

Results for the Q4'10, Trading Update and operating performance

15 March 2011

- 100k Households have chosen bundles of Telco and Pay TV services
- 445k active LLU customers - a growth of 129k during the year
- 392k active Pay TV subs - an increase of 45k satellite Pay TV subs in Greece
- Group revenues of €410m vs. €377m in 2009 (+ 8.8%)
- 21.3% growth in Telecom revenue
- € 65.7m adjusted EBITDA yielding an EBITDA margin of 16%

2010 Group Results

The operating integration of the Pay TV and Telecom businesses and the continued growth of the Telecom segment jointly contributed to a significant improvement in the Group's performance. Demand for bundled Telecom and Pay TV services was strong, resulting in an uptake of 100,000 households by the end of 2010.

The Group reported total revenues of €410m, with an adjusted EBITDA of €65.7m and an EBITDA margin of 16%.

<i>(in € '000 except for losses per share)</i>	2010 Group	2009 Group
Revenue(including other income)	409,852	376,985
Reported EBIDTA	46,284	64,025
Adjusted EBIDTA(non cash)	65,662	64,938
Adjusted EBIDTA margin	16.0%	17.2%
Losses before interest and taxes	(55,766)	(21,734)
Losses before taxes	(80,165)	(40,520)
Losses after taxes	(86,828)	(41,183)
Loss per share	(0.5475)	(0.2617)

Telecom Services

Forthnet continued its progress in unbundling:

	Q4 '10	Q3 '10	Q2 '10	Q1 '10	Q4 '09
New LLU customers	29,681	24,365	33,371	42,393	41,694
Market share in new LLU customers	30.4%	33%	34%	37%	41%
Active LLU customers	445,343	415,662	391,297	357,926	315,333
LLU market share	32.60%	32.79%	32.61%	32.47%	31.96%

Forthnet is the leading unbundler in Greece with an estimated overall market share of 32.6% at the end of 2010 and 29.7k net additions in Q4. The 2play family of services remains Forthnet's major growth driver with an ARPU of €39.80 (excl VAT) for its flagship service in Q4 2010.

Forthnet Broadband Customers	Q4 '10	Q3 '10	Q2 '10	Q1 '10	Q4 '09
Forthnet Broadband subscribers ¹	483,163	461,343	438,966	408,842	364,419
Quarterly net additions	21,820	22,377	30,124	44,423	30,692
Forthnet active ULL subs	445,343	415,662	391,297	357,926	315,533

The number of Broadband subs at the end of December 2010 stood at 483,163 customers, with 21,820 additions in Q4 10. ULL is the key growth driver for the Group, while demand for Broadband, 2play and other ULL services, is expected to remain strong.

Telecom 2010 financials

For 2010, the Telecom segment reported revenues of €214.3m - a 21.3% y-on-y growth, driven by incremental LLU services.

Revenue Analysis <i>(in €'000)</i>	2010	2009	Δ (%)
Residential LLU services	150,553	111,347	35.2%
Residential Wholesale Services	8,209	19,011	-56.8%
Business Services and Applications	55,568	46,287	20.05%
Total Revenue (incl. other income)	214,330	176,646	21.3%

¹ Active & pending activation wholesale ADSL and 2Play customers, plus active & pending activation Unbundled customers.

Summary Financials:

(in '€'000)	2010	2009
Revenues	214,330	176,646
Adjusted EBITDA ²	29,279	19,218
EBITDA Margin	13.7%	10.9%
Capital Expenditure	52,631	69,049

Pay-TV Services

Satellite Pay-TV subscribers in Greece reached an all time high of 363,679 at the end of December 2010. The Analogue subscriber base and the Digital subscriber base in Cyprus recorded a decrease. As a result, by the end of Q4 2010 Pay-TV had 391,550 customers, a y-on-y increase of 8.1%:

	2010	2009	Δ
Digital Platform Greece	363,679	318,634	45,045
Analogue Platform Greece	16,362	31,828	-15,466
Digital Platform Cyprus	11,509	11,909	-400
Totals	391,550	362,371	29,179

Pay-TV 2010 financials

(in €'000)	2010	2009
Revenue	195,522	200,339
Adjusted EBITDA ³	36,383	45,720
EBITDA Margin	18.6%	22.82%

Decrease in Pay-TV revenue is attributed to Advertising and the Group's Cyprus Operations. Revenue from the Digital platform in Greece increased by 1.7% in 2010.

² Non- Cash Adjustments

³ Non- Cash Adjustments



Recent Developments

Pay TV

During 2010 Nova increased its premium content portfolio with major achievement the renewal of Superleague sports rights until 2014. In parallel, for the first time in Greece, Nova launched the HD (high definition) technology, significantly enhancing viewer experience.

Investments

During 2010 Forthnet activated 115 Collocations, thus offering LLU services to 481 Local Exchanges covering 51 prefecture capitals. At the end of 2010 the LLU coverage had reached 73% in the penetration of the total lines in Greece. During 2010 the Company also concluded the construction of a 600km optical fiber backbone between Athens and Peloponese, taking maximum advantage of fiber swaps where possible.

Forthnet Shops

The Forthnet shops chain continued to expand during 2010 in selected areas with high demand for broadband services. Thus, by the end of December 2010, the total number of Forthnet shops stood at 131, while during 2011, the Company is expected to selectively expand its retail network.

Liquidity and Debt

As of December 31st 2010, Forthnet Group's cash and cash equivalents amounted to € 36.4m. The total net bank debt for the Group at the end of December '10 stood at € 296.6m while short term portion of the long term debt amounts to € 45m. The Group has initiated discussions with its lending syndicates with a view to refinance its maturing stock of debt for 2011 and 2012 and extend the repayment profiles beyond 2013. The process was formally launched in early February and is already at an advanced stage.

For more information please contact

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