INTRACOM HOLDINGS S.A.

Annual Report
for the Year 2012 (1st January – 31st December 2012)
in accordance with Law 3556/2007

Contents

The attached annual financial statements of the Group and the Company have been approved for issue by the Board of Directors on 28th March 2013.

THE CHAIRMAN OF THE BOARD OF DIRECTORS & MANAGING DIRECTOR	THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS & DEPUTY MANAGING DIRECTOR
S.P. KOKKALIS ID No AI 091040/05.10.2009	**D.C. KLONIS** ID No. AK 121708/07.10.2011

THE CHIEF ACCOUNTANT

J.K. TSOUMAS
ID No AZ 505361/10.12.2007
Licence No 637

A) Directors' Statements

(pursuant to article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors, of INTRACOM HOLDINGS SA

1. Socrates P. Kokkalis, Chairman & Managing Director,
2. Dimitrios C. Klonis, Vice Chairman and Deputy Managing Director,
3. Georgios A. Anninos, Member of the Board of Directors

In our above mentioned capacity we declare that:

As far as we know:

a. the parent company and consolidated annual financial statements for the year 01/01/2012 to 31/12/2012 which were drawn up in accordance with applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of **'INTRACOM HOLDINGS SA'** and of the undertakings included in consolidation, taken as a whole, and

b. the annual report of the Board of Directors is a true representation of the progress, the performance and the financial position of the Company and of the undertakings included in the consolidation, taken as whole, including a description of the major risks and uncertainties they confront.

THE CHAIRMAN OF THE BOARD OF DIRECTORS & MANAGING DIRECTOR

S.P. KOKKALIS

ID No AI 091040/05.10.2009

THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS & DEPUTY MANAGING DIRECTOR

D.C. KLONIS

ID No. AK 121708/07.10.2011

THE MEMBER OF THE BOARD

G. A. ANNINOS

ID No. AE 550167/17.04.2007

B) Board of Directors' Report

ANNUAL REPORT OF THE

BOARD OF DIRECTORS OF INTRACOM HOLDINGS SA

FOR THE YEAR 2012 (1st JANUARY – 31st DECEMBER 2012)

(in accordance with article 5 of Law 3556/2007)

FINANCIAL RESULTS

INTRACOM HOLDINGS consolidated turnover for 2012 amounted to € 541,7 mn., increased by 4,3% compared to 2011. Hellas Online remains first in sales with a turnover of € 235,8 mn. (2011: € 224,6 mn). INTRASOFT INTERNATIONAL Group and INTRACOM DEFENSE, presented both increase in sales, (€ 135,8 mn. and € 49,7 mn. respectively), while sales of INTRAKAT Group fell by 2% and reached € 124,3 mn.

Consolidated sales do not include sales of INTRACOM TELECOM which is consolidated using the equity mehtod.

The gross profit of the Group increased by 48% and amounted to € 95,1 mn. compared to € 64,3 mn. in 2011, improving the Group's gross margin from 12,4% in 2011 to 17,6% in 2012. The operating profitability (EBITDA) amounted to € 76,2 mn. compared to € 49,2 mn. in 2011, showing an increase of 54,8%. Operating profits were boosted by the performance of Hellas Online which recorded EBITDA € 64,3 mn. as well as by the performance of INTRASOFT INTERNATIONAL Group that, relieved from the non-recurring write-offs of 2011 and having qualitatively improved its cost elements, presented EBITDA of € 9,5 mn. compared to - € 15,4 mn. in 2011.

In 2012 the Group returns to operating profitability at the EBIT level, reporting earnings before interest and taxes of € 1,4 mn. compared to losses of - € 29,0 mn. in 2011. The results were positively affected by both the increase in gross margin and the decrease of operating expenses by 5,7%.

The consolidated profit before tax in 2012 amounted to losses of - € 49,5 mn. compared to losses of - € 60,4 mn. in 2011, a decrease in losses by € 10,9 mn. or 18,0%. Significant effect on the result before taxes had the negative results of INTRACOM TELECOM which is consolidated in INTRACOM HOLDINGS Group using the equity method.

The Group's total equity as at 31/12/2012 amounted to € 348,0 mn. compared to € 397,3 mn. as at 31/12/2011.

Total assets amounted to € 972,9 mn. at 31/12/2012 compared to € 1.030,8 mn. at 31/12/2011 presenting a change of 5,6%. The decrease in the Group's assets is a result of impairment on land and buildings as well as on investments in associates.

The Group's total debt decreased in 2012 by € 18,7 mn. and amounted to € 312,0 mn. from € 330,7 mn. in 2011. Net debt also decreased by € 29,2 mn. and at 31/12/2012 amounted to € 258,7 mn. compared to € 287,9 mn. in 2011.

Key financial ratios, depicting the Group's and Company's financial condition are as follows:

a. Financial Structure Ratios	**GROUP**	**COMPANY**
Current Assets/Total Assets	39,9%	3,6%
Total Equity/Total Liabilities	55,7%	764,1%
Total Equity/Fixed Assets	74,9%	514,1%
Current Assets/Short-term Liabilities:	89,4%	48,4%

b. Profitability Ratios	**GROUP**	**COMPANY**
EBITDA/Sales	14,1%	-643,7%
Gross Profit/Sales	17,6%	13,8%
Sales/Total	155,67%	0,51%

MAIN EVENTS 2012

INTRAKAT in joint venture with the companies **J&P-AVAX and AEGEK Construction signed a new contract with ERGA-OSE SA**, budgeted at €79.1 m. The project pertains to the construction of the infrastructure for an approximately 7-km section of the new high-speed rail line, along with all related railway and road works, bridges, underpasses, sewerage, irrigation and other smaller technical works. The contract sets a 30-month deadline for completion of works. Furthermore, on March 2012 INTRAKAT signed a new contract in Poland for the construction of the Zduńska Wola Town Hall Integration Centre, of total budget € 4,65 mn. The project pertains to the construction of the Historic City Hall Building and the development of the Plac Wolnosci Square. The completion of the town hall building is scheduled for September 2013 while the revitalization of the city center will be completed by August 2014. The project is co-financed by the European Union and the European Regional Fund under the 2007-2013 Regional Operational Program.

On May, INTRAKAT signed a contract with the Ministry of infrastructures Transportations and Networks for the project "Water supply of Heraklion and Agios Nikolaos from Aposelemis Dam – Reinforcement works of Aposelemi Dam reservoir from Lassithi Plateau", of total budget 38,14 million euro.

Moreover, the J/V "AKTOR ATE- MOCHLOS S.A – INTRAKAT" and the Ministry of Infrastructures, Transportations and Networks signed a contract for the project: « Settlement of the Eshatia Stream – Part 1 (from the Ilion Square up to the Efpyridon conduit junction) », of total budget € 59,1 mn .

Finally, on Friday 7/9/2012 PRISMA DOMI ATE, an INTRAKAT subsidiary, signed with the Ministry of Development, Competitiveness, Infrastructures, Transport & Networks a contract for the "New maneuvering area of the National Paros Airport." The total contract budget amounts to € 15,3 mn.

INTRACOM Defense Electronics on March 2012 signed a new contract related to Patriot Air and Missile Defense System with RAYTHEON. The current agreement is worth $83.2 mn. and will be completed by the end of 2015.

Following international competition, INTRACOM Defense Electronics was awarded by NAMSA (NATO Maintenance and Supply Agency), a two year contract with an option of three additional years for the support of PATRIOT Systems. This agreement succeeds the five year contract between NAMSA and INTRACOM Defense Electronics that has been successfully completed.

In June 2012 INTRACOM Defense Electronics announced that further expands its cooperation with RAYTHEON Missile Systems with a $2.7 mn. contract, in the frame of the RAM (Rolling Airframe Missile) surface-to-air missile, which is in use by the naval forces of seven countries.

In the framework of its extroversion INTRACOM DEFENSE Electronics has recently signed two new contracts, which extend its cooperation in the program of NATO surface-to-air missile ESSM (Evolved SeaSparrow Missile). The first one is with RAYTHEON Missile Systems in U.S.A., amounting to $ 3,2 mn., and the second one with RAM-System in Germany amounting to € 1,8 mn. The agreements are related to the production of electronic subsystems of ESSM guidance section and will be implemented gradually until December 2013.

The intercommunication system WiSPR (Wideband Intercom & Secure Packet Radio) of INTRACOM Defense Electronics has been selected by German BWB (Federal Office of Defense Technology and Procurement) for military platforms of the German Army, following international competition. The communications upgrade program will be implemented by Krauss-Maffei Wegmann in two phases which will total about € 2.5 mn. for WiSPR.

In October 2012 the company announced that has been awarded a new € 1,5 mn. contract by the German company Diehl BGT Defence (DBD) for the IRIS-T missile program. In the framework of this contract that is to be completed in September 2013, INTRACOM Defense Electronics will manufacture the missile electronics for international customers. Moreover, Northrop Grumman assigned to INTRACOM DEFENSE Electronics a contract worth USD 4,4 mn. that will be implemented until August 2013, and includes electronic assemblies of the AN/APG-68(V)9 Radar.

Finally, the company launched its new product Spart@n which is a new IP (Internet Protocol) broadband Radio System for secure information transfer at the tactical level.

INTRASOFT International, participated in the international high-tech exhibition CeBIT 2012 held in Hannover, Germany between 6 and 10 March 2012, presenting the research program IMAGINE, which was funded by the EU.

Furthermore, on March 2012, was awarded by the European Maritime Safety Agency based in Lisbon, Portugal a € 1,8 mn. contract for the maintenance of the vessel traffic monitoring and information system 'SafeSeaNet', a centralised European platform for maritime data exchange.

In May 2012, a Consortium, which includes INTRASOFT INTERNATIONAL, was chosen by the European Medicines Agency as the first contractor on a graded framework contract, with a potential estimated value of € 55 mn. to provide resources based on time and materials for online processing systems. The participation of INTRASOFT INTERNATIONALis estimated at € 22 mn (40% of the Consortium's total budget).

Moreover, during the first semester of 2012, the world's leading Compliance Solution of INTRASOFT International, ESKORT, has been expanded to provide support to other governmental agencies with a compliance and enforcement function, such as social security, having a key role in National Governments' drive to reinforce their audit capabilities, improve compliance and increase revenue collection – which is a key focus for all globally during these times of financial crisis. The ESKORT Compliance Solution of INTRASOFT International enjoys a dominant position in its field, has been deployed with the collaboration of Government Revenue Agencies worldwide and counts 40 installations in 30 countries in 5 continents. In Greece, ELENXIS, the Integrated Information System of the Auditing Services of the Ministry of Finance is based on the ESKORT Compliance Solution.

In September 2012, the Company signed a € 1,2 mn. contract for the implementation of the project “Support to the Establishment of Single Window for Export, Import and Transit Procedures in Tajikistan”. The project will run for 22 months, and it is the 4th Single Window / e-Trader system implemented by INTRASOFT International globally.

During the third quarter of 2012 INTRASOFT International has been certified with Level 3 Capability Maturity Model Integration (CMMI ® v1.3) for software development activities at its offices in Luxembourg, Brussels, Athens and Bucharest. It is the only company in Greece that achieves this certification.

During the third quarter as well, INTRASOFT International signed a € 2,19 mn contract for the full Modernization of the Customs Systems (development and implementation of Customs Declaration and Excise Processing System - CDEPS) of Former Yugoslav Republic of Macedonia (FYROM). This project, which will run for 2 years with a maintenance period of 5 years, is the 10th e-Customs Framework project implemented by INTRASOFT International globally.

Finally, the project SAP Environment, Health & Safety implemented by INTRASOFT International for AGET Heracles won the SAP Quality Awards 2012 with the gold award in the Medium category of projects for the region of Greece and Cyprus, following assessment.

Intracom Telecom, announced the launch of its leading density wireless backhaul solution, OmniBAS-8W, the only product in the market today combining Point-to-Point and Point-to-Multipoint transmission in a single node. The company presented its latest product at Mobile World Congress, in Barcelona. OmniBAS-8W is the most compact nodal solution in the telecom market today offering outstanding performance and unique deployment flexibility.

Furthermore, Intracom Telecom was awarded as Genesys’ "Best SEE Partner 2011" for the wider region of South East Europe, at the Genesys G-Force customer and partner conference in Barcelona, Spain, in September 2012.

As for the put option right for the sale of its 49% participation INTRACOM TELECOM to JSC Concern Sitronics, in December 14th 2012 INTRACOM HOLDINGS announced the activation of the relevant procedure of the exercise of its put option right.

GOALS AND PERSPECTIVES

Although the construction field throughout the crisis has suffered great losses and has found itself in a severe recessional course**, INTRAKAT Group** of Companies has succeeded in this very difficult environment to maintain a constant position among the five largest construction companies, and has avoided significant losses.

The important element determining the prospects of the construction sector, is that Greece presents major investment opportunities such as ports, marinas, airports, tourist complexes and residences, energy networks and renewable energy sources, while promising is the fact that there are funds of the National Strategic Reference Framework (NSRF) of a considerable amount (€ 15-16 billion) that can be absorbed and allocated to such investments and even with enhanced community contribution and significantly reduced national contribution. All the above generate positive expectations that the reversal of the adverse climate in the construction field, may occur gradually through the implementation of energy, environmental and renewable energy projects (wind and solar parks, electric charge balancing infrastructure for electricity) and waste to energy projects, as well as through the construction of other infrastructure projects for which funding will be integrated in programs of the National Strategic Reference Framework (NSRF).

INTRAKAT Group has a significant participation in projects (fiber optic networks and base stations) carried out on behalf of telecom providers such as Vodafone, Wind, Cosmote, and Hellas On Line, projects in the field of steel structures such as power transmission lines on behalf of PPC, projects of the School Buildings Organisation, metal building constructions, steel bridges, metal shelters, mobile telephony masts and finally the solar parks that have been undertaken by the Group. INTRAKAT Group has established its strategy and expects the developments in the field of environmental projects (natural resource management, green development projects) and in the field of waste management. Especially for the waste management, the Group's interest focuses on the utilization of solid waste through the construction, management, operation and maintenance of thermal treatment units of household waste with the simultaneous production of energy.

It is noted that the Company, at the end of January 2012, renewed its 7th grade contractors degree for another three years.

INTRACOM DEFENSE ELECTRONICS aspires to be the leader into a new generation of tactical communications and information technology systems where broadband transmission can be extended though out the chain of command even to the last soldier. In parallel, INTRACOM Defense Electronics remains a valuable industrial partner in a wide range of defense applications. With continuing investment in R&D and production infrastructure, INTRACOM Defense Electronics participates in numerous national and international programs, offering its services in the design, development, integration and verification of the defense electronics systems. The company has set International activity as main strategic axis of development, confirming systematically its extroversion via agreements signed with leading companies worldwide.

The main targets of **INTRASOFT INTERNATIONAL Group** are included in the following axis:

Further develop and internationally promote its products, solutions and services, through enhancement of its position in the markets it is already present,((European Institutions, Public Sector, Banking, SAP), initialisation and expansion of its activities in new markets (UK, USA) and finally enhancement of international presence in vertical solutions: taxation, customs, social security, e-justice, e-procurement.

To further promote global alliances with IBM in Customs and Oracle in Taxation , as well as to create a network of local partners worldwide, remains constant targeting for the group.

Cost containment also remains a priority and will be achieved through rationalization of costs and through economies of scale. This framework includes: utilization of owned near-shore & off-shore development centers and exploitation of outsourcing possibilities, reduction of operating costs due to operational consolidation of the group as well as to other measures of cost rationalization such as full financial monitoring and control (SAP installation throughout the group), adopting cost reducing culture (Sell - Deliver - Invoice - Collect), and finally, monthly corporate control meetings.

As far as it concerns **HELLAS ONLINE**, having as growth drivers its large private network (4.166 km. of fiber optics nationwide with 322 collocations at OTE nodes), the strategic partnership with Vodafone, the dynamic implementation of a complete trading plan, continuously improving the overall experience of the customer with the company and the implementation of targeted CRM activities, aims to best ensure the achievement of its business objectives in 2013, investing consistently in the following areas: infrastructure, customer service, combinational & financial services and differentiation.

The product marketing will focus as much on attracting new customers as to retain the existing customers, emphasizing on flexibility, simplicity and advantages of service and not on price. More specifically, emphasis will be put on the enrichment of new combinational solution of fixed telephony and internet. Strategic alliance with Vodafone aims, during 2013, to maintain extended dynamic through the enrichment of 3play/4play packages, offering significant economic benefit to the end customer.

Regarding the provision of audiovisual content, the company's main goal is to broaden the customer base of "hol my tv", by focusing on existing subscribers of telephony and internet growth.

The strategic plan for 2013 for “hol my tv” includes the enrichment and ongoing renewal of the supplied program (Video on Demand and streaming channels), as well as the diversification towards competition via the commercial release of 1. innovative user friendly applications that add new features and flexibility to the viewing of audiovisual programs 2. Video on Demand content to all Broadband subscribers, of any network, through to Over The Top technology. Finally, the company aims to meet the contemporary requirements imposed to the enterprises by the adverse economic environment, enriching the existing hol cloud services (back up, storage, VCS) with new services (Security as a Service etc), having as ultimate goal, hol cloud to provide a solid base for a more efficient enterprise, as well as main competitive advantage towards competition.

Finally, **INTRACOM TELECOM**, strategic focus lies on three axis, aiming to the company’s emergence as an international player in the markets of Wireless Network Systems, Telco Software and Services. The company aims to further expand to the markets of the Middle East, Africa & South-East Asia and Latin America, continuously investing in Wireless Network Systems & Telco Software, implementing large volumes of equipment sales, installation and maintenance, in fast-growing providers with international presence, as well as new alliances with established regional suppliers of telecom solutions, in countries presenting high rate of growth, by enabling providers to offer broadband IP services and innovative services to their subscribers. In the Services sector the company aims to participate in large projects of next generation networks deployment in Greece, in integrated ICT projects in countries where it has already significant presence (Greece and the Balkans). Finally, the Group aims to maintain its leading position and to fully deploy its potential and know-how in the area of system integration.

RISKS AND UNCERTAINTIES

Financial risk factors

INTRACOM S.A., being a Greek multinational company, is exposed to a variety of financial risks, including market risk (the effects of changes in foreign currency exchange rates, cash flow and fair value risk from changes in interest rates and market prices), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group as a whole.

The financial liabilities of the Group include short-term loans, long-term loans, bond loans and finance lease agreements, through which the Group finances its working capital and capital expenditure needs. Moreover, the Group manages financial assets, mainly short-term bank deposits arising from operating activities.

Derivative financial instruments are used exclusively for the hedging of interest or exchange rate risk, since according to the approved policy, speculative use is not permitted.

In summary, the financial risks that arise are analyzed below.

Market risk

Foreign exchange risk

The foreign exchange risk of the Group is limited, since for most of the foreign currency receivables, there are corresponding payables in the same currency. Almost all foreign currency contracts for both assets and liabilities are denominated in USD.

In cases where natural hedge is not adequate due to large amounts of foreign currency payables, the Group may convert part of the borrowings to that currency or may use forward currency contracts.

The Group's policy is to maintain a minimum amount of cash in foreign currency, to meet short-term liabilities in that currency.

Price risk

The Group has limited exposure to changes in the prices of the shares held either for trading or as available for sale financial assets.

Cash flow and fair value interest rate risk

The interest-rate risk has been partly mitigated through the conversion of a significant part of borrowings into fixed rate, while it is estimated that during the current financial year the specific risk will be limited since it is considered highly probable that interest rates will remain stable or will be slightly decreased in the medium-term.

Credit risk

The sales transactions of the Group are made to private companies and public sector organisations with an appropriate credit history, with which in many cases there is a long standing relationship. In cases that vendor financing to an overseas customer is required, the Group insures its credit risk via the Export Credit Insurance Organisation (ECIO). As a result, the risk of doubtful debts is considered limited.

