INTERIM CONDENSED

FINANCIAL STATEMENTS

(SEPARATE AND CONSOLIDATED)

FOR THE PERIOD

JANUARY 1 – JUNE 30, 2014

OF

HELLENIC COMPANY FOR TELECOMMUNICATIONS

AND TELEMATIC APPLICATIONS S.A. (Forthnet S.A.)

Forthnet S.A.
Registration No S.A. 34461/06/B/95/94
G.E.M.I. 77127927000
Scientific Technological Park of Crete
VassilikaVouton, Iraklion Crete 71003
http://www.forthnet.gr

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STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS

Statements of the Members of the Boards of Directors (in accordance with article 5 par. 2 of L. 3556/2007)

The following statements, which are effected in accordance with article 5 par. 2 of the L. 3556/2007, as applicable, are given by the following Members of the Board of Directors of the Company:

1. Deepak Srinivas Padmanabhan of Velaidam, resident of Dubai, UAE, President of the Board of Directors
2. Panagiotis Papadopoulos of George, resident of Pallini Attica, Vice-President of the Board of Directors and CEO and
3. Mohsin Majid of Khawaja Abdul, resident of Dubai, UAE, Member of the Board of Directors

The undersigned, in our above-mentioned capacity, and in particular as specifically appointed by the Board of Directors of the societe anonyme company under the name “Hellenic Company of Telecommunications and Telematic Applications Societe Anonyme” and trade title “Forthnet S.A.” (hereinafter referred to as “Company” or as “Forthnet”), we state and we assert that to the best of our knowledge:

(a) the interim condensed financial statements of the Company and the Group of the societe anonyme company under the name “Hellenic Company of Telecommunications and Telematic Applications Societe Anonyme” and trade title “Forthnet S.A.” for the period from January 1, 2014 to June 30, 2014, which were compiled according to the applicable International Financial Reporting Standards, provide a true and fair view of the assets and the liabilities, the equity and the results of the period of the Company, as well as the companies’ which are included in the consolidation, according to that stated in paragraphs 3 to 5 of article 5 of the L.3556/2007 and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.

(b) the Six-month Report of the Board of Directors of the Company provide a true and fair view the evolution, the achievements and the financial position of the Company, as well as the companies’ which are included in the consolidation, including the description of the main risks and uncertainties they face and relevant information that is required according to paragraph 6 of article 5 of the L. 3556/2007, and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.

Iraklion, August 7, 2014

Deepak Srinivas Padmanabhan	Panagiotis Papadopoulos	Mohsin Majid
President of the Board of Directors	Vice-President of the Board of Directors and Chief Executive Officer	Member of the Board of Directors

BOARD OF DIRECTORS' REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

of
«Hellenic Company for Telecommunications and Telematic Applications S.A. - Forthnet S.A.»
(according to the regulations of par. 6 of article 5 of L. 3556/2007)

Regarding the consolidated and separate interim condensed Financial Statements
for the six month period ended June 30, 2014

1. PERFORMANCE AND KEY FINANCIAL DATA

- Company's performance continues to improve
- Retail revenues increased for the second consecutive quarter
- Total revenues increased in Q2 2014 for the first time after 9 quarters
- Strong 3play demand led to an all time high in total subscriptions and in PayTV and Broadband subscribers
- Increase in reported EBITDA

	H1 2014	H1 2013	Δ
Total Subscriptions	1,150,391	970,757	18.5%
Unique Households	805,972	766,207	5.2%
Households with 3play/Bundled Services	344,419	204,550	68.4%
Broadband subscribers	667,819	597,708	11.7%
Pay TV Customers in Greece	482,572	373,049	29.4%
Total Revenue	194,344	191,141	1.7%
Reported EBITDA (€ '000)	32,290	27,305	18.3%
Adjusted EBITDA (€ '000)	32,290	34,175	-5.5%

According to CEO, Mr. Panos Papadopoulos:

"One year after Nova 3Play launch, the company keeps strengthening its position. Our strategy to differentiate from competition is starting to reflect on our financial results. In Q2 retail revenues continued to increase, while there was growth both in total revenue and EBITDA. The strong demand continues unabated and it drives higher the penetration of payTV and broadband in Greece. As a result, the company's subscriber base reached a new all time high, increasing its market share".

Bundling/3Play

At the end of Jun 2014, Forthnet served more than 344 thousands bundled/3Play households – an increase of 68.4% compared to Jun 2013, enhancing its appeal to the Greek Households. For H1 the Nova 3Play net additions were 59.1k, a significant increase compared to 42.3k for the same period last year. The share of 3play in Forthnet's customer base is continuously increasing and this trend is improving overall ARPU and Churn.

	H1 2014	H1 2013	Δ
Households with 3play/Bundled Services	344,419	204,550	68.4%
Households with 3play/Bundled Services as % of Total	42.7%	26.7%	+16.0pp
New Households with 3play/Bundled Services	59,104	42,308	39.7%

Telco

By the end of H1 2014 the telecom services subscriber base increased by 11.7% y-o-y and reached 667.8 thousand subscribers. For H1 2014, the overall LLU market grew by 62,3k lines, while Forthnet LLU customer base grew by 43,2k. As a result Forthnet's market share in LLU net additions was 69.4%, confirming once again the strong appeal of Nova 3Play.

	H1 2014	H1 2013	Δ
Broadband subscribers	667,819	597,708	11.7%
Net additions	35,466	32,726	8.4%
Active LLU customers	**640,193**	**549,232**	**16.6%**
Unbundling Ratio	95.9%	91.9%	+4.0pp
New LLU customers	43,215	35,892	20.4%
Market share in new LLU customers	69.4%	66.4%	+3.0pp
LLU market share	32.5%	29.7%	+2.8pp

Over the last 12 months, Forthnet market share in ULL increased by 2.8pp.

Pay TV

The subscriber base grew by 29.4% y-o-y, reaching 482.5 thousands households which is an all time high-in spite of the seasonality that adversely affects the number of customers at the end of June. The acceptance of Nova 3Play offers continued in H1 2013. The rollout of 3play services is expected to continue to be the main growth driver for the Pay TV market.

	H1 2014	H1 2013	Δ
PayTV Customers in Greece	482,572	373,049	29.4%

Consolidated Results

Consolidated Revenue (including other income) for H1 2014 reached €194.3M, up against H1 2013, despite the decrease in Fixed Termination Rates (FTR). The FTR drop affected revenues by €1.7M in the H1 2013.

Revenue Analysis (€ '000)	**H1 2014**	**H1 2013**	**Δ**
Total Retail	**151,088**	**148,725**	**1.6%**
Telco Retail	81,740	81,957	-0.3%
Pay TV Retail	69,348	66,768	3.9%
Total Business	**29,911**	**28,201**	**6.4%**
Telco Business	20,065	19,839	1.1%
Pay TV Business	9,846	8,263	19.2%
Advertising	6,850	5,576	22.8%
Other	6,495	8,738	-25,7%
Total Revenue (including other income)	**194,344**	**191,141**	**1.7%**

This improvement is also visible in Retail Revenues, due to the commercial success of Nova 3Play. The effect of new customers joining in Q2, is not fully reflected in the company's financials.

Adjusted EBITDA of H1 2014 reached €32.29 million versus €34.18 million in H1 2013.

EBITDA Analysis (€ '000)	**H1 2014**	**H1 2013**	**Δ**
Revenue (including other income)	194,344	191,141	1,7%
Reported EBITDA	32,290	27,305	18,3%
Adjusted EBITDA	32,290	34,175	-5,5%
Adjusted EBITDA margin	16.6%	17.9%	-1,3pp

Total bank debt in June 2014 stood at €325 million.

Recent Business Developments

- In the beginning of June the company participated in an International Open Tender, issued by the Information Society SA, in order to sign a Frame Agreement for the project "Syzefxis II – Telecomunications Services". The company submitted offer files for the zones 1, 6, 7, 8 with a budget of €254,634,639.17

- Also, at the end of June the company launched of the new service "Nova Exochiko", addressing existing Nova 3Play subscribers, who are now able to watch Nova TV content also in their vacation homes.

2. MAJOR EVENTS FOR THE CURRENT HALF YEAR

Network and Investments

- During the first half of 2014 Forthnet:
- Completed the business continuity plan covering the most critical processes of the company. Throughout 2014 the business continuity plan will incorporate strategies and will implement recovery scenarios for these business processes.
- As a part of the replacement of the core voice network and the introduction of IMS technology, completed the selection/procurement of the whole solution as well as the proof of concept, while the installation of systems and the final design are in progress. Full integration into the production network is expected to be completed in the second half of 2014.
- Completed the first phase of upgrading the new DataCenter at Thermi Thessaloniki in order to become the main Forthnet node in Northern Greece. Specifically completed the activation of the DWDM, as well as the interconnection of the new BRAS and Aggregation network and to the rest of the company's network. Also the infrastructure of CDN/WebTV and Syzefksis was transferred from the DC of Leontos Sofou and a ME aggregation switch was installed to support dual-homing customers in Northern Greece.
- Proceeded to the installation of a platform for detection and protection from DDoS attacks, both at the network and at customer level, increasing the availability of services and applications. More specifically, for protection against large-scale DDoS attacks the platform Peakflow/TMS from Arbor was installed in the core network, while for specialized protection against attacks at the application level the platform Tipping Point of HP has been chosen for installation at the customer site. At the same time, cloud signalling technologies provide another important benefit, that of the cooperation of peripheral devices that are installed at the customer site to the central devices in the Forthnet network, when for any reason the device at the customer can not cope with the DDoS attack.
- Completed the second phase of the transition to the new architecture of Access/Aggregation network using 10G circuits rings and IP/MPLS technologies in order to increase capacity and improve redundancy. More specifically, the reengineering of the aggregation network in Kolonos and Thermi was completed, while 25 Local Exchanges were migrated to new infrastructure and upgraded to 10G at the same time.
- Upgraded the international connections to the Internet and more specifically the ones with Google and Interoute in Sofia. At the end of June 2014, the international connectivity to the Internet had a total capacity of 120 Gbps.
- Activated DS-Lite (an IPv6 transition method) to approximately 30,000 subscribers to conserve IPv4 addresses and to help the smooth transition to IPv6, while completed trials in all other CPEs in order to activate Dual-Stack and DS-Lite on those in the second half of 2014. Also the central assignment of IPv4 addresses has been activated to a large portion of subscribers, saving this way even more IPv4 addresses.

Nova Pay TV Platform and Content Rights

The Nova pay TV platform continues to hold, broadcast and exploit the exclusive broadcast rights to the total of the matches and highlights of the First National Football League (SuperLeague Championship) until the end of the season 2016-2017. The company's rights include TV, internet, mobile telephony networks and radio in a geographic region covering Greece, Cyprus and Albania, for all matches of all 18 Super League teams.

Moreover, NOVA continues to hold exclusively the TV rights to the 12 of the 14 teams participating in the First National Basketball League after the agreement signed with the organizers of the league regarding the acquisition of these rights, while also continuing its partnership for another two years with the organizers of the First National Volleyball Division. In addition, Nova has renewed and will continue to hold for a notable period of time the rights of exclusive broadcast to an important part of the greatest events in different sports (notably the Euroleague, the Wimbledon etc) in the region of Greece or/and Cyprus.

At the same time, Nova continues to offer exclusively premieres of films and series by renewing its agreements with the greatest Hollywood Studios and the greatest American film producers, as well as with the top international channels. The entertainment channel NovaLifε extended its broadcast hours and its program has been enriched with fresh shows, while new 3D titles have been added in the Nova3D channel.

In addition, during the first semester of 2014, Nova upgraded its informative content regarding sports events news. To meet this goal, the channel Novasports Highlights was rebranded to Novasport24HD. The channel broadcasts 24 hours per day in High Definition and offers updated information to all those interested in sports.

During the 1st semester of 2014, Nova continued the expansion and enrichment of the first web tv platform in Greece, namely NovaGo, offering a constantly increasing number of channels in live streaming and on demand content, including premieres of movies and series.

Also, the design and development of the new generation set-top boxes offered to the subscribers by NOVA has started early this year. The aim is to develop two new models of high-end set-top boxes. The basic model branded Nova and the advanced model Nova plus offering more services and program recordings. Both models will be hybrid set-top boxes, capable of receiving signals through the IP network (internet), the digital terrestrial network (DTT) and satellite (DTH). By launching the new decoders, Nova aims to improve the services and the options for personalized viewing.

3. PROSPECTS FOR THE 2ND HALF OF THE YEAR

For the second half of 2014, Management's main priorities and strategic directions remain unchanged, supporting Group's successful strategy that emphasizes on the value of services rather than on aggressive offering or reduced pricing.

To this end, Forthnet's main focus remains the growth of its subscriber base by targeting higher value customers.

In particular, during the second half of 2014:

Regarding Residential Services, Forthnet Group will continue with the same intensity the successful promotion of Nova 3Play services, meeting the Greek household needs for communication and home entertainment.

Regarding Business services, Forthnet will intensify its efforts to further develop the SME and Advertising markets as well as to further promote specialized bundled services which address the specific needs of Small and Medium businesses.

4. MAJOR RISKS AND CONCERNS FOR THE 2ND HALF OF THE YEAR

Macroeconomic risks

- The recent economic crisis may adversely affect the Group's ability to raise capital through borrowing.
- The uncertainty arising from the Greek public finance crisis has had and is likely to continue to have a negative impact on business activity, operating results and the financial situation of the Company and Group.
- The implementation of the austerity policy adopted by the Greek government, the increasing unemployment and the uncertain climate prevailing in Greek society, which have negatively affected the consumers' disposable income and mood, could affect the demand for the Group's products and services adversely affecting the Group's activity, financial situation, results and prospects.

Business-related risks

- The Group has a significant level of bank borrowing with important contractual capital repayments in the years to come. Furthermore, the Group's Managements has started negotiations with the lending banks so as to refinance the Group's bond loans and agree on an appropriate and mutually accepted waiver from the breach of certain contractual obligations arising from said loans. Failure to reach an agreement in the context of refinancing and to agree on an appropriate and mutually accepted waiver between the Management and the lending banks might put at risk the smooth continuation of the Group's and the Company's activity.

Market risks

- The Group's revenue and profitability depend on the degree of broadband penetration together with the constant increase of demand for broadband services. Future demand for broadband services in Greece may not increase according to forecasts, and this may have a material adverse impact on Forthnet's and the Group's business activity, financial situation, operating results and prospects. Intense competition on the telecommunications and subscription television market in Greece may have a material adverse impact on the Group's business activity, financial situation and operating results.
- The sector of provision of telecommunication services is of high capital intensity and is subject to rapid and important technology changes. Any failure by the Group to effectively respond to technology changes may have a material adverse impact on the Group's business activity, financial situation and operating results.

5. RELATED PARTIES

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

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

Related Party	Relation with Forthnet	Period ended at	Sales to related parties	Purchases from related parties
Wind Hellas Telecommunications S.A.	Shareholder	30.06.2013	1,176,868	1,088,072
		30.06.2014	1,116,063	1,672,908
Vodafone S.A.	Shareholder	30.06.2013	550,478	506,666
		30.06.2014	461,315	690,061
Vodafone Ltd.	Related Party	30.06.2013	-	-
		30.06.2014	965,256	1,135,121
Technology and Research Foundation	Shareholder	30.06.2013	39,127	25,868
		30.06.2014	32,561	10,157
Forth CRS S.A.	Subsidiary	30.06.2013	51,959	4
		30.06.2014	52,715	130,735
Multichoice Hellas S.A.	Subsidiary	30.06.2013	5,030,365	808,519
		30.06.2014	8,285,524	1,122,629
Interoute Spa (Italy)	Related Party	30.06.2013	86,767	-
		30.06.2014	115,662	-
Interoute Bulgaria Js Co	Related Party	30.06.2013	187,200	241,066
		30.06.2014	187,200	357,362
Interoute Czech Sro	Related Party	30.06.2013	1,021	34,619
		30.06.2014	978	105,367
NetMed S.A.	Subsidiary	30.06.2013	66,945	-
		30.06.2014	51,937	-
Forthnet Media Holdings S.A.	Subsidiary	30.06.2013	850,155	9,613
		30.06.2014	778,901	2,636
Emirates International Telecommunications	Indirect Shareholder	30.06.2013	-	-
		30.06.2014	-	228,040
	Total	**30.06.2013**	**8,040,885**	**2,714,427**
	Total	**30.06.2014**	**12,048,112**	**5,455,016**

Related Party	Relation with Forthnet	Year/Period ended at	Amounts owed by related parties	Amounts owed to related parties
Wind Hellas Telecommunications S.A.	Shareholder	31.12.2013	468,922	901,415
		30.06.2014	440,497	470,849
Vodafone S.A.	Shareholder	31.12.2013	157,965	341,516
		30.06.2014	112,997	177,775
Vodafone Ltd.	Related Party	31.12.2013	935,601	1,062,683
		30.06.2014	911,813	1,133,580
Go Plc	Indirect Shareholder	31.12.2013	4,293	-
		30.06.2014	-	-
Emirates International Telecommunications	Indirect Shareholder	31.12.2013	-	803,325
		30.06.2014	-	749,000
Technology and Research Foundation	Shareholder	31.12.2013	26,009	3,876
		30.06.2014	26,483	3,843
Forth CRS S.A.	Subsidiary	31.12.2013	616,038	4,613
		30.06.2014	680,877	121,266
Telemedicine Technologies S.A.	Associated	31.12.2013	3,734	-
		30.06.2014	3,734	-
Athlonet S.A.	Associated	31.12.2013	11,502	8,060
		30.06.2014	11,502	8,060
Multichoice Hellas S.A.	Subsidiary	31.12.2013	21,103,894	8,467,831
		30.06.2014	21,512,654	1,920,355
Interoute Spa (Italy)	Related Party	31.12.2013	40,876	-
		30.06.2014	33,557	-
Interoute Bulgaria JS Co	Related Party	31.12.2013	62,400	202,033
		30.06.2014	62,400	268,421
Interoute Czech Sro	Related Party	31.12.2013	322	171,455
		30.06.2014	661	135,522
Forthnet Media Holdings S.A.	Subsidiary	31.12.2013	42,773,092	493,174
		30.06.2014	39,145,516	173,935
NetMed S.A.	Subsidiary	31.12.2013	327,390	-
		30.06.2014	394,052	349
	Total	**31.12.2013**	**66,532,038**	**12,459,981**
	Total	**30.06.2014**	**63,336,743**	**5,162,955**

The Company's revenues from Multichoice Hellas S.A. relate to the recharge of Multichoice Hellas S.A.'s share in joint sell advertising, telecommunications services (telephony, broadband, etc.), as well as, the recharge of directors' payroll cost and recharge of Multichoice Hellas S.A. share in associates' commission.

