

FORTHNETGROUP



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**INTERIM CONDENSED
FINANCIAL STATEMENTS
(PARENT COMPANY AND CONSOLIDATED)**

FOR THE PERIOD

JANUARY 1 – MARCH 31, 2011

OF

**HELLENIC COMPANY FOR TELECOMMUNICATIONS
AND TELEMATIC APPLICATIONS S.A. (Forthnet S.A.)**

Forthnet S.A.

Registration No S.A. 34461/06/B/95/94
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INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Notes	The Group		The Company	
		01.01- 31.03.2011	01.01- 31.03.2010	01.01- 31.03.2011	01.01- 31.03.2010
Revenues	4	102,640,714	98,339,636	55,781,943	48,135,170
Telecommunications costs		(27,182,896)	(23,939,479)	(27,182,896)	(23,883,700)
Royalties and licenses		(25,669,482)	(22,729,530)	-	-
Cost of sales of inventory and consumables		(745,427)	(2,738,316)	(745,369)	(1,106,344)
Advertising and promotion costs		(4,251,869)	(5,464,983)	(1,732,369)	(3,906,347)
Payroll and related costs		(13,404,634)	(11,787,286)	(7,932,693)	(6,626,085)
Sundry expenses	8	(16,575,746)	(15,468,758)	(7,710,230)	(7,864,120)
Other income		942,772	1,050,258	923,324	1,015,308
Depreciation and amortisation		(28,219,944)	(24,941,887)	(15,609,781)	(12,910,696)
Financial income	7	2,775,688	158,360	55,298	110,123
Financial expenses	7	(5,261,880)	(7,698,176)	(996,107)	(1,193,343)
Share of profits of associates accounted for under the equity method		-	(1,500)	-	-
Loss before income taxes		(14,952,703)	(15,221,661)	(5,148,880)	(8,230,035)
Income taxes	9	959,082	(368,824)	303,335	(1,550,786)
Loss after tax (A)		(13,993,621)	(15,590,485)	(4,845,545)	(9,780,821)
Other total comprehensive income after tax (B)		-	-	-	-
Total comprehensive losses after tax (A)+(B)		(13,993,621)	(15,590,485)	(4,845,545)	(9,780,821)
Loss for the period attributable to:					
Shareholders of the Parent Company		(13,482,152)	(15,347,423)	(4,845,545)	(9,780,821)
Non-controlling interests		(511,469)	(243,062)	-	-
		(13,993,621)	(15,590,485)	(4,845,545)	(9,780,821)
Total comprehensive income for the period attributable to:					
Shareholders of the Parent Company		(13,482,152)	(15,347,423)	(4,845,545)	(9,780,821)
Non-controlling interests		(511,469)	(243,062)	-	-
		(13,993,621)	(15,590,485)	(4,845,545)	(9,780,821)
Loss per share (Basic and diluted)		(0.0867)	(0.0987)	(0.0312)	(0.0629)
Weighted Average Number of Shares (Basic)		155,431,324	155,431,324	155,431,324	155,431,324
Weighted Average Number of Shares (Diluted)		155,431,324	155,431,324	155,431,324	155,431,324

The accompanying notes are an integral part of the Financial Statements

INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	The Group		The Company	
		31.03.2011	31.12.2010	31.03.2011	31.12.2010
ASSETS					
Non current assets					
Property, plant and equipment	11	303,739,936	311,814,651	165,992,102	170,553,382
Intangible assets	12	205,973,479	215,789,271	18,169,088	19,794,317
Goodwill	10	268,241,714	268,022,695	512,569	512,569
Investments in subsidiaries		-	-	289,889,228	289,889,228
Investments in associates accounted under the equity method		22,049	22,049	44,500	44,500
Other non-current assets		7,148,906	7,270,459	5,517,779	5,608,127
Available for sale financial assets		452,499	402,395	340,064	340,064
Deferred tax assets	9	24,751,806	25,292,663	15,147,784	14,844,448
Total non current assets		810,330,389	828,614,183	495,613,115	501,586,635
Current assets					
Inventories	14	10,137,563	6,708,194	1,970,112	2,254,877
Programme and film rights	13	31,414,706	47,129,081	-	-
Trade receivables	15	68,619,963	68,314,880	40,637,707	41,064,974
Prepayments and other receivables	16	22,620,808	29,222,997	4,921,765	9,227,596
Due from related companies	23	53,729	26,693	50,318,255	44,288,644
Financial assets at fair value through profit or loss		-	40,188	-	-
Forward exchange contract Asset		-	25,820	-	-
Cash and cash equivalents	17	27,104,023	36,418,891	14,519,000	18,329,631
Restricted Cash	17	1,964,500	1,964,500	1,964,500	1,964,500
Total Current Assets		161,915,291	189,851,244	114,331,339	117,130,222
TOTAL ASSETS		972,245,680	1,018,465,427	609,944,454	618,716,857
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent company					
Share capital		183,408,963	183,408,963	183,408,963	183,408,963
Share premium		300,981,286	300,981,286	300,981,286	300,981,286
Other reserves		14,393,946	14,385,588	13,735,754	13,735,754
Accumulated deficit		(251,954,375)	(238,472,223)	(172,846,855)	(168,001,310)
Total		246,829,820	260,303,614	325,279,149	330,124,693
Non-controlling interests		1,986,362	2,497,831	-	-
Total equity		248,816,182	262,801,445	325,279,149	330,124,693
Non current liabilities					
Long-term borrowings	18	286,660,541	286,494,821	89,504,516	89,473,548
Long-term transponder leases	19	126,539,264	129,204,080	-	-
Other long-term leases		1,716,859	1,758,393	1,716,859	1,758,393
Other long-term obligations		5,478,854	5,562,263	5,478,854	5,562,262
Long-term obligations of programmes and film rights	20	781,421	817,971	-	-
Reserve for staff retirement indemnities		3,477,767	4,017,099	1,628,481	1,955,921
Government grants		17,893,420	19,193,338	17,752,867	18,603,337
Deferred tax liability		37,724,180	39,277,595	-	-
Total Non-Current Liabilities		480,272,306	486,325,560	116,081,576	117,353,461
Current Liabilities					
Trade accounts payable	21	98,057,644	98,601,452	55,100,846	56,628,103
Intergroup balances payable	23	699,099	1,890,670	65,610,651	51,769,270
Short-term borrowings		1,418,000	1,419,258	-	-
Current portion of long-term borrowings	18	45,144,000	45,144,000	20,000,000	20,000,000
Deferred income	4	40,605,400	40,564,124	19,378,154	18,554,874
Current portion of transponder leases	19	13,571,645	14,987,713	-	-
Short-term portion of other obligations	25	177,278	182,241	162,300	159,774
Current portion of programmes and film rights obligations	20	9,587,844	12,114,042	-	-
Income tax payable		4,185,276	5,169,309	200,000	200,000
Accrued and other current liabilities	22	29,711,007	49,265,613	8,131,779	23,926,682
Total Current Liabilities		243,157,192	269,338,422	168,583,729	171,238,703
Total Liabilities		723,429,498	755,663,982	284,665,305	288,592,164
TOTAL LIABILITIES AND EQUITY		972,245,680	1,018,465,427	609,944,454	618,716,857

The accompanying notes are an integral part of the Financial Statements

HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A.

Interim Condensed Financial Statements for the period ended March 31, 2011

(amounts in Euro, unless stated otherwise)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

	Attributable to equity holders of the parent company				Non-controlling interests	Total Equity
	Share capital	Share premium	Other reserves	Accumulated deficit		
The Group						
Total Equity beginning at the period January 1, 2010	183,408,963	300,981,286	13,651,442	(153,470,168)	3,886,038	348,457,561
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	-	-	-	(15,347,423)	(243,062)	(15,590,485)
Stock option plan	-	-	64,335	(64,335)	-	-
Total Equity at March 31, 2010	183,408,963	300,981,286	13,715,777	(168,881,926)	3,642,976	332,867,076
Total Equity beginning at the period January 1, 2011	183,408,963	300,981,286	14,385,588	(238,472,223)	2,497,831	262,801,445
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	-	-	-	(13,482,152)	(511,469)	(13,993,621)
Transfer to non distributable reserve (Statutory Reserve)	-	-	8,358	-	-	8,358
Total Equity at March 31, 2011	183,408,963	300,981,286	14,393,946	(251,954,375)	1,986,362	248,816,182
The Company						
Total Equity beginning at the period January 1, 2010	183,408,963	300,981,286	13,028,772	(138,011,876)		359,407,145
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	-	-	-	(9,780,821)		(9,780,821)
Total Equity at March 31, 2010	183,408,963	300,981,286	13,028,772	(147,792,697)		349,626,324
Total Equity beginning at the period January 1, 2011	183,408,963	300,981,286	13,735,754	(168,001,310)		330,124,694
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	-	-	-	(4,845,545)		(4,845,545)
Total Equity at March 31, 2011	183,408,963	300,981,286	13,735,754	(172,846,855)		325,279,149