Regarding credit risk related to cash deposits, the Group collaborates with financial institutions of high credit rating focusing on Greek market to ensure the stability of Greek banking system which share the same interests.

Liquidity risk

Each subsidiary draws up and monitors on a monthly basis a cash flow schedule that includes the operating as well as the investing cash flows. All subsidiaries submit to Intracom Holdings on a weekly basis a detailed report of their cash and credit position, in order that an effective monitoring and co-ordination on a group level is achieved.

Prudent liquidity management is achieved by an appropriate combination of cash and cash equivalents and approved bank facilities.

The Group manages the risks that may arise from lack of adequate liquidity by ensuring there are always approved bank facilities for use.

The available undrawn borrowing facilities to the Group, are sufficient to address any potential shortfall in cash.

SIGNIFICANT RELATED PARTY TRANSACTIONS

(Article 2 rule 7/448/11.10.2007 of Capital Market Commission)

The company's significant transactions with related parties as defined in International Accounting Standard 24 relate to transactions with its subsidiaries and affiliates (related companies according to article 42e of L. 2190/20) and companies in which the major shareholder of INTRACOM HOLDINGS holds an interest share, which are presented in the tables below:

Income & Receivables Period 1/1-31/12/2012
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSET	RECEIVABLES
INTRAKAT SA	426	298	-	2.728
INTRASOFT INTERNATIONAL SA (GR)	828	677	-	1.069
INTRACOM DEFENSE SA	5	-	-	-
HELLAS ON LINE A.E.	604	1.423	-	-
OTHER SUBSIDIARIES	2	15	-	78
Total	1.865	2.413	0	3.875
ASSOCIATES				
INTRACOM TELECOM SA	80	-	-	2.066
INTRACOM LTD SKOPJE	-	-	-	750
Total	80	0	0	2.816
OTHER RELATED PARTIES				
INTRALOT	-	128	-	1.282
OTHER RELATED PARTIES	-	5	-	3
Total	0	133	0	1.285
TOTAL	1.945	2.546	0	7.976

Income & Receivables Period 1/1-31/12/2011
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	SALES OF FIXED ASSET	RECEIVABLES
INTRAKAT SA	428	294	-	1.901
INTRACOM I.T. SERVICES SA	178	440	-	615
INTRASOFT INTERNATIONAL SA (GR)	681	67	-	418
INTRACOM DEFENSE SA	156	-	-	195
HELLAS ON LINE A.E.	255	1.388	-	418
ATTICA TELECOMMUNICATIONS SA	250	-	-	-
OTHER SUBSIDIARIES	2	7	-	61
Total	1.950	2.196	0	3.608
ASSOCIATES				
INTRACOM TELECOM SA	121	2	-	1.920
INTRACOM LTD SKOPJE	-	-	-	750
Total	121	2	0	2.670
OTHER RELATED PARTIES				
INTRALOT	-	126	-	1.151
OTHER RELATED PARTIES	4	6	-	3
Total	4	132	0	1.154
TOTAL	2.075	2.330	0	7.432

Expenses & Payables Period 1/1-31/12/2012
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
IN MAINT SA	291	2	-	21
INTRADEVELOPMENT SA	-	-	-	40
INTRACOM I.T. SERVICES SA	-	-	-	880
HELLAS ON LINE A.E.	4	-	-	220
OTHER SUBSIDIARIES	13	-	-	24
Total	308	2	0	1.185
ASSOCIATES				
INTRACOM TELECOM SA	-	-	-	7.577
OTHER ASSOCIATES	-	-	-	27
Total	0	0	0	7.604
OTHER RELATED PARTIES				
KARAISKAKIS AE	27	-	-	27
OTHER RELATED PARTIES	-	-	-	8
Total	27	0	0	35
TOTAL	335	2	0	8.824

Expenses & Payables Period 1/1-31/12/2011
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	PAYABLES
IN MAINT SA	358	45	-	45
INTRADEVELOPMENT SA	-	-	-	41
INTRACOM I.T. SERVICES SA	140	-	-	877
HELLAS ON LINE A.E.	7	-	-	218
OTHER SUBSIDIARIES	12	-	-	8
Total	517	45	0	1.189
ASSOCIATES				
INTRACOM TELECOM SA	-	-	-	4.730
OTHER ASSOCIATES	-	-	-	27
Total	0	0	0	4.757
OTHER RELATED PARTIES				
KARAISKAKIS AE	241,00			149
OTHER RELATED PARTIES	-	-	-	8
Total	241	0	0	157
TOTAL	758	45	0	6.103

In relation to the above transactions:

The Company's income from services comes mainly from the provision of administrative, accounting, legal and computer support services.

The purchases from IN MAINT SA relate to maintenance of facilities and networks.

The transactions have taken place under normal market conditions.

Directors' remuneration and key management compensation amounted to € 1.043 during the year 2012 in comparison to € 1.317 during the previous year. There was no outstanding receivable or payable to directors as at 31st December 2012.

Paiania, 28 March 2013

The Board of Directors

C) Independent Auditors' Report

To the Shareholders of INTRACOM HOLDINGS S.A.

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of **INTRACOM HOLDINGS S.A.**, which comprise the separate and consolidated balance sheet as of 31 December 2012, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of **INTRACOM HOLDINGS S.A.** and its subsidiaries as of 31 December 2012 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in paragraph 3d of article 43a of c.L. 2190/1920.

b) We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of c.L. 2190/1920.

Athens, 28 March 2013

Zoe D. Sofou
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 14701
Associated Certified Public Accountants s.a.
member of Crowe Horwath International
3, Fok. Negri Street – 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

D) Annual Financial Statements

In accordance with International Financial Reporting Standards

as adopted by the European Union

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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(All amounts in €'000)

Balance sheet

		Group		Company	
ASSETS	**Note**	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Non-current assets					
Property, plant and equipment	6	306.000	345.038	15.892	22.211
Goodwill	7	68.386	68.393	-	-
Intangible assets	8	36.374	44.890	1	3
Investment property	9	53.715	54.773	66.207	66.952
Investments in subsidiaries	10	-	-	263.118	263.118
Investments in associates	11	82.804	103.871	94.700	102.900
Available - for - sale financial assets	13	10.560	10.838	9.624	9.621
Deferred income tax assets	14	10.288	8.569	-	-
Long-term loans	15	10.348	10.026	10.348	10.026
Trade and other receivables	16	7.139	6.510	1.280	39
		585.613	**652.908**	**461.171**	**474.870**
Current assets					
Inventories	17	48.909	36.819	-	-
Trade and other receivables	16	254.511	268.446	11.540	11.377
Construction contracts	18	22.488	18.313	-	-
Financial assets at fair value through profit or loss	19	278	105	-	-
Current income tax assets		6.296	11.326	-	-
Cash and cash equivalents	20	53.253	42.852	4.588	5.504
		385.735	**377.861**	**16.128**	**16.881**
Total assets		**971.348**	**1.030.769**	**477.299**	**491.752**
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	21	187.567	187.567	187.567	187.567
Share premium	21	194.204	194.204	194.204	194.204
Reserves	22	186.936	186.732	147.727	147.725
Retained earnings		(258.314)	(215.157)	(107.435)	(89.447)
		310.392	353.345	422.063	440.048
Non-controlling interest		37.577	43.954	-	-
Total equity		**347.969**	**397.299**	**422.063**	**440.048**
LIABILITIES					
Non-current liabilities					
Borrowings	23	147.944	156.512	18.104	12.917
Deferred income tax liabilities	14	2.289	2.728	961	1.005
Retirement benefit obligations	24	6.646	6.416	295	262
Grants	25	19.630	21.210	-	-
Derivative financial instruments	26	1.445	1.668	-	-
Provisions	27	973	1.429	-	-
Trade and other payables	28	11.497	12.970	-	-
		190.425	**202.933**	**19.360**	**14.185**
Current liabilities					
Trade and other payables	28	256.456	236.684	11.821	9.468
Current income tax liabilities		2.071	5.667	-	-
Construction contracts	18	2.539	2.426	-	-
Borrowings	23	164.060	174.216	23.887	27.883
Grants	25	2.447	3.870	-	-
Provisions	27	5.381	7.673	168	168
		432.953	**430.537**	**35.876**	**37.518**
Total liabilities		**623.378**	**633.470**	**55.236**	**51.703**
Total equity and liabilities		**971.348**	**1.030.769**	**477.299**	**491.752**

The notes on pages 24 to 90 are an integral part of these financial statements.

(All amounts in €'000)

Statement of comprehensive income

		Group		Company	
	Note	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Sales		541.690	519.292	2.157	2.420
Cost of goods sold	29	(446.559)	(453.548)	(1.858)	(1.932)
Gross profit		**95.131**	**65.744**	**298**	**488**
Selling and research costs	29	(39.083)	(40.029)	-	(66)
Administrative expenses	29	(55.942)	(59.758)	(5.966)	(7.446)
Other operating income	31	8.392	11.291	3.178	3.157
Other gains/ (losses) - net	32	(33)	1.219	290	(112)
Impairment losses from subsidiaries and associates	10, 11	-	(4.996)	(8.200)	(13.779)
Impairment losses from tangible, intangible assets and investment property	6, 8, 9	(7.091)	(2.455)	(5.333)	-
Operating gains / (losses)		**1.373**	**(28.985)**	**(15.732)**	**(17.758)**
Finance expenses	33	(31.593)	(31.449)	(2.793)	(2.048)
Finance income	33	1.554	1.426	494	547
Finance income /(expenses) - net		**(30.039)**	**(30.023)**	**(2.300)**	**(1.502)**
Share of losses of associates		(20.819)	(1.399)	-	-
Loss before income tax		**(49.485)**	**(60.407)**	**(18.032)**	**(19.260)**
Income tax income / (expense)	34	(229)	789	44	(13)
Loss for the year		**(49.715)**	**(59.618)**	**(17.988)**	**(19.273)**
Other comprehensive income :					
Fair value gains/ (losses) on available for sale financial assets , net of tax	13	(278)	(218)	3	(1)
Currency translation differences, net of tax		(46)	(862)	-	-
Cash flow hedges	26	361	445	-	-
Other comprehensive income for the year, net of tax		**37**	**(635)**	**3**	**(1)**
Total comprehensive income for the year		**(49.678)**	**(60.253)**	**(17.985)**	**(19.274)**
Loss attributable to:					
Equity holders of the Company		(42.868)	(50.708)	(17.988)	(19.273)
Non-controlling interest		(6.847)	(8.910)	-	-
		(49.715)	**(59.618)**	**(17.988)**	**(19.273)**
Total comprehensive income attributable to:					
Equity holders of the Company		(42.947)	(51.242)	(17.985)	(19.274)
Non-controlling interest		(6.731)	(9.011)	-	-
		(49.678)	**(60.253)**	**(17.985)**	**(19.274)**
Losses per share for loss attributable to the equity holders of the Company during the year (expressed in € per share)					
Basic	35	(0,32)	(0,38)	(0,14)	(0,14)
Diluted	35	(0,32)	(0,38)	(0,14)	(0,14)

The notes on pages 24 to 90 are an integral part of these financial statements.

(All amounts in €'000)

Statement of changes in equity - Group

	Note	Attributable to equity holders of the Company				Non-controlling interest	Total equity
		Share capital	Other reserves	Retained earnings	Total		
Balance 1 January 2011		381.771	186.351	(155.942)	412.180	40.637	452.817
Loss for the year		-	-	(50.708)	(50.708)	(8.910)	(59.618)
Fair value losses on available for sale financial assets	13	-	(136)	-	(136)	(82)	(218)
Currency translation differences		-	(645)	-	(645)	(217)	(862)
Cash flow hedge		-	247	-	247	199	445
Total comprehensive income for the year		**-**	**(534)**	**(50.708)**	**(51.242)**	**(9.011)**	**(60.253)**
Dividend		-	-	-	-	(2)	(2)
Effect of change in interest held in subsidiaries/joint ventures	10, 12	-	(2)	(7.178)	(7.180)	12.142	4.962
Disposal of subisidiaries	10	-	(6)	6	-	(225)	(225)
Transfer between reserves	22	-	923	(1.336)	(413)	413	-
		-	915	(8.508)	(7.593)	12.328	4.735
Balance 31 December 2011		**381.771**	**186.732**	**(215.157)**	**353.345**	**43.954**	**397.299**
Balance 1 January 2012		381.771	186.732	(215.157)	353.345	43.954	397.299
Loss for the year		-	-	(42.868)	(42.868)	(6.847)	(49.715)
Fair value losses on available for sale financial assets	13	-	(171)	-	(171)	(107)	(278)
Currency translation differences		-	(115)	-	(115)	69	(46)
Cash flow hedge	26	-	206	-	206	154	361
Total comprehensive income for the year		**-**	**(79)**	**(42.868)**	**(42.947)**	**(6.731)**	**(49.678)**
Share capital increase of subsidiaries	10	-	-	(3)	(3)	352	348
Effect of change in interest held in subsidiaries/joint ventures		-	-	(2)	(2)	2	-
Transfer between reserves	22	-	283	(283)	-	-	-
		-	283	(289)	(6)	354	348
Balance 31 December 2012		**381.771**	**186.936**	**(258.314)**	**310.392**	**37.577**	**347.969**

Analysis of other reserves is presented in note 22.

The notes on pages 24 to 90 are an integral part of these financial statements.

(All amounts in €'000)

Statement of changes in equity - Company

	Note	Share capital	Other reserves	Retained earnings	Total equity
Balance 1 January 2011		381.771	147.725	(70.174)	459.322
Loss for the year		-	-	(19.273)	(19.273)
Fair value losses on available for sale financial assets	13	-	(1)	-	(1)
Total comprehensive income for the year		**-**	**(1)**	**(19.273)**	**(19.273)**
Balance 31 December 2011		**381.771**	**147.725**	**(89.447)**	**440.048**
Balance 1 January 2012		381.771	147.725	(89.447)	440.048
Loss for the year		-	-	(17.988)	(17.988)
Fair value gains on available for sale financial assets	13	-	3	-	3
Total comprehensive income for the year		**-**	**3**	**(17.988)**	**(17.985)**
Balance 31 December 2012		**381.771**	**147.727**	**(107.435)**	**422.063**

Analysis of other reserves is presented in note 22.

The notes on pages 24 to 90 are an integral part of these financial statements.

(All amounts in €'000)

Cash flow statement

		Group		Company	
	Note	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Cash flows from operating activities					
Cash generated from operations	36	96.208	100.601	393	1.489
Interest paid		(29.724)	(29.801)	(2.343)	(2.048)
Income tax paid		(621)	(4.855)	(36)	(197)
Net cash generated from / (used in) operating activities		**65.862**	**65.945**	**(1.986)**	**(756)**
Cash flows from investing activities					
Purchase of property, plant and equipment (PPE)		(20.892)	(34.746)	(23)	(42)
Purchase of investment property		(92)	(19)	(96)	(5)
Purchase of intangible assets		(18.870)	(21.864)	-	-
Proceeds from sale of PPE		491	749	-	-
Proceeds from sale of investment property		-	1.692	-	-
Proceeds from sale of intangible assets		1	-	-	-
Acquisition of financial assets at fair value through profit or loss	19	(110)	-	-	-
Acquisition of available-for-sale financial assets	13	-	(152)	-	(152)
Proceeds from sale of financial assets at fair value through profit or loss		-	4	-	-
Increase of interest in joint ventures		-	105	-	-
Disposal of subsidiaries	10	80	151	-	-
Liquidation of joint venture		9	-	-	-
Establishment of subsidiary/Share capital increase by subsidiary	10	-	5.072	-	(10.000)
Acquisition of associates	11	(61)	(69)	-	-
Dividends received		-	2	-	-
Loans granted		-	(879)	-	(879)
Interest received		1.085	926	23	47
Net cash from investing activities		**(38.361)**	**(49.026)**	**(96)**	**(11.030)**
Cash flows from financing activities					
Contribution of non-controlling interest to subsidiary's share capital increase		347	-	-	-
Dividends paid to Company's shareholders		(25)	(19)	(25)	(19)
Dividends paid to non-controlling interest		-	(2)	-	-
Proceeds from borrowings		10.585	23.689	4.000	14.000
Repayments of borrowings		(25.930)	(40.687)	(2.000)	-
Proceeds from grants	25	-	11.125	-	-
Repayments of finance leases		(2.077)	(3.166)	(808)	(739)
Net cash from financing activities		**(17.100)**	**(9.061)**	**1.166**	**13.242**
Net (decrease) / increase in cash and cash equivalents		**10.401**	**7.857**	**(916)**	**1.456**
Cash and cash equivalents at beginning of year		42.852	34.994	5.504	4.048
Cash and cash equivalents at end of year	20	**53.253**	**42.851**	**4.588**	**5.504**

The notes on pages 24 to 90 are an integral part of these financial statements.

Notes to the financial statements in accordance with International Financial Reporting Standard

1. General information

INTRACOM Holdings S.A., with the distinctive title "INTRACOM HOLDINGS" ("INTRACOM"), was incorporated in Greece and its shares are traded in the Athens Stock Exchange.

Intracom Group operates, through the subsidiaries and associates, in developing products, providing services and undertaking complex, integrated and advanced technology projects in the telecommunications, defence, public administration, and banking & finance industries and has also activities in the construction sector and the telecommunications sector. The parent company operates as a holding company.

The Group operates in Greece, Luxembourg, U.S.A, Bulgaria, Romania, as well as in other foreign countries.

The Company's registered office is at 19 km Markopoulou Ave., Peania Attikis, Greece. Its website address is www.intracom.gr.

These financial statements have been approved for issue by the Board of Directors on 28 March 2013 and are subject to approval by the Annual General Meeting of the Shareholders.

2. Summary of significant accounting policies

Basis of preparation

These financial statements consist of the stand alone financial statements of Intracom Holdings S.A. (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2012, in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union (EU).

These financial statements have been prepared under the historical cost convention, as modified by the available-for-sale financial assets, financial assets at fair value through profit or loss and derivative financial instruments, which are carried at fair value.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. Moreover, the use of estimates and assumptions is required that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial statements and the reported income and expense amounts during the reporting period. Although these estimates are based on the best possible knowledge of management with respect to the current conditions and activities, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

Accounting policies used in the preparation of the financial statements of subsidiaries, associates and joint ventures are consistent with those applied by the parent company.

New standards, amendments to standards and interpretations*:* Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment does not affect the Group's financial statements.

Standards and Interpretations effective from periods beginning on or after 1 January 2013

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IAS 12 (Amendment) "Income Taxes" (Effective for annual periods beginning on or after 1 January 2013)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment is not relevant to the Group.

IFRS 13 "Fair Value Measurement" (Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

IFRIC 20 "Stripping costs in the production phase of a surface mine" (Effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. The Group will adopt the new standard from the next annual period. This amendment will affect the long term liabilities, the equity and the total comprehensive income of the Group since as at 31 December 2012 there are unrecognised losses €340 and unrecognised gains €31 in the Group and the Company respectively.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2013)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities. These amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

Amendments to standards that form part of the IASB's 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the EU.

IAS 1 "Presentation of financial statements"

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

IAS 16 "Property, plant and equipment"

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

IAS 32 "Financial instruments: Presentation"

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

IAS 34, 'Interim financial reporting'

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

Consolidated financial statements

(a) Business combinations and subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operational policies by virtue of de-facto control. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Investments in subsidiaries are accounted for at cost less impairment in the Company's standalone financial statements. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

<u>Transactions and non-controlling interests</u>

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

(b) Joint ventures

Joint ventures or jointly controlled entities are accounted for by proportional consolidation. The Group combines its share in the joint venture on a line-by-line basis in the financial statements.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, the loss is recognised immediately.

Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company accounts for investments in joint ventures in its stand alone financial statements at cost less impairment.

