

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 JANUARY 1, 2011 - SEPTEMBER 30, 2011

(According to 4/507/28.04.2009 resolution of Greek Capital Committee)

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.forthnetgroup.gr, where all interim condensed 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.forthnetgroup.gr
 Board of Directors approval date: November 17, 2011
 Certified Auditor Accountant: Seferis Christodoulos, Saloustris Stavros
 Auditing firm: ERNST & YOUNG S.A., SOL S.A.
 Type of auditor's review report: Unqualified opinion

STATEMENT OF FINANCIAL POSITION (parent company and consolidated)

	GROUP		COMPANY	
	30.06.2011	31.12.2010	30.06.2011	31.12.2010
ASSETS				
Tangible assets	287,786,046	311,814,651	156,618,517	170,553,382
Intangible assets	188,212,966	215,789,271	15,500,716	19,794,317
Goodwill	229,799,089	268,022,695	512,569	512,569
Other non current assets	34,010,128	32,987,566	216,202,175	310,726,367
Inventories	7,617,073	6,708,194	2,446,156	2,254,877
Trade receivables	70,755,371	71,314,880	43,935,424	41,064,974
Other current assets	100,194,634	113,062,516	55,399,701	73,810,371
TOTAL ASSETS	918,375,307	1,019,699,773	490,615,258	618,716,857
EQUITY AND LIABILITIES				
Share Capital (155,431,324 shares € 1.18 each)	183,408,963	183,408,963	183,408,963	183,408,963
Retained earnings and other reserves	454,388	76,894,651	50,639,393	146,715,730
Total Shareholders equity (a)	183,863,351	260,303,614	234,048,356	330,124,693
Non-controlling interests (b)	4,384,871	2,497,831	-	-
Total Equity (c)=(a)+(b)	188,248,222	262,801,445	234,048,356	330,124,693
Long-term borrowings	89,342,671	286,494,821	39,655,000	89,473,548
Provisions/Other long-term liabilities	183,257,225	199,830,739	25,053,395	27,879,913
Short-term borrowings	243,474,133	46,563,258	69,566,451	20,000,000
Other Current Liabilities	214,053,056	224,009,510	122,292,056	151,238,703
Total Liabilities (d)	730,127,085	756,898,328	256,566,902	288,592,164
TOTAL EQUITY AND LIABILITIES (c)+(d)	918,375,307	1,019,699,773	490,615,258	618,716,857

STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)

	GROUP		COMPANY	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
Total equity balance at the beginning of period (01.01.2011 and 01.01.2010 respectively)	262,801,445	348,457,561	330,124,693	359,407,145
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	(74,544,041)	(45,448,360)	(96,076,337)	(17,288,041)
Subsidiary's share capital increase	(9,182)	4,003	-	-
Total equity balance ending period (30.09.2011 and 30.09.2010 respectively)	188,248,222	303,013,204	234,048,356	342,119,104

CASH FLOW STATEMENT (parent company and consolidated)

	GROUP		COMPANY	
	01.01 - 30.09.2011	01.01 - 30.09.2010	01.01 - 30.09.2011	01.01 - 30.09.2010
Cash flow from Operating Activities				
Loss before income taxes	(80,190,817)	(43,751,985)	(97,122,057)	(13,373,012)
Adjustments for:				
Depreciation and amortisation	84,024,420	76,568,303	45,476,662	40,462,879
Amortisation of subsidies	(2,582,181)	(2,442,571)	(2,533,107)	(2,391,312)
Gains on disposal of tangible and intangible assets	24,139	(11,008)	41,019	(6,142)
Allowance for doubtful accounts receivable	2,826,438	2,710,134	3,018,379	2,668,166
Other provisions	(482,555)	1,378,409	(86,864)	393,126
Impairment of goodwill	38,223,606	-	-	-
Impairment of investment in subsidiary	-	-	95,371,438	-
Financial (income)/expenses	19,370,894	19,938,003	3,510,705	3,206,013
Share of profits of associates accounted for under the equity method	-	30,705	-	-
Add/ less adjustments for changes in working capital related to operating activities:				
Decrease / (increase) inventories	(199,643)	1,684,747	398	(261,683)
Decrease/ (increase) in receivables	(6,786,648)	(28,884,167)	2,281,953	(45,712,161)
(Decrease) / increase liabilities (other than Bank loans)	5,517,066	4,875,477	(22,152,579)	31,607,108
Minus:				
Interest paid	(15,871,400)	(16,474,801)	(2,946,575)	(3,351,150)
Income taxes paid	(3,045,864)	(4,420,651)	-	-
(Increase)/decrease in other non-current assets	479,557	(52,364)	286,917	(32,735)
Increase / (decrease) in other long-term liabilities	(154,356)	83,255	(247,048)	90,100
Payment of staff retirement indemnities	(1,219,028)	(883,828)	(522,566)	(164,101)
Net cash from Operating Activities	39,933,628	10,347,658	24,376,674	13,135,096
Cash flow from Investing activities				
Capital expenditure for property, plant and equipment and intangible assets	(41,027,573)	(28,864,781)	(35,072,432)	(27,023,938)
Disposals of property, plant and equipment and intangible assets	12,282	80,067	29,162	50,974
Interest and related income received	262,871	496,042	142,295	170,044
Increase in participation in subsidiaries	-	-	-	(575,996)
Restricted Cash	750,000	-	750,000	-
Increase in investments in associates and other financial assets	5,989	(12,804)	-	(9,915)
Government grants received	-	4,500,000	-	4,500,000
Net cash used in Investing Activities	(39,996,431)	(23,801,476)	(34,150,975)	(22,888,831)
Cash flows from Financing Activities				
Net proceeds from the issuance of share capital in subsidiary	-	4,003	-	-
Net change in long-term borrowings	-	(15,130,000)	-	(10,000,000)
Net change in short-term borrowings	-	494,062	-	-
Net change in leases	(16,508,790)	(6,365,510)	629,413	(111,655)
Net cash (used in)/from Financing Activities	(16,508,790)	(20,997,445)	629,413	(10,111,655)
Net decrease in cash and cash equivalents	(16,571,593)	(34,451,263)	(9,144,888)	(19,865,390)
Cash and cash equivalents at the beginning of period	36,418,891	79,549,226	18,329,631	40,621,678
Cash and cash equivalents of the end of period	19,847,298	45,097,963	9,184,743	20,756,288