The accompanying notes are an integral part of the Financial Statements

INTERIM CASH FLOW STATEMENT (INDIRECT METHOD)

	<u>The Group</u>		<u>The Company</u>	
	<u>01.01- 31.03.2011</u>	<u>01.01- 31.03.2010</u>	<u>01.01- 31.03.2011</u>	<u>01.01- 31.03.2010</u>
Cash flows from Operating Activities				
Loss before income taxes	(14,952,703)	(15,221,661)	(5,148,880)	(8,230,035)
Adjustments for:				
Depreciation and amortisation	28,219,944	24,941,887	15,609,781	12,910,696
Amortisation of subsidies	(1,299,918)	(780,422)	(850,471)	(763,115)
Gains on disposal of tangible and intangible assets	(1,156)	(27,559)	(1,159)	(3,895)
Financial (income)/expenses	2,486,192	7,539,816	940,809	1,083,220
Share of profits of associates accounted for under the equity method	-	1,500	-	-
Allowance for doubtful accounts receivable	1,017,077	788,280	1,012,500	835,756
Provision for staff retirement indemnities	75,560	152,105	34,937	76,342
Other provisions	26,200	38,729	-	-
Operating profit before working capital changes	15,571,196	17,432,675	11,597,518	5,908,969
(Increase)/Decrease in:				
Inventories	(3,455,569)	978,027	284,766	(253,177)
Trade accounts receivable & amounts due from related companies	(1,349,196)	(3,473,540)	(6,614,843)	(5,437,946)
Programme and film rights	15,714,375	12,005,472	-	-
Prepayments and other receivables	6,602,189	(2,242,313)	4,305,831	(1,254,592)
Increase/(Decrease) in:				
Trade accounts payable and amounts due from related companies	(523,373)	(2,063,736)	13,526,177	5,268,543
Deferred income	41,276	1,450,640	823,280	1,373,734
Accrued and other current liabilities	(19,093,902)	(14,943,595)	(15,603,944)	(15,604,210)
Interest paid	(5,256,410)	(5,046,410)	(1,156,146)	(1,160,943)
Income taxes paid	(984,033)	(361,436)	-	-
Payment of staff retirement indemnities	(614,892)	(432,236)	(362,377)	(21,532)
(Increase)/decrease in other non-current assets	121,553	(8,118)	90,346	(8,122)
Increase/(decrease) in other long-term liabilities	(83,409)	32,700	(83,408)	32,700
Net cash from/(used in) Operating Activities	6,689,807	3,328,130	6,807,200	(11,156,576)
Cash flow from Investing activities				
Capital expenditure for property, plant and equipment and intangible assets	(11,992,192)	(8,813,470)	(10,635,829)	(8,644,566)
Disposals of property, plant and equipment and intangible assets	-	43,178	1,709	11,886
Increase in investments in associates and other financial assets	15,904	-	-	-
Interest and related income received	98,995	246,694	55,298	110,123
Net cash used in Investing Activities	(11,877,293)	(8,523,598)	(10,578,822)	(8,522,557)
Cash flows from Financing Activities				
Net change in long -term borrowings	-	328,175	-	30,968
Net change in short -term borrowings	-	-	-	-
Net change in leases	(4,127,382)	(2,700,621)	(39,009)	7,632
Net cash (used in)/from Financing Activities	(4,127,382)	(2,372,446)	(39,009)	38,600
Net decrease in cash and cash equivalents	(9,314,868)	(7,567,914)	(3,810,631)	(19,640,533)
Cash and cash equivalents at the beginning of period	38,383,391	79,549,226	20,294,131	40,621,678
Cash and cash equivalents of the end of period	29,068,523	71,981,312	16,483,500	20,981,145

The accompanying notes are an integral part of the Financial Statements

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION:

HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A. (hereinafter referred to as the "Company" or "Forthnet"), was incorporated in Greece in November 1995 (Government Gazette 6718/27.11.1995) as a société anonyme by the Technology and Research Foundation and "Minoan Lines S.A."

The Company's registered office is in Vassilika Vouton, Iraklion, Crete, while its administrative headquarters are in Pallini, Attica at Manis Street, 153 51 Kantza. The life of the Company, according to its Articles of Incorporation, has been determined to be 40 years from the date of its incorporation with a possible extension permitted following a decision of the General Meeting of the Company's Shareholders.

Effective October 2000, Forthnet's shares were listed on the Athens Stock Exchange.

The Company's principal activities, in accordance with article 3 of its Articles of Incorporation, are the provision of telecommunications services and electronic information systems, the development and use of any telecommunications and network technique and infrastructure in Greece and overseas and the development of any other associated activity.

The Company is licensed under a regime of general licenses, by the National Telecommunications and Post Commission (EETT), by virtue of the "General Licenses Regulation" (No. 390/3/13.6.2006 EETT Resolution) for the operation of a fixed public telephone network, a fixed network of wireless access, a fixed network of electronic communications consisting of cordless micro-links, a fiber optics network and for the provision of services regarding Broadband Access, Data Transfer, Value Added Data, Telematics/Telemetry-radiolocation, audiotex, voice and data integration for intrabusiness networks and closed user groups, telephone services as well as Voice services through IP Protocol and via the internet.

Forgendo LTD participates in Forthnet's share capital. As at March 31, 2011 the participation percentage reached 41.27% (December 31, 2010: 40.95%). Cyrte Investments GP I BV also participates in Forthnet's share capital. As at March 31, 2011, the participation percentage reached 25.56% (December 31, 2010: 25.41%).

The accompanying financial statements for the year ended December 31, 2010, include the financial statements of Forthnet and its subsidiaries, Forth CRS S.A. Telemedicine Technologies S.A., Forthnet Media Holdings S.A., Shipping Clearance S.A. (under liquidation), NetMed N.V., Intervision (Services) B.V., Dikomo Investment Sarl (Luxembourg) (under liquidation), Tiledrasi S.A. (Luxembourg) (under liquidation), Multichoice Holdings (Cyprus) Ltd, Multichoice (Cyprus) Public Company Ltd, Multichoice Hellas S.A. and NetMed S.A.

Forth CRS S.A.'s principle activities are to provide integrated tourism services through the research, development, use and sale of modern, high convergent technological electronic products and services for the distribution and management of tourism material, such as reservations, ticketing and other related material, produced by entities such as shipping companies, airlines and other transportation enterprises, hotel enterprises, promotion and entertainment enterprises, enterprises relating to sports, hospitals and all other electronic reservation organizations.

Shipping Clearance S.A. was incorporated in Greece in November 2007, Shipping Clearance S.A.'s principle activities are the provision of integrated calculation, settlement and payment of accounts and other services for all types of shipping and other transportation tickets. Upon decision of the General Assembly of its Shareholders dated 30.06.2010, Shipping Clearance S.A., resolved to proceed with its dissolution and liquidation according to the provisions of the C.L. 2190/1920 and its articles of association.

Telemedicine Technologies S.A.'s principle activities are to create, implement and sell services and products associated with the acquisition, transmission and dissemination of information, particularly electronically, in the health sector. The company aims to implement and sell services in the health sector, with emphasis on business-to-business medical services.

Forthnet Media Holdings S.A. is a holding company and was incorporated in April 2008 and its principle activities are the acquisition and management of investments in other legal entities that are engaged in the electronic communications and media sectors, provides digital satellite transmission and operates the NOVACINEMA and NOVASPORTS channels.

Forthnet Media Holdings S.A. and its subsidiaries which are consolidated are analysed as follows:

Entity name	Date of incorporation	Country of incorporation	Operating activities
NetMed N.V.	January 12, 1996	Netherlands	Holding company
MultiChoice Hellas S.A.	September 14, 1994	Greece	The Company compiles and operates the Nova bouquet, distributes decoders, manages the analogue and digital subscriber base and markets and sells NetMed Group's digital and analogue Pay-TV services in Greece.
NetMed S.A.	February 14, 1996	Greece	The Company provides customer services (including telephone helpdesk, technical support, information regarding TV programmes and management of subscription services contracts) to Pay-TV subscribers on behalf of MultiChoice Hellas S.A.
MultiChoice Holdings (Cyprus) Limited	December 20, 1999	Cyprus	Holding company
MultiChoice (Cyprus) Public Company Limited	November 13, 1993	Cyprus	The Company acts as an agent for MultiChoice Hellas S.A. in Cyprus by entering into subscriber agreements, collecting subscriptions and providing SMS to subscribers to a digital Nova Cyprus bouquet on behalf of MultiChoice Hellas S.A.
Dikomo Investment Sarl	June 18, 2003	Luxembourg	Holding company
Tiledrasi S.A.	June 18, 2003	Luxembourg	Holding company
Intervision (Services) B.V.	January 1996	Luxembourg	Content acquisition services

The Group's number of employees at March 31, 2011, amounted to 1,463, while that of the Company to 826. At March 31, 2010, the respective number of employees was 1,474 for the Group and 853 for the Company. The number of employees refers to full time equivalent staff.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS:

(a) Basis of Preparation of Financial Statements:

The accompanying separate and consolidated condensed financial statements that refer to the period ended on March 31, 2011, have been prepared in accordance with the International Financial Reporting Standard (IFRS) 34 "Interim Financial Reporting".

