

ASSETS	YEAR ENDED 2012			YEAR ENDED 2011			LIABILITIES	YEAR ENDED 2012	YEAR ENDED 2011
	Acquisition cost	Depreciation	Net Book value	Acquisition cost	Depreciation	Net Book value			
B. FORMATION EXPENSES							A. SHAREHOLDERS' EQUITY		
4. Other formation expenses	1.023.558,48	893.574,49	129.983,99	950.812,89	724.841,43	225.971,46	I. Share Capital		
	<u>1.023.558,48</u>	<u>893.574,49</u>	<u>129.983,99</u>	<u>950.812,89</u>	<u>724.841,43</u>	<u>225.971,46</u>	(3.999.500 shares of 1,07 each)		
C. FIXED ASSETS							1. Paid-up capital	4.279.465,00	4.279.465,00
II. Tangible Assets							III. Revaluation Reserves-Investment Grants		
1. Land	1.172.500,00	0,00	1.172.500,00	1.172.500,00	0,00	1.172.500,00	3. Grants for investments in fixed assets	31.976,40	0,00
3. Buildings and technical works	247.907,12	233.042,25	14.864,87	252.978,95	215.496,98	37.481,97	IV. Reserves		
4. Machinery, technical installations and other mechanical equipment	6.328,87	2.035,70	4.293,17	2.025,87	1.575,21	450,66	1. Legal reserve	100.050,95	97.403,43
5. Transportation equipment	50.988,66	38.748,23	12.240,43	50.988,66	33.076,23	17.912,43	5. Tax-free reserves under special laws	285.774,70	325.003,45
6. Furniture and fixtures	2.000.552,87	1.282.573,89	717.978,98	1.549.580,95	1.229.920,77	319.660,18		<u>385.825,65</u>	<u>422.406,88</u>
7. Payments on account and tangible assets in course of construction	7.165.823,77	0,00	7.165.823,77	6.407.066,45	0,00	6.407.066,45	V. Results carried forward		
Total Tangible Assets (CII)	<u>10.644.101,29</u>	<u>1.556.400,07</u>	<u>9.087.701,22</u>	<u>9.435.140,88</u>	<u>1.480.069,19</u>	<u>7.955.071,69</u>	Loss carried forward	-198.223,56	-599,91
III. Financial Assets							VII. Consolidation differences	<u>83.341,92</u>	<u>83.341,92</u>
1. Participating interests in affiliated undertakings			100.000,00			100.000,00	IX. Minority interest	<u>1,09</u>	<u>1,25</u>
3. Amounts owed by affiliated undertakings			322.000,00			322.000,00	Total Shareholders' Equity (AI+AIII+AV+AVII+AVIX)	<u>4.582.386,50</u>	<u>4.784.615,14</u>
7. Other long-term receivables			12.921,09			12.921,09	B. PROVISIONS FOR LIABILITIES AND CHARGES		
Total Fixed Assets (CII+CIII)	<u>9.522.622,31</u>		<u>9.522.622,31</u>			<u>8.162.005,70</u>	1. Provisions for staff retirement benefits	194.227,60	194.227,60
D. CURRENT ASSETS							C. LIABILITIES		
I. Inventories							I. Long-term debt		
1. Merchandise			543.296,90			622.412,88	1. Debenture loans	201.750,00	508.250,00
3. Work in progress			0,00			695.673,71	2. Bank loans	500.000,00	0,00
5. Payments on account for stocks purchases			51.218,23			12.628,76		<u>701.750,00</u>	<u>508.250,00</u>
			<u>594.515,13</u>			<u>1.330.715,35</u>	II. Current Liabilities		
II. Receivables							1. Suppliers	2.391.515,63	3.881.884,51
1. Trade debtors	6.425.571,48		6.425.571,48	5.634.493,61		5.634.493,61	2a. Cheques payable (postdated)	1.804.338,03	2.244.500,30
Less: Provisions	0,00		0,00	0,00		0,00	3. Banks	9.164.565,32	6.971.430,79
2. Notes receivable			2.900,00			2.900,00	4. Advances due to trade debtors	88.681,94	42.198,05
3a. Cheques receivable (postdated)			1.627.743,71			1.902.829,93	5. Taxes-duties	160.508,08	196.683,62
10. Doubtful-contested trade and other debtors	44.271,62		44.271,62	44.271,62		44.271,62	6. Social security	111.955,34	134.644,44
Less: Provisions	25.772,94		18.498,68	16.772,94		16.772,94	7. Current portion of long-term debt	3.981,25	190.500,00
11. Sundry debtors			86.773,81			92.278,51	11. Sundry creditors	303.394,15	230.132,78
12. Advances to account for			100,00			100,00		<u>14.028.939,74</u>	<u>13.891.974,49</u>
			<u>8.161.587,68</u>			<u>7.657.200,73</u>	Total Liabilities (CI+CII)	<u>14.730.689,74</u>	<u>14.400.224,49</u>
IV. Cash and cash equivalents									
1. Cash on hand			9.126,40			1.724,49	D. ACCRUALS AND DEFERRED INCOME		
3. Current and time deposits			1.066.141,41			1.118.828,62	2. Accrued expenses	93.286,84	74.995,43
			<u>1.075.267,81</u>			<u>1.120.553,11</u>			
Total Current Assets (DI+DII+DIV)	<u>9.831.370,62</u>		<u>9.831.370,62</u>			<u>10.108.469,19</u>	GRAND TOTAL SHAREHOLDERS' EQUITY & LIABILITIES (A+B+C+D)	<u>19.600.590,68</u>	<u>19.454.062,66</u>
E. PREPAYMENTS AND ACCRUED INCOME							DEBIT MEMO. ACCOUNTS		
1. Prepaid expenses			116.613,76			834.822,37	2. Guarantees and real securities	4.732.030,86	4.077.679,33
2. Accrued income			0,00			60.428,97	4. Other memo. Accounts	303.323,27	134.351,39
3. Other prepayments and accrued income			0,00			62.364,97		<u>5.035.354,13</u>	<u>4.212.030,72</u>
			<u>116.613,76</u>			<u>957.616,31</u>			
GRAND TOTAL- ASSETS (B+C+D+E)	<u>19.600.590,68</u>		<u>19.600.590,68</u>			<u>19.454.062,66</u>			