The Company's costs from Multichoice Hellas S.A. relate mainly to the share of Forthnet in joint sell advertising (related to 3 play services).

The Company's payable towards Multichoice Hellas S.A. relates to cash collected by its stores on behalf of Multichoice Hellas S.A.

The Company's revenue and costs from Wind Hellas Telecommunications S.A. relate to a mutual concession for the use of optical fibre infrastructure and interconnection fees.

The Company's revenue and receivable from Forthnet Media Holdings S.A. arise mainly from the re-sale of the Super league and UEFA football rights.

The Company's revenues and costs from Vodafone S.A. relate to interconnection fees and leased lines.

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

Related Party	Relation with Group	Period ended at	Sales to related parties	Purchases from related parties
Wind Hellas Telecommunications S.A.	Shareholder	30.06.2013	1,176,868	1,088,072
		30.06.2014	1,116,078	1,703,776
Vodafone S.A.	Shareholder	30.06.2013	622,015	534,857
		30.06.2014	466,810	691,352
Vodafone Ltd.	Related Party	30.06.2013	-	-
		30.06.2014	965,256	1,135,121
Interoute Spa (Italy)	Related Party	30.06.2013	86,767	-
		30.06.2014	115,662	-
Interoute Bulgaria JsCo	Related Party	30.06.2013	187,200	241,066
		30.06.2014	187,200	357,362
Interoute Czech Sro	Related Party	30.06.2013	1,021	34,619
		30.06.2014	978	105,367
Emirates International Telecommunications	Indirect Shareholder	30.06.2013	-	-
		30.06.2014	-	228,040
Technology and Research Foundation	Shareholder	30.06.2013	39,127	25,868
		30.06.2014	32,561	10,157
	Total	**30.06.2013**	**2,112,998**	**1,924,482**
	Total	**30.06.2014**	**2,884,545**	**4,231,175**

Related Party	Relation with Group	Year/ period ended at	Amounts owed by related parties	Amounts owed to related parties
Wind Hellas Telecommunications S.A.	Shareholder	31.12.2013	468,922	901,415
		30.06.2014	440,515	472,719
Vodafone S.A.	Shareholder	31.12.2013	173,195	351,192
		30.06.2014	119,756	178,734
Vodafone Ltd.	Related Party	31.12.2013	935,601	1,062,683
		30.06.2014	911,813	1,133,580
Telemedicine Technologies S.A.	Associated	31.12.2013	3,734	-
		30.06.2014	3,734	-
Go Plc	Indirect Shareholder	31.12.2013	4,293	-
		30.06.2014	-	-
Emirates International Telecommunications	Indirect Shareholder	31.12.2013	-	803,325
		30.06.2014	-	749,000
Technology and Research Foundation	Shareholder	31.12.2013	26,009	3,876
		30.06.2014	26,483	3,843
Lumiere Productions S.A.	Related Party	31.12.2013	-	6,378
		30.06.2014	-	6,378
Lumiere Cosmos Communications	Related Party	31.12.2013	-	10
		30.06.2014	-	10
Athlonet S.A.	Associated	31.12.2013	11,502	8,060
		30.06.2014	11,502	8,060
Interoute Spa (Italy)	Related Party	31.12.2013	40,876	-
		30.06.2014	33,557	-
Interoute Bulgaria JsCo	Related Party	31.12.2013	62,400	202,034
		30.06.2014	62,400	268,421
Interoute Czech Sro	Related Party	31.12.2013	323	171,455
		30.06.2014	661	135,522
	Total	**31.12.2013**	**1,726,855**	**3,510,428**
	Total	**30.06.2014**	**1,610,421**	**2,956,267**

Emirates International Telecommunications LLC, a related party – indirect shareholder, provides technical and other services to support various operations and functions of the Forthnet Group's business.

Salaries and fees for the members the Board of Directors and the General Managers of the Group and the Company for the six-month period ended June 30, 2014 and 2013, are analysed as follows:

	The Group		The Company	
	30.06.2014	**30.06.2013**	**30.06.2014**	**30.06.2013**
Salaries and fees for executive members of the BoD	144,354	144,353	144,354	144,353
Salaries and fees for non executive members of the BoD	60,900	60,900	60,900	60,900
Salaries and fees for Senior Managers	1,232,393	1,128,848	625,702	727,949
Total	**1,437,647**	**1,334,101**	**830,956**	**933,202**

Furthermore, benefits provided by the Group and the Company for the current period to members of the Board of Directors and Management relating to social security amounted to € 102.153 for both the Group and the Company (June 30, 2013: € 51,000), whereas benefits relating to leaving indemnities amounted to € 0 and € 0 respectively (June 30, 2013: € 563,990 and € 544,740, respectively).

Iraklion, August 7, 2014

Deepak Srinivas Padmanabhan

President of the
Board of Directors

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of
HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A. (Forthnet S.A.)

Introduction
We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of the Hellenic Company for Telecommunications and Telematic Applications S.A. ''Forthnet S.A.'' (the "Company") as at June 30, 2014, and the related interim condensed separate and consolidated statements of comprehensive income/(loss), changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applies to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter
Without qualifying our review report we draw attention to Note 3 to the interim condensed separate and consolidated financial statements which indicates that, at June 30, 2014, (a) the Group and the Company were not in compliance with certain financial covenants and undertakings under their bond loan agreements, (b) the Group has not proceeded with the payment of scheduled installments of € 88.5 million that were due, up to the date of this review report, (c) their long-term borrowings were all classified as current and, (d) the Group's and Company's current liabilities exceeded their current assets and, accordingly, they will not be able to meet their contractual obligations under their bond loans. As further discussed in Note 3, (i) the Company's and Group's ability to refinance their entire contractual obligations under their loan agreements and, (ii) the Group's and the Company's working capital sufficiency, cannot be assured and are depended on a successful refinancing of their borrowings with their lending banks. Accordingly, these conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts, the amounts and classification of liabilities or any other adjustments that might result should the Company and the Group be unable to continue as a going concern.

Report on other legal requirements
Our review has not identified any inconsistency between the other information contained in the six-month financial report prepared in accordance with article 5 Law 3556/2007 with the accompanying financial information.

Athens, August 8, 2014

The Certified Auditors Accountants

CHRIS PELENDRIDIS R.N. ICA (GR) 17831	ELENI SKORDALAKI R.N. ICA (GR) 22411
ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A. SOEL REG. No: 107	SOL S.A. CERTIFIED AUDITORS SOEL REG No: 125

INTERIM STATEMENT OF COMPREHENSIVE INCOME/(LOSS)

		The Group				The Company			
	Notes	01.01-30.06.2014	01.01-30.06.2013	01.04-30.06.2014	01.04-30.06.2013	01.01-30.06.2014	01.01-30.06.2013	01.04-30.06.2014	01.04-30.06.2013
Revenues	4	192,439,964	188,521,477	96,641,154	92,535,579	111,533,407	106,811,292	55,520,566	53,093,068
Telecommunications costs		(51,198,110)	(47,568,072)	(25,770,865)	(22,916,587)	(51,198,110)	(47,565,309)	(25,770,865)	(22,916,587)
Royalties and licenses		(47,623,795)	(48,441,213)	(23,799,561)	(23,805,347)	-	-	-	-
Cost of sales of inventory and consumables	14	(3,356,575)	(10,142,509)	(1,487,000)	(6,003,220)	(903,611)	(1,069,738)	(525,185)	(429,244)
Advertising and promotion costs		(4,876,310)	(6,203,527)	(2,484,322)	(3,683,659)	(1,186,584)	(3,042,795)	(643,099)	(1,458,500)
Payroll and related costs	6	(21,130,788)	(20,463,668)	(10,550,480)	(10,047,988)	(12,141,955)	(11,636,738)	(5,947,870)	(5,787,893)
Sundry expenses	8	(32,883,518)	(29,663,061)	(16,641,731)	(14,293,639)	(23,522,076)	(16,613,127)	(12,432,446)	(8,594,579)
Impairment of investments in subsidiaries		-	-	-	-	-	(112,499)	-	(46,842)
Other income		1,903,793	2,620,436	899,096	1,092,789	1,420,916	2,006,490	605,775	1,073,170
Depreciation and amortisation		(44,260,417)	(43,534,559)	(22,681,250)	(21,826,969)	(23,124,865)	(24,057,173)	(11,574,516)	(11,991,648)
Financial income	7	145,193	1,342,779	58,890	514,405	143,225	119,569	54,448	40,781
Financial expenses	7	(11,554,035)	(12,651,494)	(5,799,902)	(5,956,633)	(2,519,831)	(2,684,123)	(1,247,723)	(1,371,705)
Share of loss of associates accounted for under the equity method		-	(239)	-	(239)	-	-	-	-
Profit/(Loss) before income taxes		**(22,394,598)**	**(26,183,650)**	**(11,615,971)**	**(14,391,508)**	**(1,499,484)**	**2,155,849**	**(1,960,915)**	**1,610,021**
Income taxes	9	(1,400,070)	(2,590,404)	(592,605)	1,564,044	(1,735,368)	4,849,853	(1,528,044)	388,145
Profit/(Loss) after tax (A)		**(23,794,668)**	**(28,774,054)**	**(12,208,576)**	**(12,827,464)**	**(3,234,852)**	**7,005,702**	**(3,488,959)**	**1,998,166**
Profit/(Loss) for the period attributable to:									
Shareholders of the Parent Company		(23,404,835)	(28,121,556)	(12,109,790)	(12,422,958)	(3,234,852)	7,005,702	(3,488,959)	1,998,166
Non-controlling interests		(389,833)	(652,498)	(98,786)	(404,506)	-	-	-	-
		(23,794,668)	**(28,774,054)**	**(12,208,576)**	**(12,827,464)**	**(3,234,852)**	**7,005,702**	**(3,488,959)**	**1,998,166**
Loss per share (Basic and diluted)		(0.2201)	(2.1711)	(0.1100)	(0.9591)				
Weighted Average Number of Shares (Basic)		106,340,212	12,952,610	110,097,185	12,952,610				
Weighted Average Number of Shares (Diluted)		106,340,212	12,952,610	110,097,185	12,952,610				

The accompanying notes are an integral part of the Interim Condensed Financial Statements

INTERIM STATEMENT OF FINANCIAL POSITION

		The Group		The Company	
	Notes	30.06.2014	31.12.2013	30.06.2014	31.12.2013
ASSETS					
Non current assets					
Property, plant and equipment	11	177,771,565	191,852,139	102,627,222	111,229,693
Intangible assets	12	141,701,850	145,717,179	16,320,341	16,660,619
Goodwill	10	83,168,812	83,168,812	512,569	512,569
Investments in subsidiaries	1	-	-	74,464,310	74,464,311
Investments in associates accounted under the equity method	1	218,628	218,628	123,506	123,506
Other non-current assets		11,228,989	11,737,734	9,672,299	10,184,395
Available for sale financial assets		223,304	223,304	180,603	180,603
Deferred tax assets	9	13,206,615	15,293,582	11,029,675	12,595,606
Total non current assets		**427,519,763**	**448,211,378**	**214,930,525**	**225,951,302**
Current assets					
Inventories	14	7,518,713	6,616,709	1,248,894	1,014,751
Programme and film rights	13	17,209,102	49,357,969	-	-
Trade receivables	15	63,867,729	58,171,767	36,950,491	35,468,779
Prepayments and other receivables	16	9,994,933	11,111,638	6,686,028	4,861,265
Due from related companies	23	1,610,421	1,726,855	63,336,743	66,532,038
Cash and cash equivalents	17	16,180,848	14,689,747	11,276,322	5,582,295
Restricted cash	17	3,138,212	-	2,838,212	-
Total current assets		**119,519,958**	**141,674,685**	**122,336,690**	**113,459,128**
TOTAL ASSETS		**547,039,721**	**589,886,063**	**337,267,215**	**339,410,430**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent company					
Share capital	1	33,029,156	3,885,783	33,029,156	3,885,783
Share premium		300,981,286	300,981,286	300,981,286	300,981,286
Other reserves		194,530,868	194,524,794	193,862,992	193,862,992
Accumulated deficit		(620,823,756)	(596,930,606)	(386,177,637)	(382,460,544)
Total		**(92,282,446)**	**(97,538,743)**	**141,695,797**	**116,269,517**
Non-controlling interests		1,981,676	2,371,509	-	-
Total equity		**(90,300,770)**	**(95,167,234)**	**141,695,797**	**116,269,517**
Non current liabilities					
Long-term transponder leases	19	75,091,483	79,065,485	-	-
Other long-term leases		993,636	1,094,811	993,636	1,094,811
Other long-term liabilities		11,136,156	11,206,780	11,136,156	11,206,780
Long-term obligations of programmes and film rights	20	734,114	920,178	-	-
Reserve for staff retirement indemnities		2,455,388	2,450,984	1,349,923	1,319,243
Government grants		9,145,118	10,129,460	9,143,663	10,127,155
Deferred tax liability	9	31,450,428	32,353,674	-	-
Total non-current liabilities		**131,006,323**	**137,221,372**	**22,623,378**	**23,747,989**
Current liabilities					
Trade accounts payable	21	114,319,318	121,645,167	44,562,556	50,826,136
Due to related companies	23	2,956,267	3,510,428	5,162,955	12,459,981
Short-term borrowings	18	1,418,000	1,418,000	-	-
Current portion of long-term borrowings	18	324,071,956	323,543,806	99,971,191	99,850,688
Deferred income	4	29,465,426	34,765,439	16,776,067	18,946,848
Current portion of transponder leases	19	7,785,393	7,466,824	-	-
Current portion of other leases		225,684	363,376	225,684	363,376
Current portion of programmes and film rights obligations	20	6,936,691	32,128,112	-	9,480,399
Income tax payable		1,757,684	2,059,261	200,000	200,000
Accrued and other current liabilities	22	17,397,749	20,931,512	6,049,587	7,265,496
Total current liabilities		**506,334,168**	**547,831,925**	**172,948,040**	**199,392,924**
Total liabilities		**637,340,491**	**685,053,297**	**195,571,418**	**223,140,913**
TOTAL LIABILITIES AND EQUITY		**547,039,721**	**589,886,063**	**337,267,215**	**339,410,430**

The accompanying notes are an integral part of the Interim Condensed Financial Statements

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

The Group	Notes	Share capital	Share premium	Other reserves	Accumulated deficit	Total	Non-controlling interests	Total Equity
		Attridutable to equity holders of the parent company						
Total Equity beginning at the period January 1, 2013		**3,885,783**	**300,981,286**	**194,525,428**	**(537,223,369)**	**(37,830,872)**	**2,771,602**	**(35,059,270)**
Total comprehensive loss after income taxes for the period		-	-	-	(28,121,556)	(28,121,556)	(652,498)	(28,774,054)
Legal reserve		-	-	(634)	-	(634)	-	(634)
Sale of subsidiary shares		-	-	-	(52,931)	(52,931)	169,519	116,588
Total Equity at June 30, 2013		**3,885,783**	**300,981,286**	**194,524,794**	**(565,397,856)**	**(66,005,993)**	**2,288,623**	**(63,717,370)**
Total Equity beginning at the period January 1, 2014		**3,885,783**	**300,981,286**	**194,524,794**	**(596,930,606)**	**(97,538,743)**	**2,371,509**	**(95,167,234)**
Total comprehensive loss after income taxes for the period		-	-	-	(23,404,835)	(23,404,835)	(389,833)	(23,794,668)
Issuance of share capital	1	29,143,373	-	-	-	29,143,373	-	29,143,373
Share capital issuance costs (net from deferred tax)		-	-	-	(482,241)	(482,241)	-	(482,241)
Legal Reserve		-	-	6,074	(6,074)	-	-	-
Total Equity at June 30, 2014		**33,029,156**	**300,981,286**	**194,530,868**	**(620,823,756)**	**(92,282,446)**	**1,981,676**	**(90,300,770)**

