



**HELLENIC CABLES S.A.**

HELLENIC CABLE INDUSTRY S.A.

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**Interim Condensed Financial Statements  
(Company and Consolidated) as at 30 September 2012  
Pursuant to International Accounting Standard 34**

Athens, 27 November 2012

The Chairman of the BoD

A BoD Member

The General Manager

The Financial Manager

IOANNIS BATSOLAS

IOANNIS STAVROPOULOS

ALEXIOS ALEXIOU

IOANNIS THEONAS

ID No.: K 067453

ID No.: K 221209

ID No.: X 126605

ID No.: AE 035000  
Reg. No 0011130 - CLASS A'

**S.A. Register No 2131/06/B/86/19**

These Interim Financial Statements for the period from 01.01.2012 to 30.09.2012 are posted on the Hellenic Cables S.A. Website (<http://www.cablel.gr>) and on the Athens Stock Exchange Website (<http://www.ase.gr>).

<b>TABLE OF CONTENTS</b>	<b>Page</b>
Individual and Consolidated Statement of total income	3, 4
Individual and Consolidated Statement of financial position	5
Individual and Consolidated Statement of changes in equity	6, 7
Individual and Consolidated Statement of cash flow	8
Notes on the individual and consolidated interim financial statements	9-15

Consolidated statement of total income  
For the period ended on 30 September 2012

		<b>GROUP</b>			
<i>(Amounts in Euro)</i>	Note	1/1 -30/09/2012	1/1 -30/09/2011	1/7-30/09/2012	1/7-30/09/2011
<b>Sales</b>		<b>331,311,655</b>	<b>304,841,717</b>	<b>104,577,277</b>	<b>100,961,522</b>
Cost of Sales		(318,799,045)	(282,812,125)	(99,250,351)	(94,628,552)
<b>Gross Profit</b>		<b>12,512,610</b>	<b>22,029,592</b>	<b>5,326,926</b>	<b>6,332,970</b>
Distribution expenses		(5,538,037)	(5,025,096)	(1,669,433)	(1,623,946)
Administrative expenses		(6,651,752)	(5,679,701)	(2,272,040)	(2,000,413)
Other operating income		598,213	(3,139,304)	(210,680)	(1,691,240)
<b>Operating results</b>		<b>921,034</b>	<b>8,185,491</b>	<b>1,174,773</b>	<b>1,017,371</b>
Financial expenses		(12,213,465)	(5,014,764)	(4,352,309)	(1,663,039)
Profits/losses from affiliates		(22,535)	103,130	87,240	20,467
<b>Earnings/(loss) before taxes</b>		<b>(11,314,966)</b>	<b>3,273,857</b>	<b>(3,090,296)</b>	<b>(625,201)</b>
Income tax	7	1,370,990	(763,594)	619,658	93,200
<b>Period earnings/(loss)</b>		<b>(9,943,976)</b>	<b>2,510,263</b>	<b>(2,470,638)</b>	<b>(532,001)</b>
<b>Other total income</b>					
Foreign exchange differences from conversion		(1,828,220)	83,928	(839,731)	(1,049,617)
Change in fair value of cash flow hedging		(108,719)	(1,534,323)	138,988	444,901
<b>Total of other total income of the period</b>		<b>(1,936,939)</b>	<b>(1,450,395)</b>	<b>(700,743)</b>	<b>(604,716)</b>
<b>Comprehensive total income of the period</b>		<b>(11,880,915)</b>	<b>1,059,868</b>	<b>(3,171,381)</b>	<b>(1,136,717)</b>
<b>Profit/ (loss) per share attributable</b>					
- to parent company shareholders		(9,958,605)	2,494,683	(2,507,187)	(518,752)
- to third parties		14,629	15,580	36,549)	(13,249)
<b>Total profit/ (loss)</b>		<b>(9,943,976)</b>	<b>2,510,263</b>	<b>(2,470,638)</b>	<b>(532,001)</b>
<b>Total period results attributable</b>					
- to parent company shareholders		(11,866,692)	1,047,492	(3,195,184)	(1,107,602)
- to third parties		(14,223)	12,376	23,803	(29,115)
<b>Total period results</b>		<b>(11,880,915)</b>	<b>1,059,868</b>	<b>(3,171,381)</b>	<b>(1,136,717)</b>
<b>Earnings/ (loss) per share</b>					
Basic earnings per share		(0.3461)	0.0844	(0.0836)	(0.0263)

The notes on pages 9 to 15 are an integral part of these financial statements.

