INTRACOM HOLDINGS S.A.

Annual Report
for the Year 2009 (1st January – 31st December 2009)
in accordance with Law 3556/2007

Contents

The attached annual financial statements of the Group and the Company have been approved for issue by the Board of Directors on 30 March 2010.

THE CHAIRMAN OF THE BOARD OF DIRECTORS	***THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS***
& MANAGING DIRECTOR	***& DEPUTY MANAGING DIRECTOR***
S.P. KOKKALIS	***K.G. DIMITRIADIS***
ID No AI 091040/05.10.2009	*ID No I 208019/07.08.1974*
THE BOARD MEMBER	***THE CHIEF ACCOUNTANT***
& GROUP CORPORATE FINANCE EXECUTIVE DIRECTOR	
D.C. KLONIS	***J.K. TSOUMAS***
ID No P 539675/06.11.1995	*ID No AZ 505361/ 10.12.2007*
	Licence No 637

A) Directors' Statements

(pursuant to article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors, of INTRACOM HOLDINGS S.A.

1. Socrates P. Kokkalis, Chairman & Managing Director
2. Konstantinos G. Dimitriadis, Vice Chairman and Deputy Managing Director
3. Dimitrios C. Klonis, Member of the Board and Group Corporate Finance Executive Director

In our above mentioned capacity declare that:

As far as we know:

a. the parent company and consolidated annual financial statements for the year 01/01/2009 to 31/12/2009 which were drawn up in accordance with applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of 'INTRACOM HOLDINGS SA' and of the undertakings included in consolidation, taken as a whole, and

b. the annual report of the Board of Directors is a true representation of the progress, the performance and the financial position of the Company and of the undertakings included in the consolidation, taken as whole, including a description of the major risks and uncertainties they confront.

CHAIRMAN & MANAGING DIRECTOR

S. P. KOKKALIS

ID No AI 091040/05.10.2009

VICE CHAIRMAN &
DEPUTY MANAGING DIRECTOR

K. G. DIMITRIADIS

ID No I 208019/07.08.1974

MEMBER OF THE BOARD & GROUP CORPORATE FINANCE EXECUTIVE DIRECTOR

D. C. KLONIS

ID No P 539675/06.11.1995

B) Board of Directors' Report

Board of Directors' Report

FOR THE YEAR 1/1/2009-31/12/2009

FINANCIAL RESULTS – ACTIVITY REVIEW

During 2009, INTRACOM HOLDINGS GROUP managed to raise its turnover, which however, due to the specific conditions of Greek economy and to the intense competition in the markets where the Group companies are activating, it was absorbed by the cost of sales. More specifically, group sales in 2009 amounted to € 547,4 mn., increased by 7,5% in respect to 2008, whereas gross profit for the period decreased to € 59,4 mn. (2008: € 74,9 mn.)

The increase in sales is mostly due, firstly, to HELLAS ONLINE Group and more specifically to the parent company which managed to raise 2009 turnover per 55,6% (2008: € 94,3 mn., 2009: € 146,7 mn.) and, secondly, to INTRAKAT Group whose consolidated turnover amounted to € 210,2 mn. and raised by 11,2% (2008 : € 189,1 mn.)

The Group's operating results include gain of € 51 mn. as a result of the indirect sale of 33,16% of HELLAS ONLINE by INTRACOM HOLDINGS. INTRACOM HOLDINGS did not participate in the two share capital increases of HELLAS ONLINE in 2009, while it sold its rights. Furthermore, HELLAS ONLINE operating profit (EBITDA) raised to € 15,4 mn. in respect to losses of € -2,5 mn. in 2008. Under these circumstances, INTRACOM HOLDINGS GROUP return to operational profitability (2009: EBITDA € 77,2 mn. 2008: EBITDA - € 14,3 mn.)

Group results for 2009 were losses of - € 5,3 mn. (2008: - € 80,7 mn.)

Group's shareholders equity on 31/12/2009 summed up to € 500,5 mn. (31/12/2008: € 468,5 mn.), increased by € 32 mn. as a result of HELLAS ONLINE increase in share capital.

Total Assets on 31/12/2009 reached € 1.208,8 mn. increased per 5,6%. in comparison to 31/12/2008. Total assets increase is mainly due to increase in investments and has been funded significantly by Own capital.

INTRACOM HOLDINGS parent company persisted on the qualitative improvement of the balance sheet figures through the revaluation of participation and assets. In 2008 total write-offs summed up to € 24,7 mn., whereas the respective amount for 2009 is € 12 mn. The impact of the above mentioned factors as well as of extraordinary gains and losses of the period, is that parent company recorded minor losses in comparison to 2008 (EBT 2008: - € 34,6 mn., EBT 2009: - € 12,4 mn.

The company will not distribute dividend.

Key financial ratios, depicting the Group's and Company's financial condition are as follows:

a. Financial Structure Ratios	**GROUP**	**COMPANY**
Current Assets/Total Assets	39,5 %	6,5 %
Total Equity/Total Liabilities	70,7 %	1.667,7 %
Total Equity/Fixed Assets	88,8 %	502,4 %
Current Assets/Short-term Liabilities:	98.1 %	157,0 %

b. Profitability Ratios	**GROUP**	**COMPANY**
EBITDA/Sales	14,1 %	-266,9 %
Gross Profit/Sales	10,8 %	13,2 %
Sales/Total Equity	109,37 %	0,72 %

According to the decision of the Extraordinary General Meeting dated 20/03/2009, 815.021 treasury shares will be distributed from which 600.000 have already been distributed during the closing period. Consequently, treasury shares at 31/12/2009 were 1.080.836 shares.

The company's international activity is based upon its subsidiaries and not to branches.

MAIN EVENTS

From 23/02/2009 to 09/03/2009 the share capital of the subsidiary company Hellas on Line increased following the decision of the Extraordinary General Meeting of the company's shareholders on 12/12/2008. Total proceeds were €50,7mn. and will finance the company's investment plan which mainly comprises expansion of its own network infrastructure and best in class IT systems. After the increase in share capital INTRACOM HOLDINGS stake in HOL share capital sums up to 63,129%.

During H1 2009 exclusive negotiations launched between Vodafone and HOL for the purpose of exploring the possibility of a partnership between Vodafone and HOL through the acquisition from Vodafone of a minority equity participation on HOL's share capital and the contribution of Vodafone's existing fixed line DSL assets into HOL' business. Negotiations have been finalised on July 2009 and the two companies are entering a strategic partnership. Specifically, Vodafone Greece will participate in HOL's equity by acquiring a minority participation of 18,5%.

INTPAKAT proceeded to the acquisition via undertaking of the State and Private Construction Works sector of CYBARCO SA, and T. KARAGIANNIS SA, which resulted to the upgrading of the Company's Construction Projects classification under the upper (7th) grade of the Register of Contractors' Enterprises.

INTRAKAT, in the effort to enhance the expansion of its activities in the energy market and more specifically in the waste management, have entered in February 2009 into a Cooperation Agreement with SUEZ ENVIRONNEMENT to develop jointly municipal solid waste management projects in Greece.

INTRAKAT SA and IASO SA signed an agreement for the construction of a new private clinic of total budget amounting to 70 million Euro at the municipality of Piraeus. The clinic will be constructed on INTRAKAT own lot which extends on 12,680 m2 of land. Noteworthy is the fact that the building is designed to be constructed by making use of environment friendly and energy saving systems. Furthermore, INTRAKAT undertook several significant new projects such as the construction of the metallic roof of the "Le Mans" football team's stadium in the city of Le Mans in France as well as the construction of the "Filiatrina" dam in a joint venture. In Q4, INTRAKAT announced the purchase of a 50% percentage of the company PRISMA DOMI which holds a classification under the 5th grade of the Register of Contractors' Enterprises. Finally, INTRAKAT and Italian FRACASSO SpA, a pioneer in road safety systems, proceeded to a strategic joint venture via the establishment of FRACASSO HELLAS, signaling this way the need for high standards products aiming to improve road safety in our country.

INTRACOM TELECOM, announced a frame contract worth USD 85 mn. with ZTE leading telecommunication equipment manufacturer for the CDMA network of MTS INDIA. Furthermore, two frame contracts worth USD 45 million in total, were signed for the supply of INTRACOM TELECOM's point-to-point (INTRALINK) and point-to-multipoint (WiBAS) radio equipment to MTS Russia, the country's largest mobile operator.The duration of both frame agreements is 12 months, while the turnkey implementation of the WiBAS project has been undertaken by INTRACOM SVYAZ, the Russian subsidiary of INTRACOM TELECOM.

In November 2009, INTRACOM TELECOM announced the signing of a frame agreement by its Dubai based subsidiary, INTRACOM Middle East, to supply its point-to-point (INTRALINK) and point-to-multipoint (WiBAS) radio equipment to Etisalat, a world-class UAE-based telecommunication services provider, operating in 17 countries across Asia, the Middle-East and Africa.

INTRACOM Defense Electronics received a $ 2,4 mn. contract from Northrop Grumman Corporation for the F-16 Fire Control Radar Upgrade Program. Furthermore, the company has been selected by RAYTHEON to sign a cooperation agreement for PATRIOT Systems of UAE. The contract has an initial budget of $ 55,7 mn. and is to be completed in 3,5 years.

H INTRASOFT International, via participating consortia, has been awarded three new 4-year Framework Contracts by the European Commission's Directorate General for Research, concerning software development services. The cumulative share of INTRASOFT International in these contracts is worth € 60 mn., while the total value is equivalent to € 130 mn. More than 14 consortia, involving 34 top to medium companies, responded to the call for tenders, as that call was one of the most critical announced in the ICT market in 2008, in both importance and budget. Additionally, the Company via participating consortia, has been awarded a framework contract for IT services by The European Medicines Agency. The total value of the contract is € 30 million, while Intrasoft's participation amounts to € 12 m..

INTRACOM IT SERVICES Group has been awarded three new projects in the M. East, through its subsidiary INTRACOM IT SERVICES Middle East & Africa (former INTRACOM Jordan), expanding thus further the Group's significant activity in the region. The total worth of the three projects sums up to € 4,5 mn. The projects are planned for completion on March 2010. Finally, INTRACOM IT SERVICES Group has entered into an international collaboration agreement with IBM Corporation in order to jointly develop and offer complete range of state-of-the-art solutions to customs authorities in the EU as well as other selected countries worldwide.

MAIN EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred from the end of period up to date.

GOALS AND PERSPECTIVES

INTRACOM HOLDINGS Group having applied cutting-edge technologies in its product, solutions and services, having subsidiaries in 21 countries and significant international presence, aims to preserve and further enhance its activity portfolio, to further enhance its international presence and to increase its competitiveness through strategic alliances.

INTRACOM IT SERVICES, committed to conducting its business in an environmentally sound and sustainable manner, providing for excellent workplace conditions and caring about the communities within which it operates, aims to reinforce its significant know-how and its leading position regarding specialised solutions and services. In global level, IT SERVICES Group pursuing international collaborations in its areas of specialization aims to reinforce its presence and activity worldwide. Additionally, the Group will persist on its cost rationalizing project, in order to improve its competitiveness and deal with unfavourable international coincidence.

INTRACOM DEFENSE ELECTRONICS is Greece's largest defense electronic systems supplier with emphasis on Communications and electronic systems. Despite the decrease in the amount of funds invested in defense armament programmes internationally, INTRACOM DEFENSE ELECTRONICS' long-standing and successful engagement in information and communication systems and electronics provide the expertise and capabilities to maintain and further develop the company's position within the industry. INTRACOM DEFENSE ELECTRONICS has also strengthened its position by developing long-term international partnerships with large foreign manufacturing firms.

INTRAKAT having already initiated its participation in new markets aims to grow in the energy sector and in specific in waste to energy and solar energy projects, and to participate in self-financed projects in Greece and abroad. Its collaboration with PRISMA DOMI, announced in November 2009 along with its strategic alliance with SUEZ ENVIRONMENT are anticipated to create extensive synergies for the Group’s development in the area of waste management. Finally, the Group expects further development in the real estate market in Greece, Poland, Romania and Syria.

HELLAS ONLINE having demonstrated spectacular increase in its LLU subscriber base and consequently in revenue during 2009, has set as main goal for 2010 to further increase its LLU subscriber base with fixed telephony and Internet services through its own network. The strategic and commercial collaboration with VODAFONE generates
significant new dynamics and the Group expects to increase its broadband market share and to fortify its position in domestic telecom market. The Company will focus on the increase of the Average Earning per User (ARPU), on the decrease of the operating cost, and the transfer of its subscribers to its own network.

RISKS AND UNCERTAINTIES

Financial risk factors

INTRACOM S.A., being a Greek multinational company, is exposed to a variety of financial risks, including market risk (the effects of changes in foreign currency exchange rates, cash flow and fair value risk from changes in interest rates and market prices), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group as a whole.

The financial liabilities of the Group include short-term bank loans, long-term bank loans, bond loans and finance lease agreements, through which the Group finances its working capital and capital expenditure needs. Moreover, the Group manages financial assets, mainly short-term bank deposits arising from operating activities.

Derivative financial instruments are used exclusively for the hedging of interest or exchange rate risk, since according to the approved policy, speculative use is not permitted.

In summary, the financial risks that arise are analyzed below.

Market risk

Foreign exchange risk

The foreign exchange risk of the Group is limited, since for most of the foreign currency receivables, there are corresponding payables in the same currency. Almost all foreign currency contracts for both assets and liabilities are denominated in USD.

In cases where natural hedge is not adequate due to large amounts of foreign currency payables, the Group may convert part of the borrowings to that currency or may use forward currency contracts.

The Group's policy is to maintain a minimum amount of cash in foreign currency, to meet short-term liabilities in that currency.

Price risk

The Group has limited exposure to changes in the prices of the shares held either for trading or as available for sale financial assets.

Cash flow and fair value interest rate risk

The interest-rate risk arises mainly from the fact that almost all of the Group's borrowings carry floating interest rates. The Group assesses that during the current year, interest rate risk is limited since it is expected that interest rates will either remain stable or increase slightly in the medium-term. At the same time, the Group assesses the possibility for converting part of the borrowings to fixed rate.

Credit risk

The sales transactions of the Group are made to private companies and public sector organisations with an appropriate credit history, with which in many cases there is a long standing relationship. In cases that vendor financing to an overseas customer is required, the Group insures its credit risk via the Export Credit Insurance Organisation (ECIO). As a result, the risk of doubtful debts is considered limited.

Regarding credit risk related to cash deposits, the Group collaborates only with financial institutions of high credit rating.

Liquidity risk

Each subsidiary draws up and monitors on a monthly basis a cash flow schedule that includes the operating as well as the investing cash flows. All subsidiaries submit to Intracom Holdings on a weekly basis a detailed report of their cash and credit position, in order that an effective monitoring and co-ordination on a group level is achieved.

Prudent liquidity management is achieved by an appropriate combination of cash and cash equivalents and approved bank facilities.

The Group manages the risks that may arise from lack of adequate liquidity by ensuring there are always approved bank facilities for use.

The available undrawn borrowing facilities to the Group, are sufficient to address any potential shortfall in cash.

SIGNIFICANT RELATED PARTY TRANSACTIONS

(Article 2 rule 7/448/11.10.2007 of Capital Market Commission)

The company's significant transactions with related parties as defined in International Accounting Standard 24 relate to transactions with its subsidiaries and affiliates (related companies according to article 42e of L. 2190/20) and companies in which the major shareholder of INTRACOM HOLDINGS holds an interest share, which are presented in the tables below:

Income & Receivables Period 1/1-31/12/2009
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSET	DIVIDENDS	RECEIVABLES
INTRAKAT SA	335	265	-	-	1.314
INTRACOM I.T. SERVICES SA	96	-	82	-	503
INTRASOFT INTERNATIONAL SA (GR)	814	51	-	-	614
INTRACOM DEFENSE SA	575	-	-	1.500	2.948
HELLAS ON LINE A.E.	258	1.346	1	-	2.658
ATTICA TELECOMMUNICATIONS SA	549	-	-	-	2.075
OTHER SUBSIDIARIES	2	2	-	-	48
Sum	2.629	1.664	83	1.500	10.160
ASSOCIATES					
INTRACOM TELECOM SA	411	562	-	-	1.424
INTRACOM LTD SKOPJE	-	-	-	-	750
OTHER ASSOCIATES	-	-	-	-	270
Sum	411	562	0	0	2.444
OTHER RELATED PARTIES					
INTRALOT	2	142	4.505	-	4.274
SPORTNEWS AE	-	22	-	-	145
OTHER RELATED PARTIES	-	3	-	-	4
Sum	2	167	4.505	0	4.423
TOTAL	3.042	2.393	4.588	1.500	17.027

Income & Receivables Period 1/1-31/12/2008
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSET	DIVIDENDS	RECEIVABLES
INTRAKAT SA	326	253	-	536	646
INTRACOM I.T. SERVICES SA	709	-	894	-	367
INTRASOFT INTERNATIONAL SA (GR)	998	-	-	-	290
INTRACOM DEFENSE SA	1.369	-	1.497	1.700	2.414
HELLAS ON LINE A.E.	438	1.300	-	-	3.140
ATTICA TELECOMMUNICATIONS SA	570	-	-	-	1.421
OTHER SUBSIDIARIES	67	1	-	-	699
Sum	4.477	1.554	2.391	2.236	8.977
ASSOCIATES					
INTRACOM TELECOM SA	526	585	-	-	4.454
INTRACOM LTD SKOPJE	-	-	-	-	750
OTHER ASSOCIATES	-	-	-	-	270
Sum	526	585	0	0	5.474
OTHER RELATED PARTIES					
INTRALOT	-	177	-	-	722
FLASH SA	-	181	-	-	412
OTHER RELATED PARTIES	-	27	-	-	140
Sum	0	385	0	0	1.274
TOTAL	5.003	2.524	2.391	2.236	15.725

Expenses & Payables Period 1/1-31/12/2009
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
INTRAKAT SA	-	100	-	630
IN MAINT SA	309	45	-	190
INTRADEVELOPMENT SA	-	-	-	40
INTRACOM I.T. SERVICES SA	141	-	-	1.122
HELLAS ON LINE A.E.	12	-	-	215
OTHER SUBSIDIARIES	-	-	-	1
Sum	462	145	0	2.198
ASSOCIATES				
INTRACOM TELECOM SA	67	-	-	3.158
CONKLIN	-	-	-	175
OTHER ASSOCIATES	-	-	-	39
Sum	67	0	0	3.372
OTHER RELATED PARTIES				
OTHER RELATED PARTIES	53	-	-	53
Sum	53	0	0	53
TOTAL	582	145	0	5.623

Expenses & Payables Period 1/1-31/12/2008
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
INTRAKAT SA	-	-	-	512
IN MAINT SA	265	23	-	97
INTRACOM I.T. SERVICES SA	249	-	-	955
HELLAS ON LINE A.E.	15	-	-	217
OTHER SUBSIDIARIES	-	-	2	41
Sum	529	23	2	1.822
ASSOCIATES				
INTRACOM TELECOM SA	66	-	-	5.493
CONKLIN	-	-	-	175
OTHER ASSOCIATES	-	-	-	55
Sum	66	0	0	5.723
OTHER RELATED PARTIES				
FLASH AE	-	-	-	269
OTHER RELATED PARTIES	-	-	-	3
Sum	0	0	0	272
TOTAL	595	23	2	7.817

In relation to the above transactions:

The Company's income from services comes mainly from the provision of administrative, accounting, legal and computer support services.