The Company	Notes	Share capital	Share premium	Other reserves	Accumulated deficit	Total
Total Equity beginning at the period January 1, 2013		**3,885,783**	**300,981,286**	**193,862,992**	**(381,430,633)**	**117,299,428**
Total comprehensive income after income taxes for the period		-	-	-	7,005,702	7,005,702
Total Equity at June 30, 2013		**3,885,783**	**300,981,286**	**193,862,992**	**(374,424,931)**	**124,305,130**
Total Equity beginning at the period January 1, 2014		**3,885,783**	**300,981,286**	**193,862,992**	**(382,460,544)**	**116,269,517**
Total comprehensive loss after income taxes for the period		-	-	-	(3,234,852)	(3,234,852)
Issuance of share capital	1	29,143,373	-	-	-	29,143,373
Share capital issuance costs (net from deferred tax)		-	-	-	(482,241)	(482,241)
Total Equity at June 30, 2014		**33,029,156**	**300,981,286**	**193,862,992**	**(386,177,637)**	**141,695,797**

The accompanying notes are an integral part of the Interim Condensed Financial Statements

INTERIM CASH FLOW STATEMENT(INDIRECT METHOD)

		The Group		The Company	
	Notes	01.01-30.06.2014	01.01-30.06.2013	01.01-30.06.2014	01.01-30.06.2013
Cash flows from Operating Activities					
Loss before income taxes		(22,394,598)	(26,183,650)	(1,499,484)	2,155,849
Adjustments for:					
Depreciation and amortisation		44,260,417	43,534,559	23,124,865	24,057,173
Amortisation of subsidies		(984,342)	(1,242,242)	(983,491)	(1,213,123)
(Gains)/loss on disposal of tangible and intangible assets		-	3,454	(449)	(2,014)
Financial (income)/expenses	7	11,408,842	11,308,715	2,376,606	2,564,554
Impairment of investment in associates		-	-	-	112,499
Allowance for doubtful accounts receivable	15,16	3,446,720	2,281,133	2,724,767	2,245,060
Provision for staff retirement indemnities	6	722,871	308,481	391,972	191,906
Other provisions		24,802	49,692	13,469	49,692
Operating profit before working capital changes		**36,484,712**	**30,060,142**	**26,148,255**	**30,161,596**
(Increase)/Decrease in:					
Inventories		(926,806)	(4,894,644)	(247,612)	(100,844)
Trade accounts receivable and amounts due from related companies		(8,837,724)	1,676,234	(822,660)	19,353,205
Programme and film rights		32,148,867	32,959,428	-	-
Prepayments and other receivables		928,181	4,017,703	(2,013,287)	1,737,274
Increase/(Decrease) in other non-current assets		508,746	(1,563,190)	512,095	(1,434,476)
Increase/(Decrease) in:					
Trade accounts payable and amounts due from related companies		(33,071,431)	(32,490,746)	(23,041,005)	(43,437,222)
Deferred income		(5,300,013)	(4,556,042)	(2,170,781)	(696,184)
Accrued and other current liabilities		(4,557,841)	(3,028,890)	(1,287,832)	1,427,618
Income taxes paid		(348,490)	(232,111)	-	-
Payment of staff retirement indemnities		(637,002)	(792,776)	(360,158)	(531,884)
Increase/(Decrease) in other long-term liabilities		(256,688)	1,047,524	(70,624)	1,104,078
Net cash from/(used in) Operating Activities		**16,134,511**	**22,202,632**	**(3,353,609)**	**7,583,161**
Cash flow from Investing activities					
Capital expenditure for property, plant and equipment and intangible assets		(26,164,515)	(18,263,243)	(14,194,317)	(12,525,292)
Disposals of property, plant and equipment and intangible assets		12,004	22,091	12,004	19,379
Interest and related income received		144,730	151,550	143,225	119,569
Restricted cash	17	(3,138,212)	6,961,769	(2,838,212)	7,000,000
Net cash used in Investing Activities		**(29,145,993)**	**(11,127,833)**	**(16,877,300)**	**(5,386,344)**
Cash flows from Financing Activities					
Net proceeds from the issuance of share capital	1	28,491,696	-	28,491,696	-
Repayment of long-term borrowings		-	(10,000,000)	-	(10,000,000)
Interest paid		(10,094,813)	(10,183,478)	(2,327,893)	(2,340,943)
Net change in leases		(3,894,300)	(6,622,909)	(238,867)	(231,462)
Net cash from/(used in) financing activities		**14,502,583**	**(26,806,387)**	**25,924,936**	**(12,572,405)**
Net increase/(decrease) in cash and cash equivalents		**1,491,101**	**(15,731,588)**	**5,694,027**	**(10,375,588)**
Cash and cash equivalents at the beginning of period	17	**14,689,747**	**32,571,829**	**5,582,295**	**16,319,853**
Cash and cash equivalents at the end of period	17	**16,180,848**	**16,840,241**	**11,276,322**	**5,944,265**

The accompanying notes are an integral part of the Interim Condensed Financial Statements

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION:

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

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

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

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

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

On January 8, 2014, Forthnet S.A. announced that the increase of its share capital by € 29,143,372.50, approved by the Extraordinary General Meeting of its shareholders held on August 23, 2013, which took place from December 10, 2013 up to and including January 3, 2014, was successfully completed through the payment of € 29,143,372.50 by existing shareholders and persons who acquired pre-emption rights during their trading period. According to the above resolution of the Extraordinary General Meeting, 97,144,575 new shares were issued at a subscription price of € 0.30 per share. As a result of the above, the Company's share capital increased by € 29,143,372.50 through the issuance of 97,144,575 new registered ordinary shares, each having a nominal value of € 0.30. Therefore, the Company's share capital as at June 30, 2014, amounted to € 33,029,155.50, divided into 110,097,185 ordinary registered voting shares, each having a nominal value of € 0.30.

Forgendo Ltd., participates in Forthnet's share capital. As at June 30, 2014, the participation percentage was 44.022% (December 31,2013: 44.022%). The ultimate parent company of Forgento Ltd. is the Emirates International Telecommunications LLC. Wind Hellas Telecommunications S.A. also participates in Forthnet's share capital. As at June 30, 2014, the participation percentage was 33.00% (December 31, 2013: 32.26%). Vodafone PANAFON Greek Telecommunications Company on June 30, 2014, participated in the share capital of the Company with an interest of 6.51% (31 December 2013: 0%). In addition, under the terms of the contract signed on June 4, 2014, between Vodafone PANAFON Greek Telecommunications Company and Wind Hellas Telecommunications S.A., the first acquired an option for the acquisition of 13.25% of the total share capital and voting rights of Forthnet from the second, which may be exercised upon completion of one year from the date of signing of the agreement between them.

The accompanying interim condensed financial statements for the six-month period ended June 30, 2014, as well as the annual separate and consolidated financial statements of 2013, include the financial statements of Forthnet and its subsidiaries, Forth CRS S.A., Telemedicine Technologies S.A. (up to March 2013), Forthnet Media Holdings S.A., NetMed N.V., Intervision (Services) B.V., Dikomo Investment Sarl (Luxembourg) (under liquidation), Tiledrasi S.A. (Luxembourg) (under liquidation), Multichoice Holdings (Cyprus) Ltd. (under liquidation), Multichoice (Cyprus) Public Company Ltd. (under liquidation), Multichoice Hellas S.A. and NetMed S.A.

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

Telemedicine Technologies S.A.'s principle activities are to create, implement and sell services and products associated with the acquisition, transmission and dissemination of information, particularly electronically, in the health sector. The company aims to implement and sell services in the health sector, with emphasis on business-to-business medical services. On April 11, 2013, the Board of Directors of the parent company, Forthnet, decided and unanimously approved the transfer of 54,031 common shares of the subsidiary, i.e. 36.48%, for a consideration of € 1. Following the above transfer of shares, the Company's participation in Telemedicine Technologies S.A. amounts to 24.90%, thus it is considered as an investment in associate and is accounted for using the equity method in the consolidated financial statements. Based on the sale and purchase agreement a contingent consideration of €346 thousands was recognized as at December 31, 2013, which is included in other non-current assets.

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

The acquisition, administration and exploitation of holdings in enterprises of any nature, which are activated in the field of the electronic communications and the media, the provision of administrative, supportive and other services to these enterprises, as well as to other members of the Company's group, the provision of satellite services to any natural or legal person of private or public law, for the transfer of radio and television signals and data or of any combination or texts or/and images or/and sounds or/and data, with the exception of voice telephony services, from ground satellite stations to the space part (uplink) and from the space part to ground satellite stations (downlink) or reception terminal devices of any kind, the production and exploitation in any manner, of codified TV programs that are destined for pay TV operation and the cooperation with legal entities for the broadcast of codified programs. The company's Board of Directors decided to absorb its subsidiary Multichoice Hellas S.A. with balance sheet date as of June 30, 2014.

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

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

The subsidiary Multichoice (Cyprus) Public Company Ltd., which together with the Forthnet Group holds a contractual relationship with regard to the management of Multichoice Hellas S.A.'s subscribers in Cyprus, resolved, on June 9, 2011, at the Extraordinary General Meeting of its shareholders, the voluntary liquidation by its creditors pursuant to the provisions of the Cypriot Companies Law. Multichoice (Cyprus) Public Company Ltd. was delisted from the Cyprus Stock Exchange on June 28, 2011. The management of the subscribers as well as the further development of the Forthnet Group’s activities in Cyprus is continued by Multichoice Hellas S.A.

The Board of Directors of the subsidiary company, Multichoice Holdings (Cyprus) Limited, decided its liquidation on July 11, 2012.

On June 30, 2014 the Company announced that the Boards of Directors of the affiliated companies FORTHNET MEDIA HOLDINGS S.A. (“FMH”) and MULTICHOICE HELLAS S.A. (“MCH”) a) approved the initiation of the process for the merger of the two companies by absorption of MCH by FMH, with the date of the transformation balance sheet being June 30, 2014, according to art. 68-77a (apart from the art.71) of the Corporate Law 2190/1920 and art.1-5 of L.2166/1993.

The Group’s number of employees at June 30, 2014, amounted to 1,343, while that of the Company to 812. At June 30, 2013, the respective number of employees was 1,316 for the Group and 781 for the Company. The number of employees refers to full time equivalent staff.

On November 24, 2011, the Board of Directors of the Athens Exchange decided to place the Company’s shares “Under Surveillance Segment” based on the fact that the losses of fiscal year 2010 exceeded 30% of its equity.

The Board of Directors of Forthnet approved the separate and consolidated interim condensed financial statements for the six-month period ended June 30, 2014, on August 7, 2014.

2.1 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS:

The accompanying separate and consolidated interim condensed financial statements that relate to the six-month period ended June 30, 2014, have been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

The accompanying separate and consolidated interim condensed financial statements do not include all the information required in the annual financial statements and, therefore, should be read in conjuction with the published annual financial statements for the year ended December 2013, which are available on the internet in the address www.forthnet.gr.

Certain line items of the previous period’s/year’s financial statements were reclassified in order to conform to the current period’s presentation. These reclassifications are a follows:

- As at December 31, 2013, the amount of € 1,093,566 for the Company and € 1,108,796 for the Group were reclassified from trade receivable to due from related companies.

- As at December 31, 2013, the amount of € 1,404,199 for the Company and € 1,413,875 for the Group were reclassified from trade payable to due to related companies.

- For the six-month period ended June 30, 2013, the amount of € 65,656 for the Company and € 112,499 for the Group was reclassified from impairment of investments in subsidiaries to financial expenses.

2.2 BASIS OF CONSOLIDATION:

The consolidated financial statements comprise the financial statements of Forthnet and all subsidiaries where Forthnet has the power to control. All subsidiaries (companies in which the Group has direct or indirect ownership of 50% or more voting interest or has the power to control the Board of the investees) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies.

All intra-group balances transactions and unrealized gains and losses resulting from intra-group transactions are eliminated in full in the consolidated financial statements. Where necessary, accounting policies for subsidiaries have been revised to ensure consistency with the policies adopted by the Group. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Losses of subsidiaries are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary,
- Derecognises the carrying amount of any non-controlling interest,
- Derecognises the cumulative translation differences, recorded in equity,
- Recognises the fair value of any investment retained,
- Recognises any surplus or deficit in profit or loss,
- Reclassifies the parents' share of components previously recognised in other comprehensive income to profit or loss.

Investments in subsidiaries in the separate financial statements are accounted for at cost less any accumulated impairment.

2.3. SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements of the Group and the Company for the year ended December 31, 2013, except for the adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2014.

New standards, interpretation and amendmends adopted by the Group and the Company

New standards and amendments apply for the first time in 2014 (annual periods beginning on or after January 1, 2014). However, they do not have a significant impact on the annual financial statements or the interim condensed financial statements of the Group and the Company or they are not applicable for the Group and the Company.

- IAS 28 Investments in Associates and Joint Ventures (Revised)
- IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities
- IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosures of Interests in Other Entities
- IAS 36 Impairment of Assets (Amended) – Recoverable Amount Disclosures for Non-Financial Assets
- IAS 39 Financial Instruments (Amended): Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC Interpretation 21: Levies

The additional standards, interpretations and amendments that have been issued but are not yet effective in addition to those disclosed in the financial statements for the year ended December 31, 2013, are the following:

- **Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation**
  The amendment is effective for annual periods beginning on or after January 1, 2016. The amendment provides additional guidance on how the depreciation or amortization of property, plant and equipment and intangible assets should be calculated. This amendment clarifies the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendment has not yet been endorsed by the European Union ("EU"). The Group and the Company are in the process of assessing the impact of the new standard on their financial position and their performance.

- **Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations**
  The amendment is effective for annual periods beginning on or after January 1, 2016. IFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business in accordance with IFRS and specifies the appropriate accounting treatment for such acquisitions. The amendment has not yet been endorsed by the EU. The Group and the Company are in the process of assessing the impact of the new standard on their financial position and their performance.

- **IFRS 15 Revenue from Contracts with Customers**
  The standard is effective for annual periods beginning on or after January 1, 2017. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. The standard has not been yet endorsed by the EU. The Group and the Company are in the process of assessing the impact of the new standard on their financial position and their performance.

The Group and the Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES:

The Group makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgments adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2013.

3. GOING CONCERN:

As at June 30, 2014, Forthnet S.A. and Forthnet Media Holdings S.A. continue not to meet certain financial covenants under their respective bond loans (see Note 18). Specifically, the Group was not in compliance with its Net Debt to Total Equity, the Net Debt to Normalised EBITDA and the Normalised EBITDA to Total Interest ratios for the existing bond loans ("EBL") and its new bond loans ("NBL") and has not made contractual payments of € 88.5 million through the date of the financial statements were authorized for issue. Accordingly, as at June 30, 2014, the Group has retained the classification of all outstanding balances of such bond loans amounting to € 324.1 million and € 100.0 million for the Group and Company, respectively, as current. The classification of the outstanding balances of the bond loans as current has, among others, led to the Group's and the Company's current liabilities exceeding their current assets by approximately € 386.8 million and € 50.6 million, respectively, as at June 30, 2014.

The share capital increase of € 29.1 million was successfully completed on January 3, 2014, by existing shareholders and persons who acquired pre-emption rights during their trading period.

In addition, due to the Group's insufficient working capital, it will not be able to fully meet its contractual obligations under its bond loans up to June 30, 2015, which include € 180.0 million in principal repayments. To this effect, the Company contracted an independent financial advisor to, among others, assist the Management of the Group (i) in formulating a refinancing proposal to be presented to the lending banks and, (ii) coordinate all respective procedures with respect to the refinancing of the bond loans. Management together with the advisor have initiated discussions with the lending banks and submitted a refinancing proposal to such banks on March 19, 2013.

The lending banks requested an Independent Business Review ("IBR") of the Group's business plan and a financial due diligence report covering the Group's historical financial information for the last three financial years. During May 2013, the Company submitted the IBR which, among others, reviewed the refinancing proposal referred to above and the financial due diligence report.

Based on the results of the IBR report, the financial due diligence report and the ongoing discussions with the banks, the Management of the Group is confident of a successful outcome of the refinancing negotiations with the lending banks.

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

This fact notwithstanding, the inability of the Group to complete a refinancing of its entire contractual obligations with respect to its bank debt, indicates the existence of a material uncertainty that may cast significant doubt on the Company's and the Group's ability to continue as a going concern.