**Individual statement of total income**

For the period ended on 30 September 2012

<i>Amounts in Euro</i>	Note	COMPANY			
		1/1 -30/09/2012	1/1 -30/09/2011	1/7-30/09/2012	1/7-30/09/2011
<b>Sales</b>		<b>276,976,456</b>	<b>236,366,759</b>	<b>87,764,692</b>	<b>83,520,769</b>
Cost of Sales		(271,061,143)	(223,698,543)	(85,959,486)	(80,232,235)
<b>Gross Profit</b>		<b>5,915,313</b>	<b>12,668,216</b>	<b>1,805,206</b>	<b>3,288,534</b>
Distribution expenses		(2,643,491)	(2,863,335)	(681,264)	(818,569)
Administrative expenses		(3,228,294)	(3,556,616)	(735,715)	(1,133,490)
Other operating income		(165,258)	(1,215,711)	(371,530)	12,947
<b>Operating results</b>		<b>(121,730)</b>	<b>5,032,554</b>	<b>16,697</b>	<b>1,349,422</b>
Financial expenses		(7,257,000)	(4,093,711)	(2,679,507)	(1,589,484)
Income from dividends		217,281	-	-	-
<b>Earnings/(loss) before taxes</b>		<b>(7,161,449)</b>	<b>938,843</b>	<b>(2,662,810)</b>	<b>(240,062)</b>
Income tax	7	1,334,630	(504,668)	444,792	69,624
<b>Period earnings/(loss)</b>		<b>(5,826,819)</b>	<b>434,175</b>	<b>(2,218,018)</b>	<b>(170,438)</b>
<b>Other total income</b>					
Change in fair value of cash flow hedging		(83,408)	(1,302,010)	250,236	397,852
<b>Total of other total income of the period</b>		<b>(83,408)</b>	<b>(1,302,010)</b>	<b>250,236</b>	<b>397,852</b>
<b>Comprehensive total income of the period</b>		<b>(5,910,227)</b>	<b>(867,835)</b>	<b>(1,967,782)</b>	<b>227,414</b>
<b>Earnings/ (loss) per share</b>					
Basic earnings per share		(0.2025)	0.0147	(0.0754)	(0.0058)

The notes on pages 9 to 15 are an integral part of these financial statements.

**Individual and Consolidated Statement of financial position**

(Amounts in Euro)

ASSETS	Note	GROUP		COMPANY	
		30.09.2012	31.12.2011	30.09.2012	31.12.2011
Property, plant and equipment	8	144,241,526	142,699,539	68,656,352	69,658,858
Intangible assets		10,436,937	10,160,040	318,161	267,637
Investment property		2,270,174	2,270,174	2,270,174	2,270,174
Holdings in subsidiaries and affiliates		591,293	779,726	49,888,215	21,146,967
Other investments		1,807,484	1,807,484	1,807,484	1,807,484
Deferred tax assets		297,149	427,949	-	-
Other receivables		585,410	574,029	471,033	469,670
<b>Total non-current assets</b>		<b>160,229,973</b>	<b>158,718,941</b>	<b>123,411,419</b>	<b>95,620,790</b>
Inventories		105,217,035	92,165,783	52,685,689	45,580,792
Customers and other trade receivables		70,027,573	76,081,125	73,380,547	84,220,775
Derivatives		58,203	130,965	47,885	130,965
Cash and cash equivalents		18,071,599	18,983,379	6,877,379	12,562,333
<b>Total current assets</b>		<b>193,374,410</b>	<b>187,361,252</b>	<b>132,991,500</b>	<b>142,494,865</b>
<b>Total assets</b>		<b>353,604,383</b>	<b>346,080,193</b>	<b>256,402,919</b>	<b>238,115,655</b>
<b>LIABILITIES</b>					
<b>EQUITY</b>					
Share Capital	9	20,977,916	20,977,916	20,977,916	20,977,916
Share premium account	9	31,171,712	31,171,712	31,171,712	31,171,712
Reserves		20,286,182	22,194,269	24,434,479	24,517,887
Accumulated profits		30,958,134	40,951,919	12,041,462	17,868,281
<b>Equity attributed to shareholders</b>		<b>103,393,944</b>	<b>115,295,816</b>	<b>88,625,569</b>	<b>94,535,796</b>
Minority interest		805,104	819,327	-	-
<b>Total equity</b>		<b>104,199,048</b>	<b>116,115,143</b>	<b>88,625,569</b>	<b>94,535,796</b>
<b>LIABILITIES</b>					
Loans	10	44,126,590	65,405,241	17,598,092	38,016,667
Payables from financial leases		324,449	438,273	-	-
Payables for staff retirement indemnities	12	2,741,970	2,550,018	1,326,669	1,219,893
Grants		1,434,262	1,537,093	1,373,512	1,476,343
Provisions	13	200,000	200,000	200,000	200,000
Deferred tax liabilities		7,963,701	9,499,384	2,461,362	3,816,845
<b>Total long-term liabilities</b>		<b>56,790,972</b>	<b>79,630,009</b>	<b>22,959,635</b>	<b>44,729,748</b>
Loans	10	124,168,133	105,352,490	82,978,202	56,882,150
Payables from financial leases		246,525	675,683	-	-
Suppliers and other liabilities		68,073,087	43,728,263	61,793,728	41,440,651
Derivatives		126,618	578,605	45,785	527,310
<b>Total short-term liabilities</b>		<b>192,614,363</b>	<b>150,335,041</b>	<b>144,817,715</b>	<b>98,850,111</b>
<b>Total liabilities</b>		<b>249,405,335</b>	<b>229,965,050</b>	<b>167,777,350</b>	<b>143,579,859</b>
<b>Total equity and liabilities</b>		<b>353,604,383</b>	<b>346,080,193</b>	<b>256,402,919</b>	<b>238,115,655</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