The accompanying separate and consolidated financial statements do not include all the information required in the annual financial statements and therefore should be examined in combination with the publiced annual financial statements for the year ended 2010, which are available on the internet in the address www.forthnet.gr.

The principal accounting policies adopted in the preparation of the financial statements, are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2010, except for the below mentioned adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2011:

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**
- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**
- **IAS 32 Classification on Rights Issues (Amended)**
- **IAS 24 Related Party Disclosures (Revised)**

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording.

- **IFRS 3 Business Combinations**
- **IFRS 7 Financial Instruments: Disclosures**
- **IAS 1 Presentation of Financial Statements**
- **IAS 27 Consolidated and Separate Financial Statements**
- **IAS 34 Interim Financial Reporting**
- **IFRIC 13 Customer Loyalty Programmes**

Standards issued but not yet effective and not early adopted

- ***IFRS 9 Financial Instruments – Phase 1, classification and measurement***
The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS addresses classification and measurement of financial instruments. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial liabilities using the FVO. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.
- ***IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off-balance sheet activities (Amended)***
The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group, however additional disclosures may be required.
- ***IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)***
The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

(b) Approval of Financial Statements:

The Board of Directors of Forthnet approved the separate and consolidated financial statements for the period ended at March 31, 2011, on May 26, 2011.

(c) Significant Accounting Judgements and Estimates:

The Group makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgments adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2010, except for the change in the presentation of the statement of comprehensive income. The Group was changed the presentation of expenses from the function of expense method to the nature of expense method in order to provide more reliable and relevant information, Previous periods classifications were reclassified in order to conform to the current period's presentation.

3. GOING CONCERN:

The Group's Management is in discussions with its lending syndicates with a view to refinance the two bond loans (one for Forthnet SA and one for Forthnet Media Holdings SA). The refinancing intends to defer the Group's contractual principal repayment terms and financial covenants, in order to fund the Group's growth requirements. Discussions for bank commitments, though not completed as at the date hereof, are at an advanced stage.

In the light of the above Management initiatives, the separate and consolidated financial statements have been prepared assuming that the Company will continue as a going concern. Accordingly, the accompanying financial statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts, the amounts and classification of liabilities or any other adjustments that might result should the Company be unable to continue as a going concern.

This fact notwithstanding, the inability of the Company successfully to complete the refinancing outlined above with the prescribed terms and conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

4. REVENUES:

Revenues in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	January 1-March 31		January 1-March 31	
	2011	2010	2011	2010
Operating Revenues				
Direct Retail Services	86,937,381	80,440,983	40,047,410	34,275,673
Telecommunication Services	40,047,137	34,275,673	40,047,410	34,275,673
Pay-TV Revenues	46,890,244	46,165,310	-	-
Indirect Retail Services	1,378,719	2,312,396	1,378,810	2,312,396
Direct Business Services	9,168,639	8,384,626	9,281,305	8,384,626
E-business	510,165	1,032,187	631,487	1,032,187
Pay-TV Advertising Revenue	1,220,112	2,491,413	-	-
Forth CRS	646,513	998,939	-	-
Equipment	1,192,671	1,126,066	752,773	577,262
Other services	1,586,514	1,553,026	3,690,158	1,553,026
Total Operating Revenues	102,640,714	98,339,636	55,781,943	48,135,170

Billed revenue which has been deferred and will be recognised as income in subsequent periods for the Group and the Company at March 31, 2011, amounted to € 40,605,400, and € 19,378,154 respectively, (at December 31, 2010, amounted to € 45,869,386 and € 23,860,136 - € 5,305,262 long-term portion - for the Group and the Company, respectively).

Unbilled revenues for the Group and the Company at March 31, 2011, amounted to € 5,689,840 and € 5,178,915, respectively (at December 31, 2010, amounted to € 4,526,225 and € 4,213,844, for the Group and the Company).

5. GROUP SEGMENT INFORMATION:

The Group mainly provides telecommunication services and pay-tv services and operates in Greece. The Group presents the required segment information using as a criteria the services provided. The operating segment are organised and managed separately according to the nature of the services provided with each segment representing a strategic business unit that offers different services.

Transactions between business segments are at arm's length basis in a manner similar to transactions with third parties.

The segment information for the period ended March 2011 and 2010, is analysed as follows:

March 31, 2011	Telecommunications	Pay-TV	Eliminations	Total
Revenues	54,112,713	48,528,001	-	102,640,714
Intersegment revenue	2,647,653	63,940	(2,711,593)	-
Total Revenue	56,760,366	48,591,941	(2,711,593)	102,640,714
Depreciation and amortization	15,751,345	12,468,599	-	28,219,944
Amortization of subsidies	(1,280,471)	(19,447)	-	(1,299,918)
Profit before interest, taxes and depreciation	11,191,961	4,561,470	-	15,753,432
Profit/(loss) before interest and taxes	(4,559,383)	(7,907,128)	-	(12,466,512)
Loss before taxes	(5,503,535)	(9,449,169)	-	(14,952,703)
Less: income tax	303,335	655,747	-	959,082
Loss after taxes	(5,200,200)	(8,793,422)	-	(13,993,621)
Total assets	410,723,606	677,852,448	(116,330,374)	972,245,680
Capital Expenditure	10,043,417	2,105,825	-	12,149,242
Liabilities	288,841,629	550,876,525	(116,288,656)	723,429,498
Goodwill	83,578,186	203,333,528	-	286,911,694
Impairment of goodwill	-	(18,670,000)	-	(18,670,000)
	83,578,186	184,663,528	-	268,241,714
March 31, 2010	Telecommunications	Pay-TV	Eliminations	Total
Revenues	47,593,448	50,746,188	-	98,339,636
Intersegment revenue	1,599,300	621,104	(2,220,404)	-
Total revenues	49,192,748	51,367,292	(2,220,404)	98,339,636
Depreciation and Amortization	13,141,561	11,800,326	-	24,941,887
Amortization of subsidies	(763,115)	(17,307)	-	(780,422)
Profit before interest, taxes and depreciation	3,716,236	12,764,885	-	16,481,121
Profit/(Loss) before interest and taxes	(8,662,211)	981,866	-	(7,680,345)
(Loss) before taxes	(9,763,434)	(5,458,227)	-	(15,221,661)
Less: income tax	(1,410,232)	1,041,408	-	(368,824)
(Loss)/Profit after taxes	(11,173,667)	(4,416,818)	-	(15,590,485)
Total assets	589,185,021	763,748,747	(300,694,721)	1,052,239,047
Capital Expenditure	9,770,514	93,602	-	9,864,116
Segment liabilities	240,157,883	494,862,160	(15,648,072)	719,371,971

Financial income and expenses are not allocated to individual segments as they are managed on group basis.

6. PAYROLL COST:

Payroll cost in the accompanying interim condensed financial statements is analysed as follows:

	The Group		The Company	
	March 31,		March 31,	
	2011	2010	2011	2010
Wages and salaries	11,584,642	9,845,776	7,097,875	5,567,696
Social security costs	1,977,132	1,923,665	1,136,835	1,118,098
Staff retirement indemnities	75,560	155,682	34,937	76,342
Other staff costs	306,625	529,844	202,370	476,630
Total	13,943,959	12,454,967	8,472,018	7,238,766
Less: Amounts capitalised	(539,325)	(667,681)	(539,325)	(612,681)
Payroll Cost	13,404,634	11,787,286	7,932,693	6,626,085

Termination payment of the Chief Executive Officer, is included in payroll cost and amounts to € 1,195,218.