(c) Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but which it does not control. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified in acquisition.

Under this method the Group's share of the post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless the Group has incurred obligations or made payments on behalf of the associates.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company accounts for investments in associates in its stand alone financial statements at cost less impairment.

Segmental reporting

The segments are determined on the basis of internal information reviewed by the management of the Group and are reported in the financial statements based on this internal component classification.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euros, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(1) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(2) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(3) All resulting exchange differences are recognised through other comprehensive income as a separate component of equity and are transferred to income statement upon disposal of these entities.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in equity.

Investment property

Investment property, principally comprising land and buildings, is held by the Group for long-term rental yields. Investment property is measured at cost less depreciation. When the carrying amounts of the investment property exceed their recoverable amounts, the difference (impairment) is charged directly in profit or loss.

The Company classifies all land and buildings rented to subsidiaries as investment property in its stand alone financial statements.

The land classified as investment property is not depreciated. Depreciation on buildings is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, which is 33-34 years.

Property, plant and equipment

All property, plant and equipment ("PPE") is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on PPE is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, in order to write down the cost in its residual value. The expected useful life of property, plant and equipment is as follows:

- Buildings	33-34	years
- Machinery, installations and equipment	10	years
- Motor vehicles	5-7	years
- Telecommunications equipment	5-10	years
- Other equipment	5-10	years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

When the carrying amount of the asset is higher than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in profit or loss.

In case of sale of property, plant and equipment, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the income statement.

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Leases

(a) Finance leases

Leases of property, plant and equipment whereby the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment leased under a finance lease are depreciated over the shorter of the lease term and their useful life, unless there is reasonable certainty that the Group will obtain ownership by the end of the lease term in which case they are depreciated over the useful life.

(b) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Goodwill

Goodwill is not amortized but is tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Goodwill acquired on a business combination is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Impairment is determined by assessing the recoverable amount of the cash-generating units, which are related to goodwill.

If the carrying amount of the cash-generating unit, including goodwill that has been allocated, exceeds the recoverable amount of the unit, impairment is recognized.

Gains and losses on the disposal of a cash-generating unit to which goodwill has been allocated include the carrying amount of goodwill relating to the part sold. The amount of goodwill attributable to the part sold is determined by the relative values of the part sold and the part of the cash-generating unit retained.

Goodwill on business combinations has been allocated and is monitored by the Group on the basis of the cash-generating units which have been identified according to the provisions of IAS 36 "Impairment of Assets". The Group has performed impairment tests, at a Group level, on cash-generating units to which goodwill has been allocated, and no impairment loss has resulted.

Intangible assets

The caption 'intangible assets' includes:

a) Computer software: Purchased computer software is stated at historical cost less subsequent amortisation. Amortisation is calculated using the straight-line method over the useful economic lives, not exceeding a period of 3-8 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group (internally-generated software), are recognised as part of intangible assets. Direct costs include materials, staff costs of the software development team and an appropriate portion of relevant overheads. Internally-generated software is amortised using the straight-line method over its useful live, not exceeding a period of 5-10 years.

b) Customer acquisition costs: they relate to one-off connection fees as well as commissions paid for the acquisition of new customers of the subsidiary company Hellas online and are amortised over 12 months, which is the contract period with the customer.

c) Customer relationships: they relate to amounts recognised on the acquisition of the subsidiary companies Hellas online SA, Attica Telecommunications SA and IT Services Denmark A/S and they are amortised over a period of 9, 10 and 10 years respectively.

d) Trade name: it mainly relates to asset recognised on the acquisition of the subsidiary company Hellas online SA. The trade name has an indefinite useful life.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually and whenever events indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment at each balance sheet date and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arms' length transaction between knowledgeable, willing parties, less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Financial assets

i) Classification

The group classifies its financial assets in the following categories. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and reassesses the classification at each reporting date.

(a) Financial assets at fair value trough profit or loss

This category refers to financial assets acquired principally for the purpose of selling in the short term or if so designated by Management. Derivatives are also categorised as held for trading unless they are designated as hedges. If these assets are either held for trading or are expected to be realised within 12 months of the balance sheet date these assets are classified as current assets.

(b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

Loans and receivables are carried at amortised cost using the effective interest method.

(c) Held-to-maturity investments

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

(d) Available-for-sale financial assets

These are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

ii) Recognition and measurement

Purchases and sales of investments are recognised on trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in other comprehensive income. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities. Impairment losses recognised in profit or loss are not reversed through profit or loss.

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in profit or loss in the period in which they arise.

The fair values of quoted investments are based on year-end bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. In cases where the fair value cannot be measured reliably, investments are measured at cost.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of financial assets

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

The financial assets that are reviewed for impairment (provided that the relative indications exist) are assets stated at cost (investments in subsidiaries and associates in the balance sheet of the parent company), assets measured at amortised cost based on the effective interest rate method (non-current receivables) and available for sale investments.

The recoverable amount of investments in subsidiaries and associates is determined in the same way as for non-financial assets.

For the purposes of impairment testing of the other financial assets the recoverable amount is determined based on the present value of future cash flows, discounted using the original asset-specific rate or a rate of a similar financial asset. Any resulting impairment losses are recognised in profit or loss.

In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

Derivative financial instruments and hedge accounting

The Group uses derivatives to hedge interest rate risks. These derivatives are initially recognised on balance sheet at fair value on the date the contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices and discounted cash flow models.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The Group designates derivatives as either fair value hedges or cash flow hedges when the required criteria are met. For derivatives that do not meet the conditions for hedge accounting, gains or losses from changes in the fair value are included in the income statement.

The Group designates derivatives, for the purposes of hedge accounting, as:

- Fair value hedges when they are used to hedge the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment

- Cash flow hedges when they are used to hedge the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

- Hedges of net investment in a foreign operation.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity through other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity in relation to cash flow hedges are recycled in profit or loss in the periods when the hedged item will affect profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit or loss.

The derivative financial instruments of the Group at 31 December 2012 and 31 December 2011 include interest rate swaps (IRS) and interest rate caps.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished and semi-finished goods, by-products and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses and in case of work-in-progress estimated costs to completion.

Provisions for slow-moving or obsolete inventories are formed when necessary.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

Factoring

Trade and other receivables are reduced by the amounts that have been received in advance under factoring agreements without recourse.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Non-current assets held for sale and discontinued operations

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The basic criteria to classify a non-current asset (or disposal group) as held for sale are that it must be available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets and its sale must be highly probable.

For the sale to be highly probable:

- the appropriate level of management must be committed to a plan to sell the asset (or disposal group)
- an active programme to locate a buyer and complete the plan must have been initiated
- the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value
- the sale should be expected to be completed within one year from the date of classification
- the actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Immediately prior to initial classification of a non current asset (or disposal group) as held for sale, the asset (or the assets and liabilities included in the disposal group) will be measured in accordance with the applicable IFRSs.

Non-current assets (or disposal groups) that are classified as assets held for sale are stated at the lower of carrying amount and fair value less costs to sell and any possible resulting impairment losses are recognised in profit or loss. Any subsequent increase in fair value will be recognised in profit or loss, but not in excess of the cumulative impairment loss which was previously recognised.

While a non-current asset (or non-current assets that are included in a disposal group) is classified as held for sale, it should not be depreciated or amortised.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown after the reduction of the relative income tax in reduction to the product of issue. Incremental costs directly attributable to the issue of new shares for the acquisition of other entities are expensed as incurred.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Current income tax

Current income tax is computed based on the separate financial statements of each of the entities included in the consolidated financial statements, in accordance with the tax rules in force in Greece and other tax jurisdictions in which foreign subsidiaries operate. Current income tax expense consists of income taxes for the current year based on each entity's profits as adjusted in its tax returns and additional income taxes to cover potential tax assessments which are likely to occur from tax audits by the tax authorities, using the enacted tax rates.

Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Employee benefits

(a) Pension obligations

The Group contributes to both defined benefit and defined contribution plans.

The regular contributions for defined contribution plans constitute net periodic costs for the year in which they are due and as such are included in staff costs.

The liability in respect of defined benefit pension or retirement plans is the present value of the defined benefit obligation at the balance sheet date minus the adjustments for actuarial gains/ losses and past service cost. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

Cumulative actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are spread to income over the employees' expected average remaining working lives. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Where there is uncertainty about the number of employees who will accept an offer of termination benefits, the Group discloses information about the contingent liability.

(c) Share-based plans

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

Provisions

Provisions are recognized when:

1. There is present legal or constructive obligation as a result of past events
2. It is probable that an outflow of resources will be required to settle the obligation
3. The amount can be reliably estimated.

(a) Warranties

The Group recognizes a provision that represents the present value of the estimated liability for the repair or replacement of guaranteed products or concerning the delivery of projects / rendering of services at the balance sheet date. This provision is calculated on the basis of historical facts over repairs and replacements.

(b) Compensated absences

The claims over compensated absences are recognized as incurred. The Group recognizes the expected cost of short-term employee benefits in the form of compensated absences based on their unused entitlement at the balance sheet date.

(c) Loss-making contracts

The Group recognizes a provision with an immediate charge to profit or loss for loss-making construction contracts or long-term service contracts when the expected revenues are lower than the unavoidable expenses which are estimated to arise in order that the contract commitments are met.

Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

(a) Sales of goods

Sales of goods are recognized when a Group entity has delivered products to the customer; the customer has accepted the products; and collectibility of the related receivables is reasonably assured.

(b) Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to the stage of completion of the specific service. The stage of completion is assessed on the basis of the costs of the actual services provided until the balance sheet date as a proportion of the costs of the total estimated services to be provided under each contract. Costs of services are recognized in the period incurred. When the services to be provided under a contract cannot be reliably estimated, revenue is recognized only to the extent of costs incurred that are possibly recoverable.

(c) Construction contracts

Revenue from fixed price contracts are recognized, as long as the contract outcome can be estimated reliably, on the percentage of completion method, measured by reference to the percentage of labour hours incurred to date to estimated total labour hours for each contract.

Revenue from cost plus contracts is recognized by reference to the recoverable costs incurred during the period plus the fee earned, measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

(d) Interest

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate. Subsequently, interest is recognized on the impaired value.

(e) Dividends

Dividends are recognized when the right to receive payment is established.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares held as treasury shares.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company (after deducting interest on convertible shares, net of tax) by the weighted average number of ordinary shares outstanding during the year (adjusted for the effect of dilutive convertible shares).

Roundings

Differences between amounts presented in the financial statements and corresponding amounts in the notes result from roundings.

Reclassifications

In the Group statement of comprehensive income 2011, the amount of €2.455 has been reclassified for comparative purposes to "Impairment losses from tangible, intangible assets and investment property". This amount was included in "Cost of goods sold" €1.473, "Selling and research costs" €491 and "Administrative expenses" €491. The respective reclassifications are also made in note 29, "Expenses by nature".

In the Group note 29 "Expenses by nature" as at 31 December 2011, the amount of €9.020 has been reclassified from "Other" to "Repairs and maintenance". This reclassification had no impact on the Statement of comprehensive income.

In the Group and the Company note 33 "Finance expenses / (income) - net" as at 31 December 2011, the amount of €178 has been reclassified from "Bank borrowings" to "Other loans". This reclassification had no impact on the Statement of comprehensive income.

3. Financial risk management

Financial risk factors

INTRACOM S.A., being a Greek multinational company, is exposed to a variety of financial risks, including market risk (the effects of changes in foreign currency exchange rates, cash flow and fair value risk from changes in interest rates and market prices), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group as a whole.

The financial liabilities of the Group include short-term loans, long-term loans, bond loans and finance lease agreements, through which the Group finances its working capital and capital expenditure needs. Moreover, the Group manages financial assets, mainly short-term bank deposits arising from operating activities.

(All amounts in €'000)

Derivative financial instruments are used exclusively for the hedging of interest or exchange rate risk, since according to the approved policy, speculative use is not permitted.

In summary, the financial risks that arise are analyzed below.

(a) Market risk

Foreign exchange risk

The foreign exchange risk of the Group is limited, since for most of the foreign currency receivables, there are corresponding payables in the same currency. Almost all foreign currency contracts for both assets and liabilities are denominated in USD.

In cases where natural hedge is not adequate due to large amounts of foreign currency payables, the Group may convert part of the borrowings to that currency or may use forward currency contracts.

The Group's policy is to maintain a minimum amount of cash in foreign currency, to meet short-term liabilities in that currency.

The following table presents the sensitivity of the Group's net results in possible fluctuations of the foreign exchange rates for the years 2012 and 2011. This analysis takes into consideration borrowings and cash and cash equivalents of the Group, as well as trade receivables and payables in USD as at 31st December 2012 and 2011 respectively.

Increase in EUR/USD rate by	Effect on net results 31/12/2012	Effect on net results 31/12/2011
3,00%	(59)	(50)
6,00%	(119)	(100)
9,00%	(178)	(151)
12,00%	(238)	(201)

The following table presents the sensitivity of the Company's net results in possible fluctuations of the foreign exchange rates for the years 2012 and 2011. This analysis takes into consideration borrowings and cash and cash equivalents of the Company, as well as trade receivables and payables in USD as at 31st December 2012 and 2011 respectively.

Increase in EUR/USD rate by	Effect on net results 31/12/2012	Effect on net results 31/12/2011
3,00%	(1)	(2)
6,00%	(3)	(3)
9,00%	(4)	(5)
12,00%	(5)	(6)

Price risk

The Group has limited exposure to changes in the prices of the shares held either for trading or as available for sale financial assets.

(All amounts in €'000)

Cash flow and fair value interest rate risk

The interest-rate risk has been partly mitigated through the conversion of a significant part of borrowings into fixed rate, while it is estimated that during the current financial year the specific risk will be limited since it is considered highly probable that interest rates will remain stable in the medium-term or that will be slightly decreased after the first semester.

The following tables present the sensitivity of the Group's net results in possible fluctuations of the interest rates for the years 2012 and 2011. The analysis takes into consideration borrowings and cash and cash equivalents of the Group as at 31st December 2012 and 2011 respectively.

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net results 31/12/2012	Effect on net results 31/12/2011
25,00	(682)	(732)
50,00	(1.363)	(1.464)
75,00	(2.045)	(2.197)
100,00	(2.727)	(2.929)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net results 31/12/2012	Effect on net results 31/12/2011
25,00	23	1
50,00	46	1
75,00	70	2
100,00	93	3

The following tables present the sensitivity of the Company's net results in possible fluctuations of the interest rates for the years 2012 and 2011. The analysis takes into consideration borrowings and cash and cash equivalents of the Company as at 31st December 2012 and 2011 respectively.

Financial instruments in Euro

Increase in interest rates (Base units)	Effect on net results 31/12/2012	Effect on net results 31/12/2011
25,00	(95)	(94)
50,00	(190)	(189)
75,00	(285)	(283)
100,00	(380)	(378)

(All amounts in €'000)

Financial instruments in USD

Increase in interest rates (Base units)	Effect on net results 31/12/2012	Effect on net results 31/12/2011
25,00	-	-
50,00	-	-
75,00	-	1
100,00	-	1

(b) Credit risk

The sales transactions of the Group are made to private companies and public sector organisations with an appropriate credit history, with which in many cases there is a long standing relationship. In cases that vendor financing to an overseas customer is required, the Group insures its credit risk via the Export Credit Insurance Organisation (ECIO). As a result, the risk of doubtful debts is considered limited.

Regarding credit risk related to cash deposits, the Group collaborates only with financial institutions of high credit rating.

(c) Liquidity risk

Each subsidiary draws up and monitors on a monthly basis a cash flow schedule that includes the operating as well as the investing cash flows. All subsidiaries submit to Intracom Holdings on a weekly basis a detailed report of their cash and credit position, in order that an effective monitoring and co-ordination on a group level is achieved.

Prudent liquidity management is achieved by an appropriate combination of cash and cash equivalents and approved bank facilities. The Group manages the risks that may arise from lack of adequate liquidity by ensuring there are always approved bank facilities for use. The available undrawn borrowing facilities to the Group are sufficient to address any potential shortfall in cash.

On 31 December 2012 current and non-current borrowings of the Group amounted to 53% (2011: 53%) and 47% (2011: 47%) of total borrowings respectively. The decrease in short-term borrowings has resulted from the modification of short-term borrowing into medium-term as well as from the limited repayment of short-term loans with high finance costs. It should be pointed out that the Group takes further action to replace short-term borrowings with medium-term due to their greater flexibility, unlike its prior policy to enter into bond loans.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital.

Group's capital is considered sufficient on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less 'cash and cash equivalents'. Total capital employed is calculated as 'equity attributable to Company's equity holders' as shown in the consolidated balance sheet plus net debt.

(All amounts in €'000)

	Group		Company	
	1/1 - 31/12/2012	1/1 - 31/12/2011	1/1 - 31/12/2012	1/1 - 31/12/2011
Total borrowings (Note 23)	312.003	330.728	41.992	40.800
Less: Cash and cash equivalents (Note 20)	(53.253)	(42.852)	(4.588)	(5.504)
Net borrowings	**258.751**	**287.876**	**37.404**	**35.296**
Equity	347.969	397.299	422.063	440.048
Total capital employed	**606.720**	**685.175**	**459.467**	**475.344**
Gearing ratio	42,65%	42,01%	8,14%	7,43%

Fair value estimation

The Group provides the required disclosures relating to fair value measurement through the hierarchy into three levels.

On 31 December 2012 the Group had:

- Financial assets at fair value through profit or loss of €278 which are classified in Level 1.

- Derivative financial instruments of €1.445 which are classified in Level 2.

- Available-for-sale financial assets out of which €351 are classified in Level 1 and €10.209 are classified in Level 3.

On 31 December 2011 the Group had:

- Financial assets at fair value through profit or loss of €105 which are classified in Level 1.

- Derivative financial instruments of €1.668 which are classified in Level 2.

- Available-for-sale financial assets out of which €629 are classified in Level 1 and €10.209 are classified in Level 3.

The fair value of financial instruments traded in active markets is based on quoted market rates at the balance sheet date ('Level 1').

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on observable market data at the balance sheet date ('Level 2').

If the fair values of financial instruments that are not traded in an active market are based on valuation methods and assumptions that are not mainly based on observable market data, the instruments are classified in Level 3. Investments in shares, which are not publicly traded and for which the fair value cannot be reliably estimated, are presented at cost less impairment. There were no significant changes in the instruments included in Level 3 during the year.

4. Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims.

- The Group uses the percentage of completion method of IAS 11 in order to recognise revenue from construction contracts. Revenue is recognised by reference to the stage of completion of the project at the balance sheet date, based on actual amounts compared to total estimated amounts. Possible adjustments to total estimated contract costs and revenues are taken into consideration in the period in which they arise.

- The Group tests annually whether goodwill has suffered any impairment. This tests are based either on discounted cash flows (value in use) of cash generating units, or on fair values less costs to sell.

