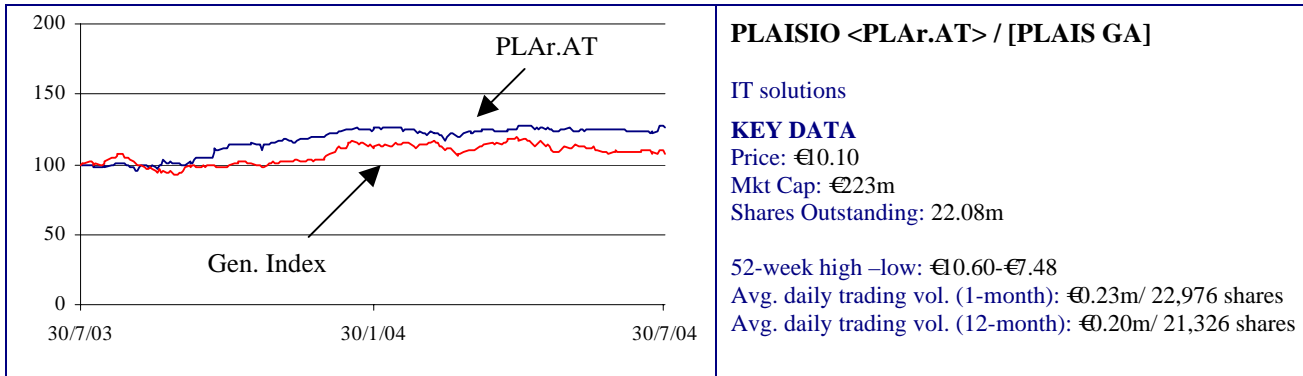


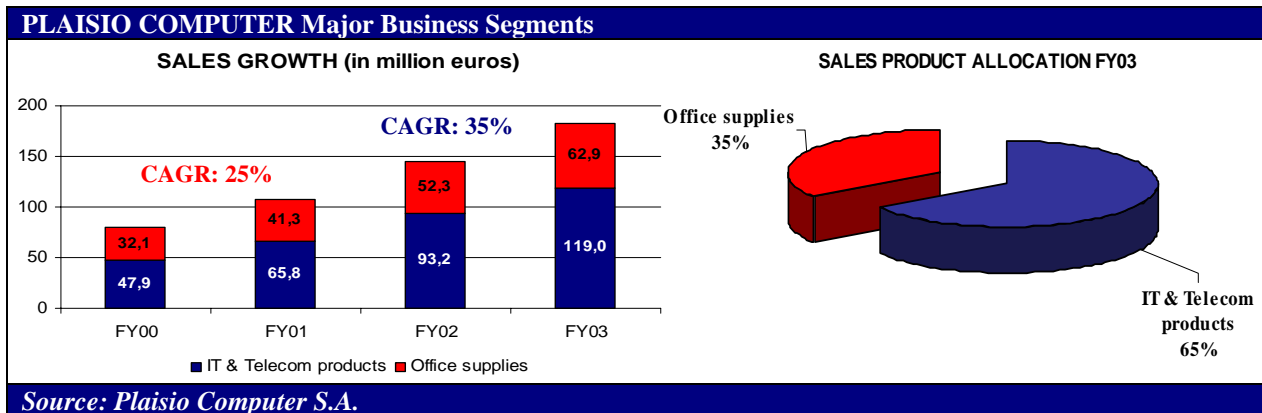
July 30, 2004



**Flash Note: PLAISIO – Solid Track Record in Delivering Results.**

• **Company Profile**

PLAISIO, established in 1969 and listed in ATHEX Parallel Market since 1999, belongs to the broader IT and telecommunications sector. It is active mainly in 1) the assembly and trade of IT equipment, 2) the trade of fixed and mobile telecommunications products as well as 3) the trade of office supplies. The company addresses mostly four groups of consumers: 1) small office - home office, 2) mid business, 3) corporate as well as 4) educational institutions and public organizations. It operates a multi-channel distribution network consisting of one-stop retailing outlets, product catalogues, e-commerce through 3 internet sites, as well as personalized customer interaction center and direct B2B sales through specialized departments.



