

## HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A.

Forthnet S.A.

Registration No S.A. 34461/06/8/95/94

Scientific Technological Park of Crete, Vassilika Vouton, Iraklion Crete 71003

FINANCIAL DATA &amp; INFORMATION FOR THE PERIOD JANUARY 1, 2010 - SEPTEMBER 30, 2010

(According to 4/507/28.04.2009 resolution of Greek Capital Committee)



The financial data and information provided below, aim to provide a general overview of FORTHNET S.A. financial statements and results and of the Group. As a result of this, we recommend to any potential investor, that before engage in any type of investment activity or any other kind of transaction with the Company, to visit the Company's website at the electronic address [www.forthnet.gr](http://www.forthnet.gr), where all interim condensed financial statements according to IFRS as well as the Audit Review report, when is required, are posted.

(amounts in euro)

## GENERAL INFORMATION:

Website: [www.forthnet.gr](http://www.forthnet.gr)  
 Date of Approval of the First Half Financial Statements: November 15, 2010  
 The Certified Auditors - Accountants: Seferis Christodoulos, Saloustros Stavros  
 Auditing Companies: ERNST & YOUNG S.A., SOI S.A.  
 Review Report: Unqualified Opinion

## STATEMENT OF FINANCIAL POSITION (parent company and consolidated)

	GROUP		COMPANY	
	30.09.2010	31.12.2009	30.09.2010	31.12.2009
<b>ASSETS</b>				
Tangible assets	317,066,410	305,357,127	172,179,387	179,268,579
Intangible assets	219,928,052	241,364,207	17,957,701	15,645,799
Goodwill	286,692,695	286,692,695	512,569	512,569
Other non current assets	34,053,656	36,593,901	312,225,877	315,522,259
Inventories	3,853,143	5,537,891	2,531,625	2,269,943
Trade receivables	67,564,376	54,219,167	75,479,871	31,134,051
Other current assets	128,269,664	154,310,267	32,812,536	58,479,751
<b>TOTAL ASSETS</b>	<b>1,057,427,996</b>	<b>1,084,075,255</b>	<b>613,699,566</b>	<b>602,832,951</b>
<b>EQUITY AND LIABILITIES</b>				
Share Capital (155.431.324 shares € 1,18 each)	183,408,963	183,408,963	183,408,963	183,408,963
Retained earnings and other reserves	116,952,545	161,162,560	158,710,141	175,998,182
Total Shareholders equity (a)	300,361,508	344,571,523	342,119,104	359,407,145
Non-controlling interests (b)	2,651,696	3,886,038	-	-
Total Equity (c)=(a)+(b)	303,013,204	348,457,561	342,119,104	359,407,145
Long-term borrowings	298,879,717	330,890,404	89,442,580	109,349,677
Provisions/Other long-term liabilities	199,313,258	188,325,128	23,270,952	25,635,124
Short-term borrowings	39,192,190	21,256,127	20,000,000	10,000,000
Other Current Liabilities	217,029,627	195,146,035	138,857,930	98,441,005
Total Liabilities (d)	754,414,792	735,617,694	271,580,462	243,425,806
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>1,057,427,996</b>	<b>1,084,075,255</b>	<b>613,699,566</b>	<b>602,832,951</b>

## TOTAL COMPREHENSIVE INCOME

	GROUP			
	01.01 - 30.09.2010	01.01 - 30.09.2009	01.07 - 30.09.2010	01.07 - 30.09.2009
Turnover	299,087,242	272,046,149	100,326,918	92,087,863
Gross Profit	40,717,788	43,426,054	10,391,103	13,470,602
Loss before taxes, financing and investing activities	(23,311,805)	(10,144,878)	(8,956,040)	(4,841,582)
Loss before income taxes	(43,751,985)	(24,142,531)	(13,754,862)	(9,083,651)
<b>Loss after income taxes (A)</b>	<b>(45,448,360)</b>	<b>(25,047,828)</b>	<b>(12,984,353)</b>	<b>(8,623,961)</b>
- Share holders of the parent company	(44,210,015)	(24,650,930)	(12,473,388)	(8,441,881)
- Non-controlling interests	(1,238,345)	(396,898)	(510,965)	(182,080)
<b>Other comprehensive income after taxes(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes(A)+(B)</b>	<b>(45,448,360)</b>	<b>(25,047,828)</b>	<b>(12,984,353)</b>	<b>(8,623,961)</b>
- Share holders of the parent company	(44,210,015)	(24,650,930)	(12,473,388)	(8,441,881)
- Non-controlling interests	(1,238,345)	(396,898)	(510,965)	(182,080)
Loss after taxes per share - Basic (in €):	(0.2844)	(0.1586)	(0.0803)	(0.0543)
Profit before taxes, financing, investing activities and depreciation	50,813,927	52,960,920	16,869,972	16,441,306