The purchases from IN MAINT SA relate to maintenance of facilities and networks, and purchases from INTRACOM IT SERVICES SA relate to IT services and maintenance of systems and computer software.

The transactions have taken place under normal market conditions.

Directors' remuneration and key management compensation amounted to €2.636 during the year 2009 in comparison to €1.854 during the previous year. There was no outstanding receivable or payable to directors as at 31st December 2009, while the outstanding payable to directors as at 31st December 2008 was €75.

PAIANIA 30 March 2010

Board of Directors

C) Independent Auditors' Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of INTRACOM HOLDINGS S.A.

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of INTRACOM HOLDINGS S.A. and its subsidiaries, which comprise the separate and consolidated balance sheet as at 31 December 2009, and the separate and consolidated statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries as at 31 December 2009, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 107 and 37 of c.L. 2190/1920.

Athens, 30 March 2010

Zoe D. Sofou
Cerified Public Account Auditor
Institute of CPA (SOEL) Reg. No 14701

Michalis E. Chatzistavrakis
Cerified Public Account Auditor
Institute of CPA (SOEL) Reg. No 26581

Associated Certified Public Accountants s.a.

member of Crowe Horwath International

3, Fok. Negri Street – 112 57 Athens, Greece

Institute of CPA (SOEL) Reg. No. 125

D) Annual Financial Statements

In accordance with International Financial Reporting Standards

As adopted by the European Union

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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(All amounts in €'000)

Balance sheet

		Group		Company	
ASSETS	**Note**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Non-current assets					
Property, plant and equipment	6	375.496	333.853	29.190	39.869
Goodwill	7	65.788	58.259	-	-
Intangible assets	8	64.832	48.029	8	219
Investment property	9	57.618	63.125	64.009	60.450
Investments in subsidiaries	10	-	-	237.088	247.019
Investments in associates	11	113.316	116.397	115.900	116.175
Available - for - sale financial assets	13	12.562	13.287	9.520	9.514
Deferred income tax assets	14	6.863	1.536	-	-
Long-term loans	15	8.385	7.885	8.385	7.885
Trade and other receivables	16	15.824	21.884	36	361
		720.683	**664.255**	**464.136**	**481.493**
Current assets					
Inventories	17	47.140	49.137	-	-
Trade and other receivables	16	332.553	328.762	22.058	17.537
Construction contracts	18	21.618	24.950	-	-
Financial assets at fair value through profit or loss	19	298	552	-	-
Current income tax assets		11.589	18.360	-	5.376
Cash and cash equivalents	20	64.641	58.682	10.146	11.064
		477.839	**480.443**	**32.204**	**33.977**
Assets classified as held for sale	37	10.291	-	-	-
		488.130	**480.443**	**32.204**	**33.977**
Total assets		**1.208.812**	**1.144.698**	**496.340**	**515.470**
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	21	377.148	374.046	377.148	374.046
Reserves		66.047	58.618	91.113	106.204
		443.195	432.665	468.261	480.251
Minority interest		57.300	35.822	-	-
Total equity		**500.495**	**468.487**	**468.261**	**480.251**
LIABILITIES					
Non-current liabilities					
Borrowings	23	168.848	156.082	6.196	-
Deferred income tax liabilities	14	2.853	4.861	1.071	660
Retirement benefit obligations	24	4.881	4.481	298	504
Grants	25	21.382	11.390	-	-
Derrivative financial instruments	26	436	-	-	-
Provisions for other liabilities and charges	27	3.631	2.482	-	-
Trade and other payables	28	16.744	25.388	-	-
		218.776	**204.684**	**7.565**	**1.164**
Current liabilities					
Trade and other payables	28	284.285	272.649	9.248	13.120
Current income tax liabilities		2.723	1.467	-	-
Construction contracts	18	18.057	7.699	-	-
Borrowings	23	171.792	176.233	9.698	19.294
Grants	25	3.168	1.235	-	-
Provisions for other liabilities and charges	27	6.921	12.245	1.568	1.642
		486.945	471.528	20.514	34.056
Liabilities directly associated with non-current assets classified as held for sale	37	2.596	-	-	-
		489.541	**471.528**	**20.514**	**34.056**
Total liabilities		**708.317**	**676.211**	**28.078**	**35.220**
Total equity and liabilities		**1.208.812**	**1.144.698**	**496.340**	**515.470**

The notes on pages 22 to 94 are an integral part of these financial statements.

(All amounts in €'000)

Statement of comprehensive income

	Note	Group 31/12/2009	Group 31/12/2008	Company 31/12/2009	Company 31/12/2008
Sales		547.414	509.019	3.392	5.411
Cost of goods sold	29	(488.021)	(434.100)	(2.944)	(4.968)
Gross profit		**59.393**	**74.919**	**448**	**443**
Selling and research costs	29	(39.814)	(47.704)	(157)	(410)
Administrative expenses	29	(61.983)	(61.497)	(10.355)	(14.333)
Other operating income	31	9.327	5.481	4.702	5.349
Other gains/ (losses) - net	32	(4.632)	(24.919)	(6.833)	(24.638)
Gain from change in interest held in subsidiary / sale of pre-emption rights	10	51.771	-	764	-
Operating profit / (loss)		**14.061**	**(53.719)**	**(11.430)**	**(33.588)**
Finance expenses	33	(21.558)	(30.009)	(1.764)	(2.487)
Finance income	33	2.264	3.782	755	1.544
Finance income /(expenses) - net		**(19.294)**	**(26.226)**	**(1.009)**	**(943)**
Share of losses of associates	11	(78)	(753)	-	-
Loss before income tax		**(5.311)**	**(80.699)**	**(12.438)**	**(34.530)**
Income tax expense	34	2.733	(2.696)	(594)	(535)
Loss for the year		**(2.577)**	**(83.394)**	**(13.032)**	**(35.066)**
Other comprehensive income :					
Fair value gains / (losses) on available for sale financial assets , net of tax	13	(119)	(4.164)	(2)	34
Write-off/disposal of available for sale financial assets	22	-	3.802	-	3.802
Currency translation differences, net of tax		(967)	(1.184)	-	-
Cash flow hedges	26	(436)	-	-	-
Effect of change in minority interest	10	(51.007)	-	-	-
Other comprehensive income for the year, net of tax		**(52.529)**	**(1.545)**	**(2)**	**3.837**
Total comprehensive income for the year		**(55.107)**	**(84.940)**	**(13.034)**	**(31.229)**
Profit / (loss) attributable to:					
Equity holders of the Company		10.497	(77.192)	(13.032)	(35.066)
Minority interest		(13.075)	(6.203)	-	-
		(2.577)	**(83.394)**	**(13.032)**	**(35.066)**
Total comprehensive income attributable to:					
Equity holders of the Company		9.406	(77.400)	(13.034)	(31.229)
Minority interest		(64.513)	(7.540)	-	-
		(55.107)	**(84.940)**	**(13.034)**	**(31.229)**
Earnings per share for profit / (loss) attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic	35	0,08	(0,59)	(0,10)	(0,27)
Diluted	35	0,08	(0,59)	(0,10)	(0,27)

The notes on pages 22 to 94 are an integral part of these financial statements.

(All amounts in €'000)

Statement of changes in equity - Group

	Note	Attributable to equity holders of the Company: Share capital	Other reserves	Retained earnings	Minority interest	Total equity
Balance at 1 January 2008		374.047	186.632	(49.689)	29.005	539.994
Loss for the year		-	-	(77.192)	(6.203)	(83.394)
Fair value gains / (losses) on available for sale financial as	13	-	(3.053)	-	(1.110)	(4.164)
Write off / sale of available for sale financial assets	22	-	3.802	-	-	3.802
Currency translation differences, net of tax		-	(957)	-	(227)	(1.184)
Total comprehensive income for the year		**-**	**(208)**	**(77.192)**	**(7.540)**	**(84.940)**
Share capital increase in subsidiary		-	-	-	4.243	4.243
Expenses on issue of share capital (after taxes)		(1)	-	(782)	(237)	(1.020)
Employees stock options scheme						
- value of employee services	21	-	174	-	6	180
Dividend		-	-	-	(262)	(262)
Effect of change in interest held in subsidiary		-	-	(316)	(1.479)	(1.795)
Effect of change from acquisition of segments		-	-	-	12.087	12.087
Transfer	22	-	501	(501)	-	-
		(1)	675	(1.600)	14.357	13.432
Balance at 31 December 2008		**374.046**	**187.099**	**(128.481)**	**35.822**	**468.487**
Balance at 1 January 2009		374.046	187.099	(128.481)	35.822	468.487
Loss for the year		-	-	10.497	(13.075)	(2.577)
Fair value losses on available for sale financial assets	13	-	(75)	-	(44)	(119)
Currency translation differences		-	(730)	-	(237)	(967)
Cash flow hedge	26	-	(286)	-	(150)	(436)
Effect of change in minority interest	10	-	-	-	(51.007)	(51.007)
Total comprehensive income for the year		**-**	**(1.091)**	**10.497**	**(64.513)**	**(55.107)**
Share capital increase in subsidiary	10	-	-	-	83.957	83.957
Distribution of treasury shares	21	3.102	-	(2.123)	65	1.044
Employees stock options scheme						
- value of employee services	21	-	-	175	5	180
Dividend		-	-	-	(204)	(204)
Acquisition of subisidiaries	38	-	-	-	2.138	2.138
Transfer		-	216	(246)	30	
		3.102	216	(2.194)	85.991	87.116
Balance at 31 December 2009		**377.148**	**186.224**	**(120.177)**	**57.300**	**500.495**

Analysis of other reserves is presented in note 22.

The notes on pages 22 to 94 are an integral part of these financial statements.

(All amounts in €'000)

Statement of changes in equity - Company

	Note	Share capital	Other reserves	Retained earnings	Total equity
Balance at 1 January 2008		374.047	143.281	(5.848)	511.480
Loss for the year		-	-	(35.066)	(35.066)
Fair value gains on available for sale financial assets , net of tax	22	-	34	-	34
Write off of available for sale financial assets		-	3.802	-	3.802
Total comprehensive income for the year		**-**	**3.837**	**(35.066)**	**(31.229)**
Expenses on issue of share capital (after taxes)	21	(1)	-	-	(1)
		(1)	-	-	(1)
Balance at 31 December 2008		**374.046**	**147.118**	**(40.913)**	**480.251**
Balance at 1 January 2009		374.046	147.118	(40.913)	480.251
Loss for the year		-	-	(13.032)	(13.032)
Fair value losses on available for sale financial assets	22	-	(2)	-	(2)
Total comprehensive income for the year		**-**	**(2)**	**(13.032)**	**(13.034)**
Distribution of treasury shares	21	3.102	-	(2.058)	1.044
Transfer	22	-	614	(614)	-
		3.102	614	(2.672)	1.044
Balance at 31 December 2009		**377.148**	**147.730**	**(56.617)**	**468.261**

Analysis of other reserves is presented in note 22.

The notes on pages 22 to 94 are an integral part of these financial statements.

(All amounts in €'000)

Cash flow statement

	Note	Group		Company	
		1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Cash flows from operating activities					
Cash generated from operations	36	45.545	8.791	(2.264)	(2.340)
Interest paid		(21.384)	(24.344)	(1.764)	(1.487)
Income tax paid		3.647	(11.584)	5.075	(1.245)
Net cash generated from operating activities		**27.808**	**(27.138)**	**1.047**	**(5.072)**
Cash flows from investing activities					
Purchase of property, plant and equipment (PPE)		(68.933)	(44.402)	(373)	(8.077)
Purchase of investment property		-	(8.360)	-	-
Purchase of intangible assets		(29.443)	(22.425)	(33)	-
Proceeds from sale of PPE		5.045	1.176	1.093	-
Proceeds from sale of investment property		22	-	22	-
Proceeds from sale of intangible assets		53	2.281	53	1.161
Acquisition of financial assets at fair value through profit or loss	19	(118)	(511)	-	-
Acquisition of available-for-sale financial assets	13	(8)	(6.878)	(8)	(6.878)
Proceeds from sale of financial assets at fair value trough profit or loss		401	448	-	-
Proceeds from sale of available - for - sale financial assets		470	5.533	-	5.543
Acquisition of subsidiary, net of cash acquired	38, 10	(896)	(732)	(1.000)	(17.217)
Disposal of subsidiaries	10	-	-	-	4.877
Share capital increase by subsidiary	10	49.823	4.242	-	-
Purchase of associates	11	-	(918)	-	-
Dividends received		12	97	1.500	3.936
Loans granted	15	-	(7.332)	-	(7.332)
Interest received		1.004	3.228	255	990
Net cash from investing activities		(42.568)	(74.553)	1.509	(22.996)
Cash flows from financing activities					
Expenses on issue of share capital		-	(1.258)	-	(1)
Dividends paid to Company's shareholders		(75)	(319)	(75)	(319)
Dividends paid to minority interest		(204)	(262)	-	-
Proceeds from borrowings		64.362	285.643	-	11.801
Repayments of borrowings		(59.397)	(203.050)	(3.400)	(5.281)
Proceeds from grants	25	20.924	7.557	-	-
Repayments of finance leases		(4.892)	(4.509)	-	(3)
Net cash from financing activities		**20.718**	**83.801**	**(3.475)**	**6.197**
Net increase / (decrease) in cash and cash equivalents		**5.958**	**(17.891)**	**(919)**	**(21.871)**
Cash and cash equivalents at beginning of year		58.682	76.573	11.064	32.935
Cash and cash equivalents at end of year	20	**64.641**	**58.682**	**10.146**	**11.064**

The notes on pages 22 to 94 are an integral part of these financial statements.

Notes to the financial statements in accordance to International Financial Reporting Standards

1. General Information

INTRACOM Holdings S.A., with the distinctive title "INTRACOM HOLDINGS" ("INTRACOM"), was incorporated in Greece and its shares are traded in the Athens Stock Exchange.

Intracom Group operates, through the subsidiaries and associates, in developing products, providing services and undertaking complex, integrated and advanced technology projects in the telecommunications, defence, public administration, and banking & finance industries and has also activities in the construction sector and the telecommunications sector. The parent company operates as a holding company.

The Group operates in Greece, U.S.A, Bulgaria, Romania, as well as in other foreign countries.

The Company's registered office is at 19 km Markopoulou Ave., Peania Attikis, Greece. Its website address is ***www.intracom.com*.**

These financial statements have been approved for issue by the Board of Directors on 30 March 2010 and are subject to approval by the Annual General Meeting of the Shareholders.

2. Summary of significant accounting policies

Basis of preparation

These financial statements consist of the stand alone financial statements of Intracom Holdings S.A. (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009, in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union (EU).

These financial statements have been prepared under the historical cost convention, as modified by the available-for-sale financial assets and financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. Moreover, the use of estimates and assumptions is required that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial statements and the reported income and expense amounts during the reporting period. Although these estimates are based on the best possible knowledge of management with respect to the current conditions and activities, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

Accounting policies used in the preparation of the financial statements of subsidiaries, associates and joint ventures are consistent with those applied by the parent company.

New standards, interpretations and amendments

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

(α) Standards/ interpretations effective in 2009

IFRS 8 "Operating Segments"

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The adoption of the new standard has not changed the number of reportable segments presented.

IAS 1 (Revised) "Presentation of Financial Statements"

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present one statement. The financial statements have been prepared under the revised disclosure requirements.

IFRS 7 (Amendment) "Financial instruments – Disclosures"

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As these changes only result in additional disclosures, there is no impact on earnings per share.

IFRS 2 (Amendment) "Share Based Payment"

The amendment clarifies the definition of "vesting condition" by introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. This amendment did not impact the Group's financial statements.

IAS 23 (Revised) "Borrowing Costs"

This standard replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group has adopted the amendment from 1st January 2009 and has capitalised borrowing costs of €901.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"

This amendment clarifies that entities should no longer use hedge accounting for transactions between segments in their separate financial statements. This amendment did not impact the Group's financial statements.

IFRIC 15 "Agreements for the construction of real estate"

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. The Group has applied the interpretation from 1st January 2009.

(b) Standards/ interpretations that are not yet effective and have not been early adopted by the Group

IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards will be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group will apply these changes from their effective date.

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2013)

IFRS 9 is the first part of Phase 1 of the Board's project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortized cost or fair value and depend on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity's business model changes; in this case, the entity is required to reclassify affected financial assets prospectively. IFRS 9 classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealized and realized fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognized in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been approved by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

IFRS 2 (Amendment) "Share-based Payment" (effective for annual periods beginning on or after 1 January 2010)

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-based payment transaction. This amendment is not expected to impact the Group's financial statements. This amendment has not yet been endorsed by the EU.

IAS 24 (Amendment) "Related Party Disclosures" (effective for annual periods beginning on or after 1 January 2011)

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date. This amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 February 2010)

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group's financial statements.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 July 2009)

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not expected to impact the Group's financial statements.

IFRIC 17 "Distributions of non-cash assets to owners" (effective for annual periods beginning on or after 1 July 2009)

This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative. The Group will apply this interpretation from its effective date.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" (effective for annual periods beginning on or after 1 July 2010)

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

Amendments to standards that form part of the IASB's annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in July 2009 of the results of the IASB's annual improvements project. These amendments have not yet been endorsed by the EU. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2010. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group's financial statements.

IFRS 2 "Share-Based payment" (effective for annual periods beginning on or after 1 July 2009)

The amendment confirms that contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies disclosures required in respect of non-current assets classified as held for sale or discontinued operations.

IFRS 8 "Operating Segments"

The amendment provides clarifications on the disclosure of information about segment assets.

IAS 1 "Presentation of Financial Statements"

The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current.

IAS 7 "Statement of Cash Flows"

The amendment requires that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities.

IAS 17 "Leases"

The amendment provides clarification as to the classification of leases of land and buildings as either finance or operating.

IAS 18 "Revenue"

The amendment provides additional guidance regarding the determination as to whether an entity is acting as a principal or an agent.

IAS 36 "Impairment of Assets"

The amendment clarifies that the largest cash-generating unit to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 (that is before the aggregation of segments).

IAS 38 "Intangible Assets"

The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

IAS 39 "Financial Instruments: Recognition and Measurement"

The amendments relate to (a) clarification on treating loan pre-payment penalties as closely related derivatives, (b) the scope exemption for business combination contracts and (c) clarification that gains or losses on cash flow hedge of a forecast transaction should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss.

IFRIC 9 "Reassessment of Embedded Derivatives" (effective for annual periods beginning on or after 1 July 2009)

The amendment clarifies that IFRIC 9 does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities under common control.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" (effective for annual periods beginning on or after 1 July 2009)

The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity within the group, including the foreign operation itself, as long as certain requirements are satisfied.

Consolidated financial statements

(a) Business combinations and subsidiaries

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the sum of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquiree plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Subsidiaries, which are those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Purchases of minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary. In case of sale of minority interests, any gain or loss is recorded in the income statement. From 1st January 2010, the Group will apply the amended IAS 27, which requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless cost cannot be recovered.

The Company accounts for investments in subsidiaries in its stand alone financial statements at cost less impairment.

(b) Joint ventures

Joint ventures or jointly controlled entities are accounted for by proportional consolidation. The Group combines its share in the joint venture on a line-by-line basis in the financial statements.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, the loss is recognised immediately.

Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company accounts for investments in joint ventures in its stand alone financial statements at cost less impairment.

(c) Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but which it does not control. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified in acquisition.

Under this method the Group's share of the post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The Group's investment in associates includes goodwill (net of accumulated amortisation) on acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless the Group has incurred obligations or made payments on behalf of the associates.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company accounts for investments in associates in its stand alone financial statements at cost less impairment.