5. Segment information

At 31 December 2012, the Group is organised into five main segments:

(1) Telecommunications systems

(2) Technology solutions for government and banking sector

(3) Defence systems

(4) Construction

(5) Telecommunication services

The segment information for the year ended 31 December 2012 is as follows:

(All amounts in €'000)

	Telecommunications systems	Technology solutions for government and banking sector	Defence systems	Construction	Telecommunication services	Other	Total
Total sales	4.087	130.650	49.659	124.254	235.788	3.932	548.370
Inter-segment sales	-	(664)	-	(3.194)	(212)	(2.610)	(6.680)
Sales from external customers	**4.087**	**129.986**	**49.659**	**121.060**	**235.576**	**1.322**	**541.690**
Operating profit / (loss)	603	4.923	(664)	4.388	(285)	(7.592)	1.373
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**643**	**8.576**	**1.251**	**7.025**	**64.362**	**(5.694)**	**76.162**
Depreciation (note 29)	(40)	(3.653)	(1.914)	(2.637)	(64.647)	(1.898)	(74.789)
Impairment of receivables (note 29)	(1)	(545)	-	(3.245)	(12.282)	-	(16.072)
Impairment of inventory (note 29)	-	(17)	(664)	-	-	-	(681)
Impairment of investment property, tangible and intangible assets (note 29)	-	-	-	(1.758)	-	(5.333)	(7.091)
Finance income (note 33)	34	56	90	820	50	503	1.554
Finance expenses (note 33)	(2)	(5.685)	(301)	(5.633)	(17.151)	(2.820)	(31.593)
Share of (loss) / profit of associates	(20.880)	-	-	61	-	-	(20.819)
Income tax	(63)	(1.578)	163	(815)	2.046	18	(229)
Total assets	**84.326**	**71.138**	**45.708**	**178.610**	**211.937**	**379.628**	**971.348**
Total assets include:							
Invetsments in associates (note 11)	81.873	-	-	931	-	-	82.804
Non-current assets*	151	25.317	48.682	54.539	243.668	92.116	464.473
Additions in non-current assets* (notes 6, 7, 8 and 9)	67	810	302	2.920	29.709	120	33.928
Total liabilities	**952**	**117.225**	**36.476**	**109.335**	**304.117**	**55.274**	**623.378**

* Includes PPE, investment property, intangible assets and goodwill.

The segment information for the year ended 31 December 2011 is as follows:

	Telecommunications systems	Technology solutions for government and banking sector	Defence systems	Construction	Telecommunication services	Other	Total
Total sales	3.561	128.780	46.567	127.044	224.644	2.607	533.204
Inter-segment sales	(25)	(4.632)	(12)	(6.848)	(446)	(1.949)	(13.912)
Sales from external customers	**3.536**	**124.148**	**46.556**	**120.196**	**224.198**	**658**	**519.292**
Operating profit / (loss)	(4.784)	(17.641)	(2.587)	6.989	(5.636)	(5.325)	(28.985)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**(4.737)**	**(13.267)**	**(584)**	**10.130**	**61.067**	**(3.425)**	**49.185**
Depreciation (note 29)	(47)	(4.374)	(2.003)	(3.142)	(66.704)	(1.900)	(78.170)
Impairment of receivables (note 29)	(31)	(2.867)	(341)	(30)	(7.946)	-	(11.215)
Impairment of inventory (note 29)	-	-	(372)	(27)	-	-	(399)
Impairment of investment property and intangibles assets (note 29)	-	(2.455)	-	-	-	-	(2.455)
Finance income (note 33)	21	15	51	772	10	556	1.426
Finance expenses (note 33)	(3)	(6.685)	(220)	(5.810)	(16.680)	(2.051)	(31.449)
Share of (loss) / profit of associates	(1.454)	-	-	55	-	-	(1.399)
Income tax	(23)	(952)	200	(2.407)	3.987	(15)	789
Total assets	**104.619**	**133.326**	**109.024**	**187.489**	**350.082**	**146.229**	**1.030.769**
Total assets include:							
Invetsments in associates (note 11)	102.900	-	-	971	-	-	103.871
Non-current assets*	129	28.207	50.296	56.434	278.752	99.277	513.094
Additions in non-current assets* (notes 6, 7, 8 and 9)	34	3.375	626	1.234	35.407	61	40.737
Total liabilities	**789**	**121.808**	**27.751**	**110.506**	**321.375**	**51.241**	**633.470**

* Includes PPE, investment property, intangible assets and goodwill.

The activities of the parent company Intracom Holdings SA, as well as its assets and liabilities are included under the column 'Other'. The assets consist primarily of property, plant and equipment and investment property.

The reconciliation of earnings before interest, tax, depreciation and amortization (EBITDA) to losses before tax is as follows:

(All amounts in €'000)

	1/1 - 31/12/2012	1/1 - 31/12/2011
Earnings before interest, tax, depreciation and amortisation (EBITDA)	76.162	49.185
Depreciation	(74.789)	(78.170)
Finance cost - net (note 33)	(30.039)	(30.023)
Loss from associates	(20.819)	(1.399)
Loss before income tax	**(49.485)**	**(60.407)**

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Information per geographical area:

Sales	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Greece	397.823	355.951
European Community	90.629	111.768
Other European countries	214	1.464
Other countries	53.024	50.108
Total	**541.690**	**519.292**

Non-current assets*	**31/12/2012**	**31/12/2011**
Greece	538.040	594.418
European Community	5.166	18.286
Other countries	4.072	4.261
Total	**547.278**	**616.965**

* Includes property, plant and equipment (PPE), investment property, intangible assets, goodwill and investments in associates.

Sales are allocated based on the country in which the customer is located. Assets are allocated based on their geographical location.

Sales per category	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Sales of products	74.716	75.124
Sales of goods	2.589	320
Revenue from services	372.141	356.699
Revenue from construction contracts	92.244	87.149
Total	**541.690**	**519.292**

6. Property, plant and equipment

Group

(All amounts in €'000)

	Land - buildings	Machinery	Vehicles	Telecommunications Equipment	Furniture & other equipment	Prepayments and assets under construction	Total
Cost							
Balance 1 January 2011	128.284	42.155	2.887	326.035	29.423	6.330	535.114
Exchange differences	(9)	(7)	1	24	10	-	21
Additions	1.555	972	96	8.234	367	7.627	18.851
Disposals / Write-offs	(108)	(2.198)	(238)	(1.536)	(14.384)	(38)	(18.502)
Increase of Interest in joint ventures	-	1	-	-	3	-	4
Disposal of subsidiaries	(24)	(103)	(16)	-	(39)	-	(182)
Reclassifications	1.457	428	-	7.870	(32)	(10.018)	(295)
Transfer from investment property (Note 9)	14.640	-	-	-	-	-	14.640
Balance 31 December 2011	145.795	41.249	2.730	340.628	15.349	3.900	549.651
Balance 1 January 2012	145.795	41.249	2.730	340.628	15.349	3.900	549.651
Exchange differences	(3)	(2)	(8)	(12)	(11)	-	(36)
Additions	206	1.111	176	6.602	204	6.626	14.926
Disposals	-	(1.324)	(204)	(3.805)	(73)	(307)	(5.713)
Impairment	(2.389)	-	-	-	-	-	(2.389)
Reclassifications	186	777	-	6.247	46	(7.255)	-
Transfer to investment property (Note 9)	(7.294)	-	-	-	-	-	(7.294)
Transfer from investment property (Note 9)	1.134	-	-	-	-	-	1.134
Transfer from inventory	-	-	-	-	-	292	292
Balance 31 December 2012	137.635	41.811	2.694	349.660	15.515	3.256	550.571
Accumulated depreciation							
Balance 1 January 2011	24.299	24.272	1.616	98.570	23.962	-	172.720
Exchange differences	(2)	(6)	1	20	8	-	20
Depreciation	2.593	2.987	335	38.616	1.548	-	46.080
Disposals / Write-offs	(100)	(1.918)	(151)	(853)	(14.150)	-	(17.172)
Increase of Interest in joint ventures	-	1	-	-	2	-	2
Disposal of subsidiaries	(7)	(42)	(15)	-	(32)	-	(96)
Reclassifications	-	-	-	(35)	1	-	(34)
Transfer from investment property (Note 9)	3.093	-	-	-	-	-	3.093
Balance 31 December 2011	29.877	25.293	1.786	136.318	11.339	-	204.612
Balance 1 January 2012	29.877	25.293	1.786	136.318	11.339	-	204.612
Exchange differences	(4)	(12)	(5)	(8)	(7)	-	(36)
Depreciation	2.594	2.501	284	40.167	1.221	-	46.767
Disposals	-	(1.062)	(146)	(3.658)	(69)	-	(4.935)
Transfer to investment property (Note 9)	(1.940)	-	-	-	-	-	(1.940)
Transfer from investment property (Note 9)	103	-	-	-	-	-	103
Balance 31 December 2012	30.630	26.720	1.919	172.819	12.483	-	244.571
Net book amount at 31 December 2011	**115.918**	**15.956**	**944**	**204.310**	**4.010**	**3.900**	**345.038**
Net book amount at 31 December 2012	**107.005**	**15.091**	**775**	**176.841**	**3.032**	**3.256**	**306.000**

The above table includes assets held under finance lease as follows:

	Land - buildings	Machinery	Vehicles	Telecommunications Equipment	Furniture & other equipment	Total
31/12/2011						
Cost	601	15.620	2.043	560	1.009	19.832
Accumulated depreciation	(83)	(5.013)	(371)	(254)	(185)	(5.907)
Net book amount	**518**	**10.606**	**1.671**	**306**	**824**	**13.925**
31/12/2012						
Cost	601	15.620	1.464	30	1.025	18.739
Accumulated depreciation	(104)	(6.163)	(215)	(12)	(461)	(6.955)
Net book amount	**497**	**9.456**	**1.249**	**19**	**564**	**11.784**

Company

(All amounts in €'000)

	Land - buildings	Machinery	Vehicles	Furniture & other equipment	Prepayments and assets under construction	Total
Cost						
Balance 1 January 2011	30.178	891	159	8.364	14	39.606
Additions	-	-	-	2	40	42
Write-offs	-	-	-	(4.681)	-	(4.681)
Transfer to investment property (Note 9)	(2.601)	-	-	-	-	(2.601)
Reclassifications	54	-	-	-	(54)	-
Balance 31 December 2011	**27.631**	**891**	**159**	**3.685**	**-**	**32.367**
Balance 1 January 2012	27.631	891	159	3.685	-	32.367
Additions	18	-	3	2	-	23
Disposals	-	-	(4)	-	-	(4)
Transfer to investment property (Note 9)	(7.611)	-	-	-	-	(7.611)
Balance 31 December 2012	**20.039**	**891**	**158**	**3.687**	**-**	**24.775**
Accumulated depreciation						
Balance 1 January 2011	6.630	839	122	6.591	-	14.181
Depreciation charge	547	10	6	361	-	924
Write-offs	-	-	-	(4.456)	-	(4.456)
Transfer to investment property (Note 9)	(494)	-	-	-	-	(494)
Balance 31 December 2011	**6.683**	**848**	**128**	**2.496**	**-**	**10.156**
Balance 1 January 2012	6.683	848	128	2.496	-	10.156
Depreciation charge	348	9	6	356	-	720
Disposals	-	-	(2)	-	-	(2)
Transfer to investment property (Note 9)	(1.991)	-	-	-	-	(1.991)
Balance 31 December 2012	**5.040**	**858**	**132**	**2.853**	**-**	**8.883**
Net book amount at 31 December 2011	**20.948**	**43**	**31**	**1.189**	**-**	**22.211**
Net book amount at 31 December 2012	**14.998**	**33**	**26**	**835**	**-**	**15.892**

As at 31 December 2012, liabilities are secured on fixed assets of the Group and the Company for the value of €2.400.

Furthermore, during 2010, the Company entered into a sale and lease back agreement of a property with net book value as at 31/12/2012 amounting to €14.521. The leaseback transaction is treated as finance lease with a 12 year duration and includes a purchase option for the lessee at the end of the lease term (see note 23).

7. Goodwill

	Group
Balance 1 January 2011	68.387
Exchange differences	6
Balance 31 December 2011	**68.393**
Balance 1 January 2012	68.393
Exchange differences	(7)
Balance 31 December 2012	**68.385**

Goodwill resulted from the acquisition of the companies listed below and is allocated to cash generating units (CGUs) as follows:

(All amounts in €'000)

	31/12/2012	31/12/2011
Intrasoft International SA	11.361	11.361
Hellas online AE	30.219	30.219
Attica Telecommunications	18.108	18.107
Intrasoft International Scandinavia (former IT Services Denmark A/S)	2.210	2.217
Intrakat s.a.- construction segments	3.562	3.562
Prisma - Domi ATE	326	326
AMBTILA Enterprises Ltd	2.600	2.600
	68.385	**68.393**

During the previous year 2011, the company Attica Telecommunications SA (a subsidiary by 100% of Hellas online SA) was merged through absorption with Hellas online SA. The operation of the absorbed company has been defined as the CGU. This operation relates to services of leased circuits.

In order to assess whether there is goodwill impairment as at 31 December 2012, the Group performed the relevant impairment tests, at Group level, on cash generating units (CGUs) to which goodwill has been allocated.

The recoverable amount of goodwill from the above companies has been determined based on value-in-use calculations. The value-in-use reflects the present value of future expected cash flows of the CGU discounted at a rate that reflects the time value of money and the risks associated with the CGU. Cash flow projections reflect the business plans covering the five-year period 2013-2017 which were approved by the Group's Board of Directors. These business plans are based on financial results of 2012 whereas cash flows beyond the five-year period are extrapolated using the perpetuity growth rate as presented below.

The key assumptions used for the most significant CGUs for the period 2013 - 2017 are as follows:

	Intrasoft International SA	Hellas on Line AE	Attica Telecommunications AE	IT Services Denmark A/S
Revenue growth	2,35 - 2,2%	-0,8% - 0,2%	-3%	2% - 3%
Gross margin	14%	50% - 51%	96%	41,6% - 44,1%
EBITDA margin	6,9% - 7,2%	28,5% - 30%	66% - 68%	2,9% - 8%
Perpetuity growth rate	2%	2,5%	1%	2%
Discount rate	6,9%	9,6%	9,6%	7%

The key assumptions used for value-in-use calculation are based on past performance as well as on expectations of the future development of operation and are consistent with external factors.

Based on the tests performed, the goodwill recoverable amount exceeds its carrying value and there is no impairment loss.

As at 31/12/2012, if the revenue growth or the EBITDA margin were assumed to be lower by 5%, no impairment loss would have been recorded.

(All amounts in €'000)

8. Intangible assets

Group

	Software	Internally-generated software	Customer acquisition costs	Trade name	Customers Relationships	Other	Total
Cost							
Balance 1 January 2011	71.130	10.388	60.288	7.671	16.426	317	166.221
Exchange differences	1	10	-	2	1	-	13
Additions	2.822	1.505	17.526	-	-	11	21.864
Disposals / write-offs	(6.277)	(920)	-	-	-	(267)	(7.463)
Disposal of subsidiaries	(5)	-	-	-	-	-	(5)
Reclassifications	8.066	(7.989)	(10)	-	-	230	296
Balance 31 December 2011	75.737	2.994	77.804	7.673	16.427	291	180.926
Balance 1 January 2012	75.737	2.994	77.804	7.673	16.427	291	180.926
Exchange differences	(6)	(39)	-	(2)	(1)	-	(48)
Additions	2.594	40	16.016	-	-	260	18.910
Disposals	(16)	-	-	-	-	-	(16)
Balance 31 December 2012	78.309	2.995	93.819	7.671	16.426	552	199.772
Accumulated amortisation							
Balance 1 January 2011	51.289	1.003	50.506	-	6.503	315	109.617
Exchange differences	-	9	-	-	-	-	9
Amortisation charge	10.547	241	19.007	-	1.840	2	31.637
Disposals / write-offs	(6.276)	(920)	-	-	-	(267)	(7.462)
Impairment	2.205	-	-	-	-	-	2.205
Disposal of subsidiaries	(4)	-	-	-	-	-	(4)
Reclassification	35	-	(10)	-	-	9	34
Balance 31 December 2011	57.796	333	69.503	-	8.343	60	136.036
Balance 1 January 2012	57.796	333	69.503	-	8.343	60	136.036
Exchange differences	(4)	(4)	-	-	-	-	(8)
Amortisation charge	8.443	244	16.849	-	1.840	9	27.385
Disposals	(15)	-	-	-	-	-	(15)
Balance 31 December 2012	66.220	573	86.352	-	10.183	69	163.398
Net book amount at 31 December 2011	**17.941**	**2.661**	**8.301**	**7.673**	**8.084**	**231**	**44.890**
Net book amount at 31 December 2012	**12.089**	**2.422**	**7.468**	**7.671**	**6.243**	**483**	**36.374**

(All amounts in €'000)

Company

	Software	Total
Cost		
Balance 1 January 2011	1.975	1.975
Balance 31 December 2011	1.975	1.975
Balance 1 January 2012	1.975	1.975
Balance 31 December 2012	1.975	1.975
Accumulated amortisation		
Balance 1 January 2011	1.968	1.968
Amortisation charge	4	4
Balance 31 December 2011	1.972	1.972
Balance 1 January 2012	1.972	1.972
Amortisation charge	2	2
Balance 31 December 2012	1.974	1.974
Net book amount at 31 December 2011	**3**	**3**
Net book amount at 31 December 2012	**1**	**1**

(All amounts in €'000)

9. Investment property

	Group	Company
Cost		
Balance 1 January 2011	74.934	76.305
Exchange differences	65	-
Additions	19	5
Disposals	(1.413)	-
Transfer from PPE (Note 6)	-	2.601
Transfer to PPE (Note 6)	(14.640)	-
Balance 31 December 2011	58.964	78.910
Balance 1 January 2012	58.964	78.910
Exchange differences	(144)	-
Additions	92	96
Impairment	(4.711)	(5.333)
Transfer to PPE (Note 6)	(1.134)	-
Transfer from PPE (Note 6)	7.294	7.611
Balance 31 December 2012	60.361	81.284
Accumulated depreciation		
Balance 1 January 2011	6.565	10.537
Exchange differences	16	-
Transfer to PPE (Note 6)	(3.093)	-
Transfer from PPE (Note 6)	-	494
Depreciation charge	453	927
Impairment	250	-
Balance 31 December 2011	4.191	11.958
Balance 1 January 2012	4.191	11.958
Exchange differences	(10)	-
Transfer to PPE (Note 6)	(103)	-
Transfer from PPE (Note 6)	1.940	1.991
Depreciation charge	637	1.127
Impairment	(9)	-
Balance 31 December 2012	6.647	15.077
Net book amount at 31 December 2011	**54.773**	**66.952**
Net book amount at 31 December 2012	**53.715**	**66.207**

During the third quarter of the current year, the Company entered into a sale and lease back agreement of a property with net book value as at 31/12/2012 amounting to €3.425, which is included in investment properties. The leaseback transaction is treated as finance lease with a 12 year duration and includes a purchase option for the lessee at the end of the lease term (see note 23).

(All amounts in €'000)

Rental income from investment properties for 2012 amounted to €1.173 and €3.178 for the Group and the Company respectively (2011: €1.644 and €3.157 for the Group and the Company respectively).

The Group estimated the fair value of its property as at 31 December 2012. Impairment losses were recorded in the current year's profit or loss amounting to €5.333 and €7.091 for the Company and the Group respectively. In the Group, impairment of €2.389 relates to 'Property, plant and equipment' and impairment of €4.702 relates to 'Investment property', whereas in the Company total impairment relates to "Investment property'.

10. Investment in subsidiaries

The movement in investments in subsidiaries is analyzed as follows:

	31/12/2012	31/12/2011
Balance at the beginning of the year	263.118	250.098
Share capital increases	-	13.800
Impairment	-	(779)
Balance at the end of the year	**263.118**	**263.118**

The interests held in subsidiaries and their carrying amounts at 31 December are as follows:

		31/12/2012		31/12/2011	
Name	**Country of incorporation**	**% interest held**	**Carrying value**	**% interest held**	**Carrying value**
Intrasoft International SA	Luxemburg	99,99%	52.407	99,99%	52.407
Intracom SA Defence Electronic Systems	Greece	100%	71.151	100%	71.151
Intrakat SA	Greece	61,76%	22.030	61,76%	22.030
Intracom Holdings International Ltd	Cyprus	100%	6.352	100%	6.352
Intracom Group USA Inc**	USA	2,91%	65	2,91%	65
Hellas on Line SA*	Greece	53,28%	111.113	53,28%	111.113
			263.118		**263.118**

(*) The total shareholding as at 31 December 2012 is 57,24% through the participation of subsidiaries of the Group (2011: 57,24%).