• **The Company is the market leader in the domestic computer assembly and office supplies markets.**

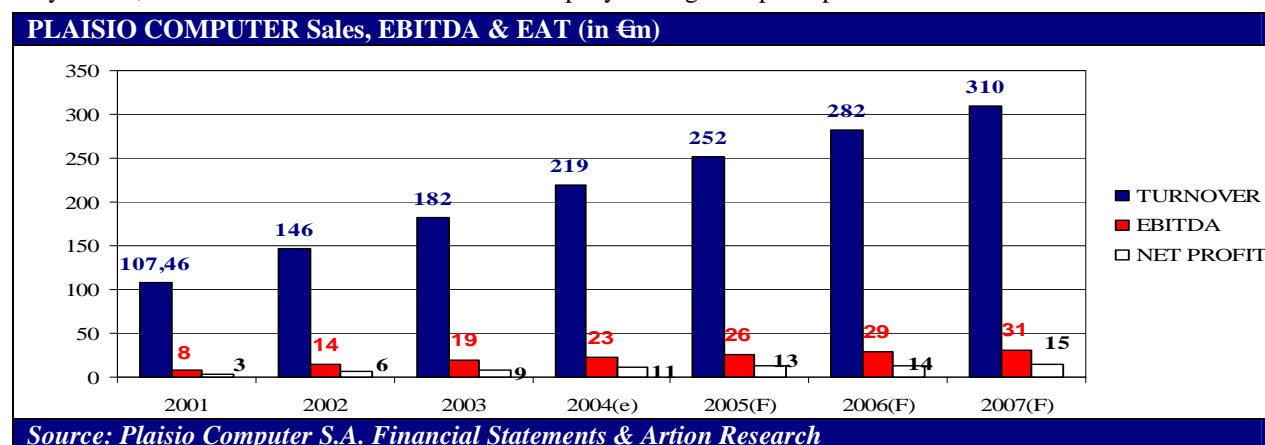
The company retains a leading position in the domestic computer assembly market (over 10% market share currently) in respect to direct personal computer volume sales for 18 years, while it has established itself as a market leader in the office supplies sector (about 20% market share) offering products that cover completely the needs of any modern office. In terms of 1Q04 turnover growth, it is the company with the largest annual increase among its local peers.

I.T. EQUIPMENT - SOLUTIONS	TURNOVER (in million euros)			EBT (in million euros)		
	1Q 04	1Q 03	% ch	FY03	FY03	% ch
PLAISIO COMPUTER	57.597	42.887	34,3%	2.202	1.844	19,4%
POULIADIS ASSOCIATES CORP (CR)	122.508	98.173	24,8%	2.223	2.927	-24,0%
PC SYSTEMS SA (CR)	12.733	10.633	19,8%	147	108	35,2%
CPI SA	21.410	17.989	19,0%	1.732	1.670	3,7%
INFO QUEST CR	111.172	104.343	6,5%	-2.138	-3.238	-----
INFORMATICS (CR)	10.279	9.873	4,1%	-1.308	344	-----
INTERTECH SA. INTERNAT. TECHNOLOGIES	18.359	26.903	-31,8%	1.463	2.016	-27,4%

As for the telecommunication sector, the company has made a dynamic entrance since 1999 cooperating with COSMOTE mobile telephony operator and created specialized departments that offer complete solutions in terms of equipment and services in every outlet. Taking into consideration the liberalization of the domestic telecom market as well as the new introduction of new technology, further development prospects in this market are upbeat, while the commercial cooperation with VODAFONE since last year enhances B2B sales growth.

- **The company's strong financial results give out signals of a healthy, profit generating business.**

The company has presented above market expectations 1H04 results, according to which EBT after minorities surged 22.7% y-o-y to €3.85m on turnover reaching €10.2m (33% y-o-y). Turnover growth is attributed to the significant market share increase due to the company's retail expansion and solid B2B sales growth. Gross margin was recorded slightly lower to 19.4% (versus 19.7% in 1H03) due to the product mix shift towards personal computers, bearing lower margins. EBITDA rose 21.9% to €6.2m while EBITDA margin also declined 0.5bp to 5.6% bringing EBT margin to 3.5%. We have to note at this point that 1Q and 2Q bear the lowest margins for the company traditionally. The firm's 1H04 ROE improved to 10.7% (from 10.2% in 1H03) indicating better shareholders' funds utilization. The 1H04 results verify a solid track record of the company in delivering results giving out positive signals for the rest of the year. So, it would be fair to assume that the company has a good upside potential.



