INTRACOM HOLDINGS S.A.

Annual Report
for the Year 2013 (1st January – 31st December 2013)
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 28th March 2014.

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR
D.C. KLONIS	**K.S. KOKKALIS**
ID No. AK 121708/07.10.2011	ID No. AI 091122/14.10.2009

THE CHIEF ACCOUNTANT

J.K. TSOUMAS
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 SA

1. Dimitrios C. Klonis, Chairman
2. Konstantinos S. Kokkalis, Managing Director,
3. Georgios A. Anninos, Vice-Chairman

In our above mentioned capacity we declare that:

As far as we know:

a. the parent company and consolidated annual financial statements for the year 01/01/2013 to 31/12/2013 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.

THE CHAIRMAN OF THE BOARD OF DIRECTORS

D.C. KLONIS
ID No. AK 121708/07.10.2011

THE MANAGING DIRECTOR

K.S. KOKKALIS
ID No. AI 091122/14.10.2009

THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS

G.A. ANNINOS
ID No. AE 550167/17.04.2007

B) Board of Directors' Report

ANNUAL REPORT OF THE

BOARD OF DIRECTORS OF INTRACOM HOLDINGS SA

FOR THE YEAR 2013 (1st JANUARY – 31st DECEMBER 2013)

(in accordance with article 5 of Law 3556/2007)

FINANCIAL RESULTS

The Group's consolidated sales for the 2013 fiscal year stood at € 513.7 mn. compared to € 541.7 mn. in 2012, reflecting a 5.2% drop. HELLAS ONLINE, whose turnover was € 224.2 mn. (compared to € 235.8 mn. in 2012) was the leader in terms of sales among companies in the Group. It was followed by the INTRASOFT INTERNATIONAL Group with consolidated sales of € 136.1 mn., compared to € 135.8 mn. in 2012.

The Group's 2013 financial statements were affected by impairments and provisions. Specifically, according to standard procedures, the Group's management team proceeded to valuation of the Group's assets. Taking into account the prolonged economic recession and the market conditions that have resulted in a drop in the value of properties and participations, in order for the financial statements to reflect assets at fair value, impairments of the aforementioned assets have been reported, but these were significantly higher than in previous years.

More specifically the Group's EBITDA amounted to € 55.2 mn., including € 19.7 mn. from the overall impairment figure. The adjusted EBITDA stood at € 74.9 mn., compared to € 76.2 mn. in 2012. It is important to note that the adjusted EBITDA margin is slightly higher than in 2012.

The Group's pre-tax profits (after deducting the € 55.8 mn. for impairments and provisions) stood at € 75.8 mn. compared to losses of € 49.5 mn. in 2012.

Note that for the first time HELLAS ONLINE recorded earnings before tax of € 2.2 mn. in its annual statements, compared to losses of € 17.9 mn. in 2012. The company's shift to a profitable EBT figure, with EBITDA standing at 30.5%, is considered to be very significant since it is the first of the alternative providers to report such results.

INTRACOM DEFENSE also reported EBT in profit in its pre-impairment, adjusted resulted. Factoring out the impairments, the company reported EBT of € 1.2 mn..

The Group's overall Equity on 31.12.2013 stood at € 272.2 mn. compared to € 347.5 mn. on 31.12.2012.

Total assets on 31.12.2013 stood at € 921.2 mn. compared to € 971.2 mn. on 31.12.2012, reflecting a 5.2% drop. The reduction in the Group's assets, despite the increase in cash assets, was due to impairments, especially in buildings, land and participations.

The Group's net debt in 2013 stood at € 254.1 mn., down by € 4.6 mn. compared to 2012. The decrease in net debt was due to the increase in cash which rose to € 76.3 mn. compared to € 53.3 mn. in 2012.

The financial ratios which reflect the Group and Company's financial position are presented in diagram form below:

a) Financial structure ratios	**Group**	**Company**
Current assets/Total assets	42.3%	2.9%
Equity/Total liabilities	41.9%	548.3%
Equity/Fixed assets	64.7%	439.8%
Current assets/Short-term liabilities	70.1%	26.9%

b) Profitability ratios	**Group**	**Company**
EBITDA/Sales	10.7%	-112.8%
Gross profit/Sales	14.0%	13.5%
Sales/Total Equity	188.7%	0.7%

MAJOR EVENTS

In February 2013 **INTRASOFT International** announced that following an open public tender procedure, the grouping in which it was participating as a strategic partner in the tax and public revenues sector, and as a subcontractor to implement the tax applications system, was chosen by the Ministry of Economy & Finance of the Government of Qatar to undertake the Tax Administration System project. This project will last 18 months with an additional 5-year maintenance period, and Intrasoft International's share of the project amounts to $ 6.2 mn..

In March 2013 INTRASOFT International was chosen by the European Statistical Office (EUROSTAT) to implement a new software development project in the field of standardising and electronically sharing statistical data and metadata. INTRASOFT International's share in this project is estimated at € 3.85 mn. (42% of the total budget).

In addition, in April a joint venture in which INTRASOFT International was participating was selected by the European Commission's DG DIGIT as the first contractor in a scalable framework agreement to provide support and advisory services to technical IT staff (STIS III). The contract has a potential estimated value of € 10 mn. and maximum duration of 4 years, while INTRASOFT International's share is estimated at € 6 mn. (60% of the total joint venture budget). Following an international tender procedure, the European Commission also assigned the INTRASOFT International – European Service Network (ESN) joint venture the task of implementing a framework agreement to provide ICT services with an estimated potential value of € 30 mn.. INTRASOFT International's share is estimated at € 13.5 mn. (45% of the total joint venture budget). The contract with DG Research & Innovation will be for a maximum term of 4 years and is one of the most important framework agreements relating to ICT activities in the EU's research and technological development sectors.

In the customs sector, the company took part in a joint venture which signed a framework agreement estimated at € 26 mn.. INTRASOFT International's share though is expected to be 67% of that figure. In addition, in the customs sector again a joint venture, which INTRASOFT International is a member of, was chosen by the European Commission's DG TAXUD to implement a framework agreement worth € 37.8 mn. for a maximum term of 8 years, relating to the provision of taxation IT services and an excise duty audit system. In the customs sector the Company also signed 5 new contracts worth a total of € 1.8 mn. in Lithuania, Slovenia, Latvia, Hungary and Malta.

In 2013 **HELLAS ONLINE** reported EBT of € 2.2 mn. for the first time.

It also reported a very high operating profit margin (EBITDA) of 30.5% which places the company at the top of its sector in Europe.

The increase in the company's customer base from LLU 493,000 in 2012 to LLU 520,000 in 2013 is also considered to be an important success.

In March 2013 **INTRAKAT** signed a new contract with DEDDIE S.A. for the project to install a Large Low Voltage Customers Meter Remote Measurement System with a total contractual price of € 20 mn.. This contract is a turnkey solution and includes the integrated design, supply and installation of the equipment, the carrying out of all necessary tests and adjustments and delivery of the remote measurement centre to DEDDIE S.A. and processing of the measurement data for all large low voltage customers on the distribution grid and the supply, installation and integration into the system of new meters and equipment to allow the low voltage meters on the distribution grid to communicate with the measurement centre. The project is expected to be completed within 26 months.

At the end of the half-year INTRAKAT announced that a contract had been signed between ERGA OSE S.A. and the joint venture comprised of AKTOR CONSTRUCTION S.A. – J&P AVAX – INTRAKAT, in which INTRAKAT has a 25% holding. This project with a total budget of € 293.1 mn. is for construction of infrastructure for the new double railway line in the Rhododafni – Psathopyrgos section and the Panagopoula Tunnel. The project completion deadline is 36 months from the contract signing date.

In the waste management sector, INTRAKAT has developed a partnership with the Archirodon Group and Envitec, and has a 40% holding in the grouping declared the lowest bidder for the project 'Development of waste treatment plants in the Prefecture of Serres via Public Private Partnership' with a budget of € 39.2 mn.. Construction will be completed within about 2 years and the project will be operated for 25 years.

INTRAKAT also signed a new contract with EGNATIA ROAD S.A. with a budget of € 41.43 mn. to improve and upgrade the Thessaloniki western inner ring road.

The deadline for project completion is 28 months from the contract signing date.

In 2013 **INTRACOM Defense Electronics** undertook new projects with a total budget of € 18.4 mn., the most important of which are listed below:

- Contracts with NORTHROP GRUMMAN (USA) worth $ 3.9 mn. to produce electronic parts for the Autoprotection Warning Receiver and the fire control radar for F-16 aircraft belonging to other countries.
- A contract worth € 3.3 mn. with the German firm Diehl BGT Defense (DBD) to build electronic systems and parts for the IRIS-T missile intended to be sold to international customers.
- A contract worth € 3.6 mn. with the German firm RAM SYS to produce electronic systems for the surface-to-air anti-missile systems ESSM.
- Contracts worth € 9.4 mn. with RAYTHEON (USA). These contracts relate to production of PATRIOT anti-aircraft system parts to meet the needs of other countries, and the production of electronic systems for the surface-to-air anti-missile systems RAM, PHALANX and ESSM.

Intracom Telecom has launched new products and solutions in the field of wireless access and backhaul networks, and made major innovations in the field of telecom software which were presented at the Mobile World Congress held in Barcelona in February 2013. In addition at the Packet Microwave & Mobile Backhaul event held in September in Dusseldorf, Germany, the company presented its solution that integrates the 4096 QAM modulation into the OmniBAS microwave solution, thereby allowing telecom providers to increase backhaul network capacity when putting LTE networks in place.

In February Intracom Telecom announced its partnership with Communication Solutions (Comsol Ltd), an integrated solutions provider and wireless broadband infrastructure agent in South Africa, to supply PtMP wireless equipment to Internet Solutions (IS), the country's leading broadband service provider. The innovative PtMP WiBAS system from Intracom Telecom will be used in one of the largest next generation LMDS networks on the continent. The company is looking to further expand its close partnership with Comsol.

In addition, the company received the first certification in Greece for running systems using cloud technology. Intracom Telecom received certification in line with the internationally recognised information security standard ISO 27001:2005 for operating the Hellas Online cloud system, hol cloud. The information security management system procedures were audited by TUV Hellas.

In June 2013 Intracom Telecom received an award as the Genesys Best Partner for 2012 for the wider SE Europe area at the Genesys G-Force 2013 customers and partners conference held in Vienna, Austria.

In November 2013, the company announced that a framework agreement had been signed with MTN (a leading telecom provider operating in 22 countries in Africa, the Middle East and Asia) to supply the innovative PtMP wireless WiBAS system.

MAJOR EVENTS OCCURRING AFTER THE END OF THE YEAR

In **January 2014** Mr. Sokratis P. Kokkalis, founder of the Intracom Holdings Group, stepped down from the Company's Board of Directors which has been re-constituted.

GOALS AND PERSPECTIVES

INTRACOM HOLDINGS Group, enhanced by the dynamic of its new management team and its ongoing reorganisation, aims to further strengthening of its international presence by entering new markets and sectors, to significant restructuring of its financials and to the optimum exploitation of its assets.

INTRACOM HOLDINGS Group companies define their strategy in the context of the Group's objectives.

HELLAS ONLINE growth drivers are:

- Its large privately-owned network
- Its strategic partnership with Vodafone
- Dynamic implementation of an integrated commercial plan
- Continued improvement of overall customer experience with the company and
- The implementation of targeted CRM actions.

Product marketing activities will continue to focus both on attracting new customers and on increasing value for existing customers. The Company will continue to implement measures to attract new corporate customers, improve the quality of services and the level of service they enjoy (SLA management). As far as innovation is concerned, the company will enrich its product range with new services such as Security as a Service, Desktop as a Service and Disaster Recovery as a Service. It plans to gradually improve the *hol cloud* services offered (backup, storage, VCS) with new services like Security as a Service, etc., to expand its target group and to showcase *hol cloud* as a service platform that improves the efficiency of modern businesses, which will make *hol cloud* the company's main comparative advantage over its competitors.

The **INTRASOFT INTERNATIONAL** Group's general strategy includes:

- Achieving more results within its 3 strategic priorities (improving its position in main markets, expanding into new markets and improved financial management)
- Placing particular emphasis on 3-4 vertical solutions with strong prospects for international success
- Bolstering strategic partnerships with international vendors and regional integrators

More specifically the Group is seeking to bolster its presence and operations in Africa by generating tangible results, to implement its chosen international growth strategy in the tax sector in cooperation with Oracle, to 'internationalise' its operations in 1-2 key sectors and solutions (in addition to those already available for Customs, Taxation, and Risk) and to become more involved in public private partnership (PPP) projects.

The strategic plans of the **INTRAKAT** Group for the period ahead focus on development sectors that include Public Sector Infrastructure projects, renewable energy source (RES) projects (waste to energy and wind farms) and projects where the Group has specialisation such as oil and gas, fibre optics networks, construction of hospitals and metal structures. It is also seeking to improve operational efficiency, to expand into new international markets of business interest such as Central and Eastern Europe, the Middle East and Africa, supported by the Business Development Department, to optimise cost, and to develop synergies within its own Group and within the Intracom Holdings Group.

INTRACOM DEFENSE plans to;

- Extend partnerships with System Integrators in international markets.
- Capitalise on the economic crisis to further establish the company's name in the defense and security sector in the domestic market.
- Development in Defence Hybrid Energy Systems sector.
- Exploitation of existing know-how in surveillance – security programmes and capitalise on relevant European programmes such as Horizon 2020 and Frontex.
- Invest on own-products development.

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

Interest rate risk has been hedged partly by converting a significant part of the borrowings from floating to fixed rate. The Group assesses that during the current year, interest rate risk is limited since it is expected that interest rates will remain stable or there will be a small decrease in the short-term. Also the mergers that took place in the Greek banking system will provide opportunities to decrease the average interest rate of the group.

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 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.

On 31 December of 2013 the Short Term Credit Facility of the Group increased to 87% from 53% in 2012 and the Long Term Credit Facility decreased to 13% from 47% in 2012.

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 and Receivables Period 1/1-31/12/2013
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSETS	RECEIVABLES
INTRAKAT SA	432	296	-	454
INTRASOFT INTERNATIONAL SA (GR)	899	672	-	1.734
INTRACOM DEFENSE SA	94	-	-	37
HELLAS ON LINE A.E.	664	1.428	-	65
OTHER SUBSIDIARIES	3	9	-	90
Total	2.092	2.405	0	2.380
ASSOCIATES				
INTRACOM TELECOM SA	126	-	-	2.117
INTRACOM LTD SKOPJE	-	-	-	750
Total	126	0	0	2.867
OTHER RELATED PARTIES				
INTRALOT	-	120	-	1.405
OTHER RELATED PARTIES	-	9	-	0
Total	0	129	0	1.405
TOTAL	2.218	2.534	0	6.652

Income & Receivables Period 1/1-31/12/2012
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSET	RECEIVABLES
INTRAKAT SA	426	298	-	2.728
INTRASOFT INTERNATIONAL SA (GR)	828	677	-	1.069
INTRACOM DEFENSE SA	5	-	-	-
HELLAS ON LINE A.E.	604	1.423	-	-
OTHER SUBSIDIARIES	2	15	-	78
Total	1.865	2.413	0	3.875
ASSOCIATES				
INTRACOM TELECOM SA	80	-	-	2.066
INTRACOM LTD SKOPJE	-	-	-	750
Total	80	0	0	2.816
OTHER RELATED PARTIES				
INTRALOT	-	128	-	1.282
OTHER RELATED PARTIES	-	5	-	3
Total	0	133	0	1.285
TOTAL	1.945	2.546	0	7.976

Expenses & Payables Period 1/1-31/12/2013
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
INTRAKAT SA	-	-	2.088	-
IN MAINT SA	262	69	-	18
INTRADEVELOPMENT SA	-	-	-	40
INTRASOFT INTERNATIONAL SA (GR)	-	-	-	878
HELLAS ON LINE A.E.	5	-	-	218
OTHER SUBSIDIARIES	7		-	32
Total	274	69	2.088	1.186
ASSOCIATES				
INTRACOM TELECOM SA	-	-	-	7.372
OTHER ASSOCIATES	-	-	-	26
Total	0	0	0	7.398
OTHER RELATED PARTIES				
KARAISKAKIS AE	-	-	25	49
OTHER RELATED PARTIES	-	-	-	9
Total	0	0	25	58
TOTAL	274	69	2.113	8.642

Expenses & Payables Period 1/1-31/12/2012
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
IN MAINT SA	291	2	-	21
INTRADEVELOPMENT SA	-	-	-	40
INTRACOM I.T. SERVICES SA	-	-	-	880
HELLAS ON LINE A.E.	4	-	-	220
OTHER SUBSIDIARIES	13	-	-	24
Total	308	2	0	1.185
ASSOCIATES				
INTRACOM TELECOM SA	-	-	-	7.577
OTHER ASSOCIATES	-	-	-	27
Total	0	0	0	7.604
OTHER RELATED PARTIES				
KARAISKAKIS AE	27	-	-	27
OTHER RELATED PARTIES	-	-	-	8
Total	27	0	0	35
TOTAL	335	2	0	8.824

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 purchase from INTRAKAT SA relate to preference share HOL.
The purchases from IN MAINT SA relate to maintenance of facilities and networks.
The transactions have taken place under normal market conditions.

