

15/09/2016

Forthnet S.A.
Announcement

**ISSUE OF A CONVERTIBLE BOND LOAN WITH CASH PAYMENT AND PRE-EMPTION
RIGHT FOR ITS EXISTING SHAREHOLDERS: CUT-OFF DATE & PRE-EMPTION
RIGHT TRADING PERIOD**

ISSUE OF A CONVERTIBLE BOND LOAN WITH CASH PAYMENT AND PRE-
EMPTION RIGHT FOR ITS EXISTING SHAREHOLDERS:

PRE-EMPTION RIGHT CUT-OFF DATE: 19/09/2016

TERM OF EXERCISE OF PRE-EMPTION RIGHT: 22/09/2016-6/10/2016

RIGHT TRADING PERIOD: 22/09/2016-3/10/2016

ISSUE CONSULTANT: ALPHA BANK S.A.

BONDHOLDERS REPRESENTATIVE / PROXY HOLDER FOR PAYMENTS:
PIRAEUS BANK S.A.

The Board of Directors of the Hellenic societe anonyme with trade name "HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A." (hereinafter the "Company" or the "Issuer" or "Forthnet") informs the owners of existing ordinary registered shares issued by it about the following:

By virtue of resolution of the Ordinary General Meeting of the Company's shareholders dated 28.6.2011, the Company's Board of Directors authorisation to decide the issue of a convertible bond loan was renewed.

By virtue of its resolution dated 21.6.2016 (hereinafter the "Issue Resolution"), the Company's Board of Directors approved the issue of a convertible bond loan of a total amount of up to € 99,087,466.50, pursuant to article 3a of C.L. 2190/1920, L. 3156/2003 and other provisions of applicable legislation as well as the Company's Articles of Association (hereinafter the "CBL"), with cash payment, the issue of up to 330,291,555 convertible registered bonds, of a nominal value of €0.30 each (hereinafter the "Convertible Bonds"), issue price €0.30 per Convertible Bond (hereinafter the "Issue Price"), pre-emption right for Forthnet's existing shareholders in terms of the total amount of Convertible Bonds to be issued, at a ratio of three (3) Convertible Bonds for one (1) of the Company's existing share (hereinafter the "Pre-emption Right"), conversion ratio one (1) Convertible Bond for one (1) new ordinary nominal Company share, of a nominal value of €0.30 (hereinafter the "New Share") and conversion price €0.30 per Convertible Bond, as well as listing of the Convertible bonds for trading to the Athens Stock Exchange (hereinafter "ASE"). The issue of the CBL aims at financing payment of €70 million (hereinafter the "Minimum Amount Required") in the framework of the agreement concluded on refinancing (hereinafter the "Refinancing") of existing syndicated, with collaterals in rem common bond loans issued both by the Company and its subsidiary, Forthnet Media S.A., while the remaining amount shall be used to cover the Company's and its Group's needs in working capital. Moreover, according to the Issue Resolution, along with its resolutions dated 25.7.2016 and 13.9.2016, the Board of Directors decided to provide to those that fully exercise corresponding Pre-emption Rights a pre-subscription right to acquire Convertible Bonds that may remain unplaced (hereinafter the "Unplaced Convertible Bonds")

without limitation, but with maximum limit the total amount of Convertible bonds to be issued at the Issue Price (hereinafter the "Pre- subscription Right").

The Issue Resolution was entered in the General Business Registry on 13.7.2016 under Registration Code no. 694278.

The ultimate deadline for payment of the CBL was set at four (4) months from the date of the Issue Resolution. Said deadline commences on 22.6.2016 and expires on 24.10.2016, in accordance with C.C. articles 240 et seq.

Total net amount generated by CBL issue, in case this is fully covered, shall amount to € 99,087,466.5.