FY04 group turnover is expected 20% higher to €219m driven by successful new store openings and increased market shares, while FY05 sales are enhanced due to the company's planned penetration in Bulgaria. We forecast FY04 EBT growth at some 18% y-o-y to €17.4m and EPS at €0.51 from €0.39 in FY03. Gross margin is expected 0.5bp lower at 20% revealing intense competition, while EBT margin is driven marginally lower to 7.9% from 8.1%. Margins present a tendency to decline gradually in the mid to long term due to increased competition, yet the group has realized a 36% 5-year CAGR in turnover and a 52% CAGR in EAT (1999-2003), while for 2001-2007 it is expected to remain at a robust level of 20% and 29% respectively, indicating strong and persistent growth. As for liquidity, current ratio is forecasted to increase gradually to 1.74x in FY07 (from 1.48x in 2003), indicating the company's strong cash flow generation capable of fuelling its planned expansion inside and outside Greece.

- **Solid profit growth justifies higher valuation.**

The company currently trades 19.9x its 2004e EPS and its 2004e P/BV ratio stands at 5.6. A multiples valuation comparing Plaisio with the local market, as reflected in the General Index and the IT Equipment Index of ATHEX, as well as with international peers, offers a €1.12 per share "fair" price. The expected sound growth rates for the coming years justify a relatively demanding multiples valuation. Applying DCF valuation method we have estimated a target share price of €12.35, indicating the company's strong cash flow generation ability. A combination of multiples comparison and DCF valuation offers a **19% upside from the current price at €1.98** (Mkt cap of €64.5m). Plaisio enjoys strong growth potential and its financial standing allows it to confidently back up its growth. The company's attractive valuation combined with its sound prospects renders Plaisio a good investment idea.

- **Financial Statements (Greek GAAP)**

**PLAISIO COMPUTER cons. Income Statement (€000)**

	2002	2003	2004e	2005f	2006f	2007f
<b>Total Turnover</b>	<b>146.090</b>	<b>182.469</b>	<b>218.962</b>	<b>251.807</b>	<b>282.024</b>	<b>310.226</b>
COGS	115.672	141.388	170.761	196.627	220.786	243.640
Gross Operating income	30.418	41.080	48.201	55.180	61.237	66.585
Other Operating Income	1.017	375	450	517	579	637
Operating Income	31.435	41.455	48.651	55.697	61.816	67.223
Administrative & Selling Expenses	20.272	25.204	29.698	34.782	39.520	43.472
<b>EBITDA</b>	<b>13.884</b>	<b>19.471</b>	<b>23.077</b>	<b>26.292</b>	<b>28.712</b>	<b>30.766</b>
Plus: Interest Income	15	134	268	401	502	552
Less: Interest Expenses	1.392	1.040	1.834	1.797	1.639	1.737
Extraordinary Income (Expenses)	-758	-627	0	0	0	0
Less: Depreciation	2.720	3.220	4.124	5.377	6.415	7.015
Plus: Depreciation charged on COGS	2.720	3.220	4.124	5.377	6.415	7.015
<b>EBT</b>	<b>9.029</b>	<b>14.718</b>	<b>17.387</b>	<b>19.519</b>	<b>21.159</b>	<b>22.566</b>
Taxes	3.182	6.126	6.085	6.832	7.406	7.898
Less: Minority Rights	13	63	104	115	126	139
<b>EATM</b>	<b>5.833</b>	<b>8.529</b>	<b>11.197</b>	<b>12.573</b>	<b>13.627</b>	<b>14.529</b>