## Consolidated statement of changes in equity

For the period ended on 30 September 2012

(Amounts in Euro)

	Share Capital and Share premium account	Consolidati on foreign exchange differences	Fair value reserves	Other Reserves	Accumulate d profit/ (loss)	Total	Minority interest	Total Owner's Equity
<b>Balance on 1 January 2011</b>	<b>42,555,707</b>	<b>(4,658,284)</b>	<b>1,894,266</b>	<b>26,492,793</b>	<b>37,662,811</b>	<b>103,947,293</b>	<b>751,489</b>	<b>104,698,782</b>
<b>Total period results</b>								
Period earnings/(loss)	-	-	-	-	2,494,683	2,494,683	15,580	2,510,263
<b>Other income</b>								
Foreign exchange differences	-	83,847	-	-	-	83,847	81	83,928
Change in fair value of cash flow hedging	-	-	(1,531,038)	-	-	(1,531,038)	(3,285)	(1,534,323)
<b>Total other income</b>	<b>-</b>	<b>83,847</b>	<b>(1,531,038)</b>	<b>-</b>	<b>-</b>	<b>(1,447,191)</b>	<b>(3,204)</b>	<b>(1,450,395)</b>
<b>Total period results</b>		<b>83,847</b>	<b>(1,531,038)</b>	<b>-</b>	<b>2,494,683</b>	<b>1,047,492</b>	<b>12,376</b>	<b>1,059,868</b>
<b>Transactions with shareholders directly posted to equity</b>								
Share capital increase	9,593,921	-	-	-	-	9,593,921	-	9,593,921
Absorption of subsidiary	-	-	-	1,346,308	(1,346,308)	-	-	-
Transfer of reserves/capitalization	-	-	-	(26,575)	26,575	-	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance on 30 September 2011</b>	<b>52,149,628</b>	<b>(4,574,437)</b>	<b>363,228</b>	<b>27,812,526</b>	<b>38,837,761</b>	<b>114,588,707</b>	<b>763,865</b>	<b>115,352,571</b>
<b>Balances on 1 January 2012</b>	<b>52,149,628</b>	<b>(4,276,790)</b>	<b>4,841</b>	<b>26,466,218</b>	<b>40,951,919</b>	<b>115,295,816</b>	<b>819,327</b>	<b>116,115,143</b>
<b>Total period results</b>								
Period earnings/(loss)	-	-	-	-	(9,958,605)	(9,958,605)	14,629	(9,943,976)
<b>Other income</b>								
Foreign exchange differences	-	(1,799,867)	-	-	-	(1,799,867)	(28,353)	(1,828,220)
Change in fair value of cash flow hedging	-	-	(108,220)	-	-	(108,220)	(499)	(108,719)
<b>Total other income</b>	<b>-</b>	<b>(1,799,867)</b>	<b>(108,220)</b>	<b>-</b>	<b>-</b>	<b>(1,908,087)</b>	<b>(28,852)</b>	<b>(1,936,939)</b>
<b>Total period results</b>		<b>(1,799,867)</b>	<b>(108,220)</b>	<b>-</b>	<b>(9,958,605)</b>	<b>(11,866,692)</b>	<b>(14,223)</b>	<b>(11,880,915)</b>
<b>Transactions with shareholders directly posted to equity</b>								
Dividend	-	-	-	-	-	-	-	-
Increase/ decrease of holding in affiliate	-	-	-	-	(35,180)	(35,180)	-	(35,180)
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balances on 30 September 2012</b>	<b>52,149,628</b>	<b>(6,076,657)</b>	<b>(103,379)</b>	<b>26,466,218</b>	<b>30,958,134</b>	<b>103,393,944</b>	<b>805,104</b>	<b>104,199,048</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