Segmental reporting

The segments are determined on the basis of internal information reviewed by the management of the Group and are reported in the financial statements based on this internal component classification.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euros, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(1) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(2) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(3) All resulting exchange differences are recognised as a separate component of equity and are transferred to income statement upon disposal of these entities. .

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Investment property

Investment property, principally comprising land and buildings, is held by the Group for long-term rental yields. Investment property is measured at cost less depreciation. When the carrying amounts of the investment property exceed their recoverable amounts, the difference (impairment) is charged directly in the income statement.

The Company classifies all land and buildings rented to subsidiaries as investment property in its stand alone financial statements.

Property, plant and equipment

All property, plant and equipment ("PPE") is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on PPE is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, in order to write down the cost in its residual value. The expected useful life of property, plant and equipment is as follows:

- Buildings	33 - 34	Years
- Machinery, installations and equipment	10	Years
- Motor vehicles	5 - 7	Years
- Telecommunications equipment	5 - 10	Years
- Other equipment	5 - 10	Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

When the carrying amount of the asset is higher than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in the income statement.

In case of sale of property, plant and equipment, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the income statement.

Finance costs are recognized in the income statement in the period in which they arise.

Leases

(a) Finance leases

Leases of property, plant and equipment whereby the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. If there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

(b) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Goodwill

Goodwill is not amortized but is tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Goodwill acquired on a business combination is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Impairment is determined by assessing the recoverable amount of the cash-generating units, which are related to goodwill.

If the carrying amount of the cash-generating unit, including goodwill that has been allocated, exceeds the recoverable amount of the unit, impairment is recognized.

Gains and losses on the disposal of a cash-generating unit to which goodwill has been allocated include the carrying amount of goodwill relating to the part sold. The amount of goodwill attributable to the part sold is determined by the relative values of the part sold and the part of the cash-generating unit retained.

Goodwill on business combinations has been allocated and is monitored by the Group on the basis of the cash-generating units which have been identified according to the provisions of IAS 36 "Impairment of Assets". The Group has performed impairment tests, at a Group level, on cash-generating units to which goodwill has been allocated, and no impairment loss has resulted.

Intangible assets

The caption 'intangible assets' includes:

a) Computer software: Purchased computer software is stated at historical cost less subsequent amortisation. Amortisation is calculated using the straight-line method over the useful economic lives, not exceeding a period of 3-8 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group (internally-generated software), are recognised as part of intangible assets. Direct costs include materials, staff costs of the software development team and an appropriate portion of relevant overheads. Internally-generated software is amortised using the straight-line method over its useful live, not exceeding a period of 5-10 years.

b) Customer acquisition costs: they relate to one-off connection fees as well as commissions paid for the acquisition of new customers of the subsidiary company Hellas online and are amortised over 12 months, which is the contract period with the customer.

c) Customer relationships: they relate to amounts recognised on the acquisition of the subsidiary companies Hellas online SA, Attica Telecommunications SA and IT Services Denmark A/S and they are amortised over a period of 9, 10 and 10 years respectively.

d) Trade name: it mainly relates to asset recognised on the acquisition of the subsidiary company Hellas online SA. The trade name has an indefinite useful life.

Impairment of assets

(i) Non financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually and whenever events indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment at each balance sheet date and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arms' length transaction between knowledgeable, willing parties, less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(ii) Financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

The financial assets that are reviewed for impairment (provided that the relative indications exist) are assets stated at cost (investments in subsidiaries and associates in the balance sheet of the parent company), assets measured at amortised cost based on the effective interest rate method (non-current receivables) and available for sale investments.

The recoverable amount of investments in subsidiaries and associates is determined in the same way as for non-financial assets.

For the purposes of impairment testing of the other financial assets the recoverable amount is determined based on the present value of future cash flows, discounted using the original asset-specific rate or a rate of a similar financial asset. Any resulting impairment losses are recognised in the income statement.

Financial assets

The Group classifies its investments in the following categories. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value trough profit or loss

This category refers to financial assets acquired principally for the purpose of selling in the short term or if so designated by Management. Derivatives are also categorised as held for trading unless they are designated as hedges. If these assets are either held for trading or are expected to be realised within 12 months of the balance sheet date these assets are classified as current assets.

(b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

Loans and receivables are carried at amortised cost using the effective interest method.

(c) Held-to-maturity investments

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

(d) Available-for-sale financial assets

These are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in equity. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities. Impairment losses recognised in the income statement are not reversed through profit or loss.

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

The fair values of quoted investments are based on year-end bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. In cases where the fair value cannot be measured reliably, investments are measured at cost.

Derivative financial instruments and hedge accounting

The Group uses derivatives to hedge interest rate risks. These derivatives are initially recognised on balance sheet at fair value on the date the contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices and discounted cash flow models.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The Group designates derivatives as either fair value hedges or cash flow hedges when the required criteria are met. For derivatives that do not meet the conditions for hedge accounting, gains or losses from changes in the fair value are included in the income statement.

The Group designates derivatives, for the purposes of hedge accounting, as:

- Fair value hedges when they are used to hedge the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when they are used to hedge the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.
- Hedges of net investment in a foreign operation

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity in relation to cash flow hedges are recycled in the income statement in the periods when the hedged item will affect profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

The derivative financial instruments of the Group at 31 December 2009 include interest rate swaps (IRS) and interest rate caps for which cash flow hedge accounting is applied.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished and semi-finished goods, by-products and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses and in case of work-in-progress estimated costs to completion.

Provisions for slow-moving or obsolete inventories are formed when necessary.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

Factoring

Trade and other receivables are reduced by the amounts that have been received in advance under factoring agreements without recourse.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Non-current assets held for sale and discontinued operations

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The basic criteria to classify a non-current asset (or disposal group) as held for sale are that it must be available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets and its sale must be highly probable.

For the sale to be highly probable:

- the appropriate level of management must be committed to a plan to sell the asset (or disposal group)
- an active programme to locate a buyer and complete the plan must have been initiated
- the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value
- the sale should be expected to be completed within one year from the date of classification
- the actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Immediately prior to initial classification of a non current asset (or disposal group) as held for sale, the asset (or the assets and liabilities included in the disposal group) will be measured in accordance with the applicable IFRSs.

Non-current assets (or disposal groups) that are classified as assets held for sale are stated at the lower of carrying amount and fair value less costs to sell and any possible resulting impairment losses are recognised in the income statement. Any subsequent increase in fair value will be recognised in the income statement, but not in excess of the cumulative impairment loss which was previously recognised.

While a non-current asset (or non-current assets that are included in a disposal group) is classified as held for sale, it should not be depreciated or amortised.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown after the reduction of the relative income tax in reduction to the product of issue. Incremental costs directly attributable to the issue of new shares for the acquisition of other entities are included in the cost of acquisition of the new company.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs

All borrowing costs are recognized in the income statement as incurred.

Current income tax

Current income tax is computed based on the separate financial statements of each of the entities included in the consolidated financial statements, in accordance with the tax rules in force in Greece and other tax jurisdictions in which foreign subsidiaries operate. Current income tax expense consists of income taxes for the current year based on each entity's profits as adjusted in its tax returns and additional income taxes to cover potential tax assessments which are likely to occur from tax audits by the tax authorities, using the enacted tax rates.

Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date.

Employee benefits

(a) Pension obligations

The Group contributes to both defined benefit and defined contribution plans.

The regular contributions for defined contribution plans constitute net periodic costs for the year in which they are due and as such are included in staff costs.

The liability in respect of defined benefit pension or retirement plans is the present value of the defined benefit obligation at the balance sheet date minus the fair value of plan assets (where funded) together with adjustments for actuarial gains/ losses and past service cost. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

Cumulative actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are spread to income over the employees' expected average remaining working lives. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Where there is uncertainty about the number of employees who will accept an offer of termination benefits, the Group discloses information about the contingent liability.

(c) Share-based plans

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Provisions

Provisions are recognized when:

1. There is present legal or constructive obligation as a result of past events
2. It is probable that an outflow of resources will be required to settle the obligation
3. The amount can be reliably estimated.

(a) Warranties

The Group recognizes a provision that represents the present value of the estimated liability for the repair or replacement of guaranteed products or concerning the delivery of projects / rendering of services at the balance sheet date. This provision is calculated on the basis of historical facts over repairs and replacements.

(b) Compensated absences

The claims over compensated absences are recognized as incurred. The Group recognizes the expected cost of short-term employee benefits in the form of compensated absences based on their unused entitlement at the balance sheet date.

(c) Loss-making contracts

The Group recognizes a provision with an immediate charge to the income statement for loss-making construction contracts or long-term service contracts when the expected revenues are lower than the unavoidable expenses which are estimated to arise in order that the contract commitments are met.

Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

(a) Sales of goods

Sales of goods are recognized when a Group entity has delivered products to the customer; the customer has accepted the products; and collectibility of the related receivables is reasonably assured.

(b) Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to the stage of completion of the specific service. The stage of completion is assessed on the basis of the costs of the actual services provided until the balance sheet date as a proportion of the costs of the total estimated services to be provided under each contract. Costs of services are recognized in the period incurred. When the services to be provided under a contract cannot be reliably estimated, revenue is recognized only to the extent of costs incurred that are possibly recoverable.

(c) Construction contracts

Revenue from fixed price contracts are recognized, as long as the contract outcome can be estimated reliably, on the percentage of completion method, measured by reference to the percentage of labour hours incurred to date to estimated total labour hours for each contract.

Revenue from cost plus contracts is recognized by reference to the recoverable costs incurred during the period plus the fee earned, measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

(d) Interest

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate. Subsequently, interest is recognized on the impaired value.

(e) Dividends

Dividends are recognized when the right to receive payment is established.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares held as treasury shares.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company (after deducting interest on convertible shares, net of tax) by the weighted average number of ordinary shares outstanding during the year (adjusted for the effect of dilutive convertible shares).

Roundings

Differences between amounts presented in the financial statements and corresponding amounts in the notes result from roundings.

(All amounts in €'000)

3. Financial risk managment

Financial risk factors

INTRACOM S.A., being a Greek multinational company, is exposed to a variety of financial risks, including market risk (the effects of changes in foreign currency exchange rates, cash flow and fair value risk from changes in interest rates and market prices), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group as a whole.

The financial liabilities of the Group include short-term bank loans, long-term bank loans, bond loans and finance lease agreements, through which the Group finances its working capital and capital expenditure needs. Moreover, the Group manages financial assets, mainly short-term bank deposits arising from operating activities.

Derivative financial instruments are used exclusively for the hedging of interest or exchange rate risk, since according to the approved policy, speculative use is not permitted.

In summary, the financial risks that arise are analyzed below.

(a) Market risk

Foreign exchange risk

The foreign exchange risk of the Group is limited, since for most of the foreign currency receivables, there are corresponding payables in the same currency. Almost all foreign currency contracts for both assets and liabilities are denominated in USD.

In cases where natural hedge is not adequate due to large amounts of foreign currency payables, the Group may convert part of the borrowings to that currency or may use forward currency contracts.

The Group's policy is to maintain a minimum amount of cash in foreign currency, to meet short-term liabilities in that currency.

The following table presents the sensitivity of the Group's net profit in possible fluctuations of the foreign exchange rates for the years 2009 and 2008. This analysis takes into consideration borrowings and cash and cash equivalents of the Group, as well as trade receivables and payables in USD as at 31st December 2009 and 2008 respectively.

Increase in EUR/USD rate by	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
3,00%	54	(114)
6,00%	108	(228)
9,00%	161	(342)
12,00%	215	(456)

The following table presents the sensitivity of the Company's net profit in possible fluctuations of the foreign exchange rates for the years 2009 and 2008. This analysis takes into consideration borrowings and cash and cash equivalents of the Company, as well as trade receivables and payables in USD as at 31st December 2009 and 2008 respectively.

(All amounts in €'000)

Increase in EUR/USD rate by	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
3,00%	(29)	(33)
6,00%	(57)	(67)
9,00%	(86)	(100)
12,00%	(114)	(133)

Price risk

The Group has limited exposure to changes in the prices of the shares held either for trading or as available for sale financial assets.

Cash flow and fair value interest rate risk

The interest-rate risk arises mainly from the fact that almost all of the Group's borrowings carry floating interest rates. The Group assesses that during the current year, interest rate risk is limited since it is expected that interest rates will either remain stable or increase slightly in the medium-term. At the same time, the Group assesses the possibility for converting part of the borrowings to fixed rate.

The following tables present the sensitivity of the Group's net profit in possible fluctuations of the interest rates for the years 2009 and 2008. The analysis takes into consideration borrowings and cash and cash equivalents of the Group as at 31st December 2009 and 2008 respectively.

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
25,00	(702)	(697)
50,00	(1.404)	(1.394)
75,00	(2.107)	(2.091)
100,00	(2.809)	(2.789)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
25,00	8	15
50,00	16	29
75,00	24	44
100,00	31	58

(All amounts in €'000)

The following tables present the sensitivity of the Company's net profit in possible fluctuations of the interest rates for the years 2009 and 2008. The analysis takes into consideration borrowings and cash and cash equivalents of the Company as at 31st December 2009 and 2008 respectively.

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
25,00	(26)	(30)
50,00	(52)	(60)
75,00	(78)	(90)
100,00	(105)	(120)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net profit 31/12/2009	Effect on net profit 31/12/2008
25,00	3	5
50,00	7	9
75,00	10	14
100,00	14	19

(b) Credit risk

The sales transactions of the Group are made to private companies and public sector organisations with an appropriate credit history, with which in many cases there is a long standing relationship. In cases that vendor financing to an overseas customer is required, the Group insures its credit risk via the Export Credit Insurance Organisation (ECIO). As a result, the risk of doubtful debts is considered limited.

Regarding credit risk related to cash deposits, the Group collaborates only with financial institutions of high credit rating.

(c) Liquidity risk

Each subsidiary draws up and monitors on a monthly basis a cash flow schedule that includes the operating as well as the investing cash flows. All subsidiaries submit to Intracom Holdings on a weekly basis a detailed report of their cash and credit position, in order that an effective monitoring and co-ordination on a group level is achieved.

(All amounts in €'000)

Prudent liquidity management is achieved by an appropriate combination of cash and cash equivalents and approved bank facilities. The Group manages the risks that may arise from lack of adequate liquidity by ensuring there are always approved bank facilities for use. The available undrawn borrowing facilities to the Group, are sufficient to address any potential shortfall in cash.

On 31 December 2009 current and non-current borrowings of the Group amounted to 49% and 51% of total borrowings respectively. These ratios result from the achievement of the objectives set during previous years regarding the replacement of short-term borrowings with medium-term bond loans.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital.

Group's capital is considered sufficient on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less 'cash and cash equivalents'. Total capital employed is calculated as 'equity attributable to Company's equity holders' as shown in the consolidated balance sheet plus net debt.

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Total borrowings (Note 23)	340.640	332.315	15.894	19.294
Less: Cash and cash equivalents (Note 20)	(64.641)	(58.682)	(10.146)	(11.064)
Net borrowings	**275.999**	**273.633**	**5.748**	**8.230**
Equity	500.495	468.487	468.261	480.251
Total capital employed	**776.495**	**742.120**	**474.010**	**488.481**
Gearing ratio	35,54%	36,87%	1,21%	1,68%

Fair value estimation

Effective 1st January 2009, the Group adopted the amendment to IFRS 7 for financial instruments that are measured in the balance sheet at fair value. This amendment requires disclosures of fair value measurements by level of a fair value measurement 3-level hierarchy.

On 31 December 2009 the Group had:
- Financial assets at fair value through profit or loss of €298 which are classified in Level 1.
- Derivative financial instruments of €436 which are classified in Level 2.
- Available-for-sale financial assets out of which €2.222 are classified in Level 1 and €10.340 are classified in Level 3.

The fair value of financial instruments traded in active markets is based on quoted market rates at the balance sheet date ('Level 1').

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on observable market data at the balance sheet date ('Level 2').

If the fair values of financial instruments that are not traded in an active market are based on valuation methods and assumptions that are not mainly based on observable market data, the instruments are classified in Level 3. Investments in shares, which are not publicly traded and for which the fair value cannot be reliably estimated, are presented at cost less impairment. There were no significant changes in the instruments included in Level 3 during the year.

4. Critical accounting estimates and judgments

Estimates and judgements 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 Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims.

- The Group uses the percentage of completion method of IAS 11 in order to recognise revenue from construction contracts. Revenue is recognised by reference to the stage of completion of the project at the balance sheet date, based on actual amounts compared to total estimated amounts. Possible adjustments to total estimated contract costs and revenues are taken into consideration in the period in which they arise.

- The Group tests annually whether goodwill has suffered any impairment. This tests are based either on discounted cash flows (value in use) of cash generating units, or on fair values less costs to sell.

5. Segment information

At 31 December 2009, the Group is organised into five segments:

1. Telecommunications systems
2. Technology solutions for government and banking sector
3. Defence systems
4. Construction
5. Telecom operations

(All amounts in €'000)

The segment information for the year ended 31 December 2009 is as follows:

	Telecommunications systems	Technology solutions for government and banking sector	Defence systems	Construction	Telecom operations	Other	Total
Total sales	13.391	137.425	43.237	210.162	157.993	5.683	567.890
Inter-segment sales	-	(7.583)	(7)	(9.965)	(209)	(2.712)	(20.476)
Sales from external customers	**13.391**	**129.842**	**43.230**	**200.197**	**157.784**	**2.970**	**547.414**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**(1.332)**	**10.126**	**3.345**	**7.893**	**53.669**	**3.522**	**77.223**
Depreciation (note 29)	(370)	(2.635)	(2.303)	(3.866)	(50.574)	(3.415)	(63.162)
Impairment of receivables (note 29)	(149)	(267)	-	(2.400)	(3.239)	(112)	(6.166)
Impairment of inventory (note 29)	-	-	(543)	-	(239)	-	(783)
Impairment of investment property and intangibles assets (note 32)	-	(928)	-	-	(2.285)	(1.579)	(4.791)
Finance income (note 33)	110	57	51	361	132	1.552	2.264
Finance expenses (note 33)	(155)	(3.485)	(469)	(5.389)	(10.281)	(1.779)	(21.558)
Share of (loss) / profit of associates	(2.130)	-	-	2.059	-	(6)	(78)
Income tax	-	(1.239)	(287)	(1.020)	6.256	(976)	2.733
Total assets	**116.694**	**156.657**	**119.948**	**250.493**	**422.110**	**142.911**	**1.208.812**
Total assets include:							
Invetsments in associates (note 11)	112.412	-	-	904	-	-	113.316
Additions to PPE , intangibles and investment property (notes 6, 8 and 9)	64	7.766	903	4.195	78.398	1.712	93.038
Total liabilities	**3.236**	**114.610**	**33.480**	**170.920**	**359.861**	**26.210**	**708.317**

The segment information for the year ended 31 December 2008 is as follows:

	Telecommunications systems	Technology solutions for government and banking sector	Defence systems	Construction	Telecom operations	Other	Total
Total sales	27.119	140.854	65.298	166.654	102.541	5.691	508.158
Inter-segment sales	-	861	-	-	-	-	861
Sales from external customers	**27.119**	**141.715**	**65.298**	**166.654**	**102.541**	**5.691**	**509.019**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	379	6.972	5.563	7.912	(2.870)	(32.218)	(14.261)
Depreciation (note 29)	(509)	(2.468)	(2.491)	(3.944)	(26.508)	(3.537)	(39.458)
Impairment of receivables (note 29)	-	(2.100)	-	(1.739)	(4.084)	(56)	(7.979)
Impairment of inventory (note 29)	-	-	(361)	-	(100)	-	(461)
Finance income (note 33)	166	132	85	873	53	2.474	3.782
Finance expenses (note 33)	(195)	(9.012)	250	(6.088)	(12.465)	(2.497)	(30.009)
Share of (loss) / profit of associates	(1.042)	-	-	296	0	(8)	(753)
Income tax	-	(580)	(358)	(888)	(25)	(844)	(2.696)
Total assets	**122.624**	**151.138**	**115.988**	**234.157**	**348.430**	**172.360**	**1.144.698**
Total assets include:							
Invetsments in associates (note 11)	114.930	-	-	1.272	-	195	116.397
Additions to PPE, intangibles and investment property (notes 6, 8 and 9)	55	4.116	2.695	8.016	92.366	8.685	115.934
Total liabilities	**4.646**	**114.967**	**29.076**	**158.342**	**334.650**	**34.530**	**676.211**

The activities of the parent company Intracom Holdings SA, as well as its assets and liabilities are included under the column 'Other'. The assets consist primarily of property, plant and equipment and investment property.