7. FINANCIAL INCOME / (EXPENSES):

Financial income/(expenses) in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	March 31,		March 31,	
	2011	2010	2011	2010
Interest on long-term borrowings (Note 18)	(2,962,774)	(3,052,767)	(966,075)	(962,100)
Interest on short-term borrowings (Note 18)	(10,776)	(167)	-	-
Finance charges paid under finance leases	(2,282,860)	(1,957,119)	(30,032)	(32,400)
Bond loan costs	-	(30,968)	-	(30,968)
Other financial costs	(5,470)	(2,657,155)	-	(167,875)
Total financial expenses	(5,261,880)	(7,698,176)	(996,107)	(1,193,343)
Interest earned on cash at banks and on time deposits (Note 17)	98,995	158,360	55,298	110,123
Other financial income	2,676,693	-	-	-
Total financial income	2,775,688	158,360	55,298	110,123
Total financial income/(expenses), net	(2,486,192)	(7,539,816)	(940,809)	(1,083,220)

8. ANALYSIS OF OTHER EXPENSES:

Expenses (selling, general, administrative, research and development) in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	March 31,		March 31,	
	2011	2010	2011	2010
Third party fees and services	7,566,616	7,149,562	3,031,175	2,713,023
Taxes and duties	150,435	306,055	70,562	271,373
Sundry expenses	2,603,008	4,188,510	1,278,669	1,860,916
Allowance for doubtful accounts receivable (Note 15)	1,017,077	788,280	1,012,500	835,756
Provision for cases under dispute	1,800,000	-	-	-
Maintenance	1,870,889	1,402,527	1,592,532	1,234,610
Rentals	957,373	1,106,152	346,330	592,442
Building function costs	610,348	527,672	378,461	356,001
Total expenses	16,575,746	15,468,758	7,710,230	7,864,120

9. INCOME TAXES:

In accordance with the tax laws, the corporate tax rate which was effective to the Greek corporations through to December 31, 2010 is 24%. Moreover, the corporate tax rate was gradually reduced. More specifically, the tax rate was reduced to 23% for the fiscal year 2011, 22% for the fiscal year 2012, 21% for the fiscal year 2013 and 20% for the fiscal year 2014 and thereafter. According to the new law L. 3943/2011, the corporate tax rate is 20% for the fiscal year 2011 and thereafter.

Income taxes reflected in the accompanying interim condensed statements of comprehensive income are analysed as follows:

	The Group		The Company	
	March 31,		March 31,	
	2011	2010	2011	2010
Current income taxes	170,588	1,602,591	-	-
Deferred income taxes	(1,129,669)	(1,233,767)	(303,335)	1,550,786
Total income taxes (credit) / debit reflected in the statements of income	(959,082)	368,824	(303,335)	1,550,786

Forthnet has not been audited for the fiscal years 2007 through to 2010. Forthnet's subsidiaries have not been subject to a tax audit for the following fiscal years:

SUBSIDIARY COMPANIES	UNAUDITED TAX YEARS/PERIODS
Forthnet Media Holdings S.A.	23/04/2008-31/12/2010
Forth-Crs S.A.	01/01/2010-31/12/2010
NetMed S.A.	01/01/2010-31/12/2010
Syned S.A.	01/04/2008 – 30/09/2010
Ad Value S.A.	01/04/2008 – 31/12/2009
NetMed Hellas S.A.	01/04/2004 – 30/07/2010
Multichoice Hellas S.A.	01/04/2007 – 31/12/2010
RPO S.A.	16/01/2006 – 31/12/2008

The subsidiaries which are located abroad have no unaudited tax periods.

In a future tax audit of the unaudited tax fiscal years it is possible that additional taxes and penalties may be assessed to Forthnet and to its subsidiaries. The Group believes that they have provided adequate provision (€ 2.55 million for the Group and € 0.2 million for the Company) for probable future tax assessments based upon previous years' tax examinations and past interpretations of the tax laws.

Deferred taxes are defined as timing differences that exist in assets and liabilities between the accounting records and tax records and are calculated by applying the official tax rates.

10. GOODWILL:

Goodwill in the accompanying consolidated financial statements arose from various business combinations as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
MBA	512,569	512,569	512,569	512,569
Forth CRS S.A.	24,595	24,595	-	-
Telemedicine S.A.	409,374	190,355	-	-
NetMed N.V. Group and Intervision B.V.	285,965,176	285,965,176	-	-
NetMed N.V. Group and Intervision B.V. impairment of goodwill	(18,670,000)	(18,670,000)	-	-
Total	268,241,714	268,022,695	512,569	512,569

Goodwill is tested for impairment semi-annually (as at June 30 and December 31) and when circumstances indicate the carrying value may be impaired.

The key assumptions used to determine the recoverable amount for the different cash generating units were discussed in the annual financial statements for the year ended 31 December 2010.

11. PROPERTY, PLANT AND EQUIPMENT:

During the period from 01.01.2011 until 31.03.2011, the total investments of the Group's tangible assets amounted to € 6,050,197 and those of the Company's amounted to € 4,241,453 and refer mainly to the expansion of Forthnet's private network (at March 31, 2010 amounted to € 5,031,542 and € 4,344,003 for the Group and the Company respectively).

There is no property, plant and equipment that has been pledged as security. The title of the capitalized leased assets has been retained by the lessor. The net book value of the Group's capitalized leased assets at March 31, 2011 and at December 31, 2010, amounted to € 157,189,110 and € 136,702,484, respectively, for the Company the related amounts are € 2,428,996 and € 2,442,332 at March 31, 2011 and at December 31, 2010.

12. INTANGIBLE ASSETS:

During the period from 01.01.2011 until 31.03.2011, the total investments of the Group's intangible assets amounted to € 6,099,045 and those of the Company's amounted to € 5,182,370 and refer mainly to acquisition costs of new subscribers and also to the upgrade of IT software systems (at March 31, 2010 amounted to € 4,832,574 and € 4,751,210 for the Group and the Company respectively).

13. PROGRAMME AND FILM RIGHTS:

Programme and film rights receivables in the accompanying interim condensed financial statements are analysed as follows:

	The Group	
	31.03.2011	31.12.2010
Purchased sports rights	41,778,602	101,750,990
Licensed film rights	6,374,865	9,659,616
Cost of Sports and Film Rights	48,153,467	111,410,606
Purchased sports rights	15,783,901	(60,466,908)
Licensed film rights	954,860	(3,814,616)
Sports and Film Rights Amortisation	16,738,761	(64,281,525)
Purchased sports rights	25,994,701	41,284,081
Licensed film rights	5,420,005	5,845,000
Sports and Film Rights, net value	31,414,706	47,129,081
Less: Programme and film rights short-term	31,414,706	47,129,081
Programme and sports film rights, long-term	-	-

14. INVENTORIES:

Inventories in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Merchandise	11,477,045	8,264,472	2,444,799	2,729,564
Consumables	124,207	-	-	-
Obsolete & slow moving provision	(1,463,689)	(1,556,278)	(474,687)	(474,687)
Total	10,137,563	6,708,194	1,970,112	2,254,877

The movement in the obsolete inventories is analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Beginning balance	1,556,278	2,228,289	474,687	-
Provision for the year	26,200	508,464	-	474,687
Less: Utilisation	118,791	(1,180,475)	-	-
Ending balance	1,463,689	1,556,278	474,687	474,687

15. TRADE ACCOUNTS RECEIVABLE:

Trade accounts receivable in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Domestic customers	91,746,386	90,938,156	55,927,706	55,387,697
Foreign customers	3,684,500	2,397,735	1,454,451	1,403,337
Receivables from Greek State	1,761,308	2,447,707	1,753,983	1,874,762
Cheques and notes receivable	2,178,349	3,428,400	899,460	1,749,642
Unbilled revenue	5,689,840	4,526,225	5,178,915	4,213,844
	105,060,383	103,738,223	62,214,515	64,629,282
Less: Allowance for doubtful accounts receivable	(36,440,420)	(35,423,343)	(24,576,808)	(23,564,308)
Balance of trade accounts receivable	68,619,963	68,314,880	40,637,707	41,064,974

The movement in the allowance for doubtful accounts receivable is analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Beginning balance	35,423,343	29,805,297	23,564,308	18,680,118
Provision for the year (Note 8)	1,017,077	5,980,043	1,012,500	4,884,190
Less: Utilisation	-	(361,997)	-	-
Ending balance	36,440,420	35,423,343	24,576,808	23,564,308

16. PREPAYMENTS AND OTHER RECEIVABLES:

Prepayments and other receivables in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Receivables due from the Greek State	5,114,194	9,471,501	492,351	4,846,967
Prepaid expenses	1,874,040	2,027,284	1,865,924	1,392,974
Value Added Tax	115,495	2,358,297	-	991,407
Advances to suppliers	10,989,579	8,558,413	311,440	163,614
Other debtors	4,527,500	6,807,502	2,252,050	1,832,634
Total balance of other receivables and prepayments	22,620,808	29,222,997	4,921,765	9,227,596

17. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents in the accompanying interim condensed financial statements are analyzed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Cash in hand	187,032	95,059	67,630	73,477
Cash at banks	17,837,491	22,201,952	11,041,870	8,556,154
Time deposits	9,079,500	14,121,880	3,409,500	9,700,000
Total	27,104,023	36,418,891	14,519,000	18,329,631
Restricted cash	1,964,500	1,964,500	1,964,500	1,964,500
Total	29,068,523	38,383,391	16,483,500	20,294,131

Cash at banks earns interest at floating rates based on monthly bank deposit rates, Interest earned on cash at banks and time deposits is accounted for on an accrual basis and for the period ended March 31, 2011, amounted to € 98,995 and € 55,298 for the Group and the Company, respectively, (for the year ended December 31, 2010, € 628,483 and € 207,150 for the Group and the Company, respectively) and are included in financial income in the accompanying statements of comprehensive income (Note 8).