Directors' remuneration and key management compensation amounted to € 1.043 during the year 2013 in comparison (2012 € 1.043). There was no outstanding receivable or payable to directors as at 31st December 2013.

Paiania, 28 March 2014

The Board of Directors

C) Independent Auditors' 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.**, which comprise the separate and consolidated balance sheet as of 31 December 2013, the separate and consolidated statements of comprehensive income, changes in equity and cash flows 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 controls 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 system of 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 **INTRACOM HOLDINGS S.A.** and its subsidiaries as of 31 December 2013, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in paragraph 3d of article 43a of c.L. 2190/1920.

b) 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, 108 and 37 of c.L. 2190/1920.

Athens, 31 March 2014

Certified Public Accountant Auditor

SOL
CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath

Zoe D. Sofou

Institute of CPA (SOEL) Reg. No. 14701

Associated Certified Public Accountants s.a.
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3, Fok. Negri Street – 112 57 Athens, Greece
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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**	**31/12/2013**	**31/12/2012***	**01/01/2012***	**31/12/2013**	**31/12/2012***	**01/01/2012***
Non-current assets							
Property, plant and equipment	6	272.528	306.000	345.038	12.737	15.892	22.211
Goodwill	7	68.387	68.385	68.393	-	-	-
Intangible assets	8	31.939	36.374	44.890	1	1	3
Investment property	9	47.759	53.715	54.773	58.461	66.207	66.952
Investments in subsidiaries	10	-	-	-	219.702	263.118	263.118
Investments in associates	11	57.873	82.623	103.730	46.908	94.700	102.900
Available - for - sale financial assets	13	16.398	10.560	10.838	10.901	9.624	9.621
Deferred income tax assets	14	15.370	10.259	8.522	-	-	-
Long-term loans	15	10.748	10.348	10.026	10.748	10.348	10.026
Trade and other receivables	16	10.056	7.139	6.510	39	1.280	39
		531.059	**585.403**	**652.720**	**359.496**	**461.171**	**474.870**
Current assets							
Inventories	17	48.624	48.909	36.819	-	-	-
Trade and other receivables	16	239.117	254.511	268.446	8.971	11.540	11.377
Construction contracts	18	20.882	22.488	18.313	-	-	-
Financial assets at fair value through profit or loss	19	223	278	105	-	-	-
Current income tax assets		4.998	6.296	11.326	-	-	-
Cash and cash equivalents	20	76.263	53.253	42.852	1.748	4.588	5.504
		390.108	**385.735**	**377.861**	**10.719**	**16.128**	**16.881**
Total assets		**921.167**	**971.138**	**1.030.580**	**370.215**	**477.299**	**491.752**
EQUITY							
Capital and reserves attributable to the Company's equity holders							
Share capital	21	187.567	187.567	187.567	187.567	187.567	187.567
Share premium	21	194.204	194.204	194.204	194.204	194.204	194.204
Reserves	22	183.898	184.899	184.876	147.362	147.657	147.646
Retained earnings		(322.045)	(256.690)	(213.570)	(216.021)	(107.339)	(89.351)
		243.623	309.980	353.076	313.112	422.088	440.065
Non-controlling interest		28.547	37.546	43.995	-	-	-
Total equity		**272.170**	**347.526**	**397.071**	**313.112**	**422.088**	**440.065**
LIABILITIES							
Non-current liabilities							
Borrowings	23	44.492	147.944	156.512	15.750	18.104	12.917
Deferred income tax liabilities	14	2.382	2.200	2.685	1.124	967	1.009
Retirement benefit obligations	24	6.882	6.968	6.499	312	264	241
Grants	25	18.589	19.630	21.210	-	-	-
Derivative financial instruments	26	-	1.445	1.668	-	-	-
Provisions	27	1.365	973	1.429	-	-	-
Trade and other payables	28	18.460	11.497	12.970	-	-	-
		92.170	**190.658**	**202.972**	**17.186**	**19.335**	**14.168**
Current liabilities							
Trade and other payables	28	259.507	256.456	236.684	11.703	11.821	9.468
Current income tax liabilities		2.292	2.071	5.667	-	-	-
Construction contracts	18	1.843	2.539	2.426	-	-	-
Borrowings	23	285.952	164.060	174.216	28.046	23.887	27.883
Derivative financial instruments	26	653	-	-	-	-	-
Grants	25	1.692	2.447	3.870	-	-	-
Provisions	27	4.887	5.381	7.673	168	168	168
		556.826	**432.953**	**430.537**	**39.917**	**35.876**	**37.518**
Total liabilities		**648.996**	**623.611**	**633.509**	**57.103**	**55.211**	**51.686**
Total equity and liabilities		**921.167**	**971.138**	**1.030.580**	**370.215**	**477.299**	**491.752**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

The notes on pages 22 to 92 are an integral part of these financial statements.

(All amounts in €'000)

Statement of comprehensive income

		Group		Company	
	Note	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***
Sales		513.654	541.690	2.345	2.157
Cost of goods sold	29	(441.529)	(446.534)	(2.029)	(1.858)
Gross profit		**72.125**	**95.156**	**316**	**298**
Selling and research costs	29	(34.890)	(39.082)	-	-
Administrative expenses	29	(48.817)	(55.922)	(5.285)	(5.966)
Other operating income	31	6.051	8.392	2.977	3.178
Other gains / (losses) - net	32	(2.754)	(33)	(2.438)	290
Impairment losses from subsidiaries and associates	10, 11	(17.713)	-	(93.297)	(8.200)
Impairment losses from tangible, intangible assets and investment property	6, 8, 9	(19.110)	(7.091)	(9.342)	(5.333)
Operating gains / (losses)		**(45.108)**	**1.419**	**(107.069)**	**(15.732)**
Finance expenses	33	(25.758)	(31.593)	(1.928)	(2.793)
Finance income	33	1.318	1.554	475	494
Finance income / (expenses) - net		**(24.440)**	**(30.039)**	**(1.453)**	**(2.300)**
Share of loss of associates		(6.296)	(20.812)	-	-
Loss before income tax		**(75.844)**	**(49.432)**	**(108.522)**	**(18.032)**
Income tax income / (expense)	34	2.606	(230)	(161)	44
Loss for the year		**(73.238)**	**(49.663)**	**(108.682)**	**(17.988)**
Other comprehensive income :					
Items that may be subsequently reclassified to profit or loss					
Fair value losses on available for sale financial assets , net of tax	13	(1.440)	(278)	(277)	3
Currency translation differences, net of tax		(588)	(46)	-	-
Transfer of cash flow hedging losses to profit or loss	26	435	361	-	-
		(1.593)	37	(277)	3
Items that will not be reclassified to profit or loss					
Remeasurements of retirement benefit obligations, net of tax		(121)	(267)	(17)	8
		(121)	(267)	(17)	8
Other comprehensive income for the year, net of tax		**(1.714)**	**(231)**	**(294)**	**11**
Total comprehensive income for the year		**(74.952)**	**(49.893)**	**(108.977)**	**(17.977)**
Loss attributable to:					
Equity holders of the Company		(64.627)	(42.831)	(108.682)	(17.988)
Non-controlling interest		(8.610)	(6.831)	-	-
		(73.238)	**(49.663)**	**(108.682)**	**(17.988)**
Total comprehensive income attributable to:					
Equity holders of the Company		(66.004)	(43.090)	(108.977)	(17.977)
Non-controlling interest		(8.948)	(6.803)	-	-
		(74.952)	**(49.893)**	**(108.977)**	**(17.977)**
Losses per share for loss attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic	35	(0,49)	(0,32)	(0,82)	(0,14)
Diluted	35	(0,49)	(0,32)	(0,82)	(0,14)

*Restated amounts due to adoption of amended IAS 19 “Employee Benefits” (see note 40).

The notes on pages 22 to 92 are an integral part of these financial statements.

(All amounts in €'000)

Statement of changes in equity – Group

		Attributable to equity holders of the Company					
	Note	**Share capital**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance at 1 January 2012		381.771	186.732	(215.157)	353.345	43.954	397.299
Effect of change in accounting policy*		-	(1.856)	1.587	(269)	41	(228)
Balance at 1 January 2012 (restated)		381.771	184.876	(213.570)	353.076	43.995	397.071
Loss for the year		-	-	(42.831)	(42.831)	(6.831)	(49.663)
Fair value losses on available for sale financial assets	13	-	(171)	-	(171)	(107)	(278)
Currency translation differences		-	(115)	-	(115)	69	(46)
Cash flow hedges		-	206	-	206	154	361
Remeasurements of retirement benefit obligations, net of tax		-	(180)	-	(180)	(87)	(267)
Total comprehensive income for the year		**-**	**(259)**	**(42.831)**	**(43.090)**	**(6.803)**	**(49.893)**
Share capital increase of subsidiaries	10	-	-	(3)	(3)	352	348
Effect of change in interest held in subsidiaries / joint ventures		-	-	(2)	(2)	2	-
Transfer between reserves	22	-	283	(283)	-	-	-
		-	283	(289)	(6)	354	348
Balance at 31 December 2012*		**381.771**	**184.899**	**(256.690)**	**309.980**	**37.546**	**347.526**
Balance at 1 January 2013*		381.771	184.899	(256.690)	309.980	37.546	347.526
Loss for the year		-	-	(64.627)	(64.627)	(8.610)	(73.238)
Fair value losses on available for sale financial assets	13	-	(995)	-	(995)	(445)	(1.440)
Currency translation differences		-	(532)	-	(532)	(56)	(588)
Cash flow hedges	26	-	249	-	249	186	435
Remeasurements of retirement benefit obligations, net of tax			(98)	-	(98)	(24)	(121)
Total comprehensive income for the year		**-**	**(1.376)**	**(64.627)**	**(66.004)**	**(8.948)**	**(74.952)**
Share capital increase of subsidiaries	10	-	-	(203)	(203)	184	(20)
Acquisition of control in subsidiary			-	-	-	(50)	(50)
Effect of change in interest held in subsidiaries / joint ventures		-	1	(163)	(162)	(256)	(418)
Disposal of subsidiaries	10	-	-	-	-	82	82
Transfer between reserves	22	-	373	(361)	12	(12)	-
		-	374	(728)	(353)	(51)	(405)
Balance at 31 December 2013		**381.771**	**183.898**	**(322.045)**	**243.623**	**28.547**	**272.170**

Analysis of other reserves is presented in note 22.

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

The notes on pages 22 to 92 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 2012		381.771	147.725	(89.447)	440.048
Effect of change in accounting policy*		-	(79)	96	17
Balance at 1 January 2012 (restated)		381.771	147.646	(89.351)	440.065
Loss for the year		-	-	(17.988)	(17.988)
Fair value gains on available-for-sale financial assets	13	-	3	-	3
Remeasurements of retirement benefit obligations, net of tax		-	8	-	8
Total comprehensive income for the year		**-**	**11**	**(17.988)**	**(17.977)**
Balance at 31 December 2012*		**381.771**	**147.657**	**(107.339)**	**422.088**
Balance at 1 January 2013*		381.771	147.657	(107.339)	422.088
Loss for the year		-	-	(108.682)	(108.682)
Fair value losses on available for sale financial assets	13	-	(277)	-	(277)
Remeasurements of retirement benefit obligations, net of tax		-	(17)	-	(17)
Total comprehensive income for the year		**-**	**(294)**	**(108.682)**	**(108.977)**
Balance at 31 December 2013		**381.771**	**147.362**	**(216.021)**	**313.112**

Analysis of other reserves is presented in note 22.

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

The notes on pages 22 to 92 are an integral part of these financial statements.

(All amounts in €'000)

Cash flow statement

	Note	Group		Company	
		1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Cash flows from operating activities					
Cash generated from operations	36	85.781	96.208	(767)	393
Interest paid		(26.844)	(29.724)	(1.913)	(2.343)
Income tax paid		(723)	(621)	(74)	(36)
Net cash generated from / (used in) operating activities		**58.214**	**65.862**	**(2.754)**	**(1.986)**
Cash flows from investing activities					
Purchase of property, plant and equipment (PPE)		(28.599)	(20.892)	(27)	(23)
Purchase of investment property		(170)	(92)	(199)	(96)
Purchase of intangible assets		(20.303)	(18.870)	-	-
Proceeds from sale of PPE		4.189	491	-	-
Proceeds from sale of intangible assets		14	1	-	-
Acquisition of financial assets at fair value through profit or loss	19	-	(110)	-	-
Acquisition of available-for-sale financial assets	13	(7.370)	-	(1.565)	-
Acquisition of control in subsidiary	10	11.971	-	-	-
Increase in subsidiary's share capital		-	-	(120)	-
Disposal of subsidiaries	10	91	80	-	-
Disposal of associates	11	183	9	-	-
Acquisition of associates	11	-	(61)	-	-
Interest received		863	1.085	20	23
Net cash used in investing activities		**(39.131)**	**(38.361)**	**(1.891)**	**(96)**
Cash flows from financing activities					
Expenses on issue of subsidiary's share capital		(26)	-	-	-
Acquisition of interest in subsidiary from non-controlling interest		(200)	-	-	-
Contribution of non-controlling interests in the share capital of subsidiary		-	347	-	-
Dividends to shareholders		-	(25)	-	(25)
Proceeds from borrowings		26.172	10.585	3.500	4.000
Repayments of borrowings		(19.498)	(25.930)	(550)	(2.000)
Grants received	25	9	-	-	-
Repayments of finance leases		(2.531)	(2.077)	(1.145)	(808)
Net cash generated from / (used in) financing activities		**3.926**	**(17.100)**	**1.805**	**1.166**
Net increase / (decrease) in cash and cash equivalents		**23.010**	**10.401**	**(2.840)**	**(916)**
Cash and cash equivalents at beginning of year		53.253	42.852	4.588	5.504
Cash and cash equivalents at end of year	20	**76.263**	**53.253**	**1.748**	**4.588**

*Restated amounts due to adoption of amended IAS 19 “Employee Benefits” (see note 40).

The notes on pages 22 to 92 are an integral part of these financial statements.

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

1. General information

INTRACOM Holdings S.A., with the distinctive title "INTRACOM HOLDINGS", 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, Luxembourg, 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.gr.

These financial statements have been approved for issue by the Board of Directors on 28 March 2014 and are subject to approval by the Annual General Meeting of the Shareholders.

2. Summary of significant accounting policies

2.1 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 (together "INTRACOM" or the "Group") for the year ended 31 December 2013, 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, financial assets at fair value through profit or loss and derivative financial instruments, 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, amendments to standards and interpretations*:* Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 1 (Amendment) "Presentation of Financial Statements"

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. The amendment has been adopted by the Group and the presentation of the statement of other comprehensive income has been modified.

IAS 19 (Amendment) "Employee Benefits"

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. The effect from the adoption of the amended IAS 19 and the relevant adjustments are presented in note 40.

IFRS 13 "Fair Value Measurement"

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has no material impact on the Group's financial statements.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. This amendment has no material impact on the Group's financial statements.

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets"

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment. The Group has early adopted the amendment in the current year, although it is not a mandatory requirement until 1st January 2014.

Amendments to standards that form part of the IASB's 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. Unless otherwise stated, these amendments have no material impact on the Group.

IAS 1 "Presentation of financial statements"

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

IAS 16 "Property, plant and equipment"

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

IAS 32 "Financial instruments: Presentation"

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

IAS 34 "Interim financial reporting"

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

Standards and Interpretations effective for periods beginning on or after 1 January 2014

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment. 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 endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IFRS 9 "Financial Instruments: Hedge accounting and amendments to IFRS 9, IFRS7 and IAS 39" ((effective for annual periods beginning on or after 1 January 2015)

The IASB has published IFRS 9 Hedge Accounting, the third phase of its replacement of IAS 39 which establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The second amendment requires changes in the fair value of an entity's debt attributable to changes in an entity's own credit risk to be recognised in other comprehensive income and the third amendment is the removal of the mandatory effective date of IFRS 9. These amendments have not yet been endorsed by the EU.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015)

The amendment requires additional disclosures on transition from IAS 39 to IFRS 9. The amendment has not yet been endorsed by the EU and is not expected to have a material impact on the Group's financial statements.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment is not expected to have a material impact on the Group's financial statements.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2014)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have no effect on the Group.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. This interpretation has not yet been endorsed by the EU. This interpretation is not expected to have a significant impact on the Group's financial statements since the Group is not currently subject to significant levies.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 January 2014)

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met. This amendment has no impact on the Group.

IAS 19R (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 July 2014)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. These amendments have not yet been endorsed by the EU. This amendment is not expected to have a material impact on the Group financial statements.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to four IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. Unless otherwise stated, these amendments are not expected to have a material impact on the Group. The improvements have not yet been endorsed by the EU.

IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 "Fair value measurement"

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

2.2 Consolidation

(a) Business combinations and subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operational policies by virtue of de-facto control. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Investments in subsidiaries are accounted for at cost less impairment in the Company's standalone financial statements. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Transactions and non-controlling interests

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

(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 other comprehensive income is recognised in other comprehensive income. 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. 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.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

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.

2.3 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.

2.4 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 date are translated at the closing rate at the date of the 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 through other comprehensive income.