**Individual statement of changes in equity**

**For the period ended on 30 September 2012**

(Amounts in Euro)	Share Capital and Share premium account	Fair value reserves	Other Reserves	Accumulated profit/ (loss)	Total Owner's Equity
<b>Balance on 1 January 2011</b>	<b>42,555,707</b>	<b>1,535,018</b>	<b>17,716,302</b>	<b>14,422,452</b>	<b>76,229,479</b>
<b>Total period results</b>					
Period earnings/(loss)	-	-	-	434,175	434,175
<b>Other income</b>					
Change in fair value of cash flow hedging	-	(1,302,010)	-	-	(1,302,010)
<b>Total other income</b>	-	(1,302,010)	-	-	(1,302,010)
<b>Total period results</b>	-	(1,302,010)	-	434,175	(867,835)
<b>Transactions with shareholders directly posted to equity</b>					
Share capital increase	9,593,921	-	-	-	9,593,921
Absorption of subsidiary	-	-	6,781,379	2,324,597	9,105,976
Transfer of reserves	-	-	(26,575)	26,575	-
<b>Total transactions with shareholders</b>	9,593,921	-	6,754,804	2,351,172	18,699,897
<b>Balance on 30 September 2011</b>	<b>52,149,628</b>	<b>233,008</b>	<b>24,471,107</b>	<b>17,207,799</b>	<b>94,061,542</b>
<b>Balance on 1 January 2012</b>	<b>52,149,628</b>	<b>46,781</b>	<b>24,471,106</b>	<b>17,868,281</b>	<b>94,535,796</b>
<b>Total period results</b>					
Period earnings/(loss)	-	-	-	(5,826,819)	(5,826,819)
<b>Other income</b>					
Change in fair value of cash flow hedging	-	(83,408)	-	-	(83,408)
<b>Total other income</b>	-	(83,408)	-	-	(83,408)
<b>Total period results</b>	-	(83,408)	-	(2,282,119)	(5,910,227)
<b>Transactions with shareholders directly posted to equity</b>					
Dividend	-	-	-	-	-
Transfer of reserves/distribution	-	-	-	-	-
<b>Total transactions with shareholders</b>	-	-	-	-	-
<b>Balance on 30 September 2012</b>	<b>52,149,628</b>	<b>(36,627)</b>	<b>24,471,106</b>	<b>15,586,162</b>	<b>88,625,569</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

