



HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A.

Forthnet S.A.
 Registration No S.A. 34461/06/B/95/94
 GE.MH. 77127927000

Scientific Technological Park of Crete, Vassilika Vouton, Iraklion Crete 71003
FINANCIAL DATA & INFORMATION FOR THE YEAR ENDED December 31, 2015

(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: March 30, 2016 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	Board of Directors Deepak Srinivas Padmanabhan, Chairman (non executive member) Panagiotis Papadopoulos, Vice Chairman and Chief Executive Officer (executive member) Vasilios Dougalis, non executive member Edwin Lloyd, independent non executive member Mohsin Majid, non executive member Bhavneet Singh, independent non executive member Michael Warrington, non executive member Giannos Michailidis, non executive member
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STATEMENT OF FINANCIAL POSITION (consolidated and parent company)

STATEMENT OF CHANGES IN EQUITY (consolidated and parent company)

	GROUP		COMPANY			GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014		31.12.2015	31.12.2014	31.12.2015	31.12.2014
ASSETS									
Tangible assets	140,423,321	163,304,387	81,525,112	93,874,774	Total equity balance at the beginning of period (01.01.2015 and 01.01.2014 respectively)	(110,518,929)	(95,167,234)	124,735,922	116,269,517
Intangible assets	121,172,096	140,100,359	14,237,003	17,737,300	Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	(53,932,929)	(43,041,867)	(36,730,152)	(19,682,402)
Goodwill	83,168,812	83,168,812	512,569	512,569	Issuance of share capital	-	29,143,373	-	29,143,373
Other non current assets	24,684,815	30,357,666	53,584,646	82,093,881	Share capital issuance costs (net from deferred tax)	-	(482,241)	-	(482,241)
Inventories	6,896,485	6,451,629	898,631	1,213,989	Net Other comprehensive loss not to be reclassified to profit or loss in subsequent periods	426,515	(970,960)	245,612	(512,325)
Trade receivables	57,707,602	64,458,973	30,242,844	34,571,979	Total equity balance of period (30.9.2015 and 30.9.2014 respectively)	(164,025,343)	(110,518,929)	88,251,382	124,735,922
Other current assets	57,919,488	71,173,723	128,405,090	115,759,570					
TOTAL ASSETS	491,972,619	559,015,549	309,405,895	345,764,062					
EQUITY AND LIABILITIES									
Share Capital (110,097,185 shares € 0.30 each)	33,029,156	33,029,156	33,029,156	33,029,156					
Retained earnings and other reserves	(194,100,014)	(145,248,671)	55,222,226	91,706,766					
Total Shareholders equity (a)	(161,070,858)	(112,219,515)	88,251,382	124,735,922					
Non-controlling interests (b)	(2,954,485)	1,700,586	-	-					
Total equity (c)=(a)+(b)	(164,025,343)	(110,518,929)	88,251,382	124,735,922					
Provisions/Other long-term liabilities	124,654,568	122,115,978	18,520,759	21,745,831					
Short-term borrowings	326,211,168	325,743,614	100,000,000	99,999,438					
Other current liabilities	205,132,226	221,674,886	102,633,754	99,278,871					
Total liabilities (d)	655,997,962	669,534,478	221,154,513	221,028,140					
TOTAL EQUITY AND LIABILITIES (c)+(d)	491,972,619	559,015,549	309,405,895	345,764,062					

CASH FLOW STATEMENT (consolidated and parent company)

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Cash flow from Operating Activities				
Loss before income taxes	(49,633,172)	(51,768,222)	(38,329,708)	(12,957,989)
Adjustments for:				
Depreciation and amortisation	77,333,312	89,750,468	36,693,345	45,654,439
Amortisation of subsidies	(1,386,405)	(1,938,065)	(1,385,286)	(1,936,879)
(Gains)/ Loss on disposal of tangible and intangible assets	95,873	-	5,083,298	4,172,821
Allowance for doubtful accounts receivable	11,263,239	7,365,097	698,079	863,284
Provision for staff retirement indemnities	964,411	1,483,376	-	-
Share of profits of associates accounted for under the equity method	(119,193)	5,032	-	-
Impairment of investments in subsidiaries	-	-	28,825,000	8,016,000
Other provisions	1,946,359	211,217	1,953,095	199,884
Financial expenses	22,030,489	23,305,983	4,464,619	4,593,666
Add/ less adjustments for changes in working capital related to operating activities:				
(Increase)/decrease in inventories	(141,215)	863	612,264	(352,122)
(Increase)/decrease in receivables	6,065,516	(8,149,432)	(13,813,411)	(38,010,505)
Increase/(decrease) in liabilities (other than Bank loans)	(1,729,955)	(4,267,148)	1,063,529	137,355
Minus:				
Income taxes paid	(261,429)	(622,700)	-	-
Decrease in other long-term liabilities	(1,440,415)	(2,089,021)	(1,440,414)	(1,168,845)
Payment of staff retirement indemnities	(837,527)	(1,610,071)	(604,495)	(854,235)
Net cash from Operating Activities	64,056,015	51,773,250	23,819,915	8,353,563
Cash flow from Investing activities				
Capital expenditure for property, plant and equipment and Disposals of property, plant and equipment and intangible assets	(35,617,820)	(56,277,697)	(20,932,728)	(29,403,965)
Interest and related income received	40,791	248,181	38,453	243,629
Decrease/ (increase) Restricted cash	172,718	(3,217,029)	(124,639)	(2,917,029)
Net cash used in Investing Activities	(35,404,311)	(58,524,503)	(21,018,914)	(32,067,171)
Cash flows from Financing Activities				
Net proceeds from the issuance of share capital	-	28,491,696	-	28,491,696
Interest paid	(22,328,163)	(15,668,544)	(4,261,934)	(4,441,698)
Interest rate swap paid	(1,562,770)	(2,647,848)	-	-
Net change in leases	(8,322,743)	(7,830,158)	(205,188)	(363,333)
Net cash used in Financing Activities	(32,213,676)	2,345,146	(4,667,122)	23,686,665
Net increase/(decrease) in cash and cash equivalents	(3,561,972)	(4,406,107)	(1,666,121)	(26,943)
Cash and cash equivalents at the beginning of year	10,283,640	14,689,747	5,555,352	5,582,295
Cash and cash equivalents at the end of year	6,719,668	10,283,640	3,889,231	5,555,352

