



**PC SYSTEMS S.A.**

Reg No. 15699/06/7/87/33

**FINANCIAL STATEMENTS AS OF DECEMBER 31st 2004-16th FISCAL YEAR (JANUARY 1st 2004-DECEMBER 31st 2004)**

ASSETS	12/31/2004			12/31/2003			CAPITAL AND LIABILITIES	
	Acquisition Cost	Value Adjustments	Written-Down Value	Acquisition Cost	Value Adjustments	Written-Down Value	12/31/2004	12/31/2003
<b>B. ESTABLISHMENT EXPENSES</b>								
4. Other establishment expenses	1.223.786,77	1.194.427,31	29.359,46	1.219.529,45	922.453,28	297.076,17		
<b>C. FIXED ASSETS</b>								
<b>I. Intangible Assets</b>								
1. Research & Development expenses	4.335.353,43	3.696.463,38	638.890,05	4.084.410,87	3.043.282,18	1.041.128,69		
<b>II. Tangible Assets</b>								
5. Transportation Equipment	150.095,29	136.044,66	14.050,63	262.348,96	219.140,09	43.208,87		
6. Furniture and other equipment	3.202.401,79	2.535.738,43	666.663,36	2.781.675,61	1.549.151,17	1.232.524,44		
7. Fixed assets under construction	285.284,76	0,00	285.284,76	0,00	0,00	0,00		
	<u>3.637.781,84</u>	<u>2.671.783,09</u>	<u>965.998,75</u>	<u>3.044.024,57</u>	<u>1.768.291,26</u>	<u>1.275.733,31</u>		
<b>III. Participations and other long term financial Assets</b>								
1. Participations in subsidiaries			2.003.181,22			2.003.181,22		
2. Participation in other entities			3.859.661,42			3.824.821,42		
3. Other long-term claims			67.804,09			56.251,52		
			<u>5.930.646,73</u>			<u>5.884.254,16</u>		
<b>Total Fixed Assets (CI+CII+CIII)</b>			<u>7.535.535,53</u>			<u>8.201.116,16</u>		
<b>D. CURRENT ASSETS</b>								
<b>I. Stocks</b>								
1. Merchandise			1.252.242,84			2.308.306,98		
5. Down payments for stocks			80.943,39			1.257.250,13		
			<u>1.333.186,23</u>			<u>3.565.557,11</u>		
<b>II. Receivables</b>								
1. Customers			20.257.555,00			23.726.958,85		
2. Bills receivable on hand			4.836,41			4.836,41		
3a. Cheques receivables			946.025,64			973.599,49		
3b. Cheques receivable (postdated)			451.263,38			446.637,78		
3c. Cheques receivable in banks as collateral			143.965,88			0,00		
10. Doubtfull-disputed customers and debtors		34.554,24			34.554,24			
Less:		<u>21.400,00</u>	13.154,24		<u>21.400,00</u>	13.154,24		
11. Sundry debtors			2.302.262,31			638.846,51		
12. Advance and credits control account			115.084,30			38.444,14		
			<u>24.234.147,16</u>			<u>25.842.477,42</u>		
<b>III. Securities</b>								
1. Shares		1.971.762,79			2.055.462,79			
Less: Allowances for value decline		<u>682.940,83</u>	1.288.821,96		<u>682.940,83</u>	1.372.521,96		
4. Treasury stock			55.192,54			412.787,22		
			<u>1.344.014,50</u>			<u>1.785.309,18</u>		
<b>IV. Cash</b>								
1. Cash on hand			149.837,71			178.241,53		
3. Sight and time deposits			2.926.767,01			1.864.713,64		
			<u>3.076.604,72</u>			<u>2.042.955,17</u>		
<b>Total Current Assets (DI+DII+DIII+DIV)</b>			<u>29.987.952,61</u>			<u>33.236.298,88</u>		
<b>E. TRANSIT DEBIT BALANCES</b>								
1. Prepaid expenses			7.774,78			21.139,13		
2. Debit accounts of guarantees and collateral security			2.931,85			3.358,69		
3. Accrued sales discounts			0,00			315.707,00		
			<u>10.706,63</u>			<u>340.204,82</u>		
<b>TOTAL ASSETS (B+C+D+E)</b>			<u>37.563.554,23</u>			<u>42.074.696,03</u>		
<b>DEBIT MEMO ACCOUNTS</b>								
2. Debit accounts of guarantees			10.793.581,57			12.086.985,42		
4. Other memo accounts			6.559.777,36			5.307.146,15		
			<u>17.353.358,93</u>			<u>17.394.131,57</u>		

