



**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 Voutou, Iraklion Crete 71003

**FINANCIAL DATA & INFORMATION FOR THE PERIOD ENDED September 30, 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](http://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](http://www.forthnet.gr)  
 Board of Directors approval date: November 26, 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

**STATEMENT OF FINANCIAL POSITION (consolidated and parent company)**

	GROUP		COMPANY	
	30.09.2015	31.12.2014	30.09.2015	31.12.2014
<b>ASSETS</b>				
Tangible assets	145,131,811	163,304,387	83,621,782	93,874,774
Intangible assets	122,374,494	140,100,359	14,012,443	17,737,300
Goodwill	83,168,812	83,168,812	512,569	512,569
Other non current assets	37,163,481	30,357,666	82,891,280	82,093,881
Inventories	3,922,910	6,451,629	628,405	1,213,989
Trade receivables	61,474,691	64,458,973	34,255,105	34,571,979
Other current assets	67,610,389	71,173,723	133,557,504	115,759,570
<b>TOTAL ASSETS</b>	<b>520,846,588</b>	<b>559,015,549</b>	<b>349,479,088</b>	<b>345,764,062</b>
<b>EQUITY AND LIABILITIES</b>				
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	(171,636,267)	(145,248,671)	87,046,878	91,706,766
Total Shareholders equity (a)	(138,607,111)	(112,219,515)	120,076,034	124,735,922
Non-controlling interests (b)	(2,706,675)	1,700,586	-	-
Total equity (c)=(a)+(b)	(141,313,786)	(110,518,929)	120,076,034	124,735,922
Provisions/Other long-term liabilities	127,129,975	122,115,978	19,513,370	21,749,831
Short-term borrowings	326,094,420	325,743,614	100,000,000	99,999,438
Other current liabilities	208,935,979	221,674,886	109,889,684	99,278,871
Total liabilities (d)	662,160,374	669,534,478	229,403,054	221,028,140
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>520,846,588</b>	<b>559,015,549</b>	<b>349,479,088</b>	<b>345,764,062</b>

**STATEMENT OF CHANGES IN EQUITY (consolidated and parent company)**

	GROUP		COMPANY	
	01.01 - 30.09.2015	01.01 - 30.09.2014	01.01 - 30.09.2015	01.01 - 30.09.2014
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
Total comprehensive loss after income taxes of the period (continuing and discontinuing operations)	(30,794,857)	(36,046,285)	(4,659,888)	(5,344,260)
Issuance of share capital	-	29,143,373	-	29,143,373
Share capital issuance costs (net from deferred tax)	-	(482,241)	-	(482,241)
Total equity balance of period (30.9.2015 and 30.9.2014 respectively)	(141,313,786)	(102,552,387)	120,076,034	139,586,389

**CASH FLOW STATEMENT (consolidated and parent company)**

	GROUP		COMPANY	
	01.01 - 30.09.2015	01.01 - 30.09.2014	01.01 - 30.09.2015	01.01 - 30.09.2014
<b>Cash flow from Operating Activities</b>				
Loss before income taxes	(37,547,561)	(37,234,147)	(6,286,273)	(2,423,551)
Adjustments for:				
Depreciation and amortisation	59,673,516	67,464,585	28,470,345	34,817,060
Amortisation of subsidies	(1,072,544)	(1,469,056)	(1,071,425)	(1,467,870)
(Gains)/ Loss on disposal of tangible and intangible assets	-	-	-	(4,289)
Allowance for doubtful accounts receivable	8,191,067	4,721,313	3,547,469	3,860,717
Provision for staff retirement indemnities	691,510	1,228,274	534,683	720,312
Share of profits of associates accounted for under the equity method	(13,569)	(6,678)	-	-
Other provisions	1,929,391	26,589	1,949,047	15,256
Financial expenses	15,600,658	18,504,043	3,333,681	3,916,929
Add/ less adjustments for changes in working capital related to operating activities:				
(Increase)/decrease in inventories	2,849,328	(476,576)	886,537	(529,433)
(Increase)/decrease in receivables	(2,840,863)	(18,066,019)	(20,790,448)	(42,220,210)
Increase/(decrease) in liabilities (other than Bank loans)	(1,808,886)	2,795,031	7,475,559	4,723,406
Minus:				
Income taxes paid	(239,611)	(487,399)	-	-
Increase/(decrease) in other long-term liabilities	(470,127)	(238,836)	(1,075,591)	(238,836)
Payment of staff retirement indemnities	(689,026)	(1,178,149)	(495,484)	(740,090)
<b>Net cash from Operating Activities</b>	<b>44,253,283</b>	<b>35,582,975</b>	<b>16,478,100</b>	<b>429,401</b>
<b>Cash flow from Investing Activities</b>				
Capital expenditure for property, plant and equipment and intangible assets	(23,916,286)	(40,720,180)	(14,572,702)	(20,157,149)
Disposals of property, plant and equipment and intangible assets	-	-	-	10,194
Interest and related income received	26,108	212,649	24,507	209,923
Decrease/ (increase) Restricted cash	138,620	(3,138,212)	(158,749)	(2,838,212)
<b>Net cash used in Investing Activities</b>	<b>(23,751,558)</b>	<b>(43,645,743)</b>	<b>(14,706,944)</b>	<b>(22,775,244)</b>
<b>Cash flows from Financing Activities</b>				
Net proceeds from the issuance of share capital	-	28,491,696	-	28,491,696
Interest paid	(15,488,632)	(12,921,227)	(2,367,231)	(3,474,967)
Interest rate swap paid	(400,868)	(2,946,025)	-	-
Net change in leases	(6,177,718)	(5,853,874)	(153,578)	(312,649)
<b>Net cash used in Financing Activities</b>	<b>(22,067,218)</b>	<b>6,770,570</b>	<b>(2,520,809)</b>	<b>24,704,080</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,565,493)</b>	<b>(1,292,198)</b>	<b>(749,653)</b>	<b>2,358,237</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>10,283,640</b>	<b>14,689,747</b>	<b>5,555,352</b>	<b>5,582,295</b>
<b>Cash and cash equivalents at the end of period</b>	<b>8,718,147</b>	<b>13,397,549</b>	<b>4,805,699</b>	<b>7,940,532</b>