## COMPANY

	GROUP			
	01.01 - 30.09.2010	01.01 - 30.09.2009	01.07 - 30.09.2010	01.07 - 30.09.2009
Turnover	157,557,767	121,370,595	54,489,248	43,193,320
Gross Profit	34,065,430	7,729,440	10,682,093	3,882,452
Loss before taxes, financing and investing activities	(9,764,897)	(16,780,321)	(1,961,466)	(4,804,112)
Loss before income taxes	(13,373,012)	(19,408,259)	(3,837,554)	(5,427,871)
<b>Loss after income taxes (A)</b>	<b>(17,288,041)</b>	<b>(17,713,861)</b>	<b>(3,721,644)</b>	<b>(4,887,878)</b>
- Share holders of the parent company	(17,288,041)	(17,713,861)	(3,721,644)	(4,887,878)
- Non-controlling interests	-	-	-	-
<b>Other comprehensive income after taxes(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes(A)+(B)</b>	<b>(17,288,041)</b>	<b>(17,713,861)</b>	<b>(3,721,644)</b>	<b>(4,887,878)</b>
- Share holders of the parent company	(17,288,041)	(17,713,861)	(3,721,644)	(4,887,878)
- Non-controlling interests	-	-	-	-
Loss after taxes per share - Basic (in €):	(0.1112)	(0.1140)	(0.0239)	(0.0914)
Profit before taxes, financing, investing activities and depreciation	28,306,670	13,601,197	11,812,817	5,581,331

## STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)

	GROUP		COMPANY	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
Total equity balance at the beginning of period (01.01.2010 and 01.01.2009 respectively)	348,457,561	388,853,774	359,407,145	384,456,695
Total comprehensive income after taxes	(45,448,360)	(25,047,828)	(17,288,041)	(17,713,861)
Minority share of Increase in share capital	4,003	-	-	-
Stock option plan	-	399,967	-	399,967
Total equity balance ending period (30.09.2010 and 30.09.2009 respectively)	<b>303,013,204</b>	<b>364,205,913</b>	<b>342,119,104</b>	<b>367,142,801</b>

## CASH FLOW STATEMENT (parent company and consolidated)

	GROUP		COMPANY	
	01.01 - 30.09.2010	01.01 - 30.09.2009	01.01 - 30.09.2010	01.01 - 30.09.2009
<b>Cash flow from Operating Activities</b>				
Loss before taxes (continuing activities)	(43,751,985)	(24,142,531)	(13,373,012)	(19,408,259)
Add / Less adjustments for:				
Depreciation and amortization	76,568,303	65,643,567	40,462,879	32,865,761
Amortization of subsidies	(2,442,571)	(2,597,769)	(2,391,312)	(2,484,243)
Gains on disposals of tangible and intangible assets	(11,008)	(19,887)	(6,142)	(1,358)
Allowance for doubtful receivable accounts	2,710,134	4,127,909	2,668,166	3,207,183
Other provisions	494,581	1,257,765	299,025	917,744
Gains on disposals of financial investing activities	(2,010,120)	(1,115,518)	(170,044)	(214,440)
Interest and related expenses	22,419,595	15,113,471	3,778,159	2,842,378
Share of profits of associates accounted for under the equity method	30,705	(300)	-	-
Add / Less adjustments for changes in working capital related to operating activities:				
Decrease / (increase) inventories	1,684,747	1,011,948	(261,683)	(9,704)
Decrease / (increase) trade accounts receivable and prepayments	(28,884,167)	(42,333,323)	(45,712,161)	(13,897,611)
(Decrease) / increase liabilities (other than Bank loans)	4,404,005	31,635,389	23,205,006	43,054,202
Less:				
Interest and related expenses paid	(16,474,801)	(12,954,790)	(3,351,150)	(3,457,573)
Tax paid	(4,420,651)	(6,924,493)	-	(78,169)
Increase/(decrease) in other long-term receivables	(52,364)	(616,162)	(32,735)	2,135
Increase/(decrease) in other long-term liabilities	83,255	94,900	90,100	94,900
<b>Net cash from operating activities (a)</b>	<b>10,347,658</b>	<b>28,210,196</b>	<b>13,135,096</b>	<b>43,432,946</b>
<b>Cash flow from Investing Activities</b>				
Increase in participation in subsidiaries/associates	(12,804)	-	(585,911)	(199,998)
Purchase of tangible and intangible assets	(28,864,781)	(46,779,478)	(27,023,938)	(45,299,485)
Proceeds from the sale of tangible and intangible assets	80,067	49,417	50,974	33,456
Interest received	496,042	1,115,518	170,044	214,440
Government grants received	4,500,000	-	4,500,000	-
<b>Net cash flow used in investing activities (b)</b>	<b>(23,801,476)</b>	<b>(45,614,543)</b>	<b>(22,888,831)</b>	<b>(45,251,587)</b>
<b>Cash flow from Financing Activities</b>				
Net proceeds from the issuance of share capital in subsidiary	4,003	-	-	-
Net change in long-term borrowings	(15,130,000)	30,489,312	(10,000,000)	35,092,903
Net change in short-term borrowings	494,062	18,230	-	-
Net change in finance lease creditors	(6,365,510)	(6,410,794)	(111,655)	(93,462)
<b>Net cash flows from/(used in) financing activities (c)</b>	<b>(20,997,445)</b>	<b>24,096,748</b>	<b>(10,111,655)</b>	<b>34,999,441</b>
<b>Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c)</b>	<b>(34,451,263)</b>	<b>6,692,401</b>	<b>(19,865,390)</b>	<b>33,180,800</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>79,549,226</b>	<b>79,510,860</b>	<b>40,621,678</b>	<b>14,864,016</b>
<b>Cash and cash equivalents at end of the period</b>	<b>45,097,963</b>	<b>86,203,261</b>	<b>20,756,288</b>	<b>48,044,816</b>