**Individual and Consolidated Statement of Cash Flow**  
**For the period ended on 30 September 2012**

	GROUP		COMPANY	
	30/9/12	30/9/11	30/9/12	30/9/11
<b>(Amounts in Euro)</b>				
<b>Cash flows from operating activities</b>				
Earnings/(loss) before taxes	(11,314,966)	3,273,857	(7,161,449)	938,843
<i>Plus/ less adjustments for:</i>				
Fixed assets depreciation	6,841,726	6,644,763	3,011,358	3,837,977
Depreciation of grants	(102,831)	(61,423)	(102,831)	(61,423)
Provisions (mainly for receivables and stocks)	455,815 (43,008)	924,373	395,924	830,232
Results (income, expenses, profit and loss) from investment activity		(259,061)	(1,788,880)	(112,201)
Income from dividends	-	-	(217,281)	-
Interest charges and related expenses	11,222,252	6,237,369	8,081,526	4,133,546
(Profits)/ Losses from sale of fixed assets	(62,580)	(21,769)	(62,580)	(21,769)
Losses from the destruction/impairment of fixed assets	-	33,999	-	-
Decrease/(increase) in inventories	(14,330,652)	(30,454,619)	(7,104,897)	(14,677,899)
Decrease/(increase) in receivables	(6,435,984)	11,581,248	(10,032,589)	(1,974,791)
(Decrease)/ increase in payables (less loans)	23,368,045	(2,612,714)	20,021,072	7,343,777
Interest charges and related paid-up expenses	(9,697,219)	(5,963,205)	(7,749,521)	(3,859,292)
Taxes paid	-	-	-	-
<b>Net cash flows from operating activities</b>	<b>(99,402)</b>	<b>(10,677,182)</b>	<b>(2,710,148)</b>	<b>(3,623,090)</b>
<b>Cash flows from investment activities</b>				
Acquisition of subsidiary	-	(3,092,019)	(18,353,000)	(3,430,000)
Absorption of subsidiary	-	-	-	287,942
Purchases of tangible assets	(9,086,634)	(5,320,058)	(1,934,064)	(3,141,345)
Purchases of intangible assets	(335,128)	(76,777)	(150,708)	-
Sales of tangible assets	87,976	74,932	87,976	74,932
Dividend received	100,000	-	100,000	-
Interest received	257,312	75,173	1,352,013	31,443
<b>Net cash flows from investment activities</b>	<b>(8,976,474)</b>	<b>(8,338,749)</b>	<b>(18,897,783)</b>	<b>(6,177,028)</b>
<b>Cash flows from financing activities</b>				
Proceeds from share capital increase	9,593,000		9,593,000	
Changes in financial lease funds	(542,981)	-		-
Loans obtained	16,563,108	25,139,712	12,448,267	14,700,000
Payment of loans	(17,864,711)	(3,447,189)	(6,770,790)	(1,197,189)
Collection of subsidy	652,500	827,475	652,500	827,475
<b>Net cash flows from financing activities</b>	<b>8,400,916</b>	<b>22,519,998</b>	<b>15,922,977</b>	<b>14,330,286</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(674,960)</b>	<b>3,504,067</b>	<b>(5,684,954)</b>	<b>4,530,168</b>
Cash and cash equivalents in the beginning of the fiscal year	18,983,379	11,820,842	12,562,333	7,984,168
Foreign exchange differences in cash equivalents	(236,820)	(16,093)	-	-
<b>Cash and cash equivalents at the end of the fiscal year</b>	<b>18,071,599</b>	<b>15,308,816</b>	<b>6,877,379</b>	<b>12,514,336</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

## **1. INFORMATION ON THE COMPANY**

The interim condensed financial statements of HELLENIC CABLES S.A. (the “Company”) for the period ended on 30 September 2012 include its interim condensed individual and consolidated financial statements.

The Group of HELLENIC CABLES S.A. (the “Group”) is operating in both Greece and abroad (mainly Romania) and deals with the production and distribution of all types of cables (energy, submarine, telecommunications, etc).

The parent company “HELLENIC CABLES S.A.” is listed on Athens Stock Exchange and is part of the following indexes: Composite Index Total Return, Composite Index, FTSEL, FTSEM, and FTSEA, and trades in the main capitalisation market.

The Company is seated in Greece, 2-4 Mesogheion Ave, Athens Tower, B’ Building, Athens. The Company’s URL is [www.cablel.gr](http://www.cablel.gr).

The Company, like its parent (HALCOR S.A.), belongs to the VIOHALCO S.A. Group of Companies. On 30 September 2012, HALCOR S.A. had a direct and indirect holding in HELLENIC CABLES equal to 72.53%.

The financial statements of the Group as at 31 December 2011 are made available, if so requested, from the offices of the Group (33, Amarousiou Halandriou Av., Marousi) or from the website [www.cablel.gr](http://www.cablel.gr).

## **2. STATEMENT OF COMPLIANCE**

The interim financial statements of the Company have been prepared in compliance with the International Financial Reporting Standards (IFRS), as adopted by the European Union, on interim financial reporting (IAS 34). They do not include all the information required by annual financial statements and they should be examined in conjunction with the annual financial statements of the Company for the year ended on 31 December 2011.

The financial statements were approved by the Board of Directors on 23 November 2012.

## **3. SIGNIFICANT ACCOUNTING PRINCIPLES**

The accounting principles applied by the Group to the preparation of the interim financial statements as at 30 September 2012 are the same with those described in the published financial statements of the year ended on 31 December 2011.