**Notes:** 1. The basic accounting principles that were used are the same with the ones used for the balance sheet of 12/31/2003. 2. During the fiscal year of 2004 investments in fixed assets amounted to Euro 420,726. 3. There are no cases disputed in courts or under arbitration that may significantly affect the financial position or operations of the company. 4. Analysis of turnover per STAKOD 03 category: a) STAKOD 518.4 "Wholesale of PCs and peripherals" Euro 27,576.715.45, b) STAKOD 525.1 "Retail of PCs and peripherals" Euro 49,684.30, c) STAKOD 713.3 "Leasing of machinery and other PC equipment" Euro 10,219.00, d) STAKOD 722.9 "Consulting regarding Business Software" Euro 220,131.49, e) STAKOD 723.0 "Data processing" Euro 3,520,547.27, STAKOD 725.0 "Maintenance and repairing of Machinery and Computer facilities" Euro 2,447,760.53 and f) STAKOD 726.0 "Other Information Technology Activities" Euro 15,845,884.21. 5. There are no pledges against the company's assets. 6. The value of owned shares not covered by the formed reserves on owners' equity is subtracted from the owners' equity, according to provisions of article 42e, paragraph 13 of C.L. 2190/20. 7. According to the decisions of the Shareholders' Ordinary General Assembly as of 06/27/2003 a share capital increase was performed in fiscal year 2004 by Euro 59,755 with rights issue due to its personnel stock option plan. There was no difference between the acquisition price and par value. The above share capital increase approved by the protocol K2-15075/10.12.2004 and K2-14884/10.12.2004 of Ministry of Development and the trading of 161,500 new issued shares was approved by the Board of Directors of Athens Stock Exchange during its session on 01/18/2005.

PROFIT AND LOSS ACCOUNT				APPROPRIATION ACCOUNT					
DECEMBER 31st 2004 (JANUARY 1st 2004 - DECEMBER 31st 2004)									
	12/31/2004		12/31/2003			12/31/2004		12/31/2003	
<b>I. Operating results</b>					<b>Net Income for the period</b>	618.152,00	360.587,71		
Turnover (sales)		49.670.978,25		37.690.146,71	(+) Balance brought forward	2.042.073,18	2.049.221,31		
Less: Cost of goods sold		<u>36.714.403,73</u>		<u>28.049.472,57</u>	Total	2.660.225,18	2.409.809,02		
Gross Operating Profit		12.956.574,52		9.640.674,14	Less: 1. Income tax	89.551,17	124.287,29		
Plus: Other Operating income		389.309,60		421.095,83	Profits available for distribution	2.570.674,01	2.285.521,73		
Total		13.345.884,12		10.061.769,97	Profit Distribution				
LESS: 1. Administrative expenses		2.103.085,90		1.906.950,33	1. Statutory reserve	20.089,94	11.719,10		
2. Research & Development expenses		736.677,66		677.007,72	2. Dividends	190.531,20	188.108,70		
3. Selling expenses		8.734.542,15		6.438.788,36	4. Reserves for equity	325.219,88	43.620,75		
Operating Results before financial transactions		1.771.578,41		1.039.023,56	8. Profit carried forward	2.034.832,99	2.042.073,18		
PLUS: 1. Income from participations		408.664,79		0,00		<u>2.570.674,01</u>	<u>2.285.521,73</u>		
2. Income from securities		5.665,20		26.600,73					
4. Interest and related income		3.194,90		6.722,30					
		417.524,89		33.323,03					
LESS: 1. Provisions for devaluation of participations and securities	136.588,34		136.588,00						
2. Interest charges and related expenses	667.709,71	804.298,05	-386773,16	692.404,40					
Total Net Operating Income before extraordinary items and expenses		1.384.805,25		243.354,19					
<b>II. PLUS: Extraordinary Results</b>									
1. Extraordinary Income		89.536,03		170.399,03					
2. Extraordinary profits		23.301,95		0,00					
3. Prior period income		0,00		35,40					
		112.837,98		170.434,43					
LESS: 1. Extraordinary and non-operating expenses	26.400,63		1.453,39						
2. Extraordinary losses	832.195,82		28.217,90						
3. Prior period expenses	20.894,78	879.491,23	-766.653,25	23.529,62					
<b>OPERATING AND EXTRAORDINARY RESULTS</b>			618.152,00						
LESS: Total depreciation		1.927.391,69		1.603.051,33					
Less: Depreciation included in the operation cost		<u>1.927.391,69</u>	0,00	<u>1.603.051,33</u>					
<b>TOTAL NET INCOME BEFORE TAXES</b>			<u>618.152,00</u>						