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 other comprehensive income. 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. Exchange differences arising are recognized in other comprehensive income.

2.5 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 profit or loss.

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

The land classified as investment property is not depreciated. Depreciation on buildings is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, which is 33-34 years.

2.6 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 and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss 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 profit or loss.

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.

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

2.7 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. The property, plant and equipment leased under a finance lease are depreciated over the shorter of the lease term and their useful life.

(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.

2.8 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. The impairment loss is recognized in profit or loss and cannot be reversed.

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".

2.9 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 life, 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 Intrasoft International Scandinavia (ex IT Services Denmark AS) 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.

2.10 Impairment of 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 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 price that would be received to sell an asset in an orderly transaction between market participants at the measurement date, 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). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.11 Financial assets

2.11.1 Classification

The group classifies its financial assets in the following categories. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through 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.

2.11.2 Recognition and measurement

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. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in 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 other comprehensive income. 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 profit or loss are not reversed through profit or loss.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in profit or loss 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 less impairment.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or 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 profit or loss.

In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

2.14 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 profit or loss, 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 through other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity in relation to cash flow hedges are recycled in profit or loss 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 profit or loss.

The derivative financial instruments of the Group at 31 December 2013 and 31 December 2012 include interest rate swaps (IRS) and interest rate caps.

2.15 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.

2.16 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 profit or loss.

2.17 Factoring

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

2.18 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.

2.19 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 profit or loss. Any subsequent increase in fair value will be recognised in profit or loss, 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.

2.20 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 shown in reduction to the product of issue.

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.

2.21 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 profit or loss over the period of the borrowings using the effective interest method.

2.22 Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.23 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

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.

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 liabilities are provided on taxable temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability 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 assets are recognised on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

2.24 Trade payables

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

2.25 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. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

(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 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 profit or loss, 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. The Group does not have any share-based plans on the parent Company's shares.

2.26 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 profit or loss 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 profit or loss on a straight-line basis over the expected lives of the related assets.

2.27 Provisions

Provisions are recognized when:

- There is present legal or constructive obligation as a result of past events
- It is probable that an outflow of resources will be required to settle the obligation
- 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 profit or loss 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.

2.28 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 cost 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.

2.29 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.

2.30 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).

2.31 Roundings

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

2.32 Reclassifications

In the Group note 5 "Segment information" as at 31 December 2012, a loss of €7.091 is not included in the calculation of earnings before interest, tax, depreciation, amortization and impairment (EBITDA).

In the Group note 36 "Cash generated from operations" as at 31 December 2012, the amount of €16.072 has been reclassified from "(Increase) / decrease in trade and other receivables" in the adjustments for the loss for the year in the line "Impairment of trade and other receivables".

3. Financial risk management

3.1 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 loans, long-term 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.

(All amounts in €’000)

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 results in possible fluctuations of the foreign exchange rates for the years 2013 and 2012. 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 2013 and 2012 respectively.

Increase in EUR/USD rate by	Effect on net results 31/12/2013	Effect on net results 31/12/2012
3,00%	(85)	(59)
6,00%	(170)	(119)
9,00%	(255)	(178)
12,00%	(339)	(238)

The following table presents the sensitivity of the Company’s net results in possible fluctuations of the foreign exchange rates for the years 2013 and 2012. 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 2013 and 2012 respectively.

Increase in EUR/USD rate by	Effect on net results 31/12/2013	Effect on net results 31/12/2012
3,00%	(1)	(1)
6,00%	(1)	(3)
9,00%	(2)	(4)
12,00%	(2)	(5)

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 has been partly mitigated through the conversion of a significant part of borrowings into fixed rate, while it is estimated that during the current financial year the specific risk will be limited since it is considered highly probable that interest rates will remain stable in the medium-term or that will be slightly decreased after the first semester. At the same time the mergers that took place within the banking sector will contribute towards the attempt to improve the medium-term average rate of the Group.

The following tables present the sensitivity of the Group’s net results in possible fluctuations of the interest rates for the years 2013 and 2012. The analysis takes into consideration borrowings and cash and cash equivalents of the Group as at 31st December 2013 and 2012 respectively.

(All amounts in €'000)

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net results 31/12/2013	Effect on net results 31/12/2012
25,00	(662)	(682)
50,00	(1.324)	(1.363)
75,00	(1.986)	(2.045)
100,00	(2.648)	(2.727)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net results 31/12/2013	Effect on net results 31/12/2012
25,00	17	23
50,00	33	46
75,00	50	70
100,00	67	93

The following tables present the sensitivity of the Company's net results in possible fluctuations of the interest rates for the years 2013 and 2012. The analysis takes into consideration borrowings and cash and cash equivalents of the Company as at 31st December 2013 and 2012 respectively.

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net results 31/12/2013	Effect on net results 31/12/2012
25,00	(108)	(95)
50,00	(216)	(190)
75,00	(324)	(285)
100,00	(431)	(380)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net results 31/12/2013	Effect on net results 31/12/2012
25,00	-	-
50,00	-	-
75,00	-	-
100,00	-	-

(All amounts in €'000)

(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.

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 2013 current and non-current borrowings of the Group amounted to 87% (2012: 53%) and 13% (2012: 47%) of total borrowings respectively.

3.2 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 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***
Total borrowings (Note 23)	330.444	312.003	43.796	41.992
Less: Cash and cash equivalents (Note 20)	(76.263)	(53.253)	(1.748)	(4.588)
Net borrowings	**254.181**	**258.751**	**42.048**	**37.404**
Equity	272.170	347.526	313.112	422.088
Total capital employed	**526.351**	**606.277**	**355.160**	**459.492**
Gearing ratio	48,29%	42,68%	11,84%	8,14%

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

3.3 Fair value estimation

The Group provides the required disclosures relating to fair value measurement through the hierarchy into three levels.

- 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 either directly or indirectly on observable market data at the balance sheet date ('Level 2').
- The fair value 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 ('Level 3').

On 31 December 2013 the Group had:

- Financial assets at fair value through profit or loss of €223 which are classified in Level 1.
- Derivative financial instruments of €653 which are classified in Level 2.
- Available-for-sale financial assets out of which €6.214 are classified in Level 1.
- Available-for-sale financial assets of €10.184 which relate to unquoted securities for which the fair value cannot be estimated reliably and as a result these are presented at cost less impairment.

On 31 December 2012 the Group had:

- Financial assets at fair value through profit or loss of €278 which are classified in Level 1.
- Derivative financial instruments of €1.445 which are classified in Level 2.
- Available-for-sale financial assets out of which €351 are classified in Level 1.
- Available-for-sale financial assets of €10.209 which relate to unquoted securities for which the fair value cannot be estimated reliably and as a result these are presented at cost less impairment.

There were not any transfers between level 1 and 2 during the year.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices for items traded in active markets.
- The fair value of derivatives is calculated as the present value of the estimated cash flows based on observable yield curves.

3.4 Offsetting financial assets and financial liabilities

On 31 December 2013 and 2012 the Group does not have any financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements.

4. Critical accounting estimates and judgments

Οι 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.

(All amounts in €'000)

5. Segment information

At 31 December 2013, the Group is organised into four main segments:

(1) Technology solutions for government and banking sector
(2) Defence systems
(3) Construction
(4) Telecommunication services

In 2013, Management has changed the internal composition of the reportable segments which resulted in the reclassification of the telecommunication systems segment and part of the other operations to other segments. Moreover, the calculation of earnings before interest, tax, amortization, depreciation and impairment (EBITDA) was modified. These amendments were made to reflect the way the results are reviewed by Management. The segment information for the comparative period 2012 has been adjusted respectively.

The segment information for the year ended 31 December 2013 is as follows:

	Technology solutions for government and banking sector	Defence systems	Construction	Telecommunication services	Other	Total
Total sales	136.145	49.856	109.565	224.247	2.735	522.547
Inter-segment sales	(1.664)	(5)	(4.509)	(233)	(2.482)	(8.893)
Sales from external customers	**134.481**	**49.850**	**105.056**	**224.014**	**253**	**513.654**
Operating profit / (loss)	1.946	(9.952)	(19.508)	14.074	(31.668)	(45.108)
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)	**5.785**	**804**	**(16.989)**	**68.393**	**(2.781)**	**55.213**
Depreciation (note 29)	(3.121)	(1.706)	(2.519)	(54.319)	(1.833)	(63.497)
Impairment of receivables (note 29)	(769)	-	(8.730)	(6.754)	-	(16.252)
Impairment of inventory (note 29)	-	(2.379)	(996)	-	-	(3.375)
Impairment of investment property, tangible and intangible assets	(718)	(9.050)	-	-	(9.342)	(19.110)
Finance income (note 33)	136	119	498	90	475	1.318
Finance expenses (note 33)	(4.621)	(383)	(6.879)	(11.944)	(1.932)	(25.758)
Share of loss of associates	-	-	(55)	-	(6.241)	(6.296)
Income tax	(1.043)	2.719	1.613	(522)	(161)	2.606
Total assets	**123.313**	**105.007**	**214.389**	**306.883**	**171.574**	**921.167**
Total assets include:						
Invetsments in associates (note 11)	-	-	538	-	57.335	57.873
Non-current assets*	21.828	38.765	54.201	224.754	81.065	420.613
Additions in non-current assets* (notes 6, 7, 8 and 9)	1.023	839	4.840	35.504	226	42.433
Total liabilities	**117.168**	**32.162**	**153.087**	**290.137**	**56.441**	**648.996**

* Includes PPE, investment property, intangible assets and goodwill.

(All amounts in €'000)

The segment information for the year ended 31 December 2012 is as follows:

	Technology solutions for government and banking sector	Defence systems	Construction	Telecommunication services	Other	Total
Total sales	135.767	49.659	124.254	235.788	2.902	548.370
Inter-segment sales	(664)	-	(3.194)	(212)	(2.610)	(6.680)
Sales from external customers	**135.103**	**49.659**	**121.060**	**235.576**	**292**	**541.690**
Operating profit / (loss) *	5.767	(659)	4.429	(285)	(7.834)	1.419
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) *	**9.461**	**1.256**	**8.824**	**64.362**	**(603)**	**83.300**
Depreciation (note 29)	(3.693)	(1.914)	(2.637)	(64.647)	(1.898)	(74.789)
Impairment of receivables (note 29)	(546)	-	(3.245)	(12.282)	-	(16.072)
Impairment of inventory (note 29)	(17)	(664)	-	-	-	(681)
Impairment of investment property, tangible and intangible assets	-	-	(1.758)	-	(5.333)	(7.091)
Finance income (note 33)	99	90	820	50	494	1.554
Finance expenses (note 33)	(5.700)	(301)	(5.633)	(17.151)	(2.808)	(31.593)
Share of profit / (loss) of associates *	-	-	61	-	(20.873)	(20.812)
Income tax	(1.666)	162	(815)	2.046	43	(230)
Total assets *	**128.673**	**116.859**	**200.735**	**323.019**	**201.853**	**971.138**
Total assets include:						
Invetsments in associates (note 11) *	-	-	931	-	81.692	82.623
Non-current assets **	25.468	48.682	54.539	243.668	92.116	464.473
Additions in non-current assets ** (notes 6, 7, 8 and 9)	878	302	2.920	29.709	120	33.928
Total liabilities *	**118.762**	**36.675**	**109.514**	**303.997**	**54.663**	**623.611**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

** Includes PPE, investment property, intangible assets and goodwill.

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.

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

	1/1 - 31/12/2013	1/1 - 31/12/2012*
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) *	55.213	83.300
Depreciation	(63.497)	(74.789)
Impairment losses from tangible, intangible assets and investment property	(19.110)	(7.091)
Impairment losses from subsidiaries and associates	(17.713)	-
Finance cost - net (note 33)	(24.440)	(30.039)
Loss from associates *	(6.296)	(20.812)
Loss before income tax *	**(75.844)**	**(49.432)**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

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

(All amounts in €'000)

Information per geographical area:

Sales	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Greece	341.209	397.823
European Community	109.894	90.629
Other European countries	6.941	214
Other countries	55.610	53.024
Total	**513.654**	**541.690**

Non-current assets **	**31/12/2013**	**31/12/2012***
Greece	469.736	537.860
European Community	4.908	5.166
Other countries	3.843	4.072
Total	**478.487**	**547.098**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

** Includes 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.

(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 1 January 2012	145.795	41.249	2.730	340.628	15.349	3.900	549.651
Exchange differences	(3)	(2)	(8)	(12)	(11)	-	(36)
Additions	206	1.111	176	6.602	204	6.626	14.926
Disposals	-	(1.324)	(204)	(3.805)	(73)	(307)	(5.713)
Impairment	(2.389)	-	-	-	-	-	(2.389)
Reclassifications	186	777	-	6.247	46	(7.255)	-
Transfer to investment property (Note 9)	(7.294)	-	-	-	-	-	(7.294)
Transfer from investment property (Note 9)	1.134	-	-	-	-	-	1.134
Transfer from inventory	-	-	-	-	-	292	292
Balance 31 December 2012	137.635	41.811	2.694	349.660	15.515	3.256	550.571
Balance 1 January 2013	137.635	41.811	2.694	349.660	15.515	3.256	550.571
Exchange differences	(11)	(2)	(4)	(24)	(26)	-	(67)
Additions	578	2.481	122	5.752	388	12.555	21.876
Disposals	(74)	(2.609)	(73)	(1.535)	(1.261)	(919)	(6.472)
Impairment	(13.956)	-	-	-	-	-	(13.956)
Acquisition of control in subsidiary	25	-	-	-	-	368	393
Disposal of subsidiaries	(336)	(17)	-	-	(975)	-	(1.328)
Reclassifications	173	731	-	9.711	(106)	(10.628)	(120)
Transfer to investment property (Note 9)	(1.720)	-	-	-	-	-	(1.720)
Transfer from investment property (Note 9)	2.306	-	-	-	-	-	2.306
Balance 31 December 2013	124.621	42.395	2.738	363.564	13.534	4.631	551.483
Accumulated depreciation							
Balance 1 January 2012	29.877	25.293	1.786	136.318	11.339	-	204.612
Exchange differences	(4)	(12)	(5)	(8)	(7)	-	(36)
Depreciation charge	2.594	2.501	284	40.167	1.221	-	46.767
Disposals / Write-offs	-	(1.062)	(146)	(3.658)	(69)	-	(4.935)
Transfer to investment property (Note 9)	(1.940)	-	-	-	-	-	(1.940)
Transfer from investment property (Note 9)	103	-	-	-	-	-	103
Balance 31 December 2012	30.630	26.720	1.919	172.819	12.483	-	244.571
Balance 1 January 2013	30.630	26.720	1.919	172.819	12.483	-	244.571
Exchange differences	(2)	(2)	(3)	(18)	(14)	-	(39)
Depreciation charge	2.528	2.181	232	32.715	1.020	-	38.675
Disposals	(57)	(527)	(58)	(1.431)	(743)	-	(2.817)
Disposal of subsidiaries	(160)	(4)	-	-	(936)	-	(1.100)
Reclassifications	6	98	-	3	(106)	-	-
Transfer to investment property (Note 9)	(335)	-	-	-	-	-	(335)
Balance 31 December 2013	32.609	28.466	2.089	204.087	11.704	-	278.956
Net book amount at 31 December 2012	**107.005**	**15.091**	**775**	**176.841**	**3.032**	**3.256**	**306.000**
Net book amount at 31 December 2013	**92.011**	**13.929**	**649**	**159.476**	**1.830**	**4.631**	**272.528**

The Group performed a test for impairment of property, plant and equipment and investment property as at 31 December 2013. An impairment loss was recognised for land in the results of the current year amounting to €9.324 for the Company and €18.392 for the Group. At Group level an impairment of €13.956 is shown in "Property, plant and equipment" and an impairment of €4.436 is shown in "Investment property", whereas in the Company an impairment of €1.967 is shown in "Property, plant and equipment" and an impairment of €7.357 is shown in "Investment property". The recoverable amount of land, which is estimated to approximate its value in use, was determined on the basis of its fair value less cost of disposal. Fair value was estimated using the comparables approach, using reliable market data, adjusted to reflect the conditions of the specific land. The fair value was estimated using level 2 data of the fair value hierarchy. The valuation of the land was based on sales prices of comparable land ranging from Euro 231 to Euro 500 per square foot.