## **4. ESTIMATES**

Preparing financial statements in line with IFRS requires estimate-making and the adoption of assumptions by the Management which may affect the implementation of accounting principles and the accounting balances of assets and liabilities as well as the income and expense items. Actual results may vary from such estimates.

The same estimates and assumptions used in the application of the accounting principles applied to the preparation of the financial statements as at 31 December 2011 were used in the preparation of these interim financial statements.

## 5. FINANCIAL RISK MANAGEMENT

As a result of the financial crisis, credit lines per customer were reviewed and corrective measures were taken, when necessary. It is also noted that the Group has insured credits since previous fiscal years in order to reduce any losses from the non-collection of receivables. As regards the hedging of the copper price fluctuation risk, the Group has undertaken metal price hedging operations. The Group's objectives as regards financial risks and the policies applied to the management of such risks are consistent with the points set out in the annual financial statements of the year ended on 31 December 2011.

## 6. OPERATING SEGMENTS

The Group has 2 operating segments for reporting, as described below, which are considered to be the Group's strategic segments. These segments produce various products that are managed differently because they require different technology and promotion policy. For each one of the strategic segments, the Management of the Company reviews internal notes on a monthly basis. The summary below describes the operation of each operating segment of the Group.

**a) CABLES** – It includes energy and telephone cables, as well as copper and aluminium conduits. The raw materials used are classified in two categories: Metal (copper, aluminium, steel wires) and plastic-rubber compounds (XLPE, EPR, PVC, etc)

**b) ENAMELLED WIRES** – Enamelled wires include copper wires, tin-plated copper conduits and enamelled wires used for winding. The raw materials used are copper in  $\Phi 8$ mm, tin in blooms, enamels and raw materials used for the manufacture of enamels.

Segment reporting for the nine-month period ended on 30 September is as follows:

<i>Amounts in thousand Euro</i>	CABLES		ENAMELLED WIRES		Non-allocated		Total	
	30/9/12	30/9/11	30/9/12	30/9/11	30/9/12	30/9/11	30/9/12	30/9/11
Non-Group sales	307,893	273,819	23,419	31,023	-	-	331,312	304,842
Intra-company sales	175,529	31,107	2,645	4,993	-	-	178,173	36,100
Earnings/(loss) per segment before taxes	866	7,302	(147)	683	(12,213)	(5,015)	(11,494)	2,970
Total assets per segment	336,036	336,740	16,977	18,700	591	862	353,604	356,302

The reconciliation of results per operating segment is as follows:

	<b>30/9/12</b>	<b>30/9/11</b>
Total profit/ (loss) of operating segments	(11,494)	2,970
Crossing out intra-company transactions	179	304
<b>Earnings/(loss) before taxes</b>	<b>(11,315)</b>	<b>3,274</b>

## 7. INCOME TAX

(Amounts in Euro)

	GROUP		COMPANY	
	30/9/12	30/9/11	30/9/12	30/9/11
Current tax	(26,024)	(986,218)	-	(259,324)
Deferred taxation	1,397,014	222,624	1,334,630	(245,344)
	<b>1,370,990</b>	<b>(763,594)</b>	<b>1,334,630</b>	<b>(504,668)</b>

Income tax was calculated based on the best estimate of the Group Management about the average annual tax rate that is expected to apply by the end of the year.

According to the applicable tax law in Greece, total earnings of societies anonyme are taxed by 20%.

## 8. PURCHASES OF FIXED ASSETS

During the nine-month period ended on 30 September 2012, the Group purchased assets totalling € 9,086,634 (30.09.2011: € 5,320,058).

## 9. SHARE CAPITAL AND SHARE PREMIUM ACCOUNT

On 30 September 2012, Company share capital stands at € 20,977,916 divided into 29,546,360 shares with a nominal value of € 0.71 each and is fully paid up. Share premium account stands at € 31,171,712. The share capital increase amounting to € 9,593,921 was completed on 7 February 2012 since the shareholders paid the respective amount requested from the company on 31.12.2011.

