



HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATICS APPLICATIONS S.A.
Forthnet S.A.
 Registration No S.A. 34461/06/8/95/94
 Scientific Technological Park of Crete, Vassilika Vouton, Iraklion Crete 71003
FINANCIAL DATA & INFORMATION FOR THE PERIOD JANUARY 1, 2011 - JUNE 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.'s financial statements and results and of the Group. As a result of this, we recommend to any potential investor, that before they engage in any type of investment activity or any other kind of transaction with the Company, that they visit the Company's web site at the electronic address www.forthnet.gr, where all interim condensed financial statements according to IFRS as well as the auditors review report, when this is required, are posted.

Web Site: www.forthnet.gr
Board of Directors approval date: August 30, 2011
Certified Auditor Accountant: Seferis Christodoulos, Seloustris Stavros
Auditing firm: ERNST & YOUNG S.A., SOL S.A.
Type of auditor's review report: Unqualified opinion (Emphasis of matter)

(amounts presented in euro)

STATEMENT OF FINANCIAL POSITION (parent company and consolidated)					STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)				
	GROUP		COMPANY			GROUP		COMPANY	
	30.06.2011	31.12.2010	30.06.2011	31.12.2010		30.06.2011	30.06.2010	30.06.2011	30.06.2010
ASSETS					Total equity balance at the beginning of period (01.01.2011 and 01.01.2010 respectively)	262,801,445	348,457,961	330,124,698	353,407,145
Tangible assets	294,095,983	311,814,651	160,383,921	170,553,382	Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	(59,888,947)	(32,464,008)	(98,984,629)	(13,566,357)
Intangible assets	197,180,292	235,789,271	16,578,652	19,784,317	Subsidiary's share capital increase	(9,185)	4,003	-	-
Goodwill	229,799,089	268,022,695	512,569	512,569	Total equity balance end of period (30.06.2011 and 30.06.2010 respectively)	202,893,313	315,997,956	231,140,069	345,840,788
Other non current assets	33,991,445	32,987,566	216,342,881	310,726,367					
Inventories	9,606,397	6,708,194	1,231,245	2,254,877					
Trade receivables	71,967,279	68,314,880	42,793,279	41,064,974					
Other current assets	63,264,457	114,828,170	32,782,475	73,810,371					
TOTAL ASSETS	900,404,942	1,018,465,427	470,915,022	618,716,857					
EQUITY AND LIABILITIES					CASH FLOW STATEMENT (parent company and consolidated)				
Share Capital (155,431,324 shares € 1,18 each)	183,408,963	183,408,963	183,408,963	183,408,963					
Accumulated deficit and other reserves	15,086,381	76,394,651	67,711,301	156,715,730	GROUP		COMPANY		
Total Shareholders' equity (A)	198,495,344	260,303,614	251,120,264	340,124,693	01.01. 30.06.2011	01.01. 30.06.2010	01.01. 30.06.2011	01.01. 30.06.2010	
Non-controlling interests (B)	4,397,969	2,497,831	-	-	Cash flow from Operating Activities				
Total Equity (A+B)(C)	202,893,313	262,801,445	251,120,264	340,124,693	Loss before income taxes	(63,705,091)	(29,997,124)	(99,868,814)	(10,035,458)
Long term borrowings	152,520	286,494,821	-	89,473,548	Adjustments for:				
Provisions/Other long term liabilities	187,941,342	199,830,739	25,522,244	27,879,913	Depreciation and amortisation	56,158,159	49,830,655	30,734,967	25,793,761
Short term borrowings	333,287,028	46,563,258	109,531,483	20,000,000	Amortisation of subsidies	(1,729,244)	(1,510,936)	(1,694,974)	(1,496,477)
Other current liabilities	176,130,938	222,775,164	104,717,230	151,238,703	Gains on disposal of tangible and intangible assets	24,531	(1,910)	41,411	2,956
Total Liabilities (D)	697,511,629	755,661,982	219,794,758	278,592,164	Allowance for doubtful accounts receivable	2,024,255	1,753,598	2,066,737	1,803,996
TOTAL EQUITY AND LIABILITIES (C+D)	900,404,942	1,018,465,427	470,915,022	618,716,857	Other provisions	(207,267)	581,445	(120,010)	332,684
					Impairment of goodwill	38,232,606	-	-	-
					Impairment of investments in subsidiaries	-	-	95,371,438	-
					Financial (income)/expenses	9,667,759	15,265,351	2,066,737	1,938,567
					Share of profits of associates accounted for under the equity method	-	18,312	-	-
					Add/less adjustments for changes in working capital related to operating activities:				
					Decrease / (increase) in inventories	(2,517,767)	1,962,759	725,308	340,785
					Decrease / (increase) in receivables	29,977,184	5,785,535	31,942,235	(20,106,869)
					(Decrease) / (increase) in liabilities (other than Bank loans)	(38,629,419)	(2,068,378)	(42,209,543)	(1,159,688)
					Minus:				
					Interest paid	(10,911,651)	(9,347,819)	(2,121,547)	(1,143,272)
					Income taxes paid	(1,947,090)	(2,290,840)	-	-
					(Increase)/decrease in other non-current assets	371,578	(32,528)	184,677	(12,898)
					Increase / (decrease) in other long-term liabilities	57,600	(163,149)	(163,149)	57,100
					Payment of staff retirement indemnities	(1,079,516)	(727,540)	(685,700)	(114,895)
					Share of profits of associates	15,556,681	4,060,460	16,469,717	(3,759,769)
					Net cash used in/ from Operating Activities	(23,936,437)	(15,988,145)	(20,859,478)	(15,842,129)
					Cash flow from Investing Activities				
					Capital expenditure for property, plant and equipment and intangible assets	(24,920,412)	(20,547,537)	(21,737,380)	(19,934,038)
					Disposal of property, plant and equipment and intangible assets	45,072	56,674	28,192	27,581
					Interest and related income received	188,908	393,486	99,310	140,325
					Increase in participation in subsidiaries	-	-	750,000	(175,986)
					Restricted cash	750,000	-	750,000	-
					Increase in investments in associates and other financial assets	-	9,232	-	-
					Government grants received	-	4,500,000	-	4,500,000
					Net cash used in Investing Activities	(23,936,437)	(15,988,145)	(20,859,478)	(15,842,129)
					Cash flows from Financing Activities				
					Net proceeds from the issuance of share capital in subsidiary	-	4,003	-	-
					Net change in long-term borrowings	-	(130,000)	-	-
					Net change in short-term borrowings	(1,158)	475,604	-	-
					Net change in issues	(6,712,853)	(3,803,200)	(78,634)	(73,851)
					Net cash used in Financing Activities	(6,724,111)	(3,552,733)	(78,634)	(73,851)
					Net decrease in cash and cash equivalents	(36,684,985)	(30,543,623)	(40,817,546)	(36,760,108)
					Cash and cash equivalents at the beginning of period	21,325,034	64,488,848	13,861,095	20,905,991
					Cash and cash equivalents at the end of period	(15,359,951)	33,945,225	(26,956,451)	(15,854,117)