Source: Plaisio Computer S.A. Financial Statements & Artion Research

<b>PLAISIO COMPUTER cons. Balance Sheet (€'000)</b>						
	2002	2003	2004e	2005f	2006f	2007f
<b>ASSETS</b>						
Gross Fixed Assets	22.406	26.114	31.675	40.017	45.517	48.017
Less: Accum. Depreciation	7.969	10.837	14.961	20.338	26.753	33.768
Net Fixed Assets	14.437	15.277	16.714	19.679	18.764	14.249
Participations	393	499	499	499	499	499
<b>Total Fixed Assets</b>	<b>14.831</b>	<b>15.776</b>	<b>17.213</b>	<b>20.178</b>	<b>19.263</b>	<b>14.748</b>
Inventories	21.296	24.504	26.959	29.067	32.633	34.118
Accounts Receivable	16.816	21.977	21.215	22.937	24.968	26.028
Securities	0	9	13.969	17.722	23.679	36.872
Cash	8.601	16.709	12.500	13.750	15.125	16.638
<b>Total Current Assets</b>	<b>46.713</b>	<b>63.198</b>	<b>74.643</b>	<b>83.475</b>	<b>96.405</b>	<b>113.655</b>
<b>TOTAL ASSETS</b>	<b>61.544</b>	<b>78.974</b>	<b>91.857</b>	<b>103.653</b>	<b>115.668</b>	<b>128.404</b>
<b>LIABILITIES &amp; EQUITY</b>						
Share Capital	6.845	6.845	6.845	6.845	6.845	6.845
Capital in Excess	12.051	12.051	12.051	12.051	12.051	12.051
Reserves	9.472	13.362	18.400	24.058	30.190	36.728
Retained Earnings	37	5	5	5	5	5
Consol. Differences	2.128	2.171	2.171	2.171	2.171	2.171
Minorities	0	0	104	219	345	484
<b>Total Equity</b>	<b>30.533</b>	<b>34.433</b>	<b>39.576</b>	<b>45.348</b>	<b>51.607</b>	<b>58.283</b>
Provisions	740	927	1.854	1.947	2.044	2.044
Long Term Liabilities	0	795	1.795	2.895	2.895	2.895
Suppliers	6.155	7.115	9.357	10.774	12.703	14.685
Tax & Social Security	5.463	9.329	10.262	10.775	11.313	11.879
Other Liabilities	18.652	26.376	29.013	31.914	35.106	38.616
Total Current Liabilities	30.271	42.819	48.631	53.463	59.122	65.181
<b>Total Liabilities</b>	<b>30.271</b>	<b>43.614</b>	<b>50.427</b>	<b>56.358</b>	<b>62.017</b>	<b>68.076</b>
<b>TOTAL LIAB. &amp; EQUITY</b>	<b>61.544</b>	<b>78.974</b>	<b>91.857</b>	<b>103.653</b>	<b>115.668</b>	<b>128.404</b>

Source: Plaisio Computer S.A. Financial Statements & Artion Research

<b>PLAISIO COMPUTER Main Ratios &amp; Multiples</b>						
	2002	2003	2004e	2005f	2006f	2007f
<b>Profit Margins</b>						
Gross Margin	20,8%	22,5%	22,0%	21,9%	21,7%	21,5%
EBITDA Margin	9,5%	10,7%	10,5%	10,4%	10,2%	9,9%
EBT Margin	6,2%	8,1%	7,9%	7,8%	7,5%	7,3%
EAT Margin	4,0%	4,7%	5,1%	5,0%	4,8%	4,7%
<b>Per share Data (in EUR)</b>						
Share Num. (adj.)	22.080.000	22.080.000	22.080.000	22.080.000	22.080.000	22.080.000
EPS (after tax)	0,26	0,39	0,51	0,57	0,62	0,66
EPS (pre tax)	0,41	0,67	0,79	0,88	0,96	1,02
EBITDAPS	0,63	0,88	1,05	1,19	1,30	1,39
CFPS	0,39	0,53	0,69	0,81	0,91	0,98
DPS	0,14	0,21	0,28	0,31	0,34	0,36
BVPS	1,38	1,56	1,79	2,05	2,34	2,64
<b>Valuation Ratios (x)</b>						
P/E	38,2	26,1	19,9	17,7	16,4	15,3
P/S	1,5	1,2	1,0	0,9	0,8	0,7
EV/EBITDA	15,4	10,6	8,6	7,4	6,5	5,6
EV/S	1,5	1,1	0,9	0,8	0,7	0,6
P/BV	7,3	6,5	5,6	4,9	4,3	3,8
P/CF	26,1	19,0	14,6	12,4	11,1	10,4
<b>Profitability Ratios (%)</b>						
ROE (avg)	20,0%	26,3%	30,3%	29,6%	28,1%	28,0%
ROCE (avg)	12,1%	13,8%	15,5%	15,0%	14,2%	14,3%
ROA (avg)	9,7%	12,1%	13,1%	12,9%	12,4%	12,5%
ROE - EBITDA (avg)	47,6%	59,9%	62,4%	61,9%	59,2%	59,4%
ROA - EBITDA (avg)	23,1%	27,7%	27,0%	26,9%	26,2%	26,5%
<b>Liquidity Ratios</b>						
Current Liquidity	1,54	1,48	1,53	1,56	1,63	1,74
Acid Ratio	0,84	0,90	0,98	1,02	1,08	1,22
Gearing	101%	79%	78%	80%	83%	86%
Debt / EBITDA	0,00	0,04	0,08	0,11	0,10	0,09
Interest / EBITDA	0,10	0,05	0,08	0,07	0,06	0,06
Interest Coverage	7,49	15,15	10,48	11,86	13,91	13,99

Source: Plaisio Computer S.A. Financial Statements & Artion Research