(All amounts in €'000)

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

	Land - buildings	Machinery	Vehicles	Telecommunications Equipment	Furniture & other equipment	Total
31/12/2012						
Cost	601	15.620	1.464	30	1.025	18.739
Accumulated depreciation	(104)	(6.163)	(215)	(12)	(461)	(6.955)
Net book amount	**497**	**9.456**	**1.249**	**19**	**564**	**11.784**
31/12/2013						
Cost	601	-	1.182	77	-	1.860
Accumulated depreciation	(124)	-	(195)	(22)	-	(341)
Net book amount	**476**	**-**	**987**	**55**	**-**	**1.519**

Company

	Land - buildings	Machinery	Vehicles	Furniture & other equipment	Total
Cost					
Balance 1 January 2012	27.631	891	159	3.685	32.367
Additions	18	-	3	2	23
Write-offs	-	-	(4)	-	(4)
Transfer to investment property (Note 9)	(7.611)	-	-	-	(7.611)
Balance 31 December 2012	**20.039**	**891**	**158**	**3.687**	**24.775**
Balance 1 January 2013	20.039	891	158	3.687	24.775
Additions	19	1	-	8	27
Impairment	(1.967)	-	-	-	(1.967)
Transfer to investment property (Note 9)	(752)	-	-	-	(752)
Balance 31 December 2013	**17.338**	**892**	**158**	**3.695**	**22.083**
Accumulated depreciation					
Balance 1 January 2012	6.683	848	128	2.496	10.156
Depreciation charge	348	9	6	356	720
Write-offs	-	-	(2)	-	(2)
Transfer to investment property (Note 9)	(1.991)	-	-	-	(1.991)
Balance 31 December 2012	**5.040**	**858**	**132**	**2.853**	**8.883**
Balance 1 January 2013	5.040	858	132	2.853	8.883
Depreciation charge	279	9	6	349	643
Transfer to investment property (Note 9)	(180)	-	-	-	(180)
Balance 31 December 2013	**5.139**	**867**	**138**	**3.202**	**9.346**
Net book amount at 31 December 2012	**14.998**	**33**	**26**	**835**	**15.892**
Net book amount at 31 December 2013	**12.198**	**25**	**20**	**493**	**12.737**

During prior years, the Company entered into sale and lease back agreements of property and investment property with net book value amounting to €16.507 in 2013 (2012: €17.946).

Liabilities are secured on fixed assets of the Group and the Company for the value of €46.600 and €2.400 respectively.

(All amounts in €'000)

7. Goodwill

	Group
Balance 1 January 2012	68.393
Exchange differences	(7)
Balance 31 December 2012	**68.385**
Balance 1 January 2013	68.385
Exchange differences	2
Balance 31 December 2013	**68.387**

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

	31/12/2013	**31/12/2012**
Intrasoft International SA	11.361	11.361
Hellas online SA	48.327	48.327
Intrasoft International Scandinavia (former IT Services Denmark A/S)	2.212	2.210
Intrakat s.a.- construction segments	3.562	3.562
Prisma - Domi ATE	326	326
AMBTILA Enterprises Ltd	2.600	2.600
	68.387	**68.385**

In order to assess whether there is goodwill impairment as at 31 December 2013, the Group performed the relevant impairment tests, at Group level, on cash generating units (CGUs) to which goodwill has been allocated.

The recoverable amount of goodwill from Hellas on Line 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 the other companies has been 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. Cash flow projections reflect the business plans covering the five-year period 2014-2018 which were approved by the Group's Board of Directors. These business plans are based on financial results of 2013 whereas cash flows beyond the five-year period are extrapolated using the perpetuity growth rate as presented below.

(All amounts in €'000)

The key assumptions used for the most significant CGUs for the period 2014 - 2018 are as follows:

	Intrasoft International SA	Intrasoft International Scandinavia
Revenue growth	4,5 - 5,0%	3,0% - 4,0%
Gross margin	11,8% - 12,5%	30,2% - 35,5%
EBITDA margin	5,5% - 6,0%	2,5% - 7,5%
Perpetuity growth rate	2,0%	2,0%
Discount rate	6,8%	6,8%

The key assumptions used for value-in-use calculation are based on past performance as well as on expectations of the future development of operation and are consistent with external factors.

Based on the tests performed, the goodwill recoverable amount exceeds its carrying value and there is no impairment loss.

8. Intangible assets

Group

	Software	Internally-generated software	Customer acquisition costs	Trade name	Customers Relationships	Other	Total
Cost							
Balance 1 January 2012	75.737	2.994	77.804	7.673	16.427	291	180.926
Exchange differences	(6)	(39)	-	(2)	(1)	-	(48)
Additions	2.594	40	16.016	-	-	260	18.910
Disposals / write-offs	(16)	-	-	-	-	-	(16)
Balance 31 December 2012	78.309	2.995	93.819	7.671	16.426	552	199.772
Balance 1 January 2013	78.309	2.995	93.819	7.671	16.426	552	199.772
Exchange differences	1	(70)	-	-	-	1	(69)
Additions	3.521	2	16.864	-	-	1	20.388
Disposals / write-offs	(8.713)	-	-	-	-	(17)	(8.731)
Disposal of subsidiaries	(134)	-	-	-	-	-	(134)
Reclassifications	(834)	1.182	-	-	(229)	-	120
Balance 31 December 2013	72.150	4.109	110.683	7.671	16.197	535	211.346
Accumulated amortisation							
Balance 1 January 2012	57.796	333	69.503	-	8.343	60	136.036
Exchange differences	(4)	(4)	-	-	-	-	(8)
Amortisation charge	8.443	244	16.849	-	1.840	9	27.385
Disposals / write-offs	(15)	-	-	-	-	-	(15)
Balance 31 December 2012	66.220	573	86.352	-	10.183	69	163.398
Balance 1 January 2013	66.220	573	86.352	-	10.183	69	163.398
Exchange differences	(1)	(41)	-	-	-	-	(42)
Amortisation charge	4.272	1.732	16.354	-	1.817	-	24.175
Disposals / write-offs	(8.699)	-	-	-	-	(17)	(8.717)
Impairment	-	718	-	-	-	-	718
Disposal of subsidiaries	(127)	-	-	-	-	-	(127)
Reclassifications	(725)	847	-	-	(122)	-	-
Balance 31 December 2013	60.940	3.830	102.706	-	11.878	52	179.407
Net book amount at 31 December 2012	**12.089**	**2.422**	**7.468**	**7.671**	**6.243**	**483**	**36.374**
Net book amount at 31 December 2013	**11.210**	**279**	**7.977**	**7.671**	**4.319**	**484**	**31.938**

(All amounts in €'000)

Company

	Software	Total
Cost		
Balance 1 January 2012	1.975	1.975
Balance 31 December 2012	1.975	1.975
Balance 1 January 2013	1.975	1.975
Balance 31 December 2013	1.975	1.975
Accumulated amortisation		
Balance 1 January 2012	1.972	1.972
Amortisation charge	2	2
Balance 31 December 2012	1.974	1.974
Balance 1 January 2013	1.974	1.974
Amortisation charge	-	-
Balance 31 December 2013	1.974	1.974
Net book amount at 31 December 2012	**1**	**1**
Net book amount at 31 December 2013	**1**	**1**

(All amounts in €'000)

9. Investment property

	Group	Company
Cost		
Balance 1 January 2012	58.964	78.910
Exchange differences	(144)	-
Additions	92	96
Impairment	(4.711)	(5.333)
Transfer to PPE (Note 6)	(1.134)	-
Transfer from PPE (Note 6)	7.294	7.611
Balance 31 December 2012	60.361	81.284
Balance 1 January 2013	60.361	81.284
Exchange differences	(145)	-
Additions	170	199
Impairment	(3.954)	(7.375)
Transfer to PPE (Note 6)	(2.306)	-
Transfer from PPE (Note 6)	1.720	752
Balance 31 December 2013	55.846	74.860
Accumulated depreciation		
Balance 1 January 2012	4.191	11.958
Exchange differences	(10)	-
Transfer to PPE (Note 6)	(103)	-
Transfer from PPE (Note 6)	1.940	1.991
Depreciation charge	637	1.127
Impairment	(9)	-
Balance 31 December 2012	6.647	15.077
Balance 1 January 2013	6.647	15.077
Exchange differences	(23)	-
Transfer from PPE (Note 6)	335	180
Depreciation charge	647	1.142
Impairment	482	-
Balance 31 December 2013	8.087	16.399
Net book amount at 31 December 2012	**53.715**	**66.207**
Net book amount at 31 December 2013	**47.759**	**58.461**

Rental income from investment properties for 2013 amounted to €869 and €2.977 for the Group and the Company respectively (2012: €1.173 and €3.178 for the Group and the Company respectively)

For impairment of investment property refer to note 6.

(All amounts in €'000)

10. Investments in subsidiaries

The movement in investments in subsidiaries is analysed as follows:

	Company	
	31/12/2013	**31/12/2012**
Balance at the beginning of the year	263.118	263.118
Additions	2.088	-
Impairment	(45.505)	-
Balance at the end of the year	**219.702**	**263.118**

Additions relate to preference shares in the subsidiary Hellas online which were held by Intrakat SA and were transferred to the Company.

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

		31/12/2013		31/12/2012	
Name	**Country of incorporation**	**% interest held**	**Carrying value**	**% interest held**	**Carrying value**
Intrasoft International SA	Luxemburg	99,99%	52.407	99,99%	52.407
Intracom SA Defence Electronic Systems	Greece	100%	71.151	100%	71.151
Intrakat SA	Greece	61,76%	22.030	61,76%	22.030
Intracom Holdings International Ltd	Cyprus	100%	4.831	100%	6.352
Intracom Group USA Inc**	USA	2,91%	65	2,91%	65
Hellas on Line SA*	Greece	53,28%	69.218	53,28%	111.113
			219.702		**263.118**

(*) The total shareholding as at 31 December 2013 is 57,24% through the participation of subsidiaries of the Group (2012: 57,24%).

(**) The total shareholding as at 31 December 2013 is 100% through the participation of subsidiaries of the Group (2012: 100%).

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 42.

In order to assess whether there is an impairment of investments in subsidiaries as at 31 December 2013, the Company performed the relevant impairment tests. The test resulted in the recognition of impairment in the subsidiary Hellas on Line of €43.984 and in the subsidiary Intracom Holdings International Ltd of €1.521.

The recoverable amount of goodwill from Hellas on Line 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.

Year 2013

On 21 June 2013 the share capital of the subsidiary company of Intrakat SA, Prisma Domi ATE was increased through capitalisation of liabilities due to Intrakat SA resulting to shareholding being increased to 67,43%. The increase in non controlling interest was €184 while total effect on the Group was €19.

(All amounts in €'000)

On 9 August 2013 the share capital of the subsidiary company of Intrakat SA, Intraphos SA Renewable Energy Sources was increased by €200 with abolition of the pre-emption rights of existing shareholders. Intrakat SA did not participate in the increase and as a result its shareholding was decreased to 9,7%. On the same date the foresaid shareholding was disposed of for a consideration of €91. The net inflow from the disposal was €91. The effect on non controlling interest was €82.

On 16 October the subsidiary Intrakat SA acquired control on its subsidiary A. Katselis AEE without any change in the total shares held. The decrease in non controlling interest was €50 and the net cash inflow in the Group was €11.971.

On 5 December 2013 the subsidiary Intrakat SA acquired from the non controlling interest 12,5% of the shares of its subsidiary Intrapower SA Energy for a consideration of €200. The net cash outflow for the Group was €200. The decreased in non controlling interest was €156 and the total effect on the Group's net assets was €200.

Year 2012

The trans-border merger through absorption of the 100% subsidiary of the Group Intracom IT Services by its 99,99% subsidiary Intrasoft International S.A. based in Luxembourg was completed on 2 January 2012. As a result, the Company's direct shareholding in the absorbing company is 99,99%. The merger had no effect to the Group.

On 14 September 2012 the share capital increase of the subsidiary company of Intrakat, Eurokat S.A was completed with pre-emption rights in favor of existing shareholders. Intrakat participated in the increase by €420. A part of non-controlling interest did not participate in the share capital increase and as a result, Intrakat's shareholding increased by 0,52%. The increase in non-controlling interest amounts to €352.

On 29th October 2012 the share capital of the subsidiary company of Intrakat, PRISMA DOMI ATE was increased with pre-emption rights in favor of existing shareholders. Intrakat SA participated in the increase by €15. This transaction had no significant effect on the Group.

11. Investments in associates

	Group		Company	
	31/12/2013	**31/12/2012***	**31/12/2013**	**31/12/2012**
Balance at the beginning of the year	**82.623**	**103.730**	**94.700**	**102.900**
Additions	-	61	-	-
Disposals	(348)	(9)	-	
Share of loss	(6.296)	(20.934)	-	-
Effect of exchange differences and remeasurements of retirement benefit obligations	(394)	(225)	-	-
Impairment	(17.713)	-	(47.792)	(8.200)
Balance at the end of the year	**57.873**	**82.623**	**46.908**	**94.700**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

On 31 December 2013 and 31 December 2012, Intracom Holdings SA performed an impairment test of its investment in the associate Intracom Telecom SA, since there were indications that its carrying value exceeded its recoverable amount. The recoverable amount was estimated using its value-in-use. As a result of the impairment test, an impairment loss of €17.713 was recognized in the Group in 2013 and an impairment loss of €47.792 and €8.200 was recognised in the Company in 2013 and 2012 respectively. The impairment losses were recognised in the consolidated and separate statement of comprehensive income of the years 2013 and

(All amounts in €'000)

2012 in line "Impairment losses from subsidiaries and associates". For the calculation of the value in use a gross profit margin 23-26%, an EBITDA margin 10-13% and a discount rate of 7% was used.

In 2013 the subsidiary Intrakat SA disposed of its 50% associate ICC SA Construction Company for a consideration of €108 and its 33% associate IV DEVELOPMENT FACILITY MANAGEMENT COMPANY for a consideration of €75. Total loss on the disposal was €165.

Information about the Group's associates is presented below:

2013

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	385.281	212.037	173.244	159.711	(13.205)	49,00%
ALPHA MOGILANY DEVELOPMENT SP. Z.O.O	Poland	6.240	4.782	1.457	-	(351)	25,00%
Mobile Composting S.A.	Greece	534	363	171	97	(0)	24,00%
		392.054	**217.183**	**174.872**	**159.808**	**(13.496)**	

2012

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	395.391	208.099	187.292	181.118	(38.698)	49,00%
ALPHA MOGILANY	Poland	6.368	4.519	1.849	-	(376)	25,00%
I.C.C. S.A. Construction Company	Greece	2.302	1.654	648	2.006	99	50,00%
Mobile Composting S.A.	Greece	390	219	171	48	(4)	24,00%
IV DEVELOPMENT FACILITY MANAGEMENT LTD	Cyprus	75	13	62	-	(26)	33,00%
		404.526	**214.504**	**190.022**	**183.172**	**(39.005)**	

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:

	31/12/2013	**31/12/2012**
Assets		
Non-current assets	291	394
Current assets	35.483	31.305
	35.774	31.699
Liabilities		
Non-current liabilities	-	15
Current liabilities	35.078	30.735
	35.078	30.750
Equity	696	949
Income	20.518	33.928
Expenses	(19.587)	(30.242)
Profit (after tax)	**931**	**3.686**

Information for the Group's interests in joint ventures is included in note 42.

(All amounts in €'000)

13. Available-for-sale financial assets

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Balance at the beginning of the year	10.560	10.838	9.624	9.621
Additions	7.370	-	1.565	-
Fair value (losses) / gains	(1.440)	(278)	(277)	3
Impairment (Note 32)	(91)	-	(11)	-
Balance at the end of the year	**16.398**	**10.560**	**10.901**	**9.624**
Non current Assets	**16.398**	**10.560**	**10.901**	**9.624**

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Listed securities:				
- equity securities	6.214	351	1.230	8
Unlisted securities:				
- equity securities	10.184	10.209	9.671	9.616
	16.398	**10.560**	**10.901**	**9.624**

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.

Available-for-sale financial assets include a 3,44% shareholding in Hellenic Energy and Development SA amounting to €2.197 and a 13,33% shareholding in Moreas SA amounting to €6.751.

The additions in the Group and the Company relate to the investment in banking ordinary shares and banking bonds convertible into ordinary shares.