(All amounts in €'000)

The reconciliation of earnings before interest, tax, depreciation and amortization (EBITDA) to losses before tax is as follows:

	31/12/2009	31/12/2008
Earnings before interest, tax, depreciation and amortisation (EBITDA)	77.223	(14.261)
Depreciation	(63.162)	(39.458)
Finance cost - net (note 33)	(19.294)	(26.226)
Loss from associates	(78)	(753)
Loss before income tax	**(5.311)**	**(80.699)**

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Information per geographical area:

Sales	1/1 - 31/12/2009	1/1 - 31/12/2008
Greece	369.382	344.314
European Community	143.471	130.577
Other European countries	3.099	1.394
Other countries	31.461	32.734
Total	**547.414**	**509.019**

Non-current assets*	31/12/2009	31/12/2008
Greece	665.823	607.822
European Community	6.463	8.891
Other countries	4.763	2.949
Total	**677.049**	**619.662**

* Includes property, plant and equipment (PPE), investment property, intangible assets, goodwill and investments in associates.

Sales are allocated based on the country in which the customer is located. Assets are allocated based on their geographical location.

Sales per category	1/1 - 31/12/2009	1/1 - 31/12/2008
Sales of products	7.823	72.282
Sales of goods	56.951	33.449
Revenue from services	305.800	264.078
Revenue from construction contracts	176.839	139.208
Total	**547.414**	**509.019**

(All amounts in €'000)

6. Property, plant and equipment

Group

	Land - buildings	Machinery	Vehicles	Telecommunications Equipment	Furniture & other equipment	Prepayments and assets under construction	Total
Cost							
Balance at 1 January 2008	140.389	37.481	3.526	109.897	32.190	38.126	361.609
Exchange differences	(139)	(134)	(71)	-	(36)	(13)	(393)
Additions	685	5.147	702	36.240	1.208	41.108	85.089
Acquisition of subsidiaries	-	1.467	20	-	6	-	1.494
Disposals	(1.212)	(954)	(400)	(978)	(296)	(12)	(3.851)
Transfer to investment property (Note 9)	(272)	-	-	-	-	-	(272)
Reclassifications	203	196	61	55.877	(551)	(60.206)	(4.419)
Balance at 31 December 2008	139.654	43.203	3.838	201.036	32.521	19.003	439.255
Balance at 1 January 2009	139.654	43.203	3.838	201.036	32.521	19.003	439.255
Exchange differences	(71)	34	(41)	(16)	(9)	(8)	(109)
Additions	398	3.461	168	19.950	564	31.140	55.681
Acquisition of subsidiaries / businesses (Note 38)	692	2.526	1	28.429	21	1.150	32.819
Disposals	(3.485)	(6.953)	(834)	(500)	(2.583)	(33)	(14.388)
Transfer to investment property (Note 9)	(5.332)	-	-	-	-	-	(5.332)
Reclassifications	999	2.307	-	44.305	(2.159)	(45.451)	
Transfer to assets held for sale (Note 37)	(333)	(643)	(94)	-	(118)		(1.188)
Balance at 31 December 2009	132.522	43.935	3.037	293.204	28.237	5.801	506.737
Accumulated depreciation							
Balance at 1 January 2008	19.599	18.851	1.496	20.888	23.378	-	84.212
Exchange differences	(12)	(110)	(42)	4	(44)	-	(205)
Depreciation	2.340	3.704	472	15.463	2.444	-	24.423
Disposals	(1.211)	(727)	(223)	(733)	(256)	-	(3.150)
Reclassifications	-	9	24	321	(354)	-	-
Transfer from / (to) investment property (Note 9)	122	-	-	-	-	-	122
Balance at 31 December 2008	20.837	21.726	1.727	35.943	25.169	-	105.401
Balance at 1 January 2009	20.837	21.726	1.727	35.943	25.169	-	105.401
Exchange differences	(5)	42	(16)	(8)	(2)	-	10
Depreciation	2.486	3.698	447	26.363	1.946	-	34.941
Disposals	(555)	(4.122)	(707)	(449)	(2.491)	-	(8.324)
Reclassifications	-	1.717	-	59	(1.776)	-	-
Transfer to investment property (Note 9)	(16)	-	-	-	-	-	(16)
Transfer to assets held for sale (Note 37)	(16)	(608)	(59)	-	(89)	-	(771)
Balance at 31 December 2009	22.732	22.454	1.392	61.907	22.756	-	131.241
Net book amount at 31 December 2008	**118.817**	**21.477**	**2.111**	**165.093**	**7.352**	**19.003**	**333.853**
Net book amount at 31 December 2009	**109.790**	**21.481**	**1.645**	**231.297**	**5.481**	**5.801**	**375.496**

The above table includes assets held under finance lease as follows:

	Telecommunications Equipment	Machinery	Vehicles	Furniture & other equipment	Total
31/12/2008					
Cost	13.548	6.789	988	4	21.329
Accumulated depreciation	(1.628)	(3.895)	(199)	(2)	(5.725)
Net book amount	**11.920**	**2.894**	**789**	**2**	**15.604**
31/12/2009					
Cost	15.620	5.171	934	-	21.724
Accumulated depreciation	(2.679)	(1.591)	(268)	-	(4.538)
Net book amount	**12.941**	**3.580**	**665**	**-**	**17.186**

(All amounts in €'000)

Company

	Land - buildings	Machinery	Vehicles	Furniture & other equipment	Prepayments and assets under construction	Total
Cost						
Balance at 1 January 2008	40.890	899	135	8.616	-	50.539
Additions	343	1		26	24	393
Disposals	-	(2)	(4)	(39)	-	(45)
Transfer from investment property (Note 9)	1.840	-	-	-	-	1.840
Reclassifications	24	-	-	-	(24)	-
Balance at 31 December 2008	**43.096**	**898**	**131**	**8.603**	**-**	**52.728**
Balance at 1 January 2009	43.096	898	131	8.603	-	52.728
Additions	324	2	8	5	33	373
Disposals	(3.348)	(10)	(11)	(225)	(33)	(3.627)
Transfer to investment property (Note 9)	(6.721)	-	-	-	-	(6.721)
Balance at 31 December 2009	**33.351**	**891**	**128**	**8.383**	**-**	**42.753**
Accumulated depreciation						
Balance at 1 January 2008	5.425	735	89	5.026	-	11.274
Depreciation charge	640	59	14	678	-	1.391
Disposals	-	(2)	(4)	(37)	-	(42)
Transfer from investment property (Note 9)	236	-	-	-	-	236
Balance at 31 December 2008	**6.301**	**792**	**100**	**5.667**	**-**	**12.859**
Balance at 1 January 2009	6.301	792	100	5.667	-	12.859
Additions	756	31	15	619	-	1.421
Disposals	(514)	(10)	(7)	(186)	-	(717)
Balance at 31 December 2009	**6.543**	**813**	**107**	**6.100**	**-**	**13.564**
Net book amount at 31 December 2008	**36.796**	**107**	**31**	**2.936**	**-**	**39.869**
Net book amount at 31 December 2009	**26.808**	**78**	**21**	**2.282**	**-**	**29.190**

(All amounts in €'000)

7. Goodwill

	Group
Balance at 1 January 2008	54.695
Acquisition of subsidiaries / businesses	3.564
Balance at 31 December 2008	**58.259**
Balance at 1 January 2009	58.259
Acquisition of businesses	7.529
Balance at 31 December 2009	**65.788**

Goodwill resulted from the acquisition of the companies listed below and is allocated to cash generating units (CGUs) as follows:

	31/12/2009	31/12/2008
Intrasoft International SA	11.361	11.361
Hellas online AE (Note 10)	30.219	23.016
Attica Telecommunications SA	18.107	18.107
IT Services Denmark A/S	2.210	2.210
Intrakat s.a.- construction segments	3.564	3.564
Prisma - Domi ATE (Note 38)	326	-
	65.788	**58.259**

The Group, in order to determine whether there is goodwill impairment as at 31 December 2009, performed the relevant impairment tests, at Group level, on cash generating units (CGUs) to which goodwill has been allocated, and no impairment loss resulted.

The recoverable amount of goodwill from Intrasoft International SA and IT Services Denmark A/S was determined using comparable company indicators. This approach takes into consideration among others, the risk profile and the growth prospects of a selected sample of comparable listed companies.

The recoverable amount of goodwill from Hellas online SA and Intrakat SA was calculated based on the quoted stock prices.

The recoverable amount of goodwill from Attica Telecommunications SA was determined based on value-in-use calculations. The value-in-use reflects the present value of future expected cash flows of the CGU discounted at a rate that reflects the time value of money and the risks associated with the CGU. The activity of the subsidiary is the CGU. The key assumptions used are gross margin of 85%, growth rate in perpetuity of 2.5% and discount rate of 9.7%.

(All amounts in €'000)

8. Intangible assets

Group

	Software	Internally-generated software	Customer acquisition costs	Trade name	Customers Relationships	Other	Total
Cost							
Balance at 1 January 2008	51.037	5.619	4.417	7.671	14.719	1.122	84.585
Exchange differences	(80)	1	-	-	-	(35)	(115)
Additions	9.739	977	11.709	-	-		22.425
Disposals	(5.976)	(4.065)	-	-	-	(50)	(10.091)
Reclassifications	4.419	-	-	-	-	-	4.419
Balance at 31 December 2008	59.140	2.532	16.126	7.671	14.719	1.037	101.224
Balance at 1 January 2009	59.140	2.532	16.126	7.671	14.719	1.037	101.224
Exchange differences	(28)	(1)	-	2		(11)	(37)
Additions	8.079	3.583	23.989	-	1.705	1	37.357
Disposals	(1.103)	(33)	-	-	-	-	(1.137)
Impairment	(4.576)	-	-	-	-	-	(4.576)
Additions from acquisitions (Note 38)	9.460	-	-	-	-	-	9.460
Transfer to assets held fos sale (Note 37)	(1.422)	-	-	-	-	(699)	(2.121)
Reclassifications	(432)	434	10	-	-	(12)	-
Balance at 31 December 2009	69.117	6.514	40.126	7.672	16.424	317	140.170
Accumulated depreciation							
Balance at 1 January 2008	38.337	3.640	2.748	-	1.054	931	46.709
Exchange differences	(72)	1	-	-		29	(42)
Amortisation charge	5.523	619	6.406	-	1.770	91	14.408
Disposals	(5.032)	(2.798)	-	-	-	(50)	(7.880)
Balance at 31 December 2008	38.756	1.462	9.154	-	2.823	1.000	53.196
Balance at 1 January 2009	38.756	1.462	9.154	-	2.823	1.000	53.196
Exchange differences	(15)	(1)		-		(10)	(25)
Amortisation charge	6.893	17	18.892	-	1.840	18	27.660
Disposals	(1.083)	-	-	-	-	-	(1.083)
Impairment	(2.291)	-	-	-	-	-	(2.291)
Transfer to assets held fos sale (Note 37)	(1.419)	-	-	-	-	(699)	(2.118)
Reclassifications	541	(540)	10	-	-	(12)	-
Balance at 31 December 2009	41.382	939	28.057	-	4.663	298	75.338
Net book amount at 31 December 2008	**20.384**	**1.070**	**6.972**	**7.671**	**11.896**	**37**	**48.029**
Net book amount at 31 December 2009	**27.735**	**5.576**	**12.069**	**7.672**	**11.761**	**19**	**64.832**

The impairment charge of €2.285 relates to software of the branch of the subsidiary Hellas online. The branch has ceased operations in early December 2009.

(All amounts in €'000)

Company

	Software	Internally-generated software	Total
Cost			
Balance at 1 January 2008	8.055	4.065	12.120
Disposals	(5.921)	(4.065)	(9.986)
Balance at 31 December 2008	2.134	-	2.134
Balance at 1 January 2009	2.134	-	2.134
Disposals	(161)	-	(161)
Balance at 31 December 2009	1.973	-	1.973
Accumulated depreciation			
Balance at 1 January 2008	6.077	2.390	8.466
Amortisation charge	705	408	1.113
Disposals	(4.867)	(2.798)	(7.665)
Balance at 31 December 2008	1.915	-	1.915
Balance at 1 January 2009	1.915	-	1.915
Amortisation charge	191		191
Disposals	(141)	-	(141)
Balance at 31 December 2009	1.964		1.965
Net book amount at 31 December 2008	**219**	**-**	**219**
Net book amount at 31 December 2009	**8**	**-**	**8**

(All amounts in €'000)

9. Investment property

	Group	Company
Cost		
Balance at 1 January 2008	54.239	63.098
Exchange differences	90	-
Additions	8.420	7.683
Acquisition of subsidiaries/ businesses	4.815	-
Transfer from / (to) PPE (Note 6)	272	(1.840)
Balance at 31 December 2008	67.837	68.941
Balance at 1 January 2009	67.837	68.941
Exchange differences	(108)	-
Acquisition of subsidiaries/ businesses (Note 38)	1.275	-
Transfer to assets held for sale (Note 37)	(7.369)	-
Disposals	(1.683)	(960)
Impairment	(2.506)	(1.579)
Transfer from PPE (Note 6)	5.332	6.721
Balance at 31 December 2009	62.777	73.123
Accumulated depreciation		
Balance at 1 January 2008	4.190	7.854
Exchange differences	17	-
Transfer to PPE (Note 6)	(122)	(236)
Depreciation charge	627	873
Balance at 31 December 2008	4.712	8.491
Balance at 1 January 2009	4.712	8.491
Exchange differences	11	-
Transfer from PPE (Note 6)	16	-
Depreciation charge	561	764
Disposals	(141)	(141)
Balance at 31 December 2009	5.160	9.114
Net book amount at 31 December 2008	**63.125**	**60.450**
Net book amount at 31 December 2009	**57.618**	**64.009**

Rental income from investment properties for 2009 amounted to €2.072 and €3.180 for the Group and the Company respectively (2008: €2.087 and €3.113 for the Group and the Company respectively).

(All amounts in €'000)

10. Investments in subsidiaries

The movement in investments in subsidiaries is analyzed as follows:

	Company	
	31/12/2009	**31/12/2008**
Balance at the beginning of the year	247.019	223.982
Additions / Share capital increases	1.000	25.708
Treasury shares (Note 21)	498	-
Disposals/ Share capital decreases	-	(2.671)
Impairment	(11.430)	-
Balance at the end of the year	**237.088**	**247.019**

The interests held in subsidiaries and their carrying amounts at 31 December are as follows:

		31/12/2009		31/12/2008	
Name	**Country of incorporation**	**% interest held**	**Carrying value**	**% interest held**	**Carrying value**
Intracom SA Information Technology	Greece	100%	52.269	100%	52.095
Intracom SA Defence Electronic Systems	Greece	100%	71.013	100%	70.860
Intrakat SA	Greece	61,76%	21.892	61,76%	21.721
Intracom Holdings International Ltd	Cyprus	100%	6.829	100%	17.259
Hellas on Line SA	Greece	49,25% (*)	85.084	80,58%	85.084
			237.088	**Total**	**247.019**

(*) The total shareholding at 31 December 2009 is 53,40% through the participation of subsidiaries of the Group.

The above list contains only the direct investments in subsidiaries. A list of all the direct and indirect interests in subsidiaries is presented in note 43.

Year 2009

Hellas online SA

(a) On 10 March 2009 the share capital increase of the subsidiary company Hellas online ("HoL") was completed through the issuance of 31.692.308 new common shares at € 1,60 each, following the decision of the Extraordinary General Meeting of the company's shareholders on 12/12/2008 for the increase of share capital through cash and with pre-emption rights in favor of existing shareholders. Intracom Holdings SA and Intracom IT Services SA did not participate in the share capital increase of the subsidiary company. The Company sold its pre-emption rights to third parties with net proceeds of €764.

Net proceeds from the share capital increase of the subsidiary to third parties amounted to €49.823 (total proceeds €50.708 and expenses on issue of share capital €885) and have resulted in an increase to the minority interests in the statement of changes in equity.

Prior to the share capital increase of the subsidiary, the percentage interest held by the Group in Hellas online was 84,17%. Following the share capital increase, the Group's interest dropped to 63,13%, out of which 60,43% is held directly and 2,7% is held indirectly, through its 100% subsidiary company Intracom IT Services.

Due to the change in the interest holdings, the Group recorded a gain of €33.630 which is included in the profit of the current period with a corresponding change in the minority interests. Total gain for the Group amounted to €34.394, which includes the gain of €764 from the sale of the pre-emption rights.

(b) During the last quarter of 2009 the Group acquired an interest of 2,39% in its subsidiary Hellas online through the acquisition of a company by a subsidiary company of the Group. This transaction resulted in the reduction of minority interests by €398 and the recognition of goodwill amounting to €7.203.

(c) On 28 December 2009, the Minister of Economy, Competitiveness and Marine approved the acquisition of Vodafone's business sector of fixed line and broadband services (DSL) by the subsidiary HoL (see note 38).

The share capital increase was completed on 2 February 2010 and the corresponding 28,775,838 new shares of HoL, which account for 18.5% of the issued share capital, are traded on the Athens Stock Exchange since that date.

Management considers that the date of acquisition of the sector is 28 December 2009. The fair value of the issued shares at that date amounted to € 34.531 (see note 38). This amount has increased minority interests in the statement of changes in equity.

Following the share capital increase, the Group's interest is 53,40%, out of which 49,25% is held directly and 4,14% is held indirectly, through subsidiaries of the Group.

Due to the change in the interest holdings, the Group recorded a gain of €17.377 which is included in the profit of the current year with a corresponding change in the minority interests.

<u>Intracom Holdings International Ltd</u>

During the year, the subsidiary Intracom Holdings International Ltd made a share capital increase of €1.000, in which Intracom Holdings participated by contributing this amount.

On 31 December 2009, the Company performed an impairment test of its shareholding in the subsidiary and recorded a loss of € 11.430.

<u>Year 2008</u>

On 21 April 2008, the General Meetings of the shareholders approved the merger of Hellas on Line and Unibrain by absorption of the former by the latter. The merger was approved by the appropriate governmental authorities on 7 May 2008.

Following the approval of the merger, the surviving entity, Unibrain SA, was renamed to "Hellas on Line". Prior to the merger the Group held a 92,22% interest in Hellas on Line and a 28,48% interest in Unibrain. The Group consolidated both companies under the full consolidation method.