**TOTAL COMPREHENSIVE INCOME (consolidated and parent company)**

	GROUP			
	01.01 - 30.09.2015	01.01 - 30.09.2014	01.07-30.09.2015	01.07-30.09.2014
Turnover	265,263,680	280,634,294	83,689,106	88,194,330
Loss before taxes, financing and investing activities	(21,960,472)	(18,736,782)	(8,532,730)	(7,751,026)
Loss before income taxes	(37,547,561)	(37,234,147)	(13,348,516)	(14,839,549)
<b>Loss after income taxes (A)</b>	<b>(30,794,857)</b>	<b>(36,046,285)</b>	<b>(11,137,716)</b>	<b>(12,251,617)</b>
- Share holders of the parent company	(26,387,596)	(35,389,913)	(11,001,188)	(11,985,078)
- Non-controlling interests	(4,407,261)	(656,372)	(136,528)	(266,539)
<b>Other comprehensive income after taxes(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive loss after taxes(A)+(B)</b>	<b>(30,794,857)</b>	<b>(36,046,285)</b>	<b>(11,137,716)</b>	<b>(12,251,617)</b>
- Share holders of the parent company	(26,387,596)	(35,389,913)	(11,001,188)	(11,985,078)
- Non-controlling interests	(4,407,261)	(656,372)	(136,528)	(266,539)
Loss after taxes per share - Basic (in €):	(0.2397)	(0.3289)	(0.0999)	(0.1089)
Profit before taxes, financing, investing activities and depreciation	36,640,500	47,258,747	9,718,467	14,968,428
COMPANY				
Turnover	145,655,652	163,065,581	46,341,319	51,532,174
Profit/(loss) before taxes, financing and investing activities	(2,952,592)	1,493,378	(1,002,469)	616,256
Profit/(loss) before income taxes	(6,286,273)	(2,423,551)	(2,138,504)	(924,067)
<b>Profit/(loss) after income taxes (A)</b>	<b>(4,659,888)</b>	<b>(5,344,260)</b>	<b>(1,154,161)</b>	<b>(2,109,408)</b>
<b>Other comprehensive income after taxes(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) after taxes(A)+(B)</b>	<b>(4,659,888)</b>	<b>(5,344,260)</b>	<b>(1,154,161)</b>	<b>(2,109,408)</b>
- Share holders of the parent company	(4,659,888)	(5,344,260)	(1,154,161)	(2,109,408)
- Non-controlling interests	-	-	-	-
<b>Other comprehensive income after taxes(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Profit before taxes, financing, investing activities and depreciation	24,446,328	34,842,568	7,600,373	11,824,072

**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 fulfill 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 depended on a successful refinancing of their borrowings with their lending banks, while, an additional uncertainty exists associated with the current economic situation in Greece.
- The above financial statements for the period 01/01/2015-30/9/2015 have been approved by the members of the Board of Directors November 26, 2015
- At September 30, 2015 the total number of employees reached 1,234, while those of the Parent Company reached 744. At September 30, 2014 the Group's relative number of employees was 1,283, while that of the parent company was 764.
- 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, Direct Percentage Participation at June 30, 2015: 41.27% and ultimate parent company participation 45,21%) under the equity method.
- The same accounting methods and assessments have been used as in prior fiscal year 2014.
- The unaudited tax years of the Company and of the companies of the Group are stated in Note 9 of the interim consolidated 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 € 0.4m. 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 € 166.6 m. for the Group.
- 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 € 2.3 million for the Company and € 2.8 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 interim consolidated financial statements, do not differ from those 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 and the planned share capital increase was not successfully completed
- 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	3,880,076	11,366,734
b) Expenses	7,027,277	8,706,035
c) Receivables	1,857,412	121,159,256
d) Liabilities	3,953,065	29,692,000
e) Fees of Managers and members of the Board of Directors	1,956,871	1,426,934
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 26, 2015

PRESIDENT OF THE B.o.D.

VICE PRESIDENT OF B.o.D & MANAGING DIRECTOR

FINANCE DIRECTOR

DEPUTY FINANCE 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