ADDITIONAL DATA AND INFORMATION

<p>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 dependent on a successful refinancing of their borrowings with their lending banks, while, an additional uncertainty exists associated with the current economic situation in Greece.</p> <p>2. The above financial statements for the year 01/01/2015-31/12/2015 have been approved by the members of the Board of Directors on March 30, 2016.</p> <p>3. At December 31, 2015 the total number of employees reached 1,237, while those of the Parent Company reached 749. At December 31, 2014 the Group's relative number of employees was 1,266, while that of the parent company was 756.</p> <p>4. There is no burden against title to the Group's real estate.</p> <p>5. The financial statements of the Group are included in the financial statement of Company "ORGENOD LIMITED" (Head Office: Cyprus, Direct Percentage Participation at December 31, 2015: 41.27% and ultimate parent company participation 45.21%) under the equity method.</p> <p>6. The same accounting methods and assessments have been used as in prior fiscal year 2014.</p> <p>7. The unaudited tax years of the Company and of the companies of the Group are stated in Note 10 of the financial statements.</p> <p>8. The Company and the Group have made cumulative provisions for additional tax 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 audits. In addition, no deferred tax asset has been recognised for set-off of tax losses of amount € 173.5 m. for the Group.</p> <p>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 is € 2.3 million for the Company and € 2.8 million for the Group.</p>	<p>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 fiscal year consolidated financial statements, do not differ from those included in note 11 of the financial statements of December 31, 2014.</p> <p>11. At the end of current year no shares of the parent company are possessed by either the parent company or any subsidiary or associate companies.</p> <p>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.</p> <p>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:</p> <table border="1"> <thead> <tr> <th>(Amounts in euro)</th> <th>GROUP</th> <th>COMPANY</th> </tr> </thead> <tbody> <tr> <td>(a) Income</td> <td>4,915,797</td> <td>15,193,275</td> </tr> <tr> <td>(b) Expenses</td> <td>9,586,667</td> <td>11,249,280</td> </tr> <tr> <td>(c) Receivables</td> <td>2,951,869</td> <td>117,658,968</td> </tr> <tr> <td>(d) Liabilities</td> <td>4,619,259</td> <td>28,472,591</td> </tr> <tr> <td>(e) Fees of Managers and members of the Board of Directors</td> <td>2,550,366</td> <td>1,959,027</td> </tr> <tr> <td>(f) Amounts owed by Managers and members of the Board of Directors</td> <td>0</td> <td>0</td> </tr> <tr> <td>(g) Amounts to Managers and members of the Board of Directors</td> <td>300,128</td> <td>233,128</td> </tr> </tbody> </table>	(Amounts in euro)	GROUP	COMPANY	(a) Income	4,915,797	15,193,275	(b) Expenses	9,586,667	11,249,280	(c) Receivables	2,951,869	117,658,968	(d) Liabilities	4,619,259	28,472,591	(e) Fees of Managers and members of the Board of Directors	2,550,366	1,959,027	(f) Amounts owed by Managers and members of the Board of Directors	0	0	(g) Amounts to Managers and members of the Board of Directors	300,128	233,128
(Amounts in euro)	GROUP	COMPANY																							
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Iraklion, March 30, 2016

PRESIDENT OF THE B.o.D.	VICE PRESIDENT OF B.o.D & MANAGING DIRECTOR	FINANCE DIRECTOR	DEPUTY FINANCIAL DIRECTOR	GROUP FINANCIAL REPORTING MANAGER	GROUP ACCOUNTING MANAGER
DEEPAK SRINIVAS PADMANABHAN Passport No. Z 2918778	PANAGIOTIS PAPADOPOULOS ID Number S 676330	MICHALIS RAMAKIS ID Number AI 611898 License Number O.E.E. 0004719 A Class	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