Following the merger, and based on the share exchange agreement, Intracom Holdings' percentage holding in the new Hellas on Line was 84,26%. Due to the change in the minority interests, the Group recorded a gain of €1.794, which is included in the income statement of 2008 under "Other gains / (losses) – net", with a corresponding decrease in the minority interests in equity.

(All amounts in €'000)

On 25 September 2008 Intracom Holdings disposed of 2,60% holding in the subsidiary Hellas on Line for €4.877 and recorded a gain of €2.206 in the income statement. On 23 December 2008 the Company repurchased the previously disposed interest for €4.969. This transaction did not have any significant impact on the Group.

During the year 2008, the subsidiary company Intrakat SA increased its share capital by €16.040. Intracom Holdings participated in this share capital increase by contributing €11.798 in cash. Moreover, during the current year, the subsidiary company IT Services SA capitalized receivables of €8.941.

11. Investments in associates

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Balance at the beginning of the year	**116.397**	**117.475**	**116.175**	**116.175**
Additions	-	918	-	-
Disposals	(200)	-	(276)	-
Share of loss	(2.322)	(753)	-	-
Effect of tax, dividends and exchange differences	(560)	(1.242)	-	-
Balance at the end of the year	**113.316**	**116.397**	**115.900**	**116.175**

Information about the Group's associates is presented below:

2009

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	561.083	324.399	236.684	297.514	(4.018)	49,00%
		561.083	**324.399**	**236.684**	**297.514**	**(4.018)**	

2008

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	566.665	325.011	241.654	373.970	(2.075)	49,00%
MOLDOVAN LOTTERY	Moldova	2.783	2.188	595	3.453	(23)	32,85%
		569.448	**327.199**	**242.249**	**377.423**	**(2.098)**	

On 7 April 2009, the Company disposed of its entire holding (32,85%) in the associate company "Moldovan Lottery". The gain from the disposal for the Company and the Group amounting to €374 and €450 respectively is included in "Other gains – net". The consideration amounting to €650 has not been received and is included in other short term receivables.

(All amounts in €'000)

12. Joint ventures

The following amounts show the Group's share of assets and liabilities in joint ventures and companies that are accounted for by proportionate consolidation and are included in the balance sheet:

	31/12/2009	31/12/2008
Assets		
Non-current assets	3.500	3.907
Current assets	28.150	29.964
	31.649	33.871
Liabilities		
Non-current liabilities	286	184
Current liabilities	33.882	34.674
	34.168	34.858
Equity	(2.518)	(987)
Income	43.890	34.794
Expenses	(43.782)	(32.833)
Profit (after tax)	**108**	**1.961**

(All amounts in €'000)

Information regarding joint ventures of the Group is given below:

2009

Name	Country of incorporation	% interest held
J./V. AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	GREECE	31,46%
-J/V Athinaiki Techniki s.a.- "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Department East Macedonia & Thraki)	GREECE	10,00%
-J/V VIOTER s.a. - Prisma Domi s.a. constructor (Sewages process facilities & subpipe of Ag.Theodorous municipality)	GREECE	10,00%
-J/V/ NOEL s.a. - Prisma Domi ATE - (Aeolic parc in "Driopi")	GREECE	17,50%
J./V. Mohlos - Intrakat (Tennis.)	GREECE	50,00%
J./V. Mohlos - Intrakat (Swimm.)	GREECE	50,00%
J./V. Panthessalikon Stadium	GREECE	15,00%
J./V. Elter-Intrakat (EPA Gas)	GREECE	45,00%
J./V. Intrakat - Gatzoulas	GREECE	50,00%
J./V. Elter-Intrakat-Energy	GREECE	40,00%
J./V. "Ath.Techniki-Prisma Domi"-Intrakat	GREECE	57,50%
J./V. Intrakat-Ergaz-ALGAS	GREECE	33,33%
J./V. Intrakat - Elter (Maintenance N.Section)	GREECE	50,00%
J./V. Intrakat - ATTIKAT (Egnatia Odos)	GREECE	50,00%
J./V. Intrakat - Elter (Alex/polis pipeline)	GREECE	50,00%
J./V. Intrakat - Elter (Xiria)	GREECE	50,00%
J./V. Intrakat - Elter (Road diversion- Arta)	GREECE	30,00%
J./V. Intrakat - Elter (Natural gas installation project- Schools)	GREECE	30,00%
J./V. Intrakat - Elter (Natural Gas Installation Project Attica Northeast & South)	GREECE	49,00%
J./V. Intrakat - Intracom Telecom (DEPA Network)	GREECE	70,00%
J./V. Intrakat - Elter (Broadband networks)	GREECE	50,00%
J./V. Intrakat - Elter (Natural Gas installation project - Schools EPA 3)	GREECE	50,00%
J./V. Intrakat - Elter (Natural Gas pipelines 2007 Northeastern Attica Region-EPA 4)	GREECE	50,00%
J./V.Intrakat- Elter(Gas Distrib.Network Expansion)	GREECE	50,00%
J./V. AKTOR ATE - Pantechniki SA - Intrakat (J./V. Moreas)	GREECE	13,33%
J./V. Intrakat - Elter (EPA 5) - Natural Gas Installation Central Region	GREECE	50,00%
J./V. Intrakat - Elter (EPA 6) - Natural Gas Installation South Region	GREECE	50,00%
J./V. Intrakat - Elter (Hospital of Katerini)	GREECE	50,00%
J./V. Intrakat - Elter (Hospital of Corfu)	GREECE	50,00%
J./V. Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica	GREECE	49,00%
J./V. Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	GREECE	50,00%
J./V. Intrakat - Elter (Completion of Ionio Building, General Clinic)	GREECE	50,00%
J./V. Eurokat-ETVO- Construction of Central Library Building of School of Fine Arts	GREECE	70,00%
J/V Anastilotiki - Getem - Intrakat (Museum of Patras)	GREECE	25,00%
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	GREECE	33,30%
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	GREECE	46,90%
J/V Intrakat - Elter - (dam construction in Filiatra)	GREECE	50,00%
J/V Intrakat - K.Panagiotidis & Co (line transfer construction 1)	GREECE	60,00%

(All amounts in €'000)

2008

Name	Country of incorporation	% interest held
J/V INTRAKAT - ELTER (N.SECTION MAINTENANCE)	GREECE	50,00%
J/V INTRAKAT - ATTIKAT (EGNATIA ODOS)	GREECE	50,00%
J/V INTRAKAT - ELTER (PIPELINE ALEX/LIS)	GREECE	50,00%
J/V INTRAKAT - ELTER (XIRIA)	GREECE	50,00%
J/V INTRAKAT - ELTER (ROAD DIVERSION ARTAS)	GREECE	30,00%
J/V INTRAKAT - ELTER (NATURAL GAS INSTALLATION PROJECT - SCHOOLS)	GREECE	30,00%
J/V INTRAKAT - ELTER (BROADBAND NETWORKS ETVA V.I.P.E)	GREECE	50,00%
J/V INTRAKAT - INTRACOM (TELECOMMUNICATION SYSTEMS DEPA)	GREECE	70,00%
J/V ELTER - INTRAKAT (NATURAL GAS INSTALLATION PROJECT ATTICA NORTHEAST & SOUTH)	GREECE	49,00%
J/V AKTOR- PANTEXNIKI SA - INTRAKAT (J/V MOREAS)	GREECE	13,33%
EPA 3	GREECE	50,00%
J/V ELTER ATE - INTRAKAT (XANTHI SERRES KOMOTINI)	GREECE	50,00%
J/V ELTER ATE - INTRAKAT (NORTHEAST ATTICA) EPA 4	GREECE	50,00%
J/V INTRAKAT - ELTER (KATERINI HOSPITAL)	GREECE	50,00%
J/V INTRAKAT - ELTER (CORFU HOSPITAL)	GREECE	50,00%
J/V ELTER ATE- INTRAKAT (CENTRAL AREA) EPA 5	GREECE	50,00%
J/V ELTER ATE- INTRAKAT (SOUTH AREA) EPA 6	GREECE	50,00%
J/V ELTER ATE - INTRAKAT (NATURAL GAS SUPPL.NETWORK LAMIA-THIV-CHALKIDA)	GREECE	50,00%
J/V ELTER ATE- INTRAKAT (EPA 7)	GREECE	49,00%
J/V INTRAKAT - ELTER (COMPLETION OF IONIO BUILDING, GENERAL CLINIC)**	GREECE	50,00%
J/V ANASTILOTIKI - GETEM - KARAGIANNIS (MUSEUM OF PATRAS)	GREECE	25,00%
J/V ANASTILOTIKI - GETEM - KARAGIANNIS (PIROS-PARAPIROS DAMS)	GREECE	33,30%
J/V ALTEC - KARAGIANNIS - ANASTILOTIKI(THESSALONIKI AIRPORT)	GREECE	46,90%
J/V A.S.K.T. EUROKAT-ERETBO	GREECE	70,00%
J/V ELTER - INTRAKAT (EPA GAS)	GREECE	45,00%
J/V MOHLOS - INTRAKAT (SWIMM.)	GREECE	50,00%
J/V OLYMP. - MOHLOS - CYBARCO - ATH. - I.K. (PANTHESSOLIKO STADIUM N.IONIAS BOLOY)	GREECE	15,00%
J/V INTRAKAT - GATZOYLAS (DEPA)	GREECE	50,00%
J/V MOHLOS - INTRAKAT (TENNIS)	GREECE	50,00%
J/V ELTER - INTRAKAT - ENERGY	GREECE	40,00%
J/V "ATH. TECHNIKI - PRISMA DOMI" - INTRAKAT	GREECE	50,00%
J/V INTRAKAT - ERGAS - ALGAS	GREECE	33,33%

(All amounts in €'000)

13. Available-for-sale financial assets

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Balance at the beginning of the year	13.287	24.525	9.514	16.769
Additions	8	6.878	8	6.878
Disposals	(615)	(7.831)	-	(7.831)
Fair value gains / (losses)	(119)	(4.164)	(2)	34
Impairment	-	(6.120)	-	(6.336)
Balance at the end of the year	**12.562**	**13.287**	**9.520**	**9.514**
Non-current assets	**12.562**	**13.287**	**9.520**	**9.514**

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Listed securities:				
- equity securities	2.221	2.337	11	12
Unlisted securities:				
- equity securities	10.340	10.950	9.510	9.502
	12.562	**13.287**	**9.520**	**9.514**

Investments in unlisted shares are shown at cost less impairment.

The investments in listed companies relate to companies listed in the Athens Stock Exchange, and are measured at their quoted stock prices at the balance sheet date.

14. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Deferred tax assets	(6.863)	(1.536)	-	-
Deferred tax liabilities	2.853	4.861	1.071	660
	(4.010)	**3.325**	**1.071**	**660**

(All amounts in €'000)

The gross amounts are as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Deferred tax assets:				
To be recovered after more than 12 months	(13.443)	(9.631)	(67)	(113)
To be recovered within 12 months	(4.375)	(2.751)	(26)	(195)
	(17.818)	**(12.382)**	**(93)**	**(308)**
Deferred tax liabilities				
To be settled after more than 12 months	10.028	13.166	1.164	966
To be settled within 12 months	3.780	2.541	1	3
	13.808	**15.707**	**1.165**	**968**
	(4.010)	**3.325**	**1.071**	**660**

The gross movement on the deferred income tax account is as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Balance at the beginning of the year	3.325	4.569	660	355
Exchange differences	(31)	18	-	-
Charged/ (credited) to the income statement (note 34)	(6.824)	(1.705)	411	305
Charge in equity	(3)	(238)	-	-
Acquisition of subsidiary (Note 38)	(478)	682	-	-
Balance at the end of the year	**(4.010)**	**3.325**	**1.071**	**660**

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdictions, is as follows:

Group

Deferred tax assets:

	Provisions / Impairment losses	Tax losses	Other	Total
Balance at 1 January 2008	(2.775)	(1.963)	(3.242)	(7.980)
Exchange differences		15	3	18
Credited to the income statement	(438)	(2.071)	(1.640)	(4.149)
Credited to equity	-	-	(238)	(238)
Acquisition of subsidiaries	(6)	(27)	-	(33)
Balance at 31 December 2008	**(3.219)**	**(4.045)**	**(5.117)**	**(12.382)**
Balance at 1 January 2009	(3.219)	(4.045)	(5.117)	(12.382)
Exchange differences	4	(40)	(45)	(81)
Charged / (credited) to the income statement	(680)	(4.822)	736	(4.766)
Charge in equity	-	-	(3)	(3)
Acquisition of subsidiaries	(19)	(18)	(549)	(586)
Balance at 31 December 2009	**(3.914)**	**(8.926)**	**(4.978)**	**(17.818)**

(All amounts in €'000)

Deferred tax liabilities:

	Trade name & Customers relationships	Accrued Income	Accelerated tax depreciation	Other	Total
Balance at 1 January 2008	5.112	1.585	5.350	502	12.549
Charged / (credited) to the income statement	(757)	1.162	(1.264)	3.302	2.443
Acquisition of subsidiaries	-	-	603	112	715
Balance at 31 December 2008	**4.355**	**2.747**	**4.689**	**3.917**	**15.707**
Balance at 1 January 2009	4.355	2.747	4.689	3.917	15.707
Exchange differences	-	-		50	50
Credited to the income statement	(369)	-	(140)	(1.549)	(2.058)
Acquisition of subsidiaries	-	-	108	-	108
Balance at 31 December 2009	**3.986**	**2.747**	**4.657**	**2.418**	**13.808**

Company

Deferred tax assets:

	Provisions	Tax losses	Other	Total
Balance at 1 January 2008	(149)	(500)	(22)	(672)
Charged / (credited) to the income statement	(159)	500	22	363
Balance at 31 December 2008	**(308)**	**-**	**-**	**(308)**
Balance at 1 January 2009	(308)	-	-	(308)
Charged / (credited) to the income statement	215	-	-	215
Balance at 31 December 2009	**(93)**	**-**	**-**	**(93)**

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total
Balance at 1 January 2008	967	60	1.027
Charged / (credited) to the income statement	(112)	54	(58)
Balance at 31 December 2008	**855**	**114**	**968**
Balance at 1 January 2009	855	114	968
Charged / (credited) to the income statement	309	(113)	196
Balance at 31 December 2009	**1.164**	**1**	**1.165**

The Company has not recognized deferred tax asset on the losses of the previous and the current year. The losses amount to €12.890.

(All amounts in €'000)

15. Long-term loan receivable

The Company participated in the issue of a subordinated bond loan of a total amount of €55.000 by Moreas SA, in which Intracom Holdings holds an interest of 13,33%. The Company participated in the issue of the bond loan up to its percentage shareholding in Moreas SA (13,33%), paying an amount of €7.332. The loan carries a floating interest rate (6m Euribor plus 5,5% margin). Total interest for the year amounted to €500 and has been capitalized (2008: €554).

16. Trade and other receivables

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Trade receivables	228.515	207.373	637	459
Less: provision for impairment	(23.053)	(20.453)	-	-
Trade receivables - net	205.462	186.920	637	459
Prepayments	14.090	5.394	-	28
Receivables from related parties (Note 41)	23.961	25.009	17.027	15.474
Loans to related parties (Note 41)	-	-	-	250
Prepaid expenses	3.304	4.459	-	187
Accrued expenses	47.927	37.780	61	40
Other receivables	53.633	91.083	4.369	1.458
Total	**348.377**	**350.645**	**22.094**	**17.897**
Non-current assets	15.824	21.884	36	361
Current assets	332.553	328.762	22.058	17.537
	348.377	**350.645**	**22.094**	**17.897**

During the year 2009 there have been write-offs of €9,4 mil. of other receivables (2008: €11 mil.).

Other receivables of the Group on 31 December 2009 include VAT receivable of approximately €25 mil. (2008: €32 mil.).

(All amounts in €'000)

The analysis of trade receivables of the Group and the Company at the end of each year is as follows:

	Group		**Company**	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Not past due and not impaired at the balance sheet date	61.041	112.086	145	69
Impaired at the balance sheet date	23.635	20.709	-	-
Provision made for the following amount:	(23.053)	(20.453)	-	-
	582	255	-	-
Not impaired at the balance sheet date but past due in the following periods:				
< 90 days	20.728	12.575	61	149
90-180 days	57.264	14.204	95	-
180-270 days	16.494	7.954	-	95
270-365 days	11.009	6.492	95	-
1- 2 years	22.907	13.120	241	145
>2 years	15.437	20.234	-	-
	143.839	74.579	492	390
Total trade receivables	**205.462**	**186.920**	**637**	**459**

Trade receivables of the Group which are past due for more than one year include receivables from the Greek State of approximately €20 mil (31 December 2008: €23 mil. approximately).

There is no concentration of credit risk in relation to trade receivables, since the Group has a great number of customers. The Group has developed policies to ensure that the sales agreements take place with customers with sufficient credit quality. The credit policy of the Group is determined on a case by case basis and is set out in the agreed terms in the contract signed with each customer.

(All amounts in €'000)

The movement of provision for impairment of trade receivables is analysed as follows:

	Group	Company
Balance at 1 January 2008	13.670	-
Exchange differences	5	-
Provision for impairment (Note 29)	7.979	-
Receivables written-off during year	(2.228)	-
Acquisition of subsidiaries	1.028	
Balance at 31 December 2008	**20.453**	**-**
Exchange differences	(6)	-
Provision for impairment (Note 29)	6.166	-
Receivables written-off during year	(2.892)	-
Acquisition of subsidiaries	1.162	-
Unused amounts reversed	(1.831)	-
Balance at 31 December 2009	**23.053**	**-**

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Euro (EUR)	309.695	324.149	22.094	17.272
US Dollar (USD)	16.552	6.764	-	-
Polish Zloty (PLN)	10.461	3.144	-	-
Romanian New Lei (RON)	8.460	8.980	-	625
Jordan Dinar (JOD)	2.444	1.293	-	-
Hungarian Fiorin (HUF)	-	1.890	-	-
Other	764	4.426	-	-
	348.377	**350.645**	**22.094**	**17.897**

(All amounts in €'000)

17. Inventories

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Raw materials	27.980	29.664	-	-
Semifinished goods	8.532	9.051	-	-
Finished goods	9.194	5.467	-	-
Work in progress	818	3.183	-	-
Merchandise	2.133	2.730	-	-
Other	304	431	-	-
Total	**48.960**	**50.527**	**-**	**-**
Less: Provisions for obsolete inventories				
Raw materials	146	705	-	-
Semifinished goods	1.057	255	-	-
Finished goods	414	6	-	-
Work in progress	13	-	-	-
Merchandise	191	424	-	-
	1.820	**1.390**	**-**	**-**
Net realisable value	**47.140**	**49.137**	**-**	**-**

The movement of the provision is as follows:

	Group	Company
Balance 1 January 2008	3.257	-
Provision for impairment	361	-
Amount of provision reversed during the year	(2.229)	
Balance 31 December 2008	**1.390**	-
Provision for impairment	543	-
Amount of provision reversed during the year	(113)	-
Balance 31 December 2009	**1.820**	-

(All amounts in €'000)

18. Construction contracts

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Assets				
Contracts in progress at the balance sheet date:				
Receivables from construction contracts	21.618	24.950	-	-
Total	**21.618**	**24.950**	**-**	**-**
Liabilities				
Contracts in progress at the balance sheet date:				
Liabilities from construction contracts	18.057	7.699	-	-
Total	**18.057**	**7.699**	**-**	**-**
Accumulated contract costs plus accumulated recognised profits less accumulated recognised losses	582.630	390.454	-	-
Less: Progress billings	(579.070)	(373.204)	-	-
Construction contracts	**3.561**	**17.251**	**-**	**-**

19. Financial assets at fair value through profit or loss

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Balance at the beginning of the year	552	1.245	-	-
Additions	118	511	-	-
Disposals	(308)	(770)	-	-
Fair value adjustments (Note 32)	(65)	(434)	-	-
Balance at the end of the year	**298**	**552**	-	-

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Listed securities				
- Equity securities - Greece	**298**	**552**	-	-

(All amounts in €'000)

20. Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Cash at bank and in hand	30.327	25.139	1.875	1.417
Short-term bank deposits	34.313	33.543	8.270	9.647
Total	**64.641**	**58.682**	**10.146**	**11.064**

The effective interest rate on short-term bank deposits for the Company was 1,74% (2008: 4,1%).