The reserved time deposits are related to two pledge deposit contracts of € 1,214,500 and € 750,000, respectively, for the issuance of letters of guarantee to third parties of a total amount of € 6,409,779.

18. LONG-TERM AND SHORT-TERM BORROWINGS:
α) Long-term Loans:

Long-term loans for the Group and the Company at March 31, 2011 and at December 31, 2010, are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Bond loan	331,381,789	331,350,821	109,504,516	109,473,548
Other long term loans	422,752	288,000	-	-
Total	331,804,541	331,638,821	109,504,516	109,473,548
Less current portion:				
- Bond loan	45,000,000	45,000,000	20,000,000	20,000,000
- Other	144,000	144,000	-	-
Total	45,144,000	45,144,000	20,000,000	20,000,000
Long-term portion	286,660,541	286,494,821	89,504,516	89,473,548

The agreed set of financial covenants of the bond loan is as follows:

1. EBITDA / Net interest expenses greater or equal to 2.5 to 3.5 for the fiscal years 2009-2013 & beyond,
2. Total net bank borrowing / EBITDA less or equal to 7 to 4 for the fiscal years 2009-2013 & beyond,
3. Total net bank borrowing / Total equity less or equal to 1.15 to 1 for the fiscal years 2009-2013 & beyond,
4. Cash Flow / Debt Service greater or equal to 1.02 for the fiscal years 2009-2013 & beyond,

As at December 31, 2010, the Company was in compliance with its loan covenants.

Total interest expenses on long-term loans for the periods ended March 31, 2011 and 2010, amounted to € 2,962,774 and € 3,052,767, respectively for the Group and € 966,075 and € 962,100, respectively for the Company and are included in financial expenses (Note 7), in the accompanying interim financial statements.

19. FINANCE LEASE TRANSPONDER OBLIGATIONS:

The Group leases transmission equipment of a total value of € 153,079,114, with duration of twelve years, repayable in equal monthly instalments bearing interest at 6,5% to 9,57%.

The finance lease transponders obligations are analysed as follows:

	The Group	
	31.03.2011	31.12.2010
Obligation under finance lease of transponders	140,110,909	144,191,793
Less: Current portion	(13,571,645)	(14,987,713)
Long-term portion	126,539,264	129,204,080

20. PROGRAMME AND FILM RIGHTS LIABILITIES:

Programme and film rights liabilities in the accompanying interim condensed financial statements are analysed as follows:

	The Group	
	31.03.2011	31.12.2010
Programmes and Rights	10,369,265	12,932,013
Less: Current portion	(9,587,844)	(12,114,042)
Long-term portion	781,421	817,971

21. TRADE ACCOUNTS PAYABLE:

Trade accounts payables in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Domestic suppliers	82,483,218	78,280,207	48,937,698	50,843,574
Foreign suppliers	9,774,074	14,968,341	2,803,730	2,538,287
Post dated cheques payable	5,800,352	5,352,904	3,359,418	3,246,242
	98,057,644	98,601,452	55,100,846	56,628,103

22. ACCRUED AND OTHER CURRENT LIABILITIES:

Accrued and other current liabilities in the accompanying interim condensed financial statements are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Social security payable	1,944,079	2,090,473	593,633	1,206,337
Value added tax	1,719,256	781,988	-	-
Other taxes and duties	736,243	1,436,744	169,811	397,451
Customer advances	99,437	80,844	-	-
Other current liabilities	23,490,351	40,707,117	7,368,335	22,322,894
Interest rates swaps	1,721,641	4,168,447	-	-
	29,711,007	49,265,613	8,131,779	23,926,682

In order to mitigate interest rate risk, the Group has entered into medium term interest rate swaps agreements amounting to € 120 million (2010: € 60 million).

The fair values of the interest rate swaps are based on market valuations (marked to market).

Profits from the valuation of the fair values of the swaps for the year ended as at March 31, 2011, were € 2,162,829 thousand (at December 31, 2010: losses € 3,671 thousand).

23. RELATED PARTIES:

The Company and the Group purchase goods and services from and provides services to certain related parties in the normal course of business. These related parties consist of companies that have a significant influence over the Group (shareholders) or are associates of the Group.

The Company's transactions and account balances with related companies are as follows:

Related Party	Relation with Forthnet	Period ending at	Sales to related parties	Purchases from related parties
Technology and Research Foundation	Shareholder	31.03.2010	22,697	17,535
		31.03.2011	-	-
Forth CRS S.A.	Subsidiary	31.03.2010	5,649	1,190
		31.03.2011	15,465	15
Athlonet S.A.	Associated	31.03.2010	866	2,000
		31.03.2011	-	-
MultiChoice Hellas S.A.	Subsidiary	31.03.2010	892,344	621,084
		31.03.2011	1,460,118	63,940
NETMED S.A.	Subsidiary	31.03.2010	-	-
		31.03.2011	42,849	-
Forthnet Media Holdings S.A.	Subsidiary	31.03.2010	700,118	20
		31.03.2011	1,144,668	-
	Total	31.03.2010	1,621,674	641,829
	Total	31.03.2011	2,663,100	63,955

<u>Related Party</u>	<u>Relation with Forthnet</u>	<u>Period ending at</u>	<u>Amounts owed by related parties</u>	<u>Amounts owed to related parties</u>
Emirates International Telecommunications	Parent Company	31.03.2010 31.03.2011	- -	478,370 478,370
Technology and Research Foundation	Shareholder	31.03.2010 31.03.2011	34,405 45,246	31,042 24,570
Forth CRS S.A.	Subsidiary	31.03.2010 31.03.2011	304,175 410,181	39,865 40,209
Telemedicine Technologies S.A.	Subsidiary	31.03.2010 31.03.2011	136,677 136,677	- -
Athlonet S.A.	Associated	31.03.2010 31.03.2011	1,031 8,484	16,928 18,420
MultiChoice Hellas S.A.	Subsidiary	31.03.2010 31.03.2011	2,572,786 4,713,305	11,315,763 64,145,970
Forthnet Media Holdings S.A.	Subsidiary	31.03.2010 31.03.2011	85,574 38,081,457	- 1,424,472
NetMed S.A.	Subsidiary	31.03.2010 31.03.2011	- 112,311	- -
	Total	31.03.2010	3,134,648	12,596,839
	Total	31.03.2011	43,507,661	65,653,641

The Group's transactions and account balances with related companies are as follows:

<u>Related Party</u>	<u>Relation with Forthnet</u>	<u>Period ending at</u>	<u>Sales to related parties</u>	<u>Purchases from related parties</u>
Technology and Research Foundation	Shareholder	31.03.2010 31.03.2011	22,697 -	17,535 -
Lumiere Productions S.A.	Shareholder	31.03.2010 31.03.2011	- -	1,518,690 -
Lumiere Television Ltd	Shareholder	31.03.2010 31.03.2011	- -	311,900 443,000
Tagmatarchis Charalambos	Members of the B.O.D. – Executive members	31.03.2010 31.03.2011	- -	40,788 -
Gambritsos Georgios	Members of the B.O.D. – Executive members	31.03.2010 31.03.2011	- -	235,539 -
Athlonet S.A.	Associated	31.03.2010 31.03.2011	866 -	2,000 -
	Total	31.03.2010	23,563	2,126,452
	Total	31.03.2011	-	443,000

<u>Related Party</u>	<u>Relation with Forthnet</u>	<u>Period ending at</u>	<u>Amounts owed by related parties</u>	<u>Amounts owed to related parties</u>
Emirates International Telecommunications	Parent Company	31.03.2010 31.03.2011	- -	478,370 478,370
Technology and Research Foundation	Shareholder	31.03.2010 31.03.2011	34,405 45,246	31,042 24,570
Lumiere Productions S.A.	Shareholder	31.03.2010 31.03.2011	- -	357,331 175,533
Lumiere Television Ltd	Shareholder	31.03.2010 31.03.2011	320,301 -	156,950 2,000
Lumiere Cosmos Communications	Members of the B.O.D. – Executive members	31.03.2010 31.03.2011	- -	10 10
Tagmatarchis Charalambos	Members of the B.O.D. – Executive members	31.03.2010 31.03.2011	- -	16,541 195
Athlonet S.A.	Associated	31.03.2010 31.03.2011	1,031 8,484	16,928 18,420
	Total	31.03.2010	355,737	1,057,712
	Total	31.03.2011	53,730	699,098

Salaries and fees for the members the Board of Directors and the General Managers of the Group and the Company for the periods ended March 31, 2011 and 2010, are analysed as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>31.03.2011</u>	<u>31.03.2010</u>	<u>31.03.2011</u>	<u>31.03.2010</u>
Salaries and fees for executive members of the BoD	1,262,559	205,800	1,262,559	65,845
Salaries and fees for non executive members of the BoD	34,800	35,516	34,800	35,516
Salaries and fees for Senior Managers	462,684	1,185,225	289,799	320,638
Total	1,760,043	1,426,541	1,587,158	421,999

24. COMMITMENTS AND CONTINGENCIES:

Litigation and Claims: The Group is currently involved in a number of legal proceedings and has various claims pending arising in the ordinary course of business. Based on currently available information, management and its legal counsel believe that the outcome of these proceedings will not have a significant effect on the Group's and Company's operating results or financial position (Refer to Note 31).