4. REVENUES:

Revenues are analysed as follows:

	The Group		The Company	
	January 1-June 30		January 1-June 30	
	2014	2013	2014	2013
Operating Revenues				
Direct Retail Services	**159,448,519**	**155,082,114**	**79,668,981**	**79,349,926**
Bundled services (2play)	36,796,194	58,416,805	36,796,194	58,416,805
Bundled services (3play)	27,306,040	1,302,800	27,306,040	1,302,800
Telephony	6,363,501	8,998,219	6,387,196	8,998,219
ADSL	5,207,792	7,724,445	5,253,337	7,788,217
Pay-TV Revenues	79,848,778	75,795,960	-	-
Other	3,926,214	2,843,885	3,926,214	2,843,885
Indirect Retail Services	**2,140,709**	**2,588,169**	**2,140,709**	**2,588,169**
Telephony	219,736	337,188	219,736	337,188
ADSL	1,786,539	2,098,667	1,786,539	2,098,667
Other	134,434	152,314	134,434	152,314
Direct Business Services	**19,352,003**	**18,996,185**	**19,352,003**	**19,151,338**
E-business	**712,622**	**843,202**	**712,622**	**843,202**
Pay-TV Advertising Revenue	**6,849,813**	**5,575,822**	**-**	**-**
Forth CRS	**1,357,316**	**1,327,891**	**-**	**-**
Equipment	**1,357,334**	**2,868,000**	**172,390**	**339,010**
Other services	**1,221,648**	**1,240,094**	**9,486,702**	**4,539,647**
Total	**192,439,964**	**188,521,477**	**111,533,407**	**106,811,292**

Billed revenue which has been deferred and will be recognised as income in subsequent periods for the Group and the Company as at June 30, 2014, amounted to € 40,216,053 and 27,526,694, respectively, of which, amount of € 10,750,627 for both the Group and the Company relates to the long-term portion which has been included in other long term liabilities while the short term portion is included in deferred revenue (at December 31, 2013, amounted to € 44,371,262 and € 28,552,671 for the Group and the Company, respectively of which € 9,605,823 for both the Group and the Company relates to the long-term portion).

Unbilled revenues for the Group and the Company at June 30, 2014, amounted to € 5,589,508 and € 5,127,187, respectively (at December 31, 2013, these amounted to € 3,478,154 and € 3,054,031, for the Group and the Company respectively) (Note 15).

Revenues from other services for the Company, as of June 30, 2014, relate to 3play commissions, installation and technical support fees which are paid by Forthnet and are re-charged to Multichoice Hellas S.A. (3 play services were launched in the second quarter of 2013) (Note 8).

5. GROUP SEGMENT INFORMATION:

From March 31, 2013, the two segments of telecommunication and pay-tv services are presented as a single reportable segment. This resulted from business changes undertaken to integrate the steering of these services. The previous reported telecommunication and pay-tv operating segments are combined into a single reportable segment as they are steered and monitored together and they relate to one single service provided by the Group to its customers. The Group's new business approach is to review the telecommunication and pay-tv services as one considering that the whole business philosophy is focusing on triple play services. As the financial information obtained by the chief operating decision makers (“CODM”) for this single segment is in line with the IFRS figures, no separate disclosures are necessary.

6. PAYROLL AND RELATED COSTS:

Payroll and related costs are analysed as follows:

	The Group		The Company	
	January 1-June 30		January 1-June 30	
	2014	2013	2014	2013
Wages and salaries	17,569,456	17,116,118	10,316,592	9,980,865
Social security costs	3,882,518	3,827,135	2,397,394	2,325,134
Staff retirement indemnities	722,871	308,481	391,972	191,906
Other staff costs	448,250	392,931	278,953	229,635
	22,623,095	**21,644,665**	**13,384,911**	**12,727,540**
Less: Amounts capitalised	(1,492,307)	(1,180,997)	(1,242,956)	(1,090,802)
Total	**21,130,788**	**20,463,668**	**12,141,955**	**11,636,738**

7. FINANCIAL INCOME / (EXPENSES):

Financial income/(expenses) are analysed as follows:

	The Group		The Company	
	January 1-June 30		January 1-June 30	
	2014	2013	2014	2013
Interest on long-term borrowings (Note 18)	(6,466,847)	(6,340,751)	(2,314,756)	(2,323,926)
Interest on short-term borrowings (Note 18)	(50,261)	(63,176)	-	-
Finance charges paid under finance leases	(3,577,705)	(3,787,551)	(13,137)	(20,573)
Bond loan costs	(528,150)	(848,150)	(120,503)	(120,503)
Other financial costs (Note 17 and 22)	(931,072)	(1,611,866)	(71,435)	(219,121)
Total financial expenses	**(11,554,035)**	**(12,651,494)**	**(2,519,831)**	**(2,684,123)**
Interest earned on cash at banks and on time deposits (Note 17)	144,730	151,550	143,225	119,569
Other financial income (Note 22)	463	1,191,229	-	-
Total financial income	**145,193**	**1,342,779**	**143,225**	**119,569**
Total financial expenses, net	**(11,408,842)**	**(11,308,715)**	**(2,376,606)**	**(2,564,554)**

8. SUNDRY EXPENSES:

Sundry expenses are analysed as follows:

	The Group		The Company	
	January 1-June 30		January 1-June 30	
	2014	2013	2014	2013
Third party fees and services	13,981,357	12,241,488	9,146,528	5,289,700
Taxes and duties	637,529	628,809	530,448	518,952
Sundry expenses	3,655,331	3,444,562	1,424,699	1,964,286
Allowance for doubtful accounts receivable (Note 15 and 16)	3,446,720	2,281,133	2,724,767	2,245,060
Maintenance	3,517,397	3,319,298	2,084,177	2,218,778
Rentals	1,172,393	1,275,258	401,131	480,870
Commissions	5,147,850	5,166,871	6,265,683	2,990,348
Building function costs	1,324,941	1,305,642	944,643	905,133
Total	**32,883,518**	**29,663,061**	**23,522,076**	**16,613,127**

Third party fees and services and commission for the Company, for the six-month period ended June 30, 2014, include 3play commissions and installation and technical support fees, which are paid by Forthnet and are re-charged to Multichoice Hellas S.A. (3 play services were launched in the second quarter of 2013) (Note 4).

9. INCOME TAXES:

According to the Greek tax law 4110/2013, the tax rate for the Societies Anonyms in Greece is 26%, for the fiscal years beginning January 1, 2013.

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

	The Group		The Company	
	January 1-June 30		January 1-June 30	
	2014	2013	2014	2013
Current income taxes	-	270,319	-	-
Income taxes from prior years	44,422	63,388	-	-
Deferred income taxes	1,355,648	2,256,697	1,735,368	(4,849,853)
Total income taxes (credit) / debit reflected in the statements of total comprehensive income/ (loss)	**1,400,070**	**2,590,404**	**1,735,368**	**(4,849,853)**

Greek tax laws and regulations are subject to interpretations by the tax authorities. Tax returns are filed annually but 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 taxpayer and a final assessment is issued. Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate.

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

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

For the subsidiaries which are located abroad there is no mandatory tax audit. Tax audits are performed exceptionally, if deemed necessary by the tax authorities based on specific criteria. The tax liabilities of the companies remain open to be audited by the tax authorities for a certain period of time according to each country's applicable tax legislation.

For the Greek companies of the Group, the tax compliance certificate for the financial year 2013 was concluded by its auditors, based on the provisions of §5, article 82 of L.2238/1994. No significant additional tax liabilities arose, in excess of those provided for and disclosed in the 2013 financial statements.

In September 2013 the tax audit of the subsidiary company, Multichoice Hellas S.A., was concluded regarding the fiscal years from April 1, 2007 to December 31, 2009. According to the tax audit, the total tax for the above fiscal years amounted to € 0.7 million for which the Group had recorded an equal provision in prior years.

In a future tax audit of the unaudited tax fiscal years it is possible that additional taxes and penalties may be assessed to Forthnet and to its subsidiaries. The Group believes that they have provided adequate provision (€ 0.4 million for the Group and € 0.2 million for the Company) for probable future tax assessments based upon previous years' tax examinations and past interpretations of the tax laws.

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

10. GOODWILL:

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

	The Group		**The Company**	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
MBA	512,569	512,569	512,569	512,569
Forth CRS S.A.	24,595	24,595	-	-
NetMed N.V. Group and Intervision B.V.	285,965,176	285,965,176	-	-
NetMed N.V. Group and Intervision B.V. impairment of goodwill	(203,333,528)	(203,333,528)	-	-
Total	**83,168,812**	**83,168,812**	**512,569**	**512,569**

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

When reviewing for indicators of impairment, the Group considers, amongst other, the relationship between its market capitalization and its book value. As at June 30, 2014, the market capitalization of the Group was above the book value of its equity, indicating that no impairment indicators exists as of that date.

The Group did not test goodwill for impairment as at June 30, 2014, as there were no relevant circumstances indicating that the carrying value may be impaired. The circumstances indicating that the carrying value may be impaired will be re-examined at September 30, 2014.

11. PROPERTY, PLANT AND EQUIPMENT:

During the period from January 1, 2014 until June 30, 2014, the total investments of the Group's tangible assets amounted to € 4,468,886 and those of the Company's amounted to € 4,276,270 and relate mainly to the expansion of Forthnet's private network (for the period from January 1, 2013 until June 30, 2013 amounted to € 3,857,184 and € 2,898,837 for the Group and the Company, respectively).

There is no property, plant and equipment that has been pledged as security. The title of the capitalized leased assets has been retained by the lessor. The net book value of the Group's capitalized leased assets at June 30, 2014 and at December 31, 2013, amounted to € 73,343,509 and € 78,150,545, respectively. For the Company the related amounts are € 2,873,178 and € 2,982,193 at June 30, 2014 and at December 31, 2013, respectively.

12. INTANGIBLE ASSETS:

During the period from January 1, 2014 until June 30, 2014, the total investments of the Group's intangible assets amounted to € 21,695,629 and those of the Company amounted to € 9,918,047 and relate mainly to acquisition costs of new subscribers and also to the upgrade of IT software systems (for the period from January 1, 2013 until June 30, 2013, amounted to € 14,406,059 and € 9,626,455 for the Group and the Company, respectively).

13. PROGRAMME AND FILM RIGHTS:

Programme and film rights receivables are analysed as follows:

	The Group	
	30.06.2014	**31.12.2013**
Purchased sports rights	44,739,543	111,271,741
Licensed film rights	6,945,619	8,318,238
Cost of Sports and Film Rights	**51,685,162**	**119,589,979**
Purchased sports rights	(33,003,616)	(67,372,116)
Licensed film rights	(1,472,444)	(2,859,894)
Sports and Film Rights Amortisation	**(34,476,060)**	**(70,232,010)**
Purchased sports rights	11,735,927	43,899,625
Licensed film rights	5,473,175	5,458,344
Sports and Film Rights, net value	**17,209,102**	**49,357,969**
Less: Programme and film rights short-term	17,209,102	49,357,969
Programme and sports film rights, long-term	**-**	**-**

14. INVENTORIES:

Inventories are analysed as follows:

	The Group		The Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Merchandise	8,674,019	7,775,634	1,906,232	1,658,620
Consumables	176,218	147,797	-	-
Obsolete & slow moving provision	(1,331,524)	(1,306,722)	(657,338)	(643,869)
Total	**7,518,713**	**6,616,709**	**1,248,894**	**1,014,751**

The movement in the obsolete inventories is analysed as follows:

	The Group		The Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Beginning balance	**1,306,722**	**1,392,105**	**643,869**	**618,031**
Provision for the period/ year	24,802	38,968	13,469	38,968
Less: Utilisation	-	(124,351)	-	(13,130)
Ending balance	**1,331,524**	**1,306,722**	**657,338**	**643,869**

The provision for the period/year is included in cost of sales of inventory and consumables in the accompanying statements of comprehensive income/(loss).

Cost of sales of inventory and consumables for the Group decreased during the six-month period ended June 30, 2014, mainly due to one-off costs for the replacement of old technology with new technology decoders that were incurred during the six-month period ended June 30, 2013.

15. TRADE ACCOUNTS RECEIVABLE:

Trade accounts receivable are analysed as follows:

	The Group		The Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Domestic customers	96,555,394	91,845,761	58,992,977	58,497,623
Foreign customers	2,769,228	1,362,143	1,906,110	576,098
Receivables from Greek State	1,768,550	1,832,315	1,626,740	1,638,886
Cheques and notes receivable	3,432,730	2,718,010	1,553,092	1,465,544
Unbilled revenue (note 4)	5,589,508	3,478,154	5,127,187	3,054,031
	110,115,410	**101,236,383**	**69,206,106**	**65,232,182**
Less: Allowance for doubtful accounts receivable	(46,247,681)	(43,064,616)	(32,255,615)	(29,763,403)
Total	**63,867,729**	**58,171,767**	**36,950,491**	**35,468,779**

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

	The Group		The Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Beginning balance	**43,064,616**	**38,318,104**	**29,763,403**	**25,755,460**
Provision for the period/ year (Note 8)	3,258,196	6,136,326	2,536,243	5,189,372
Less: Utilisation	(75,131)	(1,389,814)	(44,031)	(1,181,429)
Ending balance	**46,247,681**	**43,064,616**	**32,255,615**	**29,763,403**

The Company's and Group's trade accounts receivable are pledged as collateral for the related new bond loans for an amount equal to 50% of the outstanding balances of the related new bond loans (Note 18).

Trade receivables are non-interest bearing and are normally settled on 30-180 days for the Group and the Company.

16. PREPAYMENTS AND OTHER RECEIVABLES:

Prepayments and other receivables in are analysed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Receivables due from the Greek State	1,579,492	1,519,647	601,120	587,273
Prepaid expenses	6,414,970	3,708,946	4,335,911	2,464,670
Value Added Tax	38,602	4,063,119	-	-
Advances to suppliers	305,035	567,988	304,991	353,434
Other debtors	3,570,666	2,977,246	2,357,838	2,181,196
	11,908,765	**12,836,946**	**7,599,860**	**5,586,573**
Less: Allowance for doubtful other receivables	(1,913,832)	(1,725,308)	(913,832)	(725,308)
Total	**9,994,933**	**11,111,638**	**6,686,028**	**4,861,265**

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

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Beginning balance	**1,725,308**	**1,687,744**	**725,308**	**687,744**
Provision for the period/ year (Note 8)	188,524	55,978	188,524	55,978
Less: Utilisation	-	(18,414)	-	(18,414)
Ending balance	**1,913,832**	**1,725,308**	**913,832**	**725,308**

The Company's and the Group's prepaid expenses include € 1,105,182 (December 31, 2013: € 1,148,171), relating to billings from other providers under a mutual concession for the use of optical fiber infrastructure for a period of 21 years (with various expiration dates ending up to June 17, 2035). An amount of € 9,098,202 (December 31, 2013: € 9,605,823) which relates to the invoiced amount for the period from July 1, 2015, until June 17, 2035, is included in other non-current assets. Amounts billed by the Company to the other provider for the mutual concession for the use of its optical fiber infrastructure are reported as deferred income € 1,405,931 (December 31, 2013: € 1,148,171) and other long-term liabilities € 10,750,627 (December 31, 2013: € 9,605,823) (Note 4).

17. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are analyzed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Cash in hand	42,077	47,176	14,533	12,700
Cash at banks	16,138,771	14,594,889	11,261,789	5,569,595
Time deposits	-	47,682	-	-
Total	**16,180,848**	**14,689,747**	**11,276,322**	**5,582,295**
Restricted cash	3,138,212	-	2,838,212	-
Total	**19,319,060**	**14,689,747**	**14,114,534**	**5,582,295**

Cash at banks earns interest at floating rates based on monthly bank deposit rates. Interest earned on cash at banks and time deposits is accounted for on an accrual basis and for the six-month period ended June 30, 2014, amounted to € 144,730 and € 143,225 for the Group and the Company, respectively (for the six-month period ended June 30, 2013, € 151,550 and € 119,569 for the Group and the Company, respectively) and are included in financial income in the accompanying statements of comprehensive income/(loss) (Note 7).

The restricted cash relates to pledged deposit contracts for the issuance of letters of guarantee to third parties.

The increase in the balance of cash at banks of the Company compared to December 31, 2013, is mainly due to the cash received from the share capital increase that took place in January 2014 (Note 1).

In 2013, the Group recorded a provision for impairment of its cash at Cypriot Banks of approximately € 0.85 million which is included in other financial costs (Note 7), in the accompanying statements of comprehensive income/(loss). The impairment was performed following the package of measures agreed between the Cypriot government and the Eurogroup (together with the International Monetary Fund) intended to restore the validity of the financial sector in Cyprus after the liquidity crisis in Cyprus. As part of those measures, the Cypriot Popular Bank was dissolved and unsecured depositors (above € 100 thousands) incurred a "haircut".

18. LONG-TERM AND SHORT-TERM BORROWINGS:

α) Long-term Loans:

Long-term loans for the Group and the Company at June 30, 2014 and at December 31, 2013, are analysed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Bond loan	324,071,956	323,543,806	99.971.191	99,850,688
Less current portion:				
Bond loan	324,071,956	323,543,806	99.971.191	99,850,688
Total	-	-	-	-
Long-term portion	-	-	-	-

Forthnet - Bond Loan 2007:

On June 29, 2007, Forthnet entered into a bond loan agreement with a syndicate of banks for a principle amount up to € 150,000,000 (the “Existing Bond Loan” or “EBL”) which bore interest at three-month Euribor plus a margin ranging from 1.15% to 1.75%. The purpose of the bond loan was the financing of its investment plan for the years 2006-2009. The bond issuance of up to € 120,000,000 was divided in three tranches to be drawn from the signing of the Agreement through March 31, 2010.

The repayment of the bond at December 31, 2011 and following the pre-payment of the contractual principal obligations for the fiscal years 2011 and 2012 (see below), is in five variable semi-annual installments from March 31, 2013 through March 31, 2015. This last installment is equal to 43% of the outstanding balance at December 31, 2011.