**Marousi, April 26th 2005**  
CHAIRMAN OF THE BOD  
& CEO

**DIMITRIOS KRASOPOULOS**  
I.D. No P 062705

VICE PRESIDENT

CHIEF FINANCIAL OFFICER

**ATHANASIOS POULIADIS**  
I.D. No R 528252

**MARINA ALEXANDRIDI**  
I.D. No N 146239

**CERTIFIED PUBLIC ACCOUNTANTS REPORT**  
(To the Board of Directors of "PC SYSTEMS S.A.")

We have audited the above Financial Statements, the relative Appendix of the company "PC SYSTEMS S.A." for the fiscal year ended on 31st December 2004. Our audit has been made according to the provisions of article 37 of Corporate Law 2190/1920, within the framework of the rules and principles followed by the Body of Certified Public Accountants of Greece and the auditing procedures we have considered necessary, and are in accordance with the basic principles of International Auditing Standards. The books and records, which the company kept, have been placed in our disposal and the necessary information and explanations, which we requested for the purpose of our audit, have been given to us. The company has correctly applied the Greek General Chart of Accounts. The inventory method has not changed in relation with the previous year. We have checked the agreement of the "Board of Directors" report to the Annual General Assembly of Shareholders with the Financial Statements. The Appendix contains the information provided by Corporate Law 2190/1920, paragr. 1, article 43a and the Cash Flow Statement has been prepared based on the Financial Statements and the books and records kept by the Company. Based on our audit we note the following: 1. The provision for staff retirement indemnities amounted Euro 15,800 and presented in the Assets account B. "Provisions" is less than the amount ordered of Company Law 2190/1920. In the event that such a provision had been made according to the above law, it would have been amounted to Euro 446,000 approximately, 429,000 of which should have burdened the results of the previous years and Euro 17,000 the closing fiscal year. 2. Included also in the Asset Account C.III "Participations and other long term financial assets" is the amount of Euro 5,862,843 which represents the participation acquisition value in nine (9) companies that are not listed in the Stock Exchange and two (2) joint ventures. Five (5) of these companies (acquisition value Euro 1,357,953) are not audited by a Certified Public Accountants. The valuation of these holdings took place in accordance with the provisions of the Company Law 2190/20. The evaluation of these holdings was made using the acquisition value and not the intrinsic accounting value as the 2190/20 Law Principle states, having as a result holdings' value to be higher by the amount of Euro 3,627,000 approximately. That amount should have burdened the results of previous fiscal years with the amount of Euro 3,450,000 and the rest amount of Euro 177,000 should have burdened the results of the current fiscal year. 3. Assets account D.II "Receivables" includes also overdue receivables of approximately Euro 2,900,000. In case of loss from the liquidation of these receivables, the company had formed a provision of Euro 21,400. In our opinion, the company should have formed an additional provision amounting to approximately Euro 1,960,000 with an equal reduce in the shareholders' equity. That amount should have burdened the results of previous fiscal years with the amount of Euro 960,000 approximately and the rest amount of Euro 1,000,000 should have burdened the results of the current fiscal year. 4. Included also in the Asset Account D.III "Securities" is the value of companies listed shares amounting to Euro 1,971,763. The Company at 31/12/2004 did not evaluate those shares having as a result the closing fiscal period results to be Euro 267,450 higher and also the results of the previous fiscal year periods to be higher at the amount of Euro 924,620 and the capital and reserves to be higher at the amount of Euro 1,192,070. 5. The company, followed the provisions of the Greek Tax Law and burdened the results of the current as well as the previous fiscal year with the amount of Euro 136,588 that concerns 1/5 of loss from the valuation of securities as of 31/12/2000. 6. The company's books have not been audited by the Tax Authorities for the fiscal years 1999 till 2004 and consequently the company's tax liabilities for these years have not been finalized yet. According to our opinion the above Financial Statements which result from the Company's books and records present, accompanied with the Appendix and after taking into consideration our-above mentioned remarks, the asset structure and the financial position of the Company as at 31st December 2004, and the results for the year ending on that date, are in conformity with the legal requirements and the accounting principles which have been generally accepted and do not differ from those applied in the previous fiscal year.

Athens, 28 April 2005  
THE CERTIFIED PUBLIC ACCOUNTANT

KALOGEROPOULOS IOANNIS  
REG.SOEL: 10741