Compensation of Senior Executives: According to the employment contracts of the Chief Executive Officer and certain senior executives, there is a provision for the payment of compensation at the end of their employment term which liability has been included in the provision for staff retirement indemnities, In addition, in case of early termination of their contracts by the Company without grounds or in case of forced resignation, the Company shall pay to them an additional compensation. The amount of the additional compensation amounted to approximately € 0.7 million at March 31, 2011 (approximately € 1.65 million at December 31, 2010), which has not been accounted for because it is not considered an obligation at this time.

License Terms and Obligations: The Fixed Wireless Access Telecommunications infrastructure license granted to one of the absorbed subsidiaries. Mediterranean Broadband Access S.A. is subject to a number of commercial and technical conditions which require that Mediterranean Broadband Access S.A. meet certain coverage and technical criteria and attain population coverage of 20% within two years from the date of the grant. By the end of 2002, MBA's network covered in excess of 20% of the Greek population. A letter of guarantee of € 146,735 has been provided for the compliance of the obligations of the above license.

Development Law 3299/2004: According to decision no 28757/YPE/4/00447/L,3299/E/ 22.12.2006 of the Minister and Deputy-Minister of Finance and Economics (GG 358/15.03.2007), the Company's business plan relating to the establishment of an integrated, high-speed broadband network applying a cutting-edge technology for the provision of new data, voice and content services in the regions of Attica and Thessaloniki, in accordance with the provisions of Development Law 3299/2004 was approved. The amount of investment approved amounts to approximately €30 million. The percentage of subsidy equals to 30% of the total investment, i.e. equal to the amount of € 9 million. Up to December 31, 2009, the Company had completed its investment of the above amount and a related provision of approximately € 9 million has been included in Government grants and receivable from State, respectively and the Company has submitted an application for the receipt of the approved grant.

In addition, according to decision no 12487/P01/4/00004/E/L.3299/E/27.09.2006 of the General Secretary of the Attica Region (GG 1437/29.09.2006), NetMed Hellas S.A.'s business plan relating to the multimedia content for advanced services in accordance with the provisions of Development Law 3299/2004 was approved. The amount of investment approved amounted to approximately € 1,880,000 and the percentage of subsidy equals to 30% of the total investment, i.e. equal to the amount of € 564,000. The company completed its investment at a cost of € 1,892,337 and, after the publication in the Government Gazette 1561/06.08.2008, on October 10, 2008; the company collected the amount of € 567,701 which was included in "Government Grants" in the accompanying statements of financial position.

Furthermore, according to decision no 32454/YPE/4/00525/E/I, 3299/2004/29,12,2006 (GG 341/13,03,2007) of the Minister and Deputy-Minister of Finance and Economics, the Company's subsidiary, Forth CRS S.A.'s, business plan relating to the provision of innovative, large-scale electronic and broadband services in the sectors of tourism, transportation and culture in the region of Attica was approved in accordance with the provisions of Development Law 3299/2004. The amount of investment approved equals to approximately €1.8 million and the percentage of subsidy equals to 30% of the investment, i.e. € 540 thousand. At March 31, 2011, the Company's investment amounted to € 1.4 million and a related provision of € 430 thousand has been included in Government grants and receivable from State.

Agreements with Information Society S.A.: On March 12, 2007, the Company signed two agreements with Information Society S.A., which are subject to the development programme "INFORMATION SOCIETY" and specifically the sub-projects 6 & 7, within the framework of the action for "Financing Businesses for the development of Broadband Access in the Regions of Greece". Based on the agreements' forecasts the overall budget for the 2 sub-projects equals to € 55.6 million, of which, an amount of € 42.3 million concerns Milestone I (Broadband Access Development), while an amount of € 13.3 million concerns Milestone II (Enhancement of demand for Broadband Services). The available funding for the two milestones reaches 50% of the budgeted amount and its implementation is expected to be completed for the Milestone I by July 31, 2009 and for the Milestone II by October 31, 2009. Up to December 31, 2009, the Company's investment amounted to € 19.5 million approximately, and a related provision has been included in Government grants.

Commitments:

Rentals: The Group has entered into commercial operating lease agreements for the lease of a building, office space and offices used as points of presentation for dealers. These lease agreements have an average life of 5 to 10 years with renewal terms included in certain contracts. Future minimum rentals payable under non-cancellable operating leases as at March 31, 2011 and at December 31, 2010, are as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Within one year	4,220,462	4,246,950	1,964,473	1,941,768
2-5 years	14,728,094	14,961,252	5,195,392	5,376,882
Over 5 years	12,793,784	13,762,108	2,762,460	3,103,272
Total	31,742,340	32,970,310	9,922,325	10,421,922

Guarantees: Letters of guarantee are issued and received by the Group to and from various beneficiaries and, as at March 31, 2011 and at December 31, 2010, are analysed as follows:

	The Group		The Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Performance Bonds	9,679,568	13,315,766	2,533,639	6,169,837
Bid Bonds	41,296	21,751	41,296	21,751
Guarantees for advance payments received	36,792,631	42,348,951	35,606,131	40,925,151
Total	46,513,495	55,686,468	38,181,066	47,116,739

Contractual Commitments: The outstanding balance of the contractual commitments for the Group amounted to approximately € 29.6 million and for the Company amounted to approximately € 7.0 million at March 31, 2011 (December 31, 2010: € 30.5 million and € 7.2 million respectively). In addition, the outstanding balance of the contractual commitments relating to the maintenance of international capacity telecommunication lines (OA&M charges) which have been acquired through long-term lease (IRU), amounted to approximately € 6.3 million (December 31, 2010: € 6.4 million).

25. LITIGATION – ARBITRATION:
A. FORTHNET S.A.

I. Forthnet's outstanding judicial claims against third parties amount to approximately € **46.44** million.

1. Approximately € **26.7** million of this amount concern a claim against OTE by virtue of the law suit filed on December 31, 2002, with regard to the positive damages claimed to have been suffered by the Company in the case of EPAK (preferential treatment by OTE to its subsidiary, OTEnet), approximately € 293 thousand consisting of a claim against OTE for moral damages that the Company has suffered for the same cause.

In addition, there is a pending claim of approximately € **4.1** million against OTE with regard to the positive and indirect damages claimed to have been suffered from OTE's unlawful practices of customer winback.

There are outstanding opposing applications before the Council of State for the annulment of EETT decisions that concern: (a) volume discounts by OTE, (b) low margin between retail and wholesale prices of leased lines, (c) the level of interconnection fees and, (d) the fees for leased lines. The Company's position has basis though, the significance of the cases and the circumstances make it difficult for the prediction of any positive outcome of the above cases in the sense of the denial of the applications filed by OTE and the acceptance of the applications filed

by the Company. It is impossible to predict the impact (positive) on the Company's financial results as, it is estimated that even if any or all of the applications were to be accepted, the case will be brought to the Management which will have to evaluate again the critical fees, There are still outstanding appeals, in the Court of Appeal of Athens, against the decision of EETT for the new regulation of pre-selection.

In addition, there are outstanding decisions related to two hearings from EETT which took place in 2005, of which, the first one relates to OTE's denial to recognize wholesale volume discounts and the second one to the return of amounts unduly paid. Furthermore, there are outstanding decisions relating to the Company's accusations associated to violations relating to the purchases of wholesale broadband access as well as with leased lines.

For the above mentioned judicial claims no related provision of income has been made by the company in its financial statements.