In accordance with the bond loan agreement certain undertakings are made including but not limited to: (i) Forthnet is obliged to maintain throughout the term of the bond facility an all-risks-insurance contract through a recognised insurance company on its assets at their current commercial value and shall not assign to third parties its claims arising out of the insurance contracts, (ii) within 3 months from the period ended, Forthnet is obliged to submit to the Paying Agent the annual and the semi-annual consolidated financial statements audited by certified auditors accountants along with the Certificate of Compliance, and (iii) Forthnet is obliged to maintain throughout the term of the Bond facility financial covenants based on the annual and semi-annual consolidated financial statements audited by certified auditors accountants throughout the term of the bond facility.

At August 6, 2009, the Company reached an agreement to amend the financial covenants by accepting the increase in interest margin to 2.5%.

As at June 30, 2011, December 31, 2011, June 30, 2012 and December 31, 2012, the Group was not in compliance with two of its financial covenants under the EBL (Net Debt/EBITDA and Net Debt/Equity). Accordingly, the outstanding balance of the EBL was classified as current. As at June 30, 2013 and December 31, 2013, the Group remained non-compliant in these financial covenants and with one additional financial covenant (Normalised EBITDA/Total Interest) and the same classification has been maintained for the outstanding balance of the EBL. As at June 30, 2014, the Group remained non-compliant with these financial covenants and the same classification has been maintained for the outstanding balance of the EBL.

Forthnet - Bond Loan 2011:

On July 22, 2011, Forthnet entered into a secured bond loan agreement (the "New Bond Loan" or "NBL") with a syndicate of banks for a principle amount up to € 40,000,000 which bears a floating interest rate equal to Euribor for the applicable interest period plus a margin of seven per cent (7%). The purpose of the NBL was to finance the investing and other activities of the Company.

The bond loan was subscribed in full by the banking syndicates, as in the 2007 bond loan and the proceeds of the above loan were applied towards the pre-payment of the contractual principal obligations of the 2007 bond loan as at July 31, 2011.

The repayment of the bond is in 5 quarterly variable instalments from December 31, 2013, through December 31, 2014. The first, third and last instalments are each equal to 30% of the total amount.

The bond loan is secured by (i) a second ranking pledge over the shares held by the Company in Forthnet Media Holdings S.A. ("FMH"), (ii) a second ranking pledge over the shares held by FMH and Netmed N.V. in Multichoice Hellas S.A., (iii) a third ranking pledge over the shares held by FMH in Intervision B.V. and Netmed N.V., (iv) a floating charge over the Company's business receivables, (v) an assignment of claims arising from the Company's insurance agreements and, (vi) a bank account pledge over a Company's bank account.

In accordance with the bond loan agreement the Company has made certain undertakings including but not limited to the maintenance of an all-risks-insurance contract on its assets, the submission of the semi-annual and annual audited or reviewed consolidated financial statements along with the Certificate of Compliance, the proposal to the General Assembly of a share capital increase of € 30 million to be completed no later than January 31, 2012, the trading of the Company's shares on the Athens Exchange cannot be terminated or suspended, to maintain the number of its active LLU subscribers between the range applicable for each of the fiscal years 2011-2014 and the maintenance throughout the term of the bond facility financial covenants based on the annual and semi-annual consolidated financial statements.

The agreed set of financial covenants is as follows:

1. EBITDA / Net interest expenses greater or equal to 3.0 to 4.0 for the fiscal years 2011-2014.
2. Total net bank borrowing / EBITDA less or equal to 5.5 to 4.0 for the fiscal years 2011-2014.
3. Total net bank borrowing / Total equity less or equal to 1.65 to 1.2 for the fiscal years 2011-2014.
4. Cash Flow / Debt Service greater or equal to 1.02 for the fiscal years 2011-2014.

As at December 31, 2011 and June 30, 2012, the Group was not in compliance with the "Net Debt/Equity" financial covenant under its NBL, and as a consequence, the outstanding balance of the NBL was classified as current. As at December 31, 2012, June 30, 2013 and December 31, 2013, the Group was not in compliance with two of its financial covenants under the NBL (Net Debt/EBITDA, Net Debt/Equity), and the same classification has been maintained for the outstanding balance of the NBL. Additionally, as at December 31, 2012 the Group was not in compliance with the minimum number of its active LLU subscribers as required by the bond loan agreement and as at June 30, 2013 and December 31, 2013, the Group was not in compliance with the financial covenant under NBL Normalised EBITDA/Total Interest. As at June 30, 2014, the Group remained non-compliant with these financial covenants and the same classification has been maintained for the outstanding balance of the NBL.

Other Group Bond Loans

Forthnet Media Holdings S.A. - Bond Loan 2008:

On May 14, 2008, Forthnet's wholly owned subsidiary, "Forthnet Media Holdings S.A.", issued a secured common bond loan of a principal amount of up to € 245 million (the "Existing Bond Loan" or "EBL"). Forthnet has guaranteed the obligations of Forthnet Media Holdings S.A. under the bond loan and provided a pledge over the total share capital of Forthnet Media Holdings S.A. owned.

The term of the bond loan will be for up to 9 years and the funds were utilised in order to, among other purposes, partially finance the acquisition of the total share capital of each of NetMed N.V. and Intervision (Services)B.V.

The repayment of the bond at December 31, 2011 and following the pre-payment of the contractual principal obligations for fiscal years 2012 and 2013 (see below), is in eight variable instalments from June 30, 2013 to June 30, 2017.

In accordance with the bond loan agreement certain undertakings for the Group's subsidiary Forthnet Media Holdings S.A. are made including but not limited to: (i) it is obliged to maintain throughout the term of the bond facility an all-risks-insurance contract through a recognised insurance company on its assets at their current commercial value, (ii) within 120 days from the period ended, Forthnet Media Holdings S.A. is obliged to submit the annual and the semi-annual financial statements audited by certified auditors accountants along with the Certificate of Compliance, and (iii) Forthnet Media Holdings S.A. is obliged to maintain throughout the term of the Bond facility the financial covenants based on the annual and semi-annual consolidated financial statements audited by certified auditors accountants throughout the term of the bond facility.

As at June 30, 2011, December 31, 2011, June 30, 2012 and December 31, 2012, the Group was not in compliance with two of its financial covenants under the EBL (Net Debt/EBITDA and Net Debt/Equity). Accordingly, the outstanding balance of the EBL was classified as current. As at June 30, 2013 and December 31, 2013, the Group remained non-compliant with these financial covenants and with one additional financial covenant (Normalised EBITDA/Total Interest) and the same classification has been maintained for the outstanding balance of the EBL. As at June 30, 2014, the Group remained non-compliant with these financial covenants and the same classification has been maintained for the outstanding balance of the EBL.

Forthnet Media Holdings S.A - Bond Loan 2011:

On July 22, 2011, Forthnet Media Holdings S.A. entered into a long-term secured bond loan agreement with a syndicate of banks for a principle amount up to € 50,000,000 which bears floating interest rate equal to Euribor for the applicable interest period plus a margin of seven per cent (7%). The purpose of the loan was to finance the investing and other activities of the company.

Forthnet has guaranteed the obligations of Forthnet Media Holdings S.A. under the bond loan and provided a pledge over the total share capital of Forthnet Media Holdings S.A.

The bond loan was subscribed in full by the banking syndicates, as in bond loan 2008 and the proceeds of the above loan were applied towards the pre-payment of the contractual principal obligations of the 2008 bond loan as at July 31, 2011.

The repayment of the bond is in 8 quarterly variable instalments from December 31, 2013, through to June 30, 2017. The last 2 instalments are equal to 40% of the total amount.

The bond loan is secured by (i) a first ranking pledge over the shares held by Forthnet Media Holdings S.A. ("FMH") and Netmed N.V. in Multichoice S.A., (ii) a second ranking pledge over the shares held by FMH in Intervision B.V. and Netmed N.V., (iii) a floating charge over the FMH's business receivables, (iv) an assignment of claims arising from several FMH's cooperation agreements with Multichoice Hellas S.A., (v) an assignment of claims arising from the FMH's insurance agreements and, (vi) pledge over FMH's bank accounts.

In accordance with the bond loan agreement the company has made certain undertakings including but not limited to the maintenance throughout the term of the bond facility of an all-risks-insurance contract on its assets, the submission of the semi-annual and annual audited or reviewed consolidated financial statements, by certified auditors accountants along with the Certificate of Compliance, the proposal of the Guarantor, Forthnet, to the General Assembly of a share capital increase of € 30 million to be completed no later than January 31, 2012, the trading of the Guarantor (Forthnet)'s shares on the Athens Exchange cannot be terminated or suspended, the maintenance of the number of its active PAY TV subscribers between the range applicable for each of the fiscal years 2011-2017 and the maintenance throughout the term of the bond facility financial covenants based on the annual and semi-annual consolidated financial statements.

The agreed set of financial covenants is as follows:

1. EBITDA / Net interest expenses greater or equal to 3.0 to 4.5 for the fiscal years 2011-2017.
2. Total net bank borrowing / EBITDA less or equal to 5.5 to 3.0 for the fiscal years 2011-2017.
3. Total net bank borrowing / Total equity less or equal to 1.65 to 1.0 for the fiscal years 2011-2017.
4. Cash Flow / Debt Service greater or equal to 1.02 for the fiscal years 2011-2017.

As at December 31, 2011 and June 30, 2012, the Group was not in compliance with the "Total net bank borrowing / Total equity" financial covenant under its NBL. Accordingly, the outstanding balance of the NBL was classified as current. As at December 31, 2012, June 30, 2013 and December 31, 2013, the Group was not in compliance with two of its financial covenants under the NBL (Net Debt/EBITDA and Net Debt/Equity), and the same classification has been maintained for the outstanding balance of the NBL. Additionally, as at December 31, 2012 and 2013, the Group was not in compliance with the minimum number of its active Pay-TV subscribers as required by the bond loan agreement and as at June 30, 2013 and December 31, 2013, the Group was not in compliance with the financial covenant under NBL Normalised EBITDA/Total Interest. As at June 30, 2014, the Group remained non-compliant with these financial covenants and the same classification has been maintained for the outstanding balance of the NBL.

In 2014, the Group was granted a waiver from its lending banks, on the following:

1. Postpone the payment of a € 12.5 million installment on the Forthnet Media Holdings S.A. bond loan, which was due as at December 31, 2013 (based on the waiver letter of November 14, 2013), to be paid on April 30, 2014.

2. Postpone the payment of a € 10.0 million installment on the Forthnet S.A. bond loan, which was due as at December 31, 2013 (based on the waiver letter of November 14, 2013) to be paid on April 30, 2014.

3. Postpone the payment of a € 12.0 million installment on the Forthnet S.A. bond loan, which was due as at December 31, 2013, to be paid on April 30, 2014.

4. Postpone the payments of a € 12.5 million and € 2.5 million installments on the Forthnet Media Holdings S.A. bond loan, which were due as at December 31, 2013, to be paid on April 30, 2014.

The above waivers were granted by the syndicated banks without any further conditions for entry into force.

On June 17, 2014, the Company submitted a new waiver request for all bond loan payments maturing up to June 30, 2014, to be extended until September 30, 2014.

As of the date that the financial statements were authorized for issue, the Group has not made contractual payments of € 88.5 required by its bond loan agreements (Note 3).

Total interest expenses on long-term loans for the six-month period ended June 30, 2014 and 2013, amounted to € 6,466,847 and € 6,340,751 , respectively for the Group and € 2,314,756 and € 2,323,926, respectively for the Company and are included in financial expenses (Note 7), in the accompanying statements of comprehensive income/(loss).

b) Short-term borrowings:

Forth CRS has short-term borrowings with annual variable interest rates of 5% to 6%. The table below presents the credit lines available to the Group and the Company as well as the utilised portion.

	The Group	
	30.06.2014	**31.12.2013**
Credit lines available	1,418,000	1,700,000
Unused portion	-	(282,000)
Used portion	**1,418,000**	**1,418,000**

The total interest expense for short-term borrowings for the six-month period ended June 30, 2014 and June 30, 2013, amounted to € 50,261 and € 63,176 for the Group and € 0 and € 0 for the Company, respectively and are included in the financial expenses (Note 7), in the accompanying statements of comprehensive income/(loss).

19. FINANCE LEASE TRANSPONDER OBLIGATIONS:

The Group leases transmission equipment of a total value of € 123,739,891,with duration of twelve years (which has been extended for one more year), repayable in equal monthly instalments bearing interest at 6.99% since June 2013 (previously 6,5% to 9,57%).

In 2012, the Group decided to technologically accelerate the scale of information (bandwidth) through the transmission path by upgrading the head end and the 4 transponders to DVBS2 and be able to release one of the 5 existing transponders. New DVBS-2 technology allows broadcasters to accommodate the same number of channels using less satellite capacity, while at the same time transmitting the maximum data speed through the satellite.

The 5^{th} transponder has been released as of January 1, 2014 and in this respect, in 2012 the Group proceeded with the derecognition of part of the asset value, as well, as the relevant financial liability for the years 2014 to 2021.

The finance lease transponders obligations are analysed as follows:

	The Group	
	30.06.2014	**31.12.2013**
Obligation under finance lease of transponders	82,876,876	86,532,309
Less: Current portion	(7,785,393)	(7,466,824)
Long-term portion	**75,091,483**	**79,065,485**

20. PROGRAMME AND FILM RIGHTS LIABILITIES:

Programme and film rights liabilities are analysed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Programmes and Rights	7,670,805	33,048,290	-	9,480,399
Less: Current portion	(6,936,691)	(32,128,112)	-	(9,480,399)
Long-term portion	**734,114**	**920,178**	**-**	**-**

21. TRADE ACCOUNTS PAYABLE:

Trade accounts payable are analysed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Domestic suppliers	85,654,023	83,634,723	38,339,368	39,163,993
Foreign suppliers	27,632,557	34,565,313	5,275,595	10,166,127
Post dated cheques payable	1,032,738	3,445,131	947,593	1,496,016
Total	**114,319,318**	**121,645,167**	**44,562,556**	**50,826,136**

22. ACCRUED AND OTHER CURRENT LIABILITIES:

Accrued and other current liabilities are analysed as follows:

	The Group		The Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Social security payable	943,117	1,950,476	570,958	1,200,647
Value added tax	3,763,239	5,836,583	1,571,800	2,681,281
Other taxes and duties	1,449,902	1,851,183	604,723	905,741
Customer advances	84,170	71,031	-	-
Interest accrued	182,110	90,654	-	-
Other current liabilities	7,842,696	6,420,168	3,302,106	2,477,827
Interest rates swaps (Note 25)	3,132,515	4,711,417	-	-
Total	**17,397,749**	**20,931,512**	**6,049,587**	**7,265,496**

In order to mitigate interest rate risk, the Group has entered into medium term interest rate swaps agreements amounting to € 125 million (December 31, 2013: € 135 million). The interest rate swap agreements are payments of fixed interest rate against receipts of floating rates.

Nominal Value of IRS	Maturity	Interest Rate
20,000,000	30/09/2014	3months EURIBOR
20,000,000	30/09/2014	3months EURIBOR
20,000,000	30/09/2014	3months EURIBOR
20,000,000	30/09/2014	3months EURIBOR
25,000,000	30/06/2017	3months EURIBOR
20,000,000	30/09/2014	3months EURIBOR
125,000,000		

The fair values of the interest rate swaps are based on market valuations (marked to market) (Note 25).

Gains for the Group from the valuation of the fair values of the swaps at June 30, 2014, were € 1,281 thousand (for the six-month period ended June 30, 2013: gains € 2,294 thousand).

Realised losses from the interest rate swap transactions during the six-month period ended June 30, 2014, for the Group were € 1,758 thousands (at June 30, 2013: € 1,909 thousand).

The net loss of € 477 thousands for the six-month period ended June 30, 2014, is included in other financial costs (Note 7), in the accompanying financial statements (for the six-month period ended June 30, 2013: gains € 385 thousand were included in other financial income).