Furthermore, by virtue of the Issue Resolution, combined with Company's Board of Directors resolutions dated 25.7.2016 and 13.9.2016, it approved, among others, also the following:

a) In the case that, following exercise of Pre-emption and Pre- subscription Rights, there are Unplaced Convertible Bonds, the Board of Directors shall seek to place them in any way considered suitable at the Issue Price, "Private Placement" included, that is through a procedure other than a "public offering" (in the sense of L. 3401/2005 and Directive 2003/71/EC) to "special investors" (in the sense of L. 3401/2005 and Directive 2003/71/EC), and other "special institutional buyers" (qualified institutional buyers) and other investors fulfilling certain criteria, including that of the minimum amount of investment, in accordance with the exceptions and under the conditions, as the case may be, of article 3, para. (a), (b) and (c) of L. 3401/2005, of article 3, para. 2 (a), (b) and (c) of the said Directive and the provisions of applicable foreign legislation.

b) In case that the Issuer raises at least the Minimum Amount Required through the CBL, its Board of Directors shall certify partial coverage of the CBL pursuant to C.L. 2190/1920, articles 3a para. 3 and 13a para.1.

c) In the case that the Issuer raises through the CBL less than the Minimum Amount Required, its Board of Directors shall decide, at its discretion, either to cancel the issue of the CBL either to certify partial coverage thereof, pursuant to C.L. 2190/1920, articles 3a para. 3 and 13a para. 1, as per the distinctions mentioned in the Prospectus (as defined below) as well as in the CBL Program (hereinafter the "Program"). You may find hereafter information on the CBL:

Maturity Date:	Nine years from the Issue Date		
Interest rate:	One per cent (1%) per year		
Yield to Maturity:	2.03%		
Repayment price:	€ 0.33 per Convertible Bond, that is, 110% of the Issue Price		
Conversion price and conversion ratio:	and	€0.30 per Convertible Bond. One (1) New Share per one (1) Convertible Bond.	

Pre-emption Right cut –off date is set on September 19th 2016 (hereinafter "Cut-off Date"). From the Cut-off Date the Company's existing ordinary registered shares (hereinafter the "Existing Shares") shall be traded in the Athens Stock Exchange without Pre-emption Right while opening price shall be determined according to the ASE Regulation, combined with resolution ref. no. 26/17.7.2008 of the Hellenic Exchanges – Athens Stock Exchange S.A. (hereinafter "HELEX") Board of Directors, as in force.

The following persons shall have a Pre-emption Right (jointly referred to as the "Beneficiaries"):

- (a) all the holders of Existing Shares, who are registered in the Hellenic Central Securities Depository S.A. (hereinafter the "C.S.D.") on the beneficiary identification date (record date), that is, on 20/09/2016, and
- (b) all those acquiring Pre-Emption Rights during their trading period in the ASE.

Period for exercising Pre-emption Rights is set from 22/9/2016 until 6/10/2016 included (hereinafter "Term of Exercise").

Commencement of trading Pre-emption Rights in the ASE electronic trading system coincides with commencement of Term of Exercise. It is noted that trading of Pre-emption Rights shall not be possible during the last three (3) working days prior to expiry of Term of Exercise. Expiry of trading period of Pre-emption Rights in the ASE electronic trading system is set at the end of its trading day of 3/10/2016. Pre-emption Rights shall be credited to the Investor Share Securities Accounts (as defined in the Dematerialised Securities System Regulation (hereinafter "DSS")) of each holder of existing Shares in the DSS, on the date of commencement of trading thereof. Pre-emption Rights that will not be exercised by expiry of Term of Exercise (that is, by 6/10/2016 included) cease to be valid.

Pre-emption Rights shall be exercised during working days and times throughout the Term of Exercise either through the Beneficiaries Securities Account Operators (as defined in the DSS Regulation), or through the branches' network of Alpha Bank S.A. (hereinafter the "Mediating Bank") in Greece (for the Beneficiaries that do not wish to exercise them through their Operators).

Any Beneficiary wishing to exercise their Pre-emption Rights through their Securities Account Operator shall submit the relevant application through such operator, according to the procedure in the framework of their relationship.