2. The remaining (apart from the above claims concerning regulatory and telecommunication law matters) judicial claims of the Company against third parties amount to approximately **€ 11.06** million.
3. Furthermore, there is a Claim against the Greek State for the project of the Ministry of Internal Affairs "National Network of Public Government - SYZEYXIS", which for the first half of 2010 amounts to € 993,929 plus VAT. For this amount the Company has already filled a motion before the Legal Council of the State for the acknowledgment of the aforementioned debt and a positive outcome is expected. The respective claim of the Company for the third semester of 2010 amounts to € 468,827 plus VAT and a relevant motion of acknowledgment of the said debt has been already filled by the Company before the Legal Council of the State. The respective claim of the Company for the fourth semester of 2010 amounts to €470,623 plus VAT and a relevant motion of acknowledgment of the said debt has been filled by the Company before the Legal Council of the State.

For the above mentioned judicial claims a related provision of income has been made by the company in its financial statements which amounts to € 1.4 million.

4. During an audit, the Company discovered the abuse of a significant amount of money by an employee of its accounting department together with her spouse of € 2.37 million approximately. Consequently, the Company directly filed charges against the above persons for the criminal acts of counterfeiting after use and fraud while at the same time took the necessary legal actions before the civil courts for compensation of the damages suffered. In any case, the Company has already taken the necessary provisions in its published financial statements.

II. Judicial claims of third parties against Forthnet

1. € 350 thousands concern a private lawsuit filed against Forthnet as restitution for the moral damages that he incurred due to the alleged violation of the plaintiff's right to personality due to the Company's unlawful behavior concerning its contractual obligations for the provision to the plaintiff of internet services.
2. Legal action brought by OTE against the Company before the Multiparty Court of First Instance of Athens seeking compensation for the alleged violation of the provisions of the Code of Ethics on the Provision of Telecommunications Activities (article 11 par. 3), articles 57-59C.C. regarding the protection of personality, as well as the provisions of Law 146/1914 regarding prohibited and unfair advertising. The said violation is based on the unauthorized use of OTE's corporate name in the Company's advertising campaign. With its legal action, OTE claims amongst other the payment of compensation amounting to € 5,000,000 due to moral damages claimed to have been suffered by it, plus interest from the date of legal notice of the said action (namely from 21/08/2009) and until payment thereof.

3. Complaint filed by OTE before the National Competition Authority concerning alleged breach, on the part of Multichoice Hellas SA, of provisions of articles 1 and 2 of L. 703/77 on competition, with relation to the agreements of audiovisual content executed between Multichoice and Greek Free-To-Air Stations. The case is still pending and its financial impact cannot, for the time being, be assessed.

For the above judicial claims the Management believes that the Group and the Company will not have significant impact on its financial statements and, therefore, no related provision has been made.

B. FORTHNET MEDIA HOLDINGS SA (formely NETMED HELLAS S.A.)

- (a) The outstanding judicial claims of third parties against the subsidiary Forthnet Media Holdings SA (hereinafter FMH, which was merged with and absorbed **NetMed Hellas S.A.** amount to € 15.48 million approximately, plus interest and legal expenses. From the abovementioned amount:

- i) € 4.7 million approximately, plus interest and moral damages, concerns an action filed by the heirs of a company's CEO claiming payment of lost cheques, plus interest. Although the case was heard without FMH being present (since FMH was never officially called for the hearing), a partial judicial compromise has been reached between the plaintiffs and the rest co-defendants (GEAR FORUM, ΕΛΛΑΣ SA and LUMIERE PRODUCTIONS SA), the plaintiffs are still entitled to file a new lawsuit against FMH. The parties are negotiating the extrajudicial settlement of their dispute, not expected to exceed the total amount of 200,000 euro, accompanied with a waiver of any other rights or claims by the heirs.
- ii) € 8.2 million approximately plus interest, concern claims of PAE (Football Clubs), for the restitution of the alleged damage they incurred due to the claimed unlawful termination –on the part of FMH (ex NetMed Hellas S.A.) of the agreements for the TV/radio broadcasting of their football games.

For the above mentioned judicial claims a related provision of income has been made by the company in its financial statements which amounts to € 1.8 million.

- iii) € 0.37 million approximately plus interest concern an action filed by Sports Trade Group Ltd (STG) against FMH, before the First Instance Court of Goteborg, for the payment of due invoices for the supply of audiovisual content to FMH (for the period 2005-2007). Given that STG has provided the agreed services/content, both parties have concluded their discussions for the extrajudicial settlement of the case in the amount of capital, without interest.
- iv) The Cypriot based company Lumiere TV Public Company Limited is claiming the amount of approximately € 0.81 million, plus interest and legal expenses, for the obligatory purchase, pursuant to article 49b of the Greek Law 2190/1920, by Tiledrasi S.A. of the 828 shares of Multichoice Hellas S.A., which Lumiere TV Public Company Limited holds.

For the above judicial claims the Management believes that the Group will not have significant impact on its financial statements and, therefore, no related provision has been made except for the action filed by Sports Trade Group Ltd (STG) against FMH where an extra provision was made which amounts to approximately € 0.2 million.

- (b) The outstanding judicial claims of the subsidiary FMH (ex NetMed Hellas S.A.) against third parties amount to € 135 million approximately, plus interest and expenses. The abovementioned amount is mainly related to the company's claims against several PAE (football clubs) for the restitution of (pecuniary and moral) damage incurred by FMH (ex NetMed Hellas S.A.) due to the unlawful and void termination –on the part of PAE- of the agreements which the PAE had concluded with FMH (ex NetMed Hellas S.A.) for the TV/radio broadcast of their football matches. We note that most of these claims have not been judged irrevocably, whilst most of the PAE are inactive (either due to downgrading or due to liquidation).

C. MULTICHOICE HELLAS S.A.

- (a) The outstanding judicial claims of third parties against the subsidiary **Multichoice Hellas S.A.** amount to € 15.32 million approximately, plus interest and legal expenses. From the abovementioned amount:
- i) € 7.7 million approximately (as it stood on March 9, 2006) plus interest concerns a claim of the Greek State relating to differences resulting from tax audits, Multichoice Hellas S.A. has filed appeals against the above actions before the Administrative Court of Athens. Trial date has not yet been set.
 - ii) € 810 thousand approximately, plus interest, concern a lawsuit by MSG Media Services S.A. as compensation (lost profits and moral damages) for the alleged abusive, on the part of Multichoice Hellas S.A., rescission of their cooperation agreement regarding the purchase of technical equipment and the provision of technical services. The judgement issued by the first instance court, rejected the request of the plaintiff for compensation, yet accepting the invalidity of the rescission. The trial before the Court of Appeals accepted the appeal of Multichoice Hellas S.A. and rejected the lawsuit of the litigant party. The case is considered pending on the reasoning that the litigant party is entitled to file an appeal.
 - iii) € 1.8 million approximately concerns a lawsuit by Unitek S,A, an agent of Multichoice Hellas S.A. by which demands the amount to be paid to it, for disputes arising from their agreement. Unitek S.A. resigned from the claim, but it has not waived its rights and, consequently, it may come back with another claim.
 - iv) € 0.46 million approximately concerns a lawsuit by Unitek S.A., an agent of Multichoice Hellas S.A. by which it demands the amount to be paid as a restitution for the loss of its clientele, by virtue of Presidential Decree 219/1991, due to the termination of contract made by Multichoice Hellas SA. The First Instance court judgment accepted Unitek S,A,'s lawsuit. Multichoice Hellas SA shall file an appeal.
 - v) € 2.94 million approximately concerns a lawsuit filed by an attorney at law, by which she demands payment of the above amount, for legal fees (based on the Greek Code of Legal Practice) arising from the alleged legal handling of the judicial dispute between FMH (ex Netmed Hellas SA)/Multichoice Hellas SA and the TV station "ALPHA" (during the period 2002-2006).

For the above judicial claims the Management believes that the Group will not have significant impact on its financial statements and, therefore, no related provision has been made.

- (b) The outstanding judicial claims of the subsidiary Multichoice Hellas S.A. against third parties amount to € 125 million approximately, plus interest and legal expenses. The abovementioned amount is mainly related to the company's claims against several PAE for the restitution of (pecuniary and moral) damage incurred by Multichoice Hellas S.A. due to the unlawful and void termination –on the part of PAE- of the agreements which the PAE had concluded with FMH (ex NetMed Hellas S.A.) for the TV/radio broadcast of their football matches, We note that most of these claims have not been judged irrevocably, whilst most of the PAE are inactive (either due to downgrading or due to liquidation).

From the abovementioned amount, the amount of € 325,877 relates to Multichoice Hellas S.A.'s claim against the companies Passpoint S.A. (as the main liable party) and Lannet Communications S.A. (as a guarantor) for non payment to Multichoice Hellas S.A. the amounts of subscriptions received by Passpoint S.A. We note that LANNET is under bankruptcy proceedings (during which Multichoice Hellas SA has notified its claims to the creditors' team and its claim has been approved, PASSPOINT remains inactive without evident assets.

For the above mentioned judicial claims no related provision of income has been made by the Company in its financial statements.