23. RELATED PARTIES:

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

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

Related Party	Relation with Forthnet	Period ended at	Sales to related parties	Purchases from related parties
Wind Hellas Telecommunications S.A.	Shareholder	30.06.2013	1,176,868	1,088,072
		30.06.2014	1,116,063	1,672,908
Vodafone S.A.	Shareholder	30.06.2013	550,478	506,666
		30.06.2014	461,315	690,061
Vodafone Ltd.	Related Party	30.06.2013	-	-
		30.06.2014	965,256	1,135,121
Technology and Research Foundation	Shareholder	30.06.2013	39,127	25,868
		30.06.2014	32,561	10,157
Forth CRS S.A.	Subsidiary	30.06.2013	51,959	4
		30.06.2014	52,715	130,735
Multichoice Hellas S.A.	Subsidiary	30.06.2013	5,030,365	808,519
		30.06.2014	8,285,524	1,122,629
Interoute Spa (Italy)	Related Party	30.06.2013	86,767	-
		30.06.2014	115,662	-
Interoute Bulgaria Js Co	Related Party	30.06.2013	187,200	241,066
		30.06.2014	187,200	357,362
Interoute Czech Sro	Related Party	30.06.2013	1,021	34,619
		30.06.2014	978	105,367
NetMed S.A.	Subsidiary	30.06.2013	66,945	-
		30.06.2014	51,937	-
Forthnet Media Holdings S.A.	Subsidiary	30.06.2013	850,155	9,613
		30.06.2014	778,901	2,636
Emirates International Telecommunications	Indirect Shareholder	30.06.2013	-	-
		30.06.2014	-	228,040
	Total	**30.06.2013**	**8,040,885**	**2,714,427**
	Total	**30.06.2014**	**12,048,112**	**5,455,016**

Related Party	Relation with Forthnet	Year/ Period ended at	Amounts owed by related parties	Amounts owed to related parties
Wind Hellas Telecommunications S.A.	Shareholder	31.12.2013	468,922	901,415
		30.06.2014	440,497	470,849
Vodafone S.A.	Shareholder	31.12.2013	157,965	341,516
		30.06.2014	112,997	177,775
Vodafone Ltd.	Related Party	31.12.2013	935,601	1,062,683
		30.06.2014	911,813	1,133,580
Go Plc	Indirect Shareholder	31.12.2013	4,293	-
		30.06.2014	-	-
Emirates International Telecommunications	Indirect Shareholder	31.12.2013	-	803,325
		30.06.2014	-	749,000
Technology and Research Foundation	Shareholder	31.12.2013	26,009	3,876
		30.06.2014	26,483	3,843
Forth CRS S.A.	Subsidiary	31.12.2013	616,038	4,613
		30.06.2014	680,877	121,266
Telemedicine Technologies S.A.	Associated	31.12.2013	3,734	-
		30.06.2014	3,734	-
Athlonet S.A.	Associated	31.12.2013	11,502	8,060
		30.06.2014	11,502	8,060
Multichoice Hellas S.A.	Subsidiary	31.12.2013	21,103,894	8,467,831
		30.06.2014	21,512,654	1,920,355
Interoute Spa (Italy)	Related Party	31.12.2013	40,876	-
		30.06.2014	33,557	-
Interoute Bulgaria JS Co	Related Party	31.12.2013	62,400	202,033
		30.06.2014	62,400	268,421
Interoute Czech Sro	Related Party	31.12.2013	322	171,455
		30.06.2014	661	135,522
Forthnet Media Holdings S.A.	Subsidiary	31.12.2013	42,773,092	493,174
		30.06.2014	39,145,516	173,935
NetMed S.A.	Subsidiary	31.12.2013	327,390	-
		30.06.2014	394,052	349
	Total	**31.12.2013**	**66,532,038**	**12,459,981**
	Total	**30.06.2014**	**63,336,743**	**5,162,955**

The Company's revenues from Multichoice Hellas S.A. relates to the recharge of Multichoice Hellas S.A.'s share in joint sell advertising, telecommunications services (telephony, broadband, etc.), as well as, the recharge of directors' payroll cost and recharge of Multichoice Hellas S.A. share in associates' commission.

The Company's costs from Multichoice Hellas S.A. relate mainly to the share of Forthnet in joint sell advertising (related to 3 play services).

The Company's payable towards Multichoice Hellas S.A. relates to cash collected by its stores on behalf of Multichoice Hellas S.A.

The Company's revenue and costs from Wind Hellas Telecommunications S.A. relates to a mutual concession for the use of optical fibre infrastructure and interconnection fees.

The Company's revenue and receivable from Forthnet Media Holdings S.A. arises mainly from the re-sale of the Super league and UEFA football rights.

The Company's revenues and costs from Vodafone S.A. relate to interconnection fees and leased lines.

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

Related Party	Relation with Group	Period ended at	Sales to related parties	Purchases from related parties
Wind Hellas Telecommunications S.A.	Shareholder	30.06.2013	1,176,868	1,088,072
		30.06.2014	1,116,078	1,703,776
Vodafone S.A.	Shareholder	30.06.2013	622,015	534,857
		30.06.2014	466,810	691,352
Vodafone Ltd.	Related Party	30.06.2013	-	-
		30.06.2014	965,256	1,135,121
Interoute Spa (Italy)	Related Party	30.06.2013	86,767	-
		30.06.2014	115,662	-
Interoute Bulgaria JsCo	Related Party	30.06.2013	187,200	241,066
		30.06.2014	187,200	357,362
Interoute Czech Sro	Related Party	30.06.2013	1,021	34,619
		30.06.2014	978	105,367
Emirates International Telecommunications	Indirect Shareholder	30.06.2013	-	-
		30.06.2014	-	228,040
Technology and Research Foundation	Shareholder	30.06.2013	39,127	25,868
		30.06.2014	32,561	10,157
	Total	**30.06.2013**	**2,112,998**	**1,924,482**
	Total	**30.06.2014**	**2,884,545**	**4,231,175**

Related Party	Relation with Group	Year/ period ended at	Amounts owed by related parties	Amounts owed to related parties
Wind Hellas Telecommunications S.A.	Shareholder	31.12.2013	468,922	901,415
		30.06.2014	440,515	472,719
Vodafone S.A.	Shareholder	31.12.2013	173,195	351,192
		30.06.2014	119,756	178,734
Vodafone Ltd.	Related Party	31.12.2013	935,601	1,062,683
		30.06.2014	911,813	1,133,580
Telemedicine Technologies S.A.	Associated	31.12.2013	3,734	-
		30.06.2014	3,734	-
Go Plc	Indirect Shareholder	31.12.2013	4,293	-
		30.06.2014	-	-
Emirates International Telecommunications	Indirect Shareholder	31.12.2013	-	803,325
		30.06.2014	-	749,000
Technology and Research Foundation	Shareholder	31.12.2013	26,009	3,876
		30.06.2014	26,483	3,843
Lumiere Productions S.A.	Related Party	31.12.2013	-	6,378
		30.06.2014	-	6,378
Lumiere Cosmos Communications	Related Party	31.12.2013	-	10
		30.06.2014	-	10
Athlonet S.A.	Associated	31.12.2013	11,502	8,060
		30.06.2014	11,502	8,060
Interoute Spa (Italy)	Related Party	31.12.2013	40,876	-
		30.06.2014	33,557	-
Interoute Bulgaria JsCo	Related Party	31.12.2013	62,400	202,034
		30.06.2014	62,400	268,421
Interoute Czech Sro	Related Party	31.12.2013	323	171,455
		30.06.2014	661	135,522
	Total	**31.12.2013**	**1,726,855**	**3,510,428**
	Total	**30.06.2014**	**1,610,421**	**2,956,267**

Emirates International Telecommunications LLC, a related party – indirect shareholder, provides technical and other services to support various operations and functions of the Forthnet Group's business.

Salaries and fees for the members the Board of Directors and the General Managers of the Group and the Company for the six-month periods ended June 30, 2014 and 2013, are analysed as follows:

	The Group		**The Company**	
	30.06.2014	**30.06.2013**	**30.06.2014**	**30.06.2013**
Salaries and fees for executive members of the BoD	144,354	144,353	144,354	144,353
Salaries and fees for non executive members of the BoD	60,900	60,900	60,900	60,900
Salaries and fees for Senior Managers	1,232,393	1,128,848	625,702	727,949
Total	**1,437,647**	**1,334,101**	**830,956**	**933,202**

Furthermore, benefits provided by the Group and the Company for the current period to members of the Board of Directors and Management relating to social security amounted to € 102,153 for both the Group and the Company (June 30, 2013: € 51,000), whereas benefits relating to leaving indemnities amounted to € 0 and € 0 respectively (June 30, 2013: € 563,990 and € 544,740, respectively).

24. COMMITMENTS AND CONTINGENCIES:

Litigation and Claims: The Group is currently involved in a number of legal proceedings and has various claims pending arising in the ordinary course of business. Based on currently available information, management and its legal counsel believe that the outcome of these proceedings will not have a significant effect on the Group's and Company's operating results or financial position (Refer to Note 26).

Compensation of Senior Executives: According to the employment contracts of the Chief Executive Officer and certain senior executives, there is a provision for the payment of compensation in case of early termination of their contracts by the Company without grounds or in case of forced resignation. The amount of the additional compensation amounted to approximately € 1.1 million at June 30, 2014 (approximately € 0.9 million at December 31, 2013).

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

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

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

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

Commitments:

Rentals: The Group has entered into commercial operating lease agreements for the lease of a building, office space and offices used as points of presentation for dealers. These lease agreements have an average life of 5 to 10 years with renewal terms included in certain contracts. Future minimum rentals payable under non-cancellable operating leases as at June 30, 2014 and at December 31, 2013, are as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Within one year	2,322,131	2,394,986	861,806	930,481
2-5 years	8,663,510	8,392,659	2,804,592	2,558,291
Over 5 years	1,505,901	2,450,443	601,302	812,383
Total	**12,491,542**	**13,238,088**	**4,267,700**	**4,301,155**

Guarantees: Letters of guarantee are issued by the Group to various beneficiaries and as at June 30, 2014 and at December 31, 2013, are analysed as follows:

	The Group		The Company	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Perfomance Guarantee	6,269,903	5,719,808	673,175	413,080
Participation in tender Guarantee	2,558,657	30,213	2,558,657	30,213
Guarantees for good execution of agreements	896,146	14,208,398	838,558	14,160,810
Total	**9,724,706**	**19,958,419**	**4,070,390**	**14,604,103**

Guarantees for the good execution of agreements have decreased as at June 30, 2014, mainly due to the expiration of guarantees provided to a supplier.

Contractual Commitments: The outstanding balance of the contractual commitments for the Group amounted to approximately € 199.8 million and for the Company amounted to approximately € 84.7 million at June 30, 2014 (December 31, 2013: € 161.4 million and € 72.6 million, respectively). In addition, the outstanding balance of the contractual commitments relating to the maintenance of international capacity telecommunication lines (OA&M charges) which have been acquired through long-term lease (IRU), amounted to approximately € 16.8 million at June 30, 2014 (December 31, 2013: € 4.2 million).

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

Fair Value: The carrying amounts reflected in the accompanying statements of financial position for cash and cash equivalents, trade and other accounts receivable, prepayments, trade and other accounts payable and accrued and other current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Management believes that the fair value of variable rate loans and borrowings approximate the amounts appearing in the statements of financial position.

The fair values of the interest rate swaps are based to mark to market evaluation.

The Group categorised its financial instruments carried at fair value in three categories, defined as follows:

Level 1: Quoted market prices
Level 2: Valuation techniques (market observable)
Level 3: Valuation techniques (non-market observable)

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

As at June 30, 2014 and December 31, 2013, the Group and the Company held the following financial instruments whose fair value is indicated below :

	The Group			
	Fair value 30.06.2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Interest rate swaps (Note 22) (measured at fair value)	-	3,132,515	-	**3,132,515**
Long - term loans (Note 18) (measured at amortised cost)	-	324,071,956	-	**324,071,956**

	The Group			
	Fair value31.12.2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Interest rate swaps (Note 22) (measured at fair value)	-	4,711,417	-	**4,711,417**
Long - term loans (Note 18) (measured at amortised cost)	-	323,543,806	-	**323,543,806**

	The Company			
	Fair value 30.06.2014			
	Level 1	**Level 2**	**Level 3**	**Σύνολο**
Financial liabilities				
Long - term loans (Note 18) (measured at amortised cost)	-	99,971,191	-	**99,971,191**

	The Company			
	Fair value 31.12.2013			
	Level 1	**Level 2**	**Level 3**	**Σύνολο**
Financial liabilities				
Long - term loans (Note 18) (measured at amortised cost)	-	99,850,688	-	**99,850,688**

26. LITIGATION – ARBITRATION:

A. FORTHNET S.A.

(a) Forthnet's outstanding judicial claims against third parties amount to approximately € 38.4 million.

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

There are outstanding opposing applications before the Council of State and the Administrative Court of Appeals of Athens for the annulment of EETT decisions that concern: (a) volume discounts by OTE, (b) low margin between retail and wholesale prices of leased lines, (c) the level of interconnection fees, (d) the fees for leased lines, (e) the fees for wholesale services and (f) the cost accounting model of OTE. The Company's position has basis though, the significance of the cases and the circumstances make it difficult for the prediction of any positive outcome of the above cases in the sense of the denial of the applications filed by OTE and the acceptance of the applications filed by the Company. It is impossible to predict the impact (positive) on the Company's financial results as, it is estimated that even if any or all of the applications were to be accepted, the case will be brought to the Management which will have to evaluate again the critical fees. There are still outstanding appeals, in the Court of Appeal of Athens, against the decision of EETT for the regulation of pre-selection.

Furthermore, the following EETT's Decisions have been issued and served to our company: (a) EETT's DECISION No. 695/60/27.06.2013 that concerns the 26.03.2010 complaint of Forthnet for arbitrary charges of wasteful travel fees regarding the fixing of local loop failures on the part of OTE. With this resolution, OTE was ordered to credit Forthnet in 3,316 cases that totally correspond to the amount of € 178 thousands while a fine of € 332 thousands was additionally imposed to OTE. (b) EETT's DECISION No. 692/36/30.05.2013 that concerns the 05.09.2011 complaint of Forthnet for arbitrary charges of wasteful travel fees regarding the fixing of local loop failures on the part of OTE. With this resolution, OTE was ordered to credit Forthnet in 1,492 cases that totally correspond to the amount of € 79 thousands, while a fine of € 149 thousands was additionally imposed to OTE. (c) EETT's DECISION No. 690/21/14.05.2013 that concerns the 15.02.2012 Dispute Resolution Request of Forthnet regarding its right to charge wasteful travel fees at the expense of OTE for local loop's failure. With this Decision, the right of Forthnet to charge wasteful travel fees in specific cases was acknowledged and by virtue of this Decision, Forthnet proceeded to the billing of OTE with the amount of € 226 thousands. (d) EETT's DECISION No. 640/50/21.02.2012 that concerns the November 15, 2011 complaint of Forthnet for charges of OTE wasteful travels fees for the fixing of local loop failures with the justification "non-accessible building", which charges were not in accordance with the legislative framework. With this decision, OTE was ordered to credit to Forthnet the imposed charges during the time period from October 2010 up to June 2011, which charges amounted to € 78 thousands, an amount that was refunded by OTE to Forthnet. With the same resolution, a fine of € 250 thousands had been imposed to OTE for its illegitimate conduct. (e) For the same matter of the charges of OTE wasteful travel fees with the justification "non-accessible building", which charges were not in accordance with the legislative framework, Forthnet had filed a new complaint to EETT on 11.02.2012, further to which, EETT's DECISION No. 695/62/27.06.2013 was issued, by which a fine of € 125 thousands was imposed to OTE for its illegitimate conduct and the latter was ordered to refund to Forthnet the relevant fees that had collected during the time period from July 2011 up to August 2012, which amount to € 206 thousands.

OTE has appealed to the competent courts against the resolutions of EETT under (a), (b), (d) and (e), while it is not expected that it will also appeal to the competent administrative courts against the resolution of EETT under (c).

In addition, there are pending decisions related to two hearings from EETT which took place in 2005, of which, the first one relates to OTE' s denial to recognize wholesale volume discounts and the second one to the illegal invoicing of circuits of the Company and the obligation of OTE regarding the return of amounts unduly paid. Finally, EETT's decision has been issued regarding unjustified electricity charges at Physical Collocations, according which OTE was obliged to apply a clearance of the invoices that had issued at the expense of the operators concerning the charges for electricity at physical collocations for the term between February 2007 and August 2009, applying the model as set out in the aforementioned decision. OTE paid to the Company the amount of € 842 thousands in December 2012, yet it has appealed to the competent administrative courts against the relevant resolution of EETT.

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

ii) The remaining (apart from the above claims concerning regulatory and telecommunication law matters under 1.) judicial claims of the Company against third parties amount to approximately € 4.2 million. The Company has recorded equal provision for the above claims (allowance for doubtful accounts receivable).

iii) Furthermore, there is a claim of the Company against the Greek State for the project of the Ministry of Internal Affairs "National Public Administration Network - SYZEFXIS", for the year 2012. The company has already filed respective Applications of Acknowledgment of Claim against the State for the provision of electronic services for the aforementioned project. Specifically, the company, for the provision of the aforementioned services during the first half of fiscal year 2012, requests the amount of € 943 thousands, not including VAT and for the second half of fiscal year 2012 the amount of € 944 thousands, not including VAT. For the first half of fiscal year 2012, the application of the Company was partially accepted for payment to the Company of the amount of €693 thousands not including VAT. The said amount has been already paid.

For 2013, the Company has filed a respective Application of Acknowledge, the level of which amounts to € 2.3 million, inclusive of the corresponding VAT.

Similarly, for the time period from January 1, 2014 to May 31, 2014, the Company has also filed a respective Application of Acknowledge, the level of which amounts to € 969 thousands, inclusive of the corresponding VAT.

For the project ("SYZEFXIS") the Company had recorded unbilled revenue in its financial statements for an amount of € 2.8 million.

iv) During an audit, the Company discovered the abuse of a significant amount of money by an employee of its accounting department together with her spouse of approximately € 2.37 million. Consequently, the Company filed immediately charges against the above persons for the criminal acts of counterfeiting and fraud while at the same time took the necessary legal actions before the civil courts for compensation for the damages suffered. The Company has recorded the necessary provisions in its financial statements.

v) Also, there is a claim of the Company against TSPEATH for the return of undue amounts paid regarding advertisements tax ("aggeliosimo"): for the year 2002 amounting to € 252 thousands, for the year 2003 amounting to € 433 thousands plus interest and related legal expenses.