(**) The total shareholding as at 31 December 2012 is 100% through the participation of subsidiaries of the Group (2011: 100%).

The above list contains only the direct investments in subsidiaries. A list of all the direct and indirect interests in subsidiaries is presented in note 41.

Year 2012

The trans-border merger through absorption of the 100% subsidiary of the Group Intracom IT Services by its 99,99% subsidiary Intrasoft International S.A. based in Luxembourg was completed on 2 January 2012. As a result, the Company's direct shareholding in the absorbing company is 99,99%. The merger had no effect to the Group.

On 14 September 2012 the share capital increase of the subsidiary company of Intrakat, Eurokat S.A was completed with pre-emption rights in favor of existing shareholders. Intrakat participated in the increase by

€420. A part of non-controlling interest did not participate in the share capital increase and as a result, Intrakat's shareholding increased by 0,52%. The increase in non-controlling interest amounts to €352.

On 29th October 2012 the share capital of the subsidiary company of Intrakat, PRISMA DOMI ATE was increased with pre-emption rights in favor of existing shareholders. Intrakat SA participated in the increase by €15. This transaction had no significant effect on the Group.

Year 2011

Sub-group Intrakat SA

On 5 January 2011, the subsidiary company Intrakat S.A. disposed of its entire holding (51%) in the subsidiary company KEPA Attikis S.A. for the consideration of €214. The activities of the company as well as the result from the disposal were not material for the Group. This transaction resulted in a decrease of the non-controlling interest by €225, while the net cash inflow was €151.

On 17 November 2011, the sub-group Intrakat SA disposed of 176.750 treasury shares held by its subsidiary company Eurokat, resulting in the decrease of the Company's shareholding to 61,76%. The net cash outflow from the disposal was €71 for the Group.

Intrasoft International SA

In August 2011, treasury shares of Intrasoft International SA representing a non-controlling interest of 0,24% were cancelled. As a result, the Group's subsidiary Intracom IT Services holds the 100% of the shares in the Group's subsidiary Intrasoft International SA. The effect on the non-controlling interest was €42.

Hellas online AE

On 9 September 2011 the Board of Directors of Hellas online SA and Attica Telecommunications SA decided the merger of the two companies by absorption of the latter by the former as its 100% subsidiary with the Transformation Balance Sheet dated 30th June 2011. The merger was approved by the Ministry of Development, Competitiveness and Shipping on 29 December 2011 pursuant to the provisions of articles 69-78 of Codified Law 2190/20, combined with the provisions of Law Decree 1297/72. As a result of the above, Hellas online has incorporated in its standalone statement of financial position of 31 December 2011 the assets and liabilities of the subsidiary in their carrying amounts.

The share capital increase of the subsidiary Hellas online was completed on 21 November 2011 and was partially covered with the issuance of 24.162.701 new ordinary shares with a nominal value of €0,30 each at an issue price of €1,15 each. Total funds raised by Hellas online amounted to €27.787. The Company contributed €22 mil. in total (€10 mil. in 2011 and €12 mil. in 2010). Moreover, certain Group's subsidiaries contributed €787, while the non-controlling interest contributed €5 mil. Following this transaction, the total shareholding, direct and indirect through other subsidiaries, amounts to 53,28% and 57,24% respectively.

The share capital increase was a common control transaction and resulted in a loss of €7,1 mil. and a profit of €12,1 mil. recognized directly in retained earnings attributable to the Company's shareholders and the non-controlling interest respectively.

Moreover, certain obligations of Hellas online SA to the Company amounting to €3,8 mil. and to Intrakat SA amounting to €6,2 mil. were capitalized through the issuance of 8.695.652 new preference shares with a nominal value of €0,30 each at an issue price of €1,15 each with abolition of pre-emption rights of the existing shareholders in favour of the creditors. The preference shares are non-voting, non-convertible into common shares and the subsidiary has no obligation for redemption. The preference shares are entitled to interest of 6%

(All amounts in €'000)

on the issue price. The preference shares rights are subject to the restrictions imposed by article 44[a] of Codified Law 2190/20.

During the current year the Company pledged 10 mil. shares in Hellas online for the securitization of loan obligations.

11. Investments in associates

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Balance at the beginning of the year	**103.871**	**110.844**	**102.900**	**115.900**
Additions	61	69	-	-
Disposals	(9)	-	-	
Share of loss	(20.934)	(1.538)	-	-
Effect of tax, dividends and exchange differences	(185)	(508)	-	-
Impairment	-	(4.996)	(8.200)	(13.000)
Balance at the end of the year	**82.804**	**103.871**	**94.700**	**102.900**

The direct shareholding of the Company in associates relates to Intracom SA Telecommunication Services.

On 31 December 2012 and 2011, Intracom Holdings SA performed an impairment test of its investment in the associate Intracom Telecom SA, since there were indications that its carrying value exceeded its recoverable amount. The recoverable amount was estimated using the value-in-use method. As a result of the impairment test, an impairment loss of €8.200 was recognized in the Company and an impairment loss of €13.000 and €4.996 was recognized in the Company and the Group for the year 2012 and 2011 respectively. The impairment losses were recognized in the consolidated and separate statement of comprehensive income of the years 2012 and 2011 in line "Impairment losses from subsidiaries and associates".

On 14th December 2012, the Company activated the relevant procedure to exercise its put option on the sale of 49% of its shareholding in Intracom Telecom to JSC Sitronics. The consideration will be estimated by an independent valuer.

During 2012, the subsidiary Intrakat SA acquired 33% of the company «IV DEVELOPMENT FACILITY MANAGEMENT COMPANY LIMITED». The impact from the acquisition was not significant for the Group.

Information about the Group's associates is presented below:

(All amounts in €'000)

2012

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	396.239	208.578	187.661	181.125	(38.713)	49,00%
ALPHA MOGILANY	Poland	6.368	4.519	1.849	-	(376)	25,00%
I.C.C. S.A. Construction Company	Greece	2.302	1.654	648	2.006	99	50,00%
Mobile Composting S.A.	Greece	390	219	171	48	(4)	24,00%
IV DEVELOPMENT FACILITY MANAGEMENT LTD	Cyprus	75	13	62	-	(26)	33,00%
		405.374	**214.983**	**190.391**	**183.179**	**(39.020)**	

2011

Name	Country of incorporation	Assets	Liabilities	Equity	Revenue	Profit / (Loss)	Interest Held
INTRACOM SA TELECOMMUNICATIONS	Greece	465.160	238.374	226.786	255.293	(2.255)	49,00%
ALPHA MOGILANY	Poland	5.812	3.994	1.818	-	(422)	25,00%
I.C.C. S.A. Construction Company	Greece	2.696	2.147	549	2.005	36	50,00%
Mobile Composting S.A.	Greece	180	6	174	-	(5)	24,00%
		473.848	**244.521**	**229.327**	**257.298**	**(2.646)**	

12. Joint ventures

The following amounts show the Group's share of assets and liabilities in joint ventures and companies that are accounted for by proportionate consolidation and are included in the balance sheet:

	31/12/2012	**31/12/2011**
Assets		
Non-current assets	394	900
Current assets	31.305	28.330
	31.699	29.230
Liabilities		
Non-current liabilities	15	15
Current liabilities	30.735	31.513
	30.750	31.529
Equity	949	(2.298)
Income	33.928	39.386
Expenses	(30.242)	(37.875)
Profit (after tax)	**3.686**	**1.512**

Information for the Group's interests in joint ventures is included in note 41.

(All amounts in €'000)

13. Available-for-sale financial assets

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Balance at the beginning of the year	10.838	11.191	9.621	9.470
Additions	-	152	-	152
Fair value gains / (losses)	(278)	(218)	3	(1)
Impairment (Note 32)	-	(287)	-	-
Balance at the end of the year	**10.560**	**10.838**	**9.624**	**9.621**
Non current Assets	**10.560**	**10.838**	**9.624**	**9.621**

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Listed securities:				
- equity securities	351	629	8	5
Unlisted securities:				
- equity securities	10.209	10.209	9.616	9.616
	10.560	**10.838**	**9.624**	**9.621**

Investments in unlisted shares are shown at cost less impairment.

The investments in listed companies relate to companies listed in the Athens Stock Exchange, and are measured at their quoted stock prices at the balance sheet date.

Available-for-sale financial assets include a 3,44% shareholding in Hellenic Energy and Development SA amounting to €2.197 and a 13,33% shareholding in Moreas SA amounting to €6.751.

14. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Deferred tax assets	(10.288)	(8.569)	-	-
Deferred tax liabilities	2.289	2.728	961	1.005
	(7.998)	**(5.841)**	**961**	**1.005**

The gross amounts are as follows:

(All amounts in €'000)

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Deferred tax assets:				
To be recovered after more than 12 months	(16.647)	(15.446)	(59)	(52)
To be recovered within 12 months	(3.799)	(2.823)	(14)	(14)
	(20.445)	**(18.270)**	**(73)**	**(66)**
Deferred tax liabilities				
To be settled after more than 12 months	9.444	9.101	1.033	1.068
To be settled within 12 months	3.003	3.327	1	3
	12.448	**12.429**	**1.034**	**1.071**
	(7.998)	**(5.841)**	**961**	**1.005**

The gross movement on the deferred income tax account is as follows:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Balance at the beginning of the year	(5.841)	(2.148)	1.005	1.140
Exchange differences	-	1	-	-
Charged/ (credited) to profit or loss (note 34)	(2.155)	(3.660)	(44)	(135)
Charged/ (credited) to equity	(2)	-	-	-
Change of Interest in joint ventures	-	(30)	-	-
Disposal of subsidiaries	-	(6)	-	-
Balance at the end of the year	**(7.998)**	**(5.841)**	**961**	**1.005**

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdictions, is as follows:

Group

Deferred tax assets:

	Provisions / Impairment losses	Tax losses	Other	Total
Balance 1 January 2011	(3.174)	(10.158)	(5.402)	(18.734)
Exchange differences	-	(3)	(1)	(3)
Charged / (credited) to profit or loss	622	193	(251)	563
Change of interest in joint ventures	-	-	(98)	(98)
Disposal of subsidiaries	-	-	3	3
Balance 31 December 2011	**(2.553)**	**(9.967)**	**(5.750)**	**(18.270)**
Balance 1 January 2012	(2.553)	(9.967)	(5.750)	(18.270)
Exchange differences	-	4	-	4
Charged / (credited) to profit or loss	(596)	(870)	(712)	(2.178)
Charged/ (credited) to equity	-	-	(2)	(2)
Balance 31 December 2012	**(3.149)**	**(10.833)**	**(6.463)**	**(20.445)**

(All amounts in €'000)

Deferred tax liabilities:

	Trade name & Customers relationships	Accrued Income	Accelerated tax depreciation	Other	Total
Balance 1 January 2011	3.629	3.628	4.799	4.531	16.587
Exchange differences	-	-	1	4	5
Charged / (credited) to profit or loss	(700)	(2.430)	1.122	(2.215)	(4.223)
Change of Interest in joint ventures	-	-	-	68	68
Disposal of subsidiaries	-	-	(9)	-	(9)
Balance 31 December 2011	**2.929**	**1.198**	**5.913**	**2.388**	**12.429**
Balance 1 January 2012	2.929	1.198	5.913	2.388	12.429
Exchange differences	-	-	(2)	(2)	(4)
Charged / (credited) to profit or loss	(295)	-	(968)	1.285	23
Balance 31 December 2012	**2.634**	**1.198**	**4.944**	**3.672**	**12.448**

Company

Deferred tax assets:

	Provisions	Total
Balance 1 January 2011	(89)	(89)
Charged to profit or loss	23	23
Balance 31 December 2011	**(66)**	**(66)**
Balance 1 January 2012	(66)	(66)
Charged to profit or loss	(7)	(7)
Balance 31 December 2012	**(73)**	**(73)**

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total
Balance 1 January 2011	1.165	64	1.228
Charged to profit or loss	(97)	(61)	(157)
Balance 31 December 2011	**1.068**	**3**	**1.071**
Balance 1 January 2012	1.068	3	1.071
Charged to profit or loss	(35)	(2)	(38)
Balance 31 December 2012	**1.033**	**1**	**1.033**

The Company has not recognized deferred tax asset on the losses of the previous and the current year. These losses amount to €25.863.

(All amounts in €'000)

15. Long-term loan receivables

In 2008, the Company participated in the issue of a subordinated bond loan of a total amount of €55.000 by Moreas SA, in which Intracom Holdings holds an interest of 13,33%. The Company participated in the issue of the bond loan up to its percentage shareholding in Moreas SA (13,33%), paying an amount of €7.332. The loan carries a floating interest rate (1m Euribor plus 4,0% margin).

During the previous year 2011 the Company participated in the issue of new subordinated bonds by Moreas SA paying the amount of €879.

The amount recorded on the balance sheet as at 31 December 2012 consists of the initial capital plus capitalized interest of the period 2008-2012.

16. Trade and other receivables

	Group		**Company**	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Trade receivables	194.677	194.165	349	296
Less: provision for impairment	(52.085)	(38.626)	-	-
Trade receivables - net	142.592	155.539	349	296
Prepayments	14.488	18.477	-	-
Receivables from related parties (Note 39)	16.196	14.598	7.976	7.432
Prepaid expenses	10.305	9.561	161	98
Accrued income	45.685	40.888	162	45
Other receivables	34.115	35.893	4.172	3.546
Less: provision for impairment of other receivables	(1.731)	-	-	-
Total	**261.650**	**274.956**	**12.820**	**11.416**
Non-current assets	7.139	6.510	1.280	39
Current assets	254.511	268.446	11.540	11.377
	261.650	**274.956**	**12.820**	**11.416**

(All amounts in €'000)

The analysis of trade receivables of the Group and the Company at the end of each year is as follows:

Ageing analysis of trade receivables

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Total	142.592	155.539	349	296
Not past due and not impaired at the balance sheet date	77.813	63.690	275	159
Impaired at the balance sheet date	52.085	41.398	-	-
Provision made for the following amount:	(52.085)	(38.626)	-	-
	-	2.772	-	-
Not impaired at the balance sheet date but past due in the following periods:				
< 90 days	7.183	25.836	48	5
90-180 days	8.487	14.544	2	103
180-270 days	15.421	10.643	2	5
270-365 days	4.481	10.443	1	6
1- 2 years	20.492	6.243	21	16
>2 years	8.715	21.369	-	-
	64.779	89.077	74	136
Total trade receivables	**142.592**	**155.539**	**349**	**296**

There is no concentration of credit risk in relation to trade receivables, since the Group has a great number of customers. The Group has developed policies to ensure that the sales agreements take place with customers with sufficient credit quality. The credit policy of the Group is determined on a case by case basis and is set out in the agreed terms in the contract signed with each customer.

The movement of provision for impairment of trade and other receivables is analysed as follows:

	Group	Company
Balance 1 January 2011	37.625	-
Exchange differences	39	-
Provision for impairment (Note 29)	11.215	-
Receivables written-off during the year	(8.264)	-
Disposal of subsidiary	(721)	-
Unused amounts reversed	(1.267)	-
Balance 31 December 2011	**38.626**	-
Exchange differences	(8)	-
Provision for impairment (Note 29)	16.072	-
Receivables written-off during the year	(874)	-
Balance 31 December 2012	**53.816**	-

(All amounts in €'000)

Trade and other receivables are analyzed in the following currencies:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Euro (EUR)	227.661	236.257	12.820	11.416
US Dollar (USD)	22.689	25.900	-	-
Polish Zloty (PLN)	6.489	6.852	-	-
Romanian Lei (RON)	2.959	4.484	-	-
Jordan Dinar (JOD)	-	149	-	-
Danish Corona (DKK)	145	218	-	-
Other	1.706	1.097	-	-
	261.649	**274.956**	**12.820**	**11.416**

17. Inventories

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Raw materials	29.471	20.767	-	-
Semi-finished goods	10.705	8.156	-	-
Finished goods	8.408	7.351	-	-
Work in progress	1.875	1.477	-	-
Merchandise	1.538	1.468	-	-
Other	225	232	-	-
Total	**52.222**	**39.451**	**-**	**-**
Less: Provisions for obsolete inventories				
Raw materials	2.551	1.959	-	-
Semifinished goods	436	373	-	-
Finished goods	325	299	-	-
Merchandise	1	1	-	-
	3.313	**2.633**	**-**	**-**
Net realisable value	**48.909**	**36.819**	**-**	**-**

(All amounts in €'000)

The movement of the provision is as follows:

	Group	Company
Balance 1 January 2011	2.307	-
Provision for impairment (Note 29)	399	-
Amount of provision reversed during the year	(73)	-
Balance 31 December 2011	**2.633**	**-**
Provision for impairment (Note 29)	681	-
Exchange differences	(1)	-
Balance 31 December 2012	**3.313**	**-**

18. Constructions contracts

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Assets				
Contracts in progress at the balance sheet date:				
Receivables from construction contracts	22.488	18.313	-	-
Total	**22.488**	**18.313**	**-**	**-**
Liabilities				
Contracts in progress at the balance sheet date:				
Liabilities from construction contracts	2.539	2.426	-	-
Total	**2.539**	**2.426**	**-**	**-**
Accumulated contract costs plus accumulated recognised profits less accumulated recognised losses	459.963	473.772	-	-
Less: Progress billings	(440.014)	(457.884)	-	-
Construction contracts	**19.949**	**15.887**	**-**	**-**

(All amounts in €'000)

19. Financial assets at fair value through profit or loss

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Balance at the beginning of the year	105	187	-	-
Additions	110	-	-	-
Disposals	-	(4)	-	-
Fair value adjustments (Note 32)	63	(79)	-	-
Balance at the end of the year	**278**	**105**	-	-

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Listed securities				
- Equity securities	168	105	-	-
Unlisted securities				
- Equity securities	110	-	-	-
	278	**105**	-	-

20. Cash and cash equivalents

Cash and cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Cash at bank and in hand	34.118	29.303	1.074	463
Short-term bank deposits	19.135	13.549	3.514	5.041
Total	**53.253**	**42.852**	**4.588**	**5.504**

The effective interest rate on short-term bank deposits for the Company was 1% (2011: 1,80%).

Cash and cash equivalents are analysed in the following currencies:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Euro (EUR)	37.182	29.841	1.012	372
US Dollar (USD)	9.150	4.175	45	72
Japanese Yen (JPY)	3.500	3.190	3.500	3.190
Romanian Lei (RON)	1.525	4.138	28	1.866
Bulgarian Leva (BGN)	1.081	844	-	-
Other	815	664	5	4
	53.253	**42.852**	**4.588**	**5.504**

The Group's bank deposits in JPY have fixed exchange rate / fixed return, and as a result there is no exposure to risk from JPY exchange rate changes.

(All amounts in €'000)

21. Share capital

	Number of shares	Share capital	Share premium	Total
Balance 1 January 2011	133.025.996	187.567	194.204	381.771
Balance 31 December 2011	**133.025.996**	**187.567**	**194.204**	**381.771**
Balance 1 January 2012	133.025.996	187.567	194.204	381.771
Balance 31 December 2012	**133.025.996**	**187.567**	**194.204**	**381.771**

On 31 December 2011 and 31 December 2012 the Company's share capital amounts to €187.567 divided into 133.025.996 shares with a nominal value of €1,41 each.

Treasury shares

On 20 July 2012 the Company's share capital decreased by the amount of €29,61 through the cancellation of 21 shares with nominal value of €1,41 each following the resolution of the 2nd Repeat Session of the Annual General Meeting of Shareholders.

Share options

Share options are granted to directors, management and employees of the Group.

A summary of share options granted is as follows:

Share options	**2012**	**2011**
Outstanding at 1 January	-	14.300
Expired	-	(14.300)
Outstanding at 31 December	-	-

As of 2012, neither the Group nor the Company has granted any share options.