## ADDITIONAL DATA AND INFORMATION

- The above financial statements for the period 01/01/2010-30/09/2010 have been approved by the members of the Board of Directors November 15, 2010
- At September 30, 2010 the total number of employees reached 1,535, while those of the Parent Company reached 855. At September 30, 2009 the Group's relative number of employees was 1,459, while that of the parent company was 839.
- There is no burden against title to the Group's real estate.
- The financial statements of the Group are included in the financial statement of Company "FORGENDO LIMITED" (Head Office: Cyprus, Percentage Participation at September 30, 2010: 39.88%) under the equity method.
- The same accounting methods and assessments have been used as in prior fiscal years except for those referred to in note 3 of the financial statements.
- The Group's subsidiaries, their registered offices, the equity interest as well as the participation relationship with the Group which are incorporated in the interim consolidated financial statements of the year, are stated in note 10 of the interim condensed financial statements.
- The unaudited tax years of the Company and of the companies of the Group are stated in Note 9 of the interim condensed financial statements.
- The Company and the Group have made cumulative provisions for additional taxes assessments for the unaudited tax-years amounting to € 0.2 for the Company and € 2.55 for the Group. In addition, no deferred tax asset has been recognised for set-off of tax losses of amount € 15 m. for the Group and the Company in order to cover any additional taxes which will occur in future tax audit.
- There are no disputes or issues under arbitration, or decisions issued by legal or arbitration bodies affecting the Group's financial status.
- The amount of the provision for the above issues are € 0.00 for the company and € 0.00 for the group.
- The amounts of other provisions are € 1.15 for the Company and € 1.15 for the Group.

- At the end of current period no shares of the parent company are possessed by either the parent company or any subsidiary or associate companies.
- The accumulated income and expenses since the beginning of the current fiscal year as well as the Company's and the Group's trade accounts receivable and payable balances at the end of the current fiscal year that have resulted from the transactions with their related parties, according to IAS 24, are as follows:
 

(Amounts in euro)	Group	Company
a) Income	84,054	8,799,061
b) Expenses	5,168,270	2,508,999
c) Receivables	12,058	36,443,419
d) Liabilities	13,236	38,623,970
e) Fees of Managers and members of the Board of Directors	3,577,665	1,836,173
f) Amounts owed by Managers and members of the Board of Directors	0	0
g) Amounts to Managers and members of the Board of Directors	16,888	0
- The Group Capital Expenditure for the period ending at September 30, 2010 amounted to € 66,853,876.
- Forthnet Group has extended its cooperation with the organizing authority of the 1st Division Professional Football Championship, Super League, until the end of the football season 2013 - 2014. Forthnet now holds the exclusive rights for TV, internet and mobile transmission, for both Greece and Cyprus, for all the home games of the 14 teams in the Super League that have signed the Collective TV Rights Agreement and for all available Time Slots, for the football seasons 2010 - 2014.

Iraklion , November 15, 2010

PRESIDENT OF THE B.o.D.

THE VICE PRESIDENT &  
CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

GROUP FINANCIAL REPORTING &  
BUDGETING DIRECTOR

GROUP ACCOUNTING DIRECTOR

DEEPAK SRINIVAS PADMAHANABHAN  
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