



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 December 31, 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:	March 31, 2015
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

STATEMENT OF FINANCIAL POSITION (consolidated and parent company)

	GROUP		COMPANY	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
ASSETS				
Tangible assets	163,304,387	191,852,139	93,874,774	111,229,693
Intangible assets	140,100,359	145,717,178	17,737,300	16,660,619
Goodwill	83,168,812	83,168,812	512,569	512,569
Other non current assets	30,357,666	27,473,249	82,093,881	97,548,421
Inventories	6,451,629	6,616,709	1,213,989	1,014,751
Trade receivables	64,458,973	57,804,246	34,571,979	35,101,258
Other current assets	71,173,723	76,552,756	115,759,570	77,209,169
TOTAL ASSETS	559,015,549	589,185,089	345,764,062	339,276,480
EQUITY AND LIABILITIES				
Share Capital (110,097,185 shares € 0.30 each as at 31.12.2014 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	(145,248,671)	(101,424,526)	91,706,766	112,383,734
Total Shareholders equity (a)	(112,219,515)	(97,538,743)	124,735,922	116,269,517
Non-controlling interests (b)	1,700,586	2,371,509	-	-
Total equity (c)=(a)+(b)	(110,518,929)	(95,167,234)	124,735,922	116,269,517
Provisions/Other long-term liabilities	122,115,978	137,788,744	21,749,831	24,315,361
Short-term borrowings	325,743,614	324,961,806	99,999,438	99,850,688
Other current liabilities	221,674,886	221,601,773	99,278,871	98,840,914
Total liabilities (d)	669,534,478	684,352,323	221,028,140	223,006,963
TOTAL EQUITY AND LIABILITIES (c)+(d)	559,015,549	589,185,089	345,764,062	339,276,480

STATEMENT OF CHANGES IN EQUITY (consolidated and parent company)

	GROUP		COMPANY	
	01.01 - 31.12.2014	01.01 - 31.12.2013	01.01 - 31.12.2014	01.01 - 31.12.2013
Total equity balance at the beginning of year	(95,167,234)	(35,059,270)	116,269,517	117,299,428
Total comprehensive loss after income taxes of the year (continuing and discontinuing operations)	(43,041,867)	(60,391,158)	(19,682,402)	(1,052,324)
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)	-	-
Net Other comprehensive income/(loss) not to be reclassified to profit or loss in sub periods	-	167,240	-	-
Net Other comprehensive loss not to be reclassified to profit or loss in subsequent periods	(970,960)	116,588	(512,325)	22,413
Total equity balance of year (31.12.2014 and 31.12.2013 respectively)	(110,518,929)	(95,167,234)	124,735,922	116,269,517

CASH FLOW STATEMENT (consolidated and parent company)

	GROUP		COMPANY	
	01.01 - 31.12.2014	01.01 - 31.12.2013	01.01 - 31.12.2014	01.01 - 31.12.2013
Cash flow from Operating Activities				
(Loss)/ profit before income taxes	(51,768,222)	(53,212,264)	(12,957,989)	1,475,008
Adjustments for:				
Depreciation and amortisation	89,750,468	88,483,327	45,654,439	48,108,387
Amortisation of subsidies	(1,938,065)	(2,226,555)	(1,936,879)	(2,190,729)
(Gains)/ Loss on disposal of tangible and intangible assets	95,873	4,293	(3,221)	(2,265)
Allowance for doubtful accounts receivable	7,365,097	6,192,304	4,172,821	5,245,350
Provision for staff retirement indemnities	1,483,376	1,544,144	863,284	976,504
Impairment of investment in subsidiaries	-	-	8,016,000	112,499
Impairment of goodwill	-	190,355	-	-
Impairment of investments in associates	5,032	(95,122)	-	-
Other provisions	211,217	659,771	199,884	38,968
Financial (income)/expenses	23,305,983	22,945,612	4,593,666	5,444,009
Add/ less adjustments for changes in working capital related to operating activities:				
Increase inventories	863	(2,421,128)	(352,122)	(148,519)
Increase in receivables	(8,149,432)	(2,646,313)	(38,010,502)	(8,861,438)
(Increase)/Decrease liabilities (other than Bank loans)	(4,267,148)	9,591,633	137,353	(23,132,627)
Minus:				
Income taxes paid	(622,700)	(1,255,379)	-	-
Increase/ (decrease) in other long-term liabilities	(2,089,021)	1,336,066	(1,168,845)	1,181,034
Payment of staff retirement indemnities	(1,610,071)	(1,387,947)	(854,325)	(846,199)
Net cash from Operating Activities	51,773,250	67,702,797	8,353,564	27,399,982
Cash flow from Investing Activities				
Capital expenditure for property, plant and equipment and intangible assets	(56,277,697)	(44,800,490)	(29,403,965)	(29,637,021)
Disposals of property, plant and equipment and intangible assets	722,042	24,297	10,194	22,426
Interest and related income received	248,181	155,713	243,629	119,573
Decrease/ (increase) Restricted cash	(3,217,029)	7,000,000	(2,917,029)	7,000,000
Net cash used in Investing Activities	(58,524,503)	(37,620,480)	(32,067,171)	(22,495,022)
Cash flows from Financing Activities				
Net proceeds from the issuance of share capital	28,491,696	-	28,491,696	-
Repayment of long-term borrowings	-	(10,000,000)	-	(10,000,000)
Interest paid	(15,668,544)	(22,168,055)	(4,441,698)	(5,175,926)
Interest rate swap expenses	(2,647,848)	(3,567,955)	-	-
Net change in leases	(7,830,158)	(12,228,389)	(363,334)	(466,592)
Net cash used in Financing Activities	2,345,146	(47,964,399)	23,686,664	(15,642,518)
Net increase/(decrease) in cash and cash equivalents	(4,406,107)	(17,882,082)	(26,943)	(10,737,558)
Cash and cash equivalents at the beginning of year	14,689,747	32,571,829	5,582,295	16,319,853
Cash and cash equivalents at the end of year	10,283,640	14,689,747	5,555,352	5,582,295