In order to exercise Pre-emption Rights through the Mediating Bank, each Beneficiary must follow the procedure below:

- (a) Present their national identity card, tax registration number, printout of DSS information as well as relevant "Certificate of Rights Commitment" to exercise the Pre-emption Right issued by the CSD, which they must seek either through their Securities Account Operator or through the CSD, if their Existing Shares are in the Special Account (as defined in the DSS Regulation).
- (b) State, upon exercising their Pre-emption Rights, the number of Investor Share, their Securities account number and the authorized Operator of this account to which they wish to have the Convertible bonds registered that correspond to the exercised Pre-emption right.
- (c) Pay the total amount of Convertible bonds (that is € 0.30 per exercised

right) that correspond to their exercised Pre-emption right to the account opened by the Issuer at the Mediating Bank for the CBL (hereinafter the "CBL Account"), either through direct cash deposit to the CBL Account or via equal charge of their savings account at the Mediating Bank and subsequent corresponding credit of the CBL Account.

Should the Beneficiary pay the total amount of Convertible bonds that correspond to the exercised Pre-emption right in cash, they must additionally state the number of their bank account in Greece, where said amount shall be returned to them, in the cases provided for in Term 2.4.3 of the Program.

Following exercise of their Pre-emption rights, each Beneficiary shall receive a relevant statement by the Mediating Bank, which does not constitute a temporary certificate and is not listed for trading in the A.S.E.

Any Pre-emption rights that have not been exercised within their deadline shall be written off and cease to be valid.

Beneficiaries who exercise Pre-emption rights shall not be burdened with liquidation costs and costs related to their Convertible bonds' credit. With regard to transactions on Pre-emption rights, the concerned Beneficiary shall be burdened with the fee or commission and the expenses agreed upon with a member of the A.S.E. or the General Operator (according to D.S.S. Regulation) with whom they are cooperating, as well as the rights, expenses and eventual additional charges imposed or collected, accordingly, by the A.S.E., HELEX/C.S.D. and the Athens Exchange Clearing House Societe Anonyme.

The Convertible bonds shall be attributed to beneficiaries - investors in dematerialized form via credit to the Share and the Securities Account that has been indicated by them.

The Beneficiaries that have fully exercised their Pre-emption rights are granted the Pre- subscription right, in other words the right to pre- subscribe in order to acquire Unplaced Convertible bonds without any limitation, albeit at a maximum limit corresponding to the total amount of Convertible bonds to be issued at the Issue price.

It is noted that interested parties who have appropriately exercised their Pre-subscription right shall only be satisfied in the event of Unplaced Convertible bonds, whereas should the number of Unplaced Convertible bonds not suffice to fully meet their demand, Beneficiaries in question shall be satisfied pro rata based on the number of Unplaced Convertible bonds that they have requested per the amount of pre- subscriptions and until the complete exhaustion of Unplaced Convertible bonds.

Each Beneficiary may exercise their Pre- subscription right simultaneously with the exercise of their Pre-emption right (and under the condition of full exercise of said right) within the deadline to exercise the Pre-emption rights during working days and hours at the Mediating Bank, either through the Operator of their Securities account or directly at the Mediating Bank's branches in Greece.

In order to exercise their Pre- subscription right through the Mediating Bank, each Beneficiary must follow the procedure below:

- (a) Submit a written declaration, stating the number and value of Unplaced Convertible bonds for which they are pre- subscribing.

- (b) Pay the total amount of Unplaced Convertible bonds for which they are pre- subscribing via an equal commitment of their savings account at the Mediating Bank. On the day of the complete or partial satisfaction of the exercised Pre- subscription right, the Mediating Bank shall charge this account with the amount that corresponds to the issue price of Unplaced Convertible bonds that shall have finally been distributed to the concerned Beneficiary and shall subsequently credit the corresponding amount to the CBL Account.