(All amounts in €'000)

22. Other reserves

Group

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Other reserves	Fair value reserves	Total
Balance 1 January 2011	30.474	8.305	124.485	56.797	(29.000)	(4.710)	186.351
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(136)	(136)
Exchange differences	-	-	-	-	-	(645)	(645)
Fair value gain on cash flow hedge	-	-	-	-	-	247	247
Disposal of subsidiaries	(6)	-	-	-	-	-	(6)
Change in non-controlling interest of subsidiaries	-	-	-	-	3	(5)	(2)
Transfers between reserves	181	-	733	-	8	-	923
Balance 31 December 2011	**30.649**	**8.305**	**125.218**	**56.797**	**(28.988)**	**(5.250)**	**186.732**
Balance 1 January 2012	30.649	8.305	125.218	56.797	(28.988)	(5.250)	186.732
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(171)	(171)
Exchange differences	-	-	-	-	-	(115)	(115)
Fair value gain on cash flow hedge	-	-	-	-	-	206	206
Transfers between reserves	(11)	-	294	-	1	-	283
Balance 31 December 2012	**30.638**	**8.305**	**125.512**	**56.797**	**(28.987)**	**(5.329)**	**186.936**

Company

	Statutory reserves	Special reserves	Tax free reserves	Extraordinary reserves	Fair value reserves	Total
Balance 1 January 2011	26.719	8.069	55.990	56.981	(33)	147.725
Fair value loss on available-for-sale financial assets	-	-	-	-	(1)	(1)
Balance 31 December 2011	**26.719**	**8.069**	**55.990**	**56.981**	**(34)**	**147.725**
Balance 1 January 2012	26.719	8.069	55.990	56.981	(34)	147.725
Fair value gain on available-for-sale financial assets	-	-	-	-	3	3
Balance 31 December 2012	**26.719**	**8.069**	**55.990**	**56.981**	**(31)**	**147.727**

(a) Statutory reserve

A legal reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset accumulated losses and therefore cannot be used for any other purpose.

(b) Special reserve

The special reserve includes amounts that were created following resolutions of the Annual General meetings, have no specific purpose and can therefore be used for any reason following approval from the Annual General meeting, as well as amounts, which were created under the provisions of Greek law. These reserves have been created from after tax profits and are therefore not subject to any additional taxation in case of their distribution or capitalisation.

(c) Tax free reserve

(All amounts in €'000)

Tax-free reserves under special laws

This account includes reserves created from profits, which were used for the acquisition of new fixed assets employed in the production process and are therefore regarded as tax-free under special provisions of development laws in force each time. In other words, this reserve is created from profits for which no tax is calculated or paid.

Reserves created under the provisions of tax law from tax free income or from income taxed under special provisions

This reserve includes the portion of the net income carried forward every year that comes from tax-free profits and profits taxed under special provisions by using up the tax liability.

The above-mentioned reserves can be capitalised or distributed, following the approval of the Annual General Meeting, after taking into consideration the restrictions that may apply. In case of capitalisation or distribution, tax is calculated at the current tax rate.

(d) Fair value reserve

It includes the amount of €435 which relates to fair value losses from cash flow hedges, the amount of €1.137 which relates to fair value losses from available for sale investments and foreign exchange currency differences.

23. Borrowings

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Non-current borrowings				
Bank loans	10.318	4.661	5.371	3.098
Finance lease liabilities	13.557	11.595	12.733	9.819
Bond loans	124.069	140.256	-	-
Total non-current borrowings	**147.944**	**156.512**	**18.104**	**12.917**
Current borrowings				
Bank loans	133.596	150.194	12.825	17.098
Bond loans	18.441	11.762	-	-
Other loans	10.000	10.000	10.000	10.000
Finance lease liabilities	2.023	2.260	1.062	785
Total current borrowings	**164.060**	**174.216**	**23.887**	**27.883**
Total borrowings	**312.003**	**330.728**	**41.992**	**40.800**

On 18th June 2012 the subsidiary Hellas online SA entered into a new loan contract for the amount of €4.900 in order to finance the repayment of existing borrowings. The loan matures on 30 December 2014 and the short term portion amounts to €2.000 as at 31 December 2012.

On 27 July 2012 the amount of €2.273 has been reclassified from short-term to long-term borrowings in the Company and the Group according to a loan agreement amendment.

The loans of the Group and Company are analyzed in the following currencies:

(All amounts in €'000)

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Euro	309.641	321.918	41.992	40.800
US dollar (USD)	-	3.926	-	-
Polish Slot	2.362	2.603	-	-
Other	-	2.281	-	-
	312.003	**330.728**	**41.992**	**40.800**

The contractual undiscounted cash flows of the non-current borrowings, excluding finance leases (including interest payments), are as follows:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Between 1 and 2 years	134.874	29.146	1.507	3.277
Between 2 and 3 years	1.417	131.424	1.417	-
Between 3 and 5 years	3.350	-	3.350	-
	139.641	**160.570**	**6.274**	**3.277**

As at December 2012 the subsidiary companies had bond loans with weighted average floating interest rate of 5,20% (2011: 6,59%).

The weighted average interest rate for all the other borrowings of the Group and the Company for 2012 was approximately 6,9% and 7,05% respectively (2011: 7,06% and 7,09% respectively).

Long-term borrowings of the Group relates mainly to the syndicated loan of the subsidiary Hellas online SA of €144,5 mil. On 2 August 2011 the majority of the Bondholders granted their written consent for the amendment of the bond loan, while the replacement of the bonds was completed on 18 November 2011. This amendment modifies the repayment terms, setting the 27th October 2014 as the maturity date of the last installment and increases the margin from 3% to 5% valid from 27th April 2011 until expiry. The repayment of the loan, after the amendment, will be in 5 installments, of which the first 4 installments will repay 20% of the total loan and the last installment payable on the expiration date (27th of October 2014) will repay the remaining 80%. The first installment was paid on 27 April 2012.

Securities relating to the above borrowings are disclosed in note 38.

(All amounts in €’000)

Finance leases

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Finance lease liabilities- minimum lease payments				
Not later than 1 year	2.774	2.917	1.773	1.303
Between 2 and 5 years	7.785	6.824	7.119	5.229
More than 5 years	9.348	7.895	9.084	7.564
Total	19.907	17.635	17.976	14.096
Less: Future finance charges on finance leases	(4.327)	(3.781)	(4.180)	(3.492)
Present value of finance lease liabilities	**15.580**	**13.855**	**13.796**	**10.604**
Present value of finance lease liabilities:				
Not later than 1 year	2.023	2.260	1.062	785
Between 2 and 5 years	5.418	5.025	4.829	3.541
More than 5 years	8.139	6.569	7.905	6.278
Total	**15.580**	**13.855**	**13.796**	**10.604**

During the third quarter of the current year, the Company has signed a sale and leaseback agreement for a building. The leaseback is treated as finance lease with a 12 year duration. From the transaction, the Company has received €4.000 that is shown under “Proceeds from borrowings” in the cash flow statement.

24. Retirement benefit obligations

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Balance sheet obligations for:				
Pension benefits	**6.646**	**6.416**	**295**	**262**
Income statement charge				
Pension benefits (Note 30)	**1.157**	**3.291**	**41**	**286**

The amounts recognized in the balance sheet are determined as follows:

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Present value of unfunded obligations	6.986	6.478	264	241
Unrecognised actuarial gains / (losses)	(340)	(62)	31	21
Liability on the balance sheet	**6.646**	**6.416**	**295**	**262**

(All amounts in €'000)

The amounts recognized in the income statement are determined as follows:

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Current service cost	867	686	23	44
Interest cost	323	297	13	24
Net actuarial losses recognised during the year	(549)	785	-	3
Past-service cost	(40)	154	-	-
Losses on curtailment	556	1.367	5	215
Total, included in staff costs	**1.157**	**3.291**	**41**	**286**

Total charge is allocated as follows:

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Cost of goods sold	611	1.866	-	-
Selling costs	286	542	-	-
Administrative expenses	260	884	41	286
	1.157	**3.291**	**41**	**286**

The movement in the liability recognised on the balance sheet is as follows:

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Balance at the beginning of the year	6.416	5.214	262	335
Exchange differences			-	-
Total expense charged to the income statement	1.157	3.291	41	286
Contributions paid	(927)	(2.089)	(8)	(358)
Balance at the end of the year	**6.646**	**6.416**	**295**	**262**

The principal actuarial assumptions used are as follows:

	Group		Company	
	2012	**2011**	**2012**	**2011**
Discount rate	3,4% - 5%	4,6% - 5,4%	3,80%	5,20%
Future salary increases	2% - 4,5%	2,5% - 4,5%	2,50%	2,50%

(All amounts in €'000)

25. Grants

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Balance at the beginning of the year	25.080	26.320	-	-
Additions	24	5.404	-	-
Depreciation charge (note 31)	(3.027)	(6.644)	-	-
Balance at the end of the year	**22.077**	**25.080**	**-**	**-**
Current portion	2.447	3.870	-	-
Non-current portion	19.630	21.210	-	-
Total	**22.077**	**25.080**	**-**	**-**

The grants relate to subsidies from the "Society of Information" and "Development Law" to the subsidiary company Hellas online for the expansion of its telecommunications network.

26. Derivative financial instruments

	Group		Nominal Value	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Cash flow hedge	**Liabilities**	**Liabilities**		
Interest rate swaps	1.278	1.406	23.900	27.485
Interest rate caps	167	262	33.900	38.985
Total	**1.445**	**1.668**	**57.800**	**66.470**
Current liabilities	-	-		
Non-current liabilities	**1.445**	**1.668**		
	1.445	**1.668**		

The derivative contracts are used to hedge the exposure to variability in cash flows attributable to interest rate risk arising from the bond loan of a subsidiary. During the previous year 2011, the hedge accounting was terminated and part of the cumulative losses was transferred to profit or loss. The remaining amount of losses recognized in equity (note 22) will be gradually transferred in profit or loss during the repayment of the related bond loan.

The amount of €138 relating to fair value losses of derivatives is included in other finance costs.

The movement in reserve of €361 relates to losses transferred to profit or loss, as mentioned above.

The derivative financial instruments are recognized as non-current assets / liabilities when the remaining period to maturity exceeds 12 months and as current assets / liabilities when the remaining period to maturity is less than 12 months.

The Group's exposure to credit risk as at 31 December 2012 equals the carrying value of the derivative financial instruments as presented in the balance sheet.

(All amounts in €'000)

27. Provisions

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Current liabilities	5.381	7.673	168	168
Non- current liabilities	973	1.429	-	-
Total	**6.354**	**9.102**	**168**	**168**

Group

	Warranties	Unused compensated absences	Unaudited tax years	Other	Total
Balance 1 January 2011	778	892	1.629	5.430	8.729
Additional provisions	378	890	761	4.524	6.553
Unused amounts reversed	-	-	(1.047)	(1.457)	(2.505)
Provisions used during the year	(336)	(825)	(75)	(2.440)	(3.675)
Balance 31 December 2011	**820**	**957**	**1.268**	**6.056**	**9.102**
Balance 1 January 2012	820	957	1.268	6.056	9.102
Exchange differences	-	-	-	(1)	(1)
Additional provisions of the year	353	490	82	4.149	5.074
Unused amounts reversed	-	-	(574)	(2.458)	(3.033)
Provisions used during the year	(516)	(890)	-	(3.382)	(4.788)
Balance 31 December 2012	**657**	**557**	**776**	**4.364**	**6.354**

The amount €4.364 of other provisions as at 31 December 2012 includes inter alia the amount of €857 for the recognition of losses from loss making contracts and the amount of €2.028 for accrued employee benefits. The corresponding amount as at 31 December 2011 includes the amount of €1.877 for the recognition of losses from loss making contracts and the amount of €2.227 for accrued employee benefits.

Company

	Unused compensated absences	Other	Total
Balance 1 January 2011	68	1.500	1.568
Unused amounts reversed	-	(1.208)	(1.208)
Provisions used during the year	-	(192)	(192)
Balance 31 December 2011	**68**	**100**	**168**
Balance 1 January 2012	68	100	168
Balance 31 December 2012	**68**	**100**	**168**

(All amounts in €'000)

28. Trade and other payables

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Trade payables	96.150	82.740	930	1.246
Prepayments from customers	50.202	43.943	-	-
Deferred income	18.727	19.332	-	-
Amounts due to related parties (Note 39)	61.616	58.180	8.824	6.103
Accrued expenses	16.819	11.448	520	729
Social security and other taxes	7.790	6.105	310	377
Other liabilities	16.649	27.907	1.237	1.014
Total	**267.953**	**249.655**	**11.821**	**9.468**
Non-current liabilities	11.497	12.970	-	-
Current liabilities	256.456	236.684	11.821	9.468
	267.953	**249.655**	**11.821**	**9.468**

Non-current liabilities as at 31 December 2012 include an amount of €11.457 that relates to deferred income (31 December 2011: €12.970).

The credit payment terms provided to the Group are determined on a case-by-case basis and are set out in the contracts signed with each supplier.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Euro (EUR)	229.245	216.876	11.821	9.389
US Dollar (USD)	33.818	24.476	-	22
Romanian Lei (RON)	-	1.607	-	-
Polish Zloty (PLN)	703	3.317	-	-
Bulgarian Leva (BGN)	798	700	-	-
Jordan Dinar (JOD)	-	942	-	-
Other	3.389	1.737	-	57
	267.953	**249.655**	**11.821**	**9.468**

(All amounts in €'000)

29. Expenses by nature

	Note	Group		Company	
		1/1 - 31/12/2012	1/1 - 31/12/2011	1/1 - 31/12/2012	1/1 - 31/12/2011
Employee benefits	30	112.170	122.166	1.907	3.084
Inventory cost recognised in cost of goods sold		74.082	65.744	-	-
Depreciation of PPE	6	46.767	46.080	720	924
Depreciation of investment property	9	637	453	1.127	927
Amortisation of intangible assets	8	27.385	31.637	2	4
Impairment of inventories	17	681	399	-	-
Repairs and maintenance of PPE		12.726	11.561	371	436
Operating lease payments		5.396	6.030	-	-
Subcontractors' fees		81.177	76.029	-	-
Impairment of receivables	16	16.072	11.215	-	-
Telecommunications cost		113.827	111.613	-	-
Transportation and travelling expenses		5.569	5.588	294	326
Third party fees		24.145	29.554	700	613
Advertisement		5.533	7.376	156	510
Other		15.417	27.892	2.547	2.619
Total		**541.584**	**553.335**	**7.824**	**9.444**
Split by function:					
Cost of goods sold		446.559	453.548	1.858	1.932
Selling and research costs		39.083	40.029	-	66
Administrative expenses		55.942	59.758	5.966	7.446
		541.584	**553.335**	**7.824**	**9.444**
Split of depreciation amd amortisation by function:					
Cost of goods sold		59.035	62.413	246	206
Selling and research costs		866	1.336	-	-
Administrative expenses		14.888	14.420	1.604	1.648
		74.789	**78.170**	**1.850**	**1.855**

30. Employee benefits

	Group		Company	
	1/1 - 31/12/2012	1/1 - 31/12/2011	1/1 - 31/12/2012	1/1 - 31/12/2011
Wages and salaries	87.580	95.587	1.653	2.508
Social security costs	20.068	21.231	181	243
Other employers' contributions and expenses	1.605	1.119	32	47
Pension costs - defined contribution plans	429	135	-	-
Pension costs - defined benefit plans (Note 24)	1.157	3.291	41	286
Other post-employment benefits	1.331	802	-	-
Total	**112.170**	**122.166**	**1.907**	**3.084**

(All amounts in €'000)

31. Other operating income

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Dividend income	-	2	-	-
Rental income	1.173	1.644	3.178	3.157
Depreciation of grants received (Note 25)	3.027	6.644	-	-
Other income from grants	135	130	1	-
Insurance compensations	35	36	-	-
Other	4.022	2.835	-	-
Total	**8.392**	**11.291**	**3.178**	**3.157**

32. Other gains/ (losses) – net

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Gains / (losses) from sale of PPE	(266)	25	(1)	-
Gains / (losses) from sale of investment property	-	278	-	-
Fair value gains / (losses) of financial assets at fair value through profit or loss	63	(79)	-	-
Impairment of available-for-sale financial assets	-	(287)	-	-
Losses from write-off of PPE	-	(226)	-	(226)
Write offs / impairment of other receivables	-	(1.058)	-	(1.067)
Negative goodwill from acquisition of businesses	-	185	-	-
Net foreign exchange gains / (losses)	(360)	55	-	-
Income from unused provision of trade receivables	-	1.267	-	-
Other	530	1.058	291	1.181
Total	**(33)**	**1.219**	**290**	**(112)**

(All amounts in €'000)

33. Finance expenses/ (income) – net

	Group		Company	
	1/1 - 31/12/2012	1/1 - 31/12/2011	1/1 - 31/12/2012	1/1 - 31/12/2011
Finance expenses				
Interest and related expense				
- Bank borrowings	11.504	11.953	1.394	1.286
- Bond loans	9.439	10.103	-	-
- Other loans	732	178	732	178
- Finance leases	875	871	667	585
- Letters of credit and related costs	3.099	2.339	-	-
- Net foreign exchange gains / (losses)	193	8	-	-
- Interest rate swaps: cash flow hedge, transfer from equity	138	182	-	-
- Other	5.613	5.815	-	-
	31.593	31.449	2.793	2.048
Finance income				
Interest income	(1.040)	(897)	(23)	(47)
Interest income from loans	(470)	(528)	(470)	(500)
Other	(44)	-	-	-
	(1.554)	(1.426)	(493)	(547)
Finance expenses / (income) - net	**30.039**	**30.023**	**2.300**	**1.502**

34. Income tax

	Group		Company	
	1/1 - 31/12/2012	1/1 - 31/12/2011	1/1 - 31/12/2012	1/1 - 31/12/2011
Current tax	(2.384)	(2.871)	-	(147)
Deferred tax (Note 14)	2.155	3.660	44	135
Total	**(229)**	**789**	**44**	**(13)**

On 11 January 2013 the new corporate tax law was set into force, by voting of the relevant Draft Tax Law, according to which the corporate income tax rate of legal entities for undistributed profits is set at 26% for fiscal year 2013 onwards. The change in tax rate has not been applied in the results of financial year 2012, in which the current tax rate of 20% was applied. Had the new tax rate been applied in the results of 2012, it would have had a positive impact on the Group's results by approximately €2.086 and a negative impact on the Company's results by approximately €288.

Tax returns are filed annually. With respect to the financial years up to and including 2010, the profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. From the financial year 2011 and onwards, the tax returns are subject to the Audit Tax Certificate process. Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

(All amounts in €'000)

Audit Tax Certificate:

From the financial year 2011 and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by paragraph 5 of Article 82 of L.2238/1994, which is issued after the tax audit by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm not later than the 10^{th} day of the 7^{th} month after the end of the financial year. The Ministry of Finance will subsequently select a sample of at least 9% for the performance of a tax audit by the relevant auditors from the Ministry of Finance. The audit by the Ministry of Finance must be completed within a period of eighteen months from the date when the "Tax Compliance Report" was submitted to the Ministry of Finance.

Unaudited tax years

The parent company has not been tax audited for the financial year 2010.

The financial years for which the Company and its subsidiaries have not been audited and, therefore, the tax liabilities for these open years have not been finalized, are presented in note 41. The cumulative provision for unaudited tax years amounts to €776 for the Group.

The Company and the Greek companies in the Group, which have been under the tax audit of the statutory auditors pursuant to the provisions of article 82 paragraph 5 of Law 2238/1994, obtained the 'Tax Compliance Report' for the financial year 2011, out of which no additional tax liabilities arose in excess of the tax expense and the tax provision provided for in the 2011 annual financial statements. According to the relevant legislation, the tax liabilities for financial year 2011 shall be considered finalised after eighteen months from the date when the 'Tax Compliance Report' has been submitted to the Ministry of Finance. The tax audit performed by the statutory auditors for the financial year 2012 is still in progress progress and the tax compliance report is expected to be issued after the publication of the annual financial statements of year 2012. The Group's Management does not expect that significant additional tax liabilities will arise, in excess of these provided for and disclosed in the financial statements.