For the aforementioned claim, the Company had appealed before the Administrative Courts, instituting a relevant Administrative Action and filing a relevant Lawsuit. On the aforementioned administrative action, the Administrative Court of the First Instance of Athens rejected the aforementioned appeal of the Company. The Company lodged an APPEAL before the Administrative Court of Appeals against the aforementioned judgement that has rejected the administrative action, the hearing of which is pending for the scheduled day. The hearing of the aforementioned Lawsuit took place during the scheduled hearing day upon postponement, and the issue of a judgement is expected.

Given the negative judgement on the Administrative Action, it is estimated that the chances are limited for the success of the relevant Lawsuit.

(b) Judicial claims of third parties against Forthnet

i) Legal action brought by OTE against the Company before the Multiparty Court of First Instance of Athens seeking compensation for the alleged violation of the provisions of the Code of Ethics on the Provision of Telecommunications Activities (article 11 par. 3), articles 57-59C.C. regarding the protection of personality, as well as the provisions of Law 146/1914 regarding prohibited and unfair advertising. With its legal action, OTE claims amongst other the payment of compensation amounting to € 5 million due to moral damages claimed to have been suffered by it, plus interest from the date of legal notice of the said action and until payment thereof. At the hearing date, the hearing of the case was cancelled, and thenceforth it has not been reopened with a summoning of the litigant party for a new hearing date.

ii) Complaint filed by OTE before the National Competition Commission concerning alleged breach, on the part of the controlled company /subsidiary Multichoice Hellas S.A., of provisions on competition (according to Law 703/77), with relation to the exclusive carriage agreements of audiovisual content executed between Multichoice Hellas S.A. and Greek Free-To-Air national TV stations. The case was heard on March 26, 2012, before the NCC, which accepted the commitments offered by FORTHNET (lifting of the exclusivity in the contracts that Multichoice Hellas S.A. maintains with the Free-To-Air national TV stations channels). NCC did not proceed to further examination of the case and/or to the imposition of any fine against Forthnet or Multichoice Hellas S.A. The right for the lodging of an appeal has elapsed and consequently the case has finally closed for the company.

iii) Following the conclusion of the Content Supply Agreement between Forthnet Media Holdings S.A. and Cyprus Telecommunication Authority ("CYTA"), the Commission for the Protection of Competition of the Republic of Cyprus launched an inquiry for a reported violation of the provisions of competition (according to articles 3 or/and 6 of the Cyprus Law no. 13(I) 2008 as well as to articles 101 or/and 102 of the Treaty on the Functioning of the European Union [TFEU]), either by the Company itself or by its controlled companies/subsidiaries Multichoice Hellas S.A. and Forthnet Media Holdings S.A. With relation to the same case, Primetel, a Cypriot telecom company, has filed a complaint before the Commission against Multichoice Hellas S.A. and Forthnet. This consolidated case was put under investigation by the Competition Commission and the Group responded to the relevant questionnaires sent by the Competition Commission. The Commission notified to the company, as well as to the controlled by it company Multichoice Hellas S.A., on May 2014, a statement of accusations, in which it is mentioned that there are speculated violations of the law regarding the protection of the competition in Cyprus, as well as of article 101(1) of the TFEU, while at the same time a date of hearing of the case before the Commission was scheduled for June 2014, however upon request of the companies, the date of hearing was postponed for September 3, 2014. The company, as well as Multichoice, will submit a written report with their points of view and will refute the points set forth in the statement of accusations, through the written report, as well as during the hearing before the Commission. For the time being, there is not any possibility for a financial appraisal of the aforementioned case, for the Group.

The results of the above judicial claims cannot be foreseen, thus no provision of loss has been made by the Company in its financial statements.

B. FORTHNET MEDIA HOLDINGS S.A.

(a) The outstanding judicial claims of third parties against the subsidiary, Forthnet Media Holdings S.A. (hereinafter FMH, which merged and absorbed NetMed Hellas S.A. and SYNED S.A.) amount to € 6.1 million approximately, plus interest and legal expenses. From the abovementioned amount:

i) € 4.6 million approximately plus interest, concern claims of a PAE (Football Club), for the restitution of the alleged damage the PAE has incurred due to the claimed unlawful termination –on the part of FMH (ex NetMed Hellas S.A.) of its agreement for the TV/radio broadcasting of its football games. It is noted that the hearing of the specific lawsuit, after several adjournments, has been cancelled but PAE is, theoretically, entitled to apply for a new hearing date.

ii) A claim of approximately € 0.81 million, plus interest and legal expenses concerns a lawsuit by the Cypriot based company LUMIERE TV PUBLIC COMPANY LIMITED, as a fee for the obligatory purchase, pursuant to article 49b of the Greek Law 2190/1920, by TILEDRASI S.A. (prior to its absorption by FMH) of 828 shares of Multichoice Hellas S.A., which Lumiere TV Public Company Limited holds. A judgement that dismissed the lawsuit as unsubstantiated was issued. The litigant party is entitled to lodge an appeal.

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

(b) The outstanding judicial claims of the subsidiary FMH (arisen by the absorbed NetMed Hellas S.A.) against third parties amount to € 23.9 million approximately, plus interest and expenses. From the abovementioned amount:

i) € 12.7 million approximately, plus interest and expenses, relates to the company's claims against several PAE (football clubs) for the restitution of (pecuniary and moral) damages incurred by FMH (ex NetMed Hellas S.A.) due to the unlawful and void termination –on the part of PAE- of the agreements which the PAE had concluded with FMH (ex NetMed Hellas S.A.) for the TV/radio broadcast of their football matches. Most of these claims have not been judged irrevocably, whilst most of the PAE are inactive (either due to downgrading or due to liquidation). Additionally, it should be noted that during 2012, the claim against PAE PAOK and the companies EXAFON and INTERACTIVE was judged irrecoverable and from the initial claim of € 18.6 million, ultimately the court decided on a compensation of € 0.2 million. However, the third parties are apparently not in a financial position to reimburse the Company.

ii) € 4.5 million approximately, plus interest and expenses, relates to the company's claims against the companies «EIDISEIS DOT COM S.A.» and «Radio and TV Business S.A.» for the restitution of damages incurred by FMH due to the unlawful broadcast (via TV and internet), without FMH's permission, of highlights of the matches of PAE, played in the course of the SUPERLEAGUE football championship during the period 2011-2012. It is noted that FMH has acquired the exclusive broadcast rights of the PAE matches (including their highlights). The case has not been heard yet.

iii) A lawsuit against the company ERT S.A., Alpha Bank and Piraeus Bank by which it is requested to be acknowledged that our company does not owe the minimum guaranteed consideration of €2.9 million per year from November 10, 2008 or, alternatively if it does not apply for 2008, from November 10, 2010, but instead, a percentage on the real basis of its terrestrial analogue subscribers. The claim on the main and supportive basis consists of the acknowledgment of the non existence of a payment right, accordingly it is not evaluated as an actual monetary claim. The case has not been heard yet.

iv) A lawsuit against the Greek Football Federation (EPO), by which the cancellation of a BoD decision is required. By virtue of the said BoD decision, EPO rejected the company's participation in the tender for the acquisition of the TV rights of the Greek Soccer Cup for the periods 2013-2014 to 2015-2016 and awarded the tender to a third company. The reason for the cancellation is based on legal grounds (the company to which the tender was awarded is not a TV entity, as required by article 84 of L. 2725/1999). The case was heard and no. 731/2014 judgement was issued, that accepts the lawsuit. EPO lodged an appeal (as well as the company that a certain part of the judgment's rationale concerns it), the hearing of which has been scheduled for February 19, 2015. The case does not contain any compensational claims and its outcome cannot be assessed.

v) An amount of approximately € 3.9 million, plus interests and expenses, concerns a claim of FMH against the companies "EIDISEIS DOT COM PROVISION OF INFORMATION AND INFORMING SOCIETE ANONYME" and "Radio and Telecommunication Enterprises S.A." for the reinstatement of the damage of the company due to the illegal rebroadcast (via TV and internet) of highlights of the games of the PAEs within the framework of the professional football SUPERLEAGUE championship of 2012-2013, the exclusive broadcasting rights of which are held by FMH. The case has not been heard yet.

C. MULTICHOICE HELLAS S.A.

(a) The outstanding judicial claims of third parties against the subsidiary Multichoice Hellas S.A. amount to € 11.4 million approximately, plus interest and legal expenses. From the abovementioned amount:

i) € 7.7 million approximately (as it stood on March 9, 2006) plus interest relating to a claim of the Greek State (Athens FAEE) relating to differences resulting from tax audits of past years. Multichoice Hellas S.A. has filed appeals against the above actions before the Administrative Court of Athens. The appeals have been heard and court judgements have been issued, which partially accept the appeals and define the taxable income for the fiscal year 1998 to € 0.34M , while for the fiscal year 1999 to €0.18M and the due taxes will be computed on the said amounts. The company has the right to lodge an appeal against the aforementioned judgements. For the final amount of tax that is going to be charged according to the above a related provision of loss has been made by the Company in its financial statements, within the year 2013.

ii) € 2.94 million approximately concerns a lawsuit filed by an attorney at law, by which it demands payment of the above amount, for legal fees (based on the Greek Code of Legal Practice) arising from the alleged legal handling of the judicial dispute between FMH (ex Netmed Hellas S.A.)/Multichoice Hellas S.A. and the TV station "ALPHA" (during the period 2002-2006). The First-Instance Court dismissed the lawsuit, but the lawyer-plaintiff filed an appeal, which was heard. The Court of Appeals dismissed the appeal, ratifying the First-Instance Court's judgement. The lawyer-plaintiff is entitled to file a writ of cassation before the Supreme Court of Cassation (Arios Pagos).

iii) € 0.30 million approximately concerns a lawsuit of a third party against the company and a former chief executive officer of its, by which he demands that the aforementioned amount is paid to him as damages for an alleged offence of personality and defamation to his detriment, by allegations included in a complaint lodged by the company against him, due to the -on his part- performance of illegitimate activities, aiming at and with the result of piracy in the pay TV signal of the company and the violation of its intellectual property. The lawsuit has been scheduled for hearing before the Multimember Court of First Instance of Athens on December 8, 2016, however at the same time, the hearing of the criminal case in which the aforementioned plaintiff is the defendant is pending, in which case criminal proceedings have been instituted against him for the alleged illegitimate actions that are mentioned in the complaint of the company .

iv) The Commission for the Protection of Competition of the Republic of Cyprus has notified to the company a statement of objections, in which it is mentioned that there are suspected violations of the law regarding the protection of the competition in Cyprus, as well as of article 101 (1) of the Treaty on the Functioning of the European Union (TFEU), which arise by the concluded Content Supply Agreement between Forthnet Media Holdings S.A. and Cyprus Telecommunication Authority ("CYTA"). It is about the same case that is mentioned above, in the claims of third parties against Forthnet. For the time being, there is not any possibility of financial evaluation of the aforementioned case in the Group.

For the above judicial claims the Management believes that the Group will not have a significant impact on its financial statements. Nevertheless, provision of amount 270 thousands has been recorded in books.

(b) The outstanding judicial claims of the subsidiary Multichoice Hellas S.A. against third parties amount to € 14.7 million approximately, plus interest and legal expenses. The abovementioned amount is mainly related to the company's claims against several PAE for the restitution of (pecuniary and moral) damages incurred by Multichoice Hellas S.A. due to the unlawful and void termination –on the part of PAE- of the agreements which the PAE had concluded with FMH (ex NetMed Hellas S.A.) for the TV/radio broadcast of their football matches. Most of these claims have not been judged irrevocably, whilst most of the PAE are inactive (either due to downgrading or due to liquidation). Additionally, it is noted that during 2012, the claim of the company against PAE PAOK and the companies EXAFON and INTERACTIVE was judged irrecoverable and from the initial claim of € 23.4 million, ultimately the court decided on a compensation of € 0.2 million. However, the said companies are apparently not in a financial position to reimburse the Company.

From the abovementioned amount:

(i) The amount of totally € 5.57 million, plus interest and expenses, relates to Multichoice Hellas S.A.'s judicial claim against ERT S.A., which will be heard before the Multi-Member Court of Athens, as fees for the provision, by Multichoice Hellas S.A., of services related to the transmission –through satellite- of the signal of three TV (ET1, NET, ET3) and four radio (NET, ERA 2, ERA 3 and ERA SPORT) ERT channels within the entire Greek territory during the years 2008, 2009, 2010, 2011 and 2012. With the abolition of ERT, the Greek State replaced ERT in its rights and obligations; consequently it will be the litigant party in the specific case.

(ii) The amount of € 326 thousands relates to Multichoice Hellas S.A.'s claim against the companies PASSPOINT S.A. (as the main liable party) and LANNET COMMUNICATIONS S.A. (as a guarantor) for non payment to Multichoice Hellas S.A. of the amounts of subscriptions received by PASSPOINT.A. We note that LANNET Communications S.A. is under bankruptcy proceedings (during which Multichoice Hellas S.A. has notified its claims to the creditors' team and its claim has been approved). PASSPOINT S.A. remains inactive without evident assets.

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

D. Forth-CRS S.A.

The outstanding judicial claims of the subsidiary FORTH-CRS S.A. against third parties amount to approximately € 602 thousand. The Company has recorded a provision for the above claims (allowance for doubtful accounts receivable). Among the aforementioned judicial claims, the following two significant claims are also included.

i) A claim of € 205 thousand against the Joint Venture GA FERRIES. Regarding the said claim, FORTH-CRS filed a relevant LAWSUIT against the Joint Venture GA FERRIES and the seafaring members that constitute members of the former, before the Multimember Court of First Instance of Piraeus. On the aforementioned Lawsuit, no. 4507/2011 Judgement was issued, which accepted the lawsuit of FORTH-CRS. Given that the debts of the aforementioned companies are too high, the chances for the collection of the adjudicated claim are limited.

ii) A claim of € 131 thousand against the Shipping Company SAOS SHIPPING SOCIETE ANONYME OF SAMOTHRAKI (SAOS FERRIES). By virtue of no. 114/30.06.2009 and 151/21/10/2009 Judgements of the Multimember Court of First Instance of Alexandroupoli (ex-parte proceedings of Multimember Court), the opening of the conciliation procedure (article 99 and following ones of the Bankruptcy Code) for the company SAOS FERRIES was ordered. Within the framework of the conciliation procedure, FORTH-CRS agreed to receive all the amount of the debt via recurrent payments within the following six years from the ratification of the conciliation agreement by the Competent Court. Upon relevant petition of SAOS FERRIES before the Multimember Court of First Instance of Alexandroupoli, the relevant achieved Intercreditor Agreement was ratified by the competent Court by its no. 107/2010 Judgement.

E. NETMED N.V.

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

Furthermore, an extrajudicial notice of third party was served against the subsidiary Netmed NV, by which a claim of obligation nature of a third party is notified to the company, arising from a document that bears, according to the assertion of the third party/rightsholder, a nature of a procedural guarantee of the company against the third party. The company disputes the validity, effect and binding nature of the specific document. Furthermore, the company, even if it is obliged to pay any amount, is entitled to turn against third parties and seek any paid amounts. Due to the complexity of the issue, we cannot predict whether a litigation will occur, and in the event of a judicial claim, the possible content of its.

F. DIKOMO INVESTMENT Sarl.

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

G. TILEDRASI S.A.

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

For the above mentioned judicial claims no related provision of expense has been made by the Group in its financial statements as the outcome of these judicial claims cannot be estimated.

H. MULTICHOICE CYPRUS PUBLIC LIMITED LTD

i) There is a pending claim of the under liquidation subsidiary Multichoice Cyprus Public Company Ltd against third parties, by virtue of the appeal of MULTICHOICE against the Central Bank of Cyprus, the Manager of the Central Bank of Cyprus and the Cyprus Republic, before the Supreme Court of Cyprus, for the abrogation of the Decree regarding the Sale of Certain Transactions of Cyprus Popular Bank Public Co Ltd (CPD 104/2013), that passed within the framework of the cleansing of credit institutions in Cyprus, by which Decree the deposits of the depositors of over 100,000 Euro were decidedly blocked (bail-in). The Company held an account in the aforementioned Bank Institution, and the total amount of Euro € 679 thousands was blocked from the above account. The appeal had been scheduled for hearing within December 2013, but its hearing was postponed. The outcome of the case is uncertain, because the Plenary Session of the Supreme Court had rejected a similar appeal.

ii) A lawsuit is pending against the company, concerning a total amount of € 0.77 million approximately with the legal interest, from the years 2008-2011 and henceforth, on the grounds of which, the company BRUTAL HOLDINGS LTD, former lessor of the company, demands a compensation for alleged owed rentals and alleged damages that the rented property the company had rented during the years 2007-2011 suffered, due to the illegitimate and anti-contractual conduct of Multichoice. The leasing agreement was of definite term, yet the company rescinded it due to liability of the lessor, by reason of real defects of the rented property and damages, for the restoration of which, the lessor had been responsible. The outcome of the case cannot be foreseen, because the merits of the case are based on the substantial proof of the allegations of both parties.