TOTAL COMPREHENSIVE INCOME (consolidated and parent company)

	GROUP		COMPANY	
	01.01 - 31.12.2014	01.01 - 31.12.2013	01.01 - 31.12.2014	01.01 - 31.12.2013
Turnover	374,914,308	375,439,518	215,613,126	215,109,726
Loss before taxes, financing and investing activities	(28,457,207)	(30,361,774)	(8,364,323)	6,919,017
Loss before income taxes	(51,768,222)	(53,212,264)	(12,957,989)	1,475,008
Loss after income taxes (A)	(43,041,867)	(60,391,158)	(19,682,402)	(1,052,324)
- Share holders of the parent company	(42,375,173)	(59,820,693)	(19,682,402)	(1,052,324)
- Non-controlling interests	(666,694)	(570,465)	-	-
Other comprehensive income after taxes(B)	(970,960)	167,240	(512,325)	22,413
Total comprehensive loss after taxes(A)+(B)	(44,012,827)	(60,223,918)	(20,194,727)	(1,029,911)
- Share holders of the parent company	(43,341,904)	(59,654,306)	(20,194,727)	(1,029,911)
- Non-controlling interests	(670,923)	(569,612)	-	-
Loss after taxes per share - Basic (in €):	(0.3915)	(4.6184)	-	-
Profit before taxes, financing, investing activities and depreciation	59,355,196	55,894,998	35,353,237	52,836,675

ADDITIONAL DATA AND INFORMATION

- 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, that cannot be assured and are dependent on a successful refinancing of their borrowings with their lending banks.
- The above financial statements for the year 01/01/2014-30/9/2014 have been approved by the members of the Board of Directors March 31, 2015.
- At December 31, 2014 the total number of employees reached 1,266, while those of the Parent Company reached 756. At December 31, 2013 the Group's relative number of employees was 1,393, while that of the parent company was 842.
- 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 December 31, 2014: 45.21%) under the equity method.
- The same accounting methods and assessments have been used as in prior fiscal year 2013.
- The unaudited tax years of the Company and of the companies of the Group are stated in Note 10 of the 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 € 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 € 151.2 m. for the Group at December 31, 2014 (€ 124.6 m as of December 31, 2013).
- 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 € 0.8 million for the Group.

- 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, are included in note 11 of the financial statements of December 31, 2014.
- 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.
- 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.
- Certain line items of the previous year financial statements were reclassified in order to conform to the current year's presentation.
- 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	7,098,033	27,142,654
b) Expenses	10,436,103	12,811,378
c) Receivables	3,022,283	103,841,010
d) Liabilities	5,405,409	14,015,293
e) Fees of Managers and members of the Board of Directors	2,867,426	1,783,088
f) Amounts owed by Managers and members of the Board of Directors	-	-
g) Amounts to Managers and members of the Board of Directors	-	-

Iraklion, March 31, 2015

PRESIDENT OF THE B.o.D.

VICE PRESIDENT OF B.o.D & MANAGING DIRECTOR

GROUP FINANCE DIRECTOR

GROUP FINANCIAL REPORTING MANAGER

GROUP ACCOUNTING MANAGER

DEEPAK SRINIVAS PADMANABHAN
Passport No Z 2918778

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