TOTAL COMPREHENSIVE INCOME (parent company and consolidated)

	GROUP			
	01.01 - 30.09.2011	01.01 - 30.09.2010	01.07 - 30.09.2011	01.07 - 30.09.2010
Turnover	307,469,200	299,087,242	101,204,733	100,326,918
Loss before taxes, financing and investing activities	(60,819,923)	(23,783,277)	(6,782,591)	(9,089,616)
Loss before income taxes	(80,190,817)	(43,751,985)	(16,485,725)	(13,754,862)
Loss after income taxes (A)	(74,544,041)	(45,448,360)	(14,645,093)	(12,984,352)
- Share holders of the parent company	(76,440,263)	(44,210,015)	(14,631,993)	(12,473,388)
- Non-controlling interests	1,896,222	(1,238,345)	(13,101)	(510,964)
Other comprehensive income after taxes(B)	-	-	-	-
Total comprehensive income after taxes(A)+(B)	(74,544,041)	(45,448,360)	(14,645,093)	(12,984,352)
- Share holders of the parent company	(76,440,263)	(44,210,015)	(14,631,993)	(12,473,388)
- Non-controlling interests	1,896,222	(1,238,345)	(13,101)	(510,964)
Loss after taxes per share - Basic (in €):	(0.4918)	(0.2844)	(0.0941)	(0.0803)
Profit before taxes, financing, investing activities and depreciation	20,622,316	50,342,455	20,230,733	16,736,396
COMPANY				
	01.01 - 30.09.2011	01.01 - 30.09.2010	01.07 - 30.09.2011	01.07 - 30.09.2010
Turnover	172,186,743	157,557,767	58,684,862	54,489,248
Profit/(Loss) before taxes, financing and investing activities	(93,611,352)	(10,166,999)	4,190,726	(2,070,108)
Profit/(Loss) before income taxes	(97,122,057)	(13,373,012)	2,746,757	(3,337,554)
Profit/(Loss) after income taxes (A)	(96,076,337)	(17,288,041)	2,908,292	(3,721,644)
- Share holders of the parent company	(96,076,337)	(17,288,041)	2,908,292	(3,721,644)
- Non-controlling interests	-	-	-	-
Other comprehensive income after taxes(B)	-	-	-	-
Total comprehensive income after taxes(A)+(B)	(96,076,337)	(17,288,041)	2,908,292	(3,721,644)
- Share holders of the parent company	(96,076,337)	(17,288,041)	2,908,292	(3,721,644)
- Non-controlling interests	-	-	-	-
Profit/(Loss) before taxes, financing, investing activities and depreciation	(50,667,797)	27,904,568	18,094,288	11,704,175

ADDITIONAL DATA AND INFORMATION

- The above financial statements for the period 01/01/2011-30/09/2011 have been approved by the members of the Board of Directors November 17, 2011
- At September 30, 2011 the total number of employees reached 1,392, while those of the Parent Company reached 798. At September 30, 2009 the Group's relative number of employees was 1,535, while that of the parent company was 855.
- There is no burden against title to the Group's real estate.
- The financial statements of the Group are included in the financial statement of Company "FORGENDO LIMITED" (Head Office: Cyprus, Percentage Participation at September 30, 2011: 41.27%) under the equity method.
- The same accounting methods and assessments have been used as in prior fiscal year 2010 except for those referred to in note 2 of the interim financial statements. The Group has changed the presentation of expenses from the function of expense method to the nature of expenses method in order to provide more reliable and relevant information.
- 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.
- 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 € 2.55 m. for the Group. In addition, no deferred tax asset has been recognised for set-off of tax losses of amount € 3.0 m. for the Group and the Company in order to cover any additional taxes which will occur in future tax audit.
- 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 € 0.00 for the Company and € 2.2 million for the Group.

- Certain line items of the previous year's/period's financial statements were reclassified in order to conform to the current period's presentation.
- The Group's subsidiaries, their registered offices, the equity interest as well as the participation relationship with the Group which are incorporated in the interim consolidated financial statements of the period, are stated in note 10 of the interim condensed financial statements, except for the participation in the subsidiary Telemedicine Technologies S.A. which was increased from 67.44% to 68.19%.
- 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.
- 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 period derived from transactions with related parties as defined by IAS 24 are as follows:

(Amounts in euro)	GROUP	COMPANY
a) Income	71,197	6,466,802
b) Expenses	1,407,675	2,206,089
c) Receivables	45,107	36,693,068
d) Liabilities	527,036	39,237,352
e) Fees of Managers and members of the Board of Directors	3,192,122	2,531,537
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	0	0

Iraklion, November 17, 2011

PRESIDENT OF THE B.o.D.

VICE PRESIDENT OF B.o.D
& MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

GROUP ACCOUNTING REPORTING
& TAX DIRECTOR

GROUP FINANCIAL REPORTING
MANAGER

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