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	
	31/12/2013	**31/12/2012***	**31/12/2013**	**31/12/2012***
Deferred tax assets	(15.370)	(10.259)	-	-
Deferred tax liabilities	2.382	2.200	1.124	967
	(12.988)	**(8.059)**	**1.124**	**967**

(All amounts in €'000)

The gross amounts are as follows:

	Group		Company	
	31/12/2013	**31/12/2012***	**31/12/2013**	**31/12/2012***
Deferred tax assets:				
To be recovered after more than 12 months	(17.424)	(16.707)	(81)	(53)
To be recovered within 12 months	(5.377)	(3.799)	(18)	(14)
	(22.801)	**(20.506)**	**(99)**	**(66)**
Deferred tax liabilities				
To be settled after more than 12 months	5.143	9.444	1.222	1.033
To be settled within 12 months	4.671	3.003	1	1
	9.813	**12.448**	**1.223**	**1.034**
	(12.988)	**(8.059)**	**1.124**	**967**

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

	Group		Company	
	31/12/2013	**31/12/2012***	**31/12/2013**	**31/12/2012***
Balance at the beginning of the year	(8.059)	(5.838)	967	1.009
Exchange differences	4	-	-	-
Charge / (credit) to profit or loss (note 34)	(4.923)	(2.154)	161	(44)
Charge / (credit) to other comprehensive income	(22)	(67)	(3)	2
Charge / (credit) to equity	12	-	-	-
Balance at the end of the year	**(12.988)**	**(8.059)**	**1.124**	**967**

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 1 January 2012*	(2.549)	(9.967)	(5.750)	(18.266)
Exchange differences	-	4	-	4
Credit to profit or loss	(595)	(870)	(712)	(2.177)
Credit to other comprehensive income	(65)	-	(2)	(67)
Balance 31 December 2012*	**(3.209)**	**(10.833)**	**(6.463)**	**(20.506)**
Balance 1 January 2013*	(3.209)	(10.833)	(6.463)	(20.506)
Exchange differences	-	6	-	6
Charge / (credit) to profit or loss	(3.807)	4.132	(2.597)	(2.272)
Credit to other comprehensive income	(22)	-	-	(22)
Credit to equity	-	-	(7)	(7)
Balance 31 December 2013	**(7.039)**	**(6.695)**	**(9.067)**	**(22.801)**

(All amounts in €'000)

Deferred tax liabilities:

	Trade name & Customers relationships	Accrued Income	Accelerated tax depreciation	Other	Total
Balance 1 January 2012*	2.929	1.198	5.913	2.389	12.429
Exchange differences	-	-	(2)	(2)	(4)
Charge / (credit) to profit or loss	(295)	-	(968)	1.285	23
Balance 31 December 2012*	**2.633**	**1.198**	**4.944**	**3.672**	**12.448**
Balance 1 January 2013*	2.633	1.198	4.944	3.672	12.448
Exchange differences	-	-	(2)	-	(2)
Charge / (credit) to profit or loss	385	-	(3.026)	(9)	(2.650)
Charge to equity	-	-	-	19	19
Balance 31 December 2013	**3.018**	**1.198**	**1.916**	**3.681**	**9.813**

Company

Deferred tax assets:

	Provisions	Total
Balance 1 January 2012*	(62)	(62)
Credit to profit or loss	(7)	(7)
Charge to other comprehensive income	2	2
Balance 31 December 2012*	**(66)**	**(66)**
Balance 1 January 2013*	(66)	(66)
Credit to profit or loss	(29)	(29)
Credit to other comprehensive income	(3)	(3)
Balance 31 December 2013	**(99)**	**(99)**

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total
Balance 1 January 2012*	1.068	3	1.071
Credit to other comprehensive income	(35)	(2)	(38)
Balance 31 December 2012*	**1.033**	**1**	**1.033**
Balance 1 January 2013*	1.033	1	1.034
Charge to profit or loss	189	-	189
Balance 31 December 2013	**1.222**	**1**	**1.223**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

The Company has not recognised deferred tax asset on the losses of the previous and the current year. These losses amount to €21.420.

(All amounts in €'000)

15. Long-term loans receivable

In 2008, 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 4,0% margin).

The amount recorded on the balance sheet as at 31 December 2013 consists of the initial capital plus capitalised interest of the period 2008-2013.

16. Trade and other receivables

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Trade receivables	186.627	194.677	54	349
Less: provision for impairment	(60.230)	(52.085)	-	-
Trade receivables - net	126.396	142.592	54	349
Prepayments	15.248	14.488	-	-
Receivables from related parties (Note 39)	21.102	16.196	6.652	7.976
Prepaid expenses	15.001	10.305	148	161
Accrued income	48.799	45.685	156	162
Other receivables	25.951	34.115	1.999	4.172
Less: provision for impairment of other receivables	(3.325)	(1.731)	-	-
Total	**249.173**	**261.650**	**9.010**	**12.820**
Non-current assets	10.056	7.139	39	1.280
Current assets	239.117	254.511	8.971	11.540
	249.173	**261.650**	**9.010**	**12.820**

(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	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Total	126.396	142.592	54	349
Not past due and not impaired at the balance sheet date	71.904	77.813	18	275
Impaired at the balance sheet date	60.230	52.085	-	-
Provision made for the following amount:	(60.230)	(52.085)	-	-
	-	-	-	-
Not impaired at the balance sheet date but past due in the following periods:				
< 90 days	10.570	7.183	30	48
90-180 days	7.158	8.487	6	2
180-270 days	15.045	15.421	-	2
270-365 days	3.282	4.481	-	1
1- 2 years	11.796	20.492	-	21
>2 years	6.640	8.715	-	-
	54.492	64.779	36	74
Total trade receivables	**126.396**	**142.592**	**54**	**349**

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 and other receivables is analysed as follows:

	Group	Company
Balance 1 January 2012	38.626	-
Exchange differences	(8)	-
Provision for impairment (Note 29)	16.072	-
Receivables written-off during the year	(874)	-
Balance 31 December 2012	**53.816**	**-**
Exchange differences	9	-
Provision for impairment (Note 29)	16.252	-
Receivables written-off during the year	(3.839)	-
Unused amounts reversed	(1.904)	-
Discount	(779)	-
Balance 31 December 2013	**63.555**	**-**

Trade and other receivables are analysed in the following currencies:

	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Euro (EUR)	219.671	227.661	9.010	12.820
US Dollar (USD)	19.097	22.689	-	-
Polish Zloty (PLN)	5.204	6.489	-	-
Romanian Lei (RON)	3.394	2.959	-	-
Danish Corona (DKK)	142	145	-	-
Other	1.664	1.706	-	-
	249.173	**261.649**	**9.010**	**12.820**

(All amounts in €'000)

17. Inventories

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Raw materials	28.808	29.471	-	-
Semi-finished goods	13.975	10.705	-	-
Finished goods	8.890	8.408	-	-
Work in progress	1.650	1.875	-	-
Merchandise	1.744	1.538	-	-
Other	218	225	-	-
Total	**55.285**	**52.222**	**-**	**-**
Less: Provisions for obsolete inventories				
Raw materials	4.660	2.551	-	-
Semifinished goods	682	436	-	-
Finished goods	1.017	325	-	-
Merchandise	301	1	-	-
	6.661	**3.313**	**-**	**-**
Net realisable value	**48.624**	**48.909**	**-**	**-**

The movement of the provision is as follows:

	Group	Company
Balance 1 January 2012	2.633	-
Provision for impairment (Note 29)	681	-
Exchange differences	(1)	
Balance 31 December 2012	**3.313**	**-**
Provision for impairment (Note 29)	3.375	-
Used provisions	(1)	-
Disposal of subsidiaries	(26)	
Balance 31 December 2013	**6.661**	**-**

(All amounts in €'000)

18. Construction contracts

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Assets				
Contracts in progress at the balance sheet date:				
Receivables from construction contracts	20.882	22.488	-	-
Total	**20.882**	**22.488**	**-**	**-**
Liabilities				
Contracts in progress at the balance sheet date:				
Liabilities from construction contracts	1.843	2.539	-	-
Total	**1.843**	**2.539**	**-**	**-**
Accumulated contract costs plus accumulated recognised profits less accumulated recognised losses	372.144	459.963	-	-
Less: Progress billings	(353.105)	(440.014)	-	-
Construction contracts	**19.039**	**19.949**	**-**	**-**

19. Financial assets at fair value through profit or loss

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Balance at the beginning of the year	278	105	-	-
Additions	-	110	-	-
Fair value adjustments (Note 32)	(55)	63	-	-
Balance at the end of the year	**223**	**278**	**-**	**-**

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
<u>Listed securities</u>				
- Equity securities	113	168	-	-
<u>Unlisted securities</u>				
- Equity securities	110	110	-	-
	223	**278**	**-**	**-**

(All amounts in €'000)

20. Cash and cash equivalents

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

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Cash at bank and in hand	62.828	34.118	622	1.074
Short-term bank deposits	13.436	19.134	1.126	3.514
Total	**76.263**	**53.253**	**1.748**	**4.588**

The effective interest rate on short-term bank deposits for the Company was 1% (2012: 1%).

Cash and cash equivalents are analysed in the following currencies:

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Euro (EUR)	64.413	37.182	1.253	1.012
US Dollar (USD)	9.123	9.150	20	45
Japanese Yen (JPY)	-	3.500	-	3.500
Romanian Lei (RON)	970	1.525	475	28
Bulgarian Leva (BGN)	798	1.081	-	-
Other	959	815	1	5
	76.263	**53.253**	**1.748**	**4.588**

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	Total
Balance 1 January 2012	133.025.996	187.567	194.204	381.771
Balance 31 December 2012	**133.025.996**	**187.567**	**194.204**	**381.771**
Balance 1 January 2013	133.025.996	187.567	194.204	381.771
Balance 31 December 2013	**133.025.996**	**187.567**	**194.204**	**381.771**

On 31 December 2012 and 31 December 2013 the Company's share capital amounts to €187.567 divided into 133.025.996 shares with a nominal value of €1,41 each.

(All amounts in €'000)

22. Other reserves

Group

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Other reserves	Remeasurments of retirement benefit obligations	Fair value reserves	Total
Balance 1 January 2012*	30.649	8.305	125.218	56.797	(28.988)	(1.856)	(5.250)	184.876
Fair value loss on available-for-sale financial assets	-	-	-	-	-	-	(171)	(171)
Exchange differences	-	-	-	-	-	-	(115)	(115)
Fair value gain on cash flow hedge	-	-	-	-	-	-	206	206
Remeasurements of retirement benefit obligations, ı	-	-	-	-	-	(180)	-	(180)
Transfers between reserves	(11)	-	294	-	1	-	-	283
Balance 31 December 2012*	**30.638**	**8.305**	**125.512**	**56.797**	**(28.987)**	**(2.036)**	**(5.329)**	**184.899**
Balance 1 January 2013*	30.638	8.305	125.512	56.797	(28.987)	(2.036)	(5.329)	184.899
Fair value loss on available-for-sale financial assets	-	-	-	-	-	-	(995)	(995)
Exchange differences	-	-	-	-	-	-	(532)	(532)
Fair value gain on cash flow hedge	-	-	-	-	-	-	249	249
Remeasurements of retirement benefit obligations, ı	-	-	-	-	-	(98)	-	(98)
Transfers between reserves	87	-	259	-	27	-	-	373
Balance 31 December 2013	**30.726**	**8.305**	**125.771**	**56.797**	**(28.960)**	**(2.134)**	**(6.607)**	**183.898**

Company

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Remeasurments of retirement benefit obligations	Fair value reserves	Total
Balance 1 January 2012*	26.719	8.069	55.990	56.981	(79)	(34)	147.646
Fair value gain on available-for-sale financial assets	-	-	-	-	-	3	3
Remeasurements of retirement benefit obligations, ı	-	-	-	-	8	-	8
Balance 31 December 2012*	**26.719**	**8.069**	**55.990**	**56.981**	**(71)**	**(31)**	**147.657**
Balance 1 January 2013*	26.719	8.069	55.990	56.981	(71)	(31)	147.657
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(277)	(277)
Remeasurements of retirement benefit obligations, ı	-	-	-	-	(17)	-	(17)
Balance 31 December 2013	**26.719**	**8.069**	**55.990**	**56.981**	**(88)**	**(308)**	**147.362**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

(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 €2.567 which relates to fair value losses from available for sale investments and foreign exchange currency differences.

23. Borrowings

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Non-current borrowings				
Bank loans	32.603	10.318	4.271	5.371
Finance lease liabilities	11.889	13.557	11.479	12.733
Bond loans	-	124.069	-	-
Total non-current borrowings	**44.492**	**147.944**	**15.750**	**18.104**
Current borrowings				
Bank loans	141.919	133.596	16.875	12.825
Bond loans	132.739	18.441	-	-
Other loans	10.000	10.000	10.000	10.000
Finance lease liabilities	1.294	2.023	1.171	1.062
Total current borrowings	**285.952**	**164.060**	**28.046**	**23.887**
Total borrowings	**330.444**	**312.003**	**43.796**	**41.992**

(All amounts in €'000)

The loans of the Group and Company are analysed in the following currencies:

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Euro	325.582	309.641	43.796	41.992
US dollar (USD)	2.546	-	-	-
Polish Slot	2.316	2.362	-	-
	330.444	**312.003**	**43.796**	**41.992**

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

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Not later than 1 year	293.886	171.634	27.280	23.321
Between 1 and 2 years	1.822	134.874	1.417	1.507
Between 2 and 3 years	31.277	1.417	3.350	1.417
Between 3 and 5 years	-	3.350	-	3.350
	326.985	**311.275**	**32.046**	**29.594**

As at December 2013 the subsidiary companies had bond loans with weighted average floating interest rate of 5,23% (2012: 5,20%).

The weighted average interest rate for the remaining borrowings of the Group and the Company for 2013 was approximately 6,92% and 6,97% respectively (2012: 6,9% and 7,05% respectively).

Bond loans of the Group relate mainly to the syndicated loan of the subsidiary Hellas online SA of €144,5 mil. On 2 August 2011 the majority of the Bondholders granted their written consent for the amendment of the bond loan, while the replacement of the bonds was completed on 18 November 2011. This amendment modifies the repayment terms, setting the 27th October 2014 as the maturity date of the last installment and increases the margin from 3% to 5% valid from 27th April 2011 until expiry. The repayment of the loan, after the amendment, will be in 5 installments, of which the first 4 installments will repay 20% of the total loan and the last installment payable on the expiration date (27th of October 2014) will repay the remaining 80%. The first and second installments were paid on 27 April 2012 and 27 April 2013 respectively. On 30 December 2013 the Bondholders decided, by granting their written consent, that the covenant sales to total net debt should not be considered in the annual financial statements of 31 December 2013, since Hellas online did not comply. The subsidiary is currently in negotiations with the Bondholders for the refinancing of the bond loan and the new contract is in the process of being approved by the involved parties.

Securities relating to the above borrowings are disclosed in note 38.

(All amounts in €'000)

Finance leases

	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Finance lease liabilities- minimum lease payments				
Not later than 1 year	1.872	2.774	1.720	1.773
Between 2 and 5 years	6.943	7.785	6.916	7.119
More than 5 years	7.409	9.348	6.943	9.084
Total	16.224	19.907	15.578	17.976
Less: Future finance charges on finance leases	(3.041)	(4.327)	(2.928)	(4.180)
Present value of finance lease liabilities	**13.183**	**15.580**	**12.650**	**13.796**
Present value of finance lease liabilities:				
Not later than 1 year	1.294	2.023	1.171	1.062
Between 2 and 5 years	5.248	5.418	5.221	4.829
More than 5 years	6.642	8.139	6.258	7.905
Total	**13.183**	**15.580**	**12.650**	**13.796**

In the prior year, the Company has signed a sale and leaseback agreement for a building. The leaseback is treated as finance lease with a 12 year duration. From the transaction, the Company received €4.000 which is shown under "Proceeds from borrowings" in the cash flow statement of 2012.

24. Retirement benefit obligations

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

	Group		Company	
	31/12/2013	31/12/2012*	31/12/2013	31/12/2012*
Balance sheet obligations for:				
Pension benefits	**6.882**	**6.968**	**312**	**264**
Income statement charge				
Pension benefits (Note 30)	**1.336**	**1.111**	**59**	**41**
Charge / (credit) to equity				
Remeasurements of retirement benefit obligations	**(18)**	**286**	**21**	**(10)**

The amounts recognised in profit or loss are determined as follows:

	Group		Company	
	1/1 - 31/12/2013	1/1 - 31/12/2012*	1/1 - 31/12/2013	1/1 - 31/12/2012*
Current service cost	620	842	23	23
Interest cost	238	322	10	13
Past-service cost	(372)	(592)	-	-
Losses on curtailment	849	538	26	5
Total, included in staff costs	**1.336**	**1.111**	**59**	**41**

(All amounts in €'000)

Total charge is allocated as follows:

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***
Cost of goods sold	942	586	-	-
Selling costs	358	284	-	-
Administrative expenses	35	240	59	41
	1.336	**1.111**	**59**	**41**

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

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***
Balance at the beginning of the year	6.967	6.498	264	241
Total expense charged to the income statement	1.336	1.111	59	41
Contributions paid	(1.378)	(927)	(32)	(8)
Remeasurements of retirement benefit obligations	(18)	286	21	(10)
Disposal of subsidiaries	(26)	-	-	-
Balance at the end of the year	**6.881**	**6.967**	**312**	**264**

The principal actuarial assumptions used are as follows:

	Group		Company	
	2013	**2012**	**2013**	**2012**
Discount rate	3,0% - 3,8%	3,4% - 5,0%	3,20%	3,80%
Future salary increases	2,0% - 3,0%	2,0% - 4,5%	2,00%	2,50%

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

25. Grants

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Balance at the beginning of the year	22.077	25.080	-	-
Additions	9	24	-	-
Amortisation charge (note 31)	(1.806)	(3.027)	-	-
Balance at the end of the year	**20.280**	**22.077**	**-**	**-**
Current portion	1.692	2.447	-	-
Non-current portion	18.589	19.630	-	-
Total	**20.281**	**22.077**	**-**	**-**

The grants mainly relate to subsidies from the "Society of Information" and "Development Law" to the subsidiary company Hellas online for the expansion of its telecommunications network.

(All amounts in €'000)

26. Derivative financial instruments

	Group		Nominal Value	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Cash flow hedge	**Liabilities**	**Liabilities**		
Interest rate swaps	582	1.278	17.925	23.900
Interest rate caps	71	167	25.425	33.900
Total	**653**	**1.445**	**43.350**	**57.800**

Current liabilities	653	-
Non-current liabilities	-	1.445
	653	**1.445**

The derivative contracts are used to hedge the exposure to variability in cash flows attributable to interest rate risk arising from the bond loan of a subsidiary. During the previous year 2011, the hedge accounting was terminated and part of the cumulative losses was transferred to profit or loss. The remaining amount of losses recognized in equity (note 22) was gradually transferred in profit or loss during the repayment of the related bond loan.

The amount of €356 relating to fair value losses of derivatives is included in other finance costs.