## 10. LOANS

Long-term and short-term liabilities are broken down as follows:

(Amounts in Euro)

	GROUP		COMPANY	
	30/9/12	31/12/11	30/9/12	31/12/11
<b>Long-term payables</b>				
- Bank loans	2,249,855	4,500,081	-	-
- Bond loans	83,749,587	85,616,225	57,221,089	59,727,755
of which payable in the following fiscal year	(41,872,852)	(24,711,065)	(39,622,997)	(21,711,088)
	<b>44,126,590</b>	<b>65,405,241</b>	<b>17,598,092</b>	<b>38,016,667</b>
<b>Short term payables</b>				
- Bank loans	84,545,136	74,047,481	43,355,205	35,171,062
- Bond loans	39,622,997	31,305,009	39,622,997	21,711,088
	<b>124,168,133</b>	<b>105,352,490</b>	<b>82,978,202</b>	<b>56,882,150</b>
<b>Total loan liabilities</b>	<b>168,294,723</b>	<b>170,757,731</b>	<b>100,576,294</b>	<b>94,898,817</b>

The maturity dates of long-term loans are:

(Amounts in Euro)

	<u>GROUP</u>		<u>COMPANY</u>	
	30/9/12	31/12/11	30/9/12	31/12/11
<b>Long-term payables</b>				
- Between 1 and 2 years	11,566,032	35,616,771	11,566,032	34,116,667
- Between 2 and 5 years	6,032,060	3,900,000	6,032,060	3,900,000
- Over 5 years	26,528,498	25,888,470	-	-
	<b>44,126,590</b>	<b>65,405,241</b>	<b>17,598,092</b>	<b>38,016,667</b>

The fair values of loans are approximately equal to their book values, since the loans are obtained based on floating interest rates. The book values of the Group's loans pertain to loans in Euro.

Due to the special terms of the bond loan of € 42 million related to the subsidiary Fulgor, the Group undertook a valuation based on the effective interest rate, which generated benefits of € 16.1 million in relation to the results of 2011. The effect of such loan's measurement at non-depreciated cost on the results of the first nine months of 2012 stands at € 640,000.

Mortgages totalling € 49 million have been raised on properties so that the subsidiary Fulgor could assume the bank loans.

## 11. SHARE-BASED PAYMENTS

The Company has adopted a share option plan up to 1.97% of the number of common registered shares that are outstanding at the time of adoption (530,600 options), adjusted to future changes in the number of shares into which the share capital is divided, under the following terms and conditions:

- (a) Beneficiaries of the share option plan: Members of the Board of Directors, persons employed by the Company or any of its affiliated companies.
- (b) Option exercise price: The exercise price has been set as the closing price of the Athens Stock Exchange during the first fifteen days of June 2002, in other words € 2.97 per option.
- (c) Exercise of options: Options are secured gradually by 10% annually, beginning from the first business day of November 2002 until, and including, the first business day of November 2011. The above secured options are exercised from the first business day of November 2006 until, and including, the first business day of November 2013. Following this closing date any option that is not exercised is cancelled.

Of the above options, by 30 September 2012, 318,360 had been exercised.

## 12. DEFINED-BENEFIT OBLIGATIONS

As a result of the Group's relevant liability for staff retirement compensation according to the provisions of Law No. 2112/20, the amount of € 653,367 was paid during the first nine months. Concurrently, a provision equal to € 191,952 has been raised for this purpose.

## 13. PROVISIONS

Group companies have raised provisions for open fiscal years which, on 30 September 2012, amount cumulatively to € 200,000.

## 14. CONTINGENT LIABILITIES

### 14.1 Capital commitments

The capital expenditure which has been undertaken but has not been fulfilled as at the balance sheet date is as follows:

	GROUP		COMPANY	
	30/9/12	31/12/11	30/9/12	31/12/11
Property, plant and equipment	19,366,754	85,788	65,800	85,788
	<b>19,366,754</b>	<b>85,788</b>	<b>65,800</b>	<b>85,788</b>

Payables from operating and financial leases

a) The Group uses passenger cars based on operating lease agreements as well machinery and motor vehicles by way of financial leases. The total future lease fees payable according to such lease agreements are as follows:

	GROUP		COMPANY	
	30/9/12	31/12/11	30/9/12	31/12/11
Up to 1 year	582,328	904,417	238,744	181,568
Between 1 and 5 years	1,145,264	951,500	606,706	470,399
	<b>1,727,592</b>	<b>1,855,917</b>	<b>845,450</b>	<b>651,967</b>

b) The Group leases a property to accommodate its principal establishment. The future payable lease fees, according to the lease agreement, are as follows:

	GROUP		COMPANY	
	30/9/12	31/12/11	30/9/12	31/12/11
Up to 1 year	142,416	142,416	142,416	142,416
Between 1 and 5 years	569,664	569,664	569,664	569,664
Over 5 years	534,060	640,872	534,060	640,872
	<b>1,246,140</b>	<b>1,352,952</b>	<b>1,246,140</b>	<b>1,352,952</b>

## 14.2 Guarantees

The Group and the Parent Company have contingent payables relating to banks, other collateral and other issues arising in the course of their ordinary activity, which are as follows:

(Amounts in Euro)	GROUP		COMPANY	
	30/9/2012	31/12/2011	30/9/2012	31/12/2011
Collateral for securing payables to suppliers	3,012,757	2,817,211	2,230,702	2,566,813
Collateral for securing the performance of contracts entered into with customers	19,267,022	17,976,638	16,321,569	12,845,269
<b>Other payables</b>	11,834,966	12,304,416	11,499,966	12,304,416
	<b>34,114,745</b>	<b>33,098,265</b>	<b>30,052,237</b>	<b>27,716,498</b>

## 14.3 Years unaudited in tax terms

The Group companies may be liable to additional taxes and surcharges in connection with fiscal years which have not been audited by tax authorities. Such unaudited fiscal years per Company are as follows:

Company	Unaudited fiscal years From
HELLENIC CABLES S.A. (parent company)	2009-2010
FULGOR S.A.	-
ICME ECAB S.A.	2010-2011
LESCO OOD	2009-2011
GENECOS S.A.	2005-2011
LESCO ROMANIA S.A.	2003-2011
STEELMET S.A. (parent company)	2006-2011
METAL GLOBE Ltd.	2003-2011
E.D.E. S.A.	2010-2011
De Laire Limited	2001-2011
COPPERPROM LTD.	2003-2011

The tax audit of the Parent Company and the subsidiary FULGOR S.A. for the fiscal year 2011 was completed during the third quarter, in the context of Article 82 (5) of Law 2238/1994. It was conducted by the legal auditors and drew the conclusion "no reserves" for both companies.

Metal Agencies LTD has been audited by the tax authorities up to the fiscal year 2011.

## 15. TRANSACTIONS WITH AFFILIATES

The subsidiaries of HELLENIC CABLES S.A. Group, of VIOHALCO S.A. Group and administration members are considered affiliates. The balances of Company transactions with subsidiaries and affiliates and with BoD members are as follows:

<i>Amounts in Euro</i>	<b>GROUP</b>		<b>COMPANY</b>	
<b>A) Subsidiary companies</b>	<b>30/9/12</b>	<b>30/9/11</b>	<b>30/9/12</b>	<b>30/9/11</b>
Income	-	-	64,984,541	26,592,565
Expenses	-	-	90,138,271	37,748,929
	<b>30/9/12</b>	<b>31/12/11</b>	<b>30/9/12</b>	<b>31/12/11</b>
Receivables	-	-	29,133,931	21,631,535
Liabilities	-	-	21,874,595	17,354,976
<b>B) Transactions with companies of VIOHALCO Group</b>	<b>30/9/12</b>	<b>30/9/11</b>	<b>30/9/12</b>	<b>30/9/11</b>
Income	26,954,222	23,274,194	17,532,913	16,582,750
Expenses	36,912,392	52,010,204	15,176,207	12,981,101
	<b>30/9/12</b>	<b>31/12/11</b>	<b>30/9/12</b>	<b>31/12/11</b>
Receivables	7,111,416	6,814,584	3,191,643	5,484,772
Liabilities	10,471,752	7,026,544	4,868,337	4,380,092
<b>C) BoD members</b>	<b>30/9/12</b>	<b>30/9/11</b>	<b>30/9/12</b>	<b>30/9/11</b>
Fees	491,446	378,443	273,044	231,868

All transactions with affiliates took place in accordance with the generally accepted commercial terms and will be settled in cash within a reasonable period of time.

## 16. SUBSEQUENT EVENTS

On 12 November 2012, the Company entered into an ordinary bond loan totalling € 10,828,000 with ALPHA BANK S.A. being the bondholder. The loan has a 2-year term and was issued in the context of Law 3156/2003 and Codified Law 2190/1920, by virtue of the decision dated 16.06.2011 of the Ordinary General Meeting and decision dated 15.10.2012 of the Company's Board of Directors in order to have a part of its loan liabilities refinanced.