Cash and cash equivalents are analysed in the following currencies:

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Euro (EUR)	51.040	39.697	2.557	7.487
US Dollar (USD)	5.811	7.005	1.136	1.337
Japanese Yen (JPY)	6.420	7.950	6.420	1.450
Romanian New Lei (RON)	496	1.156	-	-
Bulgarian Leva (BGN)	331	1.145	-	-
Other	543	1.729	32	790
	64.641	**58.682**	**10.146**	**11.064**

The Group's bank deposits in JPY have fixed exchange rate / fixed return, and as a result there is no exposure to risk from JPY exchange rate changes.

21. Share capital

	Number of shares	Share capital	Share premium	Treasury shares	Total
Balance at 1 January 2008	131.345.181	187.567	194.204	(7.724)	374.047
Expenses on issue of share capital	-	-	(1)	-	(1)
Balance at 31 December 2008	**131.345.181**	**187.567**	**194.204**	**(7.724)**	**374.046**
Balance at 1 January 2009	131.345.181	187.567	194.204	(7.724)	374.046
Treasury shares	600.000	-	-	3.102	3.102
Balance at 31 December 2009	**131.945.181**	**187.567**	**194.204**	**(4.622)**	**377.148**

On 31 December 2009 the Company's share capital comprised 133.026.017 shares with a nominal value of €1,41 each.

(All amounts in €'000)

Treasury shares

On 31 December 2008 the Company held 1.680.836 treasury shares. On 20 March 2009, the Extraordinary General Meeting of the shareholders of the Company decided to grant 815.021 treasury shares to employees of the Company and/ or employees of related companies, for no consideration. During the current year, the Company granted 600.000 treasury shares with total acquisition cost of €3.102. As a result, on 31 December 2009 the Company held 1.080.836 treasury shares with total acquisition cost of €4.622, which has been deducted from shareholders' equity.

The charge to the income statement from the free distribution of treasury shares for the Group and the Company was €1.044 and €546 respectively.

Share options

Share options are granted to directors, management and employees of the Group.

A summary of share options granted is as follows:

Share options	2009	2008
Outstanding at 1 January	121.790	185.870
Expired	(22.630)	(64.080)
Outstanding at 31 December	**99.160**	**121.790**

The outstanding share options can be exercised wholly or partly within a period of 5 years from the year granted, during the first 15 days of December of each respective year. Consequently, the share options granted during 2006 can be exercised up to December 2011. No share options were granted by the Company after year 2006.

During the year 2007, a subsidiary company granted to executives 220 share options which are based on its share price, giving the right to the executives to exchange the share options with a determined amount of cash at the end of the vesting period (31 March 2010). These benefits were accounted partly as an obligation and partly through equity.

The total charge in the consolidated income statement is €767 (liability €587 and equity €180). For the year 2008 the total charge in the consolidated income statement was €600 (liability €420 and equity €180).

During the exercise of the share options, the amounts received net of any transaction costs are included in the share capital (nominal value) and in the share premium.

The fair value of the share options is determined on grant date using the Binomial model. Fair value reflects the inputs into the model, such as the risk-free interest rate, the expected share volatility, the dividend yield and the expected option life. The f air value is recognised as an expense over the vesting period of the share options. In the case that the share options are cash-settled and thus a liability is recorded, the fair value of the share options is determined at each balance sheet date.

(All amounts in €'000)

22. Other reserves

Group

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Other reserves	Fair value reserves	Total
Balance at 1 January 2008	29.622	8.099	121.549	56.797	(28.988)	(447)	186.632
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(3.053)	(3.053)
Transferred to income statement due to write-off / disposal	-	-	-	-	-	3.802	3.802
Exchange differences	-	-	-	-	-	(957)	(957)
Transfers between reserves	334	-	255	-	(87)	-	501
Stock options	-	-	-	-	174	-	174
Balance at 31 December 2008	**29.956**	**8.099**	**121.804**	**56.797**	**(28.901)**	**(655)**	**187.099**
Balance at 1 January 2009	29.956	8.099	121.804	56.797	(28.901)	(655)	187.099
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(75)	(75)
Exchange differences	-	-	-	-	-	(730)	(730)
Fair value loss on cash flow hedge	-	-	-	-	-	(286)	(286)
Transfers between reserves	255	-	962	-	(920)	(81)	216
Balance at 31 December 2009	**30.211**	**8.099**	**122.765**	**56.797**	**(29.822)**	**(1.826)**	**186.224**

Company

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Fair value reserves	Total
Balance at 1 January 2008	26.719	8.069	55.376	56.981	(3.863)	143.281
Fair value gain on available-for-sale financial assets	-	-	-	-	34	34
Transferred to income statement due to write-off / disposal	-	-	-	-	3.802	3.802
Balance at 31 December 2008	**26.719**	**8.069**	**55.376**	**56.981**	**(27)**	**147.118**
Balance at 1 January 2009	26.719	8.069	55.376	56.981	(27)	147.118
Fair value loss on available-for-sale financial assets	-	-	-	-	(2)	(2)
Transfer between reserves	-	-	614	-	-	614
Balance at 31 December 2009	**26.719**	**8.069**	**55.990**	**56.981**	**(28)**	**147.730**

(a) Statutory reserve

A legal reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset accumulated losses and therefore cannot be used for any other purpose.

(All amounts in €'000)

(b) Special reserve

The special reserve includes amounts that were created following resolutions of the Annual General meetings, have no specific purpose and can therefore be used for any reason following approval from the Annual General meeting, as well as amounts, which were created under the provisions of Greek law. These reserves have been created from after tax profits and are therefore not subject to any additional taxation in case of their distribution or capitalisation.

(c) Tax free reserve

Tax-free reserves under special laws

This account includes reserves created from profits, which were used for the acquisition of new fixed assets employed in the production process and are therefore regarded as tax-free under special provisions of development laws in force each time. In other words, this reserve is created from profits for which no tax is calculated or paid.

Reserves created under the provisions of tax law from tax free income or from income taxed under special provisions

This reserve includes the portion of the net income carried forward every year that comes from tax-free profits and profits taxed under special provisions by using up the tax liability.

The above-mentioned reserves can be capitalised or distributed, following the approval of the Annual General meeting, after taking into consideration the restrictions that may apply. In case of capitalisation or distribution, tax is calculated at the current tax rate.

(d) Fair value reserve

It includes the amount of €436 which relates to fair value losses for the year for cash flow hedges (see note 26).

23. Borrowings

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Non-current borrowings				
Bank loans	9.514	1.932	6.196	-
Finance lease liabilities	4.783	5.774	-	-
Bond loans	154.551	148.377	-	-
Total non-current borrowings	**168.848**	**156.082**	**6.196**	**-**
Current borrowings				
Bank loans	162.853	151.395	9.698	19.294
Bond loans	3.999	20.036	-	-
Finance lease liabilities	4.940	4.801	-	-
Total current borrowings	**171.792**	**176.233**	**9.698**	**19.294**
Total borrowings	**340.640**	**332.315**	**15.894**	**19.294**

(All amounts in €'000)

The carrying amounts of the Group's and the Company's borrowings are denominated in the following currencies:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Euro	334.484	329.068	15.894	19.294
US dollar (USD)	2.718	1.252	-	-
Other	3.438	1.996	-	-
	340.640	**332.315**	**15.894**	**19.294**

The contractual undiscounted cash flows of the non-current borrowings, excluding finance leases (including interest payments), are as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Between 1 and 2 years	28.783	9.472	3.376	-
Between 2 and 3 years	33.709	18.824	3.217	-
Between 3 and 5 years	127.209	62.757	-	-
More than 5 years	1.235	90.369	-	-
	190.936	**181.421**	**6.594**	-

On 31st December 2009 the subsidiary companies had bond loans with weighted average floating interest rate of 3,61% (2008: 6,2%).

The weighted average interest rate for all the other borrowings of the Group and the Company for 2009 was approximately 4,02% and 3,47% respectively (2008: 6,53% and 6,23% respectively).

Long-term borrowings of the Group relates mainly to the syndicated loan of the subsidiary Hellas online SA of €144,5 mil. The repayment of the loan will be in 8 installments, of which the first 7 installments will repay 50% of the total loan and the last installment payable on the expiration date of the loan will repay the remaining balance. The first installment is due in April 2011 and the last in October 2014.

Securities relating to the above borrowings are disclosed in note 40.

(All amounts in €'000)

Finance leases

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Finance lease liabilities- minimum lease payments				
Not later than 1 year	5.414	5.217	-	-
Between 2 and 5 years	5.245	6.166	-	-
Total	10.659	11.383	-	-
Less: Future finance charges on finance leases	(936)	(808)	-	-
Present value of finance lease liabilities	**9.723**	**10.575**	**-**	**-**

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Present value of finance lease liabilities:				
Not later than 1 year	4.940	4.801	-	-
Between 2 and 5 years	4.783	5.774	-	-
Total	**9.723**	**10.575**	**-**	**-**

24. Retirement benefit obligations

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Balance sheet obligations for:				
Pension benefits	**4.881**	**4.481**	**298**	**504**
Income statement charge				
Pension benefits (Note 30)	**2.143**	**3.720**	**483**	**220**

The amounts recognized in the balance sheet are determined as follows:

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Present value of unfunded obligations	5.476	1.398	387	513
Unrecognised actuarial gains / (losses)	(595)	3.083	(90)	(10)
Liability on the balance sheet	**4.881**	**4.481**	**298**	**504**

(All amounts in €'000)

The amounts recognised in the income statement are as follows:

	Group		Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Current service cost	979	1.308	41	83
Interest cost	275	279	29	36
Net actuarial losses recognised during the year	92	247	-	17
Losses on curtailment	797	1.886	413	83
Total, included in staff costs	**2.143**	**3.720**	**483**	**220**

Total charge is allocated as follows:	Group		Company	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Cost of goods sold	959	2.131	-	-
Selling costs	303	877	-	6
Administrative expenses	881	712	483	213
	2.143	**3.720**	**483**	**220**

The movement in the liability recognised on the balance sheet is as follows:

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Balance at the beginning of the year	4.482	4.053	504	530
Exchange differences	3	-	-	-
Total expense charged to the income statement	2.143	3.720	483	220
Contributions paid	(1.746)	(3.291)	(689)	(246)
Balance at the end of the year	**4.882**	**4.482**	**298**	**504**

The principal actuarial assumptions used are as follows:

	Group		Company	
	2009	2008	2009	2008
Discount rate	5,60% - 6,00%	5,60% - 6,00%	5,60%	5,60%
Future salary increases	0,50% - 4,50%	3,00% - 4,50%	4,50%	4,50%

(All amounts in €'000)

25. Grants

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Balance at the beginning of the year	12.624	1.763	-	-
Additions	16.911	11.570	-	-
Depreciation charge	(4.986)	(709)	-	-
Balance at the end of the year	**24.549**	**12.624**	**-**	**-**
Current portion	3.168	1.235	-	-
Non-current portion	21.382	11.390	-	-
Total	**24.549**	**12.624**	**-**	**-**

The grants received in the years 2008 and 2009 relate to subsidies from the 'Society of Information' to the subsidiary company Hellas online for the expansion of its telecommunications network. The amount of €4.013 included in additions of 2008 was received in January 2009.

26. Derivative financial instruments

	Group		Nominal Value	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Cash flow hedge	**Liabilities**	**Liabilities**		
Interest rate swaps	192	-	29.875	-
Interest rate caps	244	-	44.375	-
Total	**436**	**-**	**74.250**	**-**
Non-current liabilities	**436**	**-**		

The portion determined to be an ineffective hedge was not recognized in income statement.

The derivative financial instruments are recognized as non-current assets/ non-current liabilities if the remaining period to maturity exceeds 12 months, and as current assets/current liabilities if the remaining period to maturity is less than 12 months.

Gains and losses recognized in equity (note 22) from interest rate swaps at 31 December 2009, will be gradually transferred to the income statement until the repayment of the related debt.

(All amounts in €'000)

27. Provisions

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Current liabilities	6.921	12.245	1.568	1.642
Non- current liabilities	3.631	2.482	-	-
Total	**10.551**	**14.727**	**1.568**	**1.642**

Group

	Warranties	Unused compensated absences	Unaudited tax years	Other	Total
Balance at 1 January 2008	1.841	634	944	4.207	7.625
Exchange differences	-	-	-	(1)	(1)
Additional provisions	3.283	667	804	4.921	9.675
Unused amounts reversed	(286)	(62)	-	(182)	(531)
Provisions used during the year	-	(472)	-	(1.569)	(2.041)
Balance at 31 December 2008	**4.838**	**767**	**1.748**	**7.375**	**14.727**
Balance at 1 January 2009	4.838	767	1.748	7.375	14.727
Additional provisions	-	727	605	4.499	5.831
Unused amounts reversed	(1.951)	-	(34)	(2.465)	(4.449)
Provisions used during the year	(1.833)	(667)	(546)	(2.536)	(5.582)
Acquisition of subsidiary	-	-	-	46	46
Disposal of subsidiary	-	-	-	(21)	(22)
Balance at 31 December 2009	**1.054**	**826**	**1.773**	**6.898**	**10.551**

The amount of €6.898 included in other provisions as at 31 December 2009 consists of the amount of €579 for the recognition of losses from loss making contracts and the amount of €3.613 for accrued employee benefits. The corresponding amounts at 31 December 2008 include the amount of €2.022 for the recognition of losses from loss making contracts and the amount of €1.943 for accrued employee benefits.

Company

	Unused compensated absences	Other	Total
Balance at 1 January 2008	68	74	142
Additional provisions	-	1.500	1.500
Balance at 31 December 2008	**68**	**1.574**	**1.642**
Balance at 1 January 2009	68	1.574	1.642
Unused amounts reversed	-	(74)	(74)
Balance at 31 December 2009	**68**	**1.500**	**1.568**

(All amounts in €'000)

28. Trade and other payables

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Trade payables	134.159	137.832	1.299	2.712
Prepayments from customers	58.761	60.908	-	-
Deffered income	12.589	7.022	-	-
Amounts due to related parties (Note 41)	56.861	53.689	5.623	7.817
Accrued expenses	15.199	15.739	1.081	1.437
Social security and other taxes	7.763	6.355	451	167
Other liabilities	15.696	16.490	794	988
Total	**301.030**	**298.036**	**9.248**	**13.120**
Non-current liabilities	16.744	25.388	-	-
Current liabilities	284.285	272.649	9.248	13.120
	301.030	**298.036**	**9.248**	**13.120**

Non-current liabilities as at 31 December 2009 include an amount of €4.058 that relates to deferred income (31 December 2008: €3.025).

The credit payment terms provided to the Group are determined on a case-by-case basis and are set out in the contracts signed with each supplier.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Euro	268.749	276.717	9.010	12.877
US Dollar (USD)	18.345	8.721	186	192
Romanian New Lei (RON)	6.680	2.244	-	-
Polish Zloty (PLN)	3.824	4.318	-	-
Bulgarian Leva (BGN)	766	1.527	-	-
Other	2.666	4.509	52	50
	301.030	**298.036**	**9.248**	**13.120**

(All amounts in €'000)

29. Expenses by nature

	Note	Group		Company	
		1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Employee benefit expense	30	134.064	129.941	5.609	7.001
Inventory cost recognised in cost of goods sold		89.372	92.249	-	-
Depreciation of PPE	6	34.941	24.423	1.421	1.391
Depreciation of investment property	9	561	627	764	873
Amortisation of intangible assets	8	27.660	14.408	191	1.113
Impairment of inventories		783	461	-	-
Repairs and maintenance		7.360	3.984	427	344
Operating lease payments		6.965	2.648	-	58
Subcontractors' fees		128.191	104.956	-	-
Impairment of receivables	16	6.166	7.979	-	-
Telecommunications cost		91.592	57.331	-	-
Transportation and travelling expenses		6.806	5.484	911	1.315
Third party fees		29.038	51.151	1.425	2.641
Advertisement		12.231	11.854	372	688
Other		14.089	35.804	2.334	4.286
Total		**589.819**	**543.301**	**13.455**	**19.710**
Split by function:					
Cost of goods sold		488.021	434.100	2.944	4.968
Selling and research costs		39.814	47.704	157	410
Administrative expenses		61.983	61.497	10.355	14.333
		589.819	**543.301**	**13.455**	**19.710**
Split of depreciation by function:					
Cost of goods sold		50.729	30.021	317	848
Selling and research costs		1.347	1.182	5	66
Administrative expenses		11.086	8.254	2.054	2.464
		63.162	**39.458**	**2.376**	**3.378**

30. Employee benefits

	Group		Company	
	1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Wages and salaries	106.110	103.479	4.120	5.828
Social security costs	23.316	22.479	396	857
Other employers' contributions and expenses	1.229	1.403	64	96
Share options granted to employees / treasury shares (Note 21)	1.811	600	546	-
Pension costs - defined contribution plans	480	366	-	-
Pension costs - defined benefit plans (Note 24)	2.143	3.720	483	220
Other post-employment benefits	1.300	510	-	-
Less: capitalisations to assets under construction	(2.324)	(2.616)	-	-
Total	**134.064**	**129.941**	**5.609**	**7.001**

The subsidiary company Hellas online has capitalized during the year 2009 employee costs of €2.324 (2008: €2.616) which relate to the construction of its telecommunications network.