The movement in reserve of €435 relates to losses transferred to profit or loss, as mentioned above.

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

27. Provisions

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Current liabilities	4.887	5.381	168	168
Non- current liabilities	1.365	973	-	-
Total	**6.252**	**6.354**	**168**	**168**

(All amounts in €'000)

Group

	Warranties	Unused compensated absences	Unaudited tax years	Other	Total
Balance 1 January 2012	820	957	1.268	6.056	9.102
Exchange differences	-	-	-	(1)	(1)
Additional provisions of the year	353	490	82	4.149	5.074
Unused amounts reversed	-	-	(574)	(2.458)	(3.033)
Provisions used during the year	(516)	(890)	-	(3.382)	(4.788)
Balance 31 December 2012	**657**	**557**	**776**	**4.364**	**6.354**
Balance 1 January 2013	657	557	776	4.364	6.354
Additional provisions	363	582	-	3.235	4.181
Unused amounts reversed	-	-	(15)	(31)	(47)
Provisions used during the year	(304)	(490)	-	(3.442)	(4.235)
Balance 31 December 2013	**717**	**650**	**760**	**4.126**	**6.253**

The amount €4.126 of other provisions as at 31 December 2013 includes inter alia the amount of €1.140 for the recognition of losses from loss making contracts and the amount of €2.154 for accrued employee benefits.The corresponding amount as at 31 December 2012 includes the amount of €857 for the recognition of losses from loss making contracts and the amount of €2.028 for accrued employee benefits.

Company

	Unused compensated absences	Other	Total
Balance 1 January 2012	68	100	168
Balance 31 December 2012	**68**	**100**	**168**
Balance 1 January 2013	68	100	168
Balance 31 December 2013	**68**	**100**	**168**

(All amounts in €'000)

28. Trade and other payables

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Trade payables	81.036	96.150	676	930
Prepayments from customers	68.121	50.202	-	-
Deferred income	22.369	18.727	-	-
Amounts due to related parties (Note 39)	67.587	61.616	8.642	8.824
Accrued expenses	16.201	16.819	399	520
Social security and other taxes	10.203	7.790	365	310
Other liabilities	12.450	16.649	1.622	1.237
Total	**277.967**	**267.953**	**11.703**	**11.821**
Non-current liabilities	18.460	11.497	-	-
Current liabilities	259.507	256.456	11.703	11.821
	277.967	**267.953**	**11.703**	**11.821**

Non-current liabilities as at 31 December 2013 include an amount of €15.108 that relates to deferred income (31 December 2012: €11.457).

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	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Euro (EUR)	243.220	229.245	11.703	11.821
US Dollar (USD)	28.503	33.818	-	-
Polish Zloty (PLN)	885	703	-	-
Bulgarian Leva (BGN)	890	798	-	-
Other	4.468	3.389	-	-
	277.967	**267.953**	**11.703**	**11.821**

(All amounts in €'000)

29. Expenses by nature

	Note	Group		Company	
		1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Employee benefits	30	109.869	112.124	2.076	1.907
Inventory cost recognised in cost of goods sold		68.203	74.082	-	-
Depreciation of PPE	6	38.675	46.767	643	720
Depreciation of investment property	9	647	637	1.142	1.127
Amortisation of intangible assets	8	24.175	27.385	-	2
Impairment of inventories	17	3.375	681	-	-
Repairs and maintenance of PPE		12.890	12.726	300	371
Operating lease payments		5.365	5.396	-	-
Subcontractors' fees		86.604	81.177	-	-
Impairment of receivables	16	16.252	16.072	-	-
Telecommunications cost		100.000	113.827	-	-
Transportation and travelling expenses		5.665	5.569	209	294
Third party fees		31.218	24.145	672	700
Advertisement		5.911	5.533	164	156
Other		16.387	15.417	2.108	2.547
Total		**525.236**	**541.538**	**7.313**	**7.824**
Split by function:					
Cost of goods sold		441.529	446.534	2.029	1.858
Selling and research costs		34.890	39.082	-	-
Administrative expenses		48.817	55.922	5.285	5.966
		525.236	**541.538**	**7.314**	**7.824**
Split of depreciation and amortisation by function:					
Cost of goods sold		50.297	59.035	304	246
Selling and research costs		916	866	-	-
Administrative expenses		12.284	14.888	1.482	1.604
		63.497	**74.789**	**1.786**	**1.850**

*Restated amounts due to adoption of amended IAS 19 “Employee Benefits” (see note 40).

30. Employee benefits

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***
Wages and salaries	85.124	87.580	1.701	1.653
Social security costs	20.213	20.068	251	181
Other employers' contributions and expenses	1.410	1.605	64	32
Pension costs - defined contribution plans	456	429	-	-
Pension costs - defined benefit plans (Note 24)	1.336	1.111	59	41
Other post-employment benefits	1.330	1.331	-	-
Total	**109.869**	**112.124**	**2.076**	**1.907**

*Restated amounts due to adoption of amended IAS 19 “Employee Benefits” (see note 40).

(All amounts in €'000)

31. Other operating income

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012**	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Rental income	964	1.173	2.977	3.178
Amortisation of grants received (Note 25)	1.806	3.027	-	-
Other income from grants	568	135	-	1
Insurance compensations	49	35	-	-
Other	2.663	4.022	-	-
Total	**6.051**	**8.392**	**2.977**	**3.178**

32. Other gains / (losses) - net

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012**	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Gains / (losses) from sale of PPE	539	(266)	-	(1)
Fair value (losses) / gains of financial assets at fair value through profit or loss	(55)	63	-	-
Impairment of available-for-sale financial assets	(91)	-	(11)	-
Gains from disposal of subsidiaries	151	-	-	-
Loss from disposal of associates (note 11)	(165)	-	-	-
Write-offs of other receivables	(1.980)	-	(1.980)	-
Net foreign exchange gains / (losses)	55	(360)	-	-
Income from unused provision of trade receivables	673	-	-	-
Other	(1.881)	530	(447)	291
Total	**(2.754)**	**(33)**	**(2.438)**	**290**

(All amounts in €'000)

33. Finance expenses / (income) - net

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012**	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Finance expenses				
Interest and related expense				
- Bank borrowings	10.301	11.504	1.344	1.394
- Bond loans	7.901	9.439	-	-
- Other loans	6	732	6	732
- Finance leases	719	875	578	667
- Letters of credit and related costs	3.842	3.099	-	-
- Net foreign exchange gains / (losses)	237	193	-	-
- Interest rate swaps: cash flow hedge, transfer from equity	(358)	138	-	-
- Other	3.110	5.613	-	-
	25.758	31.593	1.928	2.793
Finance income				
Interest income	(793)	(1.040)	(6)	(23)
Interest income from loans	(419)	(470)	(469)	(470)
Other	(106)	(44)	-	-
	(1.318)	(1.554)	(475)	(493)
Finance expenses / (income) - net	**24.440**	**30.039**	**1.453**	**2.300**

34. Income tax

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Current tax	(2.317)	(2.384)	-	-
Deferred tax (Note 14)	4.923	2.154	(161)	44
Total	**2.606**	**(230)**	**(161)**	**44**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

On 11 January 2013 the new corporate tax law was set into force, by voting of the relevant Draft Tax Law, according to which the corporate income tax rate of legal entities for undistributed profits is set at 26% for fiscal year 2013 onwards. The change in tax rate has not been applied in the results of financial year 2012, in which the tax rate of 20% was applied.

Tax returns are filed annually. With respect to the financial years up to and including 2010, the profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. From the financial year 2011 and onwards, the tax returns are subject to the Audit Tax Certificate process. Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

Audit Tax Certificate:

From the financial year 2011 and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by paragraph 5 of Article 82 of L.2238/1994, which is issued after the tax audit by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm not later than the 10^{th} day of the 7^{th} month after the end of the financial year. The Ministry of Finance will subsequently select a sample of at least 9% for the performance of a tax audit by the relevant auditors from the Ministry of Finance. The audit by the Ministry of Finance must be completed within a period of eighteen months from the date when the "Tax Compliance Report" was submitted to the Ministry of Finance.

Unaudited tax years

The parent company has not been tax audited for the financial year 2010.

The financial years for which the Company and its subsidiaries have not been audited and, therefore, the tax liabilities for these open years have not been finalized, are presented in note 42. The cumulative provision for unaudited tax years amounts to €760 for the Group.

The Company and other Greek companies in the Group, which have been under the tax audit of the statutory auditors pursuant to the provisions of article 82 paragraph 5 of Law 2238/1994, obtained the 'Tax Compliance Report' for the financial year 2012, out of which no additional tax liabilities arose in excess of the tax expense and the tax provision provided for in the 2012 annual financial statements. According to the relevant legislation, the tax liabilities for financial year 2012 shall be considered finalised after eighteen months from the date when the 'Tax Compliance Report' has been submitted to the Ministry of Finance. The tax audit performed by the statutory auditors for the financial year 2013 is still in progress and the tax compliance report is expected to be issued after the publication of the annual financial statements of year 2013. The Group's Management does not expect that significant additional tax liabilities will arise, in excess of these provided for and disclosed in the financial statements.

The tax on the losses 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 - 31/12/2013	1/1 - 31/12/2012*	1/1 - 31/12/2013	1/1 - 31/12/2012
Loss before tax	(75.844)	(49.432)	(108.522)	(18.032)
Tax calculated at tax rates applicable to Greece	19.719	9.886	28.216	3.606
Income not subject to tax	-	306	-	-
Expenses not deductible for tax purposes	(17.418)	(11.051)	(28.312)	(3.279)
Differences in tax rates	2.951	314	288	-
Utilisation of previously unrecognised tax losses	135		-	-
Effect of previous year's tax losses that can not be offset	(1.989)	-	-	-
Effect of previous year's tax losses for which deferred tax was recognised	-	1.038	-	-
Tax losses for which no deferred tax asset was recognised	-	(670)	-	(283)
Tax losses for the year	(365)	-	(352)	-
Other	(427)	(53)	-	-
Tax charge / (income)	**2.606**	**(230)**	**(161)**	**44**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

35. Earnings / (losses) 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 - 31/12/2013	1/1 - 31/12/2012*	1/1 - 31/12/2013	1/1 - 31/12/2012
Loss attributable to equity holders of the Company	(64.627)	(42.831)	(108.682)	(17.988)
Weighted average number of ordinary shares in issue (thousands)	133.026	133.026	133.026	133.026
Basic losses per share (€ per share)	**(0,49)**	**(0,32)**	**(0,82)**	**(0,14)**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

Diluted earnings / (losses) per share

Diluted earnings / (losses) 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 - 31/12/2013	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Loss attributable to equity holders of the Company	(64.627)	(42.831)	(108.682)	(17.988)
Weighted average number of ordinary shares in issue (thousands)	133.026	133.026	133.026	133.026
Diluted earnings / (losses) per share (€ per share)	**(0,49)**	**(0,32)**	**(0,82)**	**(0,14)**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

From the calculation of the weighted average number of ordinary shares of diluted earnings, no difference has occurred in relation to basic earnings per share.

36. Cash generated from operations

		Group		Company	
	Note	**1/1 - 31/12/2013**	**1/1 - 31/12/2012***	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Loss for the year		(73.238)	(49.663)	(108.682)	(17.988)
Adjustments for:					
Tax	34	(2.606)	230	161	(44)
Depreciation of PPE	6	38.675	46.767	643	720
Amortisation of intangible assets	8	24.175	27.385	-	2
Depreciation of investment property	9	647	637	1.142	1.127
Impairment of investment property	9	4.435	4.703	7.375	5.333
Impairment of intangible assets	8	718	-	-	-
Impairment of PPE	6	13.956	2.389	1.967	-
(Profit) / loss on sale of PPE	32	(539)	266	-	1
Fair value losses / (gains) of financial assets at fair value through profit or loss	32	55	(63)	-	-
Impairment of available - for - sale financial assets	32	91	-	11	-
Impairment of investments	10, 11	17.713	-	93.297	8.200
Gain from disposal of subsidiary	32	(151)	-	-	-
Impairment of trade and other receivables	29, 32	18.233	16.072	1.980	-
Loss on disposal of associates	32	165	-	-	-
Interest income	33	(1.318)	(1.554)	(475)	(494)
Interest expense	33	25.758	31.593	1.928	2.793
Amortisation of grants received	31	(1.806)	(3.027)	-	-
Share of loss from associates and joint ventures	11	6.296	20.934	-	-
Exchange loss / (gain)		(377)	(2.516)	-	-
		70.884	**94.153**	**(653)**	**(348)**
Changes in working capital					
(Increase) / decrease in inventories		285	(12.383)	-	-
(Increase) / decrease in trade and other receivables		(2.197)	(6.889)	(115)	(1.269)
Increase / (decrease) in trade and other payables		16.953	23.898	(27)	1.977
Increase / (decrease) in provisions		(102)	(2.748)	-	-
(Decrease) / increase in retirement benefit obligations		(42)	176	28	33
		14.897	**2.055**	**(114)**	**740**
Cash generated from operations		**85.781**	**96.208**	**(767)**	**393**

*Restated amounts due to adoption of amended IAS 19 "Employee Benefits" (see note 40).

(All amounts in €'000)

37. Commitments

Capital commitments

As at the balance sheet date there were capital commitments for property, plant and equipment of €5.130 for the Group (2012: €3.600).

Operating lease commitments

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Up to 1 year	3.646	5.474	165	165
From 2 to 5 years	8.671	16.753	197	303
More than 5 years	3.752	6.590	-	-
	16.069	**28.817**	**362**	**468**

38. 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	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Guarantees for advance payments	27.428	31.877	21.820	26.892
Guarantees for good performance	159.694	158.707	99.959	140.519
Guarantees for participation in contests	13.931	31.954	9.696	25.745
Other	11.875	21.229	3.618	11.119
	212.927	**243.767**	**135.093**	**204.275**

The Company has given guarantees to banks for subsidiaries' loans amounting to €287.212.

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

Outstanding legal cases

There is 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 have been reduced to €9 mil., following relevant appeals of the Company and ministerial decisions. Subsequently, according to a decision by the administrative court of appeal of Piraeus, the above mentioned penalties and rebates were cancelled. According to the Company's legal advisers the appeal exercised by the Greek State against the previous decision by the administrative court of appeal of Piraeus will not succeed and hence there will be no surcharge on the Company.

On 4 March 2008 specific major shareholders of Teledome S.A. took legal action against Intracom Holdings, Hellas Online and members of the Management, requesting among others, to abolish the earlier decision of key management personnel (Board of Directors and General Meeting) of the Group for the annulment of 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.

(All amounts in €'000)

It is not anticipated that any material liabilities will arise for the Group and the Company from other outstanding legal cases.

39. Related party transactions

The following transactions are carried out with related parties:

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012**	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Sales of goods / services:				
To subsidiaries	-	-	2.092	1.865
To associates	1.902	1.622	126	80
To other related parties	1.861	1.595	-	-
	3.763	**3.217**	**2.218**	**1.945**
Purchases of goods / services:				
From subsidiaries	-	-	2.361	308
From associates	12.590	9.600	-	-
From other related parties	318	199	25	27
	12.908	**9.799**	**2.386**	**335**
Rental income:				
From subsidiaries	-	-	2.405	2.413
From associates	103	105	-	-
From other related parties	294	278	129	133
	397	**383**	**2.534**	**2.546**

	Group		Company	
	1/1 - 31/12/2013	**1/1 - 31/12/2012**	**1/1 - 31/12/2013**	**1/1 - 31/12/2012**
Purchases of fixed assets:				
From subsidiaries	-	-	69	2
From associates	4.034	5.715	-	-
	4.034	**5.715**	**69**	**2**
Disposals of fixed assets:				
To associates	-	3	-	-
	-	**3**	**-**	**-**

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.

(All amounts in €'000)

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

	Group		Company	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Receivables from related parties				
From subsidiaries	-	-	2.380	3.875
From associates	12.540	11.736	2.867	2.816
From other related parties	8.562	4.460	1.405	1.285
	21.102	**16.196**	**6.652**	**7.976**
Payables to related parties				
To subsidiaries	-	-	1.186	1.185
To associates	66.664	60.763	7.398	7.604
To other related parties	923	853	58	35
	67.587	**61.616**	**8.642**	**8.824**

Key Management compensation

During 2013 a total of €1.043 and €1.963 was paid by the Company and the Group respectively as Directors' remunerations, key Management and other related party compensations (2012: €1.044 and €2.469 respectively). As at 31 December 2013 and 31 December 2012 there were not any receivables or payables from / to Directors with regards to the Company. As at 31 December 2013 the Group has outstanding payables to Directors amounting to €26 (2012: €0), while there are not any outstanding receivables from Directors (2012: €22).