I. INTERVISION S.A.

There is a pending lawsuit before the Multi-Number First Instance Court of Athens, filed in November 20 2003, against the Greek Football Federation (EPO), by virtue of which the Company requests the fair readjustment/decrease of the fees, that the Company had agreed to pay for the period 2003-2004 with relation to the acquisition of the TV rights of the Greek Football Cup, to the amount of € 4.4 million, plus VAT, instead of the amount of € 6.3 million plus VAT, which the Company actually paid. The hearing of the case took place on November 27, 2013 and the issuance of a judgment is expected.The outcome of the case is uncertain, given that the real, fair and objective commercial value of acquired TV rights should be well established and proved, according to the factual aspects of that period.

27. SUBSEQUENT EVENTS:

On July 1, 2014, the Company announced that OTE S.A. submitted a non binding proposal to the Company's Board of Directors for the possible acquisition of the NOVA business.

On July 17, 2014 the Company announced that Vodafone Group Service Ltd and Wind Hellas Telecommunication S.A. submitted a joint non binding proposal to the Company's Board of Directors for the possible acquisition of all shares of Forthnet which are not owned by them.

By the date of these financial statements, there are no significant developments in connection with these proposals and the Board of Directors continues the assessment process with the assistance of specialised advisors.

Iraklion, August 7, 2014

President of the Board of Directors	Vice President of the Board of Directors and Chief Executive Officer
Deepak Srinivas Padmanabhan Passport No. Z 2052599	Panagiotis Papadopoulos I.D. Σ676330

Finance Director	Group Financial Reporting Manager	Group Accounting Manager
George Mantzoros ID Number AK 231579 License Number O.E.E. 0005375 A Class	Georgia Gali ID Number X 091299	Polychronis Katsaris ID Number AK 012888 License Number O.E.E. 0001049 A Class

FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A.
Forthnet S.A.
Registration No S.A. 34461/06/B/95/94
Scientific Technological Park of Crete, Vassilika Vouton, Iraklion Crete 71003
FINANCIAL DATA & INFORMATION FOR THE PERIOD ENDED June 30, 2014
(Published based on Corporate Law 2190, article 135 for corporations that report annual financial statements, consolidated or not, according to IFRS)

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

(amounts presented in euro)

GENERAL INFORMATION:

Web Site:	www.forthnet.gr
Board of Directors approval date:	August 7, 2014
Certified Auditor Accountant:	Christos Pelendridis, Eleni Skordalaki
Auditing firm:	ERNST & YOUNG S.A., SOL S.A.
Type of auditor's review report:	Unqualified with Emphasis of Matter

STATEMENT OF FINANCIAL POSITION (consolidated and parent company)

	GROUP		COMPANY	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
ASSETS				
Tangible assets	177.771.565	191.852.139	102.627.222	111.229.693
Intangible assets	141.701.850	145.717.179	16.320.341	16.660.619
Goodwill	83.168.812	83.168.812	512.569	512.569
Other non current assets	24.877.536	27.473.248	95.470.393	97.548.421
Inventories	7.518.713	6.616.709	1.248.894	1.014.751
Trade receivables	63.867.729	58.171.767	36.950.491	35.468.779
Other current assets	48.133.516	76.886.209	84.137.305	76.975.598
TOTAL ASSETS	**547.039.721**	**589.886.063**	**337.267.215**	**339.410.430**
EQUITY AND LIABILITIES				
Share Capital (110,097,185 shares € 0.30 each as at 31.03.2014 and 12,952,610 shares of € 0.30 each as at 31.12.2013)	33.029.156	3.885.783	33.029.156	3.885.783
Retained earnings and other reserves	(125.311.602)	(101.424.526)	108.666.641	112.383.734
Total Shareholders equity (a)	**(92.282.446)**	**(97.538.743)**	**141.695.797**	**116.269.517**
Non-controlling interests (b)	1.981.676	2.371.509	-	-
Total equity (c)=(a)+(b)	**(90.300.770)**	**(95.167.234)**	**141.695.797**	**116.269.517**
Provisions/Other long-term liabilities	131.006.323	137.221.372	22.623.378	23.747.989
Short-term borrowings	325.489.956	324.961.806	99.971.191	99.850.688
Other current liabilities	180.844.212	222.870.119	72.976.849	99.542.236
Total liabilities (d)	**637.340.491**	**685.053.297**	**195.571.418**	**223.140.913**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**547.039.721**	**589.886.063**	**337.267.215**	**339.410.430**

TOTAL COMPREHENSIVE INCOME (consolidated and parent company)

	GROUP			
	01.01 - 30.06.2014	01.01 - 30.06.2013	01.04-30.06.2014	01.04-30.06.2013
Turnover	192.439.964	188.521.477	96.641.154	92.535.579
Loss before taxes, financing and investing activities	(10.985.756)	(14.874.696)	(5.874.959)	(8.949.041)
Loss before income taxes	(22.394.598)	(26.183.650)	(11.615.971)	(14.391.508)
	-	-	-	-
Loss after income taxes (A)	(23.794.668)	(28.774.054)	(12.208.576)	(12.827.464)
- Share holders of the parent company	(23.404.835)	(28.121.556)	(12.109.790)	(12.422.958)
- Non-controlling interests	(389.833)	(652.498)	(98.786)	(404.506)
Other comprehensive income after taxes(B)	-	-	-	-
Total comprehensive loss after taxes(A)+(B)	(23.794.668)	(28.774.054)	(12.208.576)	(12.827.464)
- Share holders of the parent company	(23.404.835)	(28.121.556)	(12.109.790)	(12.422.958)
- Non-controlling interests	(389.833)	(652.498)	(98.786)	(404.506)
Loss after taxes per share - Basic (in €):	(0,2201)	(2,1711)	(0,1100)	(0,9591)
Profit before taxes, financing, investing activities and depreciation	32.290.319	27.417.621	16.317.745	12.284.570

	COMPANY			
	01.01 - 30.06.2014	01.01 - 30.06.2013	01.04-30.06.2014	01.04-30.06.2013
Turnover	111.533.407	106.811.292	55.520.566	53.093.068
Profit/(loss) before taxes, financing and investing activities	877.122	4.720.403	(767.640)	2.940.945
Profit/(loss) before income taxes	(1.499.484)	2.155.849	(1.960.915)	1.610.021
	-	-	-	-
Profit/(loss) after income taxes (A)	(3.234.852)	7.005.702	(3.488.959)	1.998.166
- Share holders of the parent company	(3.234.852)	7.005.702	(3.488.959)	1.998.166
- Non-controlling interests	-	-	-	-
Other comprehensive income after taxes(B)	-	-	-	-
Total comprehensive income/(loss) after taxes(A)+(B)	(3.234.852)	7.005.702	(3.488.959)	1.998.166
Profit before taxes, financing, investing activities and depreciation	23.018.496	27.564.453 -	10.318.711	14.353.793

STATEMENT OF CHANGES IN EQUITY (consolidated and parent company)

	GROUP		COMPANY	
	01.01 - 30.06.2014	01.01 - 30.06.2013	01.01 - 30.06.2014	01.01 - 30.06.2013
Total equity balance at the beginning of the period (01.01.2014 and 01.01.2013 respectively)	**(95.167.234)**	**(35.059.270)**	**116.269.517**	**117.299.428**
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	(23.794.668)	(28.774.054)	(3.234.852)	7.005.702
Issuance of share capital	29.143.373	-	29.143.373	-
Share capital issuance costs (net from deferred tax)	(482.241)	-	(482.241)	-
Legal Reserve	-	(634)	-	-
Sale of subsidiary shares	-	116.588	-	-
Total equity balance of period (30.6.2014 and 30.6.2013 respectively)	**(90.300.770)**	**(63.717.370)**	**141.695.797**	**124.305.130**

CASH FLOW STATEMENT (consolidated and parent company)

	GROUP		COMPANY	
	01.01 - 30.06.2014	01.01 - 30.06.2013	01.01 - 30.06.2014	01.01 - 30.06.2013
Cash flow from Operating Activities				
(Loss)/ profit before income taxes	(22.394.598)	(26.183.650)	(1.499.484)	2.155.849
Adjustments for:				
Depreciation and amortisation	44.260.417	43.534.559	23.124.865	24.057.173
Amortisation of subsidies	(984.342)	(1.242.242)	(983.491)	(1.213.123)
(Gains)/ Loss on disposal of tangible and intangible assets	-	3.454	(449)	(2.014)
Allowance for doubtful accounts receivable	3.446.720	2.281.133	2.724.767	2.245.060
Provision for staff retirement indemnities	722.871	308.481	391.972	191.906
Impairment of investment in associates	-	-	-	112.499
Other provisions	24.802	49.692	13.469	49.692
Financial (income)/expenses	11.408.842	11.308.715	2.376.606	2.564.554
Add/ less adjustments for changes in working capital related to operating activities:				
Increase inventories	(926.806)	(4.894.644)	(247.612)	(100.844)
Decrease/ (increase) in receivables	24.748.070	37.090.175	(2.323.852)	19.656.003
Decrease liabilities (other than Bank loans)	(42.929.285)	(40.075.678)	(26.499.618)	(42.705.788)
Minus:				
Income taxes paid	(348.490)	(232.111)	-	-
Increase/ (decrease) in other long-term liabilities	(256.688)	1.047.524	(70.624)	1.104.078
Payment of staff retirement indemnities	(637.002)	(792.776)	(360.158)	(531.884)
Net cash from Operating Activities	**16.134.511**	**22.202.632**	**(3.353.609)**	**7.583.161**
Cash flow from Investing activities				
Capital expenditure for property, plant and equipment and intangible	(26.164.515)	(18.263.243)	(14.194.317)	(12.525.292)
Disposals of property, plant and equipment and intangible assets	12.004	22.091	12.004	19.379
Interest and related income received	144.730	151.550	143.225	119.569
Decrease/ (increase) Restricted cash	(3.138.212)	6.961.769	(2.838.212)	7.000.000
Net cash used in Investing Activities	**(29.145.993)**	**(11.127.833)**	**(16.877.300)**	**(5.386.344)**
Cash flows from Financing Activities				
Net proceeds from the issuance of share capital	28.491.696	-	28.491.696	-
Net change in short -term borrowings	-	(10.000.000)	-	(10.000.000)
Interest paid	(10.094.813)	(10.183.478)	(2.327.893)	(2.340.943)
Net change in leases	(3.894.300)	(6.622.909)	(238.867)	(231.462)
Net cash used in Financing Activities	**14.502.583**	**(26.806.387)**	**25.924.936**	**(12.572.405)**
Net increase/(decrease) in cash and cash equivalents	**1.491.101**	**(15.731.588)**	**5.694.027**	**(10.375.588)**
Cash and cash equivalents at the beginning of period	**14.689.747**	**32.571.829**	**5.582.295**	**16.319.853**
Cash and cash equivalents at the end of period	**16.180.848**	**16.840.241**	**11.276.322**	**5.944.265**

ADDITIONAL DATA AND INFORMATION

1. The emphasis of matter paragraph in the auditors report relates to uncertainty regarding (i) the Company's and Group's ability to refinance their entire contractual obligations under their loan agreements and, (ii) the Group's and the Company's working capital sufficiency, cannot be assured and are depended on a successful refinancing of their borrowings with their lending banks.
2. The above financial statements for the period 01/01/2014-30/6/2014 have been approved by the members of the Board of Directors August 7, 2014
3. At June 30, 2014 the total number of employees reached 1,343, while those of the Parent Company reached 812. At June 30, 2013 the Group's relative number of employees was 1,316, while that of the parent company was 781. The number of employees refer to full time equivalent staff.
4. There is no burden against title to the Group's real estate.
5. The financial statements of the Group are included in the financial statement of Company "FORGENDO LIMITED" (Head Office: Cyprus, Percentage Participation at June 30, 2014: 44.022%) under the equity method.
6. The same accounting methods and assessments have been used as in prior fiscal year 2013.
7. The unaudited tax years of the Company and of the companies of the Group are stated in Note 9 of the interim condensed financial statements.
8. The Company and the Group have made cumulative provisions for additional taxes assessments for the unaudited tax-years amounting to € 0.2m for the Company and € 0.4 m. for the Group, in order to cover any additional taxes which will occur in future tax audit.
In addition, no deferred tax asset has been recognised for set-off of tax losses of amount € 33.1 m. for the Group.
9. There are no disputes or issues under arbitration, or decisions issued by legal or arbitration bodies affecting the Group's financial status.
The amount of the provision for the above issues are € 0.1 million for the Company and € 0.6 million for the Group.
10. The Group's subsidiaries, their registered offices, the equity interest as well as the participation relationship with the Group which are incorporated at the end of the current period consolidated financial statements, do not differ from those included in note 11 of the financial statements of December 31, 2013
11. At the end of current period no shares of the parent company are possessed by either the parent company or any subsidiary or associate companies.
12. On November 24, 2011 the Board of Directors of the Athens Exchange decided to place the Company's shares under close monitoring based on the fact that the fiscal year 2010 losses were greater than 30% of its equity and the planned share capital increase was not successfully completed
13. The accumulated income and expenses since the beginning of the current fiscal year as well as the Company' s and the Group' s trade accounts receivable and liabilities as at the end of the year derived from transactions with related parties as defined by IAS 24 are as follows:

(Amounts in euro)	GROUP	COMPANY
a) Income	12.053.622	12.048.112
b) Expenses	5.487.175	5.455.016
c) Receivables	63.486.522	63.336.743
d) Liabilities	5.172.172	5.162.955
e) Fees of Managers and members of the Board of Directors	1.437.647	830.956
f) Amounts owed by Managers and members of the Board of Directors	-	-
g) Amounts to Managers and members of the Board of Directors	-	-

Iraklion , August 7, 2014

PRESIDENT OF THE B.o.D.	VICE PRESIDENT OF B.o.D & MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	GROUP FINANCIAL REPORTING MANAGER	GROUP ACCOUNTING MANAGER
DEEPAK SRINIVAS PADMANABHAN Passport No Z 2052599	PANAGIOTIS PAPADOPOULOS ID Number S 676330	GEORGE MANTZOROS ID Number AK 231579 License Number O.E.E. 0005375 A Class	GEORGIA GALI ID Number X 091299	POLYCHRONIS KATSARIS ID Number AK 012888 License Number O.E.E. 0001049 A Class

REPORT FOR THE APPROPRIATION OF RAISED CAPITAL ARISING BY SHARE CAPITAL INCREASE

It is notified, according to the 25/17-07-2008 resolution of the BoD of the Athens Exchange and the 7/448/11-10-2007 decision of the BoD of the Hellenic Capital Markets Commission, that from the Company's share capital increase with public offering in favour of the existing shareholders, an amount of Euro 29,143,372.50 was raised, less expenses of Euro 651,677.45, totaling to the net amount of Euro 29,078,205.05.

The share capital increase was performed according to the 23.08.2012 resolution of the Extraordinary General Meeting of the Company Shareholders, the 21.08.2013 resolution of the Board of Directors and the Prospectus approved during the 1/665/29.11.2013 meeting of the BoD of the Hellenic Capital Market Commission, as supplemented and approved by the 23.12.2013 meeting of the BoD of the aforementioned Commission. As a result of the share capital increase97,144,575 new common registered shares were issued, of nominal value of Euro 0,30 each one,.

The proceeds from the share capital increase, as mentioned in the Prospectus for the share capital increase, after its supplement and in connection to the 29.05.2014 resolution of the BoD of the Company regarding the change in the use of the raised capital in order for the Company to implement its targets, to meet its operational and development needs and to materialize its investment plan, and the approval of the aforementioned change in the use, by the 24.06.2014 resolution of the Ordinary General Meeting of the Company shareholders, were used through 30/6/2014 as follows:

Category of Use of Capital Raised (amounts in thousands of €)	**Initial Use of proceeds**	**Change**	**New Use of proceeds**	**Timeframe of usage from the date of issuance (months)**	**Use of proceeds**			**Unused proceeds**
					1Q 2014	**2Q 2014**	**TOTAL 2014**	
Development of the client base of the Company (provision of router, activation fees, commission of cooperators for acquisition of new clients and expenses for the first installation of the equipment)	12,000	-5,000	7,000	18	3,623	3,377	7,000	0
Furtherance of current and any long term liabilities of the Company arising by loan agreements	10,000		10,000	18	0	2,140	2,140	7,860
Repayment of suppliers of the Company	4,742	5,000	9,742	8	4,800	4,942	9,742	0
Coverage of own contribution of the Company in the under examination investment plan of Law 3908/2011, provided that the file regarding the participation of the Company in the aforementioned investment plan is approved	1,750		1,750	up to 31.12.2016	0	0	0	1,750
Issuance expenses	651		651		557	0	557	94
Total Raised Capital	**29,143**	**0**	**29,143**		**8,980**	**10,46**	**19,439**	**9,704**

Iraklion, August 7, 2014

President of the Board of Directors	Vice President of the Board of Directors and Chief Executive Officer
Deepak Srinivas Padmanabhan Passport No. Z 2052599	Panagiotis Papadopoulos I.D. Σ676330

Finance Director	Group Financial Reporting Manager	Group Accounting Manager
George Mantzoros ID Number AK 231579 License Number O.E.E. 0005375A Class	Georgia Gali ID Number X 091299	Polychronis Katsaris ID Number AK 012888 License Number O.E.E. 0001049 A Class