A Beneficiary who wishes to exercise their Pre- subscription right via an Operator of their Securities account, must submit the relevant application through said operator, who must have authorization by their Beneficiary – client, so as to engage in all corresponding actions to appropriately exercise the Pre- subscription right, in accordance with the procedure laid out in the framework of their relationship. Any Pre-registration rights that have not been exercised by the end of their exercise deadline are written off and cease to be valid.

Following exercise of their Pre- subscription right, each Beneficiary shall receive a relevant statement by the Mediating Bank, which does not constitute a temporary certificate and is not listed for trading in the A.S.E.

Any Unplaced Convertible bonds finally attributed to those who exercised their Pre- subscription right shall be granted in dematerialized form via credit to the Share and the Securities Account that has been indicated by them upon exercise of the Pre-emption right.

Amounts paid that shall not be used to acquire Unplaced Convertible bonds shall be released in favour of those who have exercised the Pre- subscription right.

In the event that more than one pre- subscription of same physical or legal entities is ascertained on the basis of D.S.S. data, the amount of pre-subscriptions in question shall be treated as a single pre- subscription.

Credit of Convertible bonds shall be carried out at a date notified by a subsequent announcement of the Company and prior to the start of their listing for trading at the A.S.E. within 5 working days from the approval of their listing for trading by the competent body of the HELEX.

Should the CBL be more than covered, partially covered or cancelled according to the cases provided for in the Prospectus and the Program, the return of capitals to concerned investors shall be conducted interest-free in one of the following manners:

- (a) through the Operators of their Securities Accounts or
- (b) via their account in the Mediating Bank through which they have exercised, accordingly, the Pre-emption right and the Pre- subscription right, or
- (c) in the event of an exercise of the Pre-emption right via cash deposit, in one of their accounts at another bank in Greece, in which case the concerned investor shall bear the capital-related expenses charged by the Mediating Bank.

A return of capitals via cash payment is not possible. A return of capitals via foreign bank credit will be subject to applicable capital control restrictions and

conditions. Specifically regarding money transfers abroad, the concerned investor may additionally incur capital-related expenses charged by the Mediating Bank.

Given that the deadline for CBL payment is 24.10.2016, the Company shall return capitals to beneficiaries - investors within three working days from cancellation of the CBL issuance or certification of its complete or partial coverage, depending on the case.

In accordance with article 16 of L. 3401/2005, in the event of a Supplement publication to the Prospectus, including the cases laid out in the Prospectus and the Program, any investors who have registered to acquire Convertible bonds are entitled to withdraw no more than within two working days from publication of Supplement.

The Company shall inform the investors of the CBL coverage rate from exercise of Pre-emption rights and Pre- subscription rights, as well as from eventual offer of any Unplaced Convertible bonds by its Board of Directors, through a relevant announcement on the A.S.E. and the Company website.

The Prospectus with relation to the public offer of Convertible bonds and their listing for trading at the A.S.E., as approved by the BoD of the Hellenic Capital Market Commission on the 15/9/2016 (hereinafter "the Prospectus") is available on the website of A.S.E. (<http://www.helex.gr/el/web/guest/company-prospectus>), of Hellenic Capital Market Commission (http://www.hcmc.gr/el_GR/web/portal/elib/deltia) and on the Company's website (http://www.forthnet.gr/Article.aspx?a_id=1903) as of 16/09/2016 and on the website of the Issue Consultant, Alpha Bank S.A. (<http://www.alpha.gr/page/default.asp?id=5224&la=1>). Furthermore, the Prospectus, at the request of investors, may be provided for free, in written form at the Company's offices, in Pallini, Attica, extension of Manis street, in Kantza, P.C.153 51.

The date of the Convertible bonds' listing for trading at the A.S.E. shall be notified by a subsequent announcement of the Company.

For more information, Beneficiaries can contact the Company's Shareholders Department and the person in charge, Mr. George Dermitzakis (tel. no. 2119552869) during working days and hours.

The Board of Directors
Athens, 15/09/2016