(All amounts in €'000)

40. Adjustments

Retirement benefit obligations

Group

Due to the amendment of IAS 19, the Group adjusted other comprehensive income, equity, retirement benefit obligations and investments in associates as follows:

Total comprehensive income

	1/1 - 31/12/2012
Total comprehensive income before the adoption of amended IAS 19	(49.678)
Effect from the adoption of amended IAS 19	(280)
Adjustment for income tax	65
Total comprehensive income after the adoption of the amended IAS 19	**(49.893)**

Equity

	31/12/2012	**1/1/2012**
Equity before the adoption of the amended IAS 19	347.969	397.299
Effect from the adoption of the amended IAS 19	(503)	(224)
Change in deferred income tax	60	(4)
Equity after the adoption of the amended IAS 19	**347.526**	**397.071**

Retirement benefit obligations

	31/12/2012	**1/1/2012**
Retirement benefit obligations before the adoption of the amended IAS 19	6.646	6.416
Effect from the adoption of the amended IAS 19	322	83
Retirement benefit obligations after the adoption of the amended IAS 19	**6.968**	**6.499**

Investments in associates

	31/12/2012	**1/1/2012**
Investments in associates before the adoption of the amended IAS 19	82.804	103.871
Effect from the adoption of the amended IAS 19	(181)	(141)
Investments in associates after the adoption of the amended IAS 19	**82.623**	**103.730**

Deferred tax assets

	31/12/2012	**1/1/2012**
Deferred tax assets before the adoption of the amended IAS 19	10.288	8.569
Effect from the adoption of the amended IAS 19	(29)	(47)
Deferred tax assets after the adoption of the amended IAS 19	**10.259**	**8.522**

Deferred tax liabilities

	31/12/2012	**1/1/2012**
Deferred tax liabilities before the adoption of the amended IAS 19	2.289	2.728
Effect from the adoption of the amended IAS 19	(89)	(43)
Deferred tax liabilities after the adoption of the amended IAS 19	**2.200**	**2.685**

Total comprehensive income attributable to the Company's equity holders increased by €413 and total comprehensive income attributable to the non controlling interests increased by €72 in the comparative period 1/1/2012 – 31/12/2012 due to the adoption of the amended IAS 19.

(All amounts in €'000)

Moreover, equity attributable to the Company's equity holders decreased by €413 and €269 at 31/12/2012 and 1/1/2012 respectively, whereas non controlling interest decreased by €31 and increased by €41 at 31/12/2012 and 1/1/2012 respectively, due to the adoption of amended IAS 19.

Company

Due to the amendment of IAS 19, the Company adjusted other comprehensive income, equity and retirement benefit obligations as follows:

Total comprehensive income

	1/1 - 31/12/2012
Total comprehensive income before the adoption of amended IAS 19	(17.985)
Effect from the adoption of amended IAS 19	10
Adjustment for income tax	(2)
Total comprehensive income after the adoption of the amended IAS 19	**(17.977)**

Equity

	31/12/2012	1/1/2012
Equity before the adoption of the amended IAS 19	422.063	440.048
Effect from the adoption of the amended IAS 19	27	21
Change in deferred income tax	(2)	(4)
Equity after the adoption of the amended IAS 19	**422.088**	**440.065**

Retirement benefit obligations

	31/12/2012	1/1/2012
Retirement benefit obligations before the adoption of the amended IAS 19	295	262
Effect from the adoption of the amended IAS 19	(31)	(21)
Retirement benefit obligations after the adoption of the amended IAS 19	**264**	**241**

Deferred tax liabilities

	31/12/2012	1/1/2012
Deferred tax liabilities before the adoption of the amended IAS 19	961	1.005
Effect from the adoption of the amended IAS 19	6	4
Deferred tax liabilities after the adoption of the amended IAS 19	**967**	**1.009**

41. Post balance sheet events

No significant events occurred after the balance sheet date.

(All amounts in €'000)

42. Subsidiaries

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

31 December 2013

	Name	Country of incorporation	Direct % interest held	Consolidation method	Unaudited tax years
*	Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	2010
*	HELLAS ON LINE	Greece	53,28% (note 1)	Full	2010
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Group USA	USA	100,00%	Full	From establishment - 2013
	- Duckelco Holdings Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Ingrelenco Trading Co. Ltd	Cyprus	100,00%	Full	From establishment - 2013
*	Intrasoft International S.A.	Luxemburg	99,99%	Full	2008-2013
	- Intrasoft SA	Greece	99,00%	Full	2010-2013
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2013
	- Intrasoft International Bulgaria	Bulgaria	100,00%	Full	2013
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2013
	- Intracom IT Services Middle East & Africa	Jordan	80,00%	Full	2010-2013
	- Intrasoft International Scandinavia (former IT Services Denmark AS)	Denmark	100,00%	Full	2008 - 2013
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intrasoft Information Technology UK Ltd	Great Britain	100,00%	Full	From establishment - 2013
	- Intrasoft International USA Inc	USA	100,00%	Full	2012-2013
	- Intrasoft International ME FZC**	UAE	80,00%	Full	-

Note 1: The total shareholding in Hellas online is 57,24% through the participation of subsidiary companies of the Group.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation method	Unaudited tax years
* Intrakat SA	Greece	61,76%	Full	-
- Inmaint SA	Greece	62,00%	Full	2010-2011
- Intracom Construct SA	Romania	96,54%	Full	2009-2013
- Oikos Properties SRL.	Romania	100,00%	Full	2007-2013
- Rominplot SRL	Romania	99,99% (note 2)	Full	2010-2013
- Eurokat SA	Greece	54,89%	Full	2010-2011
- J/V Aktor ATE - Lobbe Tzilalis - Eurokat ATE (Total administration of ooze KEL)	Greece	18,29%	Proportional	2010-2013
- J/V Eurokat ATE - Proteas ATEE (Rainwater runoff networks in Paiania's Municipality)	Greece	27,45%	Proportional	2011-2013
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2013
- Alpha Mogilany Development SP Z.O.O.	Poland	25,00%	Equity	2008-2013
- Ambtila Enterprises Limited	Cyprus	100,00%	Full	2007-2013
- A. Katselis Energeiaki SA	Greece	50,00%	Full	2009-2013
- Intradevelopment SA	Greece	100,00%	Full	2010-2013
- Fracasso Hellas AE Design & construction of road safety systems	Greece	55,00%	Full	2010-2011
- Prisma - Domi ATE	Greece	67,43%	Full	2010
- Mobile Composting S.A.	Greece	24,00%	Equity	2012-2013
- J/V Prisma Domi. - "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Detainment Facility of Eastern Macedonia & Thrace)	Greece	80,00%	Proportional	2010-2013
- J/V VIOTER S.A. - Prisma Domi ATE (Waste treatment plants and underwater disposal pipeline of Ag. Theodoroi Municipality)	Greece	20,00%	Proportional	2010-2013
- J/V/ NOEL S.A. - Prisma Domi ATE (Wind Park installations situated in "Driopi" area)	Greece	35,00%	Proportional	2010-2013
- J/V Prisma Domi ATE - Mesogeios ES SA (Biological purification operation and maintentance in Oinofita Shimatariou)	Greece	50,00%	Proportional	2010-2013
- Intrapower SA Energy Projects	Greece	87,50%	Full	2010-2012
J/V Mohlos - Intrakat (Tennis)	Greece	50,00%	Equity	2010-2013
J/V Mohlos - Intrakat (Swimming pool)	Greece	50,00%	Equity	2010-2013
J/V Panthessaliko Stadium	Greece	15,00%	Equity	2007-2013
J/V Elter - Intrakat (EPA Gas)	Greece	45,00%	Equity	2010-2013
J/V Intrakat - Gatzoulas	Greece	50.00%	Equity	2004-2013
J/V "Ath.Techniki-Prisma Domi" - Intrakat	Greece	57,50%	Equity	2005-2013
J/V Intrakat - Ergas - ALGAS	Greece	33,33%	Equity	2007-2013
J/V Intrakat - Elter (Maintenance of North Sector)	Greece	50,00%	Proportional	2006-2013
J/V Intrakat - ATTIKAT (Egnatia Road)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Xiria project)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Arta's detour project)	Greece	30,00%	Proportional	2010-2013
J/V Intrakat - Elter (Natural gas school installation project)	Greece	30,00%	Proportional	2010-2013
J/V Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2013
J/V Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2013

Note 2: The total shareholding in Rominplot SRL is 100% through the participation of another subsidiary.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation method	Unaudited tax years
J/Vintrakat - Elter (Gas distribution network expansion Xanthi, Serres, Komotini)	Greece	50,00%	Proportional	2007-2013
J/V AKTOR ATE - J&P Avax - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2008-2013
J/V Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2013
J/V Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2013
J/V Intrakat- Elter (EPA 7 - Natural gas pipeline distribution network Attica South Region)	Greece	49,00%	Proportional	2010-2013
J/V Intrakat Elter (Natural gas distribution network Lamia-Thiva-Chalkida)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Ionios General clinic)	Greece	77,19%	Proportional	2010-2013
J/V Intrakat - ETVO (Construction of the central library facilities of the Athens School of Fine Arts)	Greece	70,00%	Proportional	2008-2013
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2010-2013
J/V Anastilotiki - Getem - Intrakat (Peiros-Parapeiros Dam)	Greece	33,30%	Proportional	2007-2013
J/V Intrakat - Elter (Dam construction at Filiatrino basin)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - K.Panagiotidis & Co (Project of transfer line 1)	Greece	60,00%	Proportional	2010-2013
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2010-2013
J/V Elter ATE - Intrakat (Nea Messimvria project)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Filippos SA (Amfipolis project)	Greece	50,00%	Proportional	2011-2013
J/V Ekter SA - Erteka SA - Themeli SA - Intrakat (Networks of Filothei region in Kifisia)	Greece	24,00%	Proportional	2011-2013
J/V Intrakat - Mavridis (Construction of hypermarket Carrefour in Chalkidiki)	Greece	99,00%	Proportional	2011-2013
J/V Intrakat - G.D.K. Texniki E.P.E. "J/V for the construction of Filiatrinou Dam"	Greece	70,00%	Proportional	2011-2013
J/V J&P AVAX - AEGEK - Intrakat (Construction of railway Kiato - Rododafni)	Greece	33,33%	Proportional	2012-2013
J/V AKTOR ATE - Porto Karras AE - Intrakat (Eschatias Dam)	Greece	25,00%	Proportional	2012-2013
J/V Intrakat - Proteas (Xiria Corinth)	Greece	50,00%	Proportional	2012-2013
J/V AKTOR ATE - J&P AVAX - Intrakat (Panagopoulas Tunnel) **	Greece	25,00%	Proportional	-

Name	Country of incorporation	Direct % interest held	Consolidation method	Unaudited tax years
* Intracom Telecom Solutions SA	Greece	49,00%	Equity	2009-2010
- Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2013
- Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 2008 & 2012-2013
- Intracom Doo Skopje	FYROM	100,00%	Full	2012-2013
- Intralban Sha	Albania	95,00%	Full	2012-2013
- Intrarom S.A.	Romania	66,70%	Full	2008-2013
- Sitronics Intracom India PL	India	100,00%	Full	2012-2013
- Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	2008-2013
- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
- Connklin Corporation	USA	100,00%	Full	2001-2013
- Intracom Telecom solutions S.R.L.	Moldava	100,00%	Full	Not applicable
- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2009 & 2012-2013
- E-Teleserv doo Belgrade	Serbia	100,00%	Full	From establishment - 2013
- Intracom doo Armenia	Armenia	100,00%	Full	2010-2013
- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	2008-2013
- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	2008-2013
- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	95,00%	Full	Not applicable

(*) Direct shareholding

(**) 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 2012.

The companies Data Bank SA, SC Plurin Telecommunications Srl, Intra - Phos SA Renewable Energy Sources, ICC ATE και IV Development Facility Management Company Limited were included in the consolidated financial statements for the year 2012, but not in the current year's financial statements. In particular, Intra-phos SA was included in the consolidated financial statements up to 9 August 2013, at which date it was disposed of, while SC Plurin Telecommunications Srl was liquidated in the year. Data Bank SA was included in the consolidated financial statements up to 30 December 2013, at which date it was disposed of.

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 2012

	Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
*	Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	2010
*	HELLAS ON LINE	Greece	53,28% (note 1)	Full	2010
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Intracom Group USA Inc	USA	100,00%	Full	From establishment - 2011
	- Duckelco Holdings Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Ingrelenco Trading Co. Ltd	Cyprus	100,00%	Full	From establishment - 2011
*	Intrasoft International S.A.	Luxemburg	99,99%	Full	2008-2011
	- Intrasoft SA	Greece	99,00%	Full	2008-2011
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2011
	- Intrasoft International Bulgaria**	Bulgaria	100,00%	Full	-
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2011
	- Data Bank SA	Greece	90,00%	Full	2010
	- Intracom IT Services Middle East & Africa	Jordan	80,00%	Full	2010-2011
	- Intrasoft International Scandinavia (former IT Services Denmark AS)	Denmark	100,00%	Full	2008 - 2011
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2011
	- Intrasoft Information Technology UK Ltd**	Great Britain	100,00%	Full	From establishment - 2011
	- Intrasoft International USA Inc**	USA	100,00%	Full	-

Note 1: The total shareholding in Hellas online is 57,24% through the participation of subsidiary companies of the Group.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intrakat SA	Greece	61,76%	Full	-
- Inmaint SA	Greece	62,00%	Full	2010-2011
- Intracom Construct SA	Romania	96,54%	Full	2009-2011
- Oikos Properties SRL.	Romania	100,00%	Full	2007-2011
- Rominplot SRL	Romania	99,99% (see note 2)	Full	2010-2011
- Eurokat SA	Greece	54,89%	Full	2010-2011
- J/V AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	Greece	18,29%	Proportional	2010-2011
- J/V Eurokat ATE - Proteas (Sewage network of Paiania municipality)	Greece	27,45%	Proportional	2011
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2011
- SC Plurin Telecommunications SRL	Romania	99,00% (see note 3)	Full	2008-2011
- Alpha Mogilany Development SP Z.O.O	Poland	25,00%	Equity	2008-2011
- Ambtila Enterprises Limited	Cyprus	100,00%	Full	2007-2011
- A. Katselis Energiaki SA	Greece	50,00%	Proportional	2009-2011
- Intradevelopment SA	Greece	100,00%	Full	2010-2011
- Fracasso Hellas AE Design & construction of road safety systems	Greece	55,00%	Full	2010-2011
- Prisma - Domi ATE	Greece	50,00%	Full	2010
- Mobile Composting S.A.	Greece	12,00%	Equity	-
- J/V Athinaiki Techniki S.A.- "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Department East Macedonia & Thraki)	Greece	40,00%	Proportional	2010-2011
- J/V VIOTER S.A. - Prisma Domi ATE constructor (Sewages process facilities & subpipe of Ag.Theodorous municipality)	Greece	10,00%	Proportional	2010-2011
- J/V/ NOEL S.A. - Prisma Domi ATE - (Wind park in "Driopi")	Greece	17,50%	Proportional	2010-2011
- J/V Prisma - Domi ATE - Mesogeios ES SA - (operation & mainten. of biolog.wastewater treatment In Oinofita-Schimatari)	Greece	25,00%	Proportional	2010-2011
- Intrapower SA Company of Energy Works	Greece	75,00%	Full	2010-2011
- Intra - Phos S.A. Alternative energy	Greece	42,00%	Full	2011
- ICC ATE	Greece	50,00%	Equity	2010-2011
- IV Development Facility Management Company Limited **	Cyprus	33,00%	Equity	-
J/V Mohlos - Intrakat (Tennis)	Greece	50,00%	Equity	2010-2011
J/V Mohlos - Intrakat (Swimm.)	Greece	50,00%	Equity	2010-2011
J/V Panthessalikon Stadium	Greece	15,00%	Equity	2007-2011
J/V Elter - Intrakat (EPA Gas)	Greece	45,00%	Equity	2010-2011
J/V Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2011
J/V "Ath.Techniki-Prisma Domi" - Intrakat	Greece	57,50%	Equity	2005-2011
J/V Intrakat - Ergaz - ALGAS	Greece	33,33%	Equity	2007-2011
J/V Intrakat - Elter (Maintenance N.Section)	Greece	50,00%	Proportional	2006-2011
J/V Intrakat - ATTIKAT (Egnatia Odos)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Xiria)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Road diversion- Arta)	Greece	30,00%	Proportional	2010-2011
J/V Intrakat - Elter (Natural gas installation project- Schools)	Greece	30,00%	Proportional	2010-2011
J/V Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2011
J/V Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2011

Note 2: The total shareholding in Rominplot SRL is 100% through the participation of another subsidiary.