ADDITIONAL DATA AND INFORMATION

- The emphasis of matter paragraph in the auditors review report relates to the uncertainty regarding the successful completion of the renegotiation of the Group's financial loan covenants of the existing loans so as to align them with those of the new bond loans.
- The above financial statements for the period 01/01/2011-30/06/2011 have been approved by the members of the Board of Directors on August 30, 2011
- At June 30, 2011, the total number of employees amounted to 1,416, while those of the Parent Company to 806. At June 30, 2010, the Group's relative number of employees was 1,461, while that of the parent company was 835.
- There are no pledges and/or mortgages on the Group's real estate.
- The financial statements of the Group are included in the financial statement of "FORTHNET LIMITED" (Head Office: Cyprus, Percentage Participation at June 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 disclosed 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 € 2.5m for the Group. In addition, no deferred tax asset has been recognised for tax losses of € 4.5 m. for the Group and the Company in order to cover any additional taxes which may arise in a future tax audit.
- There are no disputes or issues under arbitration, or decisions issued by legal or arbitration bodies affecting the Group's financial position. The amount of the provision for the above issues are € 0.00 for the Company and € 1.1m 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	49,246	5,361,437
b) Expenses	1,360,421	438,873
c) Receivables	42,492	11,217,863
d) Liabilities	923,155	38,103,220
e) Fees of Managers and members of the Board of Directors	2,611,508	2,158,462
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

Athens, August 30, 2011

PRESIDENT OF THE B.o.D.

VICE PRESIDENT OF B.o.D
& MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

GROUP FINANCIAL REPORTING &
BUDGETING DIRECTOR

GROUP ACCOUNTING DIRECTOR

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