The tax on the losses before tax of the Group and the Company differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits/losses of the group companies as follows:

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Loss before tax	(49.485)	(60.407)	(18.032)	(19.260)
Tax calculated at tax rates applicable to Greece	9.897	12.081	3.606	3.852
Income not subject to tax	306	1.168	-	-
Expenses not deductible for tax purposes	(11.051)	(11.265)	(3.279)	(3.335)
Differences in tax rates	314	246	-	5
Effect of previous year's tax losses for which deferred tax was recognised	1.038	-	-	-
Tax losses for which no deferred tax asset was recognised	(670)	(560)	(283)	(535)
Prior years' taxes	-	(930)	-	-
Other	(63)	48	-	-
Tax charge / (income)	**(229)**	**789**	**44**	**(13)**

35. Earnings/ (losses) per share

Basic earnings / (losses) per share

Basic earnings per share is calculated by dividing the profit / (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares (note 21).

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Loss attributable to equity holders of the Company	(42.868)	(50.708)	(17.988)	(19.273)
Weighted average number of ordinary shares in issue (thousands)	133.026	133.026	133.026	133.026
Basic earnings / (losses) per share (€ per share)	**(0,32)**	**(0,38)**	**(0,14)**	**(0,14)**

Diluted earnings / (losses) per share

Diluted earnings / (losses) per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, such as stock options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Loss attributable to equity holders of the Company	(42.868)	(50.708)	(17.988)	(19.273)
Weighted average number of ordinary shares in issue (thousands)	133.026	133.026	133.026	133.026
Diluted earnings / (losses) per share (€ per share)	**(0,32)**	**(0,38)**	**(0,14)**	**(0,14)**

From the calculation of the weighted average number of ordinary shares of diluted earnings, no difference has occurred in relation to basic earnings per share.

(All amounts in €'000)

36. Cash generated from operations

		Group		Company	
	Note	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Loss for the year		(49.715)	(59.618)	(17.988)	(19.273)
Adjustments for:					
Tax	34	229	(789)	(44)	13
Depreciation of PPE	6	46.767	46.080	720	924
Amortisation of intangible assets	8	27.385	31.637	2	4
Depreciation of investment property	9	637	453	1.127	927
Impairment of investment property	9	4.703	250	5.333	-
Impairment of intangible assets	8	-	2.205	-	-
Impairment of PPE	6	2.389	-	-	-
Loss / (Profit) on sale of PPE	32	266	(25)	1	-
Loss from write-offs of PPE	32	-	226	-	226
(Loss) / Profit from the sale of investment property	32	-	(278)	-	-
Fair value (gains) / losses of financial assets at fair value through profit or loss	32	(63)	79	-	-
Impairment of available-for-sale financial assets	32	-	287	-	-
Impairment of investments	10, 11	-	4.996	8.200	13.779
Loss on disposal of subsidiary	10	-	20	-	-
Negative goodwill from acquisition of subsidiaries	32	-	(185)	-	-
Interest income	33	(1.554)	(1.426)	(494)	(547)
Interest expense	33	31.593	31.449	2.793	2.048
Dividend income	31	-	(2)	-	-
Depreciation of grants received	31	(3.027)	(6.644)	-	-
Share of profit from associates and joint ventures	11	20.934	1.538	-	-
Exchange loss / (gain)		(2.516)	(2.160)	-	-
		78.028	**48.093**	**(348)**	**(1.898)**
Changes in working capital					
Decrease in inventories		(12.383)	7.348	-	-
(Increase)/ decrease in trade and other receivables		9.183	89.943	(1.269)	2.829
Increase/ (decrease) in trade and other payables		23.898	(46.356)	1.977	2.031
Increase / (decrease) in provisions		(2.748)	373	-	(1.400)
Increase/ (decrease) in retirement benefit obligations		230	1.202	33	(73)
		18.180	**52.509**	**740**	**3.387**
Cash generated from operations		**96.208**	**100.602**	**393**	**1.489**

37. Commitments

Capital commitments

As at the balance sheet date there were capital commitments for property, plant and equipment of €3.600 for the Group (2011: €4.350).

(All amounts in €'000)

Operating lease commitments

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Up to 1 year	5.474	5.875	165	185
From 2 to 5 years	16.753	16.142	303	143
More than 5 years	6.590	9.792	-	-
	28.817	**31.810**	**468**	**328**

38. Contingencies/ outstanding legal cases

The Group and the Company have contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business as follows:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Guarantees for advance payments	31.877	29.081	26.892	25.380
Guarantees for good performance	158.707	145.668	140.519	134.359
Guarantees for participation in contests	31.954	22.214	25.745	20.224
Other	21.229	22.776	11.119	6.003
	243.767	**219.740**	**204.275**	**185.965**

The Company has given guarantees to banks for subsidiaries' loans amounting to €305.341.

In addition, the Company has guaranteed the contractual liabilities of an associate company.

Outstanding legal cases

There is an outstanding legal case against a subsidiary company from the Ministry of Merchant Marine (MMM) concerning violations during the execution of a project completed and delivered to the MMM in a prior period. The penalties and rebates that were initially claimed have been reduced to €9 mil., following relevant appeals of the Company and ministerial decisions. Subsequently, according to a decision by the administrative court of appeal of Piraeus, the above mentioned penalties and rebates were cancelled. According to the Company's legal advisers the appeal exercised by the Greek State against the previous decision by the administrative court of appeal of Piraeus will not succeed and hence there will be no surcharge on the Company.

On 4 March 2008 specific major shareholders of Teledome S.A. took legal action against Intracom Holdings, Hellas Online and members of the Management, requesting among others, to abolish the earlier decision of key management personnel (Board of Directors and General Meeting) of the Group for the annulment of the merger of Hellas online, Unibrain and Teledome. Through this lawsuit, an amount of approximately €141 mil. is claimed from the parent company and the subsidiary, for the loss and the moral damage that the plaintiffs allege to have suffer. The Group's management and its lawyers assess that the possibility of any material liabilities arising for the Group in relation to this case is very low.

The dispute between Hellas Online Group and OTE SA regarding certain charges of the latter was settled following the resolution of EETT (Hellenic Telecommunications and Post Commission) of 19/11/2012 with the issuance of the relevant credit invoice by OTE.

(All amounts in €'000)

It is not anticipated that any material liabilities will arise from the contingent liabilities.

39. Related party transactions

The following transactions are carried out with related parties:

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Sales of goods / services:				
To subsidiaries	-	-	1.865	1.949
To associates	1.622	1.607	80	121
To other related parties	1.595	1.294	-	4
	3.217	**2.901**	**1.945**	**2.073**
Purchases of goods / services:				
From subsidiaries	-	-	308	517
From associates	9.600	8.744	-	-
From other related parties	199	476	27	242
	9.799	**9.220**	**335**	**758**
Rental income:				
From subsidiaries	-	-	2.413	2.197
From associates	105	321	-	2
From other related parties	278	270	133	132
	383	**591**	**2.546**	**2.331**

	Group		Company	
	1/1 - 31/12/2012	**1/1 - 31/12/2011**	**1/1 - 31/12/2012**	**1/1 - 31/12/2011**
Purchases of fixed assets:				
From subsidiaries	-	-	2	45
From associates	5.715	7.499	-	-
	5.715	**7.499**	**2**	**45**
Disposals of fixed assets:				
To associates	3	1	-	-
	3	**1**	**-**	**-**

Services from and to related parties, as well as sales and purchases of goods, take place on the basis of the price lists in force with non-related parties. Other related parties are mainly associates and companies in which the major shareholder of the Company holds an interest share.

(All amounts in €'000)

Year-end balances arising from transactions with related parties are as follows:

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Receivables from related parties				
From subsidiaries	-	-	3.875	3.608
From associates	11.736	10.775	2.816	2.670
From other related parties	4.460	3.823	1.285	1.154
	16.196	**14.598**	**7.976**	**7.432**
Payables to related parties				
To subsidiaries	-	-	1.185	1.189
To associates	60.763	57.263	7.604	4.757
To other related parties	853	917	35	157
	61.616	**58.180**	**8.824**	**6.103**

Key Management compensations

During 2012, a total of €1.044 and €2.469 was paid by the Company and the Group respectively as Directors' remunerations, key Management and other related party compensations (2011: €1.317 and €1.678 respectively). As at 31 December 2012 and 2011 there were not any receivables or payables from / to Directors with regards to the Company. The Group has outstanding receivables from Directors amounting to €22 (2011: €233).

40. Post balance sheet events

No significant events occurred after the balance sheet date.

(All amounts in €'000)

41. Subsidiaries

The companies and joint ventures included in the consolidated financial statements and the related direct percentage interests held are as follows.

31 December 2012

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	2010
* HELLAS ON LINE	Greece	53,28% (note 1)	Full	2010
* Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Intracom Group USA Inc	USA	100,00%	Full	From establishment - 2011
- Duckelco Holdings Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Ingrelenco Trading Co. Ltd	Cyprus	100,00%	Full	From establishment - 2011
* Intrasoft International S.A.	Luxemburg	99,99%	Full	2008-2011
- Intrasoft SA	Greece	99,00%	Full	2008-2011
- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2011
- Intrasoft International Bulgaria**	Bulgaria	100,00%	Full	-
- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2011
- Data Bank SA	Greece	90,00%	Full	2010
- Intracom IT Services Middle East & Africa	Jordan	80,00%	Full	2010-2011
- Intrasoft International Scandinavia (former IT Services Denmark AS)	Denmark	100,00%	Full	2008 - 2011
- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2011
- Intrasoft Information Technology UK Ltd**	Great Britain	100,00%	Full	From establishment - 2011
- Intrasoft International USA Inc**	USA	100,00%	Full	-

Note 1: The total shareholding in Hellas online is 57,24% through the participation of subsidiary companies of the Group.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intrakat SA	Greece	61,76%	Full	-
- Inmaint SA	Greece	62,00%	Full	2010-2011
- Intracom Construct SA	Romania	96,54%	Full	2009-2011
- Oikos Properties SRL.	Romania	100,00%	Full	2007-2011
- Rominplot SRL	Romania	99,99% (see note 2)	Full	2010-2011
- Eurokat SA	Greece	54,89%	Full	2010-2011
- J/V AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	Greece	18,29%	Proportional	2010-2011
- J/V Eurokat ATE - Proteas (Sewage network of Paiania municipality)	Greece	27,45%	Proportional	2011
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2011
- SC Plurin Telecommunications SRL	Romania	99,00% (see note 3)	Full	2008-2011
- Alpha Mogilany Development SP Z.O.O	Poland	25,00%	Equity	2008-2011
- Ambtila Enterprises Limited	Cyprus	100,00%	Full	2007-2011
- A. Katselis Energiaki SA	Greece	50,00%	Proportional	2009-2011
- Intradevelopment SA	Greece	100,00%	Full	2010-2011
- Fracasso Hellas AE Design & construction of road safety systems	Greece	55,00%	Full	2010-2011
- Prisma - Domi ATE	Greece	50,00%	Full	2010
- Mobile Composting S.A.	Greece	12,00%	Equity	-
- J/V Athinaiki Techniki S.A.- "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Department East Macedonia & Thraki)	Greece	40,00%	Proportional	2010-2011
- J/V VIOTER S.A. - Prisma Domi ATE constructor (Sewages process facilities & subpipe of Ag.Theodorous municipality)	Greece	10,00%	Proportional	2010-2011
- J/V/ NOEL S.A. - Prisma Domi ATE - (Wind park in "Driopi")	Greece	17,50%	Proportional	2010-2011
- J/V Prisma - Domi ATE - Mesogeios ES SA - (operation & mainten. of biolog.wastewater treatment In Oinofita-Schimatari)	Greece	25,00%	Proportional	2010-2011
- Intrapower SA Company of Energy Works	Greece	75,00%	Full	2010-2011
- Intra - Phos S.A. Alternative energy	Greece	42,00%	Full	2011
- ICC ATE	Greece	50,00%	Equity	2010-2011
- IV Development Facility Management Company Limited **	Cyprus	33,00%	Equity	-
J/V Mohlos - Intrakat (Tennis)	Greece	50,00%	Equity	2010-2011
J/V Mohlos - Intrakat (Swimm.)	Greece	50,00%	Equity	2010-2011
J/V Panthessalikon Stadium	Greece	15,00%	Equity	2007-2011
J/V Elter - Intrakat (EPA Gas)	Greece	45,00%	Equity	2010-2011
J/V Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2011
J/V "Ath.Techniki-Prisma Domi" - Intrakat	Greece	57,50%	Equity	2005-2011
J/V Intrakat - Ergaz - ALGAS	Greece	33,33%	Equity	2007-2011
J/V Intrakat - Elter (Maintenance N.Section)	Greece	50,00%	Proportional	2006-2011
J/V Intrakat - ATTIKAT (Egnatia Odos)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Xiria)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Road diversion- Arta)	Greece	30,00%	Proportional	2010-2011
J/V Intrakat - Elter (Natural gas installation project- Schools)	Greece	30,00%	Proportional	2010-2011
J/V Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2011
J/V Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2011

Note 2: The total shareholding in Rominplot SRL is 100% through the participation of another subsidiary.

Note 3: The total shareholding in SC Plurin Telecommunications SRL is 100% through the participation of another subsidiary.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
J/Vintrakat - Elter (Gas Distrib. Network Expansion Xanthi, Serres, Komotini)	Greece	50,00%	Proportional	2007-2011
J/V AKTOR ATE - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2008-2011
J/V Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2011
J/V Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2011
J/V Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica South Region	Greece	49,00%	Proportional	2010-2011
J/V Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Elter (Completion of Ionio Building, General Clinic)	Greece	77,19%	Proportional	2010-2011
J/V Intrakat - ETVO - Construction of Central Library Building of School of Fine Arts	Greece	70,00%	Proportional	2008-2011
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2010-2011
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	Greece	33,30%	Proportional	2007-2011
J/V Intrakat - Elter (Dam construction in Filiatrino)	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - K.Panagiotidis & Co (line transfer construction 1)	Greece	60,00%	Proportional	2010-2011
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2010-2011
J/V Elter ATE - Intrakat - Nea Messimvria project	Greece	50,00%	Proportional	2010-2011
J/V Intrakat - Filippos SA - Anthipolis project	Greece	50,00%	Proportional	2011
J/V Ekter SA - Erteka SA - Themeli SA - Intrakat (Filothei & Kiffisias Aven. Network construction)	Greece	24,00%	Proportional	2011
J/V Intrakat - Mavridis (construction of hypermarket Carefour Chalkidiki)	Greece	99,00%	Proportional	2011
J/V Intrakat - G.D.K. Texniki E.P.E. "Construction of Filiatrinou Dam"	Greece	70,00%	Proportional	2011
J/V J&P AVAX - AEGEK - Intrakat (Construction of railway Kiato - Rododafni)**	Greece	33,33%	Proportional	-
J/V AKTOR ATE - Porto Karras AE - Intrakat (Eschatias Dam)**	Greece	25,00%	Proportional	-
J/V Intrakat - Proteas (Xiria Corinth)**	Greece	50,00%	Proportional	-

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intracom Telecom Solutions SA	Greece	49,00%	Equity	2009-2010
- Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2011
- Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 2008 & 2011
- Intracom Doo Skopje	FYROM	100,00%	Full	2011
- Intralban Sha	Albania	95,00%	Full	2011
- Intrarom S.A.	Romania	66,70%	Full	2008-2011
- Sitronics Intracom India PL	India	100,00%	Full	2011
- Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	2008-2011
- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
- Connklin Corporation	USA	100,00%	Full	2001-2011
- Intracom Telecom solutions S.R.L.	Moldava	100,00%	Full	Not applicable
- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2009 & 2011
- E-Teleserv doo Belgrade	Serbia	100,00%	Full	From establishment - 2011
- Intracom doo Armenia	Armenia	100,00%	Full	2010-2011
- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	2008-2011
- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	2008-2011
- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	95,00%	Full	Not applicable

(*) Direct shareholding

(**) These companies have been included in the Group for the first time in the current year but were not included in the corresponding year of 2011.

Except for the above, there are no further changes in the consolidation method for the companies included in the Group financial statements.

(All amounts in €'000)

31 December 2011

	Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
*	Intracom S.A Defence Electronic Systems	Greece	100,00%	Full	$2.010
*	HELLAS ON LINE	Greece	53,28% (note 1)	Full	2010
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Intracom Group USA	USA	100,00%	Full	From establishment - 2010
	- Duckelco Holdings Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Ingrelenco Trading Co. Ltd	Cyprus	100,00%	Full	From establishment - 2010
*	Intracom IT Services	Greece	100,00%	Full	2005- 2010
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2010
	- Data Bank SA	Greece	90,00%	Full	2010
	- Intracom IT Services Middle East & Africa	Jordan	80,00%	Full	2010
	- Intracom IT Services Denmark AS	Denmark	100,00%	Full	2008 - 2010
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2010
	- Intrasoft International SA	Luxemburg	99,99%	Full	2008-2010
	- Intrasoft SA	Greece	99,00%	Full	2008-2010
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2010

Note 1: The total shareholding in Hellas online is 57,24% through the participation of subsidiary companies of the Group.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intrakat SA	Greece	61,76%	Full	-
- Inmaint SA	Greece	62,00%	Full	2010
- Intracom Construct SA	Romania	96,54%	Full	2009-2010
-Oikos Properties SRL.	Romania	100,00%	Full	2007-2010
-Rominplot SRL	Romania	99,99% (note 2)	Full	2010
- Eurokat SA	Greece	54,38%	Full	2010
-J./V. AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration K.E.L.)	Greece	18,00%	Proportional	2010
-J/V EUROKAT-PROTEUS ATEE (sewer system of PAIANIA)**	Greece	27,19%	Proportional	-
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2010
-SC Plurin Telecommunications SRL	Romania	99,00% (note 3)	Full	2008-2010
-Alpha Mogilany Development SP Z.O.O	Poland	25,00%	Equity	2008-2010
-Ambtila Enterprises Limited	Cyprus	100,00%	Full	2007-2010
-A. Katselis Energiaki SA	Greece	50,00%	Proportional	2009-2010
- Intradevelopment SA	Greece	100,00%	Full	2010
- Fracasso Hellas AE Design & construction of road safety systems	Greece	55,00%	Full	2010
-Prisma - Domi ATE	Greece	50,00%	Full	2010
'-Mobile Composting SA	Greece	12,00%	Equity	-
-J/V Athinaiki Techniki s.a.- "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Department East Macedonia & Thraki)	Greece	40,00%	Proportional	2010
-J/V VIOTER s.a. - Prisma Domi ATE constructor (Sewages process facilities & subpipe of Ag.Theodorous municipality)	Greece	10,00%	Proportional	2010
-J/V/ NOEL s.a. - Prisma Domi ATE - (Wind park in "Driopi")	Greece	17,50%	Proportional	2010
-J/V Prisma - Domi ATE - Mesogeios ES SA - (operation & mainten. of biolog.wastewater treatment In Oinofita-Schimatari)**	Greece	25,00%	Proportional	2010
-Intrapower SA Company of Energy Works	Greece	75,00%	Full	2010
-Intra - Phos S.A. Alternative energy	Greece	42,00%	Full	-
-ICC ATE	Greece	50,00%	Equity	2010
J./V. Mohlos - Intrakat (Tennis)	Greece	50,00%	Equity	2010
J./V. Mohlos - Intrakat (Swimm.)	Greece	50,00%	Equity	2010
J./V. Panthessalikon Stadium	Greece	15,00%	Equity	2008-2010
J./V. Elter-Intrakat (EPA Gas)	Greece	45,00%	Equity	2010
J./V. Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2010
J./V. Elter-Intrakat-Energy	Greece	40,00%	Equity	2005-2010
J./V. "Ath.Techniki-Prisma Domi"-Intrakat	Greece	57,50%	Equity	2005-2010
J./V. Intrakat-Ergaz-ALGAS	Greece	33,33%	Equity	2007-2010
J./V. Intrakat - Elter (Maintenance N.Section)	Greece	50,00%	Proportional	2006-2010
J./V. Intrakat - ATTIKAT (Egnatia Odos)	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Xiria)	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Road diversion- Arta)	Greece	30,00%	Proportional	2010
J./V. Intrakat - Elter (Natural gas installation project- Schools)	Greece	30,00%	Proportional	2010
J./V. Intrakat - Elter (Natural Gas Installation Project Attica Northeast & South)	Greece	49,00%	Proportional	2010
J./V. Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2010
J./V. Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2007-2010
J./V. Intrakat - Elter (Natural Gas installation project - Schools EPA 3)	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Natural Gas pipelines 2007 Northeastern Attica Region-EPA 4)	Greece	50,00%	Proportional	2010

Note 2: The total shareholding in Rominplot SRL is 100% through the participation of another subsidiary.