Note 3: The total shareholding in SC Plurin Telecommunications SRL is 100% through the participation of another subsidiary.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
J/Vintrakat - Elter (Gas Distrib. Network Expansion Xanthi, Serres, Komotini)	Greece	50,00%	Proportional	2007-2011
J/V AKTOR ATE - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2008-2011
J/V Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2011
J/V Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2011
J/V Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica South Region	Greece	49,00%	Proportional	2010-2011
J/V Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Completion of Ionio Building, General Clinic)	Greece	77,19%	Proportional	2010-2011
J/V Intrakat - ETVO - Construction of Central Library Building of School of Fine Arts	Greece	70,00%	Proportional	2008-2011
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2010-2011
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	Greece	33,30%	Proportional	2007-2011
J/V Intrakat - Elter (Dam construction in Filiatrino)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - K.Panagiotidis & Co (line transfer construction 1)	Greece	60,00%	Proportional	2010-2011
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2010-2011
J/V Elter ATE - Intrakat - Nea Messimvria project	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Filippos SA - Anthipolis project	Greece	50,00%	Proportional	2011
J/V Ekter SA - Erteka SA - Themeli SA - Intrakat (Filothei & Kiffisias Aven. Network construction)	Greece	24,00%	Proportional	2011
J/V Intrakat - Mavridis (construction of hypermarket Carefour Chalkidiki)	Greece	99,00%	Proportional	2011
J/V Intrakat - G.D.K. Texniki E.P.E. "Construction of Filiatrinou Dam"	Greece	70,00%	Proportional	2011
J/V J&P AVAX - AEGEK - Intrakat (Construction of railway Kiato - Rododafni)**	Greece	33,33%	Proportional	-
J/V AKTOR ATE - Porto Karras AE - Intrakat (Eschatias Dam)**	Greece	25,00%	Proportional	-
J/V Intrakat - Proteas (Xiria Corinth)**	Greece	50,00%	Proportional	-

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intracom Telecom Solutions SA	Greece	49,00%	Equity	2009-2010
- Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2011
- Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 2008 & 2011
- Intracom Doo Skopje	FYROM	100,00%	Full	2011
- Intralban Sha	Albania	95,00%	Full	2011
- Intrarom S.A.	Romania	66,70%	Full	2008-2011
- Sitronics Intracom India PL	India	100,00%	Full	2011
- Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	2008-2011
- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
- Connklin Corporation	USA	100,00%	Full	2001-2011
- Intracom Telecom solutions S.R.L.	Moldava	100,00%	Full	Not applicable
- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2009 & 2011
- E-Teleserv doo Belgrade	Serbia	100,00%	Full	From establishment - 2011
- Intracom doo Armenia	Armenia	100,00%	Full	2010-2011
- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	2008-2011
- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	2008-2011
- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	95,00%	Full	Not applicable

(*) Direct shareholding

E) Information according to Article 10 of Law 3401/2005

NOTIFICATIONS TO THE ATHENS STOCK EXCHANGE FOR THE YEAR 2013

Date	Issue
7/1/2013	Press Release - Intrasoft International in the Automotive Market with a Contract for the VW Group in Germany
21/1/2013	Press Release - Successful Missile Firing based on Intracom Defense Electronics' Data Link
23/1/2013	Press Release - Intrasoft International strengthens its market presence in the Higher Education field with a new SAP
31/1/2013	Press Release - Intracom Telecom reveals its All-in-One Small Cell Backhaul Solution
5/2/2013	Press Release - New exports for Intracom Defense Electronics-Exceeded 98% in 2012
14/2/2013	Press Release - Another international success for Intrasoft's International Taxation Solution New 6.2 million USD contract in Qatar
19/2/2013	Press Release - Wireless Backhaul & Telco Software Innovations by Intracom Telecom at 2013 Mobile World Congress
21/2/2013	Press Release - Comsol & Intracom Telecom Supply Point-to-Multipoint System in South Africa
13/3/2013	Announcement on the liguidation of the rest 145.979 Company's Common Registered shares not deposited for dematerialisation
28/3/2013	Reply to no Ref. letter 1257/27.03.2013 of HSMC
28/3/2013	Financial Calendar for the year 2013
28/3/2013	Press Release - Intrasoft International wins EUR 3.85 million contract at EUROSTAT
28/3/2013	Press Release - Intracom Holdings Group 2012 financial results
9/4/2013	Press Release - Intracom Defense Electronics - Additional $ 18 mil Contract for Patriot. More than € 320 mil Export Contracts since 2006
15/4/2013	Press Release - Intrasoft International consortium wins 10 million EUR contract with the European Commission
18/4/2013	Invitation to an Extraordinary General Meeting of the Shareholders (13.05.2013)
19/4/2013	Announcemet - Draft for the ammendment of the article 21, par. 2 of the Company's Articles of Association
25/4/2013	Press Release - Intrasoft International consortium wins EUR 30 million contract with the European Commission
13/5/2013	Resolutions of the Extraordinary General Meeting of Intracom Holdings shareholders, held on May 13th, 2013
14/5/2013	Press Release - Intracom Telecom gets the ISO 27001 Certification for hol Cloud - Cloud Operations certification takes place for the first time in Greece
20/5/2013	Press Release - New Exports in Germany for Products of Intracom Defense Electronics
20/5/2013	Establishment as a corporate body - Intracom Holdings' Board of Directors
27/5/2013	Announcement on the non-liquidation of the 145.979 Company's Common Registered shares not deposited for dematerialisation during the time period 26/03/2013 until 24/05/2013

Date	Issue
28/5/2013	Press Release - Intracom Defense Electronics hosts International MILVA Meeting
29/5/2013	Press Release - Intrasoft International successfully completes the implementation of SAP solutions for the Thessaloniki Port Authority
30/5/2013	Press Release - Intracom Holdings Group-Q1 2013 Financial Results
3/6/2013	Annual reporting to analysts regarding the Company's financial results, of the fiscal year 2012
6/6/2013	Invitation to the 28.06.2013 Annual General Meeting
7/6/2013	Announcement of Regulated Information pursuant to Law 3556/2007: Notification of imporant changes in voting rights
20/6/2013	Press Release - Five new Customs projects for Intrasoft International
28/6/2013	Press Release - Annual General Meeting 28.06.2013
28/6/2013	Resolutions of the 28.06.2013 Annual General Meeting
1/7/2013	Press Release - Genesys Names Intracom Telecom Best SEE Partner for 2012
18/7/2013	Press Release - The European Commission awards Intrasoft International consortium a 26 million EUR contract
29/8/2013	Press Release - Intracom Holdings Group - H1 2013 Financial Results
9/9/2013	Press Release - Intracom Defense Electronics Successfully Completes the First Delivery of a PATRIOT Major Subsystem
10/9/2013	Press Release - Intrasoft's International Compliance & Enforcement Solution continues to gain ground among Revenue Authorities globally with a new project in Morocco
24/9/2013	Press Release - Market Leading Feature from Intracom Telecom OmniBAS MW solution
1/10/2013	Press Release - Expansion of Intracom Defemce Cooperation in NATO'S ESSM Program
5/11/2013	Announcememt
11/11/2013	Press Release -MTN selects Intracom Telecom's Point- to Multipoint System for its networ kadvancement in the sub-Saharan region
13/11/2013	Press Release - Intracom Telecom among the top 10 Cloud Service Technology Providers Worldwide
20/11/2013	Press Release - Intracom Defense Electronics : New Land & Naval Surveillance System
25/11/2013	Press Release - Intracom Telecom Achieves Cisco Cloud & Managed Services Advanced Certification
28/11/2013	Intracom Holdings Group - 9 M 2013 Financial Results
2/12/2013	Press Release - The European Commission awards Intrasoft International consortiuma 37.8 million EUR contract
17/12/2013	Press Release - Intracom Defense Electronics and Saab cooperation to support the Hellenic Army ARTHUR Systems

The above notifications have been posted in the Athens Stock Exchange website www.ase.gr as well as in the Company's website.

The annual financial statements, the independent auditor's reports and the Board of Directors' reports of the companies that are incorporated in the consolidated financial statements of the Company are posted in the Company's website www.intracom.com.

F) Notes and Information

INTRACOM HOLDINGS SA
General Registry of Commerce No: 303201000 (.Former Ledger No 13906/06/B/86/20)
19 km MARKOPOULOU AVE., GR-19002, PEANIA ATHENS
Concise financial information for the period from 1 January 2013 to 31 December 2013
(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 HOLDINGS GROUP. Therefore, we advise 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: Companies and Credit — Ministry of Development, Division of Societe Anonyme
Web Address : : www.intracom.com
Date of approval of the financial statements by the BoD: 28/03/2014

Board of Directors:
Chairman of the BoD.: Executive Member: Dimitrios X. Klonis,
Vice Chairman: Non-Executive Member: George Ar. Anninos,
CEO : Executive Member : Konstantinos S. Kokkalis,
Advisor - Non-Executive Member : Konstantinos G. Antonopoulos,
Advisor - Independent Non-Executive Member: Sotirios N. Filos,
Advisor - Independent Non-Executive Member:: Dimitrios K. Hatzigrigoriadis.

Certifies Auditor Accountant: Zoe D. Sofou (LC / Association of Certified Auditirs 14701)
Auditing Firm: SOL S.A. CERTIFIED AUDITORS ACCOUNTANTS
Type of Review Opinion: With no qualification

CONDENSED BALANCE SHEET

Amounts in € thousands

	GROUP		COMPANY	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
ASSETS				
Property plant and equipment	272.528	306.000	12.737	15.892
Investment property	47.759	53.715	58.461	66.207
Intangible assets	100.326	104.759	1	1
Other Non-current assets	110.445	120.929	288.298	379.071
Inventories	48.624	48.909	-	-
Trade Receivables	147.498	158.788	2.642	3.757
Other current assets	193.987	178.038	8.077	12.371
TOTAL ASSETS	**921.167**	**971.138**	**370.216**	**477.299**
EQUITY AND LIABILITIES				
Share capital	187.567	187.567	187.567	187.567
Other Equity	56.056	122.413	125.545	234.522
Capital and reserves attributable to the Company's equity holders (a)	243.623	309.980	313.112	422.089
Non controlling interest (b)	28.547	37.546	-	-
Total Equity (c) = (a) + (b)	272.170	347.526	313.112	422.089
Long-term bank borrowings	44.492	147.944	15.750	18.104
Provisions/Other long-term liabilities	47.678	42.714	1.437	1.230
Short-term bank borrowings	285.952	164.060	28.046	23.887
Other short-term liabilities	270.875	268.894	11.871	11.989
Total Liabilities (d)	648.997	623.612	57.104	55.210
TOTAL EQUITY AND LIABILITIES (c)+(d)	**921.167**	**971.138**	**370.216**	**477.299**

STATEMENT OF CHANGES IN EQUITY

Amounts in € thousands

	GROUP		COMPANY	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Balance at the beginning of period (1/1/2013 and 1/1/2012 respectively)	**347.526**	**397.071**	**422.089**	**440.065**
Total comprehensive income for the period after tax	-74.951	-49.893	-108.977	-17.976
Distributed Dividends			-	-
Increase / (decrease) in share capital	-20	348		
Effect of changes in interest held in subsidiaries/ joint ventures	-467	-	-	-
Disposal of subsidiaries	82	-	-	-
Employees stock options	-	-	-	-
Purchase / Sales of Treasury Shares	-	-	-	-
Balance at the end of period (31/12/2013 and 31/12/2012 respectively)	**272.170**	**347.526**	**313.112**	**422.089**

ADDITIONAL DATA AND INFORMATION:ΠΡΟΣΘΕΤΑ ΣΤΟΙΧΕΙΑ ΚΑΙ ΠΛΗΡΟΦΟΡΙΕΣ:

1. On the fixed assets of the Company a mortgage of € 2,4 mn. has been written. The relevant amount for the Group sums up to € 46,6 mn.
2. Number of employees at the end of current period: Company 27 employees (2012, 24 employees)
   Group 4.806 employees (2012, 4.858 employees).
3. There are no legal disputes or cases on arbitration or decisions by courts or arbitration bodies that affect or may materially affect the financial position of the Company or the Group.
   Other Provisions on 31.12.2013 sum up to € 168 thous. For the Company and € 5.942 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 € 760 thous.
   There are no material provisions for legal cases or arbitration differences for the Group or the Company.
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 that have emerged, 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	4.160	4.752
b) Expenses	16.942	2.455
c) Receivables	21.102	6.652
d) Payables	67.587	8.642
e)Transactions and remuneration of directors and key management.	1.963	1.043
f) Receivables from directors and key management	-	-
g) Payables to directors and key management	26	-

5. Information about the subsidiaries, associates and the joint ventures of the Group as at 31.12.2013 (name, country of incorporation, direct interest held), as well as the consolidation method is presented in Note 42 of the financial statements.
   Furthermore, changes referring to the consolidation method are mentionned in Note 42. 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. Unaudited fiscal years by tax authorities for the Company and the Group are stated in Notes 34 and 42 of the financial statements
7. At the end of period there are no shares of the parent company at the posession either of the Company or of its subsidiaries.
8. During the current year, losses of € 295 thous. have been recorded directly to equity of the Company, from which € 277 thous. relate to fair value losses from available-for-sale financial assets and € 18 thous. relate to actuarial losses from defined benefit obligations.
   Respectively for the Group, the amount of € 1.714 thous. has been recorded directly to equity, and comprise € 1.440 thous. fair value losses from available-for-sale financial assets, losses of € 588 thous.from foreign currency translation differences, fair value gains of € 435 thous. from cash flow hedges and € 121 thous. actuarial losses from defined benefit obligations.
9. Due to the amendment of IAS 19 the Group adjusted several amounts of fiscal year 2012.
   The effect of the adoption of the amended IAS 19 and the relevant adjustments are presented in note 40.

STATEMENT OF COMPREHENSIVE INCOME

Amounts in € thousands

	GROUP		COMPANY	
	01/01-31/12/2013	**01/01-31/12/2012**	**01/01-31/12/2013**	**01/01-31/12/2012**
Sales	513.654	541.690	2.345	2.157
Gross profit (loss)	72.125	95.156	316	298
Profit/(loss) before tax, financing and investing results	-45.108	1.419	-107.069	-15.732
Profit/(loss) before income tax	-75.844	-49.432	-108.521	-18.032
Profit/(Loss) after Tax (A)	-73.237	-49.662	-108.682	-17.988
-Equity holders of the Company	-64.627	-42.831	-108.682	-17.988
-Non-controlling Interest	-8.610	-6.831	-	-
Other comprehensive Income for the period, net of tax (B)	-1.714	-231	-295	12
Total comprehensive Income, net of Tax (A) + (B)	-74.951	-49.893	-108.977	-17.976
-Equity holders of the Company	-66.003	-43.090	-108.977	-17.976
-Non-controlling Interest	-8.948	-6.803	-	-
Earnings After Tax per share - basic (in €)	-0,4858	-0,3220	-0,8170	-0,1352
Profit/(loss) before income tax, financing, investing results and total depreciation	55.213	83.300	-2.644	-350

CONDENSED CASH FLOW STATEMENT

Amounts in € thousands

	GROUP		COMPANY	
Indirect Method	**01/01-31/12/2013**	**01/01-31/12/2012**	**01/01-31/12/2013**	**01/01-31/12/2012**
Operating Activities				
Profit/(Loss) before Income Tax (from continuing activities)	-75.844	-49.432	-108.522	-18.032
Profit/(Loss) before Income Tax (from discontinued activities)	-	-	-	-
Plus / Minus Adjustments for:				
Depreciation	63.497	74.789	1.786	1.850
Impairment of tangible, intangible assets and investment property	19.109	7.092	9.342	5.333
Impairment of Investments in participations and associates	17.713	-	93.297	8.200
Impairement of Receivables	18.232	-	1.980	-
Provisions	-144	-2.518	28	33
Exchange loss / (gain)	-376	-2.516	-	-
Results (inflows, outflows, profit and losses) from investing activities	2.795	16.554	-464	-492
Interest and related expenses	25.758	31.593	1.928	2.793
Plus / Minus Adjustments for Working Capital Changes or related to operating activities:				
Decrease / (increase) in inventories	285	-12.383	-	-
Decrease / (increase) in receivables	-2.197	9.183	-115	-1.269
Decrease / (increase) in liabilities (other than banks)	16.953	23.845	-27	1.977
Less:				
Interest paid and related expenses paid	-26.844	-29.724	-1.913	-2.343
Income Tax paid	-723	-621	-73	-36
Net Cash generated from operating activities (a)	**58.214**	**65.862**	**-2.753**	**-1.986**
Investing Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	-7.370	-171	-1.685	-
Proceeds from subsidiary integration	11.971	-	-	-
Purchase of PPE, investment property and intangible assets	-49.071	-39.855	-227	-119
Proceeds from sale of PPE, investment propertyand intangible assets	4.203	500	-	-
Proceeds from sale of subsidiary/associate	274	80	-	-
Interest received	863	1.085	20	23
Dividends received	-	-	-	-
Total (outflow)/ inflow from investing activities (b)	**-39.130**	**-38.361**	**-1.892**	**-96**
Financing activities				
Expenses on issue of subsidiaries share capital	-26	347	-	-
Acquisition of interest in subsidiary from non-controlling interest	-200	-	-	-
Proceeds from borrowings and grants	26.181	10.585	3.500	4.000
Expenses on issue of subsidiaries share capital	-	-	-	-
Repayments of Borrowings	-19.498	-25.930	-550	-2.000
Repayments of finance leases	-2.531	-2.077	-1.145	-809
Dividends to Shareholders	-	-25	-	-25
Grants received	-	-	-	-
Total inflow / outflow from financing activities (c)	**3.926**	**-17.100**	**1.805**	**1.166**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**23.010**	**10.401**	**-2.840**	**-916**
Cash and cash equivalents at beginning of period	**53.253**	**42.852**	**4.588**	**5.504**
Cash and cash equivalents at end of period	**76.263**	**53.253**	**1.748**	**4.588**

Peania, March 31st 2014

THE CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	ACCOUNTING MANAGER
D.C. KLONIS ID No AK 121708/07.10.2011	K.S. KOKKALIS ID No AI 091122/14.10.2009	I.K. TSOUMAS ID No AZ 505361/10.12.2007 L.C. 637 First Class