group operates in four principal geographical areas – Former Soviet Union, Eastern Europe, Western Europe and Middle East & Africa.

1.2 Segment revenues

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Former Soviet Union	152.948.097	90.619.223	374.044.860	220.106.817
Central Eastern Europe	112.672.123	118.043.368	315.262.376	301.181.462
Western Europe	27.289.724	24.574.279	82.946.173	72.563.071
Middle East & Africa	52.098.260	43.176.482	147.752.222	131.416.502
Other	12.429.137	12.610.415	37.988.041	32.924.510
	357.437.341	289.023.767	957.993.672	758.192.362

(Expressed in United States Dollars)

22. Operating segments (continued)

1.3 Segment results

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Former Soviet Union	3.306.708	1.441.413	3.655.571	(2.219.956)
Central Eastern Europe	(12.046)	53.158	291.183	(784.652)
Western Europe	952.200	530.357	1.057.564	463.501
Middle East & Africa	(703.736)	(165.443)	(905.955)	252.824
Other	573.033	232.431	800.398	81.425
Profit/(loss) from operations	4.116.159	2.091.916	4.898.761	(2.206.858)
Net financial expenses	(2.691.786)	(1.047.659)	(5.336.581)	(3.973.492)
Other gains and losses	21.401	4.139	185.626	373.755
Share of profit from joint ventures	16.132	-	27.759	-
Profit/(loss) before taxation	1.461.906	1.048.396	(224.435)	(5.806.595)

1.4 Inter-segment revenues

Selling segment	Purchasing segment	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*
Middle East & Africa	Former Soviet Union	-	326.878
Western Europe	Middle East & Africa	494.549	235.466

Selling segment	Purchasing segment	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Middle East & Africa	Former Soviet Union	-	845.629
Western Europe	Middle East & Africa	1.315.821	594.166

1.5 Segment capital expenditure (CAPEX)

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Former Soviet Union	4.350.380	4.412.332
Central Eastern Europe	12.725.223	13.545.517
Western Europe	525.743	636.818
Middle East & Africa	4.202.909	4.164.720
Unallocated	3.984.175	4.508.365
	25.788.430	27.267.752

(Expressed in United States Dollars)

22. Operating segments (continued)

1.6 Segment depreciation and amortisation

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Former Soviet Union	86.706	62.563	260.476	192.737
Central Eastern Europe	277.120	273.341	789.944	784.825
Western Europe	57.953	58.393	173.395	182.519
Middle East & Africa	90.487	55.099	262.473	191.210
Unallocated	233.892	258.770	725.841	789.852
	746.158	708.166	2.212.129	2.141.143

1.7 Segment assets

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Former Soviet Union	166.423.878	129.247.148
Eastern Europe	102.345.901	119.860.646
Western Europe	36.694.879	36.583.229
Middle East & Africa	59.674.243	56.681.836
Total	365.138.901	342.372.859
Assets allocated in capital expenditure (1.5)	25.788.430	27.267.752
Other unallocated assets	24.292.266	16.182.338
Consolidated assets	415.219.597	385.822.949

23. Cash and cash equivalents

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Cash at bank and in hand	34.517.298	52.857.260
Bank overdrafts (Note 18)	(38.964.450)	(16.285.502)
	(4.447.152)	36.571.758

The cash at bank and in hand balances include an amount of US$ 913.970 (31 December 2009: US$ 910.489) which represents pledged deposits.

(Expressed in United States Dollars)

24. Transactions and balances of key management

	For the three months ended 30 September 2010 *US$*	For the three months ended 30 September 2009 *US$*	For the nine months ended 30 September 2010 *US$*	For the nine months ended 30 September 2009 *US$*
Directors' remuneration – executive	135.329	130.343	380.983	378.768
Directors' remuneration – non-executive	9.722	19.237	29.532	70.447
	145.051	149.580	410.515	449.215

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Amount due to directors – executive	1.602	1.071
Amount due to directors – non-executive	10.046	14.790
	11.648	15.861

25. Commitments and contingencies

As at 30 September 2010 the group was committed in respect of purchases of inventories of a total cost value of US$7.398.253 which were in transit at 30 September 2010 and delivered in October 2010. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of purchase title of the goods had not passed to the group as at the period end.

As at 30 September 2010 the group was contingently liable in respect of bank guarantees of US$10.132.914 which the group had extended mainly to its suppliers.

As at 30 September 2010 the group had no other legal commitments and contingencies.

26. Goodwill

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
At 1 January	550.517	550.517
Goodwill arising from business combinations	50.213	-
At 30 September/ 31 December	600.730	550.517

The capitalized goodwill arose from the business combinations of the following subsidiaries:

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Megatrend D.O.O. Sarajevo	550.517	550.517
Euromall Limited Bulgaria EOOD	41.416	-
ION-Ukraine LLC	8.797	-
	600.730	550.517

(Expressed in United States Dollars)

27. Investments in joint ventures

	As at 30 September 2010 *US$*	As at 31 December 2009 *US$*
Cost		
At 1 January	-	-
Investments in joint ventures during the period/year	351.597	-
At 30 September/ 31 December	351.597	-
Accumulated share of profits from joint ventures		
At 1 January	-	-
Share of profits from joint ventures during the period/year	27.759	-
At 30 September/ 31 December	27.759	-
Investments in joint ventures recorded under the equity method of consolidation	379.356	-

28. Comparative figures

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

29. Events after the balance sheet date

No significant events occurred after the end of the reporting period.