(All amounts in €'000)

31. Other operating income - net

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Dividend income	12	97	1.500	2.236
Rental income	2.072	2.087	3.180	3.113
Depreciation of grants received (Note 25)	4.986	709	-	-
Income from grants	183	49	22	-
Other	2.073	2.539	-	-
Total	**9.327**	**5.481**	**4.702**	**5.349**

32. Other gains/(losses) – net

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Gains / (losses) from sale of PPE	1.479	475	681	(1)
Gains from sale of intangible assets	-	70	-	70
Gains from sale of investment property	724	-	172	-
Impairment of investment property	(2.506)	-	(1.579)	-
Fair value losses of financial assets at fair value through profit or loss	(65)	(434)	-	-
Gains / (losses) from sale of financial assets at fair value through profit or loss	92	(322)	-	-
Losses from sale of available-for-sale financial assets	(145)	(2.448)	-	(2.448)
Impairment of available-for-sale financial assets	-	(9.408)	-	(9.624)
Impairment of intangibles assets	(2.285)	-	-	-
Gains from sale of subsidiaries (Note 10)	-	1.794	-	2.206
Gains from sale of associates (Note 11)	450	-	374	-
Impairment of subsidiaries (Note 10)	-	-	(11.430)	-
Proceeds from receivables	7.304	-	6.034	-
Write offs / impairment of other receivables	(9.482)	(15.106)	-	(15.106)
Net foreign exchange gains / (losses)	121	245	-	-
Other	(320)	216	(1.085)	265
Total	**(4.632)**	**(24.919)**	**(6.833)**	**(24.638)**

(All amounts in €'000)

33. Finance expenses/ (income) - net

	Group		Company	
	1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Finance expenses				
Interest and related expense				
- Bank borrowings	7.365	13.991	887	1.045
- Bond loans	8.083	5.001	-	-
- Finance leases	516	537	-	-
- Letters of credit and related costs	2.157	1.227		1
- Net foreign exchange gains / (losses)	3.543	386	-	-
- Other	794	8.867	876	1.441
	22.459	30.009	1.764	2.487
Finance income				
Interest income	(386)	(1.567)	(255)	(990)
Interest income from loans to related parties	(500)	(554)	(500)	(554)
Other	(1.378)	(1.661)	-	-
	(2.264)	(3.782)	(755)	(1.544)
Less: Capitalisations to assets under construction	901	-	-	-
Finance expenses / (income) - net	**19.294**	**26.226**	**1.009**	**943**

(All amounts in €'000)

34. Income tax expense

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Current tax	4.091	4.401	183	230
Deffered tax (Note 14)	(6.824)	(1.705)	411	305
Total	**(2.733)**	**2.696**	**594**	**535**

The tax on the profit before tax of the Group and the Company differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits/losses of the group companies as follows:

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Loss before tax	(5.311)	(80.699)	(12.438)	(34.530)
Tax calculated at tax rates applicable to Greece	(1.328)	(20.175)	(3.110)	(8.633)
Income not subject to tax	(15.759)	(2.576)	(1.706)	-
Expenses not deductible for tax purposes	7.792	11.400	25	6.956
Differences in tax rates	1.746	529	-	(180)
Utilisation of previously unrecognised tax losses	(638)	(2.758)	-	-
Income tax effect from prior years' tax losses that cannot be carried forward	-	500	-	500
Tax losses for which no deferred tax asset was recognised	4.839	14.728	5.202	1.662
Prior years' taxes	-	230	-	230
Other	615	818	183	-
Tax charge	**(2.733)**	**2.696**	**594**	**535**

35. Earnings per share

Basic earnings / (losses) per share

Basic earnings per share is calculated by dividing the profit / (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares (note 21).

	Group		Company	
	1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Profit / (loss) attributable to equity holders of the Company	10.497	(77.192)	(13.032)	(35.066)
Weighted average number of ordinary shares in issue (thousands)	131.648	131.345	131.648	131.345
Basic earnings per share (€ per share)	**0,08**	**(0,59)**	**(0,10)**	**(0,27)**

Diluted earnings / (losses) per share

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, such as stock options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Group		Company	
	1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Profit / (loss) attributable to equity holders of the Company	10.497	(77.192)	(13.032)	(35.066)
Weighted average number of ordinary shares in issue (thousands)	131.648	131.345	131.648	131.345
Diluted earnings per share (€ per share)	**0,08**	**(0,59)**	**(0,10)**	**(0,27)**

(All amounts in €'000)

36. Cash generated from operations

		Group		Company	
	Note	1/1 - 31/12/2009	1/1 - 31/12/2008	1/1 - 31/12/2009	1/1 - 31/12/2008
Loss for the year		(2.577)	(83.394)	(13.032)	(35.066)
Adjustments for:					
Tax		(2.733)	2.696	594	535
Depreciation of PPE	6	34.941	24.423	1.421	1.391
Amortisation of intangible assets	8	27.660	14.408	191	1.113
Depreciation of investment property	9	561	627	764	873
Impairment of investment property	32	2.506	-	1.579	-
Impairment of intangible assets	32	2.285	-	-	-
Loss / (Profit) on sale of PPE	32	(1.479)	(475)	(681)	1
Gains from disposal of intangible assets	32	-	(70)	-	(70)
Loss / (Profit) on sale of investment property	32	(724)	-	(172)	-
Fair value losses of financial assets at fair value through profit or loss	32	65	434	-	-
Losses / (gains) from sale of financial assets at fair value through profit or loss	32	(92)	322	-	-
Losses from sale of available-for-sale financial assets	32	145	2.803	-	2.803
Impairment of available-for-sale financial assets	32	-	9.408	-	9.624
Impairment of subsidiary	10	-	-	11.430	-
Gains on disposal of associates	32	(450)	-	(374)	-
Gain from change in interest held in subsidiary	10	(51.007)	(1.794)	-	(2.206)
Distribution of treasury shares	21	1.044	-	-	-
Employees share option scheme	21	183	600	546	-
Interest income	33	(2.264)	(3.782)	(755)	(1.544)
Interest expense	33	21.558	29.643	1.764	2.487
Dividend income	31	(12)	(97)	(1.500)	(2.236)
Depreciation of grants received	31	(4.986)	(709)	-	-
Share of profit from associates and joint ventures	11	2.322	753	-	-
Exchange loss / (gain)		(194)	259	-	-
		26.750	**(3.946)**	**1.774**	**(22.294)**
Changes in working capital					
Decrease / (increase) in inventories		1.996	(149)	-	-
(Increase)/ decrease in trade and other receivables		6.665	(8.478)	39	28.236
Increase/ (decrease) in trade and other payables		13.908	14.612	(3.797)	(9.756)
(Increase)/ decrease in provisions		(4.175)	6.324	(74)	1.500
Increase/ (decrease) in retirement benefit obligations		400	429	(206)	(26)
		18.795	**12.736**	**(4.039)**	**19.954**
Cash generated from operations		**45.545**	**8.791**	**(2.264)**	**(2.340)**

(All amounts in €'000)

37. Assets classified as held for sale

Intrakat SA

The amount of €7.369 relates to the cost of land of the subsidiary company Intrakat SA for which a preliminary sales agreement with IASO SA has been drafted for the construction of a private maternity clinic. The clinic will be constructed by the subsidiary Intrakat. It is estimated that this transaction will result in gain for the subsidiary and hence for the Group.

Fornax RT

On 26 February 2010 the subsidiary company Intracom Technologies Ltd disposed of its entire holding (67%) in the subsidiary Fornax RT («Fornax group») for €350.000. Negotiations for the disposal had begun in the last quarter of the current year. It is estimated that from the disposal there will be a marginal gain for the Group.

The activity of the Fornax group does not represent a large part of business or geographic segment of Intracom Group and therefore has not been classified as a discontinued operation under IFRS 5.

The assets of €2.922 and liabilities of €2.596 on 31 December 2009, as detailed in the table below, are presented in separate lines in the balance sheet.

Assets	**31/12/2009**
Property, plant and equipment	417
Intangibles assets	3
Trade and other receivables	2.213
Cash and cash equivalents	222
Other assets	67
	2.922
Liabilities	
Borrowings	1.218
Trade and other payables	1.358
Provisions	21
	2.596

(All amounts in €'000)

38. Business combinations

(a) Acquisition of Vodafone's DSL sector by the subsidiary company Hellas online SA

On 31 July 2009 the exclusive negotiations between VODAFONE-PANAFON and Intracom Holdings for the purpose of exploring the possibility of a partnership between Vodafone and Hellas online were finalized. The appropriate corporate bodies of HoL and Vodafone approved the spin-off of Vodafone's sector, which relates to fixed line and broadband telecommunications equipment and services (DSL), and its contribution and absorption into HoL, with transformation balance sheet date 31 July 2009.

On 16 December 2009, the Extraordinary General Meeting of the subsidiary company's shareholders approved the abovementioned acquisition and the underlying terms, as well as the share capital increase of the subsidiary company and the relevant amendments to the Articles of Association.

The contribution of the sector and the amendment of the Articles of Association were approved by the Minister of Economy, Competitiveness and Marine on 28 December 2009.

The share capital increase was completed on 2 February 2010 and the corresponding 28,775,838 new shares of HoL, which account for 18.5% of the issued share capital, are traded on the Athens Stock Exchange since that date.

As mentioned above, the transaction has been approved by the relevant Ministry on 28 December 2009. On that date, the assets and liabilities of the sector were transferred, operated and controlled by HOL. Additionally, on that date, the employees of Vodafone who were employed in the acquired sector had been transferred to the payroll of HoL. Given the above, management considers that the transaction date (ie the date of acquisition) is the date of approval by the Ministry.

The fair values of assets and liabilities of the sector on acquisition (28/12/2009) are listed below:

Assets	**Fair values**
Property, plant and equipment	28.429
Intangible assets	9.460
Trade and other receivables	543
Other assets	56
	38.487
Liabilities	
Trade and other payables	3.214
Provisions	56
	3.270
Net assets	35.218
Purchase consideration	35.144
Goodwill	**(74)**

The purchase consideration consists of 28,775,838 new shares of nominal value €0.64 at their quoted share price at the date of acquisition (€1.20 per share), ie €34.531 and expenses on share capital increase, amounting to € 613.

(All amounts in €'000)

The negative goodwill has been recorded in the income statement of the year.

The results of the sector are not included in the results of the current year.

(b) Acquisition of the group Prisma Domi ATE by the subsidiary Intrakat

On 14 September 2009, Intrakat acquired 50% of the share capital of "Prisma Domi ATE". On 10 November 2009 the acquiree's Extraordinary General Meeting elected a new Board of Directors, in which three members were appointed from Intrakat and two from Prisma Domi ATE, resulting in Intrakat gaining control. Therefore, the company is consolidated using the full consolidation method.

The fair values of assets and liabilities of the group on acquisition are as follows:

Assets	**Fair values**
Property, plant and equipment	4.390
Investment prpperty	1.275
Trade and other receivables	7.560
Receivables from construction contracts	912
Cash and cash equivalents	266
Deferred income tax assets	478
Other assets	229
	15.110
Liabilities	
Borrowings	5.430
Trade and other payables	4.317
Liabilities from construction contracts	1.027
Other payables	112
	10.887
Net assets	**4.222**
Percentage interest acquired	50%
Net assets acquired	2.111
Purchase consideration	2.438
Goodwill	**326**

The total purchase consideration consists of €1.163 in cash and €1.275 relating to fair value of land transferred to the company. The transfer of land resulted in a gain of €556 for the Group, which is included in "Other gains-net".

The effect of the acquisition on the Group's results and equity was € 382 (after minority interests). If the acquisition had taken place at the beginning of the year, the impact on results and equity would be €654.

The increase in minority interests amounted to €2.111.

(c) Other acquisitions

(All amounts in €'000)

On 2 November 2009, Intrakat and the Italian company Fracasso Spa jointly founded the company "Fracasso Hellas SA Design and Manufacture of Road Safety Systems". The activities of the new company will include the design, development, manufacture and installation of road safety systems and other related products for the Greek and foreign markets. Intrakat holds 55% (€33.000) and Fracasso SpA 45% (€27.000) of the share capital of the new company.

On 1 October 2009 the subsidiary company Intracom Holdings International Ltd acquired the group Duckelco Holdings Co Ltd, which consists of the parent and its 100% subsidiary Ingrelenco Trading Co Ltd. The purchase price amounted to €7.576.

39. Commitments

Capital commitments

As at the balance sheet date there were capital commitments for PPE of €7.856 for the Group (2008: €10.010)

Operating lease commitments

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Up to 1 year	2.684	3.160	327	395
From 2 to 5 years	4.749	9.787	354	662
More than 5 years	992	10.239	-	-
	8.426	**23.186**	**681**	**1.057**

40. Contingencies / Outstanding legal cases

The Group and the Company have contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Guarrantees for advance payments	78.088	95.944	71.330	83.876
Guarrantees for good performance	155.370	139.611	113.468	100.524
Guarrantees for participation in contests	15.495	14.836	6.236	14.795
Other	11.732	10.504	5.645	5.000
	260.685	**260.895**	**196.680**	**204.194**

The Company has given guarantees to banks for subsidiaries' loans amounting to €379.109.

In addition, the Company has guaranteed the contractual liabilities of an associate company.

<u>Outstanding legal cases</u>

There was an outstanding legal case against a subsidiary company from the Ministry of Merchant Marine (MMM) concerning violations during the execution of a project completed and delivered to the MMM in a prior period. The penalties and rebates that were initially claimed amounted to €29 mil., amount which has been reduced to €9 mil., following a settlement. According to a recent decision by the administrative court of appeal of Piraeus, the above mentioned penalties and rebates were cancelled.

(All amounts in €'000)

On 4 March 2008 specific major shareholders of Teledome S.A. took legal action against Intracom Holdings, a subsidiary company and key management personnel, requesting among others, to abolish the annulment of the earlier decision for the merger of Hellas online, Unibrain and Teledome. Through this lawsuit, an amount of approximately €141 mil. is claimed from the parent company and the subsidiary, for the loss and the moral damage that the plaintiffs allege to have suffer. The Group's management and its lawyers assess that the possibility of any material liabilities arising for the Group in relation to this case is very low.

The group Hellas online is in dispute, which is under examination by EETT (Hellenic Telecommunications and Post Commission), with OTE SA regarding certain charges of the latter which are claimed to be unlawful. In relation with this case, at 31 December 2009 the company disputed charges of €4.082 and has recorded a provision of €1.970.

It is not anticipated that any material liabilities will arise from the contingent liabilities.

41. Related party transactions

The following transactions are carried out with related parties:

	Group		Company	
	1/1 - 31/12/2009	**1/1 - 31/12/2008**	**1/1 - 31/12/2009**	**1/1 - 31/12/2008**
Sales of goods / services:				
To subsidiaries	-	-	2.629	4.477
To associates	3.472	6.644	411	526
To other related parties	2.943	8.265	2	-
	6.415	**14.909**	**3.042**	**5.003**
Purchases of goods / services:				
From subsidiaries	-	-	462	530
From associates	10.637	10.928	67	67
From other related parties	853	455	53	-
	11.490	**11.384**	**581**	**597**
Rental income:				
From subsidiaries	-	-	1.664	1.554
From associates	941	961	562	585
From other related parties	288	415	167	385
	1.229	**1.376**	**2.393**	**2.524**
Dividend income:				
From subsidiaries	**-**	**-**	**1.500**	**2.236**

(All amounts in €'000)

Purchases of fixed assets:				
From subsidiaries	-	-	145	23
From associates	24.583	25.605	-	-
From other related parties	531	-	-	-
	25.114	**25.605**	**145**	**23**
Disposals of fixed assets:				
To subsidiaries	-	-	83	2.391
To other related parties	4.505	-	4.505	-
	4.505	**-**	**4.588**	**2.391**

Services from and to related parties as well as sales and purchases of goods take place on the basis of the price lists in force with non-related parties. Other related parties are mainly associates and companies in which the major shareholder of the Company holds an interest share.

Year-end balances arising from transactions with related parties are as follows:

	Group		Company	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**
Receivables from related parties				
From subsidiaries	-	-	10.160	8.977
From associates	8.451	10.162	2.443	5.473
From other related parties	15.510	14.847	4.423	1.274
	23.961	**25.009**	**17.027**	**15.724**
Payables to related parties				
To subsidiaries	-	-	2.198	1.822
To associates	56.058	53.279	3.372	5.723
To other related parties	803	410	52	272
	56.861	**53.689**	**5.623**	**7.817**

Key management compensation

Total amount of €2.636 has been paid by the Company as directors' remuneration and key management compensation for the year 2009 (2008: €1.854). The outstanding balance due to directors as at 31st December 2009 was €0 (2008: €75)

42. Post balance sheet events

No significant events occurred after the balance sheet date.

(All amounts in €'000)

43. Subsidiaries

The companies included in the consolidated financial statements and the related direct percentage interests held are as follows.

31 December 2009

	Name	Country of incorporation	Direct % interest	Consolidation Method	Unaudited Tax Years
*	Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	2007 - 2009
*	HELLAS ON LINE	Greece	49,25% (see note 1)	Full	2007- 2009
	- Attica Telecommunications SA	Greece	100,00%	Full	2008-2009
	- Unibrain Inc	USA	100,00%	Full	From establishment - 2009
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2009
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2009
	- Fornax RT	Hungary	67,00%	Full	2003, 2006-2009
	- Fornax Integrator	Hungary	100,00%	Full	2001-2009
	- Fornax Informatika Doo Croatia	Croatia	100,00%	Full	2005-2009
	- Fornax Slovakia	Slovakia	100,00%	Full	2005-2009
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2009
	- Intracom Group USA	USA	100,00%	Full	From establishment - 2009
	- Duckelco Holdings Ltd**	Cyprus	100,00%	Full	From establishment - 2009
	- Ingrelenco Trading Co. Ltd**	Cyprus	100,00%	Full	From establishment - 2009
*	Intracom IT Services	Greece	100,00%	Full	2005- 2009
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2009
	- Dialogos SA	Greece	39,50%	Full	2007-2009
	- Data Bank SA	Greece	90,00%	Full	2009
	- Intracom Jordan Ltd	Jordan	80,00%	Full	2009
	- Intracom IT Services Denmark AS	Denmark	100,00%	Full	2008 - 2009
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2009
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2009
	- Intrasoft International SA	Luxemburg	99,76%	Full	2008-2009
	- Intrasoft SA	Greece	99,00%	Full	2008-2009
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2009
	- Switchlink NV	Belgium	65,16%	Full	From establishment - 2009

Note 1: The total shareholding in Hellas on Line is 53,40% through the participation of subsidiary companies of the Group.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest	Consolidation Method	Unaudited Tax Years
* Intrakat SA	Greece	62,24%	Full	2008 - 2009
- Inmaint SA	Greece	62,00%	Full	2009
- KEPA Attica SA	Greece	51,00%	Full	2005-2009
- Intracom Construct SA	Romania	96,54%	Full	2009
-Oikos Properties SRL.	Romania	96,54%	Full	2007-2009
- Eurokat SA	Greece	94,38%	Full	2007-2009
-J./V. AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	Greece	31,46%	Proportional	2007-2009
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2009
-SC Plurin Telecommunications SRL	Romania	50,00%	Equity	2008-2009
-Alpha Mogilany Development SP Z.O.O	Poland	25,00%	Equity	2008-2009
- Intradevelopment SA	Greece	100,00%	Full	2004-2009
- Fracasso Hellas AE Design & construction pf road safety systems**	Greece	55,00%	Full	-
-Prisma - Domi ATE**	Greece	50,00%	Full	2009
-J/V Athinaiki Techniki s.a.- "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Department East Macedonia & Thraki)**	Greece	10,00%	Equity	2007-2009
-J/V VIOTER s.a. - Prisma Domi s.a. constructor (Sewages process facilities & subpipe of Ag.Theodorous municipality)**	Greece	10,00%	Equity	2008-2009
-J/V/ NOEL s.a. - Prisma Domi ATE - (Wind park in "Driopi")**	Greece	17,50%	Equity	2009
J./V. Mohlos - Intrakat (Tennis.)	Greece	50,00%	Equity	2006-2009
J./V. Mohlos - Intrakat (Swimm.)	Greece	50,00%	Equity	2003-2009
J./V. Panthessalikon Stadium	Greece	15,00%	Equity	2008-2009
J./V. Elter-Intrakat (EPA Gas)	Greece	45,00%	Equity	2008-2009
J./V. Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2009
J./V. Elter-Intrakat-Energy	Greece	40,00%	Equity	2005-2009
J./V. "Ath.Techniki-Prisma Domi"-Intrakat	Greece	50,00%	Equity	2005-2009
J./V. Intrakat-Ergaz-ALGAS	Greece	33,33%	Equity	2007-2009
J./V. Intrakat - Elter (Maintenance N.Section)	Greece	50,00%	Proportional	2006-2009
J./V. Intrakat - ATTIKAT (Egnatia Odos)	Greece	50,00%	Proportional	2009
J./V. Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Xiria)	Greece	50,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Road diversion- Arta)	Greece	30,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Natural gas installation project- Schools)	Greece	30,00%	Proportional	2007-2009
South)	Greece	49,00%	Proportional	2007-2009
J./V. Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Natural Gas installation project - Schools EPA 3)	Greece	50,00%	Proportional	2007-2009
J./V. Intrakat - Elter (Natural Gas pipelines 2007 Northeastern Attica Region-EPA 4)	Greece	50,00%	Proportional	2007-2009
J./V.Intrakat- Elter(Gas Distrib.Network Expansion)	Greece	50,00%	Proportional	2007-2009
J./V. AKTOR ATE - Pantechniki SA - Intrakat (J./V. Moreas)	Greece	13,33%	Proportional	2008-2009
J./V. Intrakat - Elter (EPA 5) - Natural Gas Installation Central Region	Greece	50,00%	Proportional	2007-2009
J./V. Intrakat - Elter (EPA 6) - Natural Gas Installation South Region	Greece	50,00%	Proportional	2008-2009
J./V. Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2009
J./V. Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2009
J./V. Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica	Greece	49,00%	Proportional	2007-2008
J./V. Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	Greece	50,00%	Proportional	2008-2009
J./V. Intrakat - Elter (Completion of Ionio Building, General Clinic)	Greece	50,00%	Proportional	2008-2009
J./V. Eurokat-ETVO- Construction of Central Library Building of School of Fine Arts	Greece	70,00%	Proportional	2008-2009
J/V Anastilotiki - Getem - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2007-2009
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	Greece	33,30%	Proportional	2006-2009
J/V Intrakat - Elter - (dam construction in Filiatra) **	Greece	50,00%	Proportional	2009
J/V Intrakat - K.Panagiotidis & Co (line transfer construction 1) **	Greece	60,00%	Proportional	-
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)**	Greece	46,90%	Proportional	2009

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intracom Telecom Solutions SA	Greece	49,00%	Equity	2009
-Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2009
-Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 200
-Intracom Doo Skopje	FYROM	100,00%	Full	2006-2009
-Intralban Sha	Albania	95,00%	Full	2005-2009
-Intrarom S.A.	Romania	66,70%	Full	2004-2009
-Sitronics Intracom India PL**	India	100,00%	Full	From establishment - 2009
-Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2009
- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
- Connklin Corporation	USA	100,00%	Full	2001-2009
- Intracom Telecom solutions S.R.L.	Moldova	100,00%	Full	From establishment - 2009
- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2009
- E-Teleserv doo Belgrade**	Serbia	100,00%	Full	-
- Intracom doo Armenia	Armenia	100,00%	Full	2008 -2009
- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	From establishment - 2009
- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	From establishment - 2009
- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	100,00%	Full	From establishment - 2009

* Direct holding

(**) These companies have been included in the Group for the first time in the current year but were not included in the corresponding year of 2008.