D. Netmed NV (which has absorbed Myriad Development BV)

The outstanding judicial claims of third parties against the subsidiary **Netmed NV** amount to approximately € 3.45 million, plus interest and legal expenses. The Cypriot based company, Lumiere TV Public Company Limited is claiming the abovementioned amount for the obligatory purchase, pursuant to article 49b of the Greek Law 2190/1920, by Myriad Development BV (before merging by Netmed NV) of the 3,528 shares of Multichoice Hellas S.A., which Lumiere TV Public Company Limited holds.

E. DIKOMO INVESTMENT SARL [Currently, under the procedure of Liquidation]

The outstanding judicial claims of third parties against the subsidiary Dikomo Investment Sarl amount to approximately € 1.24 million, plus interest and legal expenses. The Cypriot based company Lumiere TV Public Company Limited is claiming the abovementioned amount for the obligatory purchase, pursuant to article 49b of the Greek Law 2190/1920, by Dikomo Investment Sarl of the 1,272 shares of Multichoice Hellas S.A., which Lumiere TV Public Company Limited holds.

F. TILEDRASI SA (Luxembourg) [Currently, under the procedure of Liquidation]

The outstanding judicial claims of third parties against the subsidiary Tiledrasi S.A. amount to approximately € 2.81 million, plus interest and legal expenses. The Cypriot based company Lumiere TV Public Company Limited is claiming the abovementioned amount for the obligatory purchase, pursuant to article 49b of the Greek Law 2190/1920, by Tiledrasi S.A. of the 2,872 shares of Multichoice Hellas S.A., which Lumiere TV Public Company Limited holds.

The results of the above judicial claims are not expected to effect the Group's financial statements.

26. SUBSEQUENT EVENTS:

There are no significant subsequent events after March 31, 2011, affecting the financial statements of the Group and the Company.

Iraklion, May 26, 2011

President of the Board of Directors

Vice President of the Board of Directors
and
Chief Executive Officer

Deepak Srinivas Padmanabhan
Passport No. Z 1849335

Panagiotis Papadopoulos
I.D. Σ 676330

Chief Financial Officer

Group Financial Reporting &
Budgeting Manager

Group Accounting Director

Evangelos Raptis
I.D. AE 040547

Georgia Gali
I.D. X 091299

George Mantzoros
I.D. T 106663
Licence No. O.E.E. 00015375
Class A

FINANCIAL INFORMATION FOR THE PERIOD ENDED MARCH 31, 2011

FORTHNETGROUP		HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A.	
forthenet nova		Forthnet S.A.	
		Registration No S.A. 34461/06/B/95/94	
		Scientific Technological Park of Crete, Vassilika Voutas, Iraklio Crete 71000	
		FINANCIAL DATA & INFORMATION FOR THE PERIOD ENDED (JANUARY 1, 2011 - MARCH 31, 2011)	
		(Published based on Corporate Law 2190, article 135 for corporations that report annual financial statements, consolidated or not, according to IFRS)	
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 web site at the electronic address 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		
Date of approval of the three-month financial statements:	May 26, 2011		
Review Report:	Unqualified Opinion		
STATEMENT OF FINANCIAL POSITION (parent company and consolidated)		STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)	
GROUP		COMPANY	
	31.03.2011	31.12.2010	31.03.2011
ASSETS			
Tangible assets	303,739,936	311,814,651	165,992,102
Intangible assets	205,973,479	215,789,271	18,169,088
Goodwill	268,241,714	268,022,695	512,569
Other non-current assets	33,376,359	32,987,566	310,936,356
Inventories	10,137,563	6,708,194	1,970,112
Trade receivables	68,619,963	68,314,880	40,637,707
Other current assets	85,157,765	114,828,170	71,723,520
TOTAL ASSETS	972,245,680	1,018,465,427	609,944,454
EQUITY AND LIABILITIES			
Share capital (155,431,324 shares of €1.18 each)	183,408,963	183,408,963	183,408,963
Retained earnings and other reserves	63,420,857	76,894,651	141,870,186
Total Shareholders equity (a)	246,829,820	260,303,614	325,279,149
Minority interests (b)	1,986,362	2,497,831	-
Total Equity (a)-(b)	248,816,182	262,801,445	325,279,149
Long-term borrowings	286,660,541	286,494,821	89,504,516
Provisions/Other long-term liabilities	193,611,765	199,830,739	26,577,060
Short-term borrowings	46,562,000	46,563,258	20,000,000
Other Current Liabilities	196,595,192	222,775,164	148,583,729
Total Liabilities (c)	723,429,498	755,663,982	284,665,305
TOTAL EQUITY AND LIABILITIES (a)-(c)	972,245,680	1,018,465,427	609,944,454
TOTAL COMPREHENSIVE INCOME (parent company and consolidated)		STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)	
GROUP		COMPANY	
	01.01.-31.03.2011	01.01.-31.03.2010	01.01.-31.03.2011
Turnover	101,640,714	98,339,636	55,781,943
Loss before taxes, financing and investing activities	(12,466,512)	(7,680,346)	(4,208,070)
Loss before income taxes	(14,952,703)	(15,221,661)	(5,148,880)
Loss after income taxes (a)	(13,993,621)	(15,590,485)	(4,845,545)
- Share holders of the parent company	(13,482,152)	(15,347,423)	(4,845,545)
- Non-controlling interests	(511,469)	(243,062)	-
Other comprehensive income after taxes (b)	-	-	-
Total comprehensive income after income (a)-(b)	(13,993,621)	(15,590,485)	(4,845,545)
- Share holders of the parent company	(13,482,152)	(15,347,423)	(4,845,545)
- Non-controlling interests	(511,469)	(243,062)	-
Loss after taxes per share - Basic (in €):	(0.0867)	(0.0987)	(0.0312)
Profit/(Loss) before taxes, financing, investing activities and depreciation	14,883,514	16,481,121	10,551,240
Depreciation	-	-	5,000,766
TOTAL COMPREHENSIVE INCOME (parent company and consolidated)		STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)	
GROUP		COMPANY	
	01.01.-31.03.2011	01.01.-31.03.2010	01.01.-31.03.2010
Turnover	101,640,714	98,339,636	55,781,943
Loss before taxes, financing and investing activities	(12,466,512)	(7,680,346)	(4,208,070)
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Loss after income taxes (a)	(13,993,621)	(15,590,485)	(4,845,545)
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- Non-controlling interests	(511,469)	(243,062)	-
Other comprehensive income after taxes (b)	-	-	-
Total comprehensive income after income (a)-(b)	(13,993,621)	(15,590,485)	(4,845,545)
- Share holders of the parent company	(13,482,152)	(15,347,423)	(4,845,545)
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Loss after taxes per share - Basic (in €):	(0.0867)	(0.0987)	(0.0312)
Profit/(Loss) before taxes, financing, investing activities and depreciation	14,883,514	16,481,121	10,551,240
Depreciation	-	-	5,000,766

ADDITIONAL DATA AND INFORMATION

- The above financial statements during the period 01/01/2011-31/03/2011 have been approved by the members of the Board of Directors on May 26, 2011.
- At March 31, 2011 the Group's total number of employees reached 1,463, while the parent Company's 826. At March 31, 2010 the Group's relative number of employees was 1,474, while the parent company's was 853.
- There are not any real burden on 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 March 31, 2011: 41.27%) under the equity method.
- Δεν επιβαρύνει μεταβολή στις λογιστικές μεθόδους ή τις λογιστικές εκτιμήσεις.
- 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 € 0.2m. for the Company and € 2.55m. for the Group. In addition, no deferred tax asset has been recognised for set-off of tax losses of amount € 4.5 m. for the Group and the Company in order to cover any additional taxes which will occur in future tax audits.
- There are no disputes or issues under arbitration, or decisions issued by legal or arbitration bodies affecting the Group's financial status. The Company and the Group have made a provision for the above disputes which amounts to € 0.00 for the Company and € 1.8 m. for the Group.
- 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 condensed financial statements for the period ended March 31, 2011, are not different from the ones stated in note 12 of the annual financial statements for the year ended at December 31, 2010.
- 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	0	2,663,100
b) Expenses	443,000	63,955
c) Receivables	53,730	43,907,661
d) Liabilities	699,098	65,653,641
e) Fees of Managers and members of the Board of Directors	1,760,043	1,587,158
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	0	0
12. The Capital Expenditure for the Group and the Company for the period ended March 31, 2011 amounted to € 12,149,242 and € 9,423,823 respectively.		

Iraklion, May 26, 2011

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 PADMANABHAN
Passport No Z 1031032

PAPADOPOULOS PANAGIOTIS
ID Number Σ 676330

RAPTIS EVANGELOS
ID Number ΑΕ 040547

GALI GEORGIA
ID Number X 091299

MANTZOROS GEORGIOS
ID Number T 106663
License Number O.E.E. 0005375 A Class