NOTES: 1) In the account "Payments on account and tangible assets in course of construction" is shown the production cost of two software programmes of the parent, which have not yet been completed but also the construction cost of a building in Metamorphosi Attiki together with the production cost of the subsidiary's software, which jointly have been classified under the Development L. 3299/2004. 2) In the Debit Memo Account "Guarantees and real securities" is included the concession of real mortgage and pre-notice of the property in Metamorphosi of value € 2,95 million that the company has provided to the Bank as guarantee for loans amounting € 3,9 million. 3) In the consolidation are included the financial statements of the subsidiary "COSMOS CONSULTING S.A.". It is not included the "CBS IT SYSTEMS CYPRUS LIMITED" due to non timely preparation of financial statements. Article 97 3b cod. L. 2190/1920. 4) The number of employed personnel in the companies at 31.12.2012 was 94 persons.

CONSOLIDATED INCOME STATEMENT At 31 December 2012 (January 1 - December 31, 2012)			CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR 2012		
	YEAR ENDED 2012	YEAR ENDED 2011		YEAR ENDED 2012	YEAR ENDED 2011
I. Operating Results			Cash flows from operating activities		
Net turnover (sales)	15.927.011,30	16.833.940,69	Cash receipts from customers	18.589.422,13	21.392.614,04
Less: Cost of sales	12.783.277,87	13.451.518,35	Cash paid to suppliers and employees	-19.373.287,76	-21.797.214,58
Gross operating results (profit)	3.143.733,43	3.382.422,34	Cash generated from operations	-783.865,63	-404.600,54
Plus: Other operating income	199.450,07	161.531,99	Income tax paid	-12.587,20	0,00
Total	3.343.183,50	3.543.954,33	Net cash flows from operating activities	<u>-796.452,83</u>	<u>-404.600,54</u>
LESS: 1. Administrative expenses	689.785,95	759.514,91	Cash flows from investing activities		
3. Distribution costs	2.009.076,26	2.163.992,48	Acquisition of subsidiary, net of cash acquired	-252.000,00	-70.000,00
Sub-total (profit)	644.321,29	620.446,94	Payments for purchase of property, plant and equipment (PPE) and intangible assets	-465.990,92	-732.700,51
PLUS: 4. Interest and similar income	3.929,88	8.690,77	Proceeds from interest, dividends and rents of assets of the investing activities	3.503,96	8.754,54
Less: 3. Interest expense and similar charges	777.394,84	557.917,27	Net cash used in investing activities	<u>-714.486,96</u>	<u>-793.945,97</u>
Total operating results (profit)	-129.143,67	71.220,44	Cash flows from financing activities		
II. PLUS: Extraordinary results			Proceeds from loans	6.300.100,00	3.274.000,00
1. Extraordinary and non-operating income	8.364,81	3.303,32	Repayments of loans and interest	-4.834.445,51	-2.086.073,41
2. Extraordinary gain	2.944,07	0,00	Net cash used in financing activities	<u>1.465.654,49</u>	<u>1.187.926,59</u>
Less: 1. Extraordinary and non-operating expenses	13.904,65	8.188,74	Net increase/decrease in cash and cash equivalent.	<u>-45.285,30</u>	<u>-10.619,92</u>
2. Extraordinary losses	2.206,23	8.606,94	Cash and cash equivalent. at beginning of the year	1.120.553,11	1.131.173,03
Operating and extraordinary results (profit/loss)	-133.945,67	65.916,82	Cash and cash equivalents at end of the year	<u>1.075.267,81</u>	<u>1.120.553,11</u>
LESS: Total depreciation of fixed assets	345.296,84	343.421,20			
Less: Charged to the operating cost	345.296,84	0,00			
NET CONSOLIDATED RESULTS (Profit/Loss) FOR THE YEAR before taxes	<u>-133.945,67</u>	<u>65.916,82</u>			