Moldovan Lottery and PEBE SA were included in the consolidated financial statements for the year 2008, and were not included in the current year's financial statements. Moldovan Lottery was included in the consolidated financial statements up to 7 April 2009, at which date it was disposed.

Except for the above, there are no further changes in the consolidation method for the companies included in the group financial statements.

(All amounts in €'000)

31 December 2008

	Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
*	Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	2007,2008
*	HELLAS ON LINE	Greece	80,58% (βλ.σημ.1)	Full	2008
	- Attica Telecommunications SA	Greece	100,00%	Full	2008
	- Unibrain Inc	USA	100,00%	Full	From establishment - 2008
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Fornax RT	Hungary	67,00%	Full	2003, 2006-2008
	- Fornax Integrator	Hungary	100,00%	Full	2001-2008
	- Fornax Informatika Doo Croatia	Croatia	100,00%	Full	2005-2008
	- Fornax Slovakia	Slovakia	100,00%	Full	2005-2008
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Group USA	USA	100,00%	Full	From establishment - 2008
*	Intracom IT Services	Greece	100,00%	Full	From establishment - 2008
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2008
	- Dialogos SA	Greece	39,50%	Full	2004-2008
	- Data Bank SA	Greece	90,00%	Full	From establishment - 2008
	- Intracom Jordan Ltd	Jordan	80,00%	Full	2008
	- Intracom IT Services Denmark AS	Denmark	100,00%	Full	Established in 2008
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Intrasoft International SA	Luxemburg	96,56%	Full	2007,2008
	- Intrasoft SA	Greece	99,00%	Full	2006-2008
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2008
	- Switchlink NV	Belgium	65,16%	Full	From establishment - 2008

Note 1: The total shareholding in Hellas on Line is 84,17% through the participation of Intracom IT Services

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Ιντρακάτ ΑΕ	Greece	61,76%	Full	2006-2008
- Inmaint SA	Greece	62,00%	Full	2005-2008
- KEPA Attica SA	Greece	51,00%	Full	2005-2008
- Intracom Construct SA	Romania	94,82%	Full	2006-2008
-Oikos Properties SRL.	Romania	94,82%	Full	2007-2008
- Eurokat SA	Greece	82,00%	Full	2007-2008
J./V. AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	Greece	33,33%	Proportional	2007-2008
- Intrakat International Ltd	Cyprus	100,00%	Full	2008
-SC Plurin Telecommunications SRL	Romania	50,00%	Equity	2008
-Alpha Mogilany Development SP Z.O.O	Poland	25,00%	Equity	2008
- Intradevelopment SA	Greece	100,00%	Full	2004-2008
J./V. Mohlos - Intrakat (Tennis.)	Greece	50,00%	Equity	2006-2008
J./V. Mohlos - Intrakat (Swimm.)	Greece	50,00%	Equity	2003-2008
J./V. Panthessalikon Stadium	Greece	15,00%	Equity	2004-2008
J./V. Elter-Intrakat (EPA Gas)	Greece	45,00%	Equity	2008
J./V. Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2008
J./V. Elter-Intrakat-Energy	Greece	40,00%	Equity	2005-2008
J./V. "Ath.Techniki-Prisma Domi"-Intrakat	Greece	50,00%	Equity	2005-2008
J./V. Intrakat-Ergaz-ALGAS	Greece	33,33%	Equity	2007-2008
J./V. Intrakat - Elter (Maintenance N.Section)	Greece	50,00%	Proportional	2006-2008
J./V. Intrakat - ATTIKAT (Egnatia Odos)	Greece	50,00%	Proportional	2006-2008
J./V. Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Xiria)	Greece	50,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Road diversion- Arta)	Greece	30,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Natural gas installation project- Schools)	Greece	30,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Natural Gas Installation Project Attica Northeast & South)	Greece	49,00%	Proportional	2006-2008
J./V. Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Natural Gas installation project - Schools EPA 3)	Greece	50,00%	Proportional	2007-2008
J./V. Intrakat - Elter (Natural Gas pipelines 2007 Northeastern Attica Region-EPA 4)	Greece	50,00%	Proportional	2007-2008
J./V.Intrakat- Elter(Gas Distrib.Network Expansion)	Greece	50,00%	Proportional	2007-2008
J./V. AKTOR ATE - Pantechniki SA - Intrakat (J./V. Moreas)	Greece	13,33%	Proportional	2008
J./V. Intrakat - Elter (EPA 5) - Natural Gas Installation Central Region	Greece	50,00%	Proportional	2007-2008
J./V. Intrakat - Elter (EPA 6) - Natural Gas Installation South Region	Greece	50,00%	Proportional	2008
J./V. Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008
J./V. Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008
J./V. Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica	Greece	49,00%	Proportional	2007-2008
J./V. Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	Greece	50,00%	Proportional	2008
J./V. Intrakat - Elter (Completion of Ionio Building, General Clinic)	Greece	50,00%	Proportional	2008
J./V. Eurokat-ETVO- Construction of Central Library Building of School of Fine Arts	Greece	70,00%	Proportional	2008
J/V Anastilotiki - Getem - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2007-2008
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	Greece	33,30%	Proportional	2006-2008
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2007-2008

(All amounts in €'000)

	Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
*	Moldovan Lottery	Μολδαβία	32,85%	Equity	2008
*	Intracom Telecom Solutions SA	Greece	49,00%	Equity	2003-2008
	-Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2008
	-Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 2008
	-Intracom Doo Skopje	FYROM	100,00%	Full	2006-2008
	-Intralban Sha	Albania	95,00%	Full	2005-2008
	-Intrarom S.A.	Romania	66,70%	Full	2004-2008
	-Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
	- Connklin Corporation	USA	100,00%	Full	2001-2008
	- Intracom Telecom solutions S.R.L.	Moldova	100,00%	Full	From establishment - 2008
	- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2008
	- Intracom doo Armenia	Armenia	100,00%	Full	2008
	- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	From establishment - 2008
	- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	95,00%	Full	Established in 2008

* Direct holding

E) Notes and Information

INTRACOM HOLDINGS SA
(Ledger No SA 13906/06/B/86/20)
19 km MARKOPOULOU AVE., GR-19002, PEANIA ATHENS
Concise financial information for the period from 1 January 2009 to 31 December 2009
(reported under the provisions of L.2190 Art.135 for companies which prepare annual financial statements consolidated or stand alone in accordance with IFRS)

The purpose of the financial information set out below is to provide an overview of the financial position and financial results of INTRACOM HOLDINGS SA and INTRACOM GROUP. We advice the reader, before making any investment decision or other transaction with the Company, to visit the Company's website (www.intracom.com) where the interim financial statements prepared in accordance with International Financial Reporting Standards together with the audit review of the independent auditors, whenever this is required, are presented.

Authority in charge: Ministry of Development
Web Address: www.intracom.com
Date of approval of the financial statements by the BoD: 30/03/2010

Board of Directors:
Chairman of the Board of Directors, Executive Member: Socrates P. Kokkalis
Vice Chairman, Deputy CEO, Executive Member: Konstantinos G. Dimitriadis
Advisors, Executive Members: Dimitrios X. Klonis, George Ar. Anninos, Nikolaos D. Labroukos.
Non-Executive Member: Konstantinos G. Antonopoulos
Independent Non-Executive Members: Sotirios N. Filos, Dimitrios K. Hatzigrigoriadis.

Certified Auditors Accountants:
Zoe Sofou (L.C./ Accociation of Certified Auditors 14701) -
Michael E. Hatzistavrakis (L.C./ Accociation of Certified Auditors 26581)

Auditing Firm: "SOL" S.A. CERTIFIED AUDITORS ACCOUNTANTS
Type of review opinion: With no qualification

CONDENSED BALANCE SHEET
Amounts in € thousands

	GROUP		COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
ASSETS				
Property plant and equipment	375.496	333.853	29.190	39.869
Investment property	57.618	63.125	64.008	60.450
Intangible assets	130.619	106.287	8	219
Other Non-current assets	156.950	160.990	370.930	380.955
Inventories	47.140	49.137	-	-
Trade Receivables	229.423	211.929	8.551	8.884
Other current assets	201.276	219.377	23.653	25.093
Non current Assets classified as held for sale	10.291	-	-	-
TOTAL ASSETS	**1.208.813**	**1.144.698**	**496.340**	**515.470**
EQUITY AND LIABILITIES				
Share capital	377.148	374.047	377.148	374.047
Reserves	66.047	58.618	91.113	106.204
Capital and reserves attributable to the Company's equity holders (a)	443.195	432.665	468.261	480.251
Minority rights (b)	57.300	35.822	-	-
Total Equity (c) = (a) + (b)	500.495	468.487	468.261	480.251
Long-term bank borrowings	168.848	156.082	6.196	-
Provisions/Other long-term liabilities	49.928	48.601	1.369	1.163
Short-term bank borrowings	171.792	176.233	9.698	19.294
Other short-term liabilities	315.154	295.295	10.816	14.762
Liabilities related to non-current assets available for sale	2.596	-	-	-
Total Liabilities (d)	**708.318**	**676.211**	**28.079**	**35.219**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**1.208.813**	**1.144.698**	**496.340**	**515.470**

STATEMENT OF CHANGES IN EQUITY
Amounts in € thousands

	GROUP		COMPANY	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Balance at the beginning of period (01.01.2009 and 01.01.2008)	**468.487**	**539.994**	**480.251**	**511.480**
Total comprehensive income for the period after tax	-55.107	-84.940	-13.034	-31.229
Share capital Increase/ (Decrease)	83.957	3.224	-	-
Dividend Distributed	-204	-263	-	-
Effect of change in minority percentage from share capital increase in subsidiary	-	10.292	-	-
Purchase of subsidiary	2.138	-	-	-
Share option scheme	181	180	-	-
Treasury Shares	1.043	-	1.044	-
Balance at the end of period (31.12.2009 and 31.12.2008 respectively)	**500.495**	**468.487**	**468.261**	**480.251**

ADDITIONAL DATA AND INFORMATION:

1. There are no pledges on the Company's or Group's assets
2. Number of employees at the end of current period: Company 43 employees (2008, 80 employees)
   Group 5.761 employees (2008, 6.104 employees).
3. There are no legal disputes or cases on arbitration which may materially affect the financial position of the Company or the Group.
   Other Provisions on 31.12.09 sum up to€ 1.568 thous. for the company and € 8.778 thous. for the Group.
   There are no provisions for unaudited fiscal periods for the Company, whereas provisions for unaudited fiscal periods for the Group sum up to € 1.773 thous.
   There are no material provisions for legal disputes or cases on arbitration, neither for the Company nor for the Group.
4. Sales and purchases amounts, cumulatively from the beginning of the fiscal year, and the balances of receivables and payables at the end of the current period deriving, for the Company and the Group, by related party transactions, under the light of IAS 24 provisions are as follows :

(Amounts in € thousands)	Group	Company
a) Income	12.149	11.523
b) Expenses	36.604	726
c) Receivables	23.961	17.027
d) Payables	56.861	5.623
e)Transactions and remuneration of Directors and key management.	2.636	2.636
f) Receivables from directors and key management	0	0
g) Payables to directors and key management	0	0

5. Information about the subsidiaries, associates and the joint ventures of the Group as at 31 December 2008 (name, country of incorporation, direct interest held), as well as the consolidation method is presented in Note 43 of the financial statements.
   Furthermore, in Note 43 changes in the consolidation method are mentionned. There are no changes in the consolidation method for the companies included in the group financial statements, or companies that are not included in the consolidation.
6. The Company's tax returns have been audited by the tax authorities up to and including the fiscal year 2007.
   Unaudited fiscal years by tax authorities for the Group's Companies are equally stated in Note 43.
7. The company and the Group at 31/12/2009 holds 1.080.836 treasury shares of€ 4.622 thous. total value, which has been deducted from the Company's and Group's shareholders' equity.
8. During the current period, loss of € 2 thous., referring to valuation of financial assets available for sale,has been recorded directly to Shareholder's Equity (Fair value Reserves) for the company.
   Respectively, for the Group losses of € 52.530 thoys. Have been recorded, which include , losses of € 119 thous. referring to valuation of financial assets available for sale, losses of exchange rate conversions of€ 968 thous., fair value losses of cash flow hedge of € 436χιλ. and the amount of€ 51.007 thous. referring to change in minority interest.
9. Amounts in the Assets Accounts 'Other Non current assets', 'Trade Receivables' and 'Other current assets' for the fiscal year 2008, have been reclasiified.

STATEMENT OF COMPREHENSIVE INCOME
Amounts in € thousands

	GROUP		COMPANY	
	01/01-31/12/2009	01/01-31/12/2008	01/01-31/12/2009	01/01-31/12/2008
Sales	547.414	509.019	3.392	5.411
Gross profit (loss)	59.393	74.919	448	443
Profit/(loss) before tax, financing and investing results	14.061	-53.719	-11.430	-33.587
Profit/(loss) before income tax	-5.311	-80.699	-12.438	-34.530
Profit/(Loss) after Tax (A)	-2.577	-83.394	-13.032	-35.065
-Equity holders of the Company	10.497	-77.192	-13.032	-35.065
-Minority Interest	-13.075	-6.203	-	-
Other comprehensive Income for the period, net of tax (B)	-52.530	-1.546	-2	3.836
Total comprehensive Income (A) + (B)	-55.107	-84.940	-13.034	-31.229
-Equity holders of the Company	9.406	-77.400	-13.034	-31.229
-Minority Interest	-64.513	-7.540	-	-
Earnings After Tax per share - basic (in €)	0,0797	-0,5877	-0,0990	-0,2670
Profit/(loss) before income tax, financing, investing results and total depreciation	77.223	-14.261	-9.054	-30.209

CONDENSED CASH FLOW STATEMENT
Amounts in € thousands

	GROUP		COMPANY	
Indirect Method	**01/01-31/12/2009**	**01/01-31/12/2008**	**01/01-31/12/2009**	**01/01-31/12/2008**
Operating activities				
Profit/(Loss) before Income Tax (from continuing activities)	-5.311	-80.699	-12.438	-34.530
Profit/(Loss) before Income Tax (from discontinued activities)			-	-
Plus / Minus Adjustments for:				
Depreciation	63.162	39.458	2.376	3.378
Devaluation of tangible and intangible assets	4.791		1.579	0
Provisions	-3.776	6.752	-280	1.474
Translation Differences	-195	259	-	-
Net cash from investing activities	-57.257	7.393	8.493	6.371
Interest expense and related costs	21.558	29.643	1.764	2.487
Plus / Minus Adjustments for Working Capital Changes or related to operating activities.				
Decrease / (increase) in inventories	1.996	-149	-	-
Decrease / (increase) in receivables	6.668	-8.478	39	28.236
Decrease / (increase) in liabilities (other than banks)	13.908	14.612	-3.797	-9.756
Less:				
Interest expenses and related costs paid	-21.384	-24.344	-1.764	-1.487
Income Tax paid	3.647	-11.585	5.075	-1.245
Total inflow / (ouflow) from operating activities (a)	**27.807**	**-27.138**	**1.047**	**-5.072**
Investing activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	-151	-10.390	-1.008	-21.006
Proceeds from Share capital increase of subsidiary	49.823	4.242	-	-
Purchase of PPE and intangible assets	-98.376	-75.187	-406	-8.077
Proceeds from sales of PPE and intangible assets	5.120	3.457	1.168	1.161
Interest received	1.004	3.228	255	990
Dividends Received	12	97	1.500	3.936
Total (outflow)/ inflow from investing activities (b)	**-42.568**	**-74.553**	**1.509**	**-22.996**
Financing activities				
Proceeds from share capital increase	-	-	-	-
Payments for share capital decrease	-	-	-	-
Expenses on issue of share capital	-	-1.258	-	-
Proceeds from borrowings	85.287	293.200	-	11.801
Repayments of borrowings	-59.397	-203.050	-3.400	-5.281
Repayment of finance leases	-4.892	-4.510	-	-3
Dividends paid	-278	-582	-75	-320
Subsidies	-	-	-	-
Total inflow / outflow from financing activities (c)	**20.720**	**83.800**	**-3.475**	**6.197**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**5.959**	**-17.891**	**-919**	**-21.871**
Cash and cash equivalents at beginning of period	**58.682**	**76.573**	**11.064**	**32.935**
Cash and cash equivalents at end of period	**64.641**	**58.682**	**10.145**	**11.064**

PAIANIA, 30 March 2010

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO

S.P. KOKKALIS
ID No AI 091040/05.10.2009

VICE CHAIRMAN OF THE BOARD OF DIRECTORS AND DEPUTY MANAGING DIRECTOR

K. G. DIMITRIADIS
ID No I 208019/07.08.1974

CORPORATE FINANCE EXECUTIVE DIRECTOR

D.C. KLONIS
ID No P 539675/06.11.1995

ACCOUNTING MANAGER

I. K. TSOUMAS
ID No AZ 505361/10.12.2007
L.C. 637 First Class