Note 3: The total shareholding in SC Plurin Telecommunications SRL is 100% through the participation of another subsidiary.

(All amounts in €'000)

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
J./V.Intrakat- Elter(Gas Distrib.Network Expansion)	Greece	50,00%	Proportional	2007-2010
J./V. AKTOR ATE - Pantechniki SA - Intrakat (J./V. Moreas)	Greece	13,33%	Proportional	2008-2010
J./V. Intrakat - Elter (EPA 5) - Natural Gas Installation Central Region	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (EPA 6) - Natural Gas Installation South Region	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2010
J./V. Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2010
J./V. Intrakat Elter (EPA 7) - Natural Gas Distribut.Network Attica South Region	Greece	49,00%	Proportional	2010
J./V. Intrakat Elter -Natural Gas Suppl.Network Lamia-Thiva-Chalkida	Greece	50,00%	Proportional	2010
J./V. Intrakat - Elter (Completion of Ionio Building, General Clinic)	Greece	77,19%	Proportional	2010
J./V. Eurokat-ETVO- Construction of Central Library Building of School of Fine Arts	Greece	70,00%	Proportional	2008-2010
J/V Anastilotiki - Getem - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2010
J/V Anastilotiki - Getem - Intrakat (Piros-Parapiros Dams)	Greece	33,30%	Proportional	2007-2010
J/V Intrakat - Elter - (dam construction in Filiatra)	Greece	50,00%	Proportional	2010
J/V Intrakat - K.Panagiotidis & Co (line transfer construction 1)	Greece	60,00%	Proportional	2010
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2010
J/V Elter ATE - Intrakat - Nea Messimvria project	Greece	50,00%	Proportional	2010
J/V Intrakat - Filippos SA - Anthipolis project	Greece	50,00%	Proportional	-
J/V Ekter SA - Erteka SA - Themeli SA - Intrakat (Filothei & Kifissias Aven. Network construction)	Greece	24,00%	Proportional	-
J/V Intrakat-Mavridis (Carrefour hypermarket Chalkidiki)**	Greece	99,00%	Proportional	-
J/V Intrakat-G.D.L. Texniki EPE 'J/V Damp Filiatra'**	Greece	70,00%	Proportional	-

Name	Country of incorporation	Direct % interest held	Consolidation Method	Unaudited Tax Years
* Intracom Telecom Solutions SA	Greece	49,00%	Equity	2009-2010
-Intracom Bulgaria S.A.	Bulgaria	100,00%	Full	1998-2010
-Intracom Svyaz Ltd.	Russia	100,00%	Full	From establishment - 2010
-Intracom Doo Skopje	FYROM	100,00%	Full	2010
-Intralban Sha	Albania	95,00%	Full	2005-2010
-Intrarom S.A.	Romania	66,70%	Full	2008-2010
-Sitronics Intracom India PL	India	100,00%	Full	2010
-Intracom Telecom Holdings International Ltd	Cyprus	100,00%	Full	2008-2010
- Intracom Middle East L.L.C.	United Arab Emirates	100,00%	Full	Not applicable
- Connklin Corporation	USA	100,00%	Full	2001-2010
- Intracom Telecom solutions S.R.L.	Moldova	100,00%	Full	Not applicable
- Intracom doo Belgrade	Serbia	100,00%	Full	From establishment - 2010
- E-Teleserv doo Belgrade	Serbia	100,00%	Full	From establishment - 2010
- Intracom doo Armenia	Armenia	100,00%	Full	2010
- Intracom Telecom Technologies Ltd.	Cyprus	100,00%	Full	2008-2010
- Intracom Telecom Operations Ltd.	Cyprus	100,00%	Full	2008-2010
- Intracom Telecom Solutions Saudi Arabia	Saudi Arabia	95,00%	Full	Not applicable

(*) Direct shareholding

E) Information according to Article 10 of Law 3401/2005

NOTIFICATIONS TO THE ATHENS STOCK EXCHANGE FOR THE YEAR 2012

Date	Issue
26/1/2012	Announcement
28/2/2012	Press Release - New Market Leading Backhaul Solution by Intracom Telecom
29/2/2012	Press Release - Intrasoft International at CeBIT 2012 Come & Meet us @ Hall 26 Stand J13
8/3/2012	Press Release - Another European success for Intrasoft International New 1.8 million EUR contract in Portugal
12/3/2012	Press Release - Contract for Intracom Defense Electronics for new Patriot Systems
21/3/2012	Press Release - Intrasoft's International Compliance Solution expands to provide support to Social Security Organizations
28/3/2012	Intracom Holdings - Financial Calendar for the year 2012
30/3/2012	Reply to no Ref. letter 608/29.03.2012 of HSMC
30/3/2012	Press Release - Financial Results 2011
30/3/2012	Financial Results 2011
23/4/2012	Press Release - EU Initiative to Revolutionize Education Intrasoft International launches new EU-funded e-learning project
2/5/2012	Press Release - Award by NATO of new support contract for PATRIOT Systems to Intracom Defense Electronics
9/5/2012	Press Release - Intrasoft International consortium wins 55 million EUR contract in London
11/5/2012	Intracom Holdings - Amendment to the Financial Calendar for the year 2012
30/5/2012	Press Release - Q1 2012 Financial Results
31/5/2012	Q1 2012 Financial Results
31/5/2012	Press Release - Intrasoft International successfully completes one more project for GENIKI Bank
1/6/2012	Annual Reporting to analysts regarding the Company's financial results , of the fiscal year 2011
1/6/2012	Invitation to the 28.06.2012 A.G.M.
6/6/2012	Intracom Press Release Defense Electronics - awarded Supplier Excellence Award by Raytheon
8/6/2012	Announcemet - Draft for the ammendment of the Company's Articles of Association
25/6/2012	Press Release - Cooperation Expansion in Export Contract for Intracom Defense Electronics
28/6/2012	Announcement
28/6/2012	Intracom Holdings - Resolutions of the 28.06.2012 A.G.M.
2/7/2012	Press Release - Another European success for Intrasoft International New 3 million USD contract in Kenya
6/7/2012	Press Release - Intracom Telecom Announcement
9/7/2012	Press Release - Increase in Exports-Sales and New Contracts from Intracom Defense Electronics
9/7/2012	Announcement regarding the A’ Repeat Session of the Annual General Meeting of Intracom Holdings’ shareholders on 28.6.2012
20/7/2012	Intracom Holdings - Resolutions of the B’ Repeat Session of the 28.06.2012 A.G.M., held on 20.07.2012
30/7/2012	Announcement

Date	Issue
29/8/2012	Announcement of cancellation & deletion of 21 shares of Intracom Holdings
30/8/2012	Press Release - H1 2012 Financial Results
30/8/2012	H1 2012 Financial Results
3/9/2012	Announcement on Intracom Holdings share capital as per Law 3556/2007
10/9/2012	Press Release - Significant Export Success and Recognition of Intracom Defense Electronics in Germany
13/9/2012	Unclaimed dividends of the financial year 2006 will lapse
25/9/2012	Press Release - A new 1.2 million EUR contract in Tajikistan highlights once more Intrasoft's International leading position in Customs
1/10/2012	Announcement
2/10/2012	Press Release - Intracom Telecom Receives Genesys Partner Award for South East Europe
4/10/2012	Press Release - Intrasoft International - the only company in Greece - successfully appraised for CMMI level 3
10/10/2012	Press Release - Radar for Fighter Aircraft: Intracom Defense Electronics signs new contract for the International Market
30/10/2012	Press Release - I RIS-T Missile: New Contract for Intracom Defense Electronics
31/10/2012	Announcement
14/11/2012	Press Release - Intrasoft International adds FYROM to its long list of customs projects with a new 2.2 million contract
30/11/2012	Press Release - 9M 2012 Financial Results
30/11/2012	9M 2012 Financial Results
10/12/2012	Press Release - Gold Quality Award for the SAP EH&S project that Intrasoft International implemented at AGET Heracles
14/12/2012	Announcement
18/12/2012	Announcement

The above notifications have been posted in the Athens Stock Exchange website www.ase.gr as well as in the Company's website.

The annual financial statements, the independent auditor's reports and the Board of Directors' reports of the companies that are incorporated in the consolidated financial statements of the Company are posted in the Company's website www.intracom.com.

F) Notes and Information

INTRACOM HOLDINGS

INTRACOM HOLDINGS SA
General Registry of Commerce No: 303201000 (Former Ledger No 13906/06/B/86/20)
19 km MARKOPOULOU AVE., GR-19002, PEANIA ATHENS
Concise financial information for the period from 1 January 2012 to 31 December 2012
(reported under the provisions of L.2190 Art.135 for companies which prepare annual financial statements consolidated or stand alone in accordance with IFRS)

The purpose of the financial information set out below is to provide an overview of the financial position and financial results of INTRACOM HOLDINGS SA and INTRACOM HOLDINGS GROUP. Therefore, we advise the reader, before making any investment decision or other transaction with the Company, to visit the Company's website (www.intracom.com) where the interim financial statements prepared in accordance with International Financial Reporting Standards together with the audit review of the independent auditors, whenever this is required, are presented.

Authority in charge:	Ministry of Development, Division of Societe Anonyme Companies and Credit	Board of Directors:	
		Chairman of the Board of Directors, Executive Member:	Socrates P. Kokkalis
Web Address:	www.intracom.com	Vice Chairman and Deputy CEO, Executive Member:	Dimitrios X. Klonis,
Date of approval of the financial statements by the BoD:	28/03/2013	Advisor, Executive Member:	George Ar. Anninos,
		Advisor, Non-Executive Member:	Konstantinos G. Antonopoulos
		Independent Non-Executive Members:	Sotirios N. Filos, Dimitrios K. Hatzigrigoriadis.

Certified Auditor Accountant:	Zoe D. Sofou (Ι.C.Ι./ Association of Certified Auditors 14701)
Auditing firm:	SOL S.A. CERTIFIED AUDITORS ACCOUNTANTS
Type of review Opinion:	With no qualification

CONDENSED BALANCE SHEET
Amounts in € thousands

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS				
Property plant and equipment	306.000	345.038	15.892	22.211
Investment property	53.715	54.773	66.207	66.952
Intangible assets	104.759	113.283	1	3
Other Non-current assets	121.139	139.814	379.071	385.704
Inventories	48.909	36.819	-	-
Trade Receivables	158.788	169.949	3.757	3.639
Other current assets	178.038	171.093	12.371	13.243
TOTAL ASSETS	**971.348**	**1.030.769**	**477.299**	**491.752**
EQUITY AND LIABILITIES				
Share capital	187.567	187.567	187.567	187.567
Other Equity	122.825	165.778	234.496	252.481
Capital and reserves attributable to the Company's equity holders (a)	310.392	353.345	422.063	440.048
Non controlling interest (b)	37.577	43.954	-	-
Total Equity (c) = (a) + (b)	347.969	397.299	422.063	440.048
Long-term bank borrowings	147.944	156.512	18.104	12.918
Provisions/Other long-term liabilities	42.481	46.421	1.256	1.267
Short-term bank borrowings	164.060	174.216	23.887	27.883
Other short-term liabilities	268.894	256.321	11.989	9.636
Total Liabilities (d)	623.379	633.470	55.236	51.704
TOTAL EQUITY AND LIABILITIES (c)+(d)	**971.348**	**1.030.769**	**477.299**	**491.752**

STATEMENT OF CHANGES IN EQUITY
Amounts in € thousands

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Balance at the beginning of period (01.01.2012 and 01.01.2011 respectively)	**397.299**	**452.617**	**440.048**	**459.322**
Total comprehensive income for the period after tax	-49.678	-60.253	-17.985	-19.274
Distributed Dividends	-	-2	-	-
Increase / (decrease) in share capital	348	-	-	-
Effect of changes in interest held in subsidiaries/ joint ventures	-	4.962	-	-
Disposal of subsidiaries	-	-225	-	-
Balance at the end of period(31/12/2012 and 31/12/2011 respectively)	**347.969**	**397.299**	**422.063**	**440.048**

ADDITIONAL DATA AND INFORMATION:

1. On the fixed assets of the Company a motgage of € 2,4 mn. has been written. There are no other pledges on the Company's or Group's assets.
2. Number of employees at the end of current period: Company 24 employees (2011, 26 employees) Group 4.858 employees (2011, 5.076 employees).
3. There are no legal disputes or cases on arbitration or decisions by courts or arbitration bodies that affect or may materially affect the financial position ofthe Company or the Group.
   Other Provisions on 31.12.2012 sum up to € 168 thous.for the Company and € 5.578 thous. for the Group.
   There are no provisions for unaudited fiscal periods for the Company, whereas provisions for unaudited fiscal periods for the Group sum up to € 776 thous.
   There are no material provisions for legal cases or arbitration differences for the Group or the Company.
4. Sales and purchases amounts, cumulatively from the beginning of the fiscal year, and the balances of receivables and payables at the end ofthe current period that have emerged, for the Company and the Group, by related party transactions, under the light of IAS 24 provisions are as follows:

(Amounts in € thousands)	Group	Company
a) Income	3.600	4.491
b) Expenses	15.514	337
c) Receivables	16.196	7.976
d) Payables	61.616	8.824
e)Transactions and remuneration of directors and key management.	2.469	1.044
f) Receivables from directors and key management	22	-
g) Payables to directors and key management	-	-

5. Information about the subsidiaries, associates and the joint ventures ofthe Group as at 31 December 2012 (name, country of incorporation,direct interest held), as well as the consolidation method is presented in Note 41 of the financial statements.
   Furthermore, in Note 41 changes in the consolidation method are mentionned. There are no changes in the consolidation method for the companies included in the group financial statements, or companies that are not included in the consolidation.
6. Unaudited fiscal years by tax authorities for the Company and the Group are stated in Notes 34 and 41 of the financial statements.
7. At the end of period there are no shares of the parent company at the posession either of the Company or of its subsidiaries.
8. During the current period, amount of € 3 thous., referring to valuation of financial assets available for sale,has been recorded directly to Shareholder's Equity for the company.
   Respectively for the Group, the amount of € 37 thous. has been recorded directly to Shareholders' Equity, and includes € 278 thous. fair value losses on financial assets available for sale,losses of € 46 thous.from currency conversion differences, and gains of € 361 thous. referring to fair value cash flow hedge.
9. On 02.01.2012 was completed the trans-border merger through absorption of the by 100% subsidiary INTRACOM IT SERVICES by its 100% subsidiary incorporated in Luxembourg INTRASOFT INTERNATIONAL SA.

STATEMENT OF COMPREHENSIVE INCOME
Amounts in € thousands

	GROUP		COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Sales	541.690	519.292	2.157	2.420
Gross profit (loss)	95.131	64.271	298	488
Profit/(loss) before tax, financing and investing results	1.373	-28.985	-15.732	-17.758
Profit/(loss) before income tax	-49.485	-60.407	-18.032	-19.260
Profit/(Loss) after Tax (A)	-49.715	-59.618	-17.988	-19.273
-Equity holders of the Company	-42.868	-50.708	-17.988	-19.273
-Non-controlling Interest	-6.847	-8.910	-	-
Other comprehensive Income for the period, net of tax (B)	37	-635	3	-1
Total comprehensive Income, net of Tax (A) + (B)	-49.678	-60.253	-17.985	-19.274
-Equity holders of the Company	-42.947	-51.242	-17.985	-19.274
-Non-controlling Interest	-6.731	-9.011	-	-
Earnings After Tax per share - basic (in €)	-0,3223	-0,3812	-0,1352	-0,1449
Profit/(loss) before income tax, financing, investing results and total depreciation	76.162	49.185	-13.882	-15.903

CONDENSED CASH FLOW STATEMENT
Amounts in € thousands

	GROUP		COMPANY	
Indirect Method	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Operating Activities				
Profit/(Loss) before Income Tax (from continuing activities)	-49.485	-60.407	-18.032	-19.260
Plus / Minus Adjustments for:				
Depreciation	74.789	78.170	1.850	1.855
Impairment of tangible, intangible assets and investment property	4.703	2.455	5.333	-
Impairment of Investments in participations and associates	-	4.996	0.200	13.779
Provisions	-2.518	1.574	33	-1.473
Exchange loss / (gain)	-2.516	-2.160	-	-
Results (inflows, outflows, profit and losses) from investing activities	18.943	-6.410	-492	-320
Interest and related expenses	31.593	31.448	2.793	2.048
Plus / Minus Adjustments for Working Capital Changes or related to operating activities:				
Decrease / (increase) in inventories	-12.383	7.348	-	-
Decrease / (increase) in receivables	9.183	89.943	-1.269	2.830
Decrease / (increase) in liabilities (other than banks)	23.898	-46.356	1.977	2.030
Less:				
Interest paid and related expenses paid	-29.724	-29.801	-2.343	-2.048
Income Tax paid	-621	-4.855	-36	-197
Net Cash generated from operating activities (a)	**65.862**	**65.945**	**-1.986**	**-756**
Investing Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	-171	4.082	-	-11.030
Proceeds from Share capital increase of subsidiary	-39.855	-	-	-
Purchase of PPE , investment property and intangible assets	-	-56.628	-119	-47
Proceeds from sale of PPE, intangible, and investment property	500	2.441	-	-
Proceeds from Disposal of subsidiary / Share capital decrease of subsidiary	80	151	-	-
Interest received	1.085	926	23	47
Dividends received	-	2	-	-
Net cash from investing activities (b)	**-38.361**	**-49.026**	**-96**	**-11.030**
Financing activities				
Contribution of non-controlling interests in the share capital of subsidiary	347	-	-	-
Proceeds from borrowings and grants	10.585	34.813	4.000	14.000
Repayments of borrowings	-25.930	-40.687	-2.000	0
Repayments of finance leases	-2.077	-3.166	-809	-739
Dividends paid	-25	-21	-25	-19
Net cash from financing activities (c)	**-17.100**	**-9.061**	**1.166**	**13.242**
for the period (a) + (b) + (c)	**10.401**	**7.858**	**-916**	**1.456**
Cash and cash equivalents at beginning of period	**42.852**	**34.994**	**5.504**	**4.048**
Cash and cash equivalents at end of period	**53.253**	**42.852**	**4.588**	**5.504**

Peani, 28 March 2013

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO	**VICE CHAIRMAN OF THE BOARD OF DIRECTORS AND DEPUTY MANAGING DIRECTOR**	**ACCOUNTING MANAGER**
S.P. KOKKALIS **ID No AI 091040/05.10.2009**	**D.C. KLONIS** **ID No AK 121708/07.10.2011**	**I. K. TSOUMAS** **ID No AZ 505361/10.12.2007** **L.C. 637 First Class**