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
	31/12/2012	31/12/2011
Net equity of period Opening Balance	4.784.615,14	4.745.339,50
Profit/(Loss) for the year after taxes	-133.945,67	65.916,82
	<u>4.650.669,47</u>	<u>4.811.256,32</u>
Increase/(decrease) of company share capital		
Net income/(expense) recognised directly in equity	-7.252,35	39.228,75
Other changes in equity	-61.030,62	-65.869,93
Net equity of period Closing Balance	<u>4.582.386,50</u>	<u>4.784.615,14</u>

Athens, 15 March 2013

THE CHAIRMAN OF THE B. OF D. & MANAGING DIRECTOR

DIMITRIOS DAFNIS
ID. No. AA 026303

THE VICE CHAIRMAN OF THE B. OF D.

GEORGIOS MANOUKAS
ID. No. AB 336815

THE FINANCE MANAGER

SPYRIDON KARAVAS
ID. No. N 570146
E.C.G. Licence No. 32272/A' CLASS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the Company "COSMOS BUSINESS SYSTEMS S.A."

Report on the Consolidated Financial Statements We have audited the above consolidated financial statements of the Company "COSMOS BUSINESS SYSTEMS S.A.", which comprise the consolidated balance sheet as at 31 December 2012 and the consolidated statements of income, changes in equity and cash flows for the year then ended, as well as the relevant notes to the financial statements. **Management's Responsibility for the Consolidated Financial Statements** Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Accounting Standards that are prescribed by the Greek General Chart of Accounts and the provisions of the articles 90 up to 109 of the cod. L. 2190/1920 and for such internal controls as management determines it necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. **Auditor's Responsibility** Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. **Basis for Qualified Opinion** As a result of our audit arose the following matters: 1. In the account "Participating interests in affiliated undertakings" of the parent company is presented the acquisition cost of share parts of a foreign limited liability company, the financial statements of which are audited by authorized Certified Auditors Accountants. The intrinsic book value of these share parts amounts in total to Euro 30.600 (Financial Statements at 31.12.2011). By deviation from the accounting principles that are provided by the Greek company law (cod. L. 2190/1920 and G.G.C.A.), has not been set up provision for value decline of these share parts for the arisen difference amounting Euro 69.400 and, as a consequence, the value of this account, the results for the year and the Equity are shown equally in amount increased. In note 3.2 of the Notes to the financial statements is described the reason for exception (article 97 paragraph 3b cod. L. 2190/1920) from the consolidation of the aforementioned subsidiary CBS IT SYSTEMS CYPRUS LTD. 2. The subsidiary company by deviation from the accounting principles that are provided by Greek company law (cod. L. 2190/1920 and G.G.C.A.), did not set up provision for staff retirement benefits. At 31 December 2012, the total size of the unset provision amounts to Euro 51.500,00 and, as a consequence, the provisions are shown decreased by Euro 51.500,00, the Equity is shown equally in amount increased and the results for the year increased by Euro 300,00. 3) It has not been made any provision for additional taxes and penalties in respect of the un-audited by the tax authorities, fiscal years 2005 to 2010, for the parent company and the un-audited by the tax authorities, fiscal years 2010 and 2012, for the subsidiary company. **Qualified Opinion** In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the above consolidated financial statements present fairly, in all material respects, the financial position of the Company "COSMOS BUSINESS SYSTEMS S.A." and its subsidiary as at 31 December 2012, and of their financial performance and cash flows for the year then ended in accordance with the Accounting Standards that are prescribed by the Greek General Chart of Accounts and the provisions of the articles 90 up to 109 of the cod. L. 2190/1920. **Emphasis of Matters** We draw your attention to the company's note No. 1 under the Balance Sheet where reference is made to that "In the account "Payments on account and tangible assets in course of construction" is shown the production cost of two software programmes of total amount Euro 2.608.182,61 of the parent company which have not been completed yet" the outcome of which cannot be predicted at present, which however, according to Management letter are at the final stage of their development and their gradual sale is going to proceed in the Greek and the international market and, therefore, no provision has been made in the financial statements in this respect. Our opinion is not qualified in respect of this matter. **Report on Other Legal and Regulatory Requirements** We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the above consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